DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PROGRAM OFFICES SALARIES AND EXPENSES
OFFICE OF POLICY DEVELOPMENT AND RESEARCH

(Dollars in Thousands)

	FY 2018 Actuals	FY 2019 Annual CR	FY 2020 President's Budget
Personnel Services	**$21,242**	**$21,683**	**$23,425**
Non-Personnel Services			
Travel	329	277	329
Printing	94	100	120
Other services/Contracts	554	689	675
Training	267	238	300
Supplies	20	20	15
Furniture and Equipment	4	-	-
Claims and Indemnities	14	15	15
Non-Personnel Services Subtotal	**$1,282**	**$1,339**	**$1,454**
Working Capital Fund	1,074	1,043	1,121
Grand Total	**$23,598**	**$24,065**	**$26,000**
Associated FTEs	**136**	**136**	**150**

1. Program Purpose and Budget Overview

The Office of Policy Development and Research (PD&R) supports the Department of Housing and Urban Development's (HUD's) efforts to help create cohesive, economically healthy communities. PD&R is responsible for maintaining current information on housing needs, market conditions, and existing programs, as well as conducting research on priority housing and community development issues. PD&R's research, surveys and policy analyses inform all aspects of HUD programs, providing a comprehensive, historical, evidence-based understanding of past program performance as well as objective data for policymakers and stakeholders to

make informed decisions. PD&R provides economic information, research, and analyses and policy recommendations to the Secretary, Deputy Secretary, Assistant Secretaries, and principal staff.

In addition to the Office of the Assistant Secretary and supporting divisions of budget/procurement planning and administration, there are four program offices within PD&R. There is extensive cross collaboration between these four offices:

- The Office of Economic Affairs (OEA) analyzes the economic impact of HUD and other federal regulatory and legislative proposals, directs the program of surveys of national housing conditions, analyzes private sector data on mortgage markets, supports Federal Housing Administration (FHA) operations, develops program operating parameters for HUD rental assistance programs and government programs, and provides data on the socioeconomic and housing market conditions of cities, counties, and states.

- The Office of Research Evaluation and Monitoring (OREM) staff designs and oversees HUD funded research, evaluation, and monitoring efforts for a wide variety of HUD programs and activities, including critical research that shows what programs do and do not help work-able families to achieve self-sufficiency, whether changes in service delivery can prevent or delay institutionalization of tenants who are elderly or have disabilities, what homelessness prevention programs are most cost-effective, and how to economically increase the energy efficiency of public and assisted housing. Staff in OREM also conducts in-house research, programming, and geospatial analysis. The office develops and maintains administrative data spanning more than 20 years across all of HUD's programs and uses the data to provide situational awareness for immediate policy issues and to facilitate more extensive studies. Such studies often involve data linkages with survey data and administrative data from other agencies to provide cross-cutting, in-depth knowledge on whom HUD serves and how well HUD serves them. This capability is critical for understanding the most efficient and effective path to maintain services for low-income and vulnerable households in a resource constrained environment. It also informs and supports the tracking of HUD's efforts to promote healthy and lead-safe housing.

- The Office of Policy Development (OPD) engages in policy analysis, policy development, research and data analysis, and dissemination of policy and research findings. In addition, OPD analyzes legislative proposals, develops legislative initiatives, interprets statutory guidance, prepares regulatory guidance, and coordinates HUD-wide Technical Assistance. In 2019, the Office of International and Philanthropic Innovation (OIPI) was realigned under OPD to create the International and Philanthropic Engagement Division (IPED).

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- PD&R proposed implementation of the Office of Innovation (OI) in 2019. The office will focus on testing and validating solutions to state, local, and federal housing and community development problems and will comprise three main components:

    - The Building Technology Component will address the need for more resilient housing in disaster prone areas and more affordable housing nationwide by identifying, evaluating and incentivizing the adoption of resilient and affordable housing construction methods and materials.
    - The Internal Innovation Component will facilitate innovation workshops for small teams to improve the way their program or office works and will implement internal suggestion and incentive programs.
    - The Open Innovation Component will engage the expertise, methods and tools of the private sector such as open data, crowdsourcing, challenges and prizes and entrepreneurs in residence.

The 2020 President's Budget of $26 million is $1.9 million more than the 2019 Annualized Continuing Resolution (CR) level. The Office of Policy Development and Research (PD&R) supports the Department of Housing and Urban Development's (HUD's) efforts to help create cohesive, economically healthy communities.

a. **Personnel Services:** PD&R requests $23.4 million to support 150 full-time equivalents (FTEs), which is an increase of $1.7 million and 14 FTEs over the 2019 Annualized CR level. The increase in funding and FTEs supports the following:

- Disaster response and recovery work that has become increasingly important for the department;
- Staff capacity to accommodate the increase in program funding for research, program evaluations, demonstrations, as well as data matching requirements;
- Succession planning/backfilling of critical positions.

Non-Personnel Services: PD&R requests $1.3 million, a slight decrease of $9 thousand from the 2019 Annualized CR level. A breakdown of PD&R's Non-Personnel Services is as follows:
- Travel increased by $52 thousand over the 2019 Annualized CR level. The additional 14 FTEs will require travel resources; however, the requested funding level of $329 thousand allows PD&R research staff to continue conducting site visits and provides field economists resources to travel to cities in their region for completion of comprehensive market analyses.
- Printing increased by $20 thousand over the 2019 Annualized CR level due to an increase in the number of published research and market analysis reports.

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- Other Services/Contracts decreased by $14 thousand from the 2019 Annualized CR level and reflects the decrease in costs associated with the FY 2019 implementation of the Office of Innovation.
- Training increased by $62 thousand from the 2019 Annualized CR level. The additional 14 FTEs will require training resources and the requested funding level of $300 thousand will maintain the same level of professional career development coaching costs.

Working Capital Fund (WCF): PD&R requests $1.1 million for its allocation towards the Working Capital Fund for Shared Services, which is $78 thousand more than the 2019 Annualized CR level.

b. **HUD Departmental and Program Office Policy Goals**

President's Management Agenda:
PD&R is a leader in using modern information technology to inform and improve HUD's program operations and public accountability. PD&R staff supports and uses HUD's data analytics and business intelligence software (SAS/BI) server as a centralized data resource by adding datasets, facilitating independent research, and fulfilling ad-hoc requests for administrative data analysis. PD&R recognizes that keeping sensitive data secure is critical to maintaining the public trust and has appointed an Information System Security Officer (ISSO) in cooperation with HUD's Office of Information Technology Security. The ISSO protects information systems, implements security controls and helps ensure compliance with the Federal Information Security Management Act.

PD&R is committed to providing data, tools, and data products in support of evidence-based policy, transparency, and public interest. Staff resources support performance management of HUD's agency priority goals, and development of performance metrics. PD&R provides open access to numerous datasets including administrative data and survey data on the HUDUSER.gov and Census Bureau websites, offers data licenses for restricted-use data, and links administrative data with survey data to enable analysis of cross-cutting policy questions affecting HUD housing programs. PD&R also has arranged to provide experimental datasets from program demonstrations with extensive data linkage capabilities to qualified researchers through the Census Bureau.

PD&R is striving to build a modern workforce and high-performing management in support of HUD's evolving mission needs. Improving succession planning is central to this objective. PD&R supplements generalized training offered by HUD with custom training in the technical skills needed by analytic staff. PD&R supports staff-led knowledge collaboratives that focus on specific policy areas to share knowledge and undertake research initiatives. PD&R also is grooming the next generation of leaders by offering management rotations to give mid-level staff hands-on experience in supervision and management.