

**NFMC QUALITY CONTROL AND COMPLIANCE**

**Client ID:**

**Checklist for Level 1 Client Files**

Documentation	Notes	Yes/No
<b>Eligibility</b>	<p>Does the client meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Is an owner-occupant</li> <li>• Owns a single-family (one- to four-unit) property</li> <li>• Has a <u>mortgage</u> in default or in danger of default</li> </ul> <p>Examples of documents verifying eligibility: public records, a copy of the mortgage statement, communications from the servicer or lender, etc.</p>	
<b>Authorization Form</b>	<p>Signed by the client at the time of counseling with “NFMC language”: (a). the agency to submit client-level information to the Data Collection System for the NFMC grant, (b). NFMC to open files to be reviewed for program monitoring and compliance purposes, and (c). NFMC to conduct follow-up with the client related to program evaluation.</p>	
<b>Disclosure Form</b>	<p>Explicitly describes the various types of services provided, and any financial relationships between the Grantee and any other industry partners. The disclosure must state clearly that the client is not obligated to receive any other services offered by the Grantee or its exclusive partners.</p>	
<b>Privacy Policy</b>	<p>Client must be allowed access to Grantee’s privacy policy statement. Documented receipt of the privacy statement should be evidenced in the client’s file. No specific language is required by NFMC.</p>	
<b>Intake</b>	<p>The intake form should document the following:</p> <ul style="list-style-type: none"> <li>• Client name and address</li> <li>• Basic demographic information</li> <li>• Lender and loan information</li> <li>• Reason for delinquency</li> </ul>	
<b>Budget</b>	<p>A budget developed for the client based on client’s oral representation of their expenses, debts, and available sources of income.</p>	

Client ID:

Checklist for Level 1 Client Files (continued)

Documentation	Notes	Yes/No
<b>Action Plan</b>	The National Industry Standards for Homeownership Counseling, Exhibit B, provides guidance on what must be included in an Action Plan: <ul style="list-style-type: none"><li>• Reason the homeowner is delinquent or in danger of becoming delinquent</li><li>• Assessment of the property's condition (if applicable)</li><li>• A Financial assessment</li><li>• Steps the homeowner will take and steps the counselor will take</li><li>• Other contact information for community referrals</li></ul>	
<b>CHANGE IN R10: MHA Eligibility Determination</b>	Organizations must determine and document if client is eligible for a Making Home Affordable Program refinance or modification. Organizations should check for eligibility for all three options, Refinance, Modification, and FHA Loan. <b>Please note, the MHA program is scheduled to end December 2016.</b>	

**Client ID:**

**Checklist for Level 2 Client Files**

Documentation	Notes	Yes/No
<b>Eligibility</b>	<p>Does the client meet the following criteria:</p> <ul style="list-style-type: none"> <li>• Is an owner-occupant</li> <li>• Owns a single-family (one- to four-unit) property</li> <li>• Has a <u>mortgage</u> in default or in danger of default</li> </ul> <p>Examples of documents verifying eligibility: public records, a copy of the mortgage statement, communications from the servicer or lender, etc.</p>	
<b>Authorization Form</b>	<p>Signed by the client at the time of counseling with “NFMC language”: (a). the agency to submit client-level information to the Data Collection System for the NFMC grant, (b). NFMC to open files to be reviewed for program monitoring and compliance purposes, and (c). NFMC to conduct follow-up with the client related to program evaluation.</p>	
<b>Disclosure Form</b>	<p>Explicitly describes the various types of services provided, and any financial relationships between the Grantee and any other industry partners. The disclosure must state clearly that the client is not obligated to receive any other services offered by the Grantee or its exclusive partners.</p>	
<b>Privacy Policy</b>	<p>Client must be allowed access to Grantee’s privacy policy statement. Documented receipt of the privacy statement should be evidenced in the client’s file. No specific language is required by NFMC.</p>	
<b>Budget Verification</b>	<p>Verification of the client’s debt and income at the time of the counseling session. Documentation to prove verification of income could include copies of pay stubs, income tax returns, or food stamps. To prove verification of debt, documents such as a credit report or utility bills would suffice. A credit report alone will not suffice.</p> <p><b>Submitted documentation must be from the previous 30 days of the Level 2 intake date.</b></p>	
<b>Verification of Action Taken (Steps Taken Upon the Action Plan)</b>	<p>Steps taken on the action plan should follow the course of action decided on by the counselor and the client, and written in the client’s Action Plan. Documentation to satisfy this could include documented evidence that the servicer or lender was contacted such as a fax cover sheet with transmission information or application submissions for local resource options including refinancing programs and credit counseling or legal referral. Counselor notes alone are NOT enough to satisfy This requirement.</p>	