



National Foundation for Credit Counseling

Housing Pilot Member Quality Standards

Housing Pilot Member Quality Standard # 01.00

Accreditation

Housing Pilot Members shall obtain and maintain NFCC-approved accreditation.

OFFICIAL COMMENT:

Housing Pilot Membership as a housing counseling agency in the NFCC is predicated upon quality organizations providing quality services. Independent quality standards and control measures ensure members adhere to the values and best practices of the NFCC.

Currently, the NFCC recognizes HUD-Approved status as meeting this requirement for housing counseling agencies that do not provide credit counseling and Debt Management Plans.

Maintaining HUD-Approved Status

For a nonprofit housing counseling agency to be "HUD-approved," it must meet certain requirements set forth by the U.S. Department of Housing and Urban Development (HUD).

These requirements include:

1. Tax Exempt Certification: The agency must be certified as a nonprofit organization by the Internal Revenue Service.
2. Staffing: The agency must have sufficient staffing to provide housing counseling services, including staff with expertise in the areas of mortgage lending, real estate, credit, and budget counseling.
3. Counseling services: The agency must provide counseling services in compliance with HUD's Housing Counseling Handbook and HUD-approved counseling protocols.
4. Record keeping: The agency must maintain accurate records of counseling services provided, including client files and data on client outcomes.
5. Financial management: The agency must have sound financial management practices, including appropriate accounting and reporting systems, and must provide annual financial statements audited by an independent certified public accountant.
6. Compliance: The agency must comply with all federal, state, and local laws and regulations, as well as with HUD's requirements for fair housing, nondiscrimination, and consumer protection.
7. Training: The agency's counseling staff must receive regular training and professional development to maintain their skills and knowledge of the housing industry.

Potential Housing Pilot Members offering housing counseling services must meet these standards and have current HUD-Approved status before they can be approved for membership in the NFCC Housing Pilot.

Housing Pilot Member Quality Standard #02.00

Access and Availability

Housing Pilot Member agencies shall provide services within a reasonable amount of time and at times convenient to the public. Housing Pilot Member agencies will not discriminate in providing service for any of the following reasons: age, race, color, creed, national origin, or ancestry, physical or mental disability, medical condition, gender, sexual orientation, religion, employment, marital status, financial status, or any other consideration made unlawful by federal, state or local law.

OFFICIAL COMMENT:

NFCC Housing Pilot Member agencies will not discourage counseling for any reason.

Pre-screening for access to counseling services is expressly prohibited. Housing Pilot Member agencies should refrain from waiting to schedule a counseling session until the potential client completes and returns a written application or questionnaire; such action will be considered a form of pre- screening. Housing Pilot Member agencies must have operating procedures in place to assure timely service, recognizing that various times of the year create increased consumer demands.

Housing Pilot Member Quality Standard # 03.00

Financial Literacy

Housing Pilot Member agencies shall develop, foster, or provide financial literacy programs on money management, budgeting, homeownership and renting for consumers using methods that meet the community's need.

OFFICIAL COMMENT:

Financial Literacy programs involve the provision of education to individuals or groups but do not include individual budget reviews and Client Action Plans typically included in a counseling session.

Housing Pilot Membership in the NFCC requires adherence to the mission of the NFCC. We are an educational organization providing high caliber, professional, confidential counseling, and education services.

Public relations and marketing activities do not qualify as educational events. One-on-one counseling sessions provide valuable education, but do not qualify in this standard as a group educational event.

Housing Pilot Members should offer financial literacy programs which may include seminars taught by qualified instructors that are designed to meet the current educational needs of consumers seeking housing advice and to comply with the 501(c)(3) service requirements.

Housing Pilot Member Quality Standard # 04.00

Counseling Sessions

Housing Pilot Member agencies participating in the Pilot must provide comprehensive, high-quality, reliable, and unbiased counseling services to individuals and families seeking assistance with housing issues. As a baseline requirement, sessions must meet the standards outlined in HUD's Housing Counseling Handbook.

OFFICIAL COMMENT:

Comprehensive housing counseling is defined as an interview or series of interviews which includes but is not limited to: discussion of financial goals, sources of income, expenses, consumer debt (secured and unsecured), housing costs, utilities, garnishments, tax debt, credit reports, referrals to other sources, settlements of debts, etc. when it is applicable to reach individual housing goals. Each counseling session must include a written assessment and Client Action Plan addressing items for the client to work on after the session concludes. Quality counseling is based on thoroughness. A Housing Pilot Member's goal is to educate and give guidance to those who seek help. A thorough review of the client's financial situation must be an integral part of the service regardless of the type of housing counseling administered or any probable outcomes.

A written assessment and Client Action Plan is defined as a document outlining the client's individual situation and offering appropriate solutions. It will include:

- a complete budget assessment with a review of income, expenses, debt, housing issues, etc.;
- identification of problems and need for appropriate referral or services;
- an assessment of the client's and family's strengths and resources for addressing their problems and reaching their goals; and
- options and action steps for the individual or family.

Clients shall be provided with adequate information through the written assessment and Client Action Plan to assist them after they leave the counseling session. This is our opportunity to assist in their personal financial plan with educational handouts, referrals, and prioritized action steps. Clients under stress cannot be expected to remember the counselor's advice in all cases. Both counselor and client can refer back to the written assessment.

Housing Pilot Member Quality Standard # 04.01

Counselors

Individuals providing housing counseling must be certified through a HUD-Approved program and successfully complete annual continuing education training administered by the NFCC.

Housing Pilot Member agencies are prohibited from paying financial incentives or assessing financial penalties to counselors based on the number of successful housing counseling outcomes.

OFFICIAL COMMENT:

Housing Pilot Member agencies shall employ qualified individuals who must achieve successful completion of HUD-approved housing counseling training and pass an exam to demonstrate their knowledge of the housing industry. This should take place within one year from the date of their employment as a housing counselor and they should maintain compliance with the NFCC certification requirement by participating in annual continuing education as offered by the NFCC. Counselors employed by organizations participating in the Housing Pilot also have the option to become NFCC Certified Credit Counselors as a way to reinforce their skillsets relevant to the financial review that takes place during a housing counseling session.

Housing Pilot Member agencies must conduct a state or county criminal background check on all counselors prior to their start of duties.

Housing Pilot Member agencies must establish additional training and development programs for counselors to improve knowledge of agency policies and procedures, interpersonal skills, and abilities that enhance counselor sensitivity to the needs and preferences of clients.

Housing Pilot Member agencies must register, with the approved certifying entity, all new counselors within 120 days of date of employment or assignment as a credit counselor.

Housing Pilot Member Quality Standard # 05.00

Debt Management Plans

Housing Pilot Members should identify when clients have substantial levels of unsecured debt and may benefit from enrolling in a Debt Management Plan provided by an NFCC-Member Agency.

Housing Pilot Members shall refer such clients to the NFCC Locator Service to connect with an NFCC Member Agency that can conduct an assessment to determine if the client qualifies for a Debt Management Plan and enroll the client as appropriate.

OFFICIAL COMMENT:

Housing Pilot Members must complete the NFCC-administered training on Debt Management Plans within 90 days of joining the Pilot Program. This training will educate Pilot Member counselors on the benefits to clients of enrolling in a Debt Management Plan, and which consumers might be eligible to enroll in a Debt Management Plan.

Housing Pilot Members should recommend all clients they believe may be eligible for a Debt Management Plan to the NFCC Locator Service to connect with an NFCC Member to provide credit counseling and enroll the client in a Debt Management Plan if it is deemed appropriate. Housing Pilot Members with an existing relationship with an NFCC Member Agency may continue to direct such clients to that Agency. Under no circumstances should a Housing Pilot Member direct any such clients to a credit counseling agency that is not an NFCC member.

Housing Pilot Member Quality Standard #06.00

Fiscal Integrity

Housing Pilot Member agencies must have sufficient internal controls to protect the assets of the organization from acts of fraud, misrepresentation, or misallocation.

OFFICIAL COMMENT:

Housing Pilot Member agencies are expected to handle all financial activities in a professional manner.

Housing Pilot Member agencies shall secure insurance in an amount appropriate to cover potential losses and meet all applicable state bonding requirements.

Housing Pilot Member agencies must reconcile operating accounts on a monthly basis.

Housing Pilot Member agencies must immediately report to the NFCC all known or suspected acts of fraud, misrepresentation, or misallocation of funds.

Housing Pilot Member agencies must have an annual financial audit conducted pursuant to Housing Pilot Member Quality Standard #06.01.

Housing Pilot Member Quality Standard # 06.01

Annual Financial Audit

Housing Pilot Member agencies shall have all financial books and records audited on an annual basis. Housing Pilot Member agencies shall provide the NFCC with an entire copy of the completed audit report within 180 days of the close of each fiscal year.

OFFICIAL COMMENT:

Housing Pilot Member agencies must prepare annual financial statements in accordance with generally accepted accounting principles (GAAP) and an audit conducted not less than annually by an independent Certified Public Accountant. The audit must be conducted in accordance with generally accepted auditing standards as defined by the American Institute of Certified Public Accountants. Tests of compliance and evaluation of controls associated with this audit are to be applied to client activity as well as the operating accounts and statements of the members and shall be so noted by the auditor.

The governing board must appoint a board member(s) to meet with the independent auditor to review the auditor's findings. The board member(s) must make a report to the full governing body at the next officially scheduled board meeting. Evidence of compliance must be provided to NFCC annually.

If pursuant to a Housing Pilot Member agency's annual financial audit, the auditor's opinion is not an unqualified opinion, then the Member agency must provide the NFCC with a plan of action to obtain an unqualified opinion by the next annual audit. Until the next annual audit, the Housing Pilot Member agency must provide quarterly updates to the NFCC on its progress.

Housing Pilot Member Quality Standard # 06.02

IRS Forms 990 and 990-T

Housing Pilot Member agencies must annually file accurate and timely 990 and all applicable forms to the Internal Revenue Service. Housing Pilot Member agencies must provide a full copy of all applicable forms to NFCC within thirty days of filing.

OFFICIAL COMMENT:

If Housing Pilot Member agencies submit an extension request, it must be submitted to the NFCC within 30 days of filing.

Housing Pilot Member Quality Standard # 07.00

Governance / Board of Trustees

To ensure non-discriminatory community representation, NFCC Housing Pilot Member agencies shall have a diverse, voluntary governing board comprised of members who represent the broad interests of the public. No more than 20% of the voting members of the governing board may be persons directly or indirectly compensated by the NFCC Housing Pilot Member agency. Except for the agency's executive officer, no related parties may serve on the governing board.

The governing board shall be comprised of persons who do not have, or give the appearance of, a conflict of interest with the NFCC Housing Pilot Member agency. Governing board members and related parties are prohibited from using their relationship with the NFCC Housing Pilot Member agency for personal gain. This prohibition, however, does not apply to the compensation received by paid personnel of an NFCC Housing Pilot Member agency who serve as a governing board member.

Housing Pilot Member agencies shall establish and enforce a conflict-of-interest policy for employees and governing board members that include the principles and prohibitions embodied in this standard.

Housing Pilot Member agencies shall endeavor to fill any vacancies on their governing board within 120 days.

OFFICIAL COMMENT:

Governing board members must disclose any business relationship with or financial interest in a corporation, partnership, or entity with whom the NFCC Housing Pilot Member agency transacts business and must not participate in any NFCC Housing Pilot Member agency governing board discussion or vote concerning such corporation, partnership or entity.

Nothing in this standard or official comment prohibits governing board members from providing free or discounted products or services to an NFCC Housing Pilot Member agency. The provision by a governing board member of discounted products or services, however, must be supported by documentation showing the fair market value of such products or services. The documentation must demonstrate that the products or services were provided to the NFCC member agency at a discount.

Nothing in this standard or official comment prohibits a person who serves as an officer, director, employee, partner, proprietor, or owns or controls 10% or more of a credit granting organization from serving as a governing board member of an NFCC Housing Pilot Member agency, provided, however, that no more than 49% of an NFCC Housing Pilot Member agency governing board may be comprised of such persons and any other related party.

Related parties include agency personnel, their family members, and employees or officers of a business in which agency personnel or their family members own or control 10% or more of the business. Family members include, but are not limited to, parents, spouses or domestic partners, siblings, children, stepchildren, and relatives-in-law.

Housing Pilot Member Quality Standard # 08.00

D&O, E&O and Fidelity Insurance

Housing Pilot Member agencies must carry adequate insurance and/or bonding on all employees with any access to agency and/or client funds.

Housing Pilot Member agencies must name the NFCC on their certificate of insurance and/or bonding policies for the sole purpose of receiving notice from the insuring company of any potential lapse in coverage.

OFFICIAL COMMENT

Housing Pilot Member agencies must carry appropriate Directors & Officers (D&O), Errors & Omissions (E&O), and Fidelity (employee dishonesty) coverage with limits deemed appropriate by its local board of trustees and/or state/local requirements.

Evidence of compliance must be provided to NFCC annually.

Housing Pilot Member Quality Standard # 09.00

Fair Fees Guideline

**Housing Pilot Member agencies should keep fees charged to customers or clients as low as possible.
Housing Pilot Member agencies may not refuse to provide counseling due to a client's inability to pay.**

OFFICIAL COMMENT:

As a non-profit human service agency that serves individuals and families in financial distress, Housing Pilot Member agencies should strive to make their services available to as broad a population as possible and not limit access to services due to an inability to pay.

Housing Pilot Member agencies may not receive fees in advance of service.

Housing Pilot Members must comply with all HUD requirements for client fees.

Housing Pilot Member Quality Standard # 10.0

Ethical Practices and Conduct

Housing Pilot Member agencies will follow the highest ethical standards in governing their organizations and conducting all activities to avoid harming, misleading, confusing, or undermining consumers, clients, volunteers, employees, media, other NFCC members, and the NFCC.

OFFICIAL COMMENT:

Housing Pilot Member agencies are prohibited from providing false or misleading information about an organization or individual to the public; this prohibition precludes using NFCC's communication tools and systems to provide information to NFCC members that cannot be substantiated.

Housing Pilot Member agencies must maintain the confidentiality of information entrusted to them or known to them as a result of their professional activities.

Housing Pilot Member agencies must manage all financial activities honestly following policies and procedures established to ensure financial honesty and prevent individual gain at the expense of a member organization or the NFCC.

Housing Pilot Member agencies must assume responsibility for remediating errors caused by any of their employees.

Housing Pilot Member Quality Standard # 11.0

Advertising

Housing Pilot Member agencies shall not engage in deceptive, misleading, or false advertising, and shall adhere to the highest standards of honesty and fairness. Housing Pilot Member agencies must have the ability to prove any stated claim made within an advertisement.

OFFICIAL COMMENT:

Housing Pilot Member agencies must accurately describe advertised services.

Housing Pilot Member agencies must list their name, corporate address, and phone number on their website homepage and other nationally publicly distributed or available materials.

On locally distributed or available printed materials and printed advertisements, Housing Pilot Member agencies must list their corporate name, corporate address, and corporate phone number or the applicable, authorized local branch name(s), local address(es), and local phone number(s).

Housing Pilot Member agencies are prohibited from referring to themselves as “Local” in any communication in a community if they do not have a brick-and-mortar office in the community in question.

Housing Pilot Member agencies are prohibited from publishing a phone number with an area code and local exchange in any geographic area where they do not have a brick-and-mortar office. “Brick and mortar office” means a defined location at which face-to face counseling is delivered. Advertising or public information about your services cannot give the appearance of a larger or more local office if that is not the case.

Housing Pilot Member agencies are expected to abide by all applicable requirements of trademark use set forth in any published NFCC policy, guideline, or license.

Housing Pilot Member agencies are required to identify their NFCC affiliation on their website homepage and encouraged to identify themselves as an NFCC member in other promotional and advertising material.

Housing Pilot Member Quality Standard # 12.0

Compliance with Federal, State, and Local Laws

Housing Pilot Member agencies are responsible for understanding and complying with all federal, state, and local laws. Housing Pilot Member agencies must be appropriately licensed and/or registered as required by law.

OFFICIAL COMMENT:

Housing Pilot Member agencies must notify the NFCC of any notice of investigation or actual investigation by a federal or state regulatory entity within five business days of receipt.

Housing Pilot Member Quality Standard # 13.0

Grievances

Housing Pilot Member agencies must establish written procedures to provide consumers and clients with a formal mechanism for expressing and resolving complaints and grievances.

OFFICIAL COMMENT:

Housing Pilot Member agencies must provide consumers with a copy of their grievance procedure upon request or at the initiation of a grievance.

Housing Pilot Member agencies must include an appeal process and ensure the timely resolution of issues. At the conclusion of the process, written documentation of final resolution must be included in client files.

Housing Pilot Member agencies must provide all clients with access to their individual files as long as the client's review is done on site and in the presence of agency personnel. Clients have the right to include statements in their files regarding the services they have or wish to receive.

Housing Pilot Member agencies must provide NFCC with their current grievance policy and procedures if requested.

Housing Pilot Member Quality Standard # 14.0

Private Inurement and Private Benefit

Housing Pilot Member agencies must not be organized or operated for the benefit of private interests, such as the creator or the creator's family, shareholders of the organization, other designated individuals, or persons controlled directly or indirectly by such private interests. No part of the net earnings of a section 501(c)(3) organization may inure to the benefit of any private shareholder or individual. A private shareholder or individual is a person having a personal and private interest in the activities of the organization.

OFFICIAL COMMENT:

Housing Pilot Member agencies are prohibited from transferring property to employees and/or their families and/or other closely related parties such as board members or vendors for less than market value.

Housing Pilot Member agencies are prohibited from signing above market value contracts with any individual or organization.

Housing Pilot Member agencies must be able to justify employee salaries within local, regional, or national employment markets as appropriate.

Housing Pilot Member agencies are prohibited from paying unreasonable compensation to employees. Housing Pilot Member agencies must review salary structure with their Board at least bi-annually and such discussion should be noted in the minutes of said board meeting.

Housing Pilot Member Quality Standard # 15.0

Reporting

When requested and approved by the Council on Member Affairs, Housing Pilot Member agencies must submit accurate data to NFCC by the stated deadline.

OFFICIAL COMMENT:

NFCC will require specific data on a quarterly basis and may on an annual basis require additional information. Additional requests will state the need to comply with this standard when information is necessary.

Housing Pilot Member agencies needing clarification on requested information must send to NFCC a clarification request in writing at least seven days prior to submission deadline.

Housing Pilot Member Quality Standard # 16.0

Nepotism

Housing Pilot Member agencies shall maintain policies and procedures that prohibit nepotism and specify:

- a. conditions for employing and retaining relatives of advisory board members;**
- b. conditions for employing and retaining relatives of employees; and**
- c. protection against favoritism in supervision and employment decisions.**

OFFICIAL COMMENT:

NFCC defines “nepotism” as favoritism based on a personal relationship.

Housing Pilot Member agencies must report annually all situations of direct and indirect family member supervision that exist at the “Officer”, or “Key Individual” level as defined by the Internal Revenue Service for Form 990 purposes. Such member agencies must annually submit all policies related to the direct or indirect supervision of individuals.

Housing Pilot Member agencies must have nepotism policies and procedures in place that:

- allow non-family and family members to file grievances to an independent individual;
- require independent review, verification, and justification of salary increases or bonuses.

Housing Pilot Member Quality Standard # 17.0

Technology Requirements for Delivering Quality Programs

Housing Pilot Member agencies must have the technical systems and capability to assure the timely, accurate and effective delivery of quality programs.

OFFICIAL COMMENT:

Housing Pilot Member agencies shall possess an adequate technical infrastructure to address all communications with clients; specifically, they must have sufficient phone lines and Internet capabilities if they provide services by phone or Internet.

Housing Pilot Member agencies must have unique email addresses for senior staff.

Housing Pilot Member agencies must have a web site that identifies the products and services that they deliver to the public.

Housing Pilot Member agencies must have the ability to have ready access to credit reports.

Housing Pilot Member agencies must have the ability to electronically transmit non-client-specific data in a prescribed format as set by the NFCC Council on Member Affairs.

Housing Pilot Member Quality Standard # 18.0

Data Security

Housing Pilot Member agencies (a) maintain sufficient security and privacy controls to protect client and employee data, including but not limited to clients' names, social security numbers, addresses, telephone numbers, credit card account numbers, bank account numbers and other identifying information, and (b) maintain sufficient records and written procedures to verify compliance with this standard.

OFFICIAL COMMENT:

[NFCC RECOMMENDATION: In light of the sensitive consumer information that NFCC member agencies collect and transmit on a regular basis, and the trend of increasing industry data security requirements, the NFCC recommends as a best practice (but does not require at this time) that all member agencies consider attaining and maintaining compliance with the Payment Card Industry Data Security Standards ([PCI DSS](#)). Agencies seeking to become PCI compliant that have questions or concerns about the process are encouraged to reach out directly to the NFCC.]

1. The agency has a business continuity plan in the event of a system outage or disaster.
 - a. Agency maintains a written and well-documented plan with assigned responsibilities that addresses both physical, IT (data), and employee aspects of business recovery. This should include but not be limited to identification of a disaster recovery site and policies and procedures to resume business activities.
 - b. A qualified person must be designated to coordinate and be accountable for the data security program in case of an emergency.
 - c. The business continuity plan must be reviewed and tested annually (internally or through a third-party) and the agency must maintain detailed documentation of this process.
2. All Agency representatives are trained in the policy and proper procedures for handling personally identifiable client data and for protecting its security and confidentiality.
 - a. Agency delivers mandatory, annual employee training on data security procedures, safe handling of sensitive agency and client information (new employees within first 30 days). This training should include sharing documented policies for controlling physical access, information (written or data) protection, password protection, and client communication.
 - b. Agencies must retain documentation of employee attendance and signed understanding of such policies annually.

- c. These policies and procedures are codified and evaluated or updated at least annually.
- 3. The agency uses antivirus software, firewalls, passwords, and encryption software to protect client data which is passed electronically or stored in a Client Management System. The agency has fireproof, locking file cabinets or a system to scan and encrypt to manage hardcopy client records. These “security tools” are updated regularly and an annual penetration test is conducted to evaluate their efficacy.
 - a. All business devices connected to the agency network must have up-to- date versions of commercial antivirus, firewall, password, and encryption software installed. Antivirus software must also be installed on all agency servers.
 - b. All employees’ access to sensitive client and agency electronic data must be protected using a strong password that is automatically scheduled to update on a regular basis.
 - c. Physical documents or recordings containing sensitive client information must be stored in fireproof, locked cabinets when not in use (if not otherwise backed up electronically).
 - d. Systems must be configured so that employees are unable to transfer sensitive client or agency data onto USB storage devices.
 - e. Agency must maintain the ability to remotely wipe any sensitive client or agency data from business devices (including but not limited to laptops, remote desktops, and mobile devices).
 - f. Agency must implement security software or other formal means to prevent unsecured sending of sensitive data within or as an attachment to an external email.
 - g. Agency maintains a written, comprehensive data security plan containing administrative, technical, and physical safeguards.
 - h. Written policies must be in place to prohibit the use of personal email for business purposes. Agencies must ensure all remote employees can access agency email systems using only their agency approved devices.
- 4. The agency creates and stores daily data backups at offsite facilities.
 - a. Offsite facilities are secure and equipped to properly handle this sort of information. “Offsite” does not include an individual’s private home, an unsecure PC or similar ad hoc arrangement.
 - b. Agency must schedule and perform an annual third-party vendor review to ensure their backup process meets or exceeds the NFCC Data Security requirements contained in MQS #18.0.
 - c. Agency must maintain an executed contract that details responsibilities of the offsite storage facility as well as documented labeling, handling, and destruction policies and annual audits. The offsite storage facility must maintain access controls and logs.

5. The agency has a procedure for reporting system issues and security incidents/compromises.
 - a. Agency must maintain a security incident management policy and log. This procedure should be included in any employee data security training. Creditor partners must be notified of any security incident regarding unauthorized access to data or devices containing sensitive client information within a reasonable time frame and according to any explicit guidelines.
6. The agency has measures in place that restrict access to client or employee data and information. Telecommuting policies and procedures require review to ensure confidential information is protected.
 - a. In addition to assigning access to client information on a “need to know” basis, the agency also ensures that faxes, computer monitors, mail bins and the like are placed outside the flow of non-essential traffic.
 - b. Agency must ensure that all possible remote access to permitted agency networks is conducted using secure network protocols such as virtual private network (VPN) or other similar means. All access must be granted using two-factor authentication.
 - c. Employee roles, information access, and telecommunication policies are defined and documented along with a clear procedure on how to change access (including approval process and documentation of changes).
7. The agency has identified staff and vendors with access to sensitive data and has completed confidentiality agreements with these people/entities.
 - a. Where appropriate, the Agency has conducted its own security audit or, at a minimum, has received copies of the vendors’ third-party audits to evaluate the quality and effectiveness of their security practices.
 - b. Agencies are required to obtain national criminal background checks for all employees and contractors with access to sensitive client and agency information prior to the start date.
 - c. Within 6 months or less from start date, agencies must obtain state criminal background checks for all employees and contractors with access to sensitive client and agency information for each state in which he/she has resided or worked during the preceding five years.
8. The agency has a procedure for the destruction of data when no longer needed.
 - a. Agency must have a documented media destruction policy in place addressing the type of media, storage of media (e.g., paper, data, etc.), retention period, labeling and destruction method and confirmation. All media disposal or recycling must be done securely.