

National Foundation for Credit Counseling: COA Accreditation Standards

Every NFCC member agency must obtain and maintain accreditation by the Council on Accreditation (“COA”). COA is an independent third-party not-for-profit accrediting organization that has reviewed more than 1,500 social service programs to ensure compliance with rigorous best-practice standards. All NFCC member agencies must be re-accredited by COA every four years.

All agencies seeking COA accreditation are reviewed in eight specific areas:

- **Mission & Purpose** — determines whether consumer needs and preferences guide the organization in its design and delivery of services.
- **Quality Improvement** — evaluates the effectiveness and efficiency of services provided and corrects any observed deficiencies.
- **Governance & Administration** — determines whether the organization is governed and administered according to legal requirements and sound principles of effective management and ethical practice. This is evaluated by neutral oversight through a diversified board.
- **Management of Human Resources** — evaluates the organization’s ability to deploy personnel and foster efficient, effective service delivery for clients.
- **Service Environment** — ensures safe, accessible, and appropriate delivery for the needs of clients, employees and other stakeholders.
- **Internal Financial Management Practices** — ensures that an organization manages its fiscal affairs according to sound financial practices and applicable statutory and professional requirements.
- **Business Ethics and Clients Rights and Responsibilities** — determines whether services are conducted with due regard to ethical and professional requirements and protects confidential information regarding clients.
- **Service Delivery** — ensures that an organization focuses its services on identifying the needs and problems of clients.

In addition, to obtain and maintain accreditation, all NFCC member agencies must adhere to a rigid set of COA standards specific to the credit counseling and debt management industry. They included the requirement that:

- agencies must have annual audits of operating and trust accounts.
- agencies must be licensed, bonded and insured.
- agencies support and provide a variety of consumer education programs.
- agencies must comply with consumer disclosure requirements.
- Debt Management Programs must include a detailed review of current and prospective income, as well as present and anticipated financial obligations.
- funds are disbursed to creditors on behalf of the clients at least twice per month.
- clients have a variety of deposit options including electronic methods, and are offered immediate correction of improper posting.
- each client receives counseling, including an assessment of how he/she got into trouble, and a written comprehensive financial action plan..
- clients receive a statement, at a minimum, every quarter.

COA accreditation requires that agencies meet national standards for delivery of service and in overall governance. The accreditation process also analyzes organizational strengths and weaknesses and helps agencies to establish a framework to measure continuous quality improvement.