

U.S. Department of Housing and Urban Development

Community Planning and Development

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1. This transmits:

Handbook 5552.0 REV-2, CPD Complaints Handbook.

2. Explanation of Material Transmitted

a. This publication replaces Handbook 5552.0 REV-1 (May 31, 1983) Community Planning and Development (CPD) Complaints Handbook.

b. No substantive changes in the procedures for handling CPD complaints have been made. References to Area Offices have been changed to Field Offices. Applicability of the procedures to the Emergency Shelter Grants and Rental Rehabilitation programs, which were not in existence when the previous edition was issued, has been specified.

Filing Instructions:

Remove:

Handbook 5552.0 REV-1,  
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TABLE OF CONTENTS

Paragraph	Page
CHAPTER 1. INTRODUCTION.	
1-1. Purpose.....	1-1
1-2. Responsibility for Processing Complaints.....	1-1
1-3. Approach to Various Types of Complaints.....	1-1
1-4. Technical Assistance.....	1-2
CHAPTER 2. COMPLAINTS ALLEGING GRANTEE DEFICIENCIES IN HUD ADMINISTERED CPD PROGRAMS (EXCEPT COMPLAINTS ALLEGING CIVIL RIGHTS VIOLATIONS AND COMPLAINTS CONCERNING THE STATE ADMINISTERED PROGRAMS).	
2-1. Complaints Received by the Field Office.....	2-1
2-2. Complaints Received by the Regional Office.....	2-2
2-3. Complaints Received by Headquarters.....	2-2
CHAPTER 3. COMPLAINTS ALLEGING HUD DEFICIENCIES (EXCEPT COMPLAINTS INVOLVING CIVIL RIGHTS VIOLATIONS).	
3-1. Alleged Field Office Mismanagement.....	3-1
3-2. Alleged Regional Office or Headquarters Mismanagement.....	3-1
3-3. Alternative Method Referrals.....	3-1
CHAPTER 4. COMPLAINTS CONCERNING STATE ADMINISTERED PROGRAMS (NOT INVOLVING CIVIL RIGHTS VIOLATIONS).	
4-1. Responsibility.....	4-1
4-2. Referrals.....	4-1
CHAPTER 5. COMPLAINTS ALLEGING VIOLATIONS OF CIVIL RIGHTS REQUIREMENTS.	
5-1. Civil Rights Complaints Defined.....	5-1
5-2. Complaints Received by HUD.....	5-1
5-3. Confidentiality.....	5-2
CHAPTER 6. REFERRAL OF COMPLAINTS TO THE OFFICE OF INSPECTOR GENERAL.	
6-1. Introduction.....	6-1
6-2. Method of Handling OIG Complaints.....	6-2



## CHAPTER 1. INTRODUCTION.

### 1-1. Purpose

a. This Handbook provides guidance and basic procedures for handling complaints pertaining to the Community Development Block Grant (CDBG) Entitlement, HUD Administered Small Cities, State Community Development Block Grant, Urban Development Action Grant (UDAG), Section 312 Rehabilitation Loans, Urban Homesteading, Emergency Shelter Grant (ESGP), Rental Rehabilitation, and categorical programs. The programs covered by this Handbook are not subject to the Administrative Procedures Act (5 U.S.C. 551, et seq.).

b. This Handbook does not cover those environmental complaints (such as objections to the release of grant conditions) for which procedures have been established in 24 CFR Part 58, Environmental Review Procedures for the Community Development Block Grant Program.

c. This Handbook does not cover complaints intended for or received by the Inspector General unless referred to the Office of Community Planning and Development (CPD) for processing.

1-2. Responsibilities for Processing Complaints. It is the responsibility of the grantee (State or local government) to explain its decisions in planning and administering its CPD program. Therefore, to the fullest extent possible, complaints made to the Department of Housing and Urban Development (HUD) are to be referred to the grantee for response.

### 1-3. Approach to Various Types of Complaints.

a. This Handbook addresses separately those complaints alleging grantee deficiencies and those complaints alleging improper HUD management of CPD programs. In addition, this Handbook includes separate Chapters on handling complaints involving the State CDBG program, those alleging violations of civil rights statutes (e.g., Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Section 3 of the Housing and Urban Development Act of 1968), and complaints alleging criminal wrongdoing or other violations requiring the attention of the Office of Inspector General.

b. Although it is recognized that complaints may be against an applicant or recipient in the case of the UDAG or other competitive programs, the term "grantee" will be used throughout this Handbook to denote any participant in the program award process.

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c. Except for complaints alleging violation of Title VI or Title VIII and Section 109 requirements; or any form of discrimination based on age, race, color, sex, religion, handicap, or national origin; or complaints concerning the State CDBG, Emergency Shelter Grant, and Rental Rehabilitation programs, the lead responsibility for coordinating the resolution of all complaints concerning programs funded by CPD, whether

alleging grantee or HUD deficiencies, rests with Community Planning and Development.

d. The Regional or Field Office of CPD, as applicable, shall assess the nature of the complaint and it's potential effect on pending grants. Where civil rights issues are raised, a copy of the complaint will be forwarded to the Field Office Fair Housing and Equal Opportunity (FH&EO) Division. Every attempt should be made to resolve the complaint before the grant is made. If the complaint contains information which challenges in a substantial manner a certification made by the grantee, HUD may require the grantee to submit such additional information or assurances as CPD may deem necessary to accept the certification.

1-4. Technical Assistance. In processing complaints, HUD staff should be alert for indications that technical assistance may be needed by the grantees. This is especially true where a series of complaints in a similar area indicate specific program management or administrative problems. HUD should have a positive approach in assisting the grantee in improving its program management capacity in such instances.

CHAPTER 2. COMPLAINTS ALLEGING GRANTEE DEFICIENCIES IN HUD  
ADMINISTERED CPD PROGRAMS (EXCEPT COMPLAINTS  
ALLEGING CIVIL RIGHTS VIOLATIONS).

2-1. Complaints Received by the Field Office.

a. Upon receipt of a complaint involving CPD programs, the CPD Division shall record receipt of the complaint as prescribed in the Consumer Complaints Handling System Handbook, 5550.1, REV-1.

b. The CPD Division shall forward, within ten (10) calendar days of Field Office receipt, a copy of the complaint to the grantee for its direct response to the complainant. At the same time, the Field Office shall notify the complainant of the referral. The grantee should be instructed to respond to the complainant within fifteen (15) calendar days of grantee receipt and to send a copy of its response to the Field Office. The Field Office may, at its discretion, extend the grantee's response period to thirty (30) days where appropriate.

c. The Field Office shall review the grantee's response. This review should determine the following:

(1) Whether allegations of grantee deficiencies made prior to the grant award are adequately addressed. The Field Office should request the grantee to provide further response to the elements of the complaint not adequately addressed. Complaints challenging a grantee's certification(s) in a substantial manner may require additional information or assurances.

(2) Whether there is a need for technical assistance by the Field Office to help solve performance problems that have resulted in the reason for the complaint. The Field Office focus should be on resolving performance problems and not resolving the complaint, which remains entirely the grantee's responsibility.

(3) Whether problem areas of the grantee's performance, as revealed by the complaint, need special attention during monitoring. Such areas should be carefully looked into in preparing for a monitoring visit and emphasized during the visit to determine whether they constitute noncompliance.

d. As part of the overall complaint handling process, the Field Office should focus attention on areas of grantee performance which have been the subject of complaints when reviewing the Grantee Performance Report (GPR).

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2-2. Complaints Received by the Regional Office.

a. Regional Offices shall refer complaints alleging grantee deficiencies in administering CPD Programs to the CPD Division in the appropriate Field Office for processing, except where it is determined that it is most appropriate for the Regional Office to handle the complaint directly. In such instances, the Regional Office shall notify the Field Office of the complaint receipt and disposition. The complainant shall be notified when complaints are referred to the Field Office.

b. Upon receipt, the Field Office shall handle the complaint following the procedures outlined in paragraph 2-1.

2-3. Complaint Received by Headquarters.

a. Complaints filed with Headquarters involving CPD programs shall be forwarded to the CPD Division in the appropriate Field Office for processing, except where it is determined most appropriate for direct handling by Headquarters. The complainant shall be notified when complaints are referred to the Field Office.

b. Upon receipt, the Field Office shall handle the complaint following the procedures outlined in paragraph 2-1.



CHAPTER 3. COMPLAINTS ALLEGING HUD DEFICIENCIES (EXCEPT COMPLAINTS ALLEGING CIVIL RIGHTS VIOLATIONS).

3-1. Alleged Field Office Mismanagement. Complaints alleging Field Office mismanagement of CPD programs received by the Field Office should generally be handled by the CPD Division in the Field Office. In order to assure objectivity and responsiveness, however, the Field Office Manager may assign the complaint to other staff (e.g., the Field Counsel or Deputy Field Manager) for handling or detailed review of a proposed response prepared by CPD. All complaints should be responded to within thirty (30) calendar days of receipt. In exceptional circumstances, an interim response may be sent when the response period is extended. Copies of both the complaint (upon receipt) and the Field Office response (upon dispatch) should be sent to the Regional Office of CPD. The Regional Office is responsible for reviewing the response to assure that it adequately addresses the issues raised and for informing the Field Office when changes to the initial response are felt necessary. A copy of both the complaint and Field Office response shall also be sent to the Office of Field Operations and Monitoring (OFOM) in HUD Headquarters for information purposes.

3-2. Alleged Regional Office or Headquarters Mismanagement. Complaints alleging Regional Office or Headquarters mismanagement of CPD administered programs should be handled by the Regional Office or Headquarters, respectively. The Regional Administrator and Assistant Secretary shall assign responsibility for preparing and reviewing the response so as to assure that the response adequately addresses the issues raised. The Regional Office shall provide a copy of the complaint and its response to OFOM in Headquarters and to the appropriate Field Offices for review. Once again, such complaints should be responded to within thirty (30) days.

3-3. Alternative Method Referrals. Regional and Field Offices receiving complaints of this type may consider it appropriate in particular cases for the complaint to be processed at the next higher Departmental level. Such complaints should not be forwarded for processing, however, until after the matter has been discussed with the Regional CPD Office or the Office of the Assistant Secretary for CPD, as appropriate. Refer to paragraphs 3-1 and 3-2 to determine when to send a copy of the response to OFOM and the time periods for responding to the complaints.

CHAPTER 4. COMPLAINTS CONCERNING STATE ADMINISTERED  
PROGRAMS (NOT INVOLVING CIVIL RIGHTS VIOLATIONS).

4-1. Responsibility. The Community Development Block Grant, Emergency Shelter Grant, and Rental Rehabilitation Programs administered by States are designed to give full administrative responsibility to State governments with a minimum of Federal involvement. Therefore, it is the State government itself that has primary responsibility for answering complaints concerning its administration of these State administered programs. As a result, different instructions for handling complaints apply as described in paragraph 4-2 below.

4-2. Referrals. Complaints alleging a specific violation of a statutory or regulatory requirement, including Congressional inquiries, received by HUD at the Headquarters, Regional, or Field Office level should be forwarded to the appropriate State office for response. Headquarters and Regional Offices may forward complaints to Field Offices for handling. The Field Office will then send the complaint to the State for response. If Headquarters or a Regional Office forwards a complaint directly to a State, a copy of the complaint should be sent to the Field Office for information and follow up purposes. The complainant shall be notified that HUD has referred the complaint to the State for response. Each HUD Field Office concerned should maintain a file for all complaints received involving these State administered programs and use this information when monitoring.

CHAPTER 5. COMPLAINTS ALLEGING VIOLATIONS OF CIVIL RIGHTS  
REQUIREMENTS.

5-1. Civil Rights Complaints Defined. Civil rights complaints are those alleging violation of one or more of the following statutes: Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Section 3 of the Housing and Urban Development Act of 1968, and Executive Orders 11063 and 11246. Title VIII complaints received by HUD at the Headquarters, Regional, or Field Office levels should be processed pursuant to 24 CFR Part 105.

5-2. Complaints Received by HUD.

a. Civil rights complaints involving the operation of CPD programs received by HUD at the Headquarters and Regional Office levels shall be sent directly to the appropriate Director, Regional Office of Fair Housing and Equal Opportunity (FH&EO), for handling. Such complaints received at the Field Office level shall be sent to the FH&EO Director in the Field Office for a quick assessment of the issues raised and referral to the Regional Office for processing. The Regional Director of Fair Housing and Equal Opportunity should send copies of the complaint and the final response (with names of complainants deleted) to the Field Office FH&EO and CPD Divisions, in order to assure that the Field Office is cognizant of the issues involved. These issues should be considered carefully during Field Office monitoring to determine the recipient's conformance with civil rights requirements and certifications.

b. Where a complainant alleges that the grantee has failed to carry out housing and community development activities in a manner to affirmatively further fair housing, the Field Office FH&EO Division should handle the complaint as part of its responsibility to monitor the performance of the grantee under the certifications submitted prior to grant award.

c. Field Office FH&EO staff should be cognizant of the issues raised in discrimination complaints despite the fact that such complaints are normally handled by Regional FH&EO Office. These issues can then be part of the examination of the administration methods used by the grantee in implementing its community development activities. Where a series of complaints in a similar area have been received, the FH&EO staff should render technical assistance in these areas. HUD should have a positive approach in assisting the grantee to improve its capacity to carry out the civil rights requirements. When the Regional FH&EO Office has completed action on the complaints, copies of the complaint and final response to the complainant and the grantee shall be sent to the appropriate Field Office FH&EO and CPD Divisions.

5-3. Confidentiality. When a complaint alleges violations of civil rights requirements, the identity of the complainant, where possible, shall be kept confidential throughout the process of responding to the complaint by all parties involved.

CHAPTER 6. REFERRAL OF COMPLAINTS TO THE OFFICE OF INSPECTOR  
GENERAL (OIG).

6-1. Introduction. Complaints containing allegations of criminal wrongdoing or violations of HUD standards of conduct must be referred to the Office of Inspector General in accordance with HUD Handbook 2000.3A, Audit and Investigation Activities, Office of the Inspector General

6-2. Method of Handling OIG complaints.

a. Complaints received in Headquarters pertaining to criminal wrongdoing or standards of conduct should be directed to the Assistant Inspector General for Investigation. Those received in the Field should be directed to the Regional Inspector General for Investigation.

b. The complainant should be advised in writing that the matter has been referred to the Office of Inspector General for consideration; the complainant should not be promised that an investigation will be made. Copies of this acknowledgement should accompany the copy of the complaint forwarded to the Office of Inspector General (see HUD Handbook 2000.3A, Audit and Investigation Activities, Office of Inspector General, Chapter 3).

c. Acknowledging a complaint and referring it to the Office of Inspector General does not relinquish the program area's responsibility for providing assistance to the OIG, if requested, in any subsequent audit, investigation, or other review of the matter reported. Ultimate responsibility for affecting corrective action rests with the program office. This would normally be Community Planning and Development in the case of community development programs.