Financial Counselor Code of Ethics and Professional Practices

Code of Ethics

CFE certified financial empowerment counselors and coaches shall be guided by the following principles and values:

- Integrity and honesty
  - Engage and conduct oneself in a manner that encourages honesty and ethical conduct among clients, the organization and external parties
  - Disclose any potential conflicts of interests
  - Avoid the appearance of impropriety or self-dealing
- Client-Centered Focus
  - Ascertain the client's goals and vision, and ensure that financial advice and guidance given aligns with client goals and vision
  - Ensure that the client understands financial advice given, any potential risks and is able to make informed decisions
  - Maintain awareness of diverse cultural practices, norms and beliefs in order to provide culturally responsive guidance
- Confidentiality
  - Acquire and disseminate information through ethical and appropriate means
  - Safeguard restricted or confidential information
  - Secure client's informed consent and understanding of need to share before sharing client's restricted or confidential information
- Competence
  - Apply and continuously update knowledge, skills and/or training necessary to assist clients
  - Acknowledge and openly communicate to clients limits on expertise, skills and/or training
  - Maintain and facilitate access or referrals to professionals and other resources to provide the client with competent guidance in matters beyond the scope of counselor/coach expertise
- Professionalism
  - Exhibit respect and honesty in all dealings with client and others
  - Engage in conduct that exhibits respect for a client's concerns, goals and values; and does not dismiss, disparage or display untrustworthy behavior towards client or others
- Respect
  - Treat everyone with respect and dignity
  - Promote and enforce zero tolerance towards conduct and policies that discriminate based on gender, race, ethnicity, national original, religion or sexual orientation, socio-economic status or educational attainment; or demonstrate favoritism, or create a hostile environment for clients, co-workers or others

Code of Conduct

Integrity and honesty	Financial counselors and coaches shall not:	Integrity and honesty
●Engage and conduct oneself in a manner that encourages honesty and ethical conduct among clients, the organization and external parties	●Engage in conduct that encourages or suggests tolerance of lack of honesty and unethical conduct by clients, the organization or external parties	●Counselor/coach falsifies or encourages or leads client to falsify information; conspiring with creditor to misrepresent debt status on client's credit report in exchange for payment
●Disclose any potential conflicts of interests	●Fail to disclose personal, organization's or related party's interest in outcomes, or benefits to be derived from client's case	●Referring client: to an attorney who is a relative; to bank that makes an annual contribution because of customer referral
●Avoid the appearance of impropriety or self-dealing	●Engage in conduct that creates the impression that counselor/coach is involved in dishonesty, inappropriate behavior, or stands to gain from actions even if unintended or not guided by inappropriate motives	●Counselor/coach deliberately withholds information from client, becomes romantically involved with client; presses client to open account at specific bank without evaluating costs and terms because of year-end performance metrics
●Provide client with best financial advice based on most objective factual information available	●Fail to maintain and update knowledge on latest changes or new information on rules/regulations, or information derived from handling client's case	●Not staying abreast of changes to consumer regulations so client cannot best assert rights; not informing client of new offer from creditor in negotiating debt settlement because counselor/coach thinks a lower offer is possible

Client centered focus	Financial counselors and coaches shall not:	Examples:
● Ascertain the client's goals and vision, and ensure that financial advice and guidance given aligns with client goals and vision	● Fail to discuss and solicit information from client on concerns and what s/he wants to accomplish before offering guidance	● Making assumptions about what is best in the counselor/coach's judgment; substituting own judgment for client's, and creating plan based on own judgment
●Ensure that the client understands financial advice given, any potential risks and is able to make informed decisions	●Fail to confirm client's understanding of financial advice given, that client understands the pros and cons of the advice and its consequences, and makes a decision based on a full explanation of information	●Advising a parent to help a child build credit by obtaining an authorized user card without explaining that the parent is primarily liable for the debt, and credit can be damaged if child is not as responsible user or guarantying a loan that might result in collection action again guarantor when primary borrower doesn't pay
●Attend to and execute duties for client in timely manner	●Fail to meet deadlines for which they have taken responsibility, advise client if there are delays or need to reschedule or extension requests needed	●Not showing up at all or on time for scheduled meetings without giving client reasonable notice; not meeting deadlines for which s/he has taken responsibility, or completing work as agreed with client
●Update client on relevant developments	●Fail to update client on new developments, progress or setbacks in case	●Not informing client that circumstances have changed in consumer protection laws; letting client know about additional information needed and deadline if any; not informing client of decisions received on relevant aspect of case such as creditor's settlement offer or denial
●Maintain awareness of diverse cultural practices, norms and beliefs in order to provide culturally responsive guidance	●Fail to learn about the client's cultural, concerns and values; fail to provide guidance and solutions that are culturally appropriate in the context, and can be implemented by the client ●Make assumptions about the client's culture, religion or values; impose own values and perspectives; take for granted that client understands the process or system without confirming understanding respectfully and tactfully	●Assuming client is familiar with the real estate transactions in a home buying process; not taking a client's immigration status into account when providing financial advice; not arranging for a competent and non-conflicted translator for a limited English language speaker; not making appointments on certain holidays

Confidentiality	Financial counselors and coaches shall not:	Example:
• Exercise care in protecting client information from unintended and unauthorized disclosure	• Fail to exercise care to prevent unauthorized access or exposure to client information	• Leaving client file, or computer screen unattended in a public space; sharing client information over a public platform; speaking with an authorized client about a client in an open space where an unauthorized person may overhear
• Maintain an environment that protects client privacy and confidentiality during counseling/coaching sessions and during all communications	• Provide counseling sessions in a setting in which client information, and counseling/coaching session can be overheard, or documents and communication are open to view by public or others without the consent of the client	• Providing counseling/coaching sessions in an open area vs. a private area; speaking to client or to a third party about a client matter over the phone where conversation can be overheard by others
• Maintain and store client information, data and communications in a manner that results in the greatest security and privacy possible	• Maintain and store client information, data and communications in areas accessible by unauthorized individuals	• Placing client files in cabinet with general organization operational files accessible by non-counseling/coaching staff; not requiring a password, or security code or key for access to storage modality with client records
• Provide client with confidentiality and privacy policy	• Fail to advise client in writing about his/her right to have information shared with counselor/coach be held in confidence, and there is a right to privacy, including when and under what circumstances information will be shared	• Advising client that information may be shared with supervisor or colleagues to develop solutions; that information will not be shared with third parties including spouses and family members without specific consent
• Obtain written consent or authorization of client for all external client information disclosures except where there is a violation of any legal or regulatory provisions, where the law requires disclosure of reporting	• Share client information with external social service, government, institutions or individuals without express written consent of a client, except where the law requires disclosure or reporting	• Call bank to discuss client's account; contacting a social service agency and divulging identifying information without the client's written consent; discussing a case with identifying information with a counselor/coach's family member. Exception where the law requires reporting of instances of physical or other abuse, or threat of danger

Competence	Financial counselors and coaches shall not:	Example:
● Apply the knowledge, skill, and preparation necessary to advise the client	● Undertake a client case without preparation, education, knowledge and/or training necessary to assist the client, or access to professionals or resources to provide the client with competent guidance	● Counselor/coach has not received education or training in financial content, and or is a new counselor who does not have access to a supervisor, colleagues or others who can work closely to ensure that client is getting the proper financial advice
● Engage in continuous update of knowledge of changes, trends and best practices	● Fail to continue formal and informal education after initial training to keep abreast of changes in rules, regulations, financial products and industry best practices	● Not continue to read industry related materials, attend conferences, seminars or training
● Engage other professionals, partners and resources when necessary to address client needs	● Fail to engage other experts, partners and resources when necessary to adequately address the client's needs	● A legal or health issue is identified during a session on which the counselor/coach is not qualified to address, and is should be referred to an attorney or appropriate medical service provider
● Acknowledge and openly communicate to clients limits on expertise, skills and/or training	● Fail to inform clients that requested advice is beyond the scope of counselor's expertise, skills and/or training; deliver advice in an area where a professional license is required	● A client asks for legal advice about creating a will vs. a trust

Professionalism	Financial counselors and coaches shall not:	Example:
● Exhibit respect and honesty in all dealings with client and others	● Disparage, dismiss or act in a manner that exhibits lack of respect towards a client or his concerns and values; or display untrustworthy behavior towards client or others	● Counselor/coach dismisses concerns expressed by client as unimportant, or failures to deliver on promises or commitments; demonstrating a lack of due care in handling the client's matter
● Aspire towards excellence in service and responsibility for best client outcomes	● Intentionally, or knowingly fail to do all that is necessary and appropriate to deliver the best outcomes for the client	● Counselor/coach does not consult colleagues or legal counsel to examine alternatives solutions to client's issues when s/he is aware that such additional advice may impact an outcome
● Aspire to contribute to the body of knowledge and best practices in financial empowerment	● Fail to learn and improve own knowledge and skills, and share them with colleagues and others in the financial empowerment community	● Counselor learns about new banking product for low-income clients, or new resources, and does not share it with colleagues and/or organization

Respect	Financial counselors and coaches shall not:	Example:
● Treat everyone with respect and dignity	● Discriminate based on gender, race, ethnicity, national original, religion or sexual orientation, socio-economic status or educational attainment; or demonstrate favoritism, or create a hostile environment for clients, co-workers or others	● Counselor/coach refuses to work with members of certain groups, or provides more service to group not based on need but on favoritism, or makes members of certain groups feel unwelcome, or subject to inappropriate behavior
● Strive to enhance access to information, opportunities and resources for the vulnerable	● Fail to attempt to identify resources and opportunities for those who are likely to have no limited access	● Having documents, explanations written in foreign language; connecting client to benefits they are unaware of, but for which they are eligible
● Strive to contribute to the body of knowledge that will improve policies that address the needs of the poor, working poor, and disadvantaged	● Fail to call attention to issues or trends that are identified that have an impact on the financial well-being of clients or communities, and creating or contributing to opportunities to improve policies	