

U.S. Department of Housing and Urban Development



Customer Service Plan

October 24, 2011

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Letter from the Secretary



It is my pleasure to present the Department of Housing and Urban Development's (HUD) Customer Service Plan. For us at HUD, serving our customers isn't just part of what we do as an agency – it's our very mission.

Indeed, whether it's working in partnership with public housing authorities, homeless service providers, affordable housing developers, city planners, individual families, or even our own employees, HUD is in the business of providing competent, efficient and responsive service to American families and communities.

The public deserves nothing less from HUD, and that is why it is our responsibility to continually evaluate how we're doing and work to improve our performance against the very high standards that we have for ourselves. To continually deliver services better, faster and at lower costs, we will apply best practices from the private sector and leverage technology to be more responsive, reducing the need for customer inquiries and complaints.

At HUD, we strive to better serve our customers by:

- Identifying ways to use innovative technologies to enable customer service
- Establishing mechanisms to solicit customer feedback and using such feedback to make service improvements
- Setting clear customer service standards and expectations
- Improving the customer experience through the adoption of proven customer service best practices
- Streamlining HUD processes to reduce costs and accelerate delivery

As we work to transform the way HUD does business and achieve our agency's strategic goals, we understand that delivering top quality customer service is absolutely crucial. That is why I am committed to not only ensuring that this Customer Service Plan is implemented, but to using the plan to re-engage both senior HUD leadership and frontline HUD employees in HUD's Strategic Plan – and the central role customer service plays in helping us achieve our mission.

With HUD's Strategic Plan and Customer Service Plan in hand, together we can and we will improve the service that we provide to our partners, customers, and employees – and most importantly, the American people.

Sincerely,

Secretary Shaun Donovan

Executive Summary

This plan meets the requirements of Executive Order 13571, *Streamlining Service Delivery and Improving Customer Service*. It provides a roadmap for how HUD and its roughly 9,600 employees will better serve its customers in order to achieve HUD’s five strategic goals, which are to:

1. Strengthen the Nation’s housing market to bolster the economy and protect consumers,
2. Meet the need for quality affordable rental homes,
3. Utilize housing as a platform for improving quality of life,
4. Build inclusive and sustainable communities free from discrimination, and
5. Transform the way HUD does business.

In particular, this customer service plan ties closely to efforts around Goal 5 of HUD’s Strategic Plan. Throughout the year, HUD will track and measure progress on the initiatives and services outlined in this document through quarterly HUDStat meetings. HUD has created tracking measures to follow the progress of activities to reduce public housing authority reporting burden and has developed metrics to reporting on the timeliness of issuances of Notices of Funding Availability. Its signature customer service initiative, HUD Ideas in Action, contains a regular forum to allow employees to submit ideas designed to achieve Goal 5, Transform the Way HUD Does Business.

The table below provides a summary of HUD’s signature initiative and the two key services that will be the focus of the subsequent sections of the plan.

| SIGNATURE INITIATIVE |
|--|
| <p>Overview: HUD Ideas in Action, powered by a tool called UserVoice, allows people to come together, share ideas in response to a question, discuss those ideas, and vote the best ones to the top for consideration by the U.S. Department of Housing and Urban Development.</p> |
| SERVICE 1: PUBLIC HOUSING Public and Indian Housing and Rental Assistance Programs |
| <p>Overview: Public housing agency (PHA) reporting burden will be reduced by (1) the creation of an online recertification system for PHAs, (2) the clarification of income verification hierarchy, (3) the elimination of unnecessary verification of excluded income, (4) the promotion of tools to streamline the development of utility allowance schedules using the HUD Utility Schedule Model (HUSM), (5) reducing system downtimes and posting scheduled downtimes on HUD’s website, (6) improving HUD’s website through a user-friendly PHA portal, (7) explore the feasibility of simplifying the inspection process of rental units by adopting a single inspection protocol .</p> |
| SERVICE 2: COMMUNITY DEVELOPMENT Competitively Awarded Funds |
| <p>Overview: The Office of Strategic Planning and Management (OSPM) is leading the effort to conduct an agency-wide business process reengineering (BPR) effort to improve HUD’s NOFA process. There will be a specific focus on the areas in the process which are known to cause delays in processing.</p> |

1.0 Introduction to HUD

Since its first official day of operation in 1965, HUD's programs have evolved to meet the changing needs of the nation. Today, the Department comprises the following major program areas:

Office of Community Planning and Development - The Office of Community Planning and Development (CPD) seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expanded economic opportunities for low and moderate income persons. To accomplish these goals, CPD develops partnerships among all levels of government and the private sector, including for-profit and non-profit organizations.

Office of Fair Housing and Equal Opportunity – The Office of Fair Housing and Equal Opportunity (FHEO) administers Federal laws and establishes national policies that make sure all Americans have equal access to the housing of their choice. FHEO does this by implementing and enforcing civil rights laws, including Title VI of the Civil Rights Act of 1964, and by proactively working with private industry, and fair-housing and community advocates.

Office of Field Policy and Management - The Office of Field Policy and Management (FPM) provides direction and oversight for HUD's Regional and Field Office Directors. It communicates priorities and policies of the Secretary to these managers, and ensures the effective pursuit of the Department's broader initiatives. In addition, FPM ensures that program impacts and customer service at the local level are assessed, and also provides operational feedback to HUD's central leadership.

Ginnie Mae - Ginnie Mae provides guarantees on mortgage-backed securities backed by federally insured or guaranteed loans, mainly loans issued by the Federal Housing Administration, the Department of Veterans Affairs, the Department of Agriculture's Rural Housing Service, and HUD's Office of Public and Indian Housing. Ginnie Mae securities are the only mortgage-backed securities that are guaranteed by the United States government, and it plays a vital role in channeling capital into the nation's housing markets.

Office of Healthy Homes and Lead Hazard Control - The Office of Healthy Homes and Lead Hazard Control (OHHLHC) was established to eliminate lead-based paint hazards and to address other housing-related health risks. One of OHHLHC's main initiatives is providing funding to state and local governments to develop cost-effective ways of reducing the health problems associated with lead-based paint. In addition, the office provides public outreach and technical assistance, and conducts technical studies to help protect children and their families from health and safety hazards in the home.

Office of Housing - The Office of Housing provides vital public services through its nationally administered programs and the control it exerts over the housing industry. One of the office's primary responsibilities is overseeing the Federal Housing Administration (FHA), the largest mortgage insurer in the world. The office also provides mortgage insurance to facilitate the construction of single and multifamily housing.

Office of Policy Development and Research (PD & R) - PD&R's primary function is to support HUD's mission and the policy agenda of the Secretary. PD&R performs policy analysis, research, surveys, and

evaluations to help important stakeholders make informed decisions on about the Department's policies, programs, and proposals. PD&R also assists in the oversight of government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac, provides data support for HUD's ongoing operations, and builds partnerships with universities and other private institutions.

Office of Public and Indian Housing - The role of the Office of Public and Indian Housing is to ensure safe, decent, and affordable housing; create opportunities for residents' self-sufficiency and economic independence; and assure fiscal integrity by all program participants.

Office of Sustainable Housing and Communities - The mission of the Office of Sustainable Housing and Communities is to create sustainable communities by connecting housing to jobs, fostering local innovation, and helping to build a more energy efficient economy. The office continues to coordinate Federal housing and transportation investments in order to reduce transportation costs, improve housing affordability, and increase access to employment opportunities. In addition, the office works with Federal agencies, states, local communities, and industry partners to catalyze innovation and reduce energy consumption in the residential sector.

This plan meets the requirements of Executive Order 13571, *Streamlining Service Delivery and Improving Customer Service*. Additionally, it provides a roadmap for HUD and its roughly 9,600 employees in serving our customers through increasing homeownership, supporting community development, and increasing access to affordable housing free from discrimination.

The implementation of this Customer Service Plan enables HUD's five main goals, which are to:

1. Strengthen the Nation's housing market to bolster the economy and protect consumers,
2. Meet the need for quality affordable rental homes,
3. Utilize housing as a platform for improving quality of life,
4. Build inclusive and sustainable communities free from discrimination, and
5. Transform the way HUD does business.

This customer service plan ties closely to efforts around Goal 5 of HUD's strategic plan. Throughout the year, HUD will be tracking and measuring progress on the initiatives and services outlined in this document through quarterly HUDStat meetings. HUD has created tracking measures to follow the progress of activities to reduce Public Housing Authority Reporting Burden and has developed metrics to reporting on the timeliness of issuances of Notices of Funding Availability. Its signature customer service initiative, HUD Ideas in Action, contains a regular forum to allow employees to submit ideas designed to Transform the Way HUD Does Business.

The following provides detailed descriptions of the Signature Initiative ,HUD Ideas in Action, and two key service initiatives which include Enhancing Public Housing and Enhancing Community Development.

2.0 Signature Initiative

SIGNATURE INITIATIVE

Overview: HUD Ideas in Action, powered by a tool called UserVoice, allows people to come together, share ideas in response to a question, discuss those ideas, and vote the best ones to the top for consideration by the U.S. Department of Housing and Urban Development.

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HUD Ideas in Action, powered by a tool called UserVoice, allows people to come together, share ideas in response to a question, discuss those ideas, and vote the best ones to the top for consideration by the U.S. Department of Housing and Urban Development. The tool was initially used to get ideas that further HUD's FY 2010-2015 Strategic Plan and as a forum for HUD employees and stakeholders to share their ideas for improving HUD. As HUD embarked on the FY 2010 – 2015 Strategic Planning process, it became clear that employees and stakeholders had countless ideas on ways to transform our organization.

Impact and Benefits

HUD Ideas in Action is designed to

1. Engage employees and stakeholders through an open and transparent process to ensure every employee has a voice in the way the agency and its operations evolve;
2. Collect constant, fresh input and perspectives on improvements to improve HUD's ability to achieve our mission; and
3. Disseminate information about new and existing programs, initiatives, and policies

Challenges

Technical – User Interface (browser) issues introduced as a result of web redesign.

Key Milestones and Timeline

- Implementation of Web Site Redesign - November 2011
- Posting of responses to frequently asked questions from Consolidated Plan Ideas in Action forums – November 2011
- New forums to be added throughout the year to solicit ideas in different areas – Monthly

Performance Metrics

The dashboard below (illustrative) represents the performance metrics that will be captured by week / quarter

Weekly

- Site visits
- Pages viewed

Quarterly

- Total ideas submitted by theme / forum
- Total votes submitted by theme / forum
- Total number of users
- Total number of ideas in review
- Total number of responses posted
- Total number of ideas implemented
- Total number of returning visitors

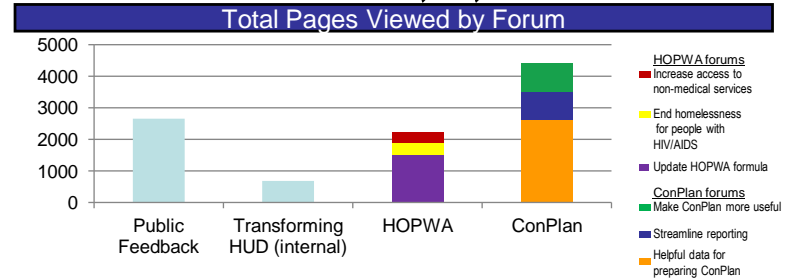
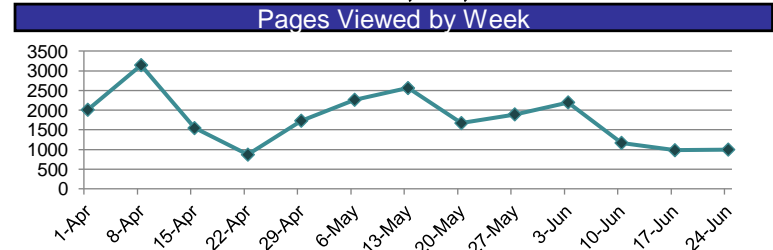
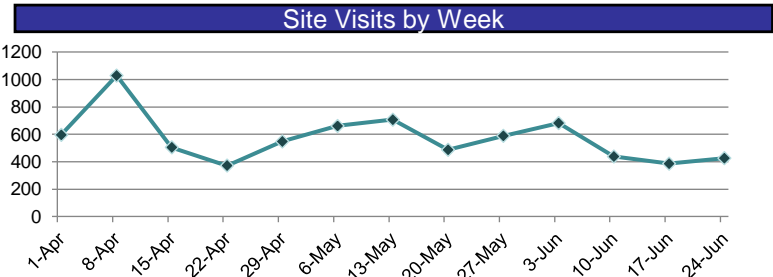
HUD Ideas in Action Quarterly Executive Dashboard: 3rd Quarter FY11

| Usage Statistics | | | | |
|-------------------------------|------|-------|----------|--------------|
| Metrics | Q3 | Q2 | % Change | Grand Totals |
| Total Ideas | 136 | 110 | 26.6 | 2,777 |
| - Public Feedback | 26 | 18 | 116.7 | 44 |
| - Transforming HUD (Internal) | 29 | 12 | 141.7 | 309 |
| - ConPlan (May) | 51 | - | - | 51 |
| - HOPWA (Feb-Apr) | 26 | 42* | -38.1 | 68 |
| Total Votes | 2226 | 1458 | 52.7 | 92,173 |
| - Public Feedback | 257 | 99 | 159.6 | 538 |
| - Transforming HUD (Internal) | 145 | 38 | 281.6 | 4,492 |
| - ConPlan (May) | 1012 | - | - | 1012 |
| - HOPWA (Feb-Mar) | 804 | 1232* | 281.6 | 2,036 |
| Active Users | 680 | 326 | 108.6 | 2,712 |
| - HUD Users | 147 | 104 | 41.3 | 826 |
| - New Users | 74 | 269 | -72.5 | 2,712 |
| Ideas in Review | 107 | 65 | 64.6 | 258 |
| Responses Posted | 83 | 56 | 48.2 | 207 |
| Ideas Implemented | 10 | 4 | 150 | 19 |
| Returning Visitors | 2413 | 1,815 | 32.9 | 57,194 |

*Due to the removal of 5 ideas from the HOPWA forum to more applicable forums the number of ideas and votes have changed from quarter 2.

Milestones/ Notable Events

- > 04/30/11: Rotating forum on the Consolidated Plan opened
- > 5/10/11: HUD Ideas in Action was mentioned by Secretary Donovan at the town hall



3.0 Service Initiatives

| SERVICE 1: PUBLIC HOUSING Public and Indian Housing and Rental Assistance Programs |
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| <p>Overview: Public housing agency (PHA) reporting burden will be reduced by (1) the creation of an online recertification system for PHAs, (2) the clarification of income verification hierarchy, (3) the elimination of unnecessary verification of excluded income, (4) the promotion of tools to streamline the development of utility allowance schedules using the HUD Utility Schedule Model (HUSM), (5) reducing system downtimes and posting scheduled downtimes on HUD’s website, (6) improving HUD’s website through a user-friendly PHA portal, (7) explore the feasibility of simplifying the inspection process of rental units by adopting a single inspection protocol and These changes will be phased in over a multi-year period, steadily reducing the time and resources needed by PHAs to manage time consuming functions so that they can focus on providing resident case work, reducing fraud, and improving the quality assurance function.</p> <p>Key Customer Groups: The initiative will directly serve PHAs by administrative burdens and will impact residents directly by providing more time for PHA staff to provide resident support through improved case work. In addition, more PHA resources can be devoted to reducing fraud and improving quality assurance functions.</p> <p>Challenges: The project relies on the success of a new IT system, which is in itself a long-term HUD transformation goal. Moreover, other changes under consideration will require statutory and regulatory changes.</p> <p>Featured Actions: The PIH One Stop Tool (POST) will allow PHAs to more easily and intuitively access information on HUD’s website.</p> |

1. Increase Feedback from Customers

- The POST will feature a mailbox for PHA comments, suggestions, and requests for additional information.
- A recertification prototype will be developed to obtain maximum feedback from PHAs of different sizes, types and programs.

2. Adopt Best Practices for Improving Customer Experience

The development of POST is based upon customer feedback. The Delivering Together team conducted a “card sorting” exercise on site at several PHAs to determine the ways in which they looked for information on HUD’s website. The POST has been in accordance with the exercise results. POST will feature a mailbox for continued customer feedback.

3. Set, Communicate, and Use Customer Service Metrics and Standards

- Metrics TBD in collaboration with the OCIO

4. Streamline Agency Processes to Reduce Costs and Accelerate Delivery

By reducing the frequency of recertifications and PHA rental unit inspections, HUD can allow PHAs to redirect their resources to providing resident support, reducing fraud and improving quality assurance.

5. Impacts and Benefits

The reduction of PHAs' reporting burden is expected to provide the following benefits and improved measures:

- PHAs will need approximately 50% less time to conduct recertifications, freeing resources for activities such as counseling families, promoting self-sufficiency, recruiting landlords, and fraud recovery.
- Families will incur fewer recertification costs (such as lost wages, child care, and transportation).
- The promotion of easy-to-use utility allowance schedules will provide a consistent utility allowance schedule development methodology to all PHAs.

6. Key Milestones and Timeline

- Clarifications of the income verification hierarchy and excluded income verifications, promotion of tools to streamline the development of utility allowances, and the PIH One Stop Tool will be completed by January 2012.
- By the end of calendar year 2012, an online recertification prototype will be released for testing and user input in preparation for system development.

| SERVICE 2: COMMUNITY DEVELOPMENT Competitively Awarded Funds |
|--|
| <p>Overview: The Office of Strategic Planning and Management (OSPM) is leading the effort to conduct an agency-wide business process reengineering (BPR) effort to improve HUD's NOFA process. There will be a specific focus on the areas in the process which are known to cause delays in processing. The NOFA BPR project will directly support HUD's strategic Goal 5 – "Transforming the way HUD does business" – by ensuring obligation of NOFA funds no later than 180 calendar days from budget passage. The NOFA BPR kicked-off August 2011 and is scheduled to be completed, including implementation of select recommendations, by March 2012; the full benefit/impact will be realized during FY13 NOFA processing. This major process improvement will materially affect \$3.3B being obligated/disbursed in a significantly reduced time frame (180) days or less.</p> <p>Key Customer Groups: The improved processes will have direct positive impacts on internal and external customer groups</p> <ul style="list-style-type: none"> • External Customers Applicants, grantees, and grant recipients – The entire process will take less time from end to end resulting in appropriated funds being disbursed faster, resulting in them being used for the intended purpose. • Internal Customers HUD program offices (i.e., PIH, CPD, Housing, OSHC, OHHLC, PD&R, FHEO) and supporting business units (i.e., ODGMO, OCIO, OCFO, CIR, OPA, OSEC, OGC) – clear standards and expectations for NOFA processing will be established. Leveraging technology to automate work flows, reduce cycle time, and eliminate redundant work will result in quantifiable cost savings to the agency at large. <p>Challenges: Considering the initiative is in the early stages there have not been any material implementation challenges identified; however, the team has documented an initial set of potential risks:</p> <ul style="list-style-type: none"> – Budget constraints, cuts, and lack of funding, which could place the project in jeopardy |

- of non-completion or extension of the project timeline and delay of expected benefits
- Resistance to change and/or lack of management buy-in, which will impact full realization of proposed recommendations
- Availability of staff resources/ subject matter experts (SMEs), which may impact project and deliverable timelines

Featured Actions: Prior to undertaking the BPR, OSPM introduced the process improvements and accountability measures below. The BPR will identify additional improvement opportunities and further standardize the NOFA process agency-wide.

- Established 23 critical path milestones throughout the NOFA life cycle to begin standardizing processes across program offices
- Instituted standardized time intervals to reach critical milestones to accelerate progression through the NOFA life cycle
- Developed criteria to categorize all NOFAs based on the level of change to the NOFA from the previous year and the anticipated complexity of the review process
- Developed and implemented the Grants Processing System (GPS) to track the progression of each NOFA through its life cycle

It is assumed there are commonalities in processing of NOFAs across the program offices; however it is also assumed there are moderate to substantial variation. The BPR will yield business intelligence for each program office related to:

- Detailed description of process activities, including estimated cycle times
- Systems used to track grants
- Descriptions of standard operating procedures (SOPs) and performance measures currently used
- Communication within the program office and with other business units
- Other relevant information that impacts or interfaces with the NOFA process

1. Increase Feedback from Customers

- Conduct a survey of internal NOFA stakeholders to obtain feedback on the NOFA process prior to and after the implementation of future state recommendations
- Collect stakeholder/customer feedback during workshops and interviews and incorporate findings into future state recommendations

2. Adopt Best Practices for Improving Customer Experience

To improve the customer experience, proposed future state recommendations will incorporate internal and leading NOFA grants management practices of similar federal agencies (benchmarking). Potential customer experience solutions may include:

- Leveraging technology to facilitate the efficiency and effectiveness of the NOFA grants management process
- Streamlining NOFA application documentation to reduce applicant burden, thereby improving overall customer experience

3. Set, Communicate, and Use Customer Service Metrics and Standards

To communicate and use customer service metrics the team will:

- Develop a communication strategy that identifies the key messages and communication channels in support of the NOFA improvement process

- Define measurable performance metrics that support and drive NOFA process performance and customer-focused targets

4. Streamline Agency Processes to Reduce Costs and Accelerate Delivery

The NOFA BPR will undertake the following activities to streamline the NOFA processes:

- Identify non-value added and duplicative process activities across the seven programs and supporting business units
- Document NOFA process inefficiencies and propose improvement recommendations

5. Impacts and Benefits

- The overall NOFA processing cycle time will be reduced; the goal is 180 days from budget passage to obligation of funds. This is also one of our FY12 APGs.
- Process inefficiencies across program offices will be identified and non-value added work activities will be eliminated.
- A future state operating model that will improve the efficiency and effectiveness of the NOFA process will be defined.
- HUD stakeholders will have an opportunity to provide feedback in the NOFA process.
- A set of consistent agency-wide NOFA process performance measures.
- High level business requirements/needs which can be used as a road map for developing more detailed functional requirements for an enterprise NOFA management system.

6. Key Milestones and Timeline

| Activity | Timeframe | Key Milestones |
|---|-------------------------------|--|
| Perform current state analysis | October 2011 – November 2011 | Current state process maps & functional maps |
| Perform process analysis | October 2011 – December 2011 | Identification of improvement opportunities |
| Define future state process | November 2011 – February 2011 | Future state operating model |
| Develop recommendations | January 2012 – March 2012 | Future state improvement recommendations |
| Implement select future state recommendations | March 2012 - ongoing | Implementation of select recommendations |