BEST PRACTICES FOR HOUSING COUNSELORS WEBINAR

PRESENTED IN CONJUNCTION WITH ILLINOIS DEVELOPMENT HOUSING AUTHORITY
AGENDA

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

- 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
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?

- 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

- 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

- 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
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 standards 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)

- Requirements for adoption of NIS:
  - Professional Certification
  - Online Assessment
  - Sign a Code of Ethics

- More information;
  - www.homeownershipstandards.org
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 SERVICES

- 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.
INDIVIDUAL CLIENT FILE

- 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
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.)
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

- 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.
<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Type of Activity</th>
<th>Detailed Descriptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/29/10</td>
<td>6:40 PM</td>
<td>Face-to-face mission</td>
<td>Seeking Help with Resolving or Preventing Mortgage Default (01/06/2008)</td>
</tr>
<tr>
<td>11/20/10</td>
<td>01:40 PM</td>
<td>Face-to-face session</td>
<td>Case Management Activity</td>
</tr>
</tbody>
</table>

**Example of Client in Counseling**

**Appointment History**

<table>
<thead>
<tr>
<th>Date</th>
<th>Start Time</th>
<th>Duration</th>
<th>Type of Activity</th>
<th>Detailed Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/29/10</td>
<td>6:40 PM</td>
<td>15 min</td>
<td>Face-to-face mission</td>
<td>Seeking Help with Resolving or Preventing Mortgage Default (01/06/2008)</td>
</tr>
<tr>
<td>11/20/10</td>
<td>01:40 PM</td>
<td>30 min</td>
<td>Face-to-face session</td>
<td>Case Management Activity</td>
</tr>
</tbody>
</table>

**Notes:**
- I called the client and left a message wanting an update on the status of his mortgage. The client did not return the call. I left a second message requesting an update.
- I received a call from the client stating that he is not sure about the status of the mortgage. The client reported that he is still receiving messages from the mortgage company.
- I spoke with the attorney who stated that the case is still ongoing. The attorney advised the client to keep in touch with the mortgage company and review the documents provided by the mortgage company. The attorney stated that the client has not responded to the mortgage company's demands.
INDIVIDUAL CLIENT FILE

- 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

- **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
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.
## Appointments

**Case number:** test

<table>
<thead>
<tr>
<th>Client Names:</th>
<th>Kerry, Webinar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td></td>
</tr>
</tbody>
</table>

### Appointment History

<table>
<thead>
<tr>
<th>Date</th>
<th>Start Time</th>
<th>Duration</th>
<th>Billable</th>
<th>Type</th>
<th>Counseling Need</th>
<th>Notes</th>
<th>Counselor</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/02/14</td>
<td>09:00AM</td>
<td>1h 20m</td>
<td>✓</td>
<td>Case Management Activity</td>
<td>Seeking Help with Resolving or Preventing Mortgage Delinquency (HUD-9902)</td>
<td>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, BBG Bank, at 312-999-3533 on 12/2/2014. The counselor spoke to Mr. Jim Bean (identification number Y09324), bank representative to make sure they had received all of the documents. The agency will follow up with the lender in two weeks.</td>
<td>Julio Soriano</td>
</tr>
</tbody>
</table>
COMMON RECORD KEEPING PROBLEMS

- 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?

- 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???

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Housing Action Illinois
A stronger Illinois begins at home