

**HUD Answers to Questions for the Record  
April 20, 2006**

**For February 7, 2006 Hearing On  
“Federal Agencies and Conference Spending”  
Subcommittee on Federal Financial Management,  
Government Information and International Security  
Committee on Homeland Security and Government Affairs  
United States Senate**

1. The department provides funding and support to conferences held by the same organizations every year, or sometime even more frequently.
  - a. Why is it necessary to spend tax dollars to help support gatherings of the same individuals to discuss the same general themes every year?

**Answer: Effective communication of HUD’s program goals and requirements to program beneficiaries, third party program administrators and other public interest groups or program stakeholders is a critical component of HUD’s program management and control environment. In many cases, HUD’s current conference participation is a substitute for or extension of local program “capacity building” grants that the Congress used to appropriate for HUD programs. In most cases, HUD sends a speaker or small panel of program experts to convey its message at gatherings already arranged and paid for by the various public interest groups with a stake in HUD’s programs. This is a more cost-effective way of delivering HUD program information than for HUD to directly sponsor and fund such gatherings with tax dollars. The themes of HUD’s message do differ from year to year, given that HUD’s program landscape is constantly changing in terms of proposed and actual changes to program statutes, regulations, funding levels, delivery and control systems, reporting requirements, goals, etc. In addition, the make-up of the audience is subject to changes from year to year, due to normal staff turnover and the need for orientation or training for new staff.**

- b. Are there any requirements for such groups to provide a rationale to the department as to why the government should fund their gatherings when they occur so frequently?

**Answer: The HUD Office of General Counsel has issued “Departmental Guidance on Co-sponsored Events” to better assure that any proposed co-sponsorships are serving the interests of the Department and are within all legal and ethical guidelines. A decision for HUD to co-sponsor an event must be approved by the appropriate Assistant Secretary, or officer of equivalent rank, in the form of a written co-sponsorship agreement that includes a description of how the co-**

**sponsored event serves the interest of the Department in terms of furthering the Department’s mission or providing direct training and information regarding HUD programs or activities. HUD has other policy guidance to govern staff participation in conferences or other widely attended gatherings sponsored by non-federal sources, and those guidelines require justification and approval based on benefit to the programs or operations of the Department.**

- c. Please provide a list of any groups and non-government entities that have held at least three conferences that the department or agencies within the department have sponsored or provided some type of support to during the previous five years.

**Answer: Attached is a partial listing of some of HUD’s national program stakeholder groups. Many of these organizations hold national and/or local conferences for their memberships and HUD frequently participates in those or other conferences to disseminate or communicate program information. In FY 2005, HUD participated in at least one national or local conference activity for over one-third of the 170 entities on this list, and likely participated in 3 or more conference activities with many of these organizations over the past 5 years. HUD previously provided the Subcommittee Chairman with a listing of 989 conferences attended by HUD staff in FY 2005. That listing also included many other local program stakeholder groups that HUD frequently communicates with through conference activities. The organizations on these lists directly relate to the Department’s mission.**

- d. Can you provide an estimate of what you expect the total conference related costs, including travel, staff time, preparation and contributions, for the department is likely to be in FY 2006?

**Answer: HUD’s estimate of conference expense in FY 2006 is \$12.36 million.**

2. At this time when our nation has a \$8.1 trillion debt, we are fighting a global war on terror, we are recovering from the most expensive natural disaster in our nation’s history and we are confronted with emerging threats such as bioterrorism and avian flu, would you agree that efforts are needed to reduce non-essential spending?

**Answer: HUD management strives to eliminate non-essential spending in any budget environment, and agrees that the current budget climate warrants that**

**tough decisions have to be made between competing priorities for limited funding. While we do not view the purpose of conferences -- training and communications -- as non-essential activities, we do agree on the need to direct such activities to where they are most needed and to continually strive to conduct such activities in a cost-efficient and effective manner.**

3. You indicated willingness or desire to restrict travel and conference costs. Would you be willing to work with my office this year to write into law some commonsense rules to govern conference, travel and meeting expenses as part of the appropriations process?

**Answer: HUD remains committed to making the Department more accountable and ensuring the proper use of taxpayer dollars. However, the application of any funding limit on conference spending would unnecessarily restrict agencies' ability to effectively manage their programs. A focus on increased after-the-fact reporting on conference activities may add greater external transparency to activity but is not viewed as necessary or cost-beneficial, given HUD's existing controls over approving conference activities and the increased administrative cost of providing such information. Nevertheless, HUD is assessing opportunities for improved internal oversight of conference activity to better ensure that HUD is considering the most cost-effective means of information dissemination and determining that all conference spending is beneficial to the interests of the Department.**

4. Planning any event, especially a large conference, must distract numerous employees for many months to orchestrate the meeting. Do conferences actually have an unintended consequence of siphoning away resources and staff time?
  - a. Is this cost effective use of staff time and resources?

**Answer: Resources and staff time devoted to educating and training program participants on program requirements can actually serve to improve compliance and performance and to reduce waste and the need for costly corrective action.**

5. Has your department and its agencies purchased equipment to allow teleconferencing?
  - a. Could you provide a line itemed and detailed listing of that equipment and the amounts spent for it?
  - b. What impact-- if any-- has the purchase of this technology had on the number of employees traveling to meetings and the amount spent on conferences?

**Answer: HUD has established Satellite Broadcast capability that is currently funded for available use 6 and 1/2 hours a day on Tuesdays, Wednesdays and Thursdays. HUD's satellite network has downlinks to all 86 HUD office sites, to provide two-way interaction for training and other information dissemination activities with HUD staff or visitors to HUD facilities. HUD has expanded its satellite link to reach the public housing agency community that administers the preponderance of HUD's program funding. Most activities that are satellite broadcast are also web-cast over HUD's local area network and/or the Internet to reach a wider audience. As the technical graphic presentation capabilities of web casts improve, HUD will continue to expand its use of such abilities to reach larger audiences in a more cost-efficient manner. In FY 2005, HUD used its satellite broadcast capability to conduct 120 broadcasts/web-casts. Web-casts are popularly used for announcing grant application processes, and have been viewed by as many as 1,100 internal HUD participants at a time, with an unlimited number of possible external participants via the Internet. HUD has also established a telecommunications network for videoconferencing to provide HUD managers the ability to conduct regional or national meetings and training. In FY 2005, HUD conducted 460 videoconference meetings.**

6. Have you considered reimbursing employees for incidentals instead of issuing per diems as a way to cut costs? Per diems allow staff to actually make money from official travel.
  - a. When issuing per diems does anyone consider that a majority of the meals are often included in the conference fees?

**Answer: HUD adheres to the Government Travel Regulations (GTR) issued by the General Services Administration to govern all government travel. When meals are provided as part of a conference, the GTRs provide that a specified reduction factor be applied to the per diem allowance otherwise allowed.**

7. How do you explain your 340 percent increase in conference spending over the past five years? With the freedom and cost saving options afforded by technology and the Internet, would you agree that there are more economical alternatives to conferences and travel?

**Answer: HUD's spending on conference participation varies with the extent of change in HUD's program environment and the need to communicate information on those changes to the Department's numerous program stakeholders. The \$3.2 million in HUD conference spending in FY 2001 was unusually low for annual conference spending because it was a political transition year in which career staff**

**typically maintain the status quo in its program operations, awaiting the new program policy agenda of the new administration. HUD also participates in conferences as a cost-effective means of obtaining training for HUD staff. The Government Accountability Office’s (GAO) internal control standards point out the need for effective communications with program stakeholders, and for adequate staff training, as components of an effective internal control system over federal programs. While HUD continues to increase the use of advancing technology as a more cost-effective means of disseminating information, there are still situations where face-to-face interactions in conference settings are more effective and beneficial.**

8. In 2004, HUD sent 50 or more employees to at least 7 conferences. It seems many of your conferences are related to internal matters. This being the case, would it be more economical to email out the reports and power point slides, and then do a formal teleconference or conference call?

**Answer: HUD’s use of conference calls, satellite broadcasts and Internet web-casts are now generally the preferred means of internal communication, versus the more costly traditional conference type activities. The Department’s planned office automation upgrades will provide for “live meeting” capabilities for staff across the country, to further reduce the need for funding traditional conference type activities.**

**Department of Housing and Urban Development (HUD)  
Partial Stakeholder Listing**

1. ACORN (Association of Community Organizations)
2. ADAPT
3. Affordable Housing Association of Certified Public Accountants
4. Affordable Housing Coalition
5. Affordable Housing Management Association (AHMA)
6. AIDS Action Council
7. Alliance for Children and Families
8. Alliance for Retired Americans
9. American Association of Enterprise Zones
10. American Association of Homes and Services for the Aged
11. American Association of Retired Persons
12. American Association of Service Coordinators
13. American Bankers Association
14. American Chamber of Commerce
15. American Economic Development Council
16. American Enterprise Institute
17. American Institute of Architects
18. American Institute of Certified Public Accountants
19. American Land Title Association
20. American League of Financial Institutions
21. American Legislative Exchange Council
22. American Network of Community Options and Resource
23. American Planning Association
24. American Real Estate Society
25. America's Community Bankers
26. Appraisal Institute
27. Assisted Living Federation of America
28. Association of Community Organizations for Reform Now
29. Association of Government Accountants (AGA)
30. Association of Housing & Services for Aged
31. Association of Jewish Aging Services
32. Association of Local Housing Finance Agencies
33. Association of Real Estate Appraisers
34. B'nai B'rith
35. Building Owners and Managers Association
36. Catholic Charities, USA
37. Center for Community Change
38. Center for Policy Alternatives
39. Center on Budget & Policy Priorities
40. Child Welfare League of America
41. Children's Defense Fund
42. Community Action Partnership

43. Community Development Financial Institution Fund
44. Consumer Federation of America
45. Corporation for Supportive Housing
46. Council for Affordable & Rural Housing
47. Council of Large Public Housing Authorities
48. Council of State Community Development Agencies
49. Council of State Governments
50. Evangelical Lutheran Church in America
51. Habitat for Humanity
52. Heritage Foundation
53. Housing and Development Law Institute
54. Housing Assistance Council
55. Ibero-American Chamber of Commerce
56. Institute for Professional & Economic Development
57. Institute of Real Estate Management (IREM)
58. Institute for Responsible Housing Preservation
59. Interagency Council for Coordinating Homeless Programs
60. International City Managers Association
61. International Council of Shopping Centers
62. International Downtown Association
63. International Economic Development Council
64. Jefferson Government Relations
65. Jefferson Housing Foundation
66. Joint Center for Housing Studies
67. Joint Center for Political and Economic Studies
68. Latino Civil Rights Center
69. League of United Latin American Citizens
70. Local Initiatives Support Corporation
71. Lutheran Office for Governmental Affairs
72. Lutheran Services in America
73. Manufactured Housing Institute
74. McAuley Institute
75. Mortgage Bankers Association
76. Mortgage Insurance Companies of America
77. National Association of Latino Elected Officials
78. National Affordable Housing Management Association
79. National AIDS Housing Coalition
80. National Alliance for the Mentally III
81. National Alliance of HUD Tenants
82. National Alliance to End Homelessness
83. National American Indian Housing Council
84. National Apartment Association
85. National Association for County Community and Economic
86. National Association of Affordable Housing Lenders
87. National Association of Area Agencies on Aging
88. National Association of Black County Officials

89. National Association of Community Action Agencies
90. National Association of Counties
91. National Association of Development Organizations
92. National Association of Hispanic Real Estate Professionals
93. National Association of Home Builders
94. National Association of Housing and Redevelopment Officials
95. National Association of Housing Cooperatives
96. National Association of Local Housing Finance Agencies
97. National Association of Mortgage Brokers
98. National Association of Neighborhoods
99. National Association of Real Estate Brokers (NAREB)
100. National Association of Realtors
101. National Association of Regional Councils
102. National Association of State Development Agencies
103. National Association of State Units on Aging
104. National Association of the Remodeling Industry
105. National Association of Towns and Townships
106. National Bankers Association
107. National Black Caucus of Local Elected Officials
108. National Black Caucus of State Legislatures
109. National Caucus and Center on Black Aged
110. National Coalition for Homelessness
111. National Community Action Foundation
112. National Community Development Association
113. National Community Reinvestment Coalition
114. National Conference of Black Mayors
115. National Conference of State Legislatures
116. National Conference of States on Building Codes and Standards
117. National Congress for Community Economic Development
118. National Congress of American Indians
119. National Cooperative Bank
120. National Council of La Raza
121. National Council of State Housing Agencies
122. National Council on Aging
123. National Council on Disability
124. National Council on Independent Living
125. National Development Corporation
126. National Fair Housing Alliance
127. National Fire Protection Association
128. National Governors Association
129. National Housing and Rehabilitation Association
130. National Housing Conference
131. National Housing Law Project
132. National Housing Trust
133. National Law Center on Homelessness and Poverty
134. National Lead Abatement and Assessors Council

135. National League of Cities
136. National Leased Housing Association
137. National Legal Center for the Public Interest
138. National Low Income Housing Coalition
139. National Multi-Housing Council
140. National Neighborhood Coalition
141. National Organization of African-Americans in Housing
142. National Puerto Rican Coalition, Inc.
143. National Puerto Rican Forum
144. National Rehabilitation Lenders Association
145. National Resource Center for Supporting Home & Home
146. National Rural Housing Coalition
147. National Trust for Historic Preservation
148. National Urban League
149. Neighborhood Reinvestment Corporation
150. North American Insulation Manufacturers Association
151. Paralyzed Veterans of America
152. Partners for Livable Communities
153. Public Housing Authorities Development Association
154. Public Housing Authorities Directors Association (PHADA)
155. Real Estate Roundtable
156. Real Estate Service Providers Council (RESPRO)
157. Southeastern Affordable Housing Management Association
158. The ARC
159. The Brookings Institution
160. The Enterprise Foundation
161. The International Economic Development Council
162. The Urban Institute
163. U.S. Chamber of Commerce
164. U.S. Conference of Catholic Bishops
165. U.S. Conference of Mayors
166. U.S. Hispanic Chamber of Commerce
167. United Jewish Communities
168. United Way of America
169. Urban Land Institute
170. Volunteers of America