

# BEST PRACTICES FOR HOUSING COUNSELORS WEBINAR

PRESENTED IN CONJUNCTION  
WITH ILLINOIS DEVELOPMENT  
HOUSING AUTHORITY



*A stronger Illinois begins at home*

# AGENDA



A stronger Illinois begins at home

- \* Discuss Best Practices For Note Taking.
- \* Understanding Counseling Services.
- \* IHDA and Expectations.
- \* Record Keeping and Reporting.



# Housing Action IL



A stronger Illinois begins at home

- \* Housing Action Illinois (Housing Action) is a statewide coalition, membership-based organization that provides technical assistance to housing counseling agencies and affordable housing developers.
- \* HAI has been selected by the U.S. Department of Housing and Urban Development (HUD) as a Regional Counseling Intermediary Organization for Illinois and Indiana.
- \* We provide technical assistance/advice to IL Attorney General's National Foreclosure Settlement and Foreclosure Prevention Program (FPP) housing counseling grantees.

# IHDA and HOUSING ACTION



A stronger Illinois begins at home

- \* Housing Action provides ongoing TA to housing counseling agencies funded by IHDA (FFP 3):
  - \* Organizational analyses
  - \* Housing program plan development
  - \* Implementation metrics
  - \* Reporting Issues
  - \* Training needs
- \* Housing Action is interested in collecting information about trends, needs, successful outcomes and housing analyses.





# NOTE TAKING BEST PRACTICES

CONFIDENTIALITY + DOS AND DON'TS + TIPS



Housing  
Action  
Illinois

A stronger Illinois begins at home

# CONFIDENTIALITY



A stronger Illinois begins at home

- \* Confidentiality is an important aspect of working with your clients.
- \* It is your responsibility as a note taker to protect the privacy of your clients.
- \* Housing counseling agencies must maintain a separate confidential file documenting each counseling service provided to the client.
- \* Maintain confidentiality with all of the files you work on and thereafter whether or not you remain with the file.

# WHAT INFORMATION IS IMPORTANT?



A stronger Illinois begins at home

- Repeated information by the client.
- Information given emphasis by the client:
  - Tone of voice
  - Body gestures
  - Amount of time spent on a point
- Words/Phrases to watch for:
  - “About XXX time ago...”
  - “It all began when...”
  - “The important thing is...”
  - “I really care/need...”



# THINGS TO HELP YOU TAKE GOOD NOTES



A stronger Illinois begins at home

- \* Listen for signal words that tell you that something is important and write it down.
- \* Use abbreviations when you can (that are commonly understood - i.e. dept., doc., D.O.B., etc.)
- \* Be consistent with the abbreviations.
- \* Don't write everything down, only important facts or things that are unclear to you.

# TIPS FOR GREAT NOTE-TAKING



A stronger Illinois begins at home

- \* Listen carefully and have your client carry most of the conversation.
- \* Think like a P.I. (Private Investigator)
  - \* Evaluate the information given
  - \* Look for facts regarding legal, financial issues, personal issues.
  - \* Information being told should correlate with the records and any other documentation provided.
- \* Ask questions!!!!
- \* Listen for main ideas and relevant details



**COUNSELING SERVICES**



A stronger Illinois begins at home



# NATIONAL INDUSTRY STANDARDS (NIS)



A stronger Illinois begins at home

- \* The National Industry Standards (NIS) for Homeownership Education and Counseling are a set of guidelines for quality homeownership and counseling services.
- \* Industry professionals who adopt these standard can be trusted to provide consistent high-quality ADVICE.
- \* These standards help counselors and organizations serve families and communities with consistent and professional services.

# NATIONAL INDUSTRY STANDARDS (NIS)



A stronger Illinois begins at home

- \* Requirements for adoption of NIS:
  - \* Professional Certification
  - \* Online Assessment
  - \* Sign a Code of Ethics
- \* More information;
  - \* [www.homeownershipstandards.org](http://www.homeownershipstandards.org)

# COUNSELING SERVICE



- \* Housing counselors must enable the client to make informed decisions on their housing goals.
  - \* Common topics: Pre-purchase, Mortgage Delinquency, Post-Purchase, Rental, Homeless Assistance
- \* A housing counselor must perform and document all of the activities.
- \* With the exception of reverse mortgage, all counseling services must include an action plan.
  - \* A plan that clearly states what the agency and the client are going to do to meet the client's goals.



# COUNSELING SERVICE



- \* Must complete a Financial Analysis of the client
  - \* Evidence of analysis of client's unique financial and credit circumstances.
- \* Have a discussion of Alternatives and Options
  - \* Follow-up to determine if goals are met or need revision.
- \* A housing counselor must be able to provide the basic counseling services.



# ILLINOIS HOUSING DEVELOPMENT AUTHORITY

## EXPECTATIONS - ACTIVITY LOG





# INDIVIDUAL CLIENT FILE



A stronger Illinois begins at home

- \* Client file number
- \* Client's name, address, email and telephone number - contact information.
- \* Demographic and income data
- \* Housing counselor's name
- \* Information and documents obtained during the screening and subsequent counseling sessions.
- \* Disclosures and authorizations

# INDIVIDUAL CLIENT FILE



A stronger Illinois begins at home

- Financial Analysis
- Client's housing counseling action plan
  - The plan should clearly identify the need or problem of the client and outline what the agency and client will do in order to meet the client's housing goal(s). A copy of the plan must be given to the client and maintained in the client's file.
- **Activity log**
  - **A narrative that contains the purpose and result of each visit, clearly identifying need or problem, type of housing counseling provided, other activities performed on behalf of the client, and result of housing counseling. The activity log should also have a record of any follow-up with the client, as needed.**
- Note: Other programs may require additional documents to be included in the file. (i.e. NFMC requires MHA checklist, documentation of DTI, etc.)

# IHDA + HUD = SAME EXPECTATIONS



A stronger Illinois begins at home

- \* Per HUD Handbook 7610.1, all housing counseling activity logs should include but not limited to:
  - \* Intake, follow-up, telephone calls on behalf of the client, calls to other counselors for advice.
  - \* **Provide detailed descriptions of all of the activities - persons involved and dates.**



# RECORD KEEPING AND REPORTING



A stronger Illinois begins at home

- \* All housing counseling agencies must maintain separate confidential files, documenting each type of counseling services provided to a client. According to HUD Handbook 7610.1
- \* Good and accurate record keeping is vital to successful housing counseling.
- \* Record keeping is also a major part of a Performance Review from IHDA and/or HUD.

# SAMPLE



Housing  
Action  
Illinois

A stronger Illinois begins at home

## Appointments

Client Names:  
Address:

Example of Client in Counseling

## Appointment History

Date →

Time →

Type of  
Activity →

Detailed  
Descriptions →

Date	Start Time	Duration	Billable	Type	Counseling Need	Notes	Counselor
12/20/10	04:20PM	15m	✓	Case Management Activity	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	Client had called and left a message wanting an update with his file. I called and left him a message. I reminded him that he was suppose to be making weekly phone calls to his mortgage company to ensure they are continuing to review his file and are not in need of other documents. I told him to call SunTrust and then call me back to let me know what is going on with his file.	
	01:00PM	30m	✓	Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	Client came into the office today because had receive documents from SunTrust to complete and send back to their office. We completed the documents and prepared the packet to submit. I faxed all documents over. M... will follow up with SunTrust on Friday Nov. 12th to ensure they did receive everything they had requested. Then every week after he will call to get an update with his status, and also update Agency.	
11/02/10	01:40PM	1h 00m	✓	Case Management Activity	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I spoke with I... at Sun Trust in the bankruptcy department. He states that a letter is not needed because the bankruptcy has been lifted, but he said to send it in to be on the safe side. He then transferred me to the loss mitigation department. I spoke to a I... who states he will mail a packet to I... to complete and send back to Sun Trust.	
11/01/10	12:00PM			Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I called I... to give him the update. He did not answer, I did leave a message and will mail out a letter.	
				Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I... came into the office today to bring the letter from his attorney addressed to Sun Trust. I informed him that we will fax it over to Sun Trust. I did state that he has a job opportunity in Springfield which he is interviewing for. So his financial situation could turn around soon. Mr. ... had spoken in great length with his attorney, his attorney did not feel he should send the letter trying to communicate with the lender because the lender will foreclose on the property. The attorney had advised I... to start looking for another residence.	
				Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I informed I... that there are no guarantees when asking for a loan modification or work out solution, but that as long as Sun Trust agrees to review his file that it will still buy him time to continue to look for employment and for his situation to stabilize. I also informed I... that he should always have a back up plan for worst case scenario. As well as Sun Trust does have to go through the court system to formally foreclose which the court proceedings have not begun. There is no sale date set either. So I told him we do have time.	
10/26/10	01:00PM	1h 00m	✓	Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I... came in for his follow up appointment. His attorney was supposed to mail a letter to our appointment. The letter did not reach I... The letter was supposed to be addressed to Sun Trust stating it is ok for them to speak with M... concerning a work out solution. I... did try calling his attorney to follow up with him, but there was no answer. When he does receive the letter we will then fax it over to Sun Trust Mortgage Company.	
				Face-to-face session	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	I... will be applying for food stamps to help his budget, and he has received a letter stating he will be receiving a decrease in his unemployment. I... is actively seeking employment.	

Date: 12/20/2010

Page: 1

# INDIVIDUAL CLIENT FILE



A stronger Illinois begins at home

- \* Documentation of any follow-up with client, including participation in group sessions.
- \* Documentation of termination of counseling and the results.
- \* Other information obtained during the intake and subsequent housing counseling sessions not mentioned above.

# EXERCISE - INTAKE



A stronger Illinois begins at home

- \* **Name:** Kerry
- \* **Marital Status:** Married with children
- \* **Property:** Purchase in 2004 for \$259K
- \* **Source of Income:** Kerry and spouse - ann. income \$120K
- \* **Financial Hardship:** Divorce in 2013 and loss of employment
- \* **Monthly Mortgage Payment:** \$2,089
- \* **Action:** Loan Modification

# EXERCISE - SUMMARY



A stronger Illinois begins at home

In October 2004 Kerry, a computer technician for a nationwide bank, got married, had a kid and bought a house in Chicago, IL for \$259,000. Around the same time Kerry's wife, who worked for a local college, started graduated school. The couple was financially stable and had annual income of \$120,000.

Unfortunately in 2013, the couple got a divorced and Kerry lost his job which created a financial hardship for both. The couple bought the house together for well under market value, but in order to fix it up they had refinanced to withdraw some of the equity. Unable to handle the \$2,089 monthly mortgage payment alone, Kerry would like to pursue a loan modification in an effort to avoid foreclosure.



# EXERCISE - ACTIVITY LOG



A stronger Illinois begins at home

## Appointments

Case number: test

Client Names: Kerry, Webinar

Address:

## Appointment History

Date	Start Time	Duration	Billable	Type	Counseling Need	Notes	Counselor
12/02/14	09:00AM	1h 20m	✓	Case Management Activity	Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)	Based on the affordability, Mr. Kerry's loan is eligible to be reviewed for a HAMP Modification. The RMA, Third Party Authorization Letter, the 4506T and 4506T-EZ and other supporting documentation( two years tax returns, two years W2's, two months pay stubs, two months bank statements, financial hardship letter, financial budget, divorce decree, and etc) were faxed to the lender, BIGBank, at 312-333-3333 on 12/2/2014. The counselor spoke to Mr. Jim Bean(identification number YSER345), bank representative to make sure they had received all of the documents. The agency will follow up with the lender in two weeks.	Julio Soriano

# COMMON RECORD KEEPING PROBLEMS



A stronger Illinois begins at home

- \* Client contact information
- \* **Action plan outlining next steps for the client and counselor**
- \* **Chronological log of all subsequent interaction with client or on behalf of client**
- \* All correspondence sent to or on behalf the client
- \* Follow-up performed by the counselor
- \* Termination of counseling - date and reason

# WHY IS COMPLIANCE IMPORTANT?



A stronger Illinois begins at home

- \* To ensure that agencies are complying with IHDA and HUD program requirements.
- \* To evaluate the managerial and financial capacity of agencies and their housing programs.
- \* **TO ASSURE QUALITY SERVICES TO CLIENTS!!!**



**QUESTIONS???**



**BIBIAN GUEVARA**  
**TECHNICAL ASSISTANCE PROGRAM**  
**COORDINATOR**  
**E: [BIBIAN@HOUSINGACTIONIL.ORG](mailto:BIBIAN@HOUSINGACTIONIL.ORG)**  
**P: (312) 939-6074 EXT. 108**

*A stronger Illinois begins at home*