

## Appendix 1

OMB Approval No. 2502-0574  
(Exp. 6/30/2011)

U.S. Department of  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

### Performance Review

#### Of a HUD-Approved Housing Counseling Agency or Participating Agency

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The information is used to assist HUD in evaluating the managerial and financial capacity of organizations to sustain operations sufficient to implement HUD approved housing counseling programs. The collection of information assists HUD to reduce its own risk from fraudulent activities or supporting inefficient or ineffective housing counseling programs. Since, HUD publishes a web list of HUD approved Housing Counseling Agencies and maintains a toll free housing counseling hotline performance reviews help HUD ensure that individuals seeking assistance from these approved agencies can have confidence in the quality of services that they will receive. This information is collected in connection with HUD Housing Counseling Program and will be used by HUD to evaluate clients compliance with programmatic requirements. The information is considered sensitive and is protected by the Privacy Act of 1974 which required the records to be maintained with appropriate administrative, technical and physical safeguards to ensure their security and confidentiality.

Agency Name and HCSID Number: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Name of Parent Agency, if applicable: \_\_\_\_\_

Reviewer: \_\_\_\_\_ Review Date: \_\_\_\_\_

**INSTRUCTIONS TO REVIEWER.** Use this form to record the results of the Performance Review . Circle "Yes", "No" or N/A for each applicable question . **Provide detailed comments.**

#### **A. Basic Program Requirements**

1. Is the agency still a nonprofit entity or unit of local, county or state government authorized to provide housing counseling services?  Yes  No  N/A

2. Does HCS reflect the agency's current profile information including but not limited to name, address, telephone number and e-mail address?  Yes  No  N/A

3. Can the agency demonstrate that it can access the Housing Counseling System (HCS)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Does the agency validate its agency profile in HCS at least quarterly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Is the agency using a client management system (CMS) that interfaces with HUD databases?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Did the agency transmit housing counseling activity data on a timely basis?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7. Was the housing counseling activity data completed correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8. Does the agency conform to the assurances it signed as part of its application for approval?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
9. Is the agency still in compliance with local and state requirements, if any, that relate to its counseling program?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
10. Does the agency conform to programmatic requirement prohibiting subcontracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
11. During the past fiscal year, if the agency provided more services than just reverse mortgage counseling, did the agency counsel at least 30 clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Reviewers Comments:</b>	

**B. Skills and Experience**

1. Does the housing counseling experience of staff comply with all programmatic requirements ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
(1a) Do 50% or more of the housing counseling staff have at least 2 years relevant experience ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Did the agency experience no changes to personnel responsible for the counseling program?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

(2a). Did the agency report any changes to HUD in a timely manner?  Yes  No  N/A

3. Does the Housing Counseling Program Manager have at 2 years experience managing a housing counseling program ?  Yes  No  N/A

4. Does the agency counsel clients whose native language is not English, or who are hearing impaired using interpreters, or multi-lingual counselors?  Yes  No  N/A

If "Yes", explain:

If "No" does the agency make a reasonable effort to refer clients to other local housing counseling agencies or other organizations that can meet the client's needs.  Yes  No  N/A

5. Does staff possess a working knowledge of HUD housing programs including Federal Housing Administration (FHA) programs?  Yes  No  N/A

6. Does staff possess a working knowledge of non-HUD housing programs available and applicable to the target population?  Yes  No  N/A

7. Have 50% or more of the agency's housing counselors received any housing counseling training or education in the last two years?  Yes  No  N/A

8. Does the agency have any urgent training needs?  Yes  No  N/A  
If so, list:

**Reviewers Comments:**

### C. Financial Capacity

1. Does the agency have sufficient funds to carry out its counseling work plan for the next year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Did the agency receive \$500,000 or more in federal funds during the past year?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "Yes", has the agency had an independent audit of its financial records completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Does the audit indicate that it is in compliance with OMB Circular A- 133?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Was the latest audit free of any irregularities or problems ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. If the agency received less than \$500,000 is the agency in compliance with the independent audit requirements outline in the Handbook 7610.1?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
a. Was the latest audit free of any irregularities or problems?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Does the agency charge fees for its counseling services?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "Yes," answer the following:	
a. Does the agency waive fees for clients who cannot afford the fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
b. Are the fees commensurate with the level of services provided, and reasonable and customary for the area?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
c. Are the fee schedules prominently displayed?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
d. Are clients informed of the fees prior to the provision of services?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
e. Is the initial client intake performed without charge?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
f. Does the agency have a system in place so that it only bills HUD under a grant agreement for the cost of services in excess of the fee charged the client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
g. Does the agency charge the client for credit reports?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

If "Yes", does the agency charge only the actual cost of the report? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
h. Do budget and financial statements reflect the receipt of housing counseling fees, if charged? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
i. Is there evidence that the total housing counseling budget reported is accurate and consistent with leveraged funds and program income documented in the grant application, if applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Reviewers Comments:</b>

### D. Grant Management

1. Did the agency receive HUD Housing Counseling grants or sub-grants during the past 2 years? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "No", skip to Administrative Capacity/Program Practices section.
If "Yes", answer the following:
a. Does the agency have source documentation on file to support all expenditures of HUD Housing Counseling Grant funding and does this documentation reflect that these funds were used solely for authorized purposes ? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
b. Does the amount of housing counseling hours attributed to HUD Housing Counseling funding seem consistent with the grant application? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
c. Are indirect costs assessed to the grant(s)? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
(1) If "Yes", was the indirect cost rate approved by a federal agency? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

(2) If indirect costs are included in the voucher request, are they the same or less than what was approved?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
d. Does the agency receive no other sources of HUD funding in support of its housing counseling program?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
e. Can the agency demonstrate how it ensures that activities billed under the HUD Housing Counseling Grant aren't billed under any other funding sources?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Reviewers Comments:</b>	

### E. Administrative Capacity / Program Practices

1. Does the agency's housing counseling activities conform to the agency's counseling work plan and does work plan on file reflect the geographic scope actually served by the agency?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Does the agency use credit reports as a tool for counseling?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "Yes", does the agency maintain the confidentiality of the reports and document authorization for the client to obtain the credit report?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Does the agency safeguard and maintain the confidentiality of all client files, including credit reports, etc?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
4. Is the agency complying with all programmatic requirements regarding recordkeeping ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Did counselors design an action plan, with each non-reverse mortgage counseling client, that addresses the unique needs of each client?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Did the counselor monitor the client's progress in meeting the housing need or correcting the housing problem and is there evidence of follow up to ascertain outcomes ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7. For each counseling client, is there evidence in the client file that the activity met programmatic requirement for counseling ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

8. Do supervisors of housing counselors monitor the work of their counselors and are these activities documented ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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**Reviewers Comments:**

### F. Reverse Mortgage Counseling

IF APPLICABLE:

1. Is the agency using the most current OMB-approved Counseling certificate, HUD-92902, unaltered?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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2. Is there a signed copy of the counseling certificate in the client file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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If "Yes", is the certificate signed by the counselor and all homeowners shown on the deed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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3. Is there a list of all those who attended the counseling and their relationship to the client documented in the client file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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4. Is the handling of clients lacking legal competency in compliance with HECM handbook requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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5. Does the agency maintain complete client files that meet all programmatic requirements regarding reverse mortgage counseling record keeping?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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6. Do the counselors providing reverse mortgage counseling meet programmatic requirements regarding eligibility to provide reserve mortgage counseling?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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7. Are counselors providing reverse mortgage counseling in compliance with the geographic restrictions imposed by HUD?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
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8. Does the agency provide information to the client on the reverse mortgage lending process, procedures, and timelines?		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
9. Does the agency provide information on alternatives to a HECM, which may be a detailed explanation of, or written materials on the following?		
A. Proprietary Reverse Mortgage Programs	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
B. Deferred Payment Loans	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
C. Sale/Lease buyback alternatives	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
D. Annuities	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
E. List of local and State social service agencies	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
F. Local and/or State proprietary programs or other private reverse mortgage programs	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
G. Property Tax Deferral	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
H. Other (explain)	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
10. Does the agency perform and provide to the client a Total Annual Loan Cost using HUD HECM or compatible software?		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
11. Does agency provide loan amortization schedules for all HECM loan payment methods, using HUD HECM or compatible software for HECM loan payment options?		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
12. If requested by the client, does the agency refer them to the list of lenders provided on HUD's website ?		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Reviewers Comments:</b>		



## G. Facilities

1. Is the agency easily identified by permanent signage on the building/or office door?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Is the agency open during hours that are conducive to working clients?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
What are the agency's normal business hours? _____	
Does the agency offer extended hours when necessary?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
3. Is the agency accessible to individuals with disabilities and/or limited mobility or does the agency make home visits or arrange meetings in alternative space suitable to serve these individuals?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
4. Do the facilities provide privacy for one-to-one counseling?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
<b>Reviewers Comments:</b>	

## H. Conflict of Interest

1. Are the agency and all applicable individuals in compliance with programmatic requirements that prohibit them from taking any action that might result in, or create the appearance of, administering the housing counseling operation for personal or private gain?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Are the agency and all applicable individuals in compliance with programmatic requirements that (a) prohibit giving preferential treatment to any organization or person, or (b) undertaking any action that might compromise the agency's ability to serve the best interest of its clients?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
3. Does the agency provide any services besides housing counseling?	
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

If "Yes", list those services and activities?	
4. Do any of the housing counseling staff (counselors or management) perform any other roles within the agency ? If "Yes" please describe	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Do any of the housing counseling staff (counselors or management) perform any other related roles outside of the agency?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "Yes" please describe and list any licenses?	
6. Is the agency in compliance with programmatic requirements prohibiting applicable individuals from receiving anything of value, (including compensation on a commission basis) for services the client is being counseled about?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If "No" identify the applicable individual, the services being provided and type of compensation?	
7. Did any applicable individual refer client(s) to an entity in which they or any another applicable individual have a financial interest ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8. Are the agency and all applicable individuals in compliance with programmatic requirements that prohibit the acceptance of a fee or other consideration for referring clients to a specific mortgage lender, broker, builder, real estate sale agent or broker, attorney or landlord?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
9. Are the agency and all applicable individuals in compliance with programmatic requirements that prohibit the acquisition of a client's property from the trustee in bankruptcy?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
10. Does the agency's Quality Control Plan or Employee Handbook address conflict of interest provisions ?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
11. Does the agency's disclosure to HUD meet all programmatic requirements and does it reflect its current business or partners?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
12. Does the agency provide to each client and each education participant a	

disclosure statement that includes the following:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
a. Identifies the agency and explicitly describes the various services provided by the agency, as well as any financial arrangements between the agency and any other industry partners, that are relevant to the client; and	
b. Clearly indicate that the client is not obligated to receive any other services offered by the organization or its partners.	
13. If counselors provide information on a specific program or product, do they provide information regarding at least 3 alternative programs or products?	
	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<b>Reviewers Comments:</b>	

<b>Review Results</b>	
<input type="checkbox"/>	There are no findings or concerns that need to be addressed
<input type="checkbox"/>	There are findings or concerns that need to be addressed
_____	_____
Signature of Reviewer	Date