

FY
2011



U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT



ANNUAL PERFORMANCE REPORT

FEBRUARY 2012

An Overview of the Annual Performance Report

The FY 2011 Annual Performance Report for the U.S. Department of Housing and Urban Development (HUD) provides detailed performance information to the President, the Congress, and the American people. The report allows readers to assess HUD's performance relative to its mission, goals, objectives, and stewardship of public resources. This report consists of four major components:

- Secretary's Message
- Section I- Quick Reference
- Section II- FY 2011 Performance Overview
- Appendices

Secretary's Message

Secretary Shaun Donovan presents the Department's FY 2011 Annual Performance Report and highlights the policy priorities for the Administration.

Section I- Quick Reference

Consult this section to find critical information organized for easy reference. Key information includes the Department's mission, organizations and major program activities, the organizational chart, FY 2010-2015 Strategic Plan overview and framework, as well as our Measures of Success.

Section II- FY 2011 Performance Overview

View this section for detailed information on the Department's key Measures of Success. In each goal you will see background information on the problem being addressed and HUD's desired impact on the problem. The key area will be the Measures of Success section, which will describe what we expected to accomplish, our actual results, and the reasons for the variation by program. It will also include some information on resources in each section.

Appendices

Appendix A contains the data source used for each measure, discusses the reliability and the completeness of the data, and identifies steps being undertaken to ensure data validity and resolve identified data problems. Appendix B describes the Department's program evaluations and research that informs HUD's strategic goals. Appendix C includes a Resource Table that provides program representation of budget authority, outlays, Full Time Equivalents (FTEs), as well as Salaries and Expenses (S&E) under each strategic goal. Appendix D includes a glossary of acronyms.

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Message from the Secretary

February 2012

I am honored to present the Fiscal Year (FY) 2011 Annual Performance Report and provide for the public, Congress, and our other partners a transparent report on the Department's accomplishments over the 2-year period (FYs 2010-2011). The Department believes this report will provide a window to the important contributions HUD has accomplished to assist families and communities across the Nation and re-strengthen housing markets and local economies, as well as the national economy.

The following results reflect five key areas that HUD selected to highlight under our FY 2010-2015 Strategic plan and our new mission to "Create Strong, Sustainable, Inclusive Communities and Quality Affordable Housing For All."

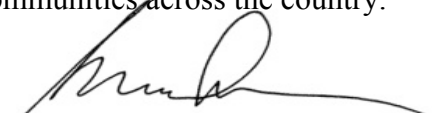
- Jointly with the Department of the Treasury, assist 3.1 million homeowners at risk of foreclosure. This goal recognizes the compelling need to address the foreclosure crisis and have the Department make a signature contribution to the recovery of the overall national economy. As part of this background, the Federal Housing Administration has temporarily become a key to sustaining the entire mortgage market.
 - Over the 2-year FY 2010-2011 period, HUD assisted 902,431 homeowners to avoid foreclosure. This includes 406,234 homeowners through loss mitigation activities (35 percent more than the target) and 496,197 families through early delinquency intervention (24 percent more than the goal). Under the Treasury's Making Home Affordable program, 1.7 million homeowners were assisted since March 2009 and together our two agencies are striving toward the target of 2.4 million homeowners for this program by the end of Calendar Year 2012.
- Provide 207,000 new families with rental housing to address the insufficient supply of affordable rental housing, particularly among low-income households. The Department through its new Strategic Plan placed an increased emphasis on providing affordable housing to those in need. This emphasis recognized the huge unmet need across the Nation and the importance of preserving and expanding the more than 5.3 million families that HUD was assisting.
 - Despite an uncertain and difficult budget environment, HUD assisted an additional 161,682 families over the 2-year period, achieving approximately 78 percent of its goal. Although short of the overall target, the Department is pleased to be making great strides in serving more families through our rental assistance programs.
- Jointly with the Department of Veterans Affairs, provide permanent housing to 36,500 homeless veterans (through June 30, 2012), by helping them move into permanent housing to address the issue of homelessness confronting this Nation's servicemen and women. The Department is a significant component of the Administration's singular

“Opening Doors: Federal Strategic Plan to Prevent and End Homelessness,” with a goal of ending Veterans Homelessness within 5 years. More broadly, this effort expands to deal with both chronic and family homelessness. The Department has highlighted ending Veterans homelessness, recognizing the unmet needs of those who have proudly served our Nation and the debt that we owe these men and women. Crucial to this effort has been continued congressional funding for the HUD-Department of Veterans Affairs Supportive Housing (HUD-VASH) and Continuum of Care programs.

- Over the 2-year period, the Department served an additional 29,814 veterans, exceeding the 2-year target of 19,750 by 51 percent.
- Jointly with the Department of Energy, enable the cost-effective energy retrofits of a total of 1.2 million units (FY 2010-2013), with HUD completing an estimated 126,000 cost-effective energy retrofits of HUD-assisted and public housing units, and, apart from the joint goal, HUD completing approximately 33,000 green and healthy retrofits of HUD inventory units (FY 2010-2011). As part of HUD’s broad-based commitment to sustainable, inclusive communities, this goal reflects the need for the Nation to reduce our energy consumption and costs, thereby strengthening our economy and our environment. HUD is committed to catalyzing an energy-efficient, residential retrofit and new construction market that serves as a model for both the remaining HUD inventory and the Nation’s housing stock.
 - Over the 2-year period, HUD completed 201,444 retrofits (27 percent more than the target of approximately 159,000). Together, HUD and DOE completed 944,500 energy retrofits, exceeding the 2-year revised target by 17 percent.
- The final area of focus is under Strategic Goal 5: “Transform the Way HUD Does Business.” The Department is committed to an investment in transformation that will be implemented persistently over time to produce better results, which focuses on place-based decision-making, training opportunities, and a customer-oriented environment.
 - In FY 2011, HUD achieved its target by implementing 14 delegations of decision-making authority to the field offices, completing 23 delegations over the 2-year period. In addition, according to the Employee Viewpoint Survey (EVS) conducted in 2011, HUD received a 52 percent positive response from employees regarding training, exceeding the target of 49 percent.

I can also provide reasonable assurance that the performance data in this report is reliable and complete.

HUD looks forward to reporting further progress to the Nation and our partners as we strive to effectively achieve our mission and provide for the well-being of individuals, families, and communities across the country.


Shaun Donovan
Secretary

Quick Reference

Mission, Organizations and Major Program Activities

Our Mission

*Create strong, sustainable, inclusive communities
and quality, affordable homes for all.*

HUD's mission stems from the goal in the Housing Act of 1949 of creating a "decent home and suitable living environment for every American family." Based on this purpose we continue to develop and preserve quality, healthy, and affordable homes and vital communities.

HUD's mission focuses on shaping America's housing and communities to result in a better quality of life and greater fulfillment of the nation's promise for all people. It upholds and supports responsible decisions about owning or renting that are financially appropriate for the individual or family. HUD, with its employees and partners, is committed to serving families and communities. For its residents, HUD provides access to the opportunities that result from living in homes and neighborhoods that are safe, healthy, affordable, and inclusive. HUD is committed to strengthening partnerships among federal, state, and local entities across the public, nonprofit, and private sectors to meet the housing and community development needs of this country.

HUD's mission has never been more important than it is now, as the United States emerges from an economic crisis linked to the collapse of our nation's housing market. HUD's work is key to America's recovery, but its success in delivering to the nation's residents and partners is dependent on its employees. The Department's focus for employees will be to invoke a work environment that is mission driven, results oriented, innovative, and collaborative. HUD's achievement will be measured by its ability to establish sustainable communities that create enduring value for the American people, delivering robust results that extend beyond direct program beneficiaries to society at large.

HUD accomplishes its mission through component organizations and offices that administer place-based programs (outlined on the following pages), which are carried out through a network of regional offices and smaller field offices, as well as through grantees, contractors, and other business partners. A detailed map of HUD's regional and field offices is located at <http://portal.hud.gov/portal/page/portal/HUD/localoffices>.

Organizations and Major Program Activities

HUD's major organizations include:

- The [Office of Housing](#) provides vital public services through its nationally administered programs. It consists of the Federal Housing Administration (FHA), the largest mortgage insurer in the world, as well as regulates housing industry business. Within the Office of Housing are multiple business areas:
 - [Single Family Housing](#) —HUD's Single Family programs include mortgage insurance on loans to purchase new or existing homes, condominiums, manufactured housing, houses needing rehabilitation, reverse equity mortgages to elderly homeowners, loss mitigation and property disposition programs.
 - [Housing Counseling Program](#) —HUD's housing counseling program provided support and training to 2,668 counseling agencies, of which 2,190 were authorized to provide mortgage delinquency and default resolution counseling.
 - [Multifamily Housing](#) —HUD's Multifamily programs provide mortgage insurance to HUD-approved lenders to facilitate the construction, substantial rehabilitation, purchase, and refinancing of multifamily housing projects and healthcare facilities. Multifamily's Project-Based Rental Assistance (PBRA) program assists low- and very low-income households in obtaining decent, safe, and sanitary housing in privately owned rental housing, as well as Section 202 - Housing for the Elderly and Section 811 - Housing for Persons with Disabilities.
 - [Healthcare Programs](#) —HUD's healthcare programs consist of Section 242, which provides mortgage insurance for hospitals, and Section 232, which provides mortgage insurance for long-term care facilities.
- The [Government National Mortgage Association](#) (Ginnie Mae) channels global capital into the U.S. housing market, providing liquidity and stability in support of affordable homeownership and rental housing at no cost to the U.S. Government. Its mission is to expand affordable housing in America by linking global capital markets to the nation's housing markets. Specifically, the Ginnie Mae guaranty allows mortgage lenders to obtain attractive and abundant funding for their mortgage loans in the secondary market. The lenders can then use the proceeds from their MBS issuance to make new mortgage loans available, so as to make affordable housing a reality for millions of low- and moderate-income households across America.
- The [Office of Public and Indian Housing](#) (PIH) is responsible for administering and managing a range of programs for low-income families. The mission of PIH is to ensure safe, decent, and affordable housing often targeted for very low-income and low-income families; create opportunities for residents' self-sufficiency and economic independence; reduce improper payments; and support mixed income developments to replace distressed public housing. There are 4,150 PHAs that provide affordable housing opportunities for 3.3 million low-income families. In order to facilitate this mission, PIH has 10 major

offices within Headquarters, 46 field offices, more than 1,500 staff, and six Native American area offices. Collectively, PIH funding represents approximately 57 percent of HUD's budget. Within PIH are two major business areas:

- PIH provides assistance to 2.2 million households through the Housing Choice Voucher program and 1.1 million households through the Public Housing program.
- [Native American Programs](#) provide a coordinated and comprehensive response to Indian Country's housing and community development needs through work with tribal, state, and local governments, federal agencies, community organizations, and the private sector. More than 550 American Indian tribal governments and Alaska Native Villages receive an annual Indian Housing Block Grant to provide safe, decent, and affordable housing to low-income residents of Indian areas. The Native Hawaiian Housing Block Grant assists low-income native Hawaiians who are eligible to reside on the Hawaiian home lands. The loan guarantee programs for American Indians, Alaska Natives, native Hawaiians, and tribal governments ensure market-rate financing for housing is available in traditional native areas. The Office of Native American Programs (ONAP) also administers the competitive Indian Community Development Block Grant program.
- The [Office of Community Planning and Development](#) (CPD) provides funding to a broad array of state and local governments, non-profit and for-profit organizations to administer a wide range of housing, economic development, homeless assistance, infrastructure, disaster recovery and other community development activities in urban and rural areas across the country. In partnership, CPD and its local funding recipients develop viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income persons.
- The [Office of Fair Housing and Equal Opportunity](#) (FHEO) administers and enforces the Fair Housing Act and other federal laws and establishes policies that ensure all Americans have equal access to the housing of their choice. FHEO and its partners in the Fair Housing Assistance Program (FHAP) investigated 9,570 filed cases in FY 2011 and HUD charged 56 of these, the highest number in any year since 2002. FHEO's partners in the Fair Housing Initiatives Program (FHIP) are significant and cost-effective partners in both education and enforcement. Fully, 55.7 percent of their case referrals to FHEO resulted in positive outcomes (conciliated, resolved, or charged) that advanced fair housing principles.
- The [Office of Healthy Homes and Lead Hazard Control](#) (OHHLHC) seeks to eliminate lead-based paint hazards, particularly in America's privately-owned and low-income housing and to lead the Nation in addressing other housing-related health hazards that threaten vulnerable residents. In FY 2011, as a result of grants executed in prior years, the OHHLHC's lead hazard control and healthy homes grant programs anticipate eliminating lead-based paint and other housing-related environmental health hazards in

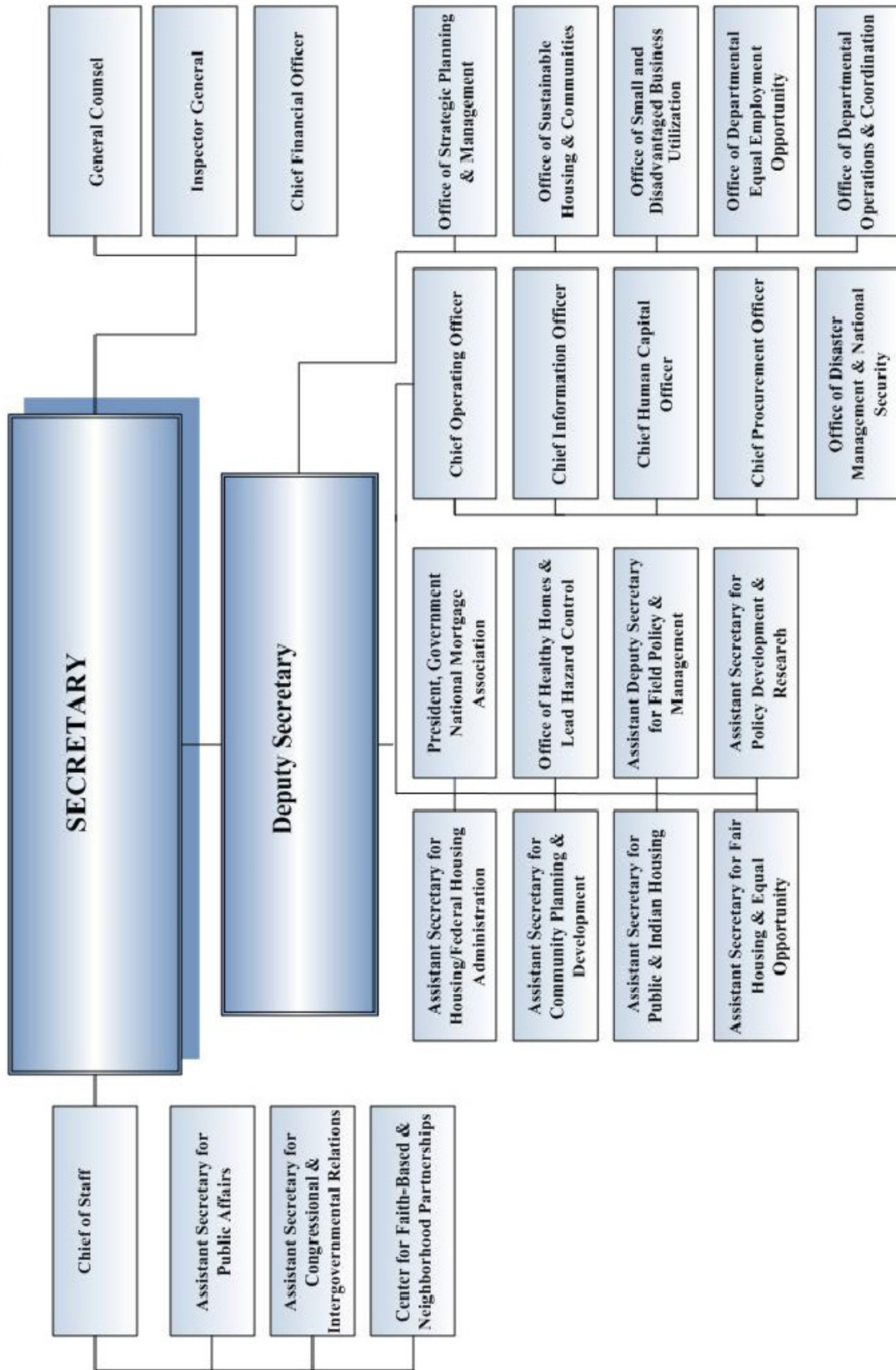
nearly 15,000 low-income housing units. In addition, the OHHLHC awarded 58 new grants in FY 2011 funds totaling over \$114.3 million to help communities address these hazards.

- The [Office of Sustainable Housing and Communities](#) helps HUD manage its relationships with other Cabinet agencies to provide communities with the support they need to ensure housing, transportation, energy, and green building investments are working together to build strong neighborhoods. In addition to managing relationships externally, the Office is also charged with the much needed integration of these principles within and across HUD programs. Its mission is to create strong, sustainable urban and rural communities by connecting housing to jobs, fostering local innovation, and helping to build a clean energy economy. The Office also supports the Partnership for Sustainable Communities, an unprecedented collaboration between HUD, the Department of Transportation (DOT), and the U.S. Environmental Protection Agency (EPA), as well as the U.S. Department of Agriculture (USDA) to coordinate federal resources in support of sustainable development and livable communities in the U.S.
- The [Office of Strategic Planning and Management](#) is responsible for driving organizational, programmatic, and operational change across the department, in order to maximize agency performance. The office facilitates the department-wide strategic planning process with the Secretary, his senior leadership team and external stakeholders, including the identification of strategic priorities and transformational change initiatives, the monitoring of key performance measures against established targets, the implementation and oversight of the American Recovery and Reinvestment Act of 2009 (Recovery Act), and management and oversight of the agency's grants. The Office consists of three divisions:
 - Transformation Division that facilitates planning and execution of eight transformation priority projects across the Agency;
 - Performance Management Division that develops, analyzes, and reports on key performance indicators for all of the agencies priority goals; and
 - Grants Management and Oversight division responsible for reporting on the Recovery Act, including \$13.61 billion for projects and programs and grants management and oversight.
- The [Office of Policy Development and Research](#) (PD&R) is responsible for maintaining a repository of resources on housing needs, market conditions, and existing programs, as well as conducting research on priority housing and community development issues. The Office also provides objective program evaluation, data, and analysis to inform policy decisions and improve program results.
- The [Center for Faith-Based and Neighborhood Partnerships](#) plays a critical role in special event planning and execution, programs and projects that are cross-programmatic and at times inter-Departmental, and outreach to constituents for Secretarial priorities. The

Center disseminates information of great timeliness and necessity for leaders of faith-based and secular neighborhood organizations addressing crises or emergencies in their community.

The scope and diversity of HUD's programs reflect a core philosophy at HUD. When choosing a home, citizens are not only choosing a physical structure, but they also are choosing communities and the opportunities available in those communities, transportation to work, schools for their children, and public safety. Ensuring that every American family has those choices is what HUD has designed its [programs](#) to do.

HUD's Organization and Reporting Structure (FY 2011)



HUD's Strategic Plan

During FY 2010, HUD updated and published its [Strategic Plan](#) to address the economic, financial, and community development issues confronting the nation. As a result, the Department created five overarching Strategic Goals that are guiding the transformation of HUD into a cutting edge, streamlined organization capable of implementing place-based policies; overseeing a balanced, comprehensive national housing policy that supports sustainable homeownership and affordable rental homes alike; and building the strong, inclusive communities necessary to make home the foundation of stability and opportunity. An introduction to these goals is provided below, followed by the Department's Strategic Framework found on the following page.

[Goal 1: Strengthen The Nation's Housing Market To Bolster The Economy And Protect Consumers](#) will focus on rebuilding the nation's housing market and economy to ensure long-term stability and success.



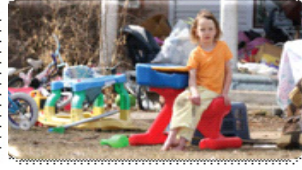

[Goal 2: Meet The Need For Quality Affordable Rental Homes](#) discusses the need to balance support for sustainable homeownership with affordable homes, in order for housing markets to return to stability.

[Goal 3: Utilize Housing As A Platform For Improving Quality Of Life](#) emphasizes the basis of stable housing as an ideal platform to deliver a wide variety of health and social services to improve the education, health, economic security, and safety of its residents.

[Goal 4: Build Inclusive And Sustainable Communities Free From Discrimination](#) charts a course for HUD to catalyze economic development and job creation; promote energy efficiency and location efficiency in buildings; and facilitate disaster preparedness, recovery, and resiliency in healthy, affordable and diverse communities.

[Goal 5: Transform The Way HUD Does Business](#) is the foundation of the Department's Strategic Goals and aims to transform HUD into a responsive partner to build capacity within the Department; improve performance management and accountability; decentralize decision making to empower staff; and simplify programs, rules, and regulations.

HUD's Strategic Framework

			
GOAL 1 Strengthen the Nation's housing market to bolster the economy and protect consumers.	GOAL 2 Meet the need for quality affordable rental homes.	GOAL 3 Utilize housing as a platform for improving quality of life.	GOAL 4 Build inclusive and sustainable communities free from discrimination.
Sub-Goals			
1A. Stem the foreclosure crisis.	2A. End homelessness and substantially reduce the number of families and individuals with severe housing needs.	3A. Utilize HUD assistance to improve educational outcomes and early learning development.	4A. Catalyze economic development and job creation, while enhancing and preserving community assets.
1B. Protect and educate consumers when they buy, refinance, or rent a home.	2B. Expand the supply of affordable rental homes where most needed.	3B. Utilize HUD assistance to improve health outcomes.	4B. Promote energy-efficient buildings and location-efficient communities that are healthy, affordable, and diverse.
1C. Create financially sustainable homeownership opportunities.	2C. Preserve the affordability and improve the quality of federally assisted and private unassisted affordable rental homes.	3C. Utilize HUD assistance to increase economic security and self-sufficiency.	4C. Ensure open, diverse, and equitable communities.
1D. Establish an accountable and sustainable housing finance system.	2D. Expand families' choices of affordable rental homes located in a broad range of communities.	3D. Utilize HUD assistance to improve housing stability through supportive services for vulnerable populations, including the elderly, people with disabilities, homeless people, and those individuals and families at risk of becoming homeless.	4D. Facilitate disaster preparedness, recovery, and resiliency.
		3E. Utilize HUD assistance to improve public safety.	4E. Build the capacity of local, state, and regional public and private organizations.
Goal 5 Transform the Way HUD Does Business			
Sub-Goals			
5A. Build capacity — Create a flexible and high performing learning organization with a motivated, skilled workforce			
5B. Focus on results — Create an empowered organization that is customer centered, place-based, collaborative, and responsive to employee and stakeholder feedback.			
5C. Bureaucracy busting — Create flexible, modern rules and systems that promote responsiveness, openness, and transparency.			
5D. Culture change — Create a healthy, open, flexible work environment that reflects the values of HUD's mission.			

Measures of Success

The Strategic Plan contains 22 key outcome measures. Of the 22 Measures of Success, the six goals displayed below in bold font are addressed in the FY 2011 Annual Performance Report. The four programmatic measures of success were selected as agency priority goals because they represented challenging, near-term, high-impact outcomes that reflected the Department's commitment to "moving the needle" on some of the most fundamental challenges facing America. The final two internal measures selected are operational in nature. Together, the six bolded measures capture a significant amount of our business activities across all five Strategic goals.

Programmatic

1. Reduce the number of completed foreclosures.
 - 1a. Assist 3.1 million homeowners who are at risk of losing their homes due to foreclosure.**
2. Restore FHA's excess capital reserve ratio to the congressionally mandated 2-percent level by 2014.
3. Reduce the average residential vacancy rate in Neighborhood Stabilization Program (NSP) investment areas.
 - 3a. Reduce the average residential vacancy rate in NSP2 investment areas.
4. Reduce the number of households with worst case housing needs.
5. Increase the total number of affordable rental homes constructed and rehabilitated in communities with the greatest unmet needs.
 - 5a. HUD programs will meet more of the growing need for affordable rental homes by serving 5.38 million families by the end of FY 2011, which is 207,000 more than in FY 2009.**
6. Reduce homelessness.
 - 6a. Reduce the number of homeless families.
 - 6b. Reduce the number of chronically homeless individuals.
 - 6c. Reduce the number of homeless Veterans to 59,000 by June 2012 (jointly with the Department of Veterans Affairs).**

7. Increase the number of HUD-assisted households with school-aged children who have access to schools scoring at or above the local average.
8. Provide access to information and opportunities by increasing the proportion of units in HUD public and multifamily housing with an available broadband Internet connection.
9. Improve the health of HUD-assisted residents.
10. Increase the average income of HUD-assisted households.
11. Improve the quality of housing and available community opportunities reported by HUD residents.
12. Reduce the share of household income spent on the combined costs of housing and transportation in communities that receive assistance from the Office of Sustainable Housing and Communities.
- 13. Complete cost-effective energy and green retrofits of 159,000 public, assisted, and other HUD-supported affordable homes by the end of 2011.**
14. Increase the proportion of HUD-assisted families in low-poverty and racially diverse communities.
15. Increase the percentage of Gulf Coast homes in Louisiana, Mississippi, and Texas that have been reoccupied or converted to another viable purpose after being severely impacted by Hurricanes Katrina and Rita in 2005.

Operational

16. Make HUD the “Most Improved Large Agency” in the *Best Places to Work in the Federal Government* report.
17. Increase the percentage of HUD partners who are “satisfied” or “very satisfied” with the “Timeliness of Decision-Making at HUD.”
18. Increase the percentage of HUD partners who are “satisfied” or “very satisfied” with “Employee’s Knowledge, Skills, and Ability.”
- 19. Increase the percentage of employees who “agree” or “strongly agree” they are given a real opportunity to improve their skills in their organization.**
- 20. Increase the number of decisions delegated to field offices.**
21. Reduce the number of burdensome regulations and reports.
22. Reduce end-to-end hiring time.

FY 2011 Performance Overview

Foreclosure Prevention

Strategic Goal 1: Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers

Measure 1a: Assist 3.1 million homeowners who are at risk of losing their homes due to foreclosure:

- 400,000 homeowners will be assisted through FHA early delinquency intervention.
- 300,000 homeowners will be assisted through FHA loss mitigation programs.
- 2.4 million homeowners will be assisted through joint HUD-Treasury programs.

For all FHA borrowers who receive loss mitigation assistance, achieve a Consolidated Claim Workout Ratio of 75 percent, and for those receiving a Consolidated Claim Workout achieve a 6 month re-default rate of 20 percent or less.

Supporting Measures 1: Percentage of servicers with tier 1 ranking in engagement in loss mitigation is 80 percent.

Supporting Measures 2: 1000 quality assurance reviews are completed in FY 2011.

Problem Being Addressed

Millions of homeowners are in danger of losing their homes to foreclosure after experiencing a decline in income due to the economic recession. At the time HUD developed this goal, estimates of the number of homeowners who may face foreclosure ranged from 7 to 9 million. By January 2010, nearly 11 million homeowners were in some state of delinquency on their mortgage payments. Foreclosure rates vary considerably throughout the nation based on geography and the local economy, with states like Florida, California, and Arizona making up 44 percent of the national total.

The effect of this crisis on the nation has been significant. At the end of the third quarter of 2011, about 6.2 million homeowners had missed at least one mortgage payment. Of these homeowners, nearly 2.2 million are in the process of foreclosure and more than 1.7 million others are seriously delinquent and at high risk of foreclosure. Furthermore, roughly 10.7 million homeowners are considered underwater borrowers; these underwater homeowners include some who are current on their mortgage payments and some who have missed at least one payment

For the vast majority of Americans, their home is their single most expensive and valuable asset. As a result, losing a home through foreclosure is often a traumatic life experience that

leads to significant deterioration in a person or family's living conditions, economic viability, neighborhood stability, and opportunities for improving their quality of life. The housing market is a critical element of the American economy and its recovery is essential to bringing our economy out of the current recession. The resources of multiple federal agencies can and have been called upon to tackle this problem of enormous social and economic importance. Foreclosure prevention and the recovery of the housing market is a critical component of the Administration's broader plan for economic recovery. These efforts include the Making Home Affordable program (in which HUD plays a leadership role), and the expanded FHA housing refinance option that was announced in March 2010.

HUD's Impact on the Problem

The Federal Housing Administration (FHA), in partnership with the White House, the Department of the Treasury, and other federal regulatory agencies, is tackling the housing crisis on multiple fronts. HUD is playing a critical role in helping struggling homeowners avoid foreclosure through a range of programs and interventions.

The FHA has been assisting underserved, low- and moderate-income, and sometimes first-time or minority homebuyers by insuring mortgages for single family homes since its inception in 1934. In order to address the current and difficult conditions in the housing market, FHA has developed new programs, modified existing programs, and expanded loss mitigation to keep homeowners in their homes. FHA programs, measures and tools that help to accomplish these goals are listed below:

- Early Delinquency Intervention
- Loss Mitigation Programs
- Consolidated Claims Workout (CCW) Ratio
- Re-default Rate

This agency priority goal serves as a key measure of success in HUD's FY 2010-2015 Strategic Plan, aligning directly with Strategic Goal 1, "Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers."

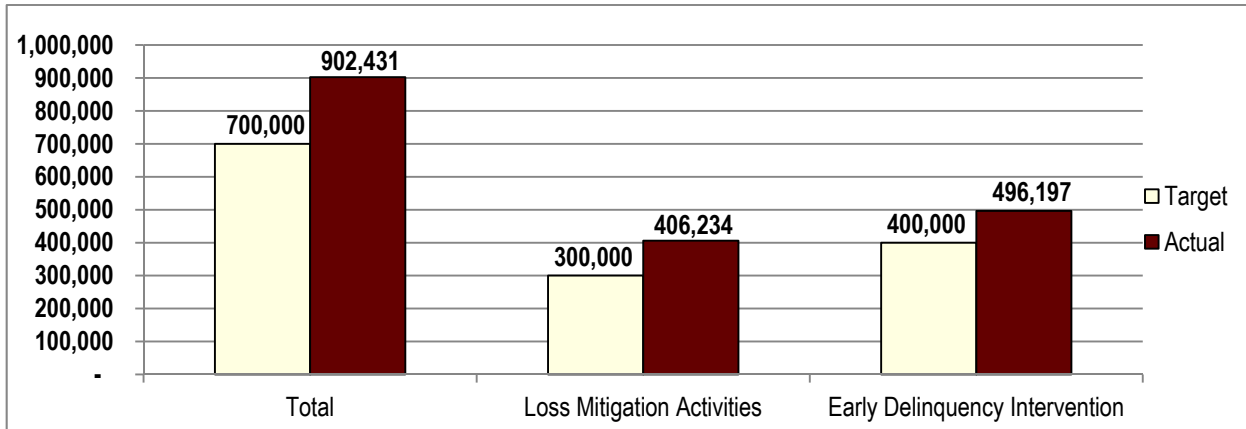
Measures of Success

The aim of this goal is to help prevent foreclosure and support other efforts of the Administration to address the economic crisis by assisting 3.1 million homeowners who are at risk of losing their homes due to foreclosure.

The Department is pleased to report that it has met and exceeded the Department's share of this goal. In FY 2011 alone, HUD assisted 495,684 homeowners to avoid foreclosure through early delinquency intervention and loss mitigation programs. Over the two-year performance period,

HUD assisted 902,431 homeowners through early delinquency intervention and loss mitigation activities. This exceeds the initial target of 700,000 homeowners by 29 percent.

Two-Year Cumulative Number of Homeowners Assisted (Loss Mitigation and Early Delinquency)



Two-year cumulative	700,000	300,000	400,000
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Two supporting measures were used to track this goal; In FY 2011, the actual percentage of servicers with Tier 1 Ranking in Engagement in Loss Mitigation was 57.45 percent, which was short of the target of 80 percent for FY 2011.

HUD exceeded the 1,000 quality assurance review by 76 percent. A total number of 1,761 quality assurance reviews were completed during the fourth quarter of FY 2011 (Lender Approval staff completed 299 quality assurance reviews, and the National Servicing Center completed 1,462 reviews in FY 2011).

HUD’s key measures (programs and results) for achieving this goal include:

FHA Single Family Mortgage Insurance

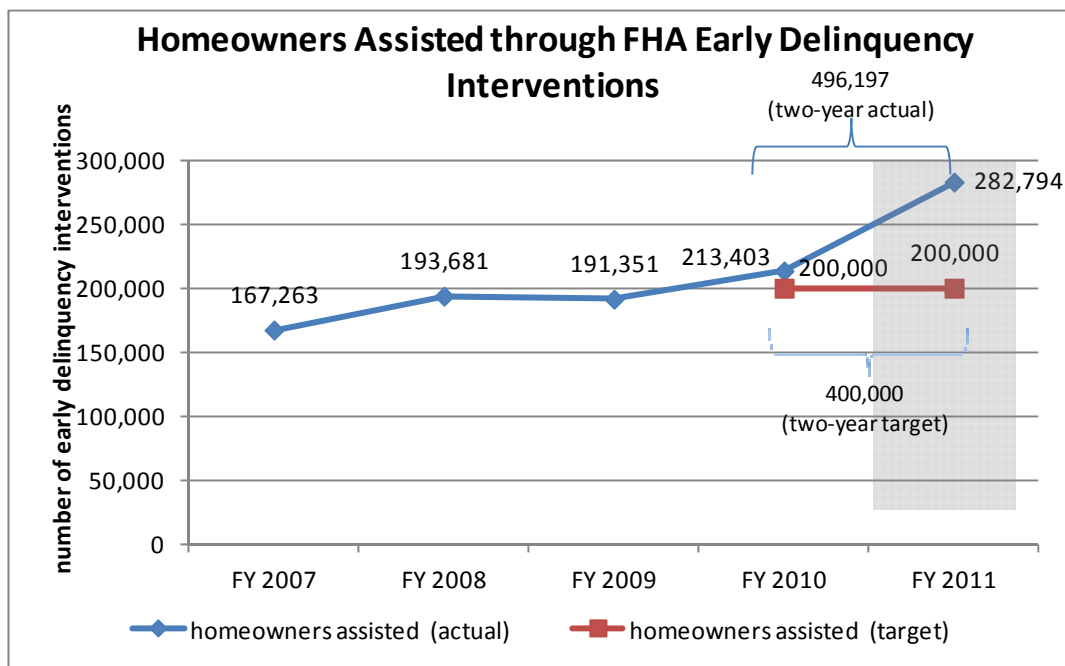
The Federal Housing Administration (FHA) has incorporated tools such as early delinquency intervention and loss mitigation to keep homeowners in their homes. FHA assists Homeowners to avoid foreclosure through FHA programs as well as through third-party lender loss mitigation initiatives. The FHA programs and tools that helped accomplish this priority goal are discussed below.

- ***Early Delinquency Intervention***

The early delinquency intervention program was designed by FHA to achieve the goal of

assisting 400,000 homeowners to avoid foreclosure. This program focuses on the type of intervention offered by loan servicers to homeowners struggling to pay their mortgage. Servicers of FHA insured loans most frequently offer early delinquency intervention assistance to homeowners who are less than 90 days in default. Providing assistance to homeowners who are in early stages of delinquency averts the potential for more serious delinquencies, defaults, and foreclosures at a later date.

HUD assisted a cumulative total of 496,197 homeowners (FY 2010-FY 2011) to avoid foreclosure through the FHA early delinquency intervention program, exceeding the two-year target of 400,000 by 24 percent.

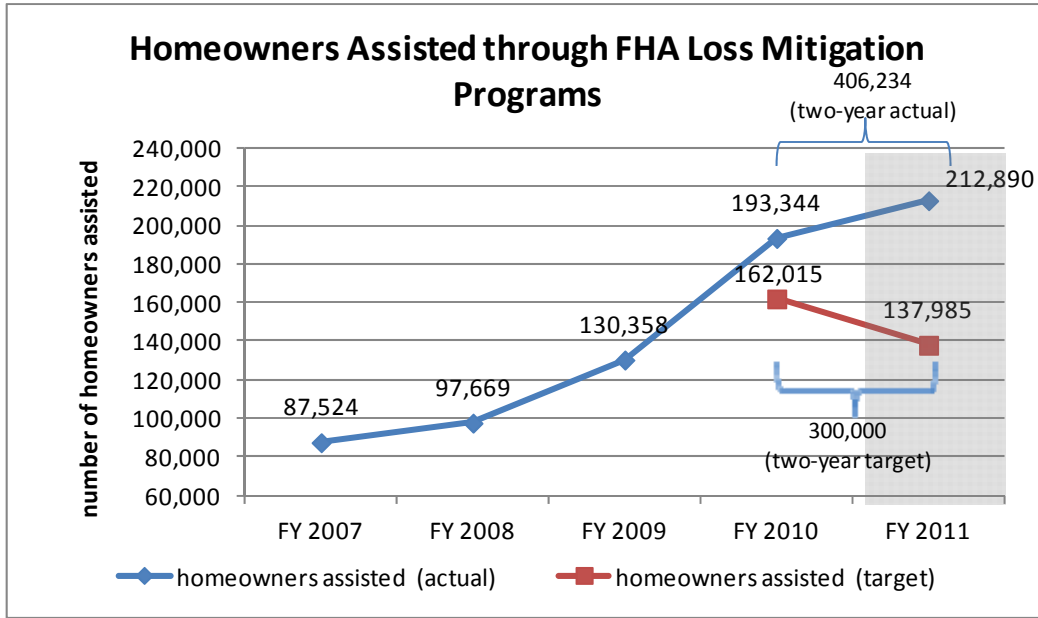


The early delinquency invention program assisted 282,794 new homeowners in FY 2011.

- **Loss Mitigation Programs**

FHA’s set of loss mitigation products includes special forbearance agreements, mortgage modifications, partial claims, pre-foreclosure sales, deeds-in-lieu, and short sales. This measure allows HUD to track progress toward achieving the goal of assisting 300,000 homeowners through FHA loss mitigation.

HUD assisted a cumulative total of 406,234 homeowners (FY 2010-FY 2011) to avoid foreclosure through loss mitigation programs, exceeding the two-year target of assisting 300,000 homeowners by over 35 percent.



The loss mitigation programs assisted 212,890 new homeowners in FY 2011, twice as many as the 106,656 homeowners needed to complete the two year target.

- **HUD-Treasury HAMP**

The joint HUD-Treasury Home Affordable Modification program (HAMP), launched in May 2009 (and expiring December 31, 2013), reduces housing payments for eligible households to 31 percent of their gross monthly income for 5 years. HAMP affects homeowners who have conventional mortgages and receive a conventional workout.

When introduced to the public, Making Homes Affordable excluded FHA-insured mortgages; initially it was stated that FHA would develop its own standalone program. In July 2009, FHA announced its new Loss Mitigation option, the FHA-HAMP. This program provided homeowners in default a greater opportunity to reduce their mortgage payments to sustainable levels. The FHA-HAMP program does not expire in 2013 as it has independent statutory authority.

During FY 2011, 850,000 homeowners were assisted through the joint HUD and Treasury Making Home Affordable program. Since the inception of the program in March 2009, nearly 1.7 million homeowners were assisted. Together, both agencies are striving towards the target of 2.4 million homeowners for this program by the end of calendar year 2012.

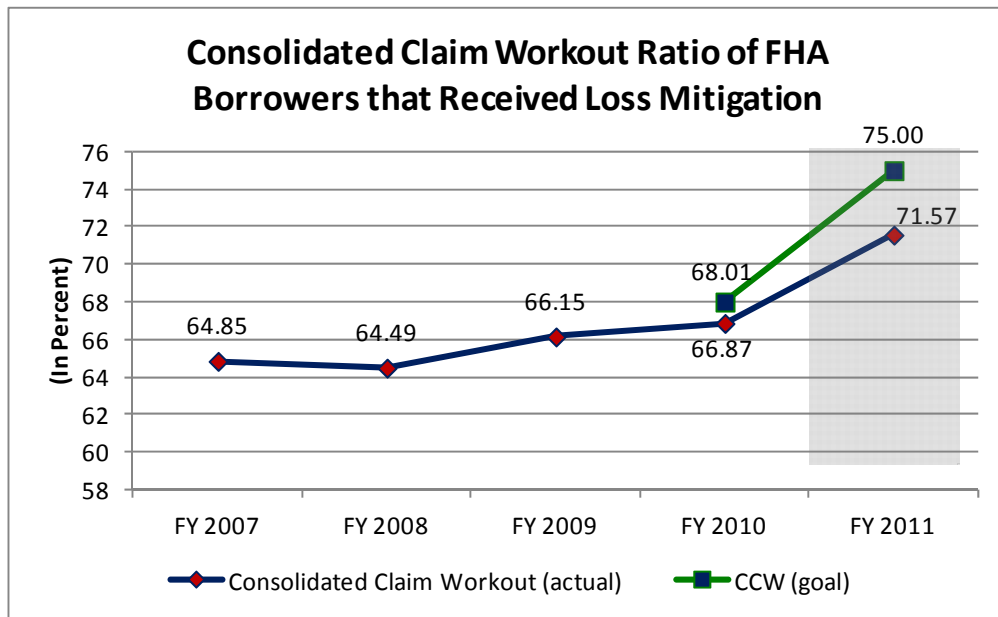
This program has aided a large number of homeowners. Initially, the requirements for participations in the program were restrictive and dependent upon the cooperation of servicers; however, after several modifications, requirements for more accountability

from servicers were introduced as well as additional incentives to improve performance.

- **Consolidated Claim Workout (CCW) Ratio**

The CCW is a ratio that indicates the effectiveness of HUD’s programs at reducing foreclosures. The CCW aggregates FHA’s incentive claims for loss mitigation actions (e.g., partial claims, special forbearances, loan modifications, FHA HAMP modifications, pre-foreclosure sales, and deeds in lieu of foreclosure) as a share of total paid claims for FHA insurance benefits.

The higher the CCW ratio, the more effective HUD has been at preventing foreclosure. This measure allows HUD to track progress toward achieving the goal of achieving a Consolidated Claim Workout (CCW) Ratio of 75 percent for those homeowners receiving loss mitigation assistance.

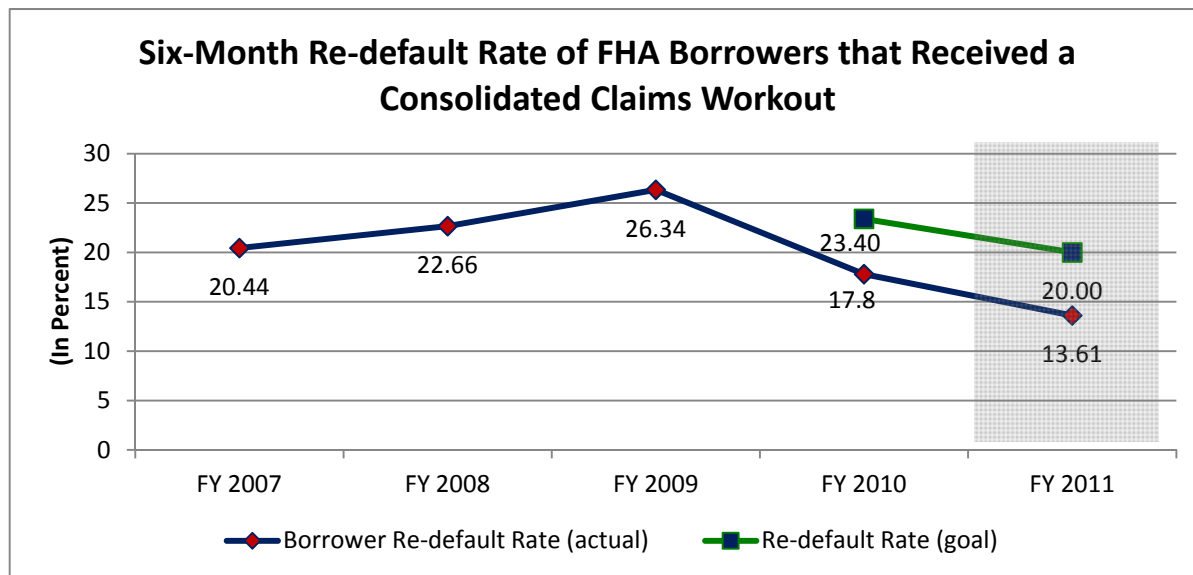


At the end of FY 2011, the CCW ratio was 71.57 percent. Although it was short of the 75 percent target, it was still significantly above the historical average in the 60 plus percent and rates from FY 2010 (72 percent for FY 2011 versus 68 percent for FY 2010).

- **Re-default Rate**

HUD’s loss mitigation efforts can be considered successful only if they provide effective solutions for homeowners in both the short and long term. This goal ensures that FHA is working with borrowers to provide realistic and sustainable options for homeowners to retain their homes and satisfy the terms of their mortgages. HUD’s success at providing such sustainable options can be assessed by looking at borrower re-default rates.

This measure allows HUD to track progress toward achieving the goal of reducing the 6 month re-default rate to 20 percent or less for those homeowners receiving a CCW. Since most re-defaults tend to occur in the first six months after the workout, the six month period was selected to allow measurement of goal performance within a given year.



The Six Month Re-default rate at the end of FY 2011 is 13.61 percent, which is 6.39 percentage points better than the target of 20 percent and 4.19 percentage points better than the FY 2010's rate of 17.80 percent.

Interagency Partnerships

Under this partnership, the Department of Treasury has helped 1.7 million homeowners from the inception of the program in 2009. To-date, HUD and Treasury have helped 2.6 million homeowners, and are making great strides towards the overall 3.1 million homeowners' goal target by December 31, 2012.

Other Programs Supporting Foreclosure Prevention

- ***Housing Counseling Assistance***

In FY 2011, Congress did not provide funding for HUD's counseling program. This program helps consumers make well-informed decisions concerning home buying and mortgage finance, as well as foreclosure prevention. However, prior year resources and obligations were expended in FY 2010 and FY 2011 by housing counseling agencies to provide households with comprehensive information and assistance in making appropriate housing choices.

- ***Fair Lending Initiatives***

The Office of Fair Housing and Equal Opportunity (FHEO), and its partners in the Fair Housing Assistance Program (FHAP), enforces the fair lending provisions of the Fair Housing Act and substantially equivalent state and local laws when fraudulent refinance schemes target communities or neighborhoods because of one or more of the protected classes. In FY 2011, FHEO and its FHAP partners completed 398 investigations of possible lending related fair housing violations, leading to 139 settlements or recommendations of court action. Although detailed data on the number of beneficiaries is not available for every settlement, two of the more significant cases resulted in potentially 649 people receiving mortgage related relief. FHEO leverages the Fair Housing Initiatives Program which provides some grants specifically to address discriminatory mortgage rescue schemes. In addition to enforcement, FHEO provides education and outreach to homeowners on fair lending and foreclosure prevention. FHEO also ensures that mortgage rescue programs are available to all people regardless of race, color, religion, national origin, sex, disability or familial status.

- ***Government National Mortgage Association (Ginnie Mae)***

A key factor in strengthening and supporting the stability and improvement of the national mortgage market is the financial support provided by the Government National Mortgage Association. For more than 40 years, Ginnie Mae has provided liquidity and stability, serving as the principal financing arm for government loans and ensuring that funds flow into the U.S. housing finance market. Ginnie Mae brings the capital necessary to advance the goals of the Federal Housing Administration (FHA), Department of Veterans Affairs (VA), Department of Agriculture's Rural Development Housing & Community Facilities Programs, and the Department of Housing and Urban Development's Office of Public and Indian Housing (PIH).

With the full faith and credit guaranty of the U.S. Government on its Mortgage-Backed Securities program, Ginnie Mae is able to attract capital from global markets to the nation's housing market and the broader U.S. economy, bringing stability during the current credit crisis. The continued demand for these securities not only has provided a steady source of funding for government-insured loans, but has meant strong pricing and favorable spreads, which translate into lower interest rates to borrowers. The Ginnie Mae MBS ensures that mortgage financing is available for homeownership and rental housing regardless of the economic climate.

- ***The Emergency Homeowner Loan Program (EHLPP)***

The Emergency Homeowner Loan Program was enacted in July 2010 with the

requirement that funds be committed to individual borrowers on or before September 30, 2011. Congress appropriated \$1 billion for the program. The law called for borrowers to meet a number of requirements to qualify – including having a substantial loss of income due to unemployment or underemployment caused by either economic or medical hardship; showing the ability to resume payments on their first mortgage if they became reemployed; and being 90 days delinquent on their mortgage as certified by their servicer. HUD designed the program to provide assistance to pay off the qualifying borrower’s arrearages and pay the portion of a borrower’s mortgage payment they could not afford for up to two years. Upon completing the program, a borrower’s EHLP loan will be forgiven 20 percent per year for 5 years provided the borrower remains current on their first lien and does not sell the property.

HUD determined the program would only be available in states not operating similar programs funded through the Department of Treasury’s Hardest Hit program. As such, EHLP is operating in 32 states and Puerto Rico. The law allowed for direct funding for state administration of the program if the state was already administering a “substantially similar” program. Five states, Connecticut, Delaware, Idaho, Maryland, and Pennsylvania were determined substantially similar and provided grant funds to directly administer their own loan program. HUD developed and administered the direct loan program to be operated in the other 27 states and Puerto Rico.

The program’s regulations were completed April 1, 2011. Between April 1, 2011 and September 30, 2011 HUD and the states built the infrastructure and implemented the intake portion of their loan programs. After September 30, 2011 the states and HUD are completing the verification and loan closing process on the loans committed prior to September 30, 2011. At the end of December 2011 the state programs had closed the majority of their loans while the HUD administered program had just begun to close loans. The expectation is that all loans for all states and HUD will be closed before March 30, 2012.

EHLP Status as of 12/27/2011

	Loans Closed	Commitments Made, Still in Processing	Total Commitments Made FY 2011
State Administered (CT, DE, ID, MD, PA)	5,035	619	5,654
HUD Administered (27 States)	518	5,304	5,822
TOTAL	5,553	5,923	11,476

Resource Information

FHA Program funds are generally supported by premiums, fees, interest income, recoveries, Congressional appropriations, borrowings from the U.S. Treasury, and other miscellaneous sources. The Home Equity Conversion Mortgages (HECM) portion of the Single Family portfolio is FHA's reverse mortgage program, which enables borrowers to withdraw a lump sum payment of mortgage proceeds, fixed monthly amounts, a line of credit or a combination thereof. Single Family loans are primarily financed through the Mutual Mortgage Insurance (MMI) fund and the Single Family Forward mortgage portfolio within this fund is self sustaining. The Single Family Forward Mortgage Loan portfolio comprises loans that meet FHA credit qualifications for properties between one and four units. The Single Family Hope for Homeowners (H4H) portfolio is financed through the H4H fund and the Emergency Homeowners' Loan Program is financed through the Emergency Homeowners' Loan Program fund. The Multifamily loan portfolio comprises properties consisting of five or more units. Multifamily loans are primarily financed through the General Insurance Fund (GI) and Special Risk Insurance Fund (SRI). Healthcare facilities are financed under the GI Fund.

Moving Forward

In FY 2012-2013, HUD will continue the important work of foreclosure prevention through the work of FHA and housing counseling programs to provide assistance to troubled homeowners. Through the Loss Mitigation and Early Delinquency programs, FHA will aim to prevent or resolve mortgage delinquency, default, and foreclosure with the primary objective to preserve homeownership

HUD will also work to reduce vacancy rates in neighborhoods hardest hit by the foreclosure crisis through the Neighborhood Stabilization Program (NSP) in partnership with FHA and the National Community Stabilization Trust. The NSP provides grants to states, local governments, nonprofits, or a consortium of public and private nonprofit entities on a competitive basis to acquire and rehabilitate foreclosed and abandoned properties. FHA will also make 100 percent of its Real Estate Owned properties available to grantees in neighborhoods identified as having the highest foreclosure and vacancy rates in order to help speed recovery of the markets in these communities.

Program Websites:

FHA: http://portal.hud.gov/hudportal/HUD?src=/federal_housing_administration

Rental Assistance

Strategic Goal 2: Meet the Need for Quality Affordable Rental Homes

Measure 5a: HUD programs will meet more of the growing need for affordable rental homes by serving 5.38 million families by the end of 2011, which is 207,000 more than in 2009.

Supporting Measure: In FY 2011, 98 percent of multifamily project based contracts renewed that were set to expire (Section 8).

Supporting Measure: 100 percent of Project Rental Assistance Contracts (Sections 202 and 811) renewed that were set to expire.

Problem Being Addressed

Rise in Demand

With more than one-third of all American families renting their homes, it is more important than ever to provide a sufficient supply of affordable rental homes for low-income families. The number of families struggling to make ends meet in the face of severe rent burdens has increased substantially during this decade. Affordability problems have been exacerbated by the recession and the increasing demand for rental housing generated by the foreclosure crisis. Only about one in four families eligible for federal rental assistance programs receives assistance.¹ In addition, according to the latest HUD report on worst case housing needs, in 2009, 7.1 million very low-income rental households had worst case housing needs because they were unassisted (no government rental subsidy) and had severe rent burden (pay more than one-half of their monthly income for rent) or lived in severely inadequate housing conditions (a variety of serious physical problems related to heating, plumbing, electricity, or maintenance).² Between 2007 and 2009, worst case needs rose from 5.91 to 7.10 million, or over 20 percent. This increase is sharper in both absolute and percentage terms than in any previous two-year period since at least 1985.

Reduction in Supply

Despite HUD's programs supporting more than 5.3 million units of housing, the supply of affordable and available rental housing for the lowest income groups is insufficient. Fewer than two in three very low-income renters have access to adequate and affordable units.³ *For extremely low-income renters, the situation is more acute; only one in three has access to adequate and affordable units.*⁴

¹ U.S. Department of Housing and Urban Development. 2011 (February). *Worst Case Housing Needs 2009: A Report to Congress*.

² *Ibid.*

³ U.S. Department of Housing and Urban Development. *FY 2011 Annual Performance Plan*.

⁴ *Ibid.*

Moreover, a reduction in the federally subsidized production of rental housing has affected the availability of affordable rental housing. Before the financial crisis, federal expenditures for the production of rental housing largely were made through the Low-Income Housing Tax Credit (LIHTC), HOME Investment Partnerships, Section 202 Supportive Housing for the Elderly, and Section 811 Supportive Housing for Persons with Disabilities programs. With tax expenditures of \$3 billion to \$6 billion a year, the LIHTC program, often used in combination with HUD programs such as HOME and CDBG, has in the past supported the annual production of more than 100,000 units, of which 95 percent qualify as affordable. However, major purchases of housing tax credits experienced sharp declines in profits during the financial crisis, thus reducing their need for the tax shelter such credits offer. This resulted in a significant reduction in available financing for many proposed affordable housing developments.

Compounding the supply problem is a loss of private affordable rental stock. Between 2007 and 2009, while the overall rental stock had a net increase of 694,000 units, the total change concealed a loss of 877,000 private rental units that had been affordable to families whose incomes were under 50 percent of median income (very low-income and extremely low-income families)⁵.

HUD's Impact on the Problem

HUD is focused on closing the long-term structural gap between the cost of building and operating a standard quality housing unit and the ability of lower income households to afford such units. Through the combined efforts of programs across the Department, and a two-pronged strategy, HUD continues to address the persistent challenge of meeting affordable housing needs. The first strategy is to provide rental housing subsidies to additional individuals and families. The second main strategy is to support the construction, rehabilitation, and acquisition of quality affordable housing by providing and leveraging capital.

These strategies promote a key measure of success in HUD's FY 2010-2015 Strategic Plan, aligning directly with Strategic Goal 2, "Meet the Need for Quality Affordable Rental Homes."

Measures of Success

Over the two-year performance period, more than 5.3 million families occupied units receiving rental assistance from HUD. Although, the Department missed the two-year target of assisting an additional 207,000 families, we achieved about 78 percent of our goal and added approximately 161,682 affordable occupied rental units to the inventory, making great strides in serving more families through our rental assistance programs.

⁵ U.S. Department of Housing and Urban Development. Office of Policy Development and Research. May 2011. American Housing Survey: Rental Market Dynamics 2007-2009, Report to Congress, Table ES-1, Page vi.

In addition, two supporting measures were used to track this goal. HUD is focusing its efforts on preserving affordable rental units and increasing occupancy of affordable rental units. To prevent the loss of affordable rental units, HUD is tracking contract expiration dates, renewals, and terminations, and offering incentives for keeping project based rental assistance units under contract.

The first supporting measure target was to renew 98 percent of multifamily project based contracts (Section 8) that were set to expire in FY 2011. During FY 2011, this supporting measure was met as 6,448 contracts were renewed, which is approximately 98 percent of the total eligible contracts.

The second supporting measure target was to renew 100 percent of Project Rental Assistance Contracts (Section 202 and 811) that were set to expire. In FY 2011 a total of 3,386 contracts came up for renewal, and 3,171 (including 30 pending items) were actually renewed, slightly missing the target by 6 percent.

HUD's overall performance across several programs is illustrated in the following chart and narrative:

HUD's Rental Assistance Increase by Program

Program	FY 2009 Cumulative Baseline	FY 2010 Incremental Actual	FY 2011 Incremental Target	FY 2011 Incremental Actual	Two Year Incremental Target	Two Year Incremental Actual	Two Year Over/Under Target	Two Year Cumulative Actual
Multifamily Project Based Rental Assistance ^{a/}	1,181,525	-2,227	-8,000	29	-16,047	-2,198	13,849	1,179,327
Other Multifamily Subsidies ^{b/}	205,573	-12,099	-7,100	-14,942	-14,210	-27,041	-12,831	178,532
Project Rental Assistance Contract (Sections 202 and 811)	129,980	4,491	4,900	5,974	9,999	10,465	466	140,445
Insured Tax Exempt or Low-Income Housing Tax Credit	103,514	8,298	8,200	2,734	12,056	11,032	-1,024	114,546
TOTAL Multifamily Housing Programs	1,620,592	-1,537	-2,000	-6,205	-8,202	-7,742	460	1,612,850
PIH Mainstream and Tenant Based Rental Assistance	2,112,353	30,315	49,160	40,608	112,379	70,923	-41,456	2,183,276
Public Housing ^{c/}	1,059,189	1,203	27,167	22,001	33,143	23,204	-9,939	1,082,393
Indian Housing Block Grant	7,615	675	683	652	1,363	1,327	-36	8,942
PIH Mod Rehab	26,872	-1,322	-654	-2,152	-1,724	-3,474	-1,750	23,398
TOTAL Public and Indian Housing	3,206,029	30,871	76,356	61,109	145,161	91,980	-53,181	3,298,009
HOME Tenant Based Rental Assistance	25,020	-1,800	-591	-1,712	-1,182	-3,512	-2,330	21,508
HOME rental	199,894	5,898	4,404	22,821	8,808	28,719	19,911	228,613
Housing Opportunities for Persons Living With AIDS	23,862	1,144	-2,490	650	-3,602	1,794	5,396	25,656
Homeless Assistance Grants	95,064	7,849	2,128	8,092	4,256	15,941	11,685	111,005
Neighborhood Stabilization Program ^{d/}	0	656	4,160	2,122	5,200	2,778	-2,422	2,778
Tax Credit Assistance Program	0	1,019	28,186	5,335	35,686	6,354	-29,332	6,354
Gulf Coast (disaster)	5,204	8,207	12,672	17,163	15,872	25,370	9,498	30,574
TOTAL Community Planning and Development	349,044	22,973	48,469	54,471	65,038	77,444	12,406	426,488
HUD unallocated		0	5,003	0	5,003	0	-5,003	0
TOTAL	5,175,665	52,307	127,828	109,375	207,000	161,682	-45,318	5,337,347

a/ Multifamily Project Based Rental Assistance includes Section 8, Rent Supplement, and Rental Housing Assistance Programs.

b/ Other Multifamily Subsidies includes Old Section 202, Section 221(d)(3) Below Market Interest Rate, and Section 236 Interest Reduction Payment only.

c/ FY 2010 Multifamily Housing totals reflect updated data.

d/ Public Housing FY 2010 actual result is of December 31, 2010. The FY 2011 result is over a performance period of Q2-Q4.

e/ NSP FY 2010 data has been updated to reflect grantee reporting.

Public and Indian Housing

The Department assisted 91,980 additional families through PIH programs (FY 2010 and FY 2011). While this is 53,181 units below the two-year performance target, the Department feels that the progress made in FY 2010 and 2011 was significant. During FY 2011 alone, PIH assisted 61,109 additional families, missing the target of 76,356 by 15,247 families (20 percent). Over the past two years, HUD has worked to improve the reliability of data through cleanup efforts, an emphasis on the more strategic use of data, and implementation of various tools allowing HUD staff to engage with Public Housing Authorities (PHAs) to more effectively utilize their funds and serve more families. The major programs supporting this goal and the targets set for these programs are described below.

- ***Housing Choice Voucher Program***

The Office of Public and Indian Housing (PIH) has focused efforts to respond to the continuing need for affordable rental housing through all of its programs, including within the Housing Choice Voucher program also known as Section 8 Tenant Based Rental Assistance (TBRA) Program. By the end of fiscal year 2011, the HCV program assisted approximately 2,183,000 families (including Mainstream voucher originally funded out of the Section 811 account). PIH's HCV program is the Federal Government's largest program generally recognized as a cost-effective means for assisting families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private rental market. The HCV program, which is administered by Public Housing Agencies (PHAs), allows an eligible family to seek housing in the private market, and in a neighborhood of their choice.

Over the past two years, HUD has worked to improve the reliability of data by working closely with PHAs to ensure information we collect from them is accurate and through increased technical assistance and training enabling us to work with our PHAs more effectively and to increase leasing when viable, as well as to ensure fiscal solvency and continued assistance of families within budgetary constraints.

Since FY 2009, the Department assisted 70,923 additional families through the HCV and Mainstream Voucher programs, which was a major accomplishment (FY 2010 and FY 2011). The two-year target was missed by 41,456 units (37 percent). In FY 2011 specifically, PIH increased the number of families served in the HCV and Mainstream Voucher programs by 40,608, which is 8,552 units (17 percent) below the target of 49,160 additional families. While this is short of the goal, the Department feels that the progress was meaningful, as it was a result of program improvements that will continue to increase our capacity to serve families in the coming years.

There are several external factors that significantly affected HUD's ability to meet this

goal while responsibly managing the HCV account including, but not limited to, the uncertainty resulting from the delay in the passage of the final FY 2011 Appropriations Act, as PHAs are reluctant to lease additional vouchers until they know their funding allocation can support the additional leasing. In addition, the Appropriations Act did not include legislative authority requested by the Department to enable the Department to offset and reallocate HCV funds to PHAs that could serve additional families.

- ***Public Housing***

Public housing was established to provide decent and safe rental housing for eligible low-income families, the elderly, and people with disabilities. Approximately 1.1 million households are living in public housing units, managed by approximately 3,300 housing agencies. In order to support the management, operations, and physical needs of the Public Housing program, Operating and Capital funds are provided to PHAs on an annual basis.

PIH employed several strategies to assist PHAs with increasing occupancy including technical assistance in planning, developing, and managing units and working with PHAs to improve operating efficiency to maximize occupancy of current units.

Since FY 2009, the Department assisted 23,204 additional families through the Public Housing program (FY 2010-FY 2011). While PIH missed the two-year cumulative target of 33,143 by 9,939 units (30 percent), the increase of 23,204 families is a significant accomplishment in the current fiscal and budgetary environment. Our progress to serve 23,204 additional families over the FY 2009 baseline is a reflection of the consistent efforts made over the past two years to improve the quality and consistency of our data collection, allowing us to gather more targeted information on the performance of our PHAs and enabling better decision-making for future target setting. We are better able to assess potential areas of increased leasing through more reliable vacancy information.

- ***Additional PIH Programs***

Other programs contributing to the Department's efforts to serve more families with rental assistance include the Office of Native American Programs' Indian Housing Block Grant, which served 652 additional families in FY 2011, slightly missing the FY 2011 target of 683 by only 31 units. The Moderate Rehabilitation program, which carries a net negative target due to the Moderate Rehabilitation program being in inactive status, contributed a loss of 2,152 families served, exceeding the targeted loss of no more than 654 units.

Community Planning and Development

- ***HOME Investment Partnerships***

This program is the primary departmental program and principal tool of state and local governments for the production of affordable housing for low- to extremely low-income families. Eligible jurisdictions are provided funds through a formula that reflects the severity of local affordable housing needs. HOME funds may be used for a wide variety of eligible housing activities, including rehabilitation, new construction, and acquisition. In addition, HOME funds typically provide the critical gap financing that makes Low-Income Housing Tax Credit projects feasible. Under current market conditions, in many parts of the country, scarce HOME funds must actually take the place of reduced or non-existent tax credit proceeds.

HUD assisted an additional 28,719 families through the HOME program, which was a significant accomplishment, greatly exceeding the two-year target of by 8,808 units by over 200 percent (FY 2010 and FY 2011). In FY 2011 specifically, the Department met its target for HOME occupied rental units by assisting an additional 22,821 occupied rental units. The FY 2011 and cumulative results have increased from the baseline demonstrating the continued need for affordable rental housing.

Occupied HOME rental units significantly exceeded its targets for FY 2011 due to a combination of improved identification of the specific criteria used to report the occupied units, and other data cleanup efforts of HOME participating jurisdictions, specifically in FY 2011. Many HOME rental projects had been completed and occupied, but not reported in HUD's data system. HUD's HOME data cleanup efforts during FY 2011 resulted in many of these projects being marked completed and occupied in HUD's data system affecting prior fiscal years results.

- ***CDBG- Disaster Recovery (CDBG-DR)***

The Community Development Block Grant program received supplemental appropriations in response to Hurricanes Katrina, Rita, and Wilma that are being used by grantee communities to provide support for affordable rental housing. Congress directed that at least \$1 billion, shared across five states (Alabama, Florida, Louisiana, Mississippi, and Texas), be used for affordable rental housing.

Over the two-year period, the Department assisted an additional 25,370 families through the CDBG-DR program, which was a significant accomplishment, exceeding the two-year target of 15,872 by 9,498 units or 60 percent (FY 2010 and FY 2011). In FY 2011 specifically, the Department surpassed its target by assisting over 17,163 families, more than 35 percent of its target of 12,672.

The Gulf Coast recovery annual estimates for production were created by the CDBG-DR grantees in the aftermath of the subsequent hurricanes of 2008, in a period of uncertainty

about production capacity. With the weather cooperating (for the most part) in 2009, 2010, and 2011 in the areas affected in 2005 by Hurricanes Katrina, Rita, and Wilma, production has exceeded expectations.

- ***Additional CPD Programs***

Other programs contributing to this Measure of Success include the Homeless Assistance Grants, which placed 8,092 additional families into permanent housing in FY 2011, about four times more than the target of 2,128. The Neighborhood Stabilization Program served an additional 2,122 households, missing the target of 4,160 by 49 percent.

In addition, the Housing Opportunities for Persons with AIDS (HOPWA) program served an additional 1,794 households above the fiscal year 2009 baseline of 23,862, exceeding the FY 2011 two year negative target of -3,602. The HOPWA program served 650 additional households exceeding the fiscal year 2011 negative target of -2,490. The HOPWA increase was due to the increase in available funds in fiscal year 2011. Grantees made use of this increase level of funding largely in their 2011 program years and increased the number of persons reported assisted with rental assistance. Actual results also vary over time due to changes made by grantees in programs that have a range of eligible activities including short-term assistance and service costs.

The Tax Credit Assistance Program (TCAP) assisted an additional 5,335 occupied rental units, missing the FY 2011 target of 28,186 by 81 percent. The baseline for this 2009 ARRA funded program was 0, so the number of TCAP occupied rental units has increased from the baseline; however, actual accomplishments continue to lag behind the targets. HUD used historical HOME data to formulate the Recovery Act TCAP program targets, but it has not proven to follow the similar trends of HOME.

Finally, the HOME tenant based rental assistance program assisted 21,508 households which represented a loss of 1,712 units, exceeding the targeted net reduction of no more than 591 households served. The HOME TBRA targets are a net of new or renewed assistance to households minus households whose assistance has expired over a two-year period.

Multifamily Housing Programs

- ***Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities.***

These programs are designed to enable very low-income elderly people, including the frail elderly, and very low-income people with disabilities (physical, developmental, or chronic mental illness disabilities) to live independently by increasing the supply of rental housing that includes supportive services.

The Department assisted an additional 10,465 families through Section 202 and 811 programs, which was a significant accomplishment, exceeding the two-year target of 9,999 by 466 units or about 5 percent (FY 2010 and FY 2011). In FY 2011 alone, the Department met its target by assisting an additional 5,974 families, surpassing its target of 4,900 families.

- ***Insured Tax Exempt/Low-Income Housing Tax Credit.***

These units are developed using FHA-insured debt supported by tax-exempt bonds (issued by units of local government or housing finance agencies) and equity from Low-Income Housing Tax Credits (LIHTC). HUD will focus on increasing multifamily units developed with these programs. The existing FHA multifamily inventory has many projects which, developed over the years, contain Tax-Exempt and/or LIHTC units. As these properties age, a number choose to pay off their FHA-insured loans. While the Tax-Exempt and LIHTC units in most of these projects continue to be affordable for some time, when they leave the FHA-insured inventory through prepayment or maturity, they appear as a loss under the Annual Performance Report. The Department is looking at how to better account for these units. For example, tracking when their use restrictions expire may provide a more meaningful indicator of when this affordable housing is actually lost, rather than simply the prepayment of the underlying FHA financing.

HUD assisted an additional 11,032 families through LIHTC, missing the two-year cumulative target of 12,056 by 1,024 units or 8 percent. In FY 2011 alone, the Department missed its target of 8,200 families, but assisted an additional 2,734 families.

- ***Additional Multifamily Housing Programs***

Other Multifamily Subsidies, which includes old Section 202, Section 221(d)(3) Below Market Interest Reduction (BMIR), Section 236 Interest Reduction Payment contributed a combined loss of 14,942 units in FY 2011, which was lower than the target of limiting loss to 7,100 units. In addition, Multifamily Project Based Rental Assistance contributed with a gain of 29 units in FY 2011, exceeding the target of limiting loss to 8,000 units. Overall, this program served 1.2 million people and 17,500 contracts with private landlords in FY 2011. A key focus is preservation of these units by maximizing the number of owners that remain in the program.

The major reason for the higher than anticipated loss level in multifamily properties is that the projected rates of prepayments and mortgage maturities for Section 221 (d)(3) BMIR and Section 236 properties were higher than forecast. Much of this activity is market driven, and difficult to predict and control. The Department will continue to take any and all actions to maintain these programs for qualified and willing owners.

Resource Information

Three major rental assistance programs (Housing Choice Voucher, Public Housing Capital/Public Housing Operating, and Project Based Rental Assistance) provide the vast majority of resources to America's most vulnerable families and individuals. In FY 2011, the available resources for these programs constitute approximately \$34.3 billion or 76 percent of HUD's total budget. Of the total resources available in FY 2011 for these major rental assistance programs, the significant amounts dedicated to the goal to increase the number of families served were as follows (see Appendix C):

- HCV or Tenant Based Rental Assistance had an FY 2011 appropriation of \$18.4 billion
 - More than \$340 million in budget authority and more than \$142 million in outlays was used to serve an additional 40,608 families in FY 2011
- Project Based Rental Assistance had a FY 2011 appropriation of \$9.3 billion, which helped preserve housing for 1.2 million families
- Public Housing Operating Fund and Capital Fund had a FY 2011 appropriation of \$6.7 billion
 - Nearly \$125 million in budget authority and approximately \$165 million in outlays was used to serve an additional 22,001 families in FY 2011.

Moving Forward

The Department is, in total, slightly more than 45,000 units short of its two-year goal. However, it is clear that the budgetary climate surrounding appropriations for the Department is not conducive to large increases in the number of families served. Additionally, while HUD is committed to serving low-income families through rental assistance, its first priority is to ensure the 5.3 million families currently being served by our rental assistance programs are able to remain housed. To that end, HUD will undertake an approach to sustain the number of families housed through our affordable rental housing programs during extremely tight budgetary times, and then move to increase the number of families served by new development and occupying vacant units more quickly.

Given the current economic and budgetary climate, as well as FY 2012 reductions in funding and administrative fees to our PHA partners, maintenance of current occupancy and utilization rates will require significant effort by PHAs, ONAP grantees, and HUD. However, The Department will work responsibly to increase the number of families housed through HUD's affordable rental housing programs, generally through the development of new rental housing units and through increased occupancy in currently vacant, but habitable, Public Housing units.

Furthermore, Multifamily Housing will continue to process Project-based Rental Assistance Contract renewals as expeditiously as possible. Loss of units is affected by many variables including landlord behavior and macro economic conditions. The Department strives to preserve landlord participation through assuring timely payments, providing appropriate rent increases,

and operating the Mark-up-to-Market preservation program.

As for the construction of new affordable units, the Department has proposed a new HOME rule, which will be published for public comment in FY 2012. This Proposed Rule will address Community Housing Development Organizations performance, underwriting standards for rental housing and homeownership, property standards, deadlines for completing projects, and ongoing monitoring of financial conditions of HOME-assisted projects. All TCAP funds must be expended by grantees by February 16, 2012. TCAP grantees are required to enter project completion information into the Integrated Data Information System (IDIS) once projects are completed. Occupancy in completed TCAP projects will reach 35,686 once all these projects are completed and beneficiary data is entered in IDIS.

Program Website

PIH Website: http://portal.hud.gov/portal/page/portal/HUD/program_offices/public_indian_housing

Tenant Based Rental Assistance: <http://www.hud.gov/offices/pih/programs/hcv/index.cfm>

Public Housing: <http://www.hud.gov/offices/pih/programs/ph/>

<http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm>

<http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>

<http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>

Office of Native American Programs: <http://www.hud.gov/offices/pih/ih/index.cfm>

HOPWA: <http://www.hud.gov/offices/cpd/aidshousing/index.cfm> and HUDHRE.info/HOPWA

Veterans Homelessness

Strategic Goal 3: Utilize housing as a platform for improving quality of life.

Measure 6c: The Department of Housing and Urban Development (HUD) and the Department of Veterans Affairs (VA) will jointly reduce homelessness among Veterans.

Supporting Measures 1: Together, the two agencies will reduce the number of homeless Veterans to 59,000 by June 2012. Without this intervention there would be an estimated 194,000 homeless Veterans by June 2012.

Supporting Measures 2: Towards this joint goal, HUD is committed to assisting an average of 13,250 homeless Veterans each fiscal year to move out of homelessness into permanent housing.

Problem Being Addressed

Despite recent inroads, homelessness continues to be a challenge for communities across the United States. Of the 636,017 people experiencing homelessness last year on a single night, more than 10 percent are Veterans. Many Veterans confront the same issues that lead others into homelessness, such as lack of affordable housing and inadequate income and savings. Furthermore, service men and women returning from active duty may also have specific challenges, such as lingering effects of post-traumatic stress disorder and substance abuse. The effects are often compounded by a lack of family and social support networks. As a result, many of these Veterans struggle with unemployment, poor health, substance abuse, and/or a criminal record; all of which pose significant barriers to both obtaining and maintaining housing.

On a single night in January 2011, 67,495 Veterans were homeless; 59 percent were staying in an emergency shelter or transitional housing program; and the remaining 41 percent were living on the street, in an abandoned building, or another place not meant for human habitation (that is, unsheltered).

HUD's Impact on the Problem

The Obama administration believes that Veterans should never find themselves on the streets, living without care and without hope and has committed through the Federal Strategic Plan to prevent and end homelessness among Veterans within five years. The Federal Strategic Plan calls for increased collaboration at the Federal and local levels, for both government and community providers. Eliminating veteran homelessness in five years is one of the key goals of *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (Federal Strategic

Plan) issued in June 2010 by the United States Interagency Council on Homelessness (USICH).⁶ In support of this strategy, HUD's programs have an annual goal of assisting 13,250 homeless Veterans to move into permanent housing.

A subset of this effort is a joint Priority Goal of HUD and VA. HUD and VA are partnering to reduce the number of homeless Veterans to 59,000 by June 2012. Without this joint venture, there would be an estimated 194,000 homeless Veterans by June 2012. This Priority Goal serves as a catalyst for meeting the five-year goal of ending veteran homelessness and focuses on delivering permanent housing and thereby improving the quality of life for homeless Veterans.

This agency priority goal serves as a key measure of success in HUD's FY 2010-2015 Strategic Plan, aligning directly with Strategic Goal 2, "Meet the Need for Quality Affordable Rental Homes," and Strategic Goal 3, "Utilize Housing as a Platform for Improving Quality of Life.

In addition, HUD is implementing two primary, but inter-related strategies, to ensure that 36,500 homeless Veterans are able to live as independently as possible in a permanent setting. The two strategies are:

- Provide individuals and families with rental housing subsidies, and
- Provide and increase access to homelessness prevention services.

There are three primary programs designed to help Veterans obtain or maintain HUD-assisted permanent housing:

- HUD-VASH (Veterans Affairs Supportive Housing),
- HUD Homeless Continuum of Care Programs, and
- Homelessness Prevention and Rapid Re-housing Program (HPRP).

Measures of Success

HUD- VASH (Veterans Affairs Supportive Housing)

The HUD-VASH program provides homeless Veterans with vouchers through the Housing Choice Voucher program so they can access rental housing in the private market. Congress provided HUD with \$75 million in FY 2010, and \$50 million in FY 2011 for this effort. These funds are distributed to public housing agencies selected by HUD based on geographical need for assistance, and issued to Veterans as vouchers that can be used to rent housing from landlords that participate in the program. The HUD-VASH program combines tenant based rental assistance for homeless Veterans with case management and clinical services provided by the VA.

Veterans must be referred to participating PHAs by Veterans Affairs Medical Centers. With

⁶ http://www.usich.gov/PDF/OpeningDoors_2010_FSPPpreventEndHomeless.pdf.

HUD approval, participating PHAs may use some of the funding allocated for project-based HUD-VASH vouchers, which involves attaching HUD-VASH assistance to specific housing units for a given period of time, as stipulated in a contract between the PHA and the owner of the units. HUD has awarded new increments of HUD-VASH vouchers every year since the program's revival in 2008 in order to address the housing and service needs of homeless Veterans across America.

HUD-VASH Results:

By building capacity and partnerships, the HUD-VASH program greatly exceeded its two-year target of serving 14,500 additional Veterans. In FY 2010 and FY 2011, the HUD-VASH program served a total of 25,761 Veterans and thus exceeded the target by 78 percent. During FY 2011 alone, PHAs participating in HUD-VASH assisted 14,621 Veterans, doubling its FY 2011 target of 7,175. Compared with the numbers achieved in FY 2010, participating PHAs enabled 31 percent more Veterans to lease units in FY 2011. Since FY 2008, over 33,500 Veterans have been housed with a HUD-VASH voucher.

Metric	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	Two-year Target	Two-year Actual	Increase over FY 2011 Target	Progress over Two-year Target
Veterans Unit Under Lease	11,140	7,175	14,621	14,500	25,761	104%	78%

In FY 2011, HUD continued to increase the program's capacity to serve our nation's homeless Veterans through an emphasis on training, outreach, and monitoring. During FY 2011, HUD conducted on-site reviews and trainings at some of its largest PHAs, including New York and Los Angeles. In March 2011, HUD developed field office expertise in HUD-VASH by training a network of subject matter experts. HUD was able to then leverage the staff's new skills and enthusiasm to provide additional support to PHAs resulting in increased program efficiency and the numbers of Veterans housed.

HUD also focused in FY 2011 on data-driven performance improvements by providing field offices with utilization tools, program data, and structured reporting mechanisms. As field offices have become more familiar with the tools and more closely monitored PHA performance, HUD has seen a corresponding increase in the number of Veterans successfully housed. The key measure for HUD-VASH under Strategic Goal 3 is the number of Veterans housed with a voucher.

In FY 2011, HUD had projected that 7,175 homeless Veterans would be housed with a HUD-VASH voucher during the 12-month period. Due to the collaborative work of all involved, HUD and VA more than doubled this target by housing 14,621 Veterans during FY 2011, bringing the

total number of Veterans housed from the start of the measurement period to 25,761. The total number assisted in FY 2011 was a 31 percent increase over the 11,140 Veterans assisted in FY 2010. When assessing aggregate outcomes over the 2-year measurement period, the performance of the HUD-VASH program is even more dramatic. Through Q4 FY 2011, HUD and VA housed an additional 11,261 homeless Veterans above the two-year target number.

HUD Homeless Continuum of Care Programs

The McKinney-Vento Homeless Assistance Act provides federal financial support for a variety of homeless assistance programs. To access these homeless assistance funds, HUD requires communities to come together to submit a single comprehensive Continuum of Care application, to ensure that homeless individuals, with their unique problems and specific needs, get the help they need to eventually leave homelessness. A Continuum of Care is the primary decision-making body that represents a community's plan to organize and deliver housing and services needed by homeless individuals and families within the community.

For FY 2010 and 2011, funding from HUD's Supportive Housing, Shelter Plus Care, and the Section 8 Moderate Rehabilitation Single Room Occupancy programs supported this Priority Goal as eligible Continuum of Care programs, by providing housing and other supportive services.

Homelessness Prevention and Rapid Re-housing Program

The Homelessness Prevention and Rapid Re-housing Program (HPRP), funded at \$1.5 billion through the American Recovery and Reinvestment Act of 2009, is being used by HUD to assist individuals, including Veterans, who are homeless or at-risk of becoming homeless. These funds are being used to serve persons such as those who may be facing evictions within a two-week time period, or have residencies in condemned housing, or have experienced sudden losses of income. Although many providers of these funds are directing them to homeless subpopulations, such as Veterans, the funds are broadly intended for those individuals or families that are homeless or would be homeless but for this assistance.

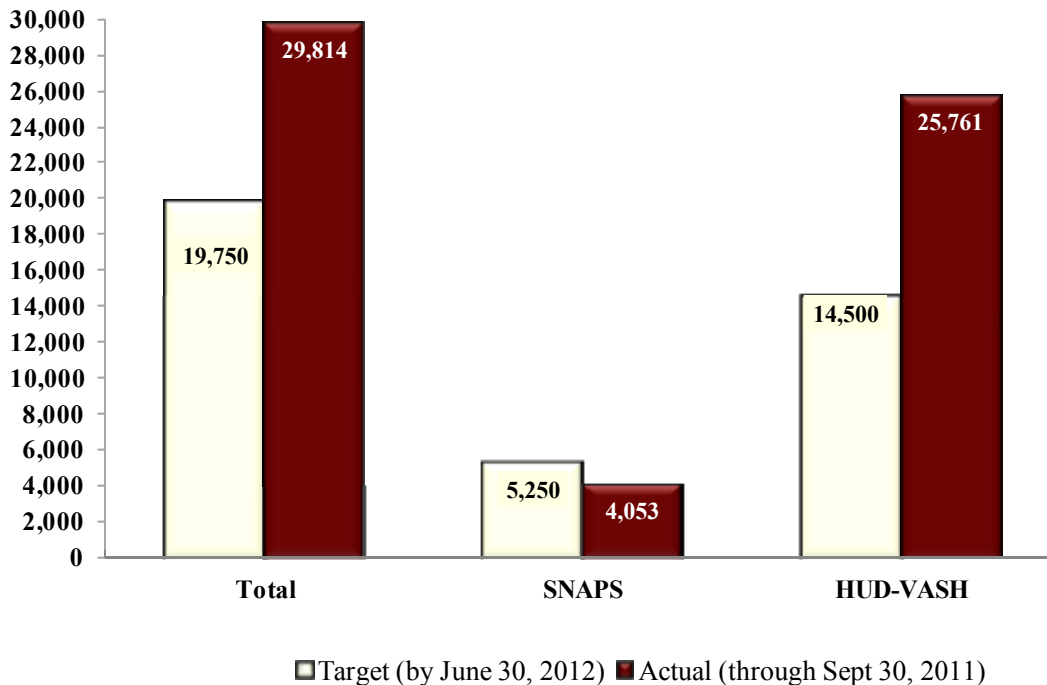
Funds were given to states (to distribute to local governments and private non-profit organizations), metropolitan cities, and urban counties. These funds provide financial assistance, such as short-term (up to three months) and medium-term (4-18 months) rental assistance, security or utility deposits, and moving cost assistance; or housing relocation and stabilization services, including credit counseling, case management, and housing search and placement.

HUD is allowing HPRP grantees to combine HPRP funds with HUD-VASH funds to enhance the service opportunities of Veterans. This allowance is intended to encourage HPRP grantees to maximize the benefits they can provide to Veterans by combining funding sources.

Community and Planning Development Results:

The Community and Planning Development programs that support homeless assistance and targeted assistance to Veterans were projected to assist 5,250 Veterans in FY 2011. Results for the Continuum of Care programs are reported through Annual Performance Reports (APRs) that are submitted by grantees on a calendar year basis and have allowance of up to 90 days past the end of the program years for final submission. At the time of publication, the review of approximately 60 percent of APRs showed CPD to be on target to meet the FY 2011 goal. At the end of FY 2010, there were 4,053 veterans were served, which exceeded the FY 2010 goal of 3,724.

Number Of Homeless Veterans Permanently Housed Through HUD's Programs



Community Planning and Development has also been able to effectively serve the homeless community through the Homelessness Prevention and Rapid Re-housing Program (HPRP). No measure was established for the number of Veterans that would be served by HPRP; however, HUD was aware that the HPRP funding would have a critical impact on addressing homelessness. Results for HPRP are reported through Annual Performance Reports that are submitted by grantees at the end of each fiscal year with an allowance of up to 60 days for final submission. According to HUD's preliminary review of its FY 2011 data, 16,624 Veterans were served with HPRP funds, 11,003 of those Veterans received funding that was not combined with HUD-VASH funds.

Resource Information

HUD-VASH

In support of the Department's goal to reduce homelessness among Veterans, during FY 2011 14,621 additional VASH vouchers were leased. These units equate to approximately \$110 million in VASH budget authority.

Community and Planning Development

In support of the Department's goal to reduce homelessness among Veterans, five percent of the total homeless persons served in Continuum of Care programs, excluding the Emergency Solutions Grants program were reported as Veterans. The Continuum of Care programs were funded at \$1.676 billion (after funding the Emergency Shelter Grants program) in FY 2011, approximately five percent of which (\$83.8 million) was used to serve homeless Veterans. In addition, HUD awarded \$1.492 billion under the Homelessness Prevention and Rapid Re-housing Program for the purpose of preventing and ending homelessness. By the end of FY 2011, \$1.156 billion had been drawn down, approximately two and half percent of which (\$29 million) was used to serve Veterans.

Moving Forward

Building on the successes of FY 2010 and FY 2011, HUD and VA have established more ambitious goals for FY 2012. One of the primary challenges for partnering agencies in FY 2012 will be to continue housing Veterans through new allocations of HUD-VASH vouchers, while keeping up with vouchers that become available as Veterans leave the program. Fortunately, this Administration is strongly committed to ending Veterans' homelessness and will continue to provide the support necessary to accomplish this goal. The partnerships already in place will provide a solid foundation for moving forward.

Federal Strategic Plan to Prevent and End Homelessness

HUD is a principal partner in the Administration's *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*, developed by United States Interagency Council on Homelessness. The Federal Strategic Plan is designed to spur increased collaboration at both a federal and local level, for both government and community providers. One of the key goals of the plan is to end veteran homelessness in five years by strategically aligning HUD and other Federal resources targeted to homeless Veterans. This homeless Veterans' component of the Federal Strategic Plan will not only help individual Veterans escape homelessness, but it will also test models of local and federal collaboration on behalf of Veterans. It also presents an opportunity to look at cross-agency savings. As part of the Federal Strategic Plan, HUD and Veterans Administration (VA) will be partnering with Public Housing Authorities to make better use of mainstream voucher and public housing units to serve homeless Veterans.

Veterans Homelessness Prevention Demonstration

In an effort to prevent homelessness among Veterans, primarily those returning from the wars in Afghanistan and Iraq, the Department, with the VA, are providing \$15 million in grant funding for housing assistance and supportive services in five selected communities near military installations to Veterans who might otherwise be living in homeless shelters or on the streets. The U.S. Department of Labor (DOL), another partner in this initiative, will provide linkages to employment resources. The five selected sites are MacDill Air Force Base in Tampa, Florida; Camp Pendleton in San Diego, California; Fort Hood in Killeen, Texas; Fort Drum in Watertown, New York; and Joint Base Lewis-McChord near Tacoma, Washington.

Under the new Veterans Homelessness Prevention Demonstration Program (VHPD), five existing HUD Continuum of Care grantees were selected to carry out the demonstration in the communities surrounding the military installations and each received \$2 million. VA received \$5 million in funding to provide and coordinate outreach and to ensure Veterans engage in VA treatment, services and benefits. Each local VA medical center has identified a VHPD team to work with the local Continuum of Care grantee, Vet Center staff and DOL.

In February 2011, all grant agreements were executed based on the business plan applications and budgets that were submitted. The grantees began serving Veterans in March 2011 and HUD has begun to receive progress reports and conduct verification of the data.

Program Websites:

FHA: <http://www.hud.gov/offices/pih/programs/hcv/vash/>
<http://www.hudhre.info/hprp/>
<http://www.hudhre.info/index.cfm?do=viewResourcesByTopic&topicId=11>
<http://www.hudhre.info>
<http://www.hudhre.info/hprp/>

Energy and Green Retrofits

Strategic Goal 4: Build Inclusive and Sustainable Communities Free from Discrimination

Measure 13: The Departments of Energy (DOE) and HUD will work together to enable the cost-effective energy retrofits of a total of 1.1 million housing units through FY 2011.⁷

- Of this number, HUD will complete cost-effective energy retrofits of an estimated 126,000 HUD-assisted and public housing units.
- Apart from our joint goal with DOE, HUD will complete green and healthy retrofits of 33,000 housing units.

Problem Being Addressed

HUD and its partners spent more than \$7.1 billion on utility costs (energy and water) in 2010 while supporting more than 5 million units of housing through its public housing, multifamily assisted housing, and tenant-based Section 8 voucher program and additional rental programs. Much of this portfolio was built before the advent of energy codes, creating both environmental and affordability challenges for building owners, residents, and the federal government. Energy costs are also a significant burden for low-and moderate-income families. For building owners, energy costs can affect the financial stability of assisted multifamily rental and public housing.

Increasing the energy efficiency of these properties will yield significant cost savings for the Federal Government, building residents and owners. There are also significant environmental impacts: the residential sector is responsible for 22 percent of the nation's greenhouse gas emissions,⁸ 36 percent of electricity demand⁹, and 22 percent of energy consumption¹⁰. Combined energy use in the building and the transportation sector accounts for more than two-thirds of greenhouse gas emissions in the United States.¹¹ The resulting climate change effects pose significant challenges for both metropolitan areas and rural communities.¹²

This measure also addresses the serious health challenges presented by lead-based paint and

⁷ The original joint FY 2011 HUD-DOE target of 1.1 million units was revised to 1.2 million by FY 2013, with a revised FY 2011 target of 806,000 including an estimated 126,000 units completed by HUD and a revised DOE target of 679,835 units. An additional 33,000 units were targeted by HUD for lead hazard control and healthy homes interventions.

⁸ Environmental Protection Agency: <http://www.epa.gov/climatechange/emissions/downloads11/US-GHG-Inventory-2011>

⁹ Energy Information Administration: <http://www.eia.gov/oiaf/aeo/tablebrowser/#release=AEO2011&subject=0-AEO2011&table=2-AEO2011®ion=1-0&case=ref2011-do20911a>

¹⁰ U.S. Energy Information Administration: http://www.eia.gov/forecasts/aeo/sector_residential.cfm

¹¹ U.S. Energy Information Administration: http://tonto.eia.doe.gov/energyexplained/index.cfm?page=environment_where_ghg_come_from.

¹² Karl, Melilla, and Peterson. 2009. Global Climate Change Impacts in the United States. Cambridge University Press.

other home health hazards in our communities. Nearly 6 million households live with moderate to severe physical housing problems—including water leaks and intrusion; injury hazards; pests; and heating, plumbing, and electrical deficiencies—that place them at risk for illnesses and injuries, including asthma, slip and falls, and respiratory illnesses.¹³ Hardest hit by environmental health hazards in the home are low-income individuals, children, and the elderly. Approximately 37.1 million housing units have lead-based paint, with 23.2 million of these homes having one or more lead-based paint hazards¹⁴. Of homes with lead-based paint hazards, 1.2 million are low-income households with one or more children under age 6.¹⁵

Far too many American homes do not meet basic healthy home principles—homes that are dry, clean, ventilated, free from pests and contaminants, well maintained, and safe. This lack of healthy homes costs the country billions of dollars annually in housing-related healthcare costs for asthma, lead-based paint poisoning and injury, as well as lost productivity in the labor force. The total annual costs for certain housing-related illness and injuries include \$217 billion for unintentional home injuries,¹⁶ \$56.8 billion for lead poisoning¹⁷, \$3.5 billion for asthma associated with home dampness and mold¹⁸, and \$2.3 billion for radon-induced cancer.¹⁹

HUD's Impact on the Problem

As part of its larger focus on enabling sustainable communities, the Department is committed to catalyzing an energy-efficient, residential retrofit and new construction market. Retrofitting and renovating the older, federally assisted affordable housing stock will have a nationwide, positive environmental impact, reducing energy consumption and costs. As a key federal cabinet agency focused on the built environment and on strengthening metropolitan and rural communities, HUD's actions to reduce energy consumption in federally assisted housing—some 5 percent of the total housing stock—will support efforts to combat climate change. HUD is also supporting policies to advance inclusive and sustainable communities that integrate regional planning, local investments, transportation, and housing across the nation. Finally, HUD is committed to providing safe and healthy homes for families and children by improving indoor environmental quality and addressing lead hazards and other housing conditions that threaten the health of residents.

¹³ U.S. Bureau of the Census. 2010. *American Housing Survey*.

¹⁴ HUD. *American Healthy Homes Survey, 2011*. http://portal.hud.gov/hudportal/documents/huddoc?id=AHHS_reports.pdf

¹⁵ Jacobs et al. 2002. *Environmental Health Perspective* 100 (10): A599–A606.

¹⁶ Zaloshnja, E. et al., 2005. *the cost of unintentional home injuries*, *Am J Prev Med* :28(1):88-94

¹⁷ Trasande L, Liu Y. *Reducing the Staggering Costs of Environmental Disease in Children*. *Health Aff*, 2011 May;30(5):863-70

¹⁸ Mudarri D and Fisk WJ, 2007. *Public health and economic impact of dampness and mold*. *Indoor Air*; 17(3):226-35

¹⁹ Mason J and Brown MJ, 2010. *Estimates of costs for housing-related intervention to prevent specific illnesses and deaths*, *J public Health Manag Pract*, 16(5Suppl)S79-89

HUD's strategy is to support and promote an energy-efficient, green, and healthy housing market by retrofitting existing housing, supporting energy-efficient new construction, rehabilitation, and maintenance of housing and communities. Implementing this strategy involves (1) investments in energy efficiency and green building using one-time funding appropriated through the Recovery Act and (2) incentives for energy efficiency and green building through a number of existing competitive and formula grant programs.

This agency priority goal serves as a key measure of success in HUD's FY 2010-2015 Strategic Plan, aligning directly with Strategic Goal 4, "Build Inclusive and Sustainable Communities Free From Discrimination."

Measures of Success

HUD has made significant investments, both through the Recovery Act and its on-going programs, to further its commitment to energy efficiency and green building. Over the two-year performance period, a total of 201,444 energy efficient, green, and healthy retrofits, as well as new green homes were completed, about 27 percent increase over the target of approximately 159,000 units. In FY 2011 alone, HUD completed 109,772 energy efficient, green, and healthy unit retrofits, exceeding the FY 2011 target of 103,348 retrofits.

Together, HUD and DOE together completed 944,500 energy efficient units over the two-year performance period (FY 2010 and FY 2011), exceeding the revised two-year joint agency target by almost 17 percent.

HUD Energy, Green, and Healthy Retrofits by Program

Program	FY 2010 Target	FY 2010 Actual	FY 2011 Target	FY 2011 Actual	Two Year Targets	Two Year Actuals	Two Year Over/Under Target
Total Public and Indian Housing^{a/}	19,512	63,780	54,445	56,185	73,957	119,965	46,008
HOME	4,688	5,343	4,692	6,209	9,380	11,552	2,172
CDBG	248	369	252	281	500	650	150
Tax Credit Assistance Program- Recovery Act	1,140	287	1,142	2,859	2,282	3,146	864
Total Community Planning and Development	6,076	5,999	6,086	9,349	12,162	15,348	3,186
Section 202 and Section 811 Supportive Housing	3,000	3,743	2,500	4,901	5,500	8,644	3,144
Mark-to-Market	4,000	1,412	4,000	1,066	8,000	2,478	-5,522
Green Retrofit Program	1,500	0	18,500	15,517	20,000	15,517	-4,483
Total Multifamily Housing	8,500	5,155	25,000	21,484	33,500	26,639	-6,861
Other ^{b/}	6,000	0	500	0	6,500	0	NA
TOTAL Energy Retrofits	40,088	74,934	86,031	87,018	126,119	161,952	35,833
Healthy Homes and Lead Hazard Control ^{c/}	15,897	16,738	17,317	22,754	33,214	39,492	6,278
TOTAL Green and Healthy Retrofits	15,897	16,738	17,317	22,754	33,214	39,492	6,278
TOTAL ENERGY, GREEN AND HEALTHY RETROFITS	55,985	91,672	103,348	109,772	159,333	201,444	42,111

a/ FY 2010 actual has been updated from 63,673 to 63,780 due to data reconciliation. In addition, the following programs contributed towards the two-year Public and Indian Housing actual: Energy Performance Contracts, 48,509 units; HOPE VI, 3,358 units; Indian Housing Block Grants, 7,682 units; and Recovery Act Capital Funds, 60,416 units

b/ An additional 6,500 Unallocated or "Other" units were completed over the two years through several PIH programs

c/ The following programs and activities contributed towards the OHHLHC Green and Healthy Retrofit Goal for FY2011: LHC/HH Grant Programs - 14,897 units; Green and Healthy Homes Initiative - 1,273 units; Lead Regulatory Enforcement - 502 units; HOME "Green and Healthy Homes" - 6,082 units

NOTE: HUD totals include the use of "unit equivalents" using an OMB-approved methodology to count the most cost-effective energy conservation measures reported in the Recovery Act Management and Performance System (RAMPS) by public and Indian housing authorities or Tribally Designated Housing Entities. Note also that the HUD total includes new units for certain programs (CDBG, HOME, HOPE VI, and TCAP).

Public and Indian Housing

In FY 2011, the Office of Public and Indian Housing completed 56,185 energy retrofits, slightly exceeding the target of 54,445 by three percent. Over the two-year performance period, PIH completed 119,965 cost-effective energy retrofits, surpassing its two-year target of 73,957 by more than 62 percent. This accomplishment includes 60,416 retrofits funded by the Recovery Act through the Capital Fund Grant Program, 3,358 energy efficient/green units developed through the HOPE VI Program, and 48,509²⁰ units via Energy Performance Contracts. The total also includes 7,682 units completed through the Recovery Act-funded Indian Housing Block Grant and Indian Community Development Block Grant programs.

These accomplishments were the result of HUD staff working with PHAs and tribal governments to improve data and reporting, and building internal capacity. Significant time and energy were invested in outreach, technical assistance, and training. Additionally, in conjunction with the Council of Large Public Housing Authorities, HUD held a Green Building conference to share knowledge and promote the use of green energy efficient retrofits. The Office of Native American Programs also held a three-day Greener Homes National Summit for American Indian and Alaska Native tribal government and housing officials.

The Office of Public and Indian Housing totals include the use of "unit equivalents" for certain Capital Fund expenditures in the Recovery Act Management and Performance System (RAMPS) by public housing authorities. A similar unit equivalent method was used to report Recovery Act expenditures on energy efficiency improvements by Indian Housing Authorities or Tribally Designated Housing Entities.

Community Planning and Development

- ***Community Development Block Grant (CDBG)***

In FY 2011, the Department exceeded its target for the number of homes meeting the Energy Star for New Homes standard. CDBG grantees produced 281 Energy Star units, 29 more than the FY 2011 target of 252 units. Over two years, it produced 650 Energy Star units, exceeding the two-year target by 150 units.

- ***HOME***

During FY 2011, the Department exceeded its target for the number of completed HOME new construction units that meet Energy Star standards. At the end of the fiscal year, there were 6,209 units that met these requirements, 32 percent more than the target of 4,692 units. Furthermore, the program completed 11,552 units over the two-year performance period, exceeding its target of 9,380 units by over 23 percent.

²⁰ This includes 23,366 units for FY 2010. Previously, for FY 2010, PIH had reported 24,465 units; however this total corrects that number.

- **TCAP**

During FY 2011, the Department exceeded its target for the number of completed TCAP new construction units that meet Energy Star standards. By the end of the fiscal year, there were 2,859 units that met these requirements, exceeding the target of 1,142. Over the two years, this Recovery Act program completed 3,146 Energy Star units, surpassing its two year target of 2,282 units.

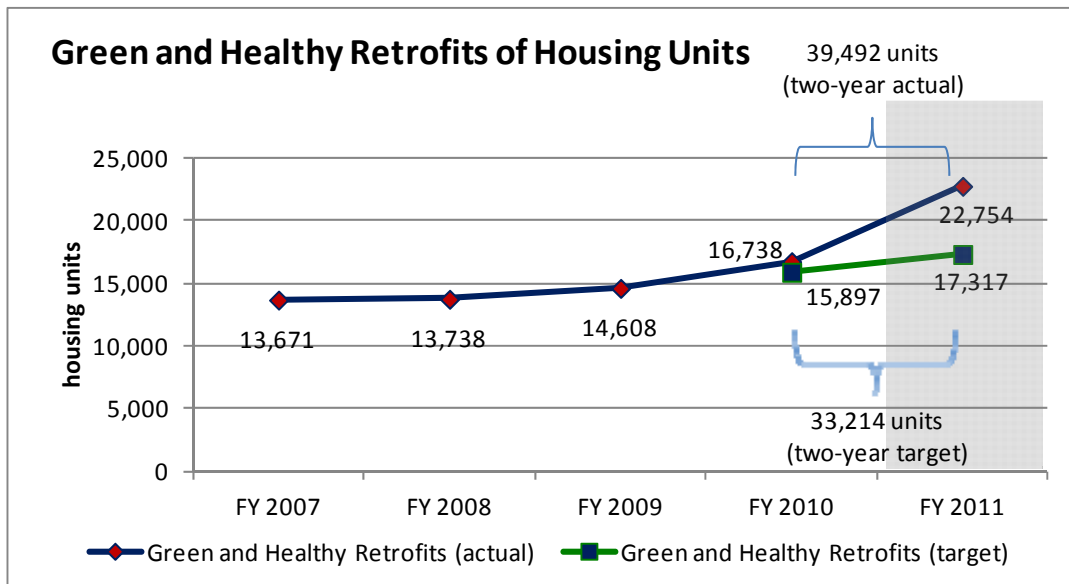
Multifamily Housing Programs

The Office of Multifamily Housing did not meet its two year target of completing 33,500 housing retrofits, but did complete a total of 26,639 units in FY 2010 and FY 2011. This accomplishment includes 8,644 retrofits through Sections 202 and 811 programs, 2,478 retrofits developed by the Mark to Market program, and 15,517 retrofits through the Green Retrofit program.

During FY 2011, additional properties applied for, and received approval to utilize funding, and as a result, the Department expects that by the end of FY 2012, there will be well over 33,500 combined cumulative units finished.

Office of Healthy Homes and Lead Hazard Control (OHHLHC)

Over the two year performance period, HUD eliminated lead-based paint and other housing-related environmental health hazards in 39,492 low-income housing units, exceeding the two-year target of 33,214 by 19 percent. In FY 2011 alone, 22,754 healthy units were completed. The total includes units assisted through OHHLHC Healthy Homes and Lead Hazard Control grants, programmatic enforcement, as well as HOME-funded rehab projects that removed lead hazards.



Interagency Partnerships

A new partnership with the Department of Energy has focused on overcoming barriers to the use of DOE weatherization funds in public and assisted housing, as well as other collaborative efforts between the two agencies, in the areas of home energy labeling, and energy efficient mortgage financing. Under this partnership, DOE has completed 782,548 energy efficient retrofits over two years, which brings the combined HUD-DOE total to 944,500 energy and green retrofits (excluding HUD healthy retrofits).

In addition, HUD established a new Office of Sustainable Housing and Communities to assist in managing this effort as well as to implement a broader Sustainable Communities Initiative, which, through a partnership with the Departments of Transportation and the Environmental Protection Agency, is initiating a broad-based strategy to lower household costs through integrated housing and transportation programs and planning. In combination, these initiatives represent an unprecedented effort at HUD to address both the energy efficiency and the location efficiency of the nation's housing stock, and to address the critical role that the built environment will need to play in reducing green house gas emissions.

Resource Information

In FY 2011, approximately 40 percent of the energy and green units completed were financed through the Recovery Act. Recovery Act funds included:

- A share of the \$4 billion to the Public Housing Capital Fund for capital improvements including significant investments in energy improvements to rehabilitate and retrofit public housing units, of which \$3 billion was awarded by formula and \$1 billion via competition.
 - Of the \$1 billion in competitive funds, \$600 million was set aside for a “[Creation of Energy Efficient, Green Communities](#)” competition, which included two categories: (1) \$300 million for new construction or gut rehabilitation of leading-edge green projects that meet the Enterprise Green Communities standard, which has a minimum requirement of the [Energy Star for New Homes](#) (15 percent more efficient than standard new construction); and (2) \$300 million for comprehensive energy retrofits of existing housing,
 - The Department dispersed almost \$408 million of the \$600 million in competitive grant funds in FY 2010 and FY 2011.
- A share of the \$250 million was made available for assisted multifamily housing through the Green Retrofit Program
- A share of the \$2.25 billion for the Tax Credit Assistance Program

The remaining 60 percent of the units completed were funded through a variety of sources and are listed below:

- The CDBG program produced 281 new Energy Star units, expending more than \$11 million for an average per unit cost of \$39,853.
- A portion of the FY 2011 appropriation for Indian Housing Block Grant and Indian Community Development Block Grant Programs (\$649 million), Section 202 and Section 811 Supportive Housing Programs (\$550 million), HOME (\$1.6 billion), HOPE VI (\$100 million), and Lead Hazard Reduction and Healthy Homes programs (\$120 million)
- Energy Performance Contracts were funded through third party financing in public housing

Moving Forward

The Department will continue its commitment to increasing energy efficiency and water conservation in HUD-assisted properties, and to improving the health and safety of both federally assisted and market-rate housing. With a new FY 2012-2013 annual performance goal of 159,000 energy efficient and green units, HUD will sustain the progress achieved over the past two years. HUD will continue to support energy efficient, healthy retrofits and new construction by closing out the remaining Recovery Act programs and targeting existing programs.

Key initiatives will include 1) targeting Energy Performance Contracts to reach smaller housing authorities; 2) aligning energy standards and requirements across HUD programs and federal agencies; 3) implementing and expanding technical assistance and training for HUD grantees and partners; 4) expanding the availability of financing for home energy improvements through FHA's Title I PowerSaver pilot program; 5) innovative financing initiatives for multifamily housing through the FHA-Fannie Mae Green Refinance Plus risk sharing program and competitive grant awards through the Multifamily Energy Innovation Fund for innovative strategies for improving multifamily energy efficiency; 6) increasing HUD's ability to collect and analyze energy retrofit data in the Capital Fund Program through an expansion of the Recovery Act Management and Performance System; and 7) a HOME Proposed Rule that will be published in FY 2012, which includes changes to the property standards requirements including energy efficiency requirements.

Program Website

PIH: http://portal.hud.gov/portal/page/portal/HUD/program_offices/public_indian_housing

Office of Capital Improvements: <http://www.hud.gov/offices/pih/programs/ph/capfund/index.cfm>

Office of Capital Improvements, Recovery Act: <http://www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm>

Indian Housing Block Grant: <http://www.hud.gov/offices/pih/ih/grants/ihbg.cfm>

Indian Community Development Block Grant: <http://www.hud.gov/offices/pih/ih/grants/icdbg.cfm>

HOPE VI: <http://www.hud.gov/offices/pih/programs/ph/hope6/>

Energy Performance Contracting: <http://www.hud.gov/offices/pih/programs/ph/phecc/epformance.cfm>

HOME: <http://www.hud.gov/offices/cpd/affordablehousing/>

TCAP: <http://portal.hud.gov/hudportal/HUD?src=/recovery/programs/tax>

Transform the Way HUD Does Business

Strategic Goal 5: Transform the Way HUD Does Business

Measure 19: Increase the percentage of employees who “agree or strongly agree” they are given a real opportunity to improve their skills in their organization from 49 to 52 percent.

Supporting Measures 1: 75 percent of employees are provided with training opportunities.

Supporting Measures 2: 90 percent of participants in the Emerging Professionals Program rate their experience as “satisfied or highly satisfied” (to be reported in FY 2012).

Measure 20: Increase the number of decisions delegated to field offices by 14 in FY 2011.

Problem Being Addressed

Given the major role that HUD is playing in response to the country’s current housing crisis, it has become even more critical that the Department’s employees have the knowledge, skills, and abilities needed to deliver high quality programs and services. The Department must make a greater investment in the on-going development of its employees to meet today’s and tomorrow’s housing challenges.

Furthermore, in the *2011 Federal Government Best Places to Work Report*, produced by the Partnership for Public Service and American University’s Institute for the Study of Public Policy Implementation, HUD tied for second-to-last among large agencies based on a survey of its employees collected in 2011. These results however, show that HUD has real opportunities to improve employee satisfaction and performance.

Finally, with an administration-wide focus on place-based policy making that recognizes the interconnected economic and social needs of urban, suburban, and rural communities, HUD must become a more place-based partner. Unfortunately, many of the decision-making processes at HUD are highly centralized, slow, and narrowly focused on specific programs, without regard for the broader community context. This lack of coordination has diminished customer service and led to significantly slow response times on requests.

HUD is committed to an investment in transformation that will be implemented persistently over time to produce better results, focus on placed-based decision making, and a customer oriented environment.

HUD's Impact on the Problem

When employees attain skills and are motivated to use those skills to help their organizations reach goals, the capacity of the organization grows and employees grow as well. A motivated and skilled workforce has access to training and leadership development opportunities so that employees can reach their full potential. To improve employees' knowledge and skills, the Department increased its training budget by several million dollars to ensure that over 75 percent of its employees were provided with training opportunities. In addition to numerous technical training opportunities that were offered by HUD program organizations, the Department also implemented two new developmental programs at both the staff and managerial levels.

One area of concern that has impacted the Department is its decision making process. Therefore, HUD has implemented a Place-Based Decision-making Initiative to delegate decisions wherever possible and build capacity of HUD staff to be more responsive to the challenges faced by the new era of the country's metropolitan areas.

Through the HUDStat process, HUD is focused on identifying bottlenecks in order to reduce the time it takes to hire. An Emerging Professionals Program is giving employees opportunity to gain broader professional development experiences outside of their immediate role.

Measures of Success

The Department has made important strides on Strategic Goal 5—"Transform the Way HUD Does Business"—helping HUD become the agile, responsive agency our customers deserve, and the innovative, supportive workplace our employees need to succeed. HUD's key measures (programs and result) for achieving this goal include:

Training Opportunities

In FY 2011, HUD's goal was to achieve a 52 percent positive response to the question "I am given a real opportunity to improve my skills in my organization," on the 2011 Employee Viewpoint Survey (EVS) as compared to its 49 percent positive response in the 2010 survey. HUD reached its target by achieving a 3.1 percent increase (52.4 in 2011 vs. 49.3 in 2010) on this question in the 2011 EVS.

Additionally, the two supporting measures listed below were established to track this goal.

- ***75 percent of employees provided with training opportunities***—HUD is currently in the process of developing a system that would capture training activities of its employees. Potentially, the system would have capabilities roll into the HUD-Virtual University (HVU).
- ***90 percent of participants in the Emerging Professionals Program rate their experience as "satisfied or highly satisfied" (to be reported in FY 2012)***—

In FY 2011, this 12-month developmental program was specifically designed to support the development of staff members at the GS-11 grade level and below currently in occupational series with no promotion potential to a GS-12 or higher. The program was structured to develop candidates to support the agency succession planning efforts as well as serve as an enhancement for the employee's career progression. There were 240 applicants who competed for 60 allotted slots under the pilot program. We also conducted a vendor competition through an Interagency Agreement with Office of Personnel and Management's Vendor Management Branch to select a highly qualified partner who is delivering the training to the EPP participants over the one-year program.

We completed a very cooperative union negotiation process, announced EPP, and made the 60 selections in Q1-FY 2011. The overall developmental framework for the Program is centered on the following four areas: (1) Knowing Yourself and Building Your Career; (2) Relating to Others; (3) Getting Work Done; and (4) Putting It All together. The EPP Kick-off session was conducted from May 10-13, 2011. This session focused on self assessments, communication styles, and networking; as well as presentations by HUD program representatives and a tour of HUD projects in Washington, DC. Two additional week-long, classroom training sessions were delivered in July and September 2011 to the EPP participants. This session continued to reinforce the themes of career management, customer service, emotional intelligence, communications, teamwork, professionalism, self management, conflict management, and accountability. Following these sessions, we began delivering monthly distance learning training sessions. These 2-hour sessions will be delivered from October 2011 through April 2012 focusing on topics such as Setting Goals and Developing Action Plans; Thinking Clearly and Analytically; Managing Your Time and Prioritizing Tasks; Solving Problems; Managing Projects; and Getting Work Done. The final week-long training and graduation program will be held in May 2012.

The other major components of the EPP are mentoring and rotational assignments. Thus far, overall participant feedback from the training sessions has been very positive. Upon completion of the program in May 2012, we will survey participants to gather their feedback about what worked well, what areas of the program need improvement, and their overall satisfaction with the Emerging Professionals Program.

In addition to the supporting measures, the Department recognizes that training supervisors is a key element to improving the operations of the workforce and created a training program specifically for managers. In FY 2011, the Department established the HUD Leadership Journey Framework based on the Office of Personnel and Management Executive Core Qualifications consisting of 28 core competencies with well-defined associated behaviors. The HUD Managers Training Program focuses on the competencies under two areas of the Framework: Managing People and Managing Programs. The Program was designed, developed, and piloted to a cohort

of 41 HUD supervisors and managers from HQs to the field. The pilot targeted the following competencies listed under Managing People: Performance Management; Human Capital Management; Leveraging Diversity; Developing Others; Conflict Management; and Public Service Motivation. The pilot received very positive feedback from the participants.

Delegation to Field Offices

In December 2009, HUD created a Field Authorities Studies team to develop recommendations about how the Department can delegate decision-making authority and empower staff to best deliver HUD programs. The team decided to focus on the four major program areas first, since these areas are where most of HUD's decision-making occurs and these are the dominant areas in which the Department had heard consistent feedback that more delegated decision-making was needed. To fulfill this measure, HUD is improving response time and consistency to efficiently meet our customers' needs, delegating more authority within headquarters and to the field, and escalating to headquarters only decisions that requires centralized control.

HUD fully achieved this measure in FY 2011 by implementing 14 delegations in FY 2011 and nine in FY 2010 for a combined total of all 23 delegations.

In FY 2011, the Office of Housing implemented delegations that provide authority to field staff to approve various Flexible Subsidy Notes and Multifamily Closing Agreements, which streamlined processes and freed up funds for operations and maintenance in multifamily housing. Consequently, the Department also delegated the approval of several compliance agreements to resolve performance issues locally.

Additionally, the Department completed a number of administrative delegations to the field offices to optimize its recruiting and hiring processes, expedite the process for staff details and training, and simplify processes for spot awards and time-off awards.

Resource Information

Resources for this goal are from the Department's funds allocated for training, Salary and Expensive (S&E), and funding through the Transformation Initiative for the implementation of the HUD Integrated Acquisition Management System (HIAMS). The Department's funding for training is \$8.9 million and \$3.1 for HIAMS.

Moving Forward

The goal to "Transform the Way HUD Does Business" is a moving target, a progressive elaboration. Challenges will surface, but with continuous planning, proper execution, and progressive elaboration of strategies, intended results will occur and the transformation of Department will be achieved. Transformation is a long-term process; HUD is committed to an investment in transformation that will be implemented persistently over time.

Moving forward, the Department plans to begin to evaluate and expand the manager training program in FY 2012. All supervisors and managers must receive refresher training at least every three years; therefore, our goal is to train 500 of HUD's approximately 1,500 supervisors and managers each year. The 500 supervisors and managers targeted for FY 2012 will be broken into 10 cohorts of 50 people each. Using a competitive procurement process and based on the availability of funds, we plan to identify one or more vendors to deliver this training to the 10 cohorts during FY 2012.

In addition, although the agency has made steady progress on Transformation priorities over the past years, the Department is taking a more comprehensive approach to Strategic Goal 5 in 2012. Accordingly, the HUD senior team worked to build on the Strategic Goal 5 measures outlined in the Strategic Plan to define a more concrete set of measures, based on the following criteria:

- Alignment to leadership priorities (i.e., internal and external customer pain points)
- Alignment to actual interventions underway, with a particular focus on aligning to key Transformation projects
- Availability of data, and the ability to set quantitative targets and track on a frequent basis

Finally, to improve employee satisfaction, skills, and the way HUD does business, in FY 2012, the Department will focus on the following areas:

1. Training,
2. Employee performance management,
3. Hiring and recruiting process,
4. The acquisition process,
5. Information technology implementation (HIAMS), and
6. PHA reporting burdens and NOFA timeliness.

Program Websites:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration

Appendices

Appendix A: Data Sources, Limitations and Advantages, and Validation

Strategic Goal 1. Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers

Measure 1a. Assist 3.1 million homeowners who are at risk of losing their homes due to foreclosure.

- **400,000 homeowners will be assisted through FHA early delinquency intervention.**

Data source: FHA Single Family Data Warehouse Meta Tables.

Limitations/advantages of the data: The data originate in the Single Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse, Loss Mitigation Table. The resolutions that are counted as loss mitigation are forbearance agreements, loan modifications, partial claims, preforeclosure sales, and Deeds in Lieu of foreclosure. A small and decreasing number of “other” resolutions that were previously counted, along with supplemental claims, are now excluded. Total claims comprise loss mitigation plus conveyance claims.

Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

- **300,000 homeowners will be assisted through FHA loss mitigation programs.**

Data source: FHA Single Family Data Warehouse Meta Tables.

Limitations/advantage of the data: The data originate in the Single Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse, Loss Mitigation Table. The resolutions that are counted as loss mitigation are forbearance agreements, loan modifications, partial claims, preforeclosure sales, and Deeds in Lieu of foreclosure. A small and decreasing number of “other” resolutions that were previously counted, along with supplemental claims, are now excluded. Total claims comprise loss mitigation plus conveyance claims.

Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

- **2.4 million homeowners will be assisted through joint HUD-Treasury programs.**

Data source: FHA Single Family Data Warehouse Meta Tables.

Limitations/advantages of the data: The data originate in the Single Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse, Loss Mitigation Table. The resolutions that are counted as loss mitigation are forbearance agreements, loan modifications, partial claims, preforeclosure sales, and Deeds in Lieu of foreclosure. A small and decreasing number of “other” resolutions that were previously counted, along with supplemental claims, are now excluded. Total claims comprise loss mitigation plus conveyance claims.

Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

- **For all FHA borrowers that receive loss mitigation assistance, achieve a Consolidated Claims Workout (CCW) ratio of 75 percent.**

Data source: FHA Single Family Data Warehouse Meta Tables.

Limitations/advantages of the data: The data originate in the Single Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse, Loss Mitigation Table. The resolutions that are counted as loss mitigation are forbearance agreements, loan modifications, partial claims, preforeclosure sales, and Deeds in Lieu of foreclosure. A small and decreasing number of “other” resolutions that were previously counted, along with supplemental claims, are now excluded. Total claims comprise loss mitigation plus conveyance claims.

Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

- **For FHA borrowers receiving a CCW, achieve a 6-month re-default rate of 20 percent or less.**

Data source: FHA Single Family Data Warehouse Meta Tables.

Limitations/advantages of the data: The data originate in the Single Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse, Loss Mitigation Table. The resolutions that are counted as loss mitigation are forbearance agreements, loan modifications, partial claims, preforeclosure sales, and Deeds in Lieu of foreclosure. A small and decreasing number of “other” resolutions that were previously counted, along with supplemental claims, are now excluded. Total claims comprise loss mitigation plus conveyance claims.

Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

Strategic Goal 2. Meet the Need for Quality Affordable Rental Homes

Measure 5a. HUD programs will meet more of the growing need for affordable rental homes by serving 5.38 million families by the end of FY 2011, which is 207,000 more than in FY 2009.

Community Planning and Development

HOME Investment Partnerships

Data source: Integrated Disbursement and Information System.

Limitation/advantages of the data: Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010.

Validation, verification, and improvement of measure: The Office of Community Planning and Development field staff verifies program data when monitoring grantees.

Housing Opportunities for Persons With AIDS

Data source: Annual performance reports and Integrated Disbursement and Information System.

Limitation/advantages of the data: Data are reported by formula and competitive grantees through the Consolidated Annual Performance and Evaluation Report and the Annual Progress Report, respectively. These reports reflect annual data collection with limited use of information management technology systems, pending further upgrades. The Housing Opportunity for Persons With AIDS program collects performance outcomes on housing stability, access to care, and prevention of homelessness. These performance reports completed by grantees provide the program with insights into client demographics, expenditures for eligible activities, and the number of households served. At this time, the program does not have a client-level data system that provides site-specific information on performance outcomes. Pending enhancements to the Integrated Disbursement and Information System, however, will help support data quality and reduce the grantees' burden.

Validation, verification, and improvement of measure: Performance reporting information is reviewed by Housing Opportunities for Persons With AIDS technical assistance providers and recorded in grant profiles and national summaries on the program's website (HUDHRE.info). HUD guidance and technical assistance assists grantees in verifying data quality and completing reports. A request for updating the Integrated Disbursement and Information System, which will allow for improving the use of information technology resources for reporting on project results, is pending.

Homeless Assistance Grants

Data source: The Housing Inventory Count, as submitted through the Homelessness Data Exchange.

Limitations/advantages of the data: The data are collected only annually, and it takes nearly a year from the date they are collected to the date they are received at HUD as a clean product. The advantages are that they are a comprehensive source of data and they specifically record the number of new beds in the year preceding the night of the annual homeless inventory.

Validation, verification, and improvement of measure: Grantees perform an annual housing inventory and report the number of homeless shelters in their communities to HUD as a requirement of their homeless assistance grant applications. The data are collected in a database that has several validations built into it. Subsequently, the Office of Special Needs Assistance Programs performs data-quality reviews by calling grantees about suspect data to either get corrected data or an explanation for the data. The Office of Special Needs Assistance Programs annually assesses the data quality and revisits the validations to see if more can be included in the database to reduce the number of callbacks and thus reduce the turnaround time of the data.

Neighborhood Stabilization Program

Data source: Disaster Recovery Grant Reporting System.

Limitations/advantages of the data: As activities are completed, grantees enter the data.

Validation, verification, and improvement of measure: Grantee-entered data are subject to review and verification by HUD staff as part of quarterly performance report reviews.

Tax Credit Assistance Program

Data source: Integrated Disbursement and Information System.

Limitations/advantages of the data: Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010.

Validation, verification, and improvement of measure: Program staff reviews weekly reports to ensure data validity and resolve identified data problems.

Gulf Coast Disaster

Data source: Disaster Recovery Grant Reporting System.

Limitations/advantages of the data: As activities are completed, grantees enter the data.

Validation, verification, and improvement of measure: Grantee-entered data are subject to review and verification by HUD staff as part of quarterly performance report reviews.

Multifamily Housing

Project-Based Rental Assistance

Data source: Tenant Rental Assistance Certificate System and Integrated Real Estate Management System.

Limitations/advantages of data: The Tenant Rental Assistance Certificate System and Integrated Real Estate Management System have more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes. These systems serve two primary customers: HUD staff and business partners called performance-based contract administrators.

Validation, verification, and improvement of measure: The system business rules and operating procedures are defined in HUD Occupancy Handbook 4350.3; HUD's IT system security protocols; and financial requirements established in the Office of Management & Budget's Circular A-127. Often referenced as validation rules, these business rules check for data accuracy, meaningfulness, and security of access logic and controls.

The primary data element for the Tenant Rental Assistance Certificate System is the HUD 50059 tenant certification, which originates from owner/agents, performance-based contract administrators, and traditional contract administrators. HUD's 50059 transmissions are processed via secure system access and a predetermined system script. Invalid data are identified by an error code and are returned to the sender with a descriptive message and procedures to correct the error. This electronic process approximates that of the paper Form HUD 50059. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

The Integrated Real Estate Management System uploads data from the Tenant Rental Assistance Certificate System nightly. These data are used exclusively for project management purposes. Thus, the data edits retain the currency of

the source system. The nightly updates ensure data accuracy for reporting in these systems.

The Integrated Real Estate Management System was certified and accredited by the Chief Information Security Officer on March 12, 2010, and the Tenant Rental Assistance Certificate System was certified and accredited on June 25, 2008. This system is currently undergoing the certification and accreditation review again, which will be completed in FY 2011.

Project Rental Assistance Contract (Sections 202 Elderly and 811 Persons with Disabilities)

Data source: Tenant Rental Assistance Certificate System and Integrated Real Estate Management System.

Limitations/advantages of the data: The Tenant Rental Assistance Certificate System and Integrated Real Estate Management System have more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes. These systems serve two primary customers: HUD staff and business partners called performance-based contract administrators.

Validation, verification, and improvement of measure: The system business rules and operating procedures are defined in HUD Occupancy Handbook 4350.3; HUD’s IT system security protocols; and financial requirements established in the Office of Management & Budget’s Circular A-127. Often referenced as validation rules, these business rules check for data accuracy, meaningfulness, and security of access logic and controls.

The primary data element for the Tenant Rental Assistance Certificate System is the HUD 50059 tenant certification, which originates from owner/agents, performance-based contractor administrators, and traditional contract administrators. HUD’s 50059 transmissions are processed via secure system access and a predetermined system script. Invalid data are identified by an error code and are returned to the sender with a descriptive message and procedures to correct the error. This electronic process approximates that of the paper Form HUD 50059. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

The Integrated Real Estate Management System uploads data from the Tenant Rental Assistance Certificate System nightly. These data are used exclusively for project management purposes. Thus, the data edits retain the currency of the source system. The nightly updates ensure data accuracy for reporting in these systems.

The Integrated Real Estate Management System was certified and accredited by the Chief Information Security Officer on March 12, 2010, and the Tenant Real Assistance Certificate System was certified and accredited on March 9, 2011.

Insured Tax Exempt/Low-Income Housing Tax Credit

Data source: Office of Housing Development Application Processing system.

Limitations/advantages of the data: The indicators of project status during the development process stage consist of straightforward and easily verifiable counts. The data are judged to be reliable for this measure.

Validation, verification, and improvement of measure: HUD field staff reviews, verifies, and approves the data. The Office of Housing receives copies of the closing documents that are used to verify data system entries.

Public and Indian Housing

Indian Housing Block Grant

Data source: The Office of Native American Programs Performance Tracking Database.

Limitation/advantages of data: The Performance Tracking Database is populated by information reported in the Annual Performance Reports submitted within 90 days of the end of each recipient's program year. The Office of Native American Programs does not count occupied units, only completed units.

Validation, verification, and improvement of measure: The last Indian Housing Block Grant program evaluation found that "Tribes have very low vacancy rates (half of the 28 tribes report vacancy rates less than 1.4 percent), and three-fourths of the tribes reported turning over a vacant unit within a month." In addition, The Office of Native American Programs performs routine monitoring and oversight of tribes overall program management.

Public Housing

Data source: HUD's Inventory Management System/Public and Indian Housing Information Center System.

Limitations/advantages of the data: Public housing agencies self-report the data. Public housing agencies annually certify to the accuracy of the building and unit counts as required by the Office of Capital Improvements. Public housing agencies certify to the accuracy of the data submitted to HUD in the Inventory Management System/Public Housing Information Center system that the Department uses to calculate the formula for allocating Capital Fund grants.

Validation, verification, and improvement of measure: With the annual recertification process, data inconsistencies are identified in the Inventory Management System/Public Housing Information Center system. Public housing agencies correct errors in the data displayed on the Capital Fund Building and Unit Data Certification tab page and the Development Details web page. These data corrections are required before certifying the accuracy of the data for that development. When a public housing agency encounters errors that the public housing agency or field office staff cannot correct, the public housing agency is required to inform the Real Estate Assessment Center Technical Assistance Center Help Desk. This center assigns a Help Ticket number to the public housing agency, and the public housing agency enters the number on the Development Details web page. Finally, the public housing agency must also provide a comment that indicates what data elements are wrong, what the correct data are, and why the data cannot be corrected through the normal procedures. Further, HUD is developing an application to track development and modernization of public housing units and is planning to convert existing software investments to Java and Oracle, both of which will require the support of the Office of Management and Budget in order to adequately fund the procurement and information technology systems needed to make the transition possible. HUD believes the data are accurate for performance tracking.

Tenant Based Rental Assistance Vouchers

Data source: HUD's Voucher Management System.

Limitations/advantages of the data: The Voucher Management System captures information related to the leasing and Housing Assistance Payment expenses for the Housing Choice Voucher Program. The public housing agencies enter the information, which provides the latest available leasing and expense data. The data, therefore, are subject to human (data-entry) error. The Department, however, has instituted "hard edits" for entries in the system.

Validation, verification, and improvement of measure: A "hard edit" is generated when a public housing agency enters data that are inconsistent with prior months' data input. When a hard edit is generated, a financial analyst

reviews the data and, if necessary, contacts the public housing agency to resolve differences. If the issue cannot be resolved successfully, the transaction is rejected and the public housing agency is required to re-enter the correct information. This process provides additional assurance that the reported data are accurate.

The Housing Choice Voucher Program uses four other means to ensure the accuracy of the data:

1. HUD has developed a voucher utilization projection tool, which will enable the Department and public housing agencies to forecast voucher utilization and better manage the Voucher program.
2. The Housing Choice Voucher Financial Management Division performs data-validation checks of the Voucher Management System data after the monthly database has been submitted to HUD Headquarters for management reporting purposes. Data that appear to be inconsistent with prior months' data are resolved with the public housing agency. Corrections are entered directly into the Voucher Management System to ensure that the data are accurate.
3. The Public and Indian Housing Quality Assurance Division, using onsite and remote Voucher Management System reviews, validates the data. The division staff reviews source documents on site at the public housing agency to determine if the leasing, Housing Assistance Program expenses, and Net Restricted Assets are consistent with data reported in the Voucher Management System.
4. The Housing Choice Voucher Program Financial Management Center staff was engaged in reviewing the Housing Assistance Program Net Restricted Assets balances through a reconciliation of FASS and Voucher Management System. A process for follow-up to the reconciliation will be instituted so that corrections are confirmed in these systems to ensure the accuracy of the data.

PIH Moderate Rehabilitation

Data source: Each year, public housing agencies provide data to the Public and Indian Housing field offices, including which Moderate Rehabilitation contracts will be renewed. The field offices calculate renewal rents and forward all data to the Financial Management Center, which confirms the data and also calculates and requests total required renewal and replacement funding. After funding has been received, the Financial Management Center obligates and disburses funding for Moderate Rehabilitation Renewals or Replacement vouchers with Housing Choice Vouchers funds.

Limitations/advantages of the data: Timeliness and validity of data are dependent on multiple entities, including the Moderate Rehabilitation project owners, Public and Indian Housing field offices, and the Financial Management Center. It is primarily a detailed, time-consuming, manual process.

Validation, verification, and improvement of measure: The Financial Management Center reviews the data provided by the field offices and follows-up on incorrect or suspect data before submitting funding requests. A Financial Management Center division director or team leader must approve funding obligation and disbursement. The Office of Housing Voucher Programs is currently working to develop a more streamlined and automated process to validate and improve the validation.

Strategic Goal 3. Utilize Housing as a Platform for Improving Quality of Life

Measure 6c. HUD and the Department of Veterans Affairs will jointly reduce homelessness among Veterans.

Continuums of Care

Data source: The point-in-time data are used as the baseline and the Annual Progress Report shows incremental

changes annually.

Limitations/advantages of the data: The Annual Progress Report does not have full participation by all providers and it has minimal data-quality checks.

Validation, verification, and improvement of measure: The Office of Special Needs Assistance Programs is working to improve data limitations by improving the database and the validation checks on the data. The Office does some extrapolation of the Annual Progress Report data to account for the missing data submissions. The point-in-time data are based on an annual count performed by all Continuums of Care in the last week of January. These data are entered into a database, where they are analyzed for accuracy and callbacks are performed. A point-in-time count is required biennially for both sheltered and unsheltered homeless people. These data are different from the Annual Progress Report data, which have only sheltered data.

Homelessness Prevention and Rapid Re-housing Program

Data source: Homelessness Prevention and Rapid Re-housing Annual Performance Reports.

Limitations/advantages of the data: These data are all required to come from the Homeless Management Information System, which provides a more accurate means for collecting the data.

Validation, verification, and improvement of measure: The Office of Special Needs Assistance Programs on performs data analysis and verification when the data are received.

HUD-VASH

Data source: The Department of Veterans Affairs sends monthly field reports to HUD. HUD reviews the data and then converts them to a PHA-specific format. These monthly data include the number of Veterans referred to public housing agencies, the number of vouchers issued, and the number of Veterans who have leased units.

Limitations/advantages of the data: The data quality and accuracy of VA data are deemed high because of the numerous levels of oversight by VA (including senior staff at local, regional, and national levels) and HUD's review of data for quality-control purposes. Under HUD's systems, the Public and Indian Housing Information Center and Voucher Management System, HUD is not able to collect information on referrals, and the data on voucher issuance, although improving, are still not as reliable as the data reported by VA.

Validation, verification, and improvement of measure: HUD routinely compares the data reported by VA with data in HUD systems and reconciles discrepancies as part of HUD's ongoing monitoring efforts.

Strategic Goal 4. Build Inclusive and Sustainable Communities Free From Discrimination

Measure 13. Complete cost-effective energy and green retrofit of 159,000 public, assisted, and other HUD-supported affordable homes by the end of 2011.

Community Planning and Development

Community Development Block Grant

Data source: Aggregated (summed) raw data on accomplishments reported by Community Development Block

Grant grantees in the Integrated Disbursement and Information System.

Limitation/advantages of the data: Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010.

Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data.

HOME Investment Partnerships

Data source: HUD’s Integrated Disbursement and Information System.

Limitation/advantages of the data: Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010.

Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data.

Tax Credit Assistance Program

Data source: HUD’s Integrated Disbursement and Information System.

Limitations/advantages of the data: Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010.

Validation, verification, and improvement of measure: Program staff reviews weekly reports to ensure data validity and resolve identified data problems.

Multifamily Housing

Sections 202 Elderly and 811 Persons with Disabilities

Data source: The source of construction-start data is the Office of Housing Development Application Processing System.

Limitations/advantages of data: The data, in general, are considered to be reliable.

Validation, verification, and improvement of measure: HUD field staff reviews, verifies, and approves the data. The Office of Housing receives copies of the closing documents that are used to verify data system entries.

Mark-to-Market

Data source: The Rehabilitation Escrow Administration database, a system maintained to track and approve retrofit schedules, costs, and specifications, and used to review and approve funding draws on completion and verification of work completion.

Limitations/advantages of data: The Agency has a high degree of confidence in the accuracy of the data. Basic transaction parameters are derived from official record sources—Mark-to-Market system and Rehabilitation Escrow Administrations database—and locked down in the independently maintained database.

Validation, verification, and improvement of measure: Limited and finite number of properties being tracked; independently maintained database; accessible only by a limited number of highly trained professionals, minimizing

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Section III

the opportunity for user input errors or data corruption; regular reports from the database allow for a reality check period over period; Approved Funds Control Plans and Front End Risk Assessments require a high degree of review and approval for accuracy (that is, the process ensures quality data).

Green Retrofit

Data source: The Rehabilitation Escrow Administration database, a system maintained to track and approve retrofit schedules, costs, and specifications and used to review and approve funding, draws on completion and verification of work completion.

Limitations/advantages of data: The Agency has a high degree of confidence in the accuracy of the data. Basic transaction parameters are derived from official record sources—Mark-to-Market system and Rehabilitation Escrow Administrations database—and locked down in the independently maintained database.

Validation, verification, and improvement of measure: Limited and finite number of properties being tracked; independently maintained database; accessible only by a limited number of highly trained professionals, minimizing the opportunity for user input errors or data corruption; regular reports from the database allow for a reality check period over period; Approved Funds Control Plans and Front End Risk Assessments require high degree of review and approval for accuracy (that is, the process ensures quality data); expenditure information is cross-checked to another official source—LOCCS—at the time of each disbursement for grants. The greatest potential exposure regarding erroneous reporting is likely to be contained in RA/PAE reporting of loan disbursements. See clause 3 above, plus strict procedural requirements for regular updating by our highly trained professional staff and contractors. Database reports contain mathematical checks of PAE-provided numbers. Management review of those reports provides logical checks of reported data, that is, prevents a report that indicates spending above total authorized amounts.

Public and Indian Housing

Public Housing Capital Fund/Indian Housing Block Grant

Data source: Recovery Act Management and Performance System. Section 1609 of the American Recovery and Reinvestment Act requires that public housing agencies receiving Capital Fund Recovery grants and grantees receiving Indian Housing Block Grants report into the Recovery Act Management and Performance System regarding environmental compliance with National Environmental Policy Act reviews. Using a checklist, public housing agencies also report on all units that include 1 or more of 39 Energy Conservation Measures, as well as on new or substantial rehabilitation projects that meet ENERGY STAR for New Homes or one or more green standards.

Limitations/advantages of the data: Although the data are self-reported, the monitor techniques employed (see below) are sufficient to ensure data are not materially inaccurate. The energy data collected are limited; each Energy Conservation Measure is reported separately for each unit (by project) but not bundles so as to report on which bundle of Energy Conservation Measures was installed in a particular unit. A “unit equivalent” method was developed to address these data limitations, using the top 10 most cost-effective measures. Other data limitations are that HUD does not collect pre- and post-retrofit consumption data for these measures, or Energy Conservation Measure costs, so determinations of cost effectiveness for these investments must be estimates, using recognized engineering or costs methods. For the Indian Housing Block Grant formula grants, similar data limitations exist regarding reporting Energy Conservation Measures as described above, and the unit equivalent method has been used to address those limitations.

Validation, verification, and improvement of measure: After some internal inconsistencies were noted and

corrected, data are now considered generally complete and reliable. Public and Indian Housing staff validates the data entered into the system in terms of completeness of information; Public and Indian Housing staff also provides technical assistance to grantees to ensure that the definitional boundaries of data prompts within the Recovery Act Management and Performance System are fully understood. Data may also be confirmed through remote and onsite reviews of public housing agencies' Recovery Act work activities. The collection of data through the Recovery Act Management and Performance System is advantageous because it provides a mechanism to track energy-efficiency activities more effectively; however, it is only for Recovery Act grants and is subject to reporting errors.

Energy Performance Contracts

Data source: The data used for reporting for the Energy Performance Contract program were gathered through the Energy Performance Contract Inventory, which all Public and Indian Housing field offices are required to complete annually.

Limitations/advantages of the data: For the first time, during FY 2010, the Energy Performance Contract Inventory was restructured to gather data at the asset management project level rather than at the contract level. Training was provided to the field offices to increase the reporting accuracy and completeness. Despite this effort, the Energy Performance Contract Inventory frequently contains missing or erroneous data.

Validation, verification, and improvement of measure: The data are reviewed for suspected inaccuracies. When reporting data, the Office of Public and Indian Housing makes a strong effort to confirm the data are valid and makes corrections as noted.

In future years, the Office of Public and Indian Housing hopes to continue to improve the Energy Performance Contract Inventory to make it easier to complete, thus improving accuracy and completeness. At the same time, the Office of Public and Indian Housing hopes to integrate the Energy Performance Contract Inventory with its existing reporting systems, which tend to be more sophisticated, yet easier to use.

HOPE VI

Data source: The HOPE VI Grants Management System.

Limitations/advantages of the data: For the first time, during FY 2010, the Grants Management System was expanded to collect information on whether the HOPE VI units being built were achieving a comprehensive green standard (for example, LEED for Homes), a noncomprehensive energy-efficiency standard (for example, ENERGY STAR for New Homes), or meeting the local building code. The Grants Management System has some limitations. In particular, the data are self-reported. The data collected through the system are limited in scope to the achievement of green standards. Although these standards are the highest ideal, no data are collected about building practices that are better than the minimum, but yet, the practices do not reach the level of a green standard.

Validation, verification, and improvement of measure: Grantees are required to use the data system quarterly. Each quarter, the grants manager in charge of each project checks the data for reasonability. In addition, the HOPE VI program has a data collection contractor on staff to provide technical assistance to grantees that are completing their reporting requirements.

Lead and Healthy Homes

Lead Hazard Control

Data source: Office of Healthy Homes and Lead Hazard Control's web-based Grantee Quarterly Progress Reporting System.

Limitations/advantages of the data: The data represent direct accomplishments as reported by grantees and confirmed by HUD staff through monitoring. The data do not include housing units that are indirectly made lead safe through leveraged private sector investment, state and local programs, and other federal housing programs.

Validation, verification, and improvement of measure: A rigorous scientific evaluation of the program indicates that the program is effective in achieving its goals. The study, conducted by the National Center for Healthy Housing in conjunction with the University of Cincinnati, found that the lead hazard control methods used by grantees reduce the blood lead levels of children occupying treated units and also significantly reduce lead dust levels in the treated homes.²¹ The number of units made lead safe is validated by both Office of Healthy Homes and Lead Hazard Control data and data from HUD's National Lead-Based Paint Survey. The Office of Healthy Homes and Lead Hazard Control reviews data provided through its web-based Quarterly Progress Reporting System. HUD grant staff performs both onsite and remote monitoring of grant files and unit completion progress.

Healthy Homes

Data source: Office of Healthy Homes and Lead Hazard Control's web-based Grantee Quarterly Progress Reporting System.

Limitations/advantages of the data: The data represent direct accomplishments as reported by grantees and confirmed by HUD staff through monitoring. The data do not include housing units that are indirectly made lead safe through leveraged private sector investment, state and local programs, and other federal housing programs.

Validation, verification, and improvement of measure: The Healthy Homes program builds on the Department's existing activities in housing-related environmental health and safety issues—including lead hazard control, building structural safety, electrical safety, and fire protection—to address multiple childhood diseases and injuries in the home. The program takes a holistic approach to these activities by addressing housing-related hazards in a coordinated fashion, rather than addressing a single hazard at a time. An evaluation of the program that was completed in 2007 indicated that grantees were successful in achieving the objectives of the program as identified in the Notice of Funding Availability and the program's strategic plan. Grantees had conducted assessments and low cost interventions that addressed priority hazards and conditions in 9,700 homes in high-risk neighborhoods, and healthy homes outreach efforts had reached approximately 2.8 million people. Program-supported research was successful in improving our understanding of residential hazards and documenting the effectiveness of interventions to reduce children's asthma symptoms. The Office of Healthy Homes and Lead Hazard Control reviews data provided through its web-based Quarterly Progress Reporting System. HUD grant staff performs both onsite and remote monitoring of grant files and unit completion progress.

The Green and Healthy Homes Initiative

Data source: A centralized Green and Healthy Homes Initiative database of assessments and interventions was established to collect data from the pilot cities.

Limitations/advantages of the data: The data represent direct accomplishments as reported by the Green and Healthy Homes Initiative pilot cities and confirmed by HUD and the Green and Healthy Homes Initiative contractor through monitoring. The data include housing units that are made energy efficient and healthy through leveraged private sector investment, state and local programs, and other federal housing programs.

²¹ Clark S, Galke W, Succop P, Grote J, McLaine P, Wilson J, Dixon S, Menrath W, Roda S, Chen M, Bornschein R, Jacobs D. Effects of HUD-supported lead hazard control interventions in housing on children's blood lead. *Env Res*, 111(2):301-311, 2011

Validation, verification, and improvement of measure: Current data collection relies on a survey of Green and Healthy Homes Initiative sites by the contractor; results are verified through onsite monitoring. As the Green and Healthy Homes Initiative expands, this method will not be sufficient to collect data in real time or provide reports on all the activities under way in the field. In 2011, the data collection will migrate from the current system to a new, more comprehensive data tracking system. This system will reside at each location and be maintained by the site Green and Healthy Homes Initiative coordinator. It will be connected to a central reporting database. The system will track current data and add fields for measureable cost efficiencies through integration, energy consumption/cost savings per unit, health outcomes for residents, direct and secondary green job creation and retention, and worker training and certifications obtained.

Strategic Goal 5. Transform the Way HUD Does Business

Measure 19. Increase the percentage of employees who “agree” or “strongly agree” they are given a real opportunity to improve their skills in their organization.

Data source: Employee Viewpoint Survey.

Limitations/advantages of the data: The FedView survey is a tool that measures employees’ perceptions of whether, and to what extent, conditions that characterize successful organizations are present in their agencies. The advantage of using this data source is the comprehensive survey methodology used to gather the information.

Validation, verification, and improvement of measure: Beginning in 2011, the Office of Personnel Management will administer the FedView annually.

Data source: Quarterly Pulse Survey.

Limitations/advantages of the data: The pulse survey is aimed at gauging whether the transformation initiatives are having an effect. The questions are arranged around the three areas identified by the Secretary in response to the 2010 Employee Viewpoint Survey: invest in our people, increase accountability and bureaucracy busting, and improve communication. The survey was sent to 15 percent of HUD employees (about 1,400 people). The sample was representative of both the Headquarters/field and office breakups and did not include political appointees. The goal is a 35- to 40-percent response rate, or about 500 people.

Validation, verification, and improvement of measure: For the first pulse survey, the response rate was 45.8 percent, with 637 responses. The survey has a margin of error of +/- 1.3 percent, with a 95-percent level of confidence.

Data source: SF-182—Request, Authorization, Agreement, and Certification of Training.

Limitations/advantages of the data: HUD is tracking training participation through the SF-182. All program training coordinators are also reporting on the training dollars spent and the number of people trained per dollar.

Validation, verification, and improvement of measure: SF-182s are in the process of being automated. In the future, all training will be tracked on line through HUD Virtual University.

Appendix B: Research and Evaluations Supporting HUD's Strategic Goals Attainment during FY 2011

During FY 2011, HUD's Office of Policy Development and Research published a number of program evaluations and policy studies that provide information about how well HUD programs are achieving intended outcomes. The evidence produced through these rigorous and independent evaluations can help policymakers and agency managers strengthen the design, operation and cost-effectiveness of programs. The evaluations that are particularly relevant to each of HUD's strategic goals are summarized below. These reports are available through PD&R's research clearinghouse, www.HUDUSER.org.

Research and Evaluations Informing Goal 1: Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers

Risk or Race: An Assessment of Subprime Lending Patterns in Nine Metropolitan Areas.

Previous research into the extent of predatory practices in subprime lending to minorities has been hampered by lack of data on mortgage credit risk. Newly available data on neighborhood-level measures of credit scores in nine metropolitan areas enabled this more robust analysis of whether concentrations of subprime lending primarily reflected borrower risk or marketing on the basis of race. Like previous research, this study found a very strong association between African-American borrowers and the probability of obtaining a higher-priced loan. Including neighborhood credit measure variables did not weaken this association. Rather, significant racial and ethnic disparities in the use of subprime mortgage lending remain even after controlling for credit risk at the neighborhood level. The results are consistent with the possibility that racial and ethnic minorities have been subject to discriminatory treatment in mortgage lending, although they do not provide conclusive evidence of discrimination.

Research and Evaluations Informing Goal 2: Meet the Need for Quality Affordable Rental Homes

Worst Case Housing Needs 2009: Report to Congress. HUD's most recent biennial report to Congress on worst case housing needs found increases in prevalence of needs that cut across demographic groups, household types, and regions. The economic recession of 2007-2009 caused incomes to shrink and placed upward pressure on rents by increasing competition for already-scarce affordable units. The number of renters experiencing worst case needs increased more than 20 percent, from 5.91 to 7.10 million, between 2007 and 2009. The increase in worst case needs was sharper, both in absolute and percentage terms, than in any previous two-year period since at least 1985. Worst case needs are defined as unassisted, very low-income renter households (below one-half of Area Median Income) who either have a severe rent burden exceeding one-half of their income or live in severely inadequate conditions, or both.

Worst Case Housing Needs of People with Disabilities—Supplemental Findings of the Worst Case Housing Needs 2009: Report to Congress. HUD’s second supplemental report on the extent of worst case needs among households containing persons with disabilities found approximately 1 million such households in 2009, 13 percent more than in 2007. The prevalence of worst case needs among very low-income renters with disabilities was 38 percent. Although renter households containing people with disabilities are more likely to have very low incomes and severe housing problems, they also are twice as likely to receive housing assistance. The report also examines the effect upon disability estimates of enhancements to the American Housing Survey that identify six types of disabilities (visual, hearing, cognitive, ambulatory, self-care, and independent living).

Reduction of Worst Case Housing Needs by Assisted Housing. HUD commissioned this research to determine what effect additional units of HUD-assisted housing would have on the number of worst case needs within a particular market. This issue affects policy discussions about the impact of current HUD assistance for 5 million units as well as the marginal impact of devoting additional resources. An additional 100 units of rental assistance are estimated to reduce the number of households with worst case needs by 68, confirming earlier work suggesting that 100 units reduce the number of extremely low income renters with worst case needs by 76. Metropolitan regression models that control for market factors generated larger estimated reductions of 80 to 90 households with worst case needs per 100 new assisted housing units. Reductions of worst case needs are found to be greater in metropolitan areas having income or rent levels above national averages than in areas where incomes or rents are below national averages.

Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes. The advantages of vouchers for providing opportunities in better neighborhoods relative to project based housing assistance depend on whether voucher recipients are able to locate a landlord who will accept the voucher. State and local “source of income” laws that prohibit discrimination against voucher holders when assessing ability to pay rent are found to be effective in changing voucher outcomes. Voucher utilization rates were 4 to 11 percentage points higher in neighborhoods with source of income laws, and minority voucher recipients had substantially more non-minority neighbors in such jurisdictions. Poverty rates and voucher concentrations were one percentage point lower and the percentage of households in the jurisdiction who were white was slightly higher. Black, Asian and Native American voucher recipients in jurisdictions with source of income laws had more white neighbors (15-22 percentage points more).

Exploring the Spatial Distribution of Low Income Housing Tax Credit Properties. U.S. housing policy has increasingly emphasized dispersing housing assistance in order to deconcentrate poverty, yet aspects of the Low Income Housing Tax Credit program provide

incentives to concentrate tax credit properties in high-poverty census tracts. This study of the nation's ten largest metropolitan areas showed that the tax credit program may be increasing the concentration of subsidized housing units, with greater clustering of tax credit properties than other housing units observed in each metropolitan area. The clusters tend to be located in more densely developed central city locations that have higher poverty rates and lower shares of non-Hispanic whites.

Research and Evaluations Informing Goal 3: Utilize Housing as a Platform for Improving Quality of Life

Moving to Opportunity for Fair Housing Demonstration Program: Final Impacts

Evaluation. MTO is one of the most significant research efforts to study the effect of neighborhood conditions, examining outcomes of 4,600 very low-income families in five U.S. cities over a 10- to 15-year period. The experimental research design allowed robust evaluation of the effect of moving with vouchers to low-poverty neighborhoods. MTO had sizable positive impacts on housing and neighborhood conditions. Experimental and Section 8 groups were more likely than the public housing control group to live in higher-quality homes in lower-poverty, slightly less segregated neighborhoods, to have more social ties with relatively more affluent people and to feel safer in their neighborhoods. Women who were given the opportunity to move were about one-fifth less likely to be extremely obese or have diabetes than women in the control group. Adults in the experimental or Section 8 group had lower levels of psychological distress and lower prevalence of depression and anxiety than the control group, but similar rates of most other mental health problems. MTO had few long-term impacts on economic self-sufficiency, or upon risky and criminal behavior or educational achievement. However, there were substantial gender-based differences in outcomes. Like adults, girls who moved had fewer mental health problems, but boys who moved adjusted less well and eventually committed more property crime.

Evaluation of the Family Self-Sufficiency Program: Prospective Study. This research examined Family Self-Sufficiency program characteristics in a representative sample of 100 housing agencies. After four years in the FSS program, 24 percent of study participants completed program requirements and graduated from FSS. When the study ended, 37 percent had left the program without graduating and 39 percent were still enrolled in FSS. Program graduates were more likely to be employed than other exiters or still-enrolled participants, and had higher incomes both when they enrolled in FSS and when they completed the program. Staying employed and increasing their earned incomes helped graduates to accumulate substantial savings in the FSS escrow account. The average escrow account balance was \$5,294 for program graduates, representing about 27 percent of their average household income at the time of program enrollment.

End of Participation in Assisted Housing: What Can We Learn About Aging in Place? This

research on elderly households' "end of participation" in HUD-assisted housing programs identified factors affecting the ability of older adults to live as independently as possible, for as long as possible. The literature on "aging in place" finds that the most commonly cited factor affecting the length of time elderly residents can remain in their homes is access to quality support services, but that costly and intensive interventions are not necessarily needed in all cases. Rather, simple services and accessibility features can be effective supports for independent living. HUD's administrative data show that more than one-third (37 percent) of households assisted by HUD are headed by an elderly person. Elderly households leave assisted housing at 78 years of age on average, and 27 percent who left during the study period were 85 years old or older. Elderly households who left developments in low poverty neighborhoods were older on average than those leaving developments in higher poverty areas. Housing occupied primarily by elderly households was found to successfully retain residents longer than housing occupied primarily by non-elderly people, even in high poverty neighborhoods.

Research and Evaluations Informing Goal 4: Build Inclusive and Sustainable Communities Free From Discrimination

Housing Recovery on the Gulf Coast: Summary Report. Congress provided \$19.7 billion in Disaster Recovery Grants to help communities in Louisiana, Mississippi, and Texas recover from hurricanes Katrina and Rita. This report summarizes two research efforts, consisting of windshield surveys and a survey of homeowners and landlords of properties that suffered severe damage and were in significantly affected blocks. Grants were found to play a key role in the rebuilding process. Properties that received grant-funded assistance in Mississippi were almost 2.5 times as likely to have been rebuilt as properties that did not receive assistance. In Louisiana, among owners who did not choose to sell their property to the Louisiana Land Trust, those with grant-funded assistance are almost twice as likely to have rebuilt. More than one-half of continuing owners who successfully completed rebuilding did so in 2005 or 2006, with 89 percent complete by 2008. The study finds strengths and weaknesses in both the traditional home repair and rehabilitation model followed by Texas and the compensation approaches used by Louisiana and Mississippi, where the extent of need was much greater.

Study of the Fair Housing Initiatives Program. This study examines the Fair Housing Initiatives Program from its inception in 1987 through 2006, describing the program, processes, and outcomes. FHIP grantee organizations are found to add value by weeding out cases that are not covered by civil rights statutes and complaints that lack merit, thus saving resources for HUD and state agencies that do not have to investigate these cases. Grantee organizations also provide investigative evidence to HUD and state agencies, significantly increasing the likelihood that a complaint will result in a conciliation or cause finding. FHIP organizations play a particularly important role in complex complaints related to design and construction, familial status, or pattern and practice. Fair housing paired-testing evidence provided by grantee organizations is especially valuable for fair housing enforcement, but depends substantially on FHIP funding.

Neighborhood Crime Exposure Among Housing Choice Voucher Households; and Memphis Murder Revisited: Do Housing Vouchers Cause Crime? Two research reports examine the ability of vouchers to enable assisted households to move to higher quality neighborhoods, and whether there is a factual basis for the association of vouchers with increased crime as reported in the popular press. Longitudinal results suggest that exposure of voucher holders to neighborhood crime improved considerably in seven sample cities from 1998 to 2008. However, gains in safety are not attributed to voucher households moving to lower crime neighborhoods. Rather, the more significant cause is that the safety levels of the neighborhoods where voucher holders live improved more than those of other neighborhoods. Voucher households occupied neighborhoods about as safe as the average poor renter household, and with much lower crime rates than those of assisted tenants of project-based housing programs in the same cities, but they did not select lower poverty neighborhoods. There is little evidence that an increase in the number of voucher holders in a neighborhood leads to more crime. While crime rates tend to be higher in census tracts with more voucher households, that correlation disappears after controlling for preexisting crime rates or crime trends in the broader sub-city area. Rather, the evidence suggests that voucher holders are more likely to move into neighborhoods when crime rates are increasing. The research raises implications for voucher mobility policy and landlord recruitment

Racial and Ethnic Disparities in Rents of Constant Quality Units in the Housing Choice Voucher Program: Evidence from HUD's Customer Satisfaction Survey. Because a substantial fraction, 62 percent, of voucher households are minority households, this research examined whether discrimination in rental housing markets poses a significant disadvantage for minority voucher holders. For most areas, the results provide little or no evidence that minorities pay more to live in equally good housing in similar neighborhoods. However, a small fraction of metropolitan areas do display a statistically significant relationship between the racial or ethnic makeup of the household and the rents they pay, so that minority households pay rent premiums for equivalent housing. Because of data limitations, further evidence of discrimination by landlords, such as differences in take-up rates between minority and non-minority voucher holders, would be needed to better support policy interventions.

Enhancing Energy Efficiency and Green Building Design in Section 202 and Section 811 Programs. During FY 2010, HUD began requiring applicants seeking Section 202 and Section 811 funding to increase energy and water conservation, and offered incentives to applicants who incorporate green building features into their housing projects. This report provides case studies of five diverse organizations that successfully incorporated energy efficiency and green concepts in new and existing Section 202 and Section 811 activities, identifying strategies for overcoming the challenges involved in “going green.”

Research and Evaluations Informing Goal 5: Transform the Way HUD Does Business

Partner Satisfaction With HUD's Performance: 2010 Survey Results and Trends Since 2005. To provide key performance management information, HUD has sponsored several surveys of program partners or intermediaries that deliver HUD's programs to end customers. Ten partner groups were surveyed in 2010, allowing comparisons with 2001 and 2005 surveys as well as comparisons across HUD's field structure for the larger groups. Surveys of directors of Fair Housing Initiative Program organizations and single-family mortgage lenders were added in 2010. Partner satisfaction with HUD was found to be reasonably high in many aspects of HUD-partner relationships. Overall there was more satisfaction with HUD's programs than with the way HUD administered those programs. Satisfaction tended to be higher for the quality of information received from HUD and the extent to which HUD employees were judged to have the knowledge, skills and ability to do their work, and lower for the timeliness of HUD information and decision-making, the clarity of HUD rules, and the time commitment needed to comply with HUD reporting requirements. There has been a modest decline in satisfaction on the part of community development directors and mayors/CEOs, a modest improvement in multifamily owner satisfaction, and a more substantial improvement in Fair Housing Assistance Program agency and PHA director satisfaction. The improvement among PHA directors is noteworthy, reflecting a consistent, decade-long trend, and contributes to narrowing the gap between partner groups. As found previously, partners who perceived HUD's role as primarily supportive, or equally supportive and regulatory, tended to be more satisfied than those who perceived HUD's role as primarily regulatory.

Quality Control for Rental Assistance Subsidies Determinations: Final Report for FY 2009. HUD's Quality Control studies provide national estimates of the extent of administrator income and rent determination error by housing providers for the public housing, Housing Choice Vouchers, and a number of assisted multifamily housing programs. These programs account for a substantial majority of HUD's annual outlays. This report relies on data collected from February through June 2010 for actions taken by housing providers during FY 2009 (October 2008 through September 2009). These findings show that the percent of errors, and the gross erroneous payments in tenant subsidies continue to remain stable when compared with results from previous studies. The Quality Control study is a core accountability component of HUD's Agency Financial Report each year.

Appendix C: HUD Resource Tables

Summary of HUD Resources by Strategic Goal				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Strategic Goal 1: Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers				
Discretionary BA	2,291,669	1,928,919	1,756,543	(172,376)
FTE	1,462	1,507	1,478	(29)
S&E	175,892	175,686	176,533	846
Strategic Goal 2: Meet the Need for Quality Affordable Rental Homes				
Discretionary BA	31,771,433	31,260,287	29,883,978	(1,376,309)
FTE	3,140	3,131	3,148	17
S&E	378,390	371,653	399,923	28,270
Strategic Goal 3: Utilize Housing as a Platform for Improving Quality of Life				
Discretionary BA	2,537,198	2,289,598	2,185,494	(104,104)
FTE	528	529	523	(6)
S&E	65,818	66,170	70,611	4,441
Strategic Goal 4: Build Inclusive and Sustainable Communities Free from Discrimination				
Discretionary BA	9,596,759	8,882,378	8,599,238	(283,140)
FTE	1,737	1,749	1,747	(2)
S&E	207,867	206,451	223,004	16,552
Strategic Goal 5: Transform the Way HUD Does Business				
Discretionary BA	816,502	865,064	834,465	(30,599)
FTE	2,623	2,553	2,491	(62)
S&E	885,285	866,138	784,465	(81,673)
Total Resources				
Discretionary BA	47,013,561	45,226,246	43,259,718	(1,966,528)
FTE	9,489	9,467	9,385	(82)
S&E/Working Capital Fund	1,713,251	1,686,099	1,654,535	(31,564)

Notes:

- All tables reflect gross discretionary amounts;
- Amounts may not match previously reported totals due to rounding;
- Total FTEs for the Department include FTEs for GNMA.

Strategic Goal 1: Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Actual	2012 vs 2011
Public and Indian Housing (PIH)				
Family Self-Sufficiency Program				
Discretionary BA	4,200	4,192	4,200	8
HOPE VI/Choice Neighborhoods				
Discretionary BA	8,700	4,990	6,000	1,010
FTE	4	4	4	0
S&E	489	505	531	26
Native American Housing Block Grants				
Discretionary BA	350,000	324,350	325,000	650
FTE	78	77	77	-
S&E	9,539	9,717	10,219	502
Indian Housing Loan Guarantee Fund				
Discretionary BA	7,000	6,986	6,000	(986)
FTE	31	32	32	0
S&E	3,791	4,038	4,246	208
Native Hawaiian Housing Block Grants				
Discretionary BA	11,700	11,677	11,700	23
FTE	1	1	1	0
S&E	122	126	133	7
Native Hawaiian Loan Guarantee Fund				
Discretionary BA	1,044	1,042	386	(656)
FTE	1	1	1	0
S&E	122	126	133	7
PIH Total				
Discretionary BA - Program Funding	382,644	353,236	353,286	50
Discretionary BA - PIH Personnel	14,878	14,542	15,262	720
FTE	114	115	115	0
S&E	14,063	14,512	15,262	750
Community Planning and Development (CPD)				
Community Development Block Grants				
Discretionary BA	910,000	700,197	681,618	(18,579)
FTE	55	59	59	(0)
S&E	6,206	7,239	7,342	103
HOME Investment Partnerships				
Discretionary BA	492,750	433,831	270,000	(163,831)
FTE	39	45	45	(1)
S&E	4,215	5,521	5,696	175
Self-Help Homeownership Opportunity Program /Capacity Building				
Discretionary BA	57,400	57,285	37,450	(19,835)
FTE	6	4	3	0
S&E	468	491	380	(111)
Rural Housing and Economic Development				
Discretionary BA	0	0	0	0
FTE	10	4	4	(1)
S&E	937	491	506	15
CPD Total				
Discretionary BA - Program Funding	1,460,150	1,191,313	989,068	(202,245)
Discretionary BA - CPD Personnel	13,404	13,800	13,924	124
FTE	109	112	110	(2)
S&E	13,060	13,742	13,924	182

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	2010 Actual	2011 Actual	2012 Actual	2012 vs 2011
Housing				
FHA/Mutual Mortgage Insurance				
Discretionary BA	151,120	165,269	165,600	331
FTE	825	860	864	4
S&E	83,119	94,250	106,604	12,354
Housing Counseling				
Discretionary BA	61,250	0	31,500	31,500
FTE	74	49	49	0
S&E	8,571	5,368	6,046	678
Manufactured Housing				
Discretionary BA	16,000	15,968	6,500	(9,468)
FTE	16	13	10	(3)
S&E	1,353	1,413	1,234	(179)
Interstate Land Sales/Real Estate Settlement Procedures Act				
Discretionary BA	0	0	0	0
FTE	33	50	0	(50)
S&E	4,060	5,412	0	(5,412)
Secure and Fair Enforcement for Mortgage Licensing Act				
Discretionary BA	0	0	0	0
FTE	8	11	0	(11)
S&E	790	1,205	0	(1,205)
Housing Total				
Discretionary BA - Program Funding	228,370	181,237	203,600	22,363
Discretionary BA - Housing Personnel	111,753	114,696	113,884	(812)
FTE	956	983	923	(60)
S&E	111,507	107,648	113,884	6,236
GNMA				
Discretionary BA - GNMA Personnel	8,321	8,305	14,625	6,320
FTE	50	59	93	35
S&E	7,115	8,575	14,625	6,050
Fair Housing and Equal Opportunity (FHEO)				
Discretionary BA - Program Funding	9,360	9,341	9,210	(131)
Discretionary BA - FHEO Personnel	9,334	9,436	9,438	2
FTE	74	74	75	0
S&E	8,747	8,882	9,438	556
Policy Development and Research (PD&R)				
Discretionary BA - Program Funding	10,667	10,644	10,221	(423)
Discretionary BA - PD&R Personnel	4,697	4,487	4,935	
FTE	30	35	34	(1)
S&E	3,921	4,478	4,935	457
General Counsel				
Discretionary BA	17,812	17,663	18,800	1,137
FTE	127	127	126	(2)
S&E	17,256	17,647	18,800	1,153
Faith-Based and Neighborhood Partnerships				
Discretionary BA	279	219	290	71
FTE	2	2	2	0
S&E	223	203	290	87
Presidential Mortgage Fraud Initiative				
Discretionary BA	20,000	0	0	0
Total for Strategic Goal 1				
Discretionary BA	2,291,669	1,928,919	1,756,543	(172,376)
FTE	1,462	1,507	1,478	(29)
S&E	175,892	175,686	176,533	846

Strategic Goal 2: Meet the Need for Quality Affordable Rental Homes				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Public and Indian Housing (PIH)				
Tenant-Based Rental Assistance				
Discretionary BA	17,217,990	17,395,443	17,294,151	(101,293)
FTE	446	440	439	(1)
S&E	55,019	55,528	58,394	2,866
Family Self-Sufficiency Program				
Discretionary BA	4,200	4,192	4,200	8
Housing Certificate Fund				
Discretionary BA	0	0	(190,000)	(190,000)
Public Housing Operating Fund				
Discretionary BA	3,247,000	3,139,389	2,694,058	(445,331)
FTE	331	332	331	(1)
S&E	40,832	42,025	43,928	1,903
Public Housing Capital Fund				
Discretionary BA	2,180,500	1,771,289	1,624,250	(147,039)
FTE	260	261	262	0
S&E	32,073	32,938	34,638	1,700
HOPE VI/Choice Neighborhoods				
Discretionary BA	143,450	73,852	88,800	14,948
FTE	52	54	54	0
S&E	6,415	6,815	7,167	352
Native American Housing Block Grants				
Discretionary BA	231,000	214,071	214,500	429
FTE	51	51	51	0
S&E	6,291	6,436	6,768	332
PIH Total				
Discretionary BA - Program Funding	23,024,140	22,598,235	21,729,959	(868,277)
Discretionary BA - PIH Personnel	148,915	144,030	150,896	6,866
FTE	1,140	1,138	1,137	(1)
S&E	140,630	143,742	150,896	7,154
Community Planning and Development (CPD)				
Community Development Block Grants				
Discretionary BA	227,500	175,049	170,405	(4,645)
FTE	14	15	16	1
S&E	1,678	1,840	1,899	59
HOME Investment Partnerships				
Discretionary BA	985,500	867,661	540,000	(327,661)
FTE	79	91	88	(3)
S&E	9,466	11,165	11,392	227
Homeless Assistance Grants				
Discretionary BA	1,305,500	1,330,833	1,330,833	0
FTE	196	176	181	4
S&E	23,365	21,593	22,025	432
Housing Opportunities for Persons with AIDS				
Discretionary BA	244,550	244,061	242,360	(1,701)
FTE	36	37	35	(1)
S&E	4,314	4,540	4,684	144
Rural Housing and Economic Development				
Discretionary BA	0	0	0	0
FTE	3	1	1	(0)
S&E	359	123	127	4
Section 108 Loan Guarantee Program				
Discretionary BA	2,000	1,996	1,984	(12)
FTE	3	2	2	(1)
S&E	359	245	253	8
CPD Total				
Discretionary BA - Program Funding	2,765,050	2,619,600	2,285,581	(334,019)
Discretionary BA - CPD Personnel	40,579	39,675	40,380	705
FTE	330	322	323	0
S&E	39,541	39,506	40,380	874

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	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Housing				
FHA/General and Special Risk Insurance				
Discretionary BA	6,880	6,866	0	(6,866)
FTE	918	922	936	14
S&E	107,075	101,003	115,365	14,362
Project-Based Rental Assistance				
Discretionary BA	4,890,202	5,289,706	5,336,689	46,983
FTE	233	228	227	(1)
S&E	27,177	24,999	28,008	3,009
Section 202/Housing for the Elderly				
Discretionary BA	506,000	244,829	229,759	(15,071)
FTE	178	175	173	(2)
S&E	20,762	19,171	21,346	2,175
Section 811/Housing for Persons with Disabilities				
Discretionary BA	197,310	98,458	108,521	10,063
FTE	90	89	88	(1)
S&E	10,497	9,640	10,858	1,218
Housing Counseling				
Discretionary BA	8,750	0	4,500	4,500
FTE	11	7	7	0
S&E	1,283	767	864	97
Rent Supplement Program				
Discretionary BA	9,000	39,920	1,300	(38,620)
FTE	5	5	5	0
S&E	583	581	617	36
Rental Housing Assistance Program (Section 236)				
Discretionary BA	(41,036)	(40,600)	(231,600)	(191,000)
FTE	26	27	26	(1)
S&E	3,033	2,958	3,208	250
Housing Total				
Discretionary BA - Program Funding	5,577,106	5,639,178	5,449,168	(190,011)
Discretionary BA - Housing Personnel	170,786	175,119	180,265	5,146
FTE	1,461	1,453	1,461	9
S&E	170,410	159,119	180,265	21,146

	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
GNMA				
Discretionary BA - GNMA Personnel	2,774	2,768	4,875	2,107
FTE	17	20	31	12
S&E	2,372	2,858	4,875	2,017
Fair Housing and Equal Opportunity (FHEO)				
Discretionary BA - Program Funding	4,320	4,311	4,251	(61)
Discretionary BA - FHEO Personnel	4,308	4,355	4,356	1
FTE	34	34	35	0
S&E	4,037	4,099	4,356	257
Policy Development and Research (PD&R)				
Discretionary BA - Program Funding	10,667	10,645	10,222	(423)
Discretionary BA - PD&R Personnel	4,697	4,488	4,936	448
FTE	30	35	34	(1)
S&E	3,921	4,479	4,936	457
General Counsel				
Discretionary BA	17,812	17,663	18,800	1,137
FTE	127	127	126	(2)
S&E	17,256	17,647	18,800	1,153
Faith-Based and Neighborhood Partnerships				
Discretionary BA	279	219	290	71
FTE	2	2	2	0
S&E	223	203	290	88
Total for Strategic Goal 2				
Discretionary BA	31,771,433	31,260,287	29,883,978	(1,376,309)
FTE	3,140	3,131	3,148	17
S&E	378,390	371,653	399,923	28,270

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Strategic Goal 3: Utilize Housing as a Platform for Improving Quality of Life				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Request	2012 vs 2011
Public and Indian Housing (PIH)				
Tenant-Based Rental Assistance				
Discretionary BA	181,242	183,110	182,044	(1,066)
FTE	5	5	5	0
S&E	617	631	664	33
Family Self-Sufficiency Program				
Discretionary BA	47,400	47,305	47,400	95
Public Housing Operating Fund				
Discretionary BA	716,250	692,512	594,278	(98,235)
FTE	73	73	73	0
S&E	9,005	9,213	9,688	475
Resident Opportunities and Self-Sufficiency Program				
Discretionary BA	50,000	49,900	50,000	100
FTE	2	2	2	0
S&E	247	252	265	13
HOPE VI/Choice Neighborhoods				
Discretionary BA	23,250	9,980	12,000	2,020
FTE	7	7	7	0
S&E	863	883	929	46
Native American Housing Block Grants				
Discretionary BA	63,000	58,383	58,500	117
FTE	14	14	14	0
S&E	1,727	1,767	1,858	91
Native Hawaiian Housing Block Grants				
Discretionary BA	650	649	650	1
PIH Total				
Discretionary BA - Program Funding	1,081,792	1,041,839	944,871	(96,968)
Discretionary BA - PIH Personnel	13,182	12,772	13,404	632
FTE	101	101	101	0
S&E	12,459	12,746	13,404	658
Community Planning and Development (CPD)				
Community Development Block Grants				
Discretionary BA	682,500	525,148	511,214	(13,934)
FTE	41	44	44	0
S&E	4,913	5,398	5,570	172
Homeless Assistance Grants				
Discretionary BA	559,500	570,357	570,357	0
FTE	84	76	75	(1)
S&E	10,184	9,324	9,494	170
Housing Opportunities for Persons with AIDS				
Discretionary BA	3,350	3,343	3,320	(23)
FTE	0	1	1	0
S&E	0	123	127	4
Empowerment Zones				
Discretionary BA	0	0	0	0
FTE	1	2	2	0
S&E	120	245	253	(8)
CPD Total				
Discretionary BA - Program Funding	1,245,350	1,098,848	1,084,891	(13,957)
Discretionary BA - CPD Personnel	15,617	15,155	15,443	288
FTE	126	123	120	(3)
S&E	15,217	15,090	15,443	353

	2010 Actual	2011 Actual	2012 Request	2012 vs 2011
Housing				
FHA/Mutual Mortgage Insurance				
Discretionary BA	9,445	10,329	10,350	21
FTE	52	54	54	0
S&E	5,949	5,914	6,663	749
Section 202/Housing for the Elderly				
Discretionary BA	66,000	31,936	29,970	(1,966)
FTE	23	23	23	0
S&E	2,683	2,519	2,838	319
Section 811/Housing for Persons with Disabilities				
Discretionary BA	34,230	17,081	18,827	1,746
FTE	16	15	15	0
S&E	1,866	1,643	1,851	208
Housing Counseling				
Discretionary BA	8,750	0	4,500	4,500
FTE	11	7	7	0
S&E	1,283	767	864	97
Housing Total				
Discretionary BA - Program Funding	118,425	59,346	63,647	4,301
Discretionary BA - Housing Personnel	11,806	11,819	12,215	396
FTE	101	99	99	0
S&E	11,781	10,843	12,215	1,372
Healthy Homes and Lead Hazard Control (OHHLHC)				
Discretionary BA - Program Funding	5,600	4,790	4,800	10
Discretionary BA - OHHLHC Personnel	286	285	296	11
FTE	2	2	2	0
S&E	279	285	296	11
Fair Housing and Equal Opportunity (FHEO)				
Discretionary BA - Program Funding	3,895	3,952	3,897	(55)
Discretionary BA - FHEO Personnel	3,949	3,992	3,993	1
FTE	32	31	32	0
S&E	3,701	3,758	3,993	235
Policy Development and Research (PD&R)				
Discretionary BA - Program Funding	13,333	13,308	12,779	(529)
Discretionary BA - PD&R Personnel	5,872	5,610	6,170	560
FTE	37	43	42	(1)
S&E	4,902	5,599	6,170	571
General Counsel				
Discretionary BA	17,812	17,663	18,800	1,137
FTE	127	127	126	(2)
S&E	17,256	17,647	18,800	1,153
Faith-Based and Neighborhood Partnerships				
Discretionary BA	279	219	290	71
FTE	2	2	2	0
S&E	223	203	290	87
Total for Strategic Goal 3				
Discretionary BA	2,537,198	2,289,598	2,185,494	(104,104)
FTE	528	529	523	(6)
S&E	65,818	66,170	70,611	4,441

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Strategic Goal 4: Build Inclusive and Sustainable Communities Free From Discrimination				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Public and Indian Housing (PIH)				
Housing Certificate Fund				
Discretionary BA	0	0	(10,000)	(10,000)
Tenant-Based Rental Assistance				
Discretionary BA	724,968	732,440	728,175	(4,265)
FTE	19	19	19	(0)
S&E	2,344	2,398	2,522	124
Family Self-Sufficiency Program				
Discretionary BA	4,200	4,192	4,200	8
Public Housing Operating Fund				
Discretionary BA	811,750	784,847	673,515	(111,333)
FTE	83	83	83	(0)
S&E	10,239	10,475	11,015	540
Public Housing Capital Fund				
Discretionary BA	269,500	218,923	200,750	(18,173)
FTE	32	32	32	(0)
S&E	3,947	4,038	4,247	209
HOPE VI/Choice Neighborhoods				
Discretionary BA	24,600	10,978	13,200	2,222
FTE	8	8	8	0
S&E	987	1,010	1,062	52
Native American Housing Block Grants				
Discretionary BA	56,000	51,896	52,000	104
FTE	12	12	12	0
S&E	1,480	1,514	1,593	79
Native Hawaiian Housing Block Grants				
Discretionary BA	650	649	650	1
PIH Total				
Discretionary BA - Program Funding	1,891,668	1,803,925	1,662,489	(141,435)
Discretionary BA - PIH Personnel	20,099	19,474	20,438	964
FTE	154	154	154	(0)
S&E	18,997	19,435	20,438	1,003
Community Planning and Development (CPD)				
Community Development Block Grants				
Discretionary BA	2,730,000	2,100,590	2,044,854	(55,736)
FTE	164	177	176	(1)
S&E	19,650	21,716	22,278	562
HOME Investment Partnerships				
Discretionary BA	346,750	305,288	190,000	(115,288)
FTE	28	32	32	(0)
S&E	3,355	3,926	4,051	125
Self-Help Homeownership Opportunity Program/Capacity Building				
Discretionary BA	24,600	24,551	16,050	(8,501)
FTE	2	1	1	0
S&E	240	123	127	4

	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Housing Opportunities for Persons with AIDS				
Discretionary BA	87,100	86,926	86,320	(606)
FTE	13	13	13	0
S&E	1,558	1,595	1,646	51
Rural Housing and Economic Development				
Discretionary BA	0	0	0	0
FTE	6	2	2	(0)
S&E	719	245	253	8
Section 108 Loan Guarantee Program				
Discretionary BA	4,000	3,992	3,968	(24)
FTE	7	5	3	(1)
S&E	839	613	380	(233)
Brownfields Economic Development Initiative				
Discretionary BA	17,500	0	0	0
FTE	16	6	6	0
S&E	1,917	736	759	23
Empowerment Zones				
Discretionary BA	0	0	0	0
FTE	3	7	6	(1)
S&E	359	859	759	(100)
CPD Total				
Discretionary BA - Program Funding	3,209,950	2,521,347	2,341,192	180,155
Discretionary BA - CPD Personnel	29,389	29,941	30,253	(312)
FTE	239	243	240	3
S&E	28,637	29,813	30,253	(440)
Housing				
FHA/Mutual Mortgage Insurance				
Discretionary BA	28,335	30,988	31,050	62
FTE	155	161	162	1
S&E	18,079	17,631	19,988	2,357
FHA/General and Special Risk Insurance				
Discretionary BA	1,720	1,717	0	(1,717)
FTE	230	231	234	3
S&E	26,827	25,297	28,995	3,698
Project-Based Rental Assistance				
Discretionary BA	3,667,651	3,967,742	4,002,983	35,241
FTE	174	171	170	(1)
S&E	20,179	18,726	20,975	2,249
Section 202/Housing for the Elderly				
Discretionary BA	253,000	122,435	114,898	(7,537)
FTE	89	87	86	(1)
S&E	10,381	9,527	10,611	1,084
Section 811/Housing for Persons with Disabilities				
Discretionary BA	68,460	34,162	37,653	3,491
FTE	31	31	30	(0)
S&E	3,616	3,395	3,702	307
Housing Counseling				
Discretionary BA	8,750	0	4,500	4,500
FTE	11	7	7	0
S&E	1,283	767	864	97
Energy Innovation Fund				
Discretionary BA	50,000	0	0	0
Housing Total				
Discretionary BA - Program Funding	4,077,916	4,157,043	4,191,085	
Discretionary BA - Housing Personnel	80,542	82,976	85,136	
FTE	689	688	690	
S&E	80,365	75,343	85,136	

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	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Healthy Homes and Lead Hazard Control (OHHLHC)				
Discretionary BA - Program Funding	134,400	114,970	115,200	(230)
Discretionary BA - OHHLHC Personnel	6,865	6,852	7,104	(252)
FTE	57	60	56	4
S&E	6,688	6,829	7,104	(275)
Fair Housing and Equal Opportunity (FHEO)				
Discretionary BA - Program Funding	54,425	54,251	53,489	762
Discretionary BA - FHEO Personnel	54,209	54,800	54,813	(13)
FTE	433	432	438	(7)
S&E	50,798	51,582	54,813	(3,231)
Policy Development and Research (PD&R)				
Discretionary BA - Program Funding	13,333	13,308	12,779	529
Discretionary BA - PD&R Personnel	5,872	5,610	6,170	(560)
FTE	37	43	42	1
S&E	4,902	5,599	6,170	(571)
General Counsel				
Discretionary BA	17,812	17,663	18,800	(1,137)
FTE	127	127	126	2
S&E	17,256	17,647	18,800	(1,153)
Faith-Based and Neighborhood Partnerships				
Discretionary BA	279	219	290	(71)
FTE	2	2	2	(0)
S&E	223	203	290	(87)
Total for Strategic Goal 4				
Discretionary BA	9,596,759	8,882,378	8,599,238	(283,140)
FTE	1,737	1,749	1,747	(1)
S&E	207,867	206,451	223,004	16,552

Strategic Goal 5: Transform the Way HUD Does Business				
Budget Authority (BA) and Salaries and Expenses (S&E) are in thousands of dollars.				
Full-time equivalents (FTE) represent the number of paid positions.				
	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Executive Direction				
Discretionary BA	26,855			
FTE	141			
S&E	21,403			
Departmental Management				
Discretionary BA		13,980		
FTE		81		
S&E		11,667		
Office of the Secretary				
Discretionary BA			3,572	
FTE			18	
S&E			3,572	
Office of the Deputy Secretary				
Discretionary BA			1,200	
FTE			6	
S&E			1,200	
Congressional and Intergovernmental Relations				
Discretionary BA			2,400	
FTE			17	
S&E			2,400	
Public Affairs				
Discretionary BA			3,515	
FTE			25	
S&E			3,515	
Small and Disadvantaged Business Utilization				
Discretionary BA			741	
FTE			5	
S&E			741	
Hearings and Appeals				
Discretionary BA			1,700	
FTE			10	
S&E			1,700	
Chief Human Capital Officer				
Discretionary BA	76,958	67,251	255,436	188,185
FTE	587	537	524	(13)
S&E	65,104	61,828	255,436	193,608
Departmental Operations and Coordination				
Discretionary BA	9,623	9,074	10,475	1,401
FTE	75	69	67	(2)
S&E	9,606	9,148	10,475	1,327
Field Policy and Management				
Discretionary BA	51,275	46,353	47,500	1,147
FTE	374	354	342	(12)
S&E	47,114	46,287	47,500	1,213
Chief Procurement Officer				
Discretionary BA	14,649	13,513	14,700	1,187
FTE	104	102	109	8
S&E	12,736	12,791	14,700	1,909

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	2010 Actual	2011 Actual	2012 Enacted	2012 vs 2011
Chief Financial Officer				
Discretionary BA	35,197	34,575	47,980	13,405
FTE	200	195	202	7
S&E	25,378	25,293	47,980	22,687
General Counsel				
Discretionary BA	17,812	17,663	18,800	1,137
FTE	127	127	126	(2)
S&E	17,256	17,647	18,800	1,153
Departmental Equal Employment Opportunity				
Discretionary BA	3,296	3,136	3,610	474
FTE	24	23	22	(1)
S&E	3,065	2,995	3,610	615
Faith-Based and Neighborhood Partnerships				
Discretionary BA	279	219	290	71
FTE	2	2	2	0
S&E	223	203	290	87
Sustainable Housing and Communities				
Discretionary BA	2,400	2,473	2,627	154
FTE	6	16	17	2
S&E	814	2,118	2,627	509
Strategic Planning and Management				
Discretionary BA	3,288	3,464	5,000	1,536
FTE	6	27	28	1
S&E	774	3,285	5,000	1,715
HUD Transformation Initiative				
Discretionary BA (Direct Appropriations)	0	70,858	50,000	(20,858)
Transfers	[\$258,161]	[\$99,142]	0	[(99,142)]
Working Capital Fund/Chief Information Officer				
Discretionary BA (Direct Appropriations)	200,000	199,600	199,035	(565)
Discretionary BA - CIO Personnel			41,885	41,885
FTE	293	309	305	(4)
S&E/ Working Capital Fund	290,368	314,210	41,885	(272,325)
Inspector General				
Discretionary BA	125,000	124,750	124,000	(750)
FTE	684	712	665	(47)
S&E	94,490	100,511	124,000	23,489
Non-Personnel Expenses				
Discretionary BA	249,870	258,155		(258,155)
Total for Strategic Goal 5				
Discretionary BA	816,502	865,064	834,465	(30,599)
FTE	2,623	2,553	2,491	(62)
S&E/ Working Capital Fund	885,285	866,138	784,465	(81,673)

Notes:

- The Executive Direction account was distributed to the respective functional areas and to Departmental Management in FY 2011 and Departmental Management was split into its constituent pieces in FY 2012.
- The Personnel expenses of the Working Capital Fund were included in Non-Personnel expenses in FY 2010-11.
- Non-Personnel Expenses are included in S&E in FY 2012.

Appendix D: Glossary of Acronyms

APR	Annual Performance Report
BA	Budget Authority
CCW	Consolidated Claim Workout
CDBG-DR	Community Development Block Grant- Disaster Recovery
CFO	Chief Financial Officer
CPD	Office of Community Planning and Development
DOE	U.S. Department of Energy
DOL	U.S. Department of Labor
DOT	U.S. Department of Transportation
EHLPP	Emergency Homeowner Loan Program
EPA	U.S. Environmental Protection Agency
EPC	Energy Performance Contract
EPP	Emerging Professionals Program
EVS	Employee Viewpoint Survey
FHA	Federal Housing Administration
FHAP	Fair Housing Assistance Program
FHEO	Office of Fair Housing and Equal Opportunity
FHIP	Fair Housing Initiatives Program
FSS	Family Self Sufficiency Program
FTE	Full Time Equivalent
FY	Fiscal Year
GI	General Insurance Fund
Ginnie Mae	Government National Mortgage Association
HAMP	Home Affordable Modification Program
HCV	Housing Choice Voucher
HECM	Home Equity Conversion Mortgage
HHS	U.S. Department of Health & Human Services
HIAMS	HUD Integrated Acquisition Management System
HOME	HOME Investment Partnerships Program
HOPE VI	Revitalization of Severely Distressed Housing

HOPWA	Housing Opportunities for Persons with AIDS
HPRP	Homelessness Prevention and Rapid Re-housing Program
HUD	U.S. Department of Housing and Urban Development
H4H	Hope 4 Homeowners
IDIS	Integrated Disbursement and Information System
IMS	Inventory Management System
IT	Information Technology
LEED	Leadership in Energy and Environmental Design
LIHTC	Low Income Housing Tax Credit
MHA	Making Home Affordable Program
MMI	Mutual Mortgage Insurance Fund
MTO	Moving to Opportunity for Fair Housing Demonstration Program
NEPA	National Environmental Policy Act
NSP	Neighborhood Stabilization Program
OCFO	Office of the Chief Financial Officer
OHHLHC	Office of Healthy Homes and Lead Hazard Control
ONAP	Office of Native American Programs
PBRA	Project-Based Rental Assistance
PD&R	Office of Policy Development and Research
PHA	Public Housing Agency
PIH	Office of Public and Indian Housing
RAMPS	Recovery Act Management and Performance System
Recovery Act	American Recovery and Reinvestment Act of 2009
SRI	Special Risk Insurance Fund
S&E	Salaries and Expenses
TBRA	Tenant Based Rental Assistance
TCAP	Tax Credit Assistance Program
Treasury	U.S. Department of the Treasury
USDA	U.S. Department of Agriculture
VA	U.S. Department of Veterans Affairs
VASH	Veterans Affairs Supportive Housing
VHPD	Veterans Homelessness Prevention Demonstration

If you have any questions or comments, please call
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Written comments or suggestions for improving this report may be
submitted by mail to:

U.S. Department of Housing and Urban Development
451 7th St. SW, Room 3268
Washington, DC 20410
Attention: Susan Shuback
Assistant Chief Financial Officer for Budget

Or by email to
Susan.J.Shuback@hud.gov

To view the report on the internet, go to the following website:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/cfo/reports/cforept



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