U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

OFFICE OF ADMINISTRATION

April 30, 2021

Mr. Austin R. Evers
Executive Director
American Oversight
1030 15th Street, N.W.
Suite B255
Washington, DC 20005

RE: Freedom of Information Act Request
FOIA Control No.: 19-FI-HQ-01441 and 19-FI-HQ-01596
Civil Action No.: 19-cv-2814

Dear Mr. Evers:

This letter is the eighth interim response to your Freedom of Information Act (FOIA) request dated and received on June 24, 2019 and July 19, 2019, respectively. You asked for copies of Department of Housing and Urban Development (HUD) records from September 1, 2018 through the date of the search, consisting of communications between HUD political appointees in the Office of Congressional and Intergovernmental Relations, Office of General Counsel, HUD leadership offices with specific White House Counsel staff regarding congressional oversight of specific matters and general policies, concerns, and considerations related to congressional oversight of the executive branch.

For this response, please be advised that an electronic search have been conducted and as a result of this search, records responsive to your request have been located. The Department has identified the following:

Program Office/Custodian	Pages Released	Redactions
Office of General Counsel – Ashley Ludlow	56	8 page contain b(5) redactions (deliberative process); 8 pages contains b(6) redactions (personal privacy)
TOTALS	56	

Your request is granted in part. Enclosed are documents responsive to your request. I am withholding portions of draft letters and documents pursuant to the deliberative process privilege of FOIA Exemption 5. Exemption 5 protects inter-agency or intra-agency records which would not be available by law to a party other than an agency in litigation with the Department. The release of this internal information would reflect HUD's predecisional, deliberative process, and would discourage open and candid advice, recommendations, and exchanges of views within the Department. I am also withholding cell phone numbers pursuant to FOIA Exemption 6. Exemption 6 protects information the release of which would constitute an unwarranted invasion of personal

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privacy. The interest of the general public in reviewing those portions of government documents does not outweigh the individuals' right to privacy.

For your information, your FOIA request, including your identity and any information made available, is releasable to the public under subsequent FOIA requests. In responding to these requests, the Department does not release personal information, such as home address, telephone number, or Social Security number, all of which are protected from disclosure under FOIA Exemption 6.

If you have any questions regarding your request, you may contact the Department of Justice – Federal Programs Branch trial attorney, Alexander Sverdlov, at 202-305-8550. Thank you for your interest in the Department's programs and policies.

Sincerely,

DEBORAH SNOWDEN

Digitally signed by: DEBORAH SNOWDEN
DN: CN = DEBORAH SNOWDEN C = US O = U.S. Government OU = Department of Housing and Urban Development
Date: 2021.04.30 11:12:24 -04'00'

Deborah R. Snowden
Deputy Chief FOIA Officer
Freedom of Information Act Branch
Office of Administration

Enclosures

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NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT AND RECUSAL STATEMENT

Section 17 of the Stop Trading on Congressional Knowledge Act of 2012 (STOCK Act) requires certain employees to file a statement notifying their agency ethics official of any negotiation for, or agreement of, future employment or compensation with a non-federal entity no later than three business days after commencement of the negotiation or agreement. Public filers also must file a recusal statement whenever there is a conflict of interest or appearance of a conflict of interest with the entity, unless the employee obtains a written waiver. An employee may elect to file a notification and recusal statement before negotiations have commenced and before an agreement of future employment or compensation is reached.

NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT

Name of Employee	Christina M. Brown
Agency/Office	HUD
Date of Discussion, Negotiation or Agreement	10/17/18
Name(s) of Non-Federal Entity or Entities Disclose each non-federal entity with which you are negotiating for, or have an agreement of future employment or compensation.	Wells Fargo Bank

RECUSAL STATEMENT

For as long as I am seeking, negotiating for, or have an agreement of, employment or compensation with any entity listed above, I will comply with all applicable recusal obligations under 5 C.F.R. part 2635 and, where applicable, 18 U.S.C. § 208. I understand that it is my responsibility to consult an agency ethics official if I have questions regarding these recusal obligations.

Employee Signature	**Date Submitted**
Christina M. Brown	10/18/18
Agency Ethics Official Signature	**Date Received**

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MEMORANDUM FOR: J. Paul Compton, Jr.

FROM: Christina M. Brown

SUBJECT: Recusal

This is to notify you that, in accordance with the Government-wide Standards of Ethical Conduct regulation at 5 C.F.R. § 2635.604, I have recused myself from participating in certain official matters. I have had some preliminary discussions with Wells Fargo Bank. Consequently, until further notice I will not participate personally and substantially in any particular matter that, to my knowledge, will have a direct and predictable effect on the financial interests of Wells Fargo Bank. Please note that this recusal will also be effective for the purposes of the Federal conflict of interest statute at 18 U.S.C. § 208 in the event that my conversations rise to the level of "negotiating employment" or having an "any arrangement concerning prospective employment" within the meaning of that statute. Any particular matters involving these named entities or individuals should be referred to Joseph Grassi, for disposition without my participation.

If you should have any questions about the applicability of this memorandum to any particular situation, please contact Lindsey Allen, Assistant General Counsel for Ethics and Appeals Law Division, at (303) 672-5066.

cc: Lindsey Allen, Assistant General Counsel for Ethics and Appeals Law Division

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NOTIFICATION OF POST-GOVERNMENT EMPLOYMENT OR COMPENSATION NEGOTIATION OR AGREEMENT AND RECUSAL STATEMENT

Section 17 of the Stop Trading on Congressional Knowledge Act of 2012 (STOCK Act) requires certain employees to file a statement notifying their agency ethics official of any negotiation for, or agreement of, future employment or compensation with a non-federal entity within three business days after commencement of the negotiation or agreement. An employee who files a notification statement also must file with the agency's ethics official a recusal statement whenever there is a conflict of interest or appearance of a conflict of interest with the entity, unless the employee obtains a written waiver as discussed in 5 C.F.R. § 2635.402(d), obtains an authorization as discussed in 5 C.F.R. § 2635.502(d), or qualifies for a regulatory exemption pursuant to 18 U.S.C. § 208(b)(2).

NOTIFICATION OF POST-GOVERNMENT EMPLOYMENT OR COMPENSATION NEGOTIATION OR AGREEMENT

Name of Employee	Evonne G. Heredia
Agency/Office	HUD/FHEO
Date Negotiation or Agreement Commenced	11/5/2018
Name(s) of Non-Federal Entity or Entities Disclose each non-federal entity with which you are negotiating for, or have an agreement of, future employment or compensation.	Microsoft Corporation

RECUSAL STATEMENT

For as long as I am negotiating for, or have an agreement of, employment or compensation with any entity listed above, I will comply with all applicable recusal obligations under 5 C.F.R. part 2635 and, where applicable, 18 U.S.C. § 208. I understand that it is my responsibility to consult an agency ethics official if I have questions regarding these recusal obligations.

Employee Signature	**Date Submitted**
Evonne G Heredia	11/5/2018
Agency Ethics Official Signature	**Date Received**

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-0500

MEMORANDUM FOR: Lindsey Allen, Assistant General Counsel for Ethics
Daniel Baxter, Deputy Assistant General Counsel for Ethics and Appeals

FROM: Gisele Roget, Deputy Assistant Secretary, Office of Single Family, Housing

SUBJECT: Conflict of Interest Disqualification

This is to notify you that I have recused myself from participating in certain official matters as described below. I take this action in an abundance of caution to avoid any apparent violation of law or ethics regulations in accordance with the Government-wide Standards of Ethical Conduct regulation at 5 C.F.R. §§ 2635.101(b)(14), and 2635 Subpart F. Effective immediately, I am disqualifying myself from personal participation in any particular matter that will have a direct and predictable effect on the financial interests of DHI Mortgage, Quicken Loans and the Federal Home Loan Bank of Des Moines. Any official matter involving DHI Mortgage, Quicken Loans and the Federal Home Loan Bank of Des Moines, including decisions, meetings, correspondence, memoranda, and telephone calls, should be referred to Elie Greenbaum and handled appropriately without being brought to my attention. My name should not appear on any documents pertaining to such matters.

I appreciate your cooperation.

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
GENERAL COUNSEL
WASHINGTON, DC 20410-0001

MEMORANDUM FOR: Linda M. Cruciani, Deputy General Counsel for Operations, CAG

FROM: Jerome Paul Compton Jr., General Counsel, C
1/11/2018

SUBJECT: Recusal

Consistent with my ethics agreement dated May 26, 2017, this is to notify you that I have recused myself from participating in certain official matters as described below. I take this action in order to comply with the conflict of interest restrictions of 18 U.S.C. § 208, the Standards of Ethical Conduct for Employees of the Executive Branch, and the Ethics Pledge (Executive Order No. 13770).

I resigned from my positions with Bradley Arant Boult Cummings LLP. My capital account was returned to me prior to my appointment and I will receive no further payments from the firm. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which the firm or any former client of mine is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). Further, I am disqualified from participation in any particular matter involving specific parties in which any of these entities are a party for two years from January 3, 2018, under the provisions of the Ethics Pledge (Executive Order No. 13770).

In addition, I have resigned from my positions with Brother Bryan Mission and the Truman Scholars Association. For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which either of these entities is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). Further, I am disqualified from participation in any particular matter involving specific parties in which either of these entities are a party for two years from January 3, 2018, under the provisions of the Ethics Pledge (Executive Order No. 13770).

I will divest my interests in the following entities within 90 days: JP Morgan Chase, Bank of America, PNC Financial, Wells Fargo, Regions Financial, Southpoint Bancshares, US Bancorp, Citigroup, and Keycorp. With regard to each of these entities, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of the entity until I have divested it, unless I first

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obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Any official matters involving the entities named in this recusal, including decisions, meetings, correspondence, memoranda, and telephone calls, should be forwarded to David C. Woll, Jr. for disposition, and handled appropriately without being brought to my attention. My name should not appear on any documents pertaining to such matters. With respect to these entities, I have directed my staff to forward matters requiring official action to David C. Woll, Jr. for a determination regarding the applicability of this recusal.

cc: Sheila Greenwood, Chief of Staff
Deana Bass Williams, Deputy Chief of Staff
Andrew Hughes, Deputy Chief of Staff
Lindsey Allen, Assistant General Counsel, Ethics and Appeals Law Division

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Client List For 2016 and 2017

Compton, Jr., J. Paul

Client	Hours Worked
ACHR HOUSING CORPORATION	2.00
Alabama Affordable Housing Association	79.00
Alabama Bankers Association, Inc.	14.25
Alabama Consumer Finance Association	37.42
Alabama Credit Corporation	13.75
Anderson Growth Partners, LLC	2.00
Apartment Developers, Inc.	8.25
Arlington Investments	2.50
Associated Long Term Care Insurance Company, Inc.	41.40
Bank of Pine Hill	201.50
Bank of the Ozarks	2.75
BBVA Compass	95.87
Beaver, Rudolph H.	131.20
Bennett & Company	16.75
Bradley Arant Boult Cummings - Pro Bono	299.00
Branch Banking and Trust Company	28.60
BREC DEVELOPMENT, INC.	1.50
Bryant Bank	26.50
Cadence Bank, N.A.	6.30
Centennial Casualty Company	24.25
City Center Company, LLC	157.10
CLIENT AND PRACTICE DEVELOPMENT	2.25
DEVELOPMENT SERVICES, INC.	2.25
DOUG HOLLYHAND REALTY, INC.	11.25
Douglas G. Hammond, D.M.D. M.S.D.	4.50
EBSCO INDUSTRIES, INC.	9.20
Enhanced Capital Partners, Inc.	2.25
FIRST CITIZENS BANK	7.00
Franklin American Mortgage Company	27.30
FS Advisors, Inc.	6.50
Gateway Companies	706.50
Hall Housing Investments, Inc.	514.00
J&A, Inc.	112.80
Jefferson County Department of Human-Community	6.80
JH Berry & Gilbert, Inc.	1.75
L William Godbold	3.75
Legacy Lodging, LLC	16.25
LIFE INSURANCE COMPANY OF ALABAMA	10.50
MDC Financial Service Group	8.05
MERCHANTS BANK	10.00
Metropolitan Life Ins	2.75
Morrison Avenue Capital Partners LLC	44.25
Oakworth Capital Bank	11.00
Partners Tax & Accounting, LLC	38.75
PRN Capital, LLC	13.00
Salvation Army	106.00
ServisFirst Bank	56.25
SouthPoint Bank	14.00
STATE OF ALABAMA; ALABAMA STATE BANKING DEPARTMENT	32.00
SunBurst Financial Group, LLC	9.00
SWEET WATER STATE BANK	2.50

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The Brand Banking Company	16.75
Third & Urban Acquisition LLC	2.00
Thomas W. Colbert	5.80
Tom Wilbourne	4.75
TROY BANK & TRUST COMPANY	194.25
VANTAGE BANK OF ALABAMA	2.00
Wells Fargo Bank, National Association	18.90
Whitney Bank	1.65
Woodlawn Foundation, Inc.	78.50
Xarisma, Inc.	2.75
YWCA	1.25

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NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT AND RECUSAL STATEMENT

Section 17 of the Stop Trading on Congressional Knowledge Act of 2012 (STOCK Act) requires certain employees to file a statement notifying their agency ethics official of any negotiation for or agreement of future employment or compensation with a non-federal entity within three business days after commencement of the negotiation or agreement. Employees who file this notification statement also must file with their agency ethics official a recusal statement whenever there is a conflict of interest or appearance of a conflict of interest with the entity. In any such case, the employee must recuse, unless the employee has first obtained a written waiver or authorization as discussed in 5 C.F.R. § 2635.605, or qualifies for a regulatory exemption pursuant to 18 U.S.C. § 208(b)(2).

NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT

Name of Employee	Neal Rackleff
Agency/Office	HUD - C.P.D.
Date Negotiation or Agreement Commenced	9-3-18
Name(s) of Non-Federal Entity or Entities Disclose each non-federal entity with which you are negotiating for or have an agreement of future employment or compensation.	Locke Lord LLP

RECUSAL STATEMENT

For as long as I am negotiating for or have an agreement of employment or compensation with any entity listed above, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of that entity, unless I first obtain a written waiver or authorization consistent with 5 C.F.R. § 2635.605, or qualify for a regulatory exemption pursuant to 18 U.S.C. § 208(b)(2).

Employee Signature	**Date Submitted**
[signature]	9-4-18
Agency Ethics Official Signature	**Date Received**
[signature]	9/4/18

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NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT AND RECUSAL STATEMENT

Section 17 of the Stop Trading on Congressional Knowledge Act of 2012 requires certain employees to file a statement notifying their agency ethics official of any negotiation for or agreement of future employment or compensation with a non-federal entity within three business days after commencement of the negotiation or agreement. Employees who file this notification statement also must file with their agency ethics official a recusal statement whenever there is a conflict of interest or appearance of a conflict of interest with the entity, or obtain a written waiver or an authorization as discussed in 5 C.F.R. § 2635.605.

NOTIFICATION OF POST-EMPLOYMENT NEGOTIATION OR AGREEMENT

Name of Employee	BETHANY ZORC
Agency/Office	HUD OGC
Date Negotiation or Agreement Commenced	11/10/17
Name(s) of Non-Federal Entity or Entities Disclose each non-federal entity with which you are negotiating for or have an agreement of future employment or compensation.	WELLS FARGO

RECUSAL STATEMENT

For as long as I am negotiating for or have an agreement of employment or compensation with any entity listed above, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of that entity, unless I first obtain a written waiver or an authorization consistent with 5 C.F.R. § 2635.605.

Employee Signature	**Date Submitted**
Bethany Zorc	11/14/17
Agency Ethics Official Signature	**Date Received**
[illegible]	11/14/17

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From: Ludlow, Ashley
Sent: 13 Jun 2019 14:20:21 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: FW: HFSC May 21 SOHUD Hearing - QFRs (Ludlow)
Attachments: HFSC 5.21.19 Hearing QFRs - Ludlow.docx

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

The information in this communication may be confidential and privileged, is intended only for the use of the recipient(s) named above, and may be subject to additional legal non-disclosure requirements. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please re-send it to the sender and delete the original message and any copy of it from your computer system.

From: O'kane, Colleen M <Colleen.M.OKane@hud.gov>
Sent: Thursday, June 13, 2019 9:29 AM
To: Ludlow, Ashley <Ashley.Ludlow@hud.gov>
Cc: Dendas, Michael W <Michael.W.Dendas@hud.gov>; Kelley, Michael J <Michael.J.Kelley@hud.gov>
Subject: HFSC May 21 SOHUD Hearing - QFRs (Ludlow)

Ashley-

Attached are the OIG and Puerto Rico focused QFRs that were submitted following SOHUD's hearing in front of the House Financial Services Committee on May 21. We would like you to draft the responses to these questions.

A couple of things to note:

- I included the background that was submitted with each question in order to give you some insight into the MOC's stance on the issue / question.
- Some questions have multiple parts that are separated by bullets. When answering, you do not need to answer the questions separately if it is easier to lump the responses together into one response.
- I denoted the Member who sent the questions and maintained the question numbers from the original document that they submitted, which is why the numbers jump around.

DEADLINE: We would like to receive responses back ***no later than Thursday, June 20***.

Thank you for your help with getting these questions answered. If you have any questions once you have time to review the attached document, please just let me know.

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Thanks,
Colleen



Colleen O'Kane
Congressional Liaison
Office of Congressional & Intergovernmental Relations
U.S. Department of Housing and Urban Development
T: (202) 402-4598 | C: (b)(6)

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House Financial Services Committee

May 21, 2019 Hearing

Chairwoman Maxine Waters

1. According to the Government Accountability Office, for nearly a decade, HUD's efforts to modernize its information technology (IT) have been hindered by planning and strategic missteps.[1] What actions have you taken to address HUD's IT management weaknesses? How will the Department avoid repeating previous problems with IT modernization?

   RESPONSE:

   - (b)(5) Deliberative Privilege

   RESPONSE:

2. On April 29, 2019, the HUD Office of Inspector General (OIG) released a Management Alert to notify you and the public about "unreasonable delays" in OIG's access to HUD information.[3] As the Inspector General pointed out in the Alert, these delays can have disruptive effects on OIG investigations and other oversight work. Why have these delays worsened to the point that the Inspector General felt the need to issue a management alert?

   RESPONSE:

   - (b)(5) Deliberative Privilege

[1] GAO, *Department of Housing and Urban Development: Actions Needed to Incorporate Key Practices into Management Functions and Program Oversight*, GAO-16-497, Jul. 20, 2016.

(b)(5) Deliberative Privilege

[3] See, *Supra* fn 2.

(b)(5) Deliberative Privilege

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layers of review for Office of Inspector General document requests related to HUD's delivery of disaster recovery funds to Puerto Rico.[5] Have there been any communications from the White House to you or any other HUD officials related to the Inspector General's review of HUD's administration of disaster recovery funds to Puerto Rico?

RESPONSE:

- (b)(5) Deliberative Privilege

RESPONSE:

14. This September, it will have been two years since Hurricane Maria devasted Puerto Rico, damaging the island's economy, causing billions of dollars of damage, and causing the deaths of thousands of residents. In response, Congress appropriated approximately $20 billion in disaster recovery grants to help Puerto Rico rebuild and protect against future disasters.[8] To date, HUD has only made a fraction of this money available to Puerto Rico.[9] We have learned that you have provided instructions to partition this money and provide it to the island in tranches as the island completes tasks assigned by HUD. A January 2019 Washington Post article reported that the Trump White House may have improperly sought to impede Puerto Rico's access to congressionally appropriated disaster recovery assistance.

    - What instructions have you received from the White House regarding Puerto Rico?

    RESPONSE:

[5] Washington Post, *HUD's top watchdog: Agency impeded probe into Puerto Rico hurricane aid*, Apr, 30, 2019.
(b)(5) Deliberative Privilege
(b)(5) Deliberative Privilege
[8] *Id.*
[9] *Id.*

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From: Ludlow, Ashley
Sent: 10 Apr 2019 15:33:46 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: Grassley Response Draft
Attachments: Grassley Response Draft 001 REV REAC + VSL + DB 4.8.19.docx, 2019-03-20 CEG to HUD (Oversight of PHAs).pdf

Tyler – Please find attached HUD's draft response to the Grassley letter. It has not yet been cleared, but wanted to go ahead and share it with you.

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

The information in this communication may be confidential and privileged, is intended only for the use of the recipient(s) named above, and may be subject to additional legal non-disclosure requirements. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please re-send it to the sender and delete the original message and any copy of it from your computer system.

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-1000

ASSISTANT SECRETARY FOR CONGRESSIONAL
AND INTERGOVERNMENTAL RELATIONS

April 10, 2019

The Honorable Charles E. Grassley
United States Senate
Washington, DC 20510-6200s

Dear Senator Grassley:

On behalf of Secretary Carson, thank you for your letter of March 20, 2019, concerning HUD oversight of Public Housing Agencies (PHAs) on behalf of the Committee on Finance. In your letter, you raise certain questions and request a briefing be scheduled. In response, we offer the following:

Question 1: Why did HUD fail to update regulations and re-federalize asset management fees after previously indicating that it would do so by December 2017?

(b)(5) Deliberative Privilege

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(b)(5) Deliberative Privilege

Question 2: When does HUD plan to put its new ACC into effect? Before doing so, will HUD make substantive changes to the version that was posted for public comment in December 2018? If so, please describe any expected changes:

(b)(5) Deliberative Privilege

Question 3: Does HUD plan to make other regulatory changes and/or issue new guidance in conjunction with its introduction of a new ACC? If so, how will these changes be timed with the introduction of the new ACC? Please describe all planned changes?

(b)(5) Deliberative Privilege

Question 4: Under the provisions of the new ACC, will asset management fees received by PHAs be considered by HUD to retain their federal designation? Please supply results of any internal analysis of this question and all related documents.

If asset management fees will be considered to retain their federal designation under the new ACC:

(b)(5) Deliberative Privilege

a. **Does HUD plan to conduct additional oversight of PHA COCC finances? Please describe any additional oversight plans or projects.**

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(b)(5) Deliberative Privilege

b. What categories and types of expenditures by PHA COCC's will be allowed and/or disallowed by HUD?

(b)(5) Deliberative Privilege

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Question 5: Please produce all PHA executive compensation data collected by HUD beginning in January 2017 to the present.

(b)(5) Deliberative Privilege

[The letter requests scheduling of a briefing for these issues. This needs to be addressed as well.]

Sincerely,

Len Wolfson

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Name						
Date						

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JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

United States Senate
COMMITTEE ON FINANCE
WASHINGTON, DC 20510–6200

March 20, 2019

VIA ELECTRONIC TRANSMISSION

The Honorable Dr. Ben Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Secretary Carson,

Over the past decade, I have repeatedly expressed concerns to you and your predecessors at the Department of Housing and Urban Development (HUD) about lax federal oversight of spending by Public Housing Agencies (PHAs).[1] One ongoing area of concern is the nearly total lack of HUD oversight over millions of dollars in federal funds used to pay fees to PHA central office cost centers (COCCs) under the asset management business model adopted by some of the country's largest PHAs. Under the asset management model, a portion of the federal dollars that go to support a PHA's projects are paid in the form of fees to the PHA's business unit, the COCC, in exchange for its provision of property management, bookkeeping, and other administrative services. According to one HUD source, in 2016, more than 600 PHAs had COCCs, and these COCCs accounted for more than 1.9 billion dollars in total revenue.[2]

Even though the COCC is part of a PHA and plays a critical management role, once deposited into a COCC's account, public funds lose their federal designation and cease to be

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[1] *See*, *e.g.*, Charles E. Grassley, Chairman, U.S. Senate Committee on the Judiciary, to Hon. Dr. Ben Carson, Secretary, U.S. Department of Housing and Urban Development (March 8, 2017), available at https://www.grassley.senate.gov/sites/default/files/constituents/2017-3-8%20CEG%20to%20HUD%20%28Buffalo%20Municipal%20Housing%20Authority%20conference%20spending%29.pdf; "Grassley Conveys Housing Concerns to HUD Secretary Nominee Carson" (January 4, 2017), available at https://www.grassley.senate.gov/news/news-releases/grassley-conveys-housing-concerns-hud-secretary-nominee-carson; "HUD Releases Audit of Omaha Housing Authority After Grassley's Prodding" (July 27, 2015), available at https://www.grassley.senate.gov/news/news-releases/hud-releases-audit-omaha-housing-authority-after-grassley%E2%80%99s-prodding; Charles E. Grassley, Ranking Member, U.S. Senate Committee on the Judiciary, and Hon. Mark Kirk, U.S. Senator, to Hon. Julian Castro, Secretary, U.S. Department of Housing and Urban Development (October 23, 2014), available at https://www.grassley.senate.gov/sites/default/files/news/upload/CEG%20and%20Kirk%20to%20HUD%20%28MTW%20reserve%20funds%29%2C%2010-23-14.pdf; Hon. Charles E. Grassley, Ranking Member, U.S. Senate Committee on the Judiciary, to Hon. Shaun Donovan, Secretary, U.S. Department of Housing and Urban Development (June 24, 2014); Hon. Charles E. Grassley, Ranking Member, U.S. Senate Committee on Finance, to Hon. Shaun L.S. Donovan, Secretary, U.S. Department of Housing and Urban Development (October 25, 2010), available at https://www.finance.senate.gov/imo/media/doc/2010-10-25%20Letter%20to%20HUD.pdf.

[2] U.S. Department of Housing and Urban Development, "Los Angeles, CA Listening Session: Proposed Changes to the Central Office Cost Center (COCC)" (December 2016), available at https://www.hud.gov/sites/documents/COCCPRES.PDF.

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subject to rigorous federal oversight.[3] In the absence of federal oversight, taxpayers have to rely on PHA management, Boards of Commissioners, and state and local governments to ensure that taxpayer dollars are spent properly.

In the absence of oversight, PHAs have not always proven themselves good stewards of taxpayer funds. When the HUD OIG reviewed PHA activities in 2014, it found evidence of excessive fees and uses of funding for questionable expenses including excessive salaries and bonuses, and, in one case, a seven-figure severance package.[4] More recently, a top administrator at the Indianapolis Housing Agency (IHA) reportedly decided to take fourteen employees on an $1100 golf outing as a "team-building" event. When questioned about the trip, the IHA reportedly stated:

> All Director's budgets are funded through the Central Office Cost Center (COCC) which covers the administration of the IHA. COCC is funded by management fees received from the properties and other administrative fees charged. Because the money comes from fees and not directly from HUD, the funds are not considered federal funds.[5]

According to reports from February of this year, the Executive Director of the Columbia Housing Authority, which oversees the property where two people recently died of carbon monoxide poisoning, reportedly makes more than $167,000 per year.[6] His salary, which is reportedly drawn from the PHA's COCC, is several thousand dollars above the federal cap for a PHA executive.[7] While it is lawful under certain circumstances for a PHA executive to receive a

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[3] A 2006 planning document sent by HUD to housing agency executive directors prior to the implementation of the asset management business model described the lack of oversight under the new system as a "benefit." A section of that document devoted to explaining how fees would be paid to COCCs under the new system states: "If adopted across all Public and Indian Housing (PIH) programs, HUD's monitoring activities would be greatly reduced. HUD would no longer need to evaluate whether a PHA's allocation system was 'reasonable.' Rather, HUD would only need to determine that the PHA charged a reasonable fee. HUD would also not need to monitor the spending of fee income, i.e., the activities of the central office cost center. HUD monitoring would be limited to 'front-line' expenses. Funds received by the central office cost center to operate public housing, provided they were generated through reasonable fees, would not be subject to HUD review." See U.S. Department of Housing and Urban Development, Office of Public and Indian Housing *Preparing for Asset Management Under the New Public Housing Operating Fund Rule (24 CFR 990) A Planning Document* (June 1, 2006), available at https://www.hud.gov/sites/documents/DOC_9696.PDF.

[4] The severance package was negotiated for a wrongful termination settlement with the City of Los Angeles and was paid with expenses from the central office cost center. HUD OIG Audit Report 2014-LA-0004 (June 30, 2014), p. 12, available at https://www.hudoig.gov/sites/default/files/documents/2014-LA-0004.pdf.

[5] Rafael Sanchez, "CALL 6: Indianapolis Housing Agency defends spending $1,100 on employee golf outing" RTV 6 Indianapolis (September 26, 2018), available at https://www.theindychannel.com/news/call-6-investigators/call-6-indianapolis-housing-agency-defends-spending-1-100-on-employee-golf-outing.

[6] WLTX 19, "Will Gilbert Walker Receive a State Pension" (February 22, 2019), available at https://www.wltx.com/article/news/local/allen-benedict-court/will-gilbert-walker-receive-a-state-pension/101-4bfb938a-1b8a-4cca-ad7c-3d6a1014f87c.

[7] Under Sec. 222 of the Consolidated Appropriations Act of 2019, "None of the funds made available by this Act, or any other Act, for purposes authorized under section 8 (only with respect to the tenant-based rental assistance program) and section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), may be used by any public housing agency for any amount of salary, including bonuses, for the chief executive officer of which, or any other official or employee of which, that exceeds the annual rate of basic pay payable for a position at level IV of the Executive Schedule at any time during any public housing agency fiscal year 2019." The cap was the same under the Consolidated Appropriations Act of 2018. Level IV of the executive schedule is currently $164,200 per year.

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salary in excess of the federal cap, only funds that originate from non-federal sources may be used to pay the excess portion. Although HUD collects data on the salaries of PHA executives, the data collected have not been made public beyond the figures for 2016. Therefore, there is no way for the public to know whether or not the executive's salary complies with federal law.[8]

Experience teaches that some skepticism here is warranted. In the past, absent much needed public transparency, executive salaries have not always complied with the law. According to the most recent public data on executive compensation shared by HUD, in 2016, nine PHA executives were paid with federal funds at an amount that exceeded the federal cap. Fifteen executives received total compensation amounts that ranged from just over $300,000 to more than $650,000.[9]

In 2016, after the HUD OIG and I continued to raise concerns about lax oversight of COCC accounts, HUD finally agreed to revise its rules so that the public funds going into them would retain their federal designation and thus be subject to federal oversight. The Department stated that it would complete the rulemaking process by December 2017.[10] However, three years have now passed since HUD expressed its intent to act, and the proposed changes do not appear to have been implemented.

Instead, over the past three years, it appears that HUD has dragged its feet. From October to December 2016, HUD held a series of "listening sessions" with PHA executives working under the asset management system, during which it told attendees that it planned to "[r]e-federalize Section 8 & 9 fee income."[11] HUD never made the changes.

In May of last year, HUD published a new version of its contract with PHAs, known as the Annual Contributions Contract (ACC), and announced that the contract would become effective as soon as PHAs began drawing down capital funds from 2018.[12] The new version of the ACC contains language that some stakeholders have interpreted as an effort to re-federalize fee income.[13] However, in October 2018, HUD announced that it was retroactively nullifying

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Salary Table No. 2018-EX, available at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2018/EX.pdf.

[8] "Public Housing Agency Executive Compensation – CY 2016", available at https://www.hud.gov/program_offices/public_indian_housing/reac/rd/cy16phaec.

[9] *Id.*

[10] Letter from Milan M. Ozdinec, Deputy Assistant Secretary, Public Housing and Voucher Programs, to Housing Authority Executive Directors (April 1, 2016), available at https://www.renocavanaugh.com/sites/default/files/hud-notices/D0530226.PDF.

[11] U.S. Department of Housing and Urban Development, "Los Angeles, CA Listening Session: Proposed Changes to the Central Office Cost Center (COCC)" (December 2016), available at https://www.hud.gov/sites/documents/COCCPRES.PDF.

[12] Annual Contributions Contract HUD-53012 (ACC), available at https://www.hud.gov/sites/dfiles/PIH/documents/HUD-53012ACC.pdf; also see: National Law Review "HUD Rescinds New Form of Annual Contributions Contract" (October 18, 2018), available at https://www.natlawreview.com/article/hud-rescinds-new-form-annual-contributions-contract.

[13] According to the new PHA, "operating receipts" are defined as: "All rents, revenues, income, and receipts accruing from, out of, generated by, or in connection with the ownership or operation of public housing, including grant funds received pursuant to HUD Requirements and is not limited to income from fees for services performed…" among other sources of income. Program receipts include operating receipts and "shall only be used to pay for public housing program expenditures, unless otherwise allowed by HUD Requirements." See "60-Day Notice of Proposed Information Collection: Comment Request: Agency Information Collection Activities: Public Housing Annual Contributions Contract for Capital and Operating Grant Funds", available at

AMERICAN OVERSIGHT

that new contract and reverting to the previous one.[14] In December 2018, HUD sought comments on a revised version of its new ACC.[15] During that comment process, which closed three weeks ago, some PHA executives expressed opposition to provisions that they categorized as an attempt to re-federalize fee income.[16] One commenter referred to these provisions as an "underhanded effort [to] refederalize fees paid to a PHA's COCC."[17]

There is nothing "underhanded" about seeking transparency in how taxpayer dollars are spent.[18]

These developments raise important questions about HUD's commitment to revising its regulations and guidance, its anticipated timeline for putting the new ACC into effect, and its plans for conducting future oversight of federal spending. Accordingly, please contact my office to schedule a briefing, and respond to the following no later than April 3, 2019:

1. Why did HUD fail to update regulations and re-federalize asset management fees after previously indicating that it would do so by December 2017?

2. When does HUD plan to put its new ACC into effect? Before doing so, will HUD make substantive changes to the version that was posted for public comment in December 2018? If so, please describe any expected changes.

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https://www.federalregister.gov/documents/2018/12/27/2018-28095/60-day-notice-of-proposed-information-collection-comment-request-agency-information-collection.

[14] National Law Review, "HUD Rescinds New Form of Annual Contributions Contract" (October 18, 2018), available at https://www.natlawreview.com/article/hud-rescinds-new-form-annual-contributions-contract.

[15] "60-Day Notice of Proposed Information Collection: Comment Request: Agency Information Collection Activities: Public Housing Annual Contributions Contract for Capital and Operating Grant Funds", available at https://www.federalregister.gov/documents/2018/12/27/2018-28095/60-day-notice-of-proposed-information-collection-comment-request-agency-information-collection.

[16] See FR-7006-N-15 60- Day Notice of Proposed Information Collection: Comment Request: Agency Information Collection Activities: Public Housing Annual Contributions Contract for Capital and Operating Grant Funds" available at https://www.regulations.gov/document?D=HUD-2018-0103-0001.

[17] Comment by Paul Dellinger, Executive Director, Cleveland Housing Authority, available at https://www.regulations.gov/document?D=HUD-2018-0103-0063.

[18] There is no shortage of examples of fraud and abuse by PHA employees exposed by state and local investigators. An audit by the Tennessee Comptroller's office last year found that an employee at the Oliver Springs Housing Authority used HUD funding to "buy 'items such as a Carnival Cruise and plane tickets, jewelry, sporting goods, clothes, a Comcast bill, insurance, food, [and] a prom dress.'" See Jamie Satterfield, "Audit: Oliver Springs housing board asleep at the wheel while staffer steals" *Knoxville News Sentinel* (January 17, 2019), available at https://www.knoxnews.com/story/news/crime/2019/01/17/oliver-springs-housing-board-melissa-may-fraud/2586472002/; In January, 2019, a report completed by the City of New York Department of Investigation detailed how the manager at one New York City housing development "directed crews to throw away everything [used in a renovation of the property's grounds]…including…equipment that was in working condition, such as leaf blowers, weed whackers, snow blowers, lawn mowers, drills, saws, and brand-new pallets of sand…[The manager] then ordered all new equipment. Also during this time period, [the manager] ordered nine black leather executive chairs, three 43" flat screen TV's, file cabinets, and a conference table, for a cost of almost $4,000." See New York City Council Committees on Oversight and Investigations and Public Housing, "Testimony of Margaret Garnett, Commissioner, New York City Department of Investigation, Concerning the Examination of the DOI Reports on NYCHA Mismanagement at Throggs Neck Houses" (March 14, 2019), p. 16, available at https://www1.nyc.gov/assets/doi/press-releases/2019/Mar/ThroggsNeck_TestimonyandLetters_31419.pdf.

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3. Does HUD plan to make other regulatory changes and/or issue new guidance in conjunction with its introduction of a new ACC? If so, how will these changes be timed with the introduction of the new ACC? Please describe all planned changes.

4. Under the provisions of the new ACC, will asset management fees received by PHAs be considered by HUD to retain their federal designation? Please supply results of any internal analysis of this question and all related documentation.

   If asset management fees will be considered to retain their federal designation under the new ACC:

   a. Does HUD plan to conduct additional oversight of PHA COCC finances? Please describe any additional oversight plans or projects.

   b. What categories and types of expenditures by PHA COCC's will be allowed and/or disallowed by HUD?

   If asset management fees will not be considered to retain their federal designation, does HUD plan to undertake additional measures to re-federalize fees? If not, why not?

5. Please produce all PHA executive compensation data collected by HUD beginning in January 2017 to the present.

Should you have questions, please contact Daniel Parker of my Committee staff at 202-224-4515.

Sincerely,

Charles E. Grassley
Chairman
Senate Finance Committee

cc: Hon. Ron Wyden, Ranking Member, Senate Finance Committee

Hon. Susan Collins, Chairman, Subcommittee on Transportation, Housing, and Urban Development, and Related Agencies, Senate Committee on Appropriations

Hon. Jack Reed, Ranking Member, Subcommittee on Transportation, Housing, and Urban Development, and Related Agencies, Senate Committee on Appropriations

Hon. David Perdue, Chairman, Subcommittee on Housing, Transportation, and Community Development, Senate Committee on Banking, Housing, and Urban Affairs

Hon. Robert Menendez, Ranking Member, Subcommittee on Housing, Transportation, and Community Development, Senate Committee on Banking, Housing, and Urban Affairs

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From: Ludlow, Ashley
Sent: 18 Apr 2019 15:10:35 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: FW: House VA Committee Hearing - HUD Statement for the Record
Attachments: Invite- HUD.pdf

FYI.

Also, SOHUD will be testifying before the House Financial Services Committee on May 21 on oversight of HUD.

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

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From: Kelley, Michael J <Michael.J.Kelley@hud.gov>
Sent: Thursday, April 18, 2019 11:01 AM
To: Ludlow, Ashley <Ashley.Ludlow@hud.gov>
Subject: FW: House VA Committee Hearing - HUD Statement for the Record

See attached.

From: Kelley, Michael J
Sent: Friday, April 12, 2019 12:06 PM
To: Kurtz, R. Hunter <Robert.H.Kurtz@hud.gov>; Woll Jr, David C <David.C.WollJr@hud.gov>; Blom, Dominique G <Dominique.G.Blom@hud.gov>; Keville, Jocklynn M <Jocklynn.M.Keville@hud.gov>; Bastarache, Danielle L <Danielle.L.Bastarache@hud.gov>; Jenkins, Mary M <Mary.M.Jenkins@hud.gov>
Cc: Wolfson, Len <Len.Wolfson@hud.gov>; Dendas, Michael W <Michael.W.Dendas@hud.gov>; Gormley, Joseph M <Joseph.M.Gormley@hud.gov>; Appleton, Seth D <Seth.D.Appleton@hud.gov>; McCall, Drew A <Jonathan.A.McCall@hud.gov>; Gaines, Ralph H <Ralph.H.Gaines@hud.gov>; Ligon, John L <John.L.Ligon@hud.gov>
Subject: House VA Committee Hearing - HUD Statement for the Record

Afternoon All-

AMERICAN OVERSIGHT

As most of you know, HUD was invited to testify at a hearing before the House Committee on Veterans' Affairs, Subcommittee on Economic Opportunity entitled "Fiscal Year 2020 President's Budget: Requests Related to Veterans' Benefits." See attached invite for specific details.

While HUD will not be testifying, we have agreed to provide the Committee with a statement for the record.

As both PIH and CPD have programs in the FY 2020 budget request that touch on veterans programs, can CIR ask that you both work together to draft the statement? As the statement will need to be cleared through OMB, can we shoot to have a first draft by the middle of next week (April 10)?

Please let me know if you have any questions.

Thanks,

Mike

Michael J. Kelley
Deputy Assistant Secretary for Congressional Relations
Office of Congressional & Intergovernmental Relations
U.S. Department of Housing and Urban Development
T: (202) 402-4888 | C: (b)(6)

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RAY KELLEY
STAFF DIRECTOR

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JON TOWERS
REPUBLICAN STAFF DIRECTOR

April 3, 2019

The Honorable Dr. Benjamin S. Carson, Sr., M.D.
Secretary
Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

Dear Mr. Secretary:

On Tuesday, April 30, 2019, at 2:00 p.m. in room 2253 Rayburn House Office Building, the Committee on Veterans' Affairs Subcommittee on Economic Opportunity will meet in an open session to conduct an oversight hearing entitled "Fiscal Year 2020 President's Budget: Requests Related to Veterans' Readjustment Benefits." This hearing will examine requests in the President's Budget related to veterans' education, housing, and employment benefits, as well as programs to address veteran homelessness and programs supporting service members' transition out of the military. The Subcommittee will review how these programs interact across the relevant agencies or departments and associated Fiscal Year 2020 funding requests.

I write to invite you (or your designee) to testify on behalf of the Department of Housing and Urban Development. Please confirm your attendance by contacting Mr. Christopher Bennett, Professional Staff for the Subcommittee on Economic Opportunity, via email at Christopher.Bennett@mail.house.gov and copying Ms. Rasheedah Hasan, Chief Clerk, via email at Rasheedah.Hasan@mail.house.gov. Additionally, each witness shall submit a written statement of proposed testimony in MS Word format, to Mr. Bennett and Ms. Hasan at the above email addresses, and hand deliver 75 copies of written testimony to room B234 of the Longworth House Office Building, no later than 2:00 p.m. on Friday, April 26, 2019. Your oral testimony should not exceed 5 minutes and should summarize your written remarks. You may, in addition, introduce into the record any supporting documentation, in accordance with the enclosed guidelines.

Under clause 2(k)(3) of Rule XI of the House of Representatives, witnesses at hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. Witness counsels are not permitted to sit at the witness table, unless authorized by the Committee. I reserve the right to place any witness under oath. Please be advised that pursuant to 18 U.S. Code § 1001, and regardless of whether an oath is administered, it is a violation of federal criminal law to knowingly and willfully give a false statement to any

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committee, subcommittee, commission, or office of the Congress. A witness may obtain a transcript copy of their testimony given in public open session or, if given at an executive session only, when authorized by the Committee.

In addition, under House and Committee rules, in the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of any federal grants or contracts, or contracts or payments originating with a foreign government, received during the current calendar year or either of the two previous calendar years by the witness and related to the subject matter of the hearing. To assist you in complying with these rules, I have enclosed a form that you must complete and return with your testimony.

Accommodations for individuals with disabilities, including assistive listening systems, interpreters and materials in alternate formats, may be arranged by contacting the Committee Clerk in advance of the hearing (four business days' notice is recommended) at 202-225-9756.

Should you or your staff have any questions or need additional information, please contact Mr. Christopher Bennett, Professional Staff for the Subcommittee on Economic Opportunity Christopher.Bennett@mail.house.gov.

Sincerely,

Mike Levin

Mike Levin
Chairman
Subcommittee on Economic Opportunity
Committee on Veterans' Affairs

ML/rh

Enclosures:
Submission Requirements for Hearing Statements and Exhibits
Truth-in-Testimony

cc: Representative Gus Bilirakis, Ranking Member

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Submission Requirements for Hearing Statements and Exhibits
116th Congress

As you prepare to testify before the Committee, please keep in mind the following submission requirements for the printing and electronic dissemination of hearing statements, written comments, and exhibits.

Electronic Version of Statement: The Committee requires witnesses to submit testimony electronically so that it may be made available to the public via the Committee website (http://veterans.house.gov) in a timely manner. **Please make your statement available to the Committee in Microsoft Word and send it as an attachment electronically to Rasheedah.Hasan@mail.house.gov .**

Please be advised your written statement will be available online through the Committee's web page and Committee Repository (http://docs.house.gov) immediately following the conclusion of the hearing. You may notify us of any changes to your written statement up to 24 hours before the scheduled hearing date. This is not an official record of your testimony. The official hearing transcript will be made available electronically once submitted to GPO for printing.

Written Statement: Each statement presented to the Committee by a witness or any written statement or exhibit submitted for the record of a hearing must be in a form that is capable of being photocopied for printing ("camera ready") and should, therefore conform to the following guidelines. The Committee reserves the right not to include any statement or exhibit that is not submitted in the following form:

- For the printed hearing record, one copy of the statement and any accompanying exhibits for the printed hearing record should be prepared on **letter size paper**.

- The Committee may elect to retain exhibit materials or documents submitted for the record in Committee files instead of reproducing them in the hearing record. Therefore, any relevant material should be referenced and quoted in the written statement or paraphrased. Illegible exhibits cannot be printed.

Nongovernmental Witnesses: Witnesses who appear before a committee in a non-governmental capacity are to include with each copy of their written testimony **a curriculum vitae and statement disclosing the amount and source (by agency and program) of any Federal grant or contract (relevant to the subject matter of their testimony) received during the current or previous two fiscal years by the witness or by the organization the witness represents.**

Disclosure of Foreign Payments to Witnesses. The House Rules require to the greatest extent practicable, nongovernmental witnesses to disclose payments or contracts to the witness or an organization they represent originating from foreign governments received in the current and preceding two calendar years, to the extent that such information is relevant to the subject matter of, and the witness' representational capacity at, that hearing. While failure to comply fully with this requirement would not give rise to a point of order against the witness testifying, it could result in an objection to including the witness's written testimony in the hearing record in the absence of such disclosure.

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Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)*, of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: _____

Subcommittee: _____

Hearing Date: _____

Hearing Subject:

Witness Name: _____

Position/Title: _____

Witness Type: ○ Governmental ○ Non-governmental

Are you representing yourself or an organization? ○ Self ○ Organization

If you are representing an organization, please list what entity or entities you are representing:

If you are a <u>non-governmental witness</u>, please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you or the organization(s) you represent at this hearing received in the current calendar year and previous two calendar years. Include the source and amount of each grant or contract. *If necessary, attach additional sheet(s) to provide more information.*

If you are a <u>non-governmental witness</u>, please list any contracts or payments originating with a foreign government and related to the hearing's subject matter that you or the organization(s) you represent at this hearing received in the current year and previous two calendar years. Include the amount and country of origin of each contract or payment. *If necessary, attach additional sheet(s) to provide more information.*

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False Statements Certification

Knowingly providing material false information to this committee/subcommittee, or knowingly concealing material information from this committee/subcommittee, is a crime (18 U.S.C. § 1001). This form will be made part of the hearing record.

_____ _____

Witness signature Date

If you are a <u>non-governmental witness</u>, please ensure that you attach the following documents to this disclosure. Check both boxes to acknowledge that you have done so.

☐ Written statement of proposed testimony

☐ Curriculum vitae

*Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of any Federal grants or contracts, or contracts or payments originating with a foreign government, received during the current calendar year or either of the two previous calendar years by the witness or by an entity represented by the witness and related to the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B) shall include—

(i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and

(ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

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From: Ludlow, Ashley
Sent: 26 Feb 2019 15:32:12 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: Cummings FRA Letter
Attachments: 1- Rep. Cummings FRA Request 12.19.18.pdf, 1.5 - Rep. Cummings Original FRA Request 9.25.17.pdf, 1.5R- Rep. Cummings FRA Response 10.10.17.pdf

Tyler – Do you have a few minutes to discuss today? Thanks!

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

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TREY GOWDY, SOUTH CAROLINA
CHAIRMAN

ONE HUNDRED FIFTEENTH CONGRESS

ELIJAH E. CUMMINGS, MARYLAND
RANKING MINORITY MEMBER

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6143

MAJORITY (202) 225–5074
MINORITY (202) 225–5051

http://oversight.house.gov

December 19, 2018

The Honorable Benjamin S. Carson, M.D.
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

Dear Mr. Secretary:

As you know, Democrats will be in the majority in the House of Representatives beginning in January, and I have been chosen as the incoming Chairman of the Committee on Oversight and Government Reform. I am writing to request that you fully comply with the Committee's previous bipartisan request for documents regarding the agency's compliance with the Federal Records Act, as set forth in the letter on September 25, 2017.[1] I intend to continue this investigation in the next Congress.

Please refer to the instructions included with the September 25, 2017, letter on how to respond to this document request. As specified therein, upon completion of the document production, please submit a written certification that a diligent search has been completed and all responsive documents have been produced to the Committee.

Please provide all responsive documents and the certification by January 11, 2019. If you have any questions about this request, please contact my staff at (202) 225-5051.

---

[1] Letter from Chairman Trey Gowdy and Ranking Member Elijah E. Cummings, House Committee on Oversight and Government Reform, to Secretary Benjamin Carson, M.D., Department of Housing and Urban Development (Sept. 25, 2017) (online at https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/2017-09-25.Gowdy%20EEC%20to%20Carson-HUD%20re%20Federal%20Records%20Act%20due%2010-9.pdf).

AMERICAN OVERSIGHT

Thank you for your prompt attention to this request.

Sincerely,

Elijah E. Cummings
Ranking Member

cc: The Honorable Trey Gowdy, Chairman

AMERICAN OVERSIGHT

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
WASHINGTON, DC 20515–6143

OFFICIAL BUSINESS

Trey Gowdy

M.C.

The Hon. Benjamin S. Carson, M.D.
Secretary, Dept. of Housing & Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

2019 JAN -2 P 12:41

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HUD-19-0775, 19-0894-G-000036

TREY GOWDY, SOUTH CAROLINA
CHAIRMAN

ONE HUNDRED FIFTEENTH CONGRESS

ELIJAH E. CUMMINGS, MARYLAND
RANKING MINORITY MEMBER

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6143
MAJORITY (202) 225-5074
MINORITY (202) 225-5051
http://oversight.house.gov

September 25, 2017

The Honorable Benjamin S. Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

Dear Mr. Secretary:

Congress passed the Federal Records Act of 1950 to provide the framework for records management for federal government agencies. Many emails from federal employees are considered records under the Act and therefore subject to certain recordkeeping requirements. This Committee has legislative jurisdiction over the Federal Records Act, as well as the Presidential Records Act and Freedom of Information Act.[1] As technology has changed and the use of email and other modern forms of electronic communication have become ubiquitous, the Committee has been active in updating portions of these laws. These updates include the Presidential and Federal Records Act Amendments of 2014 and the FOIA Improvement Act of 2016.[2]

As part of our regular oversight duties, the Committee, from time to time, inquires of the Executive Branch departments and agencies about their compliance with these federal laws.[3] With numerous public revelations of senior executive branch employees deliberately trying to circumvent these laws by using personal, private, or alias e-mail addresses to conduct official government business, the Committee has aimed to use its oversight and investigative resources to prevent and deter misuse of private forms of written communication.[4] Based on yesterday's *Politico* reporting regarding private email use for official government business by a senior member of the President's staff,[5] today we write towards a similar end.

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[1] U.S. House of Rep's, Rule X(n)(10).
[2] Pub. L. No. 113-187 (2014); Pub. L. No. 114-185 (2016).
[3] *See, e.g.*, Letter from Henry Waxman, Chairman, H. Comm. on Oversight and Gov't Reform, to Michael Astrue, Comm'r, U.S. Soc. Sec. Admn., *et al.* (Apr. 12, 2007).
[4] *See* Letter from Darrell Issa, Chairman, H. Comm. on Oversight and Gov't Reform, to Jeffrey Zients, Acting Dir., Office of Mgmt. & Budget, *et al.* (Dec. 13, 2012); Letter from Jason Chaffetz, Chairman, H. Comm. on Oversight and Gov't Reform, to Kathleen McGettigan, Acting Dir., Office of Personnel Mgmt., *et al.* (Mar. 8, 2017).
[5] Josh Dawsey, *Kushner used private email to conduct White House business*, POLITICO (Sept. 24, 2017), *available at* http://www.politico.com/story/2017/09/24/jared-kushner-private-email-white-house-243071.

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As a follow-up to the Committee's request to your agency on March 8, 2017, please provide the following documents and information by October 9, 2017:

1. Have you or any non-career official at your agency ever used a personal email account to conduct official business? If so, please identify the individual and the account used, and provide evidence of measures to ensure compliance with federal law.

2. Have you or any non-career official at your agency ever used an alias email account to conduct official business? If so, please identify the individual and the account used, and provide evidence of measures to ensure compliance with federal law.

3. Have you or any non-career official at your agency ever used text messages, phone-based message applications, or encryption software to conduct official business? If so, please identify the individual, cellular number and account used, and provide evidence of measures to ensure compliance with federal law.

4. Please identify any changes to the agency's policies or directives for any of the following areas since January 1, 2017:

    a. Policies referring or relating to the use of non-official electronic messaging accounts, including email, text message, messaging applications, and social media platforms to conduct official business, including but not limited to archiving and recordkeeping procedures;

    b. Policies referring or relating to the use of official text message or other messaging or communications applications, and social media platforms to conduct official business, including but not limited to archiving and recordkeeping procedures; and

    c. Policies and procedures to ensure all communications related to the creation or transmission of federal records on official electronic messaging accounts other than email, including social networking platforms, internal agency instant messaging systems and other communications applications, are properly captured and preserved as federal records.

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An attachment to this letter provides additional instructions about responding to this request. Thank you in advance for responding fully and in a timely manner. If you have any questions about this request, please contact Drew Baney of the Majority staff on the Committee at (202) 225-5074 and Krista Boyd of the Minority staff on the Committee (202) 225-9493.

Sincerely,

Trey Gowdy

Elijah E. Cummings

Enclosures

AMERICAN OVERSIGHT

Responding to Committee Document Requests

1. In complying with this request, you are required to produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. You should also produce documents that you have a legal right to obtain, that you have a right to copy or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party. Requested records, documents, data or information should not be destroyed, modified, removed, transferred or otherwise made inaccessible to the Committee.

2. In the event that any entity, organization or individual denoted in this request has been, or is also known by any other name than that herein denoted, the request shall be read also to include that alternative identification.

3. The Committee's preference is to receive documents in electronic form (i.e., CD, memory stick, or thumb drive) in lieu of paper productions.

4. Documents produced in electronic format should also be organized, identified, and indexed electronically.

5. Electronic document productions should be prepared according to the following standards:

   (a) The production should consist of single page Tagged Image File ("TIF"), files accompanied by a Concordance-format load file, an Opticon reference file, and a file defining the fields and character lengths of the load file.

   (b) Document numbers in the load file should match document Bates numbers and TIF file names.

   (c) If the production is completed through a series of multiple partial productions, field names and file order in all load files should match.

   (d) All electronic documents produced to the Committee should include the following fields of metadata specific to each document;

   BEGDOC, ENDDOC, TEXT, BEGATTACH, ENDATTACH, PAGECOUNT,CUSTODIAN, RECORDTYPE, DATE, TIME, SENTDATE, SENTTIME, BEGINDATE, BEGINTIME, ENDDATE, ENDTIME, AUTHOR, FROM, CC, TO, BCC, SUBJECT, TITLE, FILENAME, FILEEXT, FILESIZE, DATECREATED, TIMECREATED, DATELASTMOD, TIMELASTMOD, INTMSGID, INTMSGHEADER, NATIVELINK, INTFILPATH, EXCEPTION, BEGATTACH.

6. Documents produced to the Committee should include an index describing the contents of the production. To the extent more than one CD, hard drive, memory stick, thumb drive, box or folder is produced, each CD, hard drive, memory stick, thumb drive, box or folder should contain an index describing its contents.

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7. Documents produced in response to this request shall be produced together with copies of file labels, dividers or identifying markers with which they were associated when the request was served.

8. When you produce documents, you should identify the paragraph in the Committee's schedule to which the documents respond.

9. It shall not be a basis for refusal to produce documents that any other person or entity also possesses non-identical or identical copies of the same documents.

10. If any of the requested information is only reasonably available in machine-readable form (such as on a computer server, hard drive, or computer backup tape), you should consult with the Committee staff to determine the appropriate format in which to produce the information.

11. If compliance with the request cannot be made in full by the specified return date, compliance shall be made to the extent possible by that date. An explanation of why full compliance is not possible shall be provided along with any partial production.

12. In the event that a document is withheld on the basis of privilege, provide a privilege log containing the following information concerning any such document: (a) the privilege asserted; (b) the type of document; (c) the general subject matter; (d) the date, author and addressee; and (e) the relationship of the author and addressee to each other.

13. If any document responsive to this request was, but no longer is, in your possession, custody, or control, identify the document (stating its date, author, subject and recipients) and explain the circumstances under which the document ceased to be in your possession, custody, or control.

14. If a date or other descriptive detail set forth in this request referring to a document is inaccurate, but the actual date or other descriptive detail is known to you or is otherwise apparent from the context of the request, you are required to produce all documents which would be responsive as if the date or other descriptive detail were correct.

15. Unless otherwise specified, the time period covered by this request is from January 1, 2009 to the present.

16. This request is continuing in nature and applies to any newly-discovered information. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date, shall be produced immediately upon subsequent location or discovery.

17. All documents shall be Bates-stamped sequentially and produced sequentially.

18. Two sets of documents shall be delivered, one set to the Majority Staff and one set to the Minority Staff. When documents are produced to the Committee, production sets shall be delivered to the Majority Staff in Room 2157 of the Rayburn House Office Building and the Minority Staff in Room 2471 of the Rayburn House Office Building.

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19. Upon completion of the document production, you should submit a written certification, signed by you or your counsel, stating that: (1) a diligent search has been completed of all documents in your possession, custody, or control which reasonably could contain responsive documents; and (2) all documents located during the search that are responsive have been produced to the Committee.

Definitions

1. The term "document" means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, inter-office and intra-office communications, electronic mail (e-mail), contracts, cables, notations of any type of conversation, telephone call, meeting or other communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.

2. The term "communication" means each manner or means of disclosure or exchange of information, regardless of means utilized, whether oral, electronic, by document or otherwise, and whether in a meeting, by telephone, facsimile, email (desktop or mobile device), text message, instant message, MMS or SMS message, regular mail, telexes, releases, or otherwise.

3. The terms "and" and "or" shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information which might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neuter genders.

4. The terms "person" or "persons" mean natural persons, firms, partnerships, associations, corporations, subsidiaries, divisions, departments, joint ventures, proprietorships, syndicates, or other legal, business or government entities, and all subsidiaries, affiliates, divisions, departments, branches, or other units thereof.

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5. The term “identify,” when used in a question about individuals, means to provide the following information: (a) the individual's complete name and title; and (b) the individual's business address and phone number.

6. The term “referring or relating,” with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with or is pertinent to that subject in any manner whatsoever.

7. The term “employee” means agent, borrowed employee, casual employee, consultant, contractor, de facto employee, independent contractor, joint adventurer, loaned employee, part-time employee, permanent employee, provisional employee, subcontractor, or any other type of service provider.

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COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
U.S. HOUSE OF REPRESENTATIVES
115TH CONGRESS

NOTICE OF APPEARANCE OF COUNSEL

Counsel submitting: _____

Bar number: _____ **State/District of admission:** _____

Attorney for: _____

Address: _____

Telephone: (_____) _____ - _____

Pursuant to Rule 16 of the Committee Rules, notice is hereby given of the entry of the undersigned as counsel for _____ **in (select one):**

- (●) **All matters before the Committee**
- ( ) **The following matters (describe the scope of representation):**

_____

_____

All further notice and copies of papers and other material relevant to this action should be directed to and served upon:

Attorney's name: _____

Attorney's email address: _____

Firm name (where applicable): _____

Complete Mailing Address: _____

_____

I agree to notify the Committee within 1 business day of any change in representation.

_____ _____
Signature of Attorney **Date**

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-3000

OFFICE OF ADMINISTRATION

The Honorable Elijah Cummings
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20515-6143

Dear Ranking Member Cummings:

On behalf of Secretary Benjamin S. Carson, thank you for your letter requesting information about the Department of Housing and Urban Development's policies and procedures on federal recordkeeping and transparency law compliance.

(b)(5) Deliberative Privilege

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(b)(5) Deliberative Privilege

Sincerely,

Marcus R. Smallwood
Departmental Records Officer

AMERICAN OVERSIGHT

From: Ludlow, Ashley
Sent: 22 Feb 2019 21:27:51 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: FW: Questions for the Record (QFRs) – ADS Montgomery/CFO Dennis THUD House Appropriations Hearing 2-12-19
Attachments: QFRs House THUD Oversight Hearing Feb 12.docx

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

The information in this communication may be confidential and privileged, is intended only for the use of the recipient(s) named above, and may be subject to additional legal non-disclosure requirements. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please re-send it to the sender and delete the original message and any copy of it from your computer system.

From: Rios, Eric C <Eric.C.Rios@hud.gov>
Sent: Friday, February 22, 2019 9:56 AM
To: Wolfson, Len <Len.Wolfson@hud.gov>; Ludlow, Ashley <Ashley.Ludlow@hud.gov>
Cc: Tomchick III, George J <George.J.Tomchick@hud.gov>; Appleton, Seth D <Seth.D.Appleton@hud.gov>; Kelley, Michael J <Michael.J.Kelley@hud.gov>; Dendas, Michael W <Michael.W.Dendas@hud.gov>
Subject: FW: Questions for the Record (QFRs) – ADS Montgomery/CFO Dennis THUD House Appropriations Hearing 2-12-19

Hi Len and Ashley,

We have received QFRs from last week's hearing. Only Chairman Price submitted QFRs. We have assigned the QFRs to offices and issued the call for responses shown below. We will circulate the responses for your review around March 8th. Please let me know if you have any questions or concerns.

Thanks,
Eric

From: Rios, Eric C <Eric.C.Rios@hud.gov>
Sent: Friday, February 22, 2019 9:41 AM
To: Betts, Susan A <susan.a.betts@hud.gov>; Rupar, Christopher J <Christopher.J.Rupar@hud.gov>; Ferry, Shylon C <Shylon.C.Ferry@hud.gov>; Jassal, Harminder <harminder.jassal@hud.gov>; Abell, Lisa S <lisa.s.abell@hud.gov>; Ijaz, Sairah R <Sairah.Ijaz@hud.gov>

AMERICAN OVERSIGHT

Cc: ACFO-Budget Staff-ALD <ACFO-BudgetStaff-ALD@hud.gov>; ACFO-Management Staff <ACFO-ManagementStaff@hud.gov>
Subject: Questions for the Record (QFRs) – ADS Montgomery/CFO Dennis THUD House Appropriations Hearing 2-12-19

Good morning,

Please find the attached QFRs from the Oversight THUD House Appropriations hearing held on February 12, 2019.

Please submit your cleared QFRs to ACFO-BudgetStaff-ALD@hud.gov by **COB Wednesday, March 6, 2019.**

To adhere to the schedule set by the Subcommittee, we kindly request that you provide all responses by the due date listed above. All responses submitted should be approved by your program and policy officials. The deadline is critical for OCFO Budget to conduct quality assurance and have all responses cleared internally and by OMB.

Guidance:

- The QFRs assigned to your office are labeled within the attached document.
- The QFRs assigned to OCFO Budget may require program office input. We will work with your offices to prepare these responses.
- If you have any questions or concerns, please contact any of the staff members below as soon as possible. If you need additional clarification on the QFRs or if you believe a QFR is not assigned correctly, please let us know as soon as possible.

Key Contacts:

Eric Rios: Director, Appropriations Liaison Division, 202-402-3749
Rachel Johnson: Acting Director, Program Budget Division, 202-402-7228
Kristen Wright: Assisted Housing Branch Chief, 202-402-7246

Thank you for your assistance.

AMERICAN OVERSIGHT

Department of Housing & Urban Development

Fiscal Year 2020 Questions for the Record

Congressman David Price

Subcommittee on Transportation, Housing and Urban Development, and Related Agencies

House Committee on Appropriations

Advance Appropriations

The Appropriations Committee provides HUD with a $400 million advance appropriation for PBRA to ensure that funds are available to cover housing contracts renewals on a calendar year basis. This funding could have been used to renew expired contracts but had already been spent by the time of the shutdown.

Question: Please provide the amount of advance appropriation available for obligation in the Project Based Rental Assistance program by week during fiscal years 2016, 2017 and 2018.

CFO Budget

Question: Please explain the Department's rationale for using advance appropriations first while saving less flexible funding, e.g. funds allocated under the Continuing Resolution, to be spent later?

CFO Budget

Contract Renewals

Question: Have all contracts which expired during December and January been renewed? If not, please provide the status of outstanding contracts, and please provide that information by contract.

Housing

Question: Please explain the financial controls that were in place as HUD staff searched for available funding to cover these contracts and provide information on what sources of funding were used. Were any funds that were unavailable for obligation obligated during the lapse in appropriations?

CFO Budget

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Question: Please explain whether Housing Assistance Payment (HAP) funds paid may be used to reimburse any local sources of funding nonprofits using to maintain housing during the shutdown.

PIH/ALS/OGC

Question: Please describe when a contract with a private owner would be considered breached due to HUD's non-payment under a Housing Assistance Payments (HAP) Contract that has otherwise not expired, and whether it can then be terminated by the owner. How much notice would a landlord need to give in order to terminate the contract?

OGC/Housing

Question: Would a contract termination, as outlined in the question above, make a tenant eligible to receive a tenant protection voucher?

OGC/Housing

Information Technology Needs

Question: Please provide a copy of HUD's assessment of the information technology improvements that would be necessary for the PBRA contract renewal process to meet contemporary technological and business process best practices.

OCIO/Housing

Tenant-Based Rental Assistance (TBRA)

Question: Please explain why TBRA didn't have the same funds management challenges as the multi-family programs.

CFO Budget

Section 202/PRAC Reserves

Question: HUD informed landlords they should rely on reserves during the lapse in funding. How current is HUD's information on reserves, particularly for the 202/PRAC program? Please provide information on how many landlords had sufficient reserves to get through this lapse in funding, by contract, if available.

Housing

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Communications with Landlords

One of the potential long-term consequences of the shutdown is a loss of affordable housing. Many landlords participate in the program because the government is seen as a reliable partner who will make payments on time. If that changes, they may turn to the private rental market.

Question: Please describe what outreach efforts HUD conducted immediately after the shutdown ended to let landlords know when they can expect to have their expired contracts renewed and receive payment for the period covered by the lapse in appropriations.

Housing

Question: Please describe the Department's efforts to retain landlords that were affected by the shutdown.

Housing

Contingency plan/staffing

Question: HUD's 2018 contingency plan states there are approximately 7,500 employees on board as of November 10, 2018 (which they updated in the middle of the shutdown), of which 343 FTEs are excepted service during a shutdown. Please provide information on how many of these employees actually reported to work during the shutdown and the employees' geographic location.

CFO Budget

Question: Further, please provide the Subcommittee with information on how many intermittent employees were recalled to conduct the review of PBRA contracts, as well as the FY18 Continuum of Care Notice of Funding Availability and how many of those employees actually reported to work on excepted activities.

Housing

Question: Please describe the mechanism(s) HUD used to keep account of excepted and intermittent employees on any given day.

CFO Budget

Homeless Assistance Grants

Question: Please provide the unobligated (both committed and uncommitted) and obligated balances in the Homeless Assistance Grant account, and the programs contained therein, by source year, on December 22, 2018. Please provide this information for each of FYs 2016, 2017 and 2018.

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CFO Budget

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From: Ludlow, Ashley
Sent: 24 Apr 2019 16:09:32 +0000
To: McGaughey, Tyler T. EOP/WHO
Subject: FW: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

FYI

Ashley Ludlow
Senior Counsel
Office of General Counsel
U.S. Department of Housing and Urban Development
T: (202) 402-5963 | C: (b)(6)

The information in this communication may be confidential and privileged, is intended only for the use of the recipient(s) named above, and may be subject to additional legal non-disclosure requirements. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please re-send it to the sender and delete the original message and any copy of it from your computer system.

From: Dendas, Michael W <Michael.W.Dendas@hud.gov>
Sent: Wednesday, April 24, 2019 11:09 AM
To: Yelena_Tsilker@hsgac.senate.gov
Cc: Ludlow, Ashley <Ashley.Ludlow@hud.gov>; Kelley, Michael J <Michael.J.Kelley@hud.gov>
Subject: FW: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Yelena, please see the below response to your email.

Thank you,

-Mike Dendas

2. Please outline the process by which travel was approved, disapproved, or cancelled and the officials responsible for making decisions regarding the need to travel during this period.

- This response doesn't specify the process by which decisions regarding whether travel was excepted was made, and which positions were responsible for making those decisions. For instance, the response to question 4 discussed a cancelled trip for Secretary Carson, but from this response, it's unclear who made the decision to cancel that trip and on what factors that decision was made. We would appreciate a more in-depth description of this process for HUD during the shutdown.

  RESPONSE: Decisions regarding travel were reviewed as part of a continuous assessment of excepted and unexcepted activities during the lapse. If an activity was excepted, such as the FEMA mission assignments, then the associated travel followed the normal travel approval process. Travel not directly related to a documented "excepted" activity within HUD's Contingency Plan, but determined by HUD senior leadership as necessary for carrying out

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excepted activities such as health and safety, was reviewed by the Office of General Counsel, Appropriations Law Staff, and the Office of the Secretary to determine if the travel was permissible. For example, the Department of Justice determined that work related to NYCHA was excepted. This was reviewed by the Office of General Counsel, and discussed with Appropriations Law Staff and the Office of the Secretary. It was determined that this work, including the related travel, could proceed.

4. How many pre-scheduled trips involving senior federal officials or employees acting in support of the official were canceled during the partial government shutdown? Please provide the total cost of each such trip, including any reimbursement or cancellation charges, as well as a comparison to the estimated cost had these trips not been canceled.

- The response does not include the cost of the cancelled trip (e.g. any travel fees, etc., which the government was not able to get reimbursed), as requested.

RESPONSE: Secretary Carson's cancelled trip to Jefferson City, Missouri incurred no cancellation fees because no airline tickets were issued.

Finally, in general, the letter discusses "HUD's senior leadership" in response to questions regarding "senior federal officials." Could you please confirm that "HUD's senior leadership" corresponds with the definition of "senior federal official" from the Federal Travel Regulation? If it does not, could you please describe what positions are referred to by "HUD's senior leadership"?

RESPONSE: Yes, references to "HUD's senior leadership" corresponds with the FTR's definition of "senior federal officials".

From: Tsilker, Yelena (HSGAC) <Yelena_Tsilker@hsgac.senate.gov>
Sent: Wednesday, April 10, 2019 9:58 AM
To: Kelley, Michael J <Michael.J.Kelley@hud.gov>
Subject: RE: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Hi Mike,

I was just hoping to follow up on the below, ensure it was received, and check when we can expect a response? Happy to discuss further if that would be helpful – I'm at 202-224-8707.

Thank you,

Yelena

From: Tsilker, Yelena (HSGAC)
Sent: Tuesday, April 2, 2019 3:59 PM
To: 'Kelley, Michael J' <Michael.J.Kelley@hud.gov>
Subject: RE: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Hi Mike,

AMERICAN OVERSIGHT

I hope this email finds you well, and thank you again for sending us this response. We appreciate the prompt and detailed reply. Our office has reviewed the response, and it looks like it does not fully address two questions from the Senator's Feb. 28, 2019 letter:

2. Please outline the process by which travel was approved, disapproved, or cancelled and the officials responsible for making decisions regarding the need to travel during this period.

- This response doesn't specify the process by which decisions regarding whether travel was excepted was made, and which positions were responsible for making those decisions. For instance, the response to question 4 discussed a cancelled trip for Secretary Carson, but from this response, it's unclear who made the decision to cancel that trip and on what factors that decision was made. We would appreciate a more in-depth description of this process for HUD during the shutdown.

4. How many pre-scheduled trips involving senior federal officials or employees acting in support of the official were canceled during the partial government shutdown? Please provide the total cost of each such trip, including any reimbursement or cancellation charges, as well as a comparison to the estimated cost had these trips not been canceled.

- The response does not include the cost of the cancelled trip (e.g. any travel fees, etc., which the government was not able to get reimbursed), as requested.

Finally, in general, the letter discusses "HUD's senior leadership" in response to questions regarding "senior federal officials." Could you please confirm that "HUD's senior leadership" corresponds with the definition of "senior federal official" from the Federal Travel Regulation? If it does not, could you please describe what positions are referred to by "HUD's senior leadership"?

Thank you again for your help, and please let me know if you'd like to discuss further—I'm available at 202-224-8707.

Best,

Yelena

From: Kelley, Michael J <Michael.J.Kelley@hud.gov>
Sent: Thursday, March 21, 2019 2:31 PM
To: Tsilker, Yelena (HSGAC) <Yelena_Tsilker@hsgac.senate.gov>
Subject: RE: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Yelena-

Please see HUD's response to Senator Peter's letter dated February 28, 2019. A hard copy has been mailed as well.

Please let me know if you need anything else.

Thanks,

Mike

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From: Kelley, Michael J
Sent: Thursday, February 28, 2019 11:14 AM
To: 'Tsilker, Yelena (HSGAC)' <Yelena_Tsilker@hsgac.senate.gov>
Subject: RE: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Hi Yelena- I am confirming receipt.

Thank you,

Mike

From: Tsilker, Yelena (HSGAC) <Yelena_Tsilker@hsgac.senate.gov>
Sent: Thursday, February 28, 2019 11:06 AM
To: Kelley, Michael J <Michael.J.Kelley@hud.gov>
Subject: Letter from Ranking Member Gary Peters Regarding Travel During the Shutdown

Hello Deputy Assistant Secretary Kelley,

I hope this email finds you well. Attached, please find a letter (also mailed in hard copy today) from Senator Gary Peters, Ranking Member of the Committee on Homeland Security and Governmental Affairs, requesting information on official travel by senior federal officials during the recent government shutdown. Thank you for your time and attention to this matter.

Best,

Yelena Tsilker

Yelena Tsilker
Professional Staff Member
Senate Committee on Homeland Security and Governmental Affairs
Senator Gary Peters, Ranking Member

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