



OFFICE OF HOUSING

Office of Housing Counseling **Grant Award Package Training for FY2022 Comprehensive Housing Counseling Grants**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

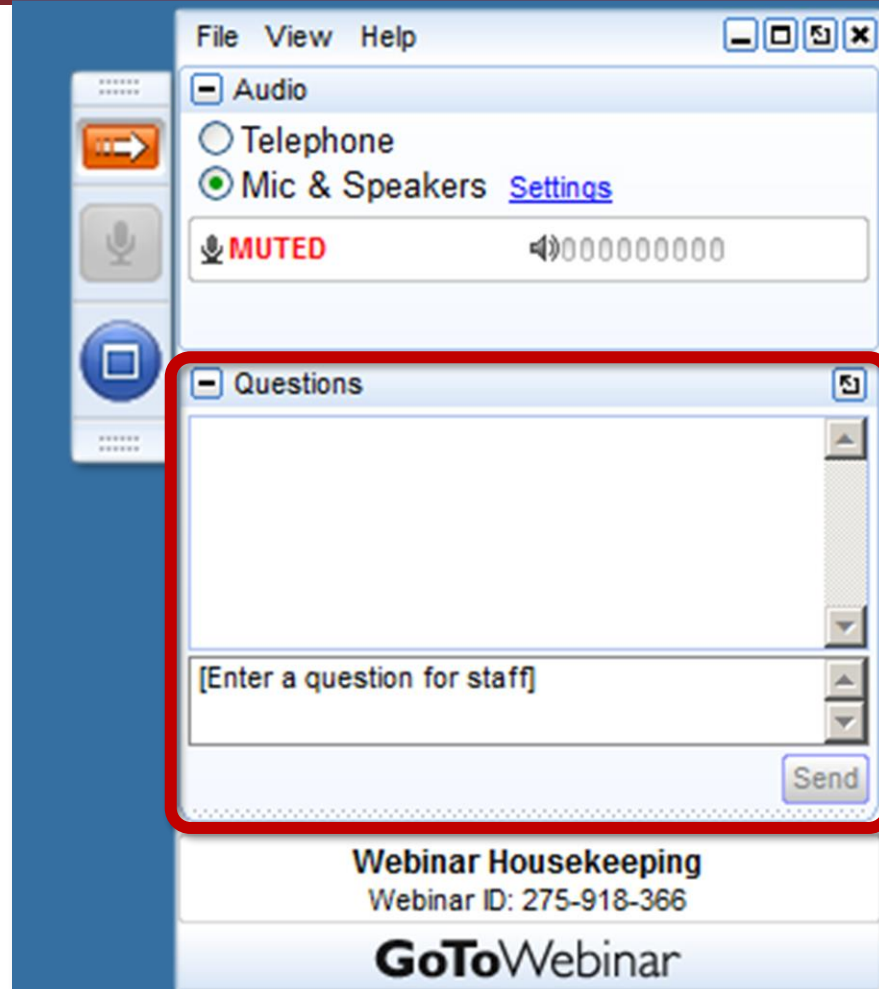
Audio is provided by conference call only
To join the conference call:
Please call: 844-291-5490
Participant Access Code: 8751802

September 20, 2022

Ways to Ask Questions

- Audio is being recorded. The playback number along with the PowerPoint and a transcript will be available on the HUD Exchange at www.hudexchange.info/programs/housing-counseling/webinars/
- The webinar will be posted in 7-10 days.
- The Training Digest on HUD Exchange will be updated when the webinar is posted.
- Handouts were sent out prior to webinar. They are also available in the Control Panel. Just click on document name to download.

Ways to Ask Questions



- Please submit your text questions and comments using the Questions Panel. We will answer some of them during the webinar.
- You can also send questions and comments to *housing.counseling@hud.gov* with the webinar topic in the subject line.

Certificate of Training

- If you logged into the webinar, you will receive a Certificate of Training from GoToWebinar within 48 hours.
- Please print it out and save for your records.



Introduction

Melissa Noe

Office of Policy and Grant Administration
Office of Housing Counseling

FY22 Housing Counseling Awards

- \$38.6 million awarded in Round 1 for returning FY 2021 Grantees
- Round 2 funds will be awarded simultaneously with the FY 2022 Supplemental NOFO
- If you were awarded Round 1 funds, you DO NOT need to apply for the FY 2022 Supplemental NOFO
- 12-Month Period of Performance
 - 10/1/2022 – 9/30/2023
- Budget Line Items for FY 2022 Awards
 - Counseling Services (9500)
 - MSI Initiative (9525)
- MSI Initiative
 - All grantees that received an MSI award in FY 2021 will receive the FY 2022 MSI Initiative award during Round 2

Presenters

Introduction – Melissa Noe

Grant Execution Process – Abby Ford

Grant Agreement:

- Articles III, IV, and V – Connie Barton
 - Article IX – Shae Williams
- Articles X, XI, and XIV – Joel Schumacher



Grant Execution Process

Abby Ford

Office of Policy and Grant Administration
Office of Housing Counseling

Grant Package Checklist

- Along with your grant agreement, you received this checklist.
- Grantee will not have access to grant funds until all required grant execution documents are returned and approved.
- Ask your POC for an extension if needed.

Office of Housing Counseling FY 2022 Round 1 Housing Counseling Grant Award Package Checklist

- ✓ This is a checklist of required documents grantees must submit to execute the FY 2022 grant awards. See enclosed grant agreement for detailed requirements of each item.
- ✓ All documents must be returned to the assigned Point of Contact (POC) by September 23, 2022. An incomplete package will delay the ability to access grant funding.

Form HUD-1044 and Grant Agreement Signature Page

- ☐ HUD-1044 signed and dated
- ☐ Grant Agreement signature page signed and dated

Indirect Cost Rate Documentation

- ☐ Copy of Grantee's Negotiated Indirect Cost Rate Agreement (NICRA), **OR**
- ☐ Statement that Grantee elects to charge a de minimis rate of 10% of modified total direct costs in accordance with 2 C.F.R. Part 200.414, **OR**
- ☐ Statement that Grantee will not seek reimbursement for indirect costs

Financial Management Systems

- ☐ Certification from the executive director or other qualified professional that the organization's financial management systems satisfy the requirements in 2 C.F.R. §200.302

Audit

- ☐ A copy of Grantee's most recent audit of financial activities (e.g. single or program-specific audit required under 2 C.F.R. Part 200.501) with completed audit no earlier than fiscal

Form HUD-1044

Grant Agreement Signature Page

- **HUD-1044** is the official government form that shows the agency's grant amount, grant number, and point of contact at HUD.
- **Sign, date, scan, and return:**
 - The final page of the Grant Agreement to HUD (Do not send back the entire grant agreement)
 - 1 copy of the HUD-1044 with block 19 completed
- Keep your hard copies of the executed grant package for your records.

Indirect Cost Rate Documentation

Three options on Indirect Cost Rates

- Copy of Grantee's Negotiated Indirect Cost Rate Agreement (NICRA), **OR**
- Statement that Grantee elects to charge a de minimis rate of 10% of the modified total indirect costs in accordance with 2 CFR 200.414, **OR**
- Statement that Grantee will not seek reimbursement for indirect costs

Financial Management Systems (FMS)

- Provide documentation (a certification from the executive director or other qualified professional) demonstrating that the organization's financial management systems satisfy the requirements in regulations at 2 CFR 200.302.
- **FMS must identify:**
 - All federal awards received & expended
 - Source & application of funds, including comparison of expenditures with budget amounts for each award
 - Accurate & complete disclosure of financial results of each award
 - Effective control and accountability over funds, property, and other assets.
- View the full text of [2 CFR 200.302](#)

Audit

Agencies that expend more than \$750,000 in Federal funds

- Provide the agency's single or program-specific audit

Agencies not required to complete a single or program-specific audit (under 2 CFR 200.501)

- Provide the most recent independent financial audit

Agencies who do not have an audit or who are not required to have an audit

- HUD will provide a financial review at HUD's expense; contact your HUD POC for information

Code of Conduct

- Submit a written code of conduct if:
 - Your agency is not listed on the following website:
https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conductgrants,
OR
 - Your Code of Conduct has changed since the last time you submitted it to HUD
- If your agency is listed on the website above, and your Code of Conduct has not changed, you do not need to submit a Code of Conduct.

Projected Budget

The budget must account for how every dollar being billed to the Grant will be spent.

- Projected budget for Grantee and each subgrantee itemizing all proposed expenses under the grant and budget narrative, if necessary.
- Budget may include: salaries, fringe and other employment benefits, travel, training, marketing, outreach, cost of managing a network, HUD Housing Counselor Certification exam fees, and indirect costs, as applicable.
- Initial budget must be approved by HUD POC prior to any expenditures.
- Proposed amendment(s) to projected budget permitted at any time during the Period of Performance. Any changes must be approved by the HUD POC prior to any expenditures.

Projected Budget

- Fixed-fee Methodology: Grantees must seek prior approval from their HUD POC
- See Article IV of the Grant Agreement for detailed requirements

Projections for Housing Counseling Grant Activities

- Grantees must submit their HUD-9902 projections through the Housing Counseling System (HCS)
- Enter projections under the “HUD-9902” menu item and select projections for NOFA 2022-1
- Click the Submit to HUD button, then notify your HUD POC for review and approval
- For step-by-step instructions, refer to:
 - Archived Webinar: [View the Presentation*](#).
 - [HCS Improvement Release v.14.1.0.0 - Dec 2014](#)

Projections for Housing Counseling Grant Activities, continued

- Where to Enter Projections in HCS

<div> Save As Draft Submit To HUD Return To Budget Allocation </div>	Fiscal Year 2022: 10/01/2021 - 09/30/2022	Fiscal Year 2023: 10/01/2022 - 09/30/2023	Total
* Comment required			
8. Households Receiving Education Services (Including Online Education), by Purpose			
a. Completed financial literacy workshop, including home affordability, budgeting and understanding use of credit	<input type="text" value="0"/>	<input type="text" value="0"/>	0
b. Completed predatory lending, loan scam or other fraud prevention workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
c. Completed fair housing workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
d. Completed homelessness prevention workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
e. Completed rental workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
f. Completed pre-purchase homebuyer education workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
g. Completed non-delinquency post-purchase workshop, including home maintenance and/or financial management for homeowners	<input type="text" value="0"/>	<input type="text" value="0"/>	0
h. Completed resolving or preventing mortgage delinquency workshop	<input type="text" value="0"/>	<input type="text" value="0"/>	0
i. Completed disaster preparedness assistance workshop - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
j. Completed disaster recovery assistance workshop - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
Section 8 Total:	0	0	0
9. Households Receiving One-on-One Counseling by Purpose			
a. Homeless Assistance	<input type="text" value="0"/>	<input type="text" value="0"/>	0
b. Rental Topics	<input type="text" value="0"/>	<input type="text" value="0"/>	0
c. Prepurchase/Homebuying	<input type="text" value="0"/>	<input type="text" value="0"/>	0
d. Non-Delinquency Post-Purchase - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
e. Reverse Mortgage	<input type="text" value="0"/>	<input type="text" value="0"/>	0
f. Resolving or Preventing Forward Mortgage Delinquency or Default - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
g. Resolving or Preventing Reverse Mortgage Delinquency or Default - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
h. Disaster Preparedness Assistance - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
i. Disaster Recovery Assistance - FY 2022	<input type="text" value="0"/>	<input type="text" value="0"/>	0
Section 9 Total:	0	0	0
Sections 8 & 9 Total:	0	0	0

Entering Budget and Sub-Allocation List MSOs, SHFAs, and Intermediaries

- Complete in the Housing Counseling System under the budget allocation screen.
 - General Allocation Guide: [HCS Improvement Release v.13.0.0.0 - July 2013](#)
 - Allocation Across Fiscal Years (Slides 28-41) [HCS Improvement Release v.14.12.0.0 - September 2017](#)
- Enter list of subgrantees and funded branches, and their corresponding award amount sub-allocations.

Entering Budget and Sub-Allocation List MSOs, SHFAs, and Intermediaries

- Where to enter your agency's budget and sub-allocations in HCS:

[illegible]

Client Management System

- Grantee must certify that they utilize a client management system (CMS) approved to interface with HUD systems
 - List of approved CMS:
<https://files.hudexchange.info/resources/documents/HUD-Certified-CMS-Products-for-HUD-HCA-Use.pdf>
- Intermediaries, MSOs, and SHFAs must list their subgrantees and the CMS they use.



Articles III, IV and V

Connie Barton

Office of Policy and Grant Administration
Office of Housing Counseling

Article III:

Period of Performance

- Begins: October 1, 2022
- Ends: September 30, 2023
- If an applicant indicated on their HUD-9906 form that program costs would be incurred prior to award, reimbursements may be requested for costs incurred no earlier than April 1, 2022.
- An extension of the performance period must be requested in writing no later than September 20, 2023.
- Only HUD is authorized to grant an extension.

Article IV:

Projected Services and Budget

- The housing counseling services listed in the Grantee's approved HUD Housing Counseling Work Plan represent the scope of services under this grant.
- During grant execution, the submitted 9902 projections will be checked against the agency's work plan.
- When there is a change in staff or management responsible for the Grantee's housing counseling program, the Grantee must notify its HUD POC in writing within 15 days of the change.

Article IV:

Projected Services and Budget

- Grantee must receive approval from the HUD POC before implementing changes in projected services and budget proposed in its application.
- Budget must itemize all proposed expense categories
 - Salaries, fringe, benefits
 - Travel and training
 - Marketing and outreach
 - Cost of managing network
 - Counselor certification exam fees
 - Indicate indirect cost rate

Article IV:

Projected Services and Budget

- Fixed-fee methodology
 - Must seek approval from HUD POC
- Eligible Activities
 - Housing Counseling and Group Education
 - Oversight, Compliance and Quality Control
 - Supervision of Housing Counseling Staff
 - Housing Counselor Training and Certification
 - Marketing and Outreach

Article V: Subcontract – General Prohibition Against Subcontracting

- **It is not permissible to contract out housing counseling services, except as specified in 24 CFR 214.103(i). If this exception to the general prohibition applies, Grantee shall comply with 2 C.F.R. 200 and all other requirements.**

Exceptions apply if subgrant:

- Sub-grant, etc. was described in approved NOFO application and funded in Grant or otherwise approved by HUD.
- Sub-grant, etc. is for web-based education.
- Sub-grant, etc. is for the purchase of supplies, materials, etc.

Article V: Subcontracts and Subgrants – Requirements for Subgrants

- **Eligible Subgrantees/Branches:** Grantee may make subgrants to Affiliates, which are not HUD-approved, provided that the quality of services meets or exceeds the standards for HUD approved LHCA's.
- **Changes to Network Composition:** Submit written request to HUD to amend subgrantee or branch list or corresponding subgrant amounts.

Article V: Subcontracts and Subgrants – Requirements for Subgrants, continued

- **Funding Agreements:** Grantee shall execute a written subgrant agreement with each Subgrantee before disbursing funds to the Subgrantee. Copies of all subgrant agreements must be maintained and made available to HUD.
- **Responsibility for Grant Administration:** Grantee is responsible for managing the daily operations of its program and agrees to accept responsibility for its Subgrantees' compliance with the applicable provisions of the Grant Agreement. Grantee must monitor the performance of its Subgrantees and take appropriate action to resolve problems to ensure compliance.

Article V: Subcontracts and Subgrants – Requirements for Subgrants, continued

Subgrants to Affiliates and Allocation of Funds to Branches:

- Grantee must maintain copies of all subgrant agreements and a written record on how it distributed funds to its Subgrantees. Grantees must list their Subgrantees' and Branches' corresponding sub-allocations in HCS.

Documentation of Funding Decisions

- If a Grantee awards subgrants competitively, it must document its process and notify the public (if applicable)



Article IX

Shae Williams

Office of Policy and Grant Administration
Office of Housing Counseling

Article IX: Cost

Prior Approval for Revisions to Work Plan and Budget

- HUD may require prior approval for deviations from grantee's projected services and budget.
 - See 2 C.F.R. 200.308

Allowable Costs

- Reimbursement is based on actual expenses and must be:
 - Allowable
 - Allocable
 - Reasonable
 - See Also, Eligible Activities in Article IV of this grant agreement

Article IX: Cost

Indirect Cost Rates

- 10% de minimis
- Approved Negotiated Indirect Cost Rate (NICRA)

Direct Grantees

- If Grantee has a NICRA, must provide documentation from cognizant agency showing the approved rate
- Those without a valid NICRA can elect 10% de minimis

• Subgrantees

- Can not use parent agency NICRA
- 10% de minimis option, but prime grantee cannot require de minimis when a sub has a NICRA

Article IX: Cost

Period of Performance

- Costs must be incurred within the Period of Performance, unless an extension is granted.

Multiple Sources of Funding

- HUD will not cover the same portion of services or goods already covered by another funding source.
- Grantees may bill HUD and another funding source for the same client if the cost of counseling exceeds the amount of reimbursement covered by HUD.
 - HUD may request documentation to verify HUD is not reimbursing grantees for activities already billed to another funding source.

Article IX: Cost

Burden of Proof

- The burden of proof for services rendered rests with the Grantee
- All grant expenditures and supporting records are subject to review
- Improper payments may be disallowed and subject to repayment using non-federal funds or an offset to current or future grant awards.



Articles X, XI and XIV

Joel Schumacher

Office of Policy and Grant Administration
Office of Housing Counseling

Article X: Reporting

- Grantees must submit Grant Activity Reports (GAR) in conjunction with each drawdown request.
- GARs must include all information indicated in the Grant Agreement.

Article X: Reporting

- Grantee's name, address, and grant number
- Start and end dates of the reporting period
- Staff and hourly rate
 - Identify each counselor or other employee whose time or activity, or both, is billed to the Grant, the individual's title, the individual's FHA Connection Housing Counselor ID number demonstrating certification (as applicable), and the hourly rate used to calculate reimbursement.
- Fixed fee methodology (if applicable)
- Itemized expenses
- Required certification
- Form HUD-9902
- Reverse Mortgage Default Counseling Activities (if applicable)

Article X: Reporting

In addition to the previous slide, Intermediaries, SHFAs, and MSOs must submit the following:

- Oversight Activity (if applicable)
- Sub-allocations
- Costs of Managing a Network
- Federal Financial Report (SF-425)
- Changes in Composition or Network Size (Subgrantees and Funded Branches)

Article X: Reporting

Final Report

- A final report is due 120 days after the period of performance has ended.
- If the grantee does not submit all reports in accordance with this section within one year of the period of performance end date, the Federal awarding agency must report the grantee's failure to comply with the terms and conditions of the award with the OMB-designated integrity and performance system (currently FAPIIS).

Article X: Reporting

Final Report

- Any problems, delays, or adverse conditions that impaired their ability to meet the objective of the federal award, and any favorable developments which enabled their ability to meet the objective of the federal award sooner or at less cost.
- Grantees with expired Grants and Undisbursed Balances at the end of the Period of Performance must provide a narrative description explaining the challenges leading to delays in Grant closeout

Article X: Reporting

- Submit a certification, signed by an authorized individual, which states that all applicable closeout activities required in 2 CFR § 200.343 have been completed.
 - This certification is in addition to the certification statement required in quarterly reports

Article X: Reporting

- Submit a NICRA containing final rates for any period for which the grantee received reimbursement of indirect costs.
 - This obligation exists even post-closeout.
 - Grant award may be adjusted to account for revisions to final indirect costs rates (See 2 CFR 200.435(a))

Article X: Reporting

Compliance with NOFO Obligations

- Should Grantee fail to meet the commitments made in the Grant application, HUD may adjust the award amount and require repayment using non-federal funds or an offset to future grant awards.
- May include but are not limited to:
 - network size
 - oversight of funded network
 - counselors

Article X: Federal Sub-award Reporting (Only for Intermediaries, MSOs, and SHFAs)

- Report required for sub-awards of \$30,000 or more.
- Entities with gross incomes less than \$300,000 in the previous tax year are exempt from sub-award reporting requirements.
- Details found at: www.fsrs.gov
- Report is due one month after the month in which the sub-award is obligated

Article XI: Payment Requests

Article XI is where to find information on:

- General Payment Procedures
- Documentation of Expenses

Article XI: General Payment Procedures

- HUD will only process payment requests on receipt of an acceptable Grant Activity Report (GAR)
- After making the voucher request in eLOCCs, email a signed copy of the voucher form to your HUD POC. All sections of the HUD-50080 must be complete.
 - Budget Line Items 9500 & 9525
 - Program Area CHC
- LOCCS user guides found at https://www.hud.gov/program_offices/cfo/locs_guidelines

Article XI: Documentation of Expenses

Maintain documentation of direct costs:

- invoices
- receipts
- cancelled checks
- documentation of personnel expenses
- client lists

Submit to HUD POC *upon request*. Expense documentation is requested during a performance review.

Article XIV: Defaults and Remedies

Delayed use of grant funds may result in default and recapture:

- Failure to execute the grant before the end of the period of performance
- Failure to submit a drawdown request for all remaining funds within 120 days following the end of the period of performance.



Conclusion

Melissa Noe

Office of Policy and Grant Administration
Office of Housing Counseling



Additional Resources

- Archived Webinars on reporting
<https://www.hudexchange.info/programs/housing-counseling/webinars/>
- HUD-9902 Online Toolkit:
<https://www.hudexchange.info/programs/housing-counseling/9902/>

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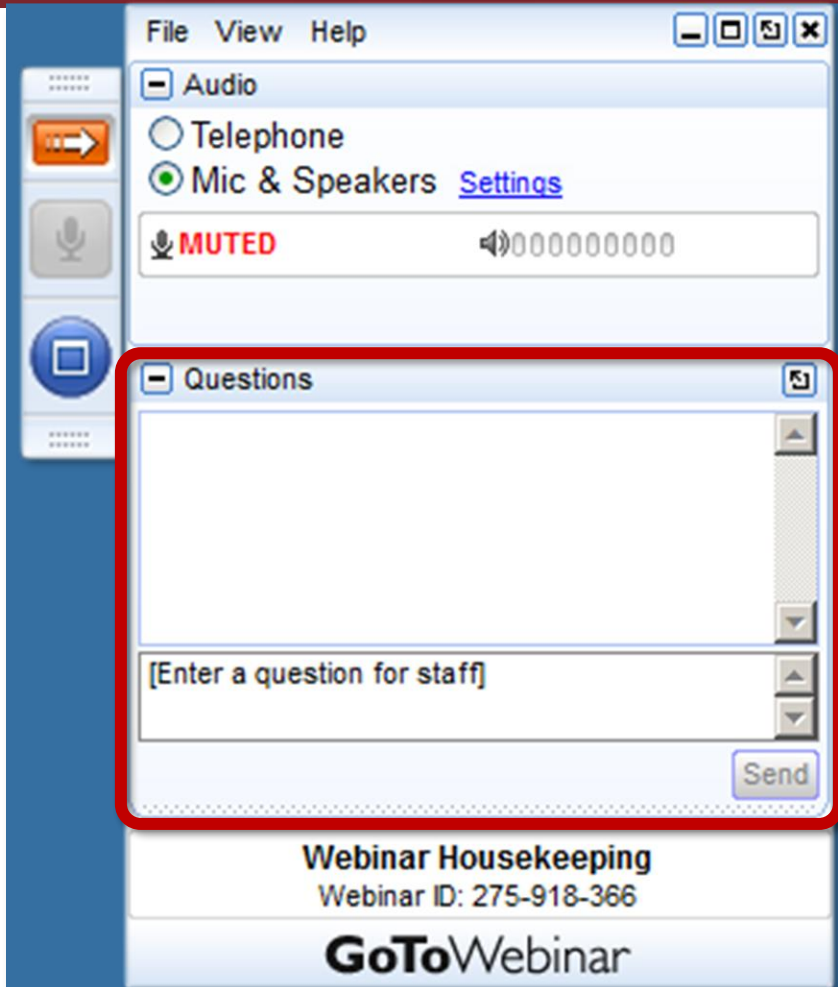
- Webinar materials will be posted on the HUD Exchange in the Webinar Archive
 - <https://www.hudexchange.info/programs/housing-counseling/webinars/>
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in the Question Box

- Was this webinar useful to you? Will you share the information with your co-workers?
- Any other comments?

Office of Housing Counseling

- Find us at:
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- Counselor Training and Testing website:
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- Email us at:
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Conclusion

THANKS
for
ATTENDING