

# Memorandum of Understanding

Between the

U.S. Department of Housing and Urban Development

And

American Federation of Government Employees

National Council of HUD Locals 222

**SUBJECT:** Office of Housing, Multifamily Asset Management, implementation of new business processes and procedures: "Sustaining Our Investment" Project Management by Risk.

**BACKGROUND/SCOPE:** The scope of this Memorandum of Understanding relates to the impact and implementation of the new business processes and procedures to be implemented under the Sustaining our Investment (SOI) initiative by the Office of Multifamily Housing Programs (MFH). Since 2008 MFH has experienced a five fold increase in business volume. This has created the need to review the methods employed by the Office of Multifamily Housing Programs to service our new heavily insured loan portfolio. The intent of implementation of SOI is to prioritize the highest risk properties and decrease the work load of bargaining unit staff in Asset Management by clearly identifying the properties in the insured portfolio with color coded risk categories.

1. **SOI Coverage:** SOI project management by risk principles apply to the entire multifamily housing portfolio. Although a significant portion of the training is focused on developing PM skills for use in the insured portfolio, other tools being rolled out in the initiative are also applicable to the assisted side of the portfolio, e.g. Qualitative Assessment Survey (QAS).
2. **Ranking MF Portfolio:** The parties agree that prior to assigning this task to MF Asset Management staff, SOI training specifically for the purpose of completing the ranking will be provided. The training is intended to occur during the 1<sup>st</sup> quarter of FY 2013.
  - a. If the training is scheduled a week before or after a Federal holiday, and a particular employee cannot attend the scheduled training due to approved leave, arrangements will be made for a "make up" session to assure that the employee receives the training.
  - b. If MF Asset Management staff are unable to schedule "use or lose" leave as a result of the training, Management agrees that staff shall not forfeit any annual leave.
3. **SOI Duties:** The parties agree that SOI requires the Asset Management staff to identify and determine appropriate actions to take on assets in the portfolio based on the asset performance.
4. **OPIIS Training:** The parties agree that all MF asset management staff, including program assistants, will be included in the Sol training and will receive OPUS training either as part of Sol training, or soon thereafter, but not more than 60 days after the Sol training is complete. In addition, Headquarters will work to ensure that the training provided is either recorded and posted online or the documents used during the training are posted online for further reference.

**5. OPUS Hotline:** The parties agree that an Online Property Integrated Information Suite (OPUS) "hotline" (telephone number with dedicated staff during core business hours) and an email address will be established to assist staff with OPUS questions or concerns. The hotline staff will generally respond to staff inquiries within one business day. If response is not received timely, staff should forward the question or concern via email to their supervisor for resolution of the issue.

**6. OPUS System:** The parties agree that OPIIS currently has most of the information necessary to complete the SOI analysis for an insured property. Management will continue to seek improvements/upgrades to OPUS to enhance the usability and stability of the system. If needed, this may include purchasing new IT infrastructure, or consolidating with other systems that run on similar platforms, depending on the concrete diagnosis of issues and resources available for enhancement. When issues develop regarding the system, staff should forward concerns via email to their supervisor for resolution of those issues.

**7. SOI Training:** The parties agree that any multifamily staff member can, at any time during the implementation of SOI, self-nominate to serve as a Navigator. Employees can also nominate other staff members to serve as Navigators. Navigators are generally bargaining unit employees, but some supervisors can serve in this capacity based upon local circumstances.

- a. The PC Navigator should maintain a portfolio during the SOI training. If the PC Navigator's portfolio is reduced or removed, it will be restored to the pre-SOI level within 30 days of conclusion of the SOI training.
  - b. The parties agree that the white board and Huddles are for the purpose of facilitating the SOI process, and is accessible to both management and Bargaining Unit staff BU employees have input in determining the properties that should be listed on the white board. Likewise, BU employees have input in identifying the properties that should be removed from the white board during Huddles. To facilitate open and free communication, managers and supervisors in the Huddles are equal observers/participants during discussions. Huddle leadership should be rotated among BU staff
  - c. BU staff will read and honor the Huddle Pledge, but shall not be required to sign or return an acknowledged copy of the pledge to their supervisor.
- fb** During the SOI training, management will work with staff to set work priorities regarding balancing SOI activities with non-SOI activities (i.e. reserve replacement releases, management review reports, or financial reviews, etc.). BU staff will not suffer any adverse impact on their performance ratings as a result of delayed completion of assignments as a result of SOI training. Management will work with affected employees to determine the time needed to complete deferred work.

**8. Continuous Improvement Training:** The parties agree that if implementation of SOI identifies BU staff "skills gaps," Local Managers will assist staff with development of an individualized training plan to develop the needed skills. When possible, staff will be partnered with a mentor to assist with skill development.

**9. Forms:** The parties agree that, where necessary and feasible, Headquarters staff will develop standard forms for use by field office staff.

**10. Standard Operating Procedures Field Guidance:** By the end of FY 2013 after conclusion of the full implementation of SOI, Headquarters MF staff will update and provide a comprehensive guide incorporating all of the processes rolled out during the SOI initiative. The Playbook/Guide will reflect all of the improvements learned and implemented while rolling out the processes in all four Waves. Outside of SOI, the Department is in the process of rewriting HUD Handbook 4350.1, the Multifamily Servicing Handbook. It is anticipated that clearance will be completed by the end of FY 2013.

**11. Position Descriptions and Performance Standards:** Management will review employee position descriptions to determine if modifications are necessary to reflect major changes to duties and responsibilities. If it is determined that changes are necessary, management will take action to execute the needed changes. Performance standards will be consistent with existing Collective Bargaining Agreements.

**12. Qualitative Assessment Scorecard (QAS):** The parties agree that Headquarters MF staff will provide QAS, Description of Factor Scores, and the associated Action Plan Indicator as a fillable electronic check sheet format by the end of FY 2013.

**13. Portfolio Analysis:** The parties agree that the assessment of the insured MF portfolio using the SOI risk assessment tools will occur at least once a year.

**14. Grade Controlling:** Management will assign duties which are commensurate with the employees' position, titles, grades, and series. Management will regularly review office workloads, staffing attrition, etc., and take appropriate staffing actions when necessary.

- a. Management recognizes that GS-13 Senior Project Managers have more difficult work assignments. The difficulty is reflected in their grade level. Management also recognizes that, in cases where additional Troubled Projects are identified or added to an Office's workload, additional higher graded positions may be necessary to handle associated complex issues and problems. In such cases, managers may request that Headquarters approve the advertisement of higher level positions.
- b. Management has the responsibility to assure that GS-12 and GS-13 work is assigned to the appropriately graded Project Manager.
- c. Red MROC scores of a project do not necessarily mean that the project should be assigned to a GS-13 Senior Project Manager.
- d. Employees should discuss concerns about their work level with their supervisors, but may also follow the Department's classification appeal procedures when they deemed it necessary.

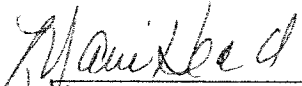
**15. Implementation:** The parties agree to the established Wave implementation schedule.

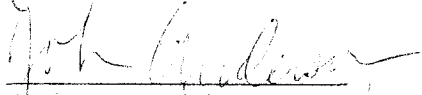
**16. Promotions/Upward Mobility:** There shall be no adverse impact on any employee's promotions, upward mobility, career ladder position, or work location as a result of this initiative.

**17. Teleworking:** The parties agree there will be no adverse impact to any telework agreements due to implementation of SOI.

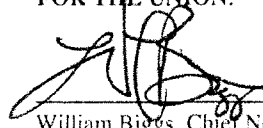
18. **Reasonable Accommodations:** The parties agree there will be no adverse impact to any reasonable accommodation agreements due to implementation of SOI.
19. **Annual Leave:** The parties agree that annual leave previously approved shall not be rescinded as a result of the implementation of SOI.
20. **Bargaining Unit Status:** The parties agree that no employee shall be removed from the bargaining unit as a result of SOI.
21. **Local Bargaining:** The parties agree that local bargaining issues not covered by this MOU or the current HUD/AFGE Collective Agreement, and that are specific to individual locals, shall be negotiated at the local level.

FOR MANAGEMENT:

  
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10/04/2012

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