



U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL

February 13, 2013

MEMORANDUM NO: 2013-IE-0802

Memorandum

TO: Karen Newton Cole, Acting Chief Human Capital Officer, Office of the Chief Human Capital Officer, A

FROM: *//signed//*
Donna M. Hawkins, Acting Director, Inspections and Evaluations Division,
Office of Audit, GAH

SUBJECT: Evaluation of HUD's Toll Free Telephone Lines

INTRODUCTION

In response to a request by the Office of Inspector General's (OIG) Office of Investigation, we conducted an evaluation of the U.S. Department of Housing and Urban Development's (HUD) toll free phone lines. Our objective was to determine whether HUD's phone lines were functioning at optimal levels with regard to phone line operations and the level of customer service provided to the public.

Our review disclosed that HUD could not determine (1) whether its toll free phone lines were functioning at an optimal level and (2) the level of service provided to its customers. Although it was not the focus of our review, we also identified numbers that were either disconnected or not HUD numbers that were advertised on HUD's Web site. We also noted inconsistencies with HUD's toll free inventory maintained by the Office of the Chief Human Capital Officer (OCHCO).

As a result, we recommend that OCHCO develop departmental policies and procedures for toll free phone line operations, standards, and expectations for customer service and a mechanism for obtaining customer feedback. We also recommend that OCHCO ensure (1) the accuracy of toll free phone numbers posted on HUD's Web site and (2) that its internal inventory of phone numbers is complete and accurate.

For each recommendation without a management decision, please respond and provide status reports in accordance with HUD Handbook 2000.06, REV-3. Please furnish us copies of any correspondence or directives issued because of this review.

METHODOLOGY AND SCOPE

Our evaluation was conducted in Washington, DC, between November 2011 and May 2012. We reviewed applicable contracts, monthly reports, and toll free line inventories and statistics, and conducted Internet research. We also interviewed pertinent OCHCO, Office of Public and Indian Housing (PIH), Office of Fair Housing and Equal Opportunity (FHEO), Office of Community Planning and Development (CPD), and Office of Housing staff and called a selected number of advertised toll free lines. Our evaluation did not include determining whether the information provided by the call centers was accurate. The evaluation period covered HUD's toll free line inventory levels for fiscal years 2010 and 2011.

From a listing of 27 toll free lines obtained from hud.gov, we selected one toll free number from HUD's major program areas. Specifically, we selected the following six telephone lines for our review:

Program office	Toll free line	Purpose	800 number
Housing	FHA Resource Center	Provides information to Federal Housing Administration (FHA) consumers and industry partners	(800) 225-5342
OCHCO	HUD Directives Ordering Desk	Disseminates information and materials about Federal fair housing laws and HUD fair housing programs and initiatives	(800) 767-7468
Housing	Multifamily Housing Clearinghouse	Assists local residents, resident councils, nonprofit organizations, public housing agencies, and regional HUD offices on issues such as resident rights and programs for the elderly and disabled and distributes application packets for these programs	(800) 685-8470
FHEO	Housing Discrimination Hotline	Provides information for callers about fair housing rights and records consumer complaints of unfair treatment or discrimination	(800) 669-9777
CPD	Community Connections	Serves as a clearinghouse for HUD's CPD programs on the national level for consumers, researchers, and local policy makers	(800) 998-9999
PIH	PIH Customer Service Center	Serves as a central source of information for all programs operated by PIH	(800) 955-2232

We conducted the evaluation in accordance with the Quality Standards for Inspections issued by the Council of the Inspectors General on Integrity and Efficiency.

BACKGROUND

OCHCO is responsible for developing and implementing policies and procedures associated with human capital and administrative management for HUD. In addition, it advises the HUD Secretary and senior management on administrative and human resource matters.

OCHCO's Office of Facilities Management Services provides support services to the field and headquarters, including but not limited to the development and issuance of departmental administrative services policy and the management of building operations, headquarters transportation services, parking, mail distribution, telecommunications, and records. Within the Facilities Management Services Office, the Telecommunication Branch is responsible for administering and managing toll free line operations. Specifically, it is responsible for initiating phone service operation.

Phone Line Initiation

To establish a toll free number, a program office sends a request to the OCHCO Assistant Secretary for approval. The request will describe the purpose and intended use of the toll free line. If the office would like a vanity phone number¹ (e.g., 1 800 FHA INFO), the requesting office must indicate the proposed toll free number. Once the request is approved, OCHCO submits the information to the phone line carrier, currently AT&T, for processing. AT&T then has 30 days to process the request. Once AT&T has set up the 1-800 number, the program office notifies OCHCO of the land telephone number to associate with the 1-800 number. The program office also provides OCHCO with the recorded message each caller will hear when a toll free number is dialed.

However, if the phone line requires special features that are not offered by AT&T, HUD turns the 1-800 number over to a carrier that offers the required special features. The program office selects a carrier that best meets its needs. Since HUD still owns this phone number, when the contract with the carrier ends, the number is returned to HUD.

Once the phone line setup is complete, the program office is responsible for its operation. OCHCO maintains an inventory of HUD's toll free lines but tracks only the number of calls and the usage amounts of phone lines operated by HUD's service provider. OCHCO does not monitor the phone lines to ensure that phone line objectives are met. Instead, each program office is responsible for monitoring its phone line operations.

HUD Toll Free Inventory

HUD's fiscal year 2010 toll free inventory report indicated that there were 103 toll free numbers that received more than 1.1 million incoming calls with a usage cost of \$89,915. In fiscal year 2011, the inventory report showed 89 telephone lines that received more than 2.8 million incoming calls with a usage cost of \$162,302. The inventories included numbers such as

¹ The Federal Communications Commission defines a "vanity" number as a toll free telephone number that spells a person's or company's name or spells a word or acronym chosen by the subscriber.

employee help desk, spare,² Telecommunications Device for the Deaf, Teletypewriter, and fax lines. The table below shows the specific HUD offices and the number of toll free lines that were operational during fiscal years 2010 and 2011.

Program office	Number of toll free lines	
	2010	2011
OCHCO	31	18
Office of the Chief Financial Officer	2	2
CPD	3	3
FHEO	18	19
Office of Field Policy and Management	3	3
Office of Housing	28	27
Office of the Chief Information Officer	4	3
OIG	3	3
Office of Policy Development and Research	3	3
PIH	7	7
Real Estate Assessment Center	1	1
Totals	103	89

HUD Customer Care, Business Process Improvement Study, 2003

In 2003, HUD completed a business process improvement study of HUD’s toll free customer service lines. The study was conducted by HUD’s Business Process Improvement Team with the purpose of providing an objective and subjective analysis of the state of customer care at HUD, as it relates to caller routing and enterprise reporting. HUD customers are citizens, housing industry representatives, and stakeholders who are seeking (1) general HUD information, (2) specific personal information about themselves or their clients, or (3) complex information that requires the assistance of a HUD specialist. This 2003 study found that HUD was challenged in its ability to effectively manage its customer service processes as an agency. The study identified the following as opportunities for improving the overall picture:

- Create standards for customer service to provide program areas with expectations.
- Work with program areas to define key performance indicators and monitor them.
- Analyze performance at the departmental level.
- Provide an infrastructure to support call routing and reporting.
- Demonstrate a dedication to customer service.

² Spare lines were telephone lines that were maintained by HUD but not in use.

RESULTS OF REVIEW

Our review disclosed that HUD could not determine whether its toll free phone lines functioned at optimal levels. Additionally, HUD could not determine the level of service provided to its customers. This occurred because HUD did not have (1) policies and procedures specific to the operation of toll free phone lines, (2) consistent operational goals for its phone lines, and (3) mechanism in place to track customer service. As a result, HUD could not be assured that its toll free numbers as a whole, were operating as intended and met customer expectations.

I. Phone Line Operations

HUD could not determine whether its toll free phone lines functioned at optimal level. Although the phone lines were initiated within OCHCO, they were monitored by each individual program office and, therefore, handled differently.

HUD did not have policies and procedures specific to toll free phone line operations. However, HUD Handbook 2241.1, REV-1, Telecommunication Management, which was issued in August 1983, acts as an easy reference manual for employees. This handbook provides telecommunication policy and procedures governing the management, use, and acquisition of telecommunications services and facilities for HUD. While, the handbook discusses the internal procedures for phone line setup, it does not address how toll free lines will be managed and operated. Essentially, OCHCO's role ends after the lines are set up for use. At that point, the program office is responsible for managing and monitoring phone line performance.

For four of the six phone lines reviewed, requirements were included in the contract as tasks instead of policies and procedures.³ The contractors were evaluated based on their ability to satisfy contract performance standards and measurements. One CPD official explained that HUD informed the contractor of what tasks needed to be performed but did not instruct it on how to complete the task. As shown in the chart below, the contract performance measures varied among the phone lines reviewed.

Phone line	Performance measures
FHA Resource Center	Telephone inquiries should be answered within 20 seconds, and voicemail should be responded to within 1 business day.
Community Connections	Calls are answered within 2 minutes of being received.
Multifamily Clearinghouse	Calls are answered within 3 minutes.
PIH Resource Center	Information requests, including referrals to other sources, should be responded to no later than 2 business days after receipt.

³ Of the six phone lines reviewed, five of the toll free lines were operated by contractors. The remaining line, Housing Discrimination Hotline, was operated by HUD employees.

The fifth phone line, the HUD Ordering Directives Desk telephone line, is also staffed by a contractor. However, the contractor requirements are included in its Order Entry Operations manual. This manual includes instructions for the telephone greeting. It also explains how to process customer orders and the various order delivery methods. Beyond handling the calls, the only requirements noted were that calls on hold in excess of 4 minutes would prompt a beep on the telephone line and that all stocked items were to be mailed within 48 business hours.

The remaining phone line, FHEO's Housing Discrimination Hotline, is operated by HUD employees, referred to as equal opportunity specialists. Each FHEO regional office specialist follows the Title VIII Complaint Intake, Investigation, and Conciliation Handbook.⁴ This handbook discusses the types of discrimination covered by the Fair Housing Act, how to collect and review complaint information, and when an allegation is considered a Fair Housing Act complaint. In regard to allegations received by telephone, the specialist is instructed to collect the allegation information and read it back to complainant, enter the information into the Title Eight Automated Paperless Office Tracking System (referred to as TEAPOTS), and process the housing discrimination complaint form. Ultimately, the complaint form is mailed to the complainant, who must return the original signed form to HUD within 10 days.

While our review of the monthly reports did not determine that the performance measures had not been met, by having inconsistent goals, HUD could not be assured that its toll free numbers as a whole were operating as intended. Further, HUD could not analyze its phone line performances at a program level.

Calls Referred to OIG

During the course of our review, we asked responsible officials under what circumstance a caller would be referred to OIG. Officials stated that phone calls would be referred to OIG if the caller alleged fraud, waste, or abuse. The Multifamily Clearinghouse was the only phone line to include the number of calls referred to OIG in its monthly reports. During our period of review (fiscal years 2010 and 2011), of the 71,008 calls answered by the Clearinghouse, 175 calls were referred to OIG.

II. Customer Service

HUD could not determine the level of service provided to its customers. Specifically, none of the six telephone lines had a mechanism in place to track customer service. For the most part, the telephone lines relied on optional customer feedback in lieu of using a customer service survey.

Our review found that complaints and commendations were logged if a customer chose to leave comments or called back with his or her concerns or praises. However, the toll free lines were not set up to conduct customer service surveys at the end of each call.

⁴ HUD Handbook 8024.1, REV-2, issued May 11, 2005

Before our review scope, the FHA Resource Center used a customer service survey. Use of the survey was discontinued in 2009, due to it being a census year. According to a Housing employee, surveys cannot be used during a census year. Housing intends to resume use of the survey once it is approved by the Office of Management and Budget.⁵

By not having a mechanism in place to formally obtain customer feedback, HUD could not be assured that its toll free lines met customer expectations.

III. Other Matters

Although it was not the focus of our review, we identified numbers advertised on hud.gov that were either disconnected or not a HUD number as indicated. We also identified HUD toll free lines that were not included in HUD's inventory of toll free lines.

Upon conducting Internet searches using the key words "HUD Hotlines" or "HUD Toll Free," we were directed to a listing entitled "HUD Toll-Free Hotlines." The list contains 16 toll free phone numbers for various HUD help lines. When we called these phone numbers, we found that the number listed as the "Asset Management Help Line" was not in service. Additionally, the number identified as the "FHA Mortgage Refund Call Center" is a Federal Emergency Management Agency emergency telephone number, not a HUD number.

In addition, during the course of our review, we noted inconsistencies with OCHCO's inventory of toll free numbers. Of the 27 toll free lines that were advertised on hud.gov through "Contact Us," we identified two phone lines that were not included on HUD's 2011 inventory.⁶ Additionally, the Office of Housing identified another seven toll free lines that were not included on the inventory. According to OCHCO, these omitted phone lines were HUD numbers that were being serviced by an outside telephone carrier. However, since there were other telephone lines that were operated by outside carriers on the inventory, these nine lines should not have been excluded. These exclusions and inconsistent record keeping limited our ability to rely on the inventory information.

On January 26, 2004, HUD officials were briefed on the HUD Customer Care Business Process Improvement Study, R-DEN-01730, and provided a summary of the findings from this study. During our review, 8 years after HUD had completed its study, we found that the same opportunities for improving HUD challenges in its customer service processes still existed. HUD's mission puts it in direct contact with a significant portion of its customers and, therefore, requires HUD to effectively and efficiently manage its customer services processes.

⁵ The Paperwork Reduction Act generally provides that every Federal agency must obtain approval from the Office of Management and Budget before using identical questions to collect information from 10 or more persons.

⁶ <http://portal.hud.gov/hudportal/HUD?src=/contact>. Each clickable category directs a person to a listing of numbers for that category.

RECOMMENDATIONS

We recommend that the Office of Chief Human Capital Officer

- 1A. Develop policies and procedures, which include key performance measures for toll free phone operations and monitoring at the departmental level.
- 1B. Create departmental standards for toll free phone line customer service and provide program areas with expectations.
- 1C. Develop a mechanism for obtaining customer feedback on satisfaction with toll free phone lines.
- 1D. Ensure the accuracy of the toll free phone numbers listed on hud.gov.
- 1E. Ensure that the toll free phone line inventory is complete and accurate and require each program area to certify annually regarding its inventory of toll free lines.

APPENDIX
Appendix A

AUDITEE COMMENTS AND OIG'S EVALUATION

Ref to OIG Evaluation

Auditee Comments

Comment 1

	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, DC 20410-3000
CHIEF HUMAN CAPITAL OFFICER	JAN 11 2013
MEMORANDUM FOR:	Donna M. Hawkins, Acting Director, Inspections and Evaluations Division, Office of Audit, GAH
FROM:	<i>Karen Newton Cole</i> Karen Newton Cole, Acting Chief Human Capital Officer, Office of Chief Human Capital Officer, A
SUBJECT:	OIG Draft Report on HUD's Toll-Free Telephone Lines

The Office of the Chief Human Capital Officer (OCHCO) has completed its review of the Office of the Inspector General's (OIG) Draft Report on HUD's Toll-Free telephone lines. We have reviewed OIG's report and offer the following responses to the recommendations.

RECOMMENDATIONS

1A. Develop policies and procedures, which include key performance measures for toll-free phone operations and monitoring at the departmental level.

OCHCO will develop general guidelines, i.e., policies and procedures to be used by Program Offices in requesting and managing their toll-free numbers and will continue to ensure that its service providers adhere to published service level agreements. Additionally, OCHCO will require Program Offices to annually:

- (1) Recertify their continued need for the toll-free lines.
- (2) Determine if toll-free lines are meeting the stated mission.
- (3) Survey customers and analyze survey results to determine the level of customer satisfaction. Surveys should monitor key performance indicators such as one-stop customer experience and the customer service representative's ability to respond to frequently asked questions (FAQs).
- (4) Develop a plan for addressing low customer satisfaction levels.
- (5) Maintain copies of survey results and corrective action plans and provide to OCHCO upon request.

www.hud.gov espanol.hud.gov

1B. Create departmental standards for toll-free phone line customer service and provide program areas with expectations.

OCHCO will develop general guidelines, i.e., policies and procedures to be used by Program Offices in requesting and managing their toll-free numbers. Additionally, OCHCO will require Program Offices to annually:

- (1) Recertify their continued need for the toll-free lines.
- (2) Determine if toll-free lines are meeting the stated mission.
- (3) Survey customers and analyze survey results to determine the level of customer satisfaction. Surveys should monitor key performance indicators such as one-stop customer experience and the customer service representative's ability to respond to frequently asked questions (FAQs).
- (4) Develop a plan for addressing low customer satisfaction levels.
- (5) Maintain copies of survey results and corrective action plans and provide to OCHCO upon request.

Comment 1

1C. Develop a mechanism for obtaining customer feedback on satisfaction with toll-free lines.

OCHCO will direct Program Offices to develop surveys to monitor key performance indicators such as one-stop customer experience, customer service representative's ability to respond to frequently asked questions (FAQ), and customer satisfaction levels.

Comment 1

1D. Ensure the accuracy of the toll-free phone numbers listed on hud.gov.

The list of toll-free numbers provided on hud.gov is maintained by Program Offices through the Office of Public Affairs. On a quarterly basis, the Office of Public Affairs requires Program Offices to recertify the accuracy of their toll-free numbers listed on hud.gov through their Webmasters. OCHCO has requested that OCHCO's toll free subject matter expert be included in this verification process.

Comment 1

1E. Ensure that the toll-free phone line inventory is complete and accurate and require each program area to certify annually regarding its inventory of toll-free lines.

Annually, OCHCO provides a complete list of OCHCO-owned and serviced toll-free number inventories to each Program Office asking them to recertify their continued need for the toll-free lines. Additionally, OCHCO will continue to ensure that the inventory of toll-free lines put into service by OCHCO is accurate. Other toll-free numbers, not provided and/or owned by OCHCO, must be monitored and maintained by Program Office personnel.

Comment 2

The following toll-free lines identified in the Office of Inspector General's (OIG) Draft Report were included in OCHCO's inventory and spreadsheet that was provided to OIG on November 22, 2011. The lines were identified as being with "Other Carriers."

Comment 2

Service to the following OCHCO-owned toll-free numbers is provided by another service provider contracted for by the Office of Housing. As a result, OCHCO does not receive nor maintain usage activity for these numbers. Therefore, these lines will continue to be annotated as "Other Carriers" on OCHCO's internal spreadsheets.

1-800-483-7342
1-877-326-2342
1-877-833-2483
1-800-440-8647
1-888-696-4687
1-800-543-9378
1-888-827-5605
1-877-833-2483

With regards to toll-free number 877-622-8525, OCHCO has identified this number as belonging to the Office of Housing's National Service Center in Oklahoma City. This toll-free number is serviced by a vendor outside of OCHCO's telecommunications contract. OCHCO's responsibility for recordkeeping of toll-free lines is limited to those lines which are acquired and serviced by OCHCO via requests from Program Offices. Program Offices that contract directly with vendors for toll-free services bear the responsibility for service, usage, and maintenance of their toll-free numbers.

If you have questions regarding this submission, please contact Guy Wilson, Director, Internal Controls and Risk Management. Mr. Wilson can be reached at extension 3792. Thank you for the opportunity to respond to your recommendations.

OIG Evaluation of Auditee Comments

Comment 1 We are encouraged by OCHCO's agreement to implement the cited recommendations, which will be addressed during the audit resolution process.

Comment 2 We disagree with OCHCO's process for ensuring that HUD maintains a complete and accurate toll free line inventory. Its process of only including those lines that are serviced by OCHCO does not reflect the total number of toll free lines that belong to HUD. OCHCO should, at a minimum, disseminate its toll free line inventory to all of HUD's major offices in order to obtain and maintain a complete listing of all toll free lines.

On November 22, 2011, we received the fiscal year 2010 inventory which included the numbers cited in OCHCO's response. However, those toll free numbers did not appear in the fiscal year 2011 inventory.