



**U.S. Department of Housing and Urban Development**

Housing

Notice of Funding Availability (NOFA) for the Department's Fiscal Year 2018 Comprehensive  
Housing Counseling Grant Program

FR-6200-N-33

Application Due Date: 08/07/2018

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## U.S. Department of Housing and Urban Development

<b>Program Office:</b>	Housing
<b>Funding Opportunity Title:</b>	Notice of Funding Availability (NOFA) for the Department's Fiscal Year 2018 Comprehensive Housing Counseling Grant Program
<b>Announcement Type:</b>	Initial
<b>Funding Opportunity Number:</b>	FR-6200-N-33
<b>Primary CFDA Number:</b>	14.169
<b>Due Date for Applications:</b>	<b>08/07/2018</b>

### Overview

**For Further Information Regarding this NOFA:** Please direct questions regarding the specific program requirements of this Program Notice of Funding Availability (NOFA) to the agency contact identified in Section VII.

OMB Approval Number(s): 2502-0261

## I. Funding Opportunity Description.

### A. Program Description.

#### 1. Purpose

**a. Program Description.** The purpose of HUD's Housing Counseling Grant Program is to provide funds that shall be used for providing counseling and advice to tenants and homeowners, both current and prospective, with respect to property maintenance, financial management and literacy, and such other matters as may be appropriate to assist program clients in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership. Funding provided under this NOFA is intended to support HUD-approved housing counseling agencies to respond flexibly to the needs of residents and neighborhoods, and deliver a wide variety of housing counseling services to homebuyers, homeowners, renters, and the homeless. This NOFA plays an integral role in the continued stabilization of our nation's housing market by helping individuals and families obtain housing and stay in their homes through responsible homeownership or affordable rental housing. Traditionally underserved populations, such as minorities, the elderly, veterans, persons with disabilities, persons with limited English proficiency and residents of rural areas, face unique housing and economic challenges. HUD's Comprehensive Housing Counseling Grant Program funds housing agencies that provide expert, unbiased guidance and information to help families and individuals meet their housing needs and improve their financial situations. Moreover, HUD grant funding supports housing counseling agencies that act as an important safeguard in the prevention of housing scams and discrimination. These housing counseling agencies are able to act as an important gateway to local, state, federal and private housing

assistance and resources.

**b. Objectives and Priorities of this NOFA.** The Department has identified several priorities for the Housing Counseling Program that this NOFA addresses, including but not limited to:

- (1) Distribute federal financial support to housing counseling agencies to enable them to provide quality services to consumers to address their housing and financial needs.
- (2) Distribute federal financial support to housing counseling agencies based on past performance and quality of housing counseling services.
- (3) Reduce the administrative costs to program participants when applying for and reporting on HUD funding while maintaining essential tracking of program performance and accountability for federal funds.
- (4) Leverage external resources and funding to increase the sustainability of quality housing counseling programs.
- (5) Ensure high quality housing counseling services by preparing the housing counseling industry for additional HUD counseling standards and individual housing counselor testing and certification.
- (6) Ensure distribution of funding amounts for rural areas having traditionally low levels of access to housing counseling services, including areas with insufficient access to the Internet.
- (7) EnVision Centers. HUD is committed to reforming government services and expanding opportunities for more Americans to become self-sufficient. HUD is currently developing EnVision Centers in select communities across the nation. Individuals will be able to utilize the services of EnVision Centers located in these pilot communities, as well as through mobile applications and the EnVision Network organizations. HUD is looking forward to housing counseling agencies committing housing counseling grant funds in support of the EnVision Center demonstration. For more information, please visit [www.hud.gov/envisioncenters](http://www.hud.gov/envisioncenters).

## **2. Changes from Previous NOFA.**

a. The FY 2018 NOFA will be a one-year award, with a Period of Performance of 10/1/2017 to 9/30/2019, which will provide grantees with 24 months to utilize grant funds.

**b. Continuation of Previously Implemented Procedural Changes.** In accordance with the administrative requirements of 2 CFR Part 200, HUD is outlining its process to consider and establish requirements in the following areas. In this NOFA, HUD continues a number of significant changes implemented under previous Comprehensive Housing Counseling NOFA competitions to improve communication, streamline program requirements, reduce administrative burdens, and prepare for additional program standards.

**(1) Risk.** This NOFA recognizes that all eligible Applicants already participate in HUD's Housing Counseling Program and those that met threshold requirements have demonstrated an acceptable level of performance and compliance with programmatic requirements. Risk under HUD's Housing Counseling Program is further related to past performance and scored under this NOFA through three factors outlined in Section V – Application Review Information. These three factors represent up to 37 of the 100 maximum total points available. Rating Factor 1-Capacity, sub-factor 2 – Performance Review, worth a maximum total of 7 points, considers the Applicant's performance review history utilizing HUD records. Rating Factor 3 –

Soundness of Approach, sub-factor 1 - Past Performance, worth a maximum total of 26 points, considers the Applicant's past performance (including the impact of number of clients served and the Applicant's past actual expenses) through information available both in HUD's systems and as provided by the Applicant. Rating Factor 5 - Achieving Results and Program Evaluation, sub-factor 2 - Grant Expenditure, worth a maximum total of 4 points, considers the Applicant's past grant expenditure history utilizing HUD's records.

**(2) Cost Limitations.** Successful applicants under this NOFA will execute a grant agreement with HUD which provides funds for eligible activities on a cost reimbursement basis. As further described under Section III – Eligibility Information, eligible costs, whether direct or indirect, must meet eligibility criteria and comply with the requirements of 2 CFR Part 200 and the grant agreement. While HUD does not further limit costs beyond these requirements, successful Applicants who further distribute funds to their Sub-grantees may establish additional cost requirements that exceed HUD's requirements.

**(3) Offsetting Expected Counselor Certification Costs.** As Applicants should be aware, sections 106(e) and (f) of the Housing and Urban Development Act of 1968 (12 U.S.C. §§ 1701x(e) and (f)) require the Department to test and certify housing counselors. HUD has published a final rule related to these requirements. *See* 81 FR 90632. Applicants should be aware that expected training, testing and certification expenses are eligible expenses under this NOFA. The funding methodology contains a layer of funding based on the number of the Applicant's full-time equivalent (FTE) housing counselors. This change was made not only to improve the methodology with which HUD determines award amounts, but also to make sure award amounts are made in a manner consistent with the intent to help counseling agencies offset expected certification costs for their counselors.

**(4) Recognition of Quality of Housing Counseling Services.** The scoring and funding methodology for this NOFA is intended to enable Grantees to meet the program goal of building agency capacity to provide a flexible range of services to address a wide variety of housing and financial needs, especially in response to recent economic and housing conditions. Scoring under this NOFA will reward high-quality services, oversight and quality control, meeting key needs, and efficient program administration. HUD will require all Applicants to identify distribution of funds among Sub-grantees and Branches at the time of application based on percentages of the grant rather than dollar amounts. In addition, only Sub-grantees and Branches that directly provide housing counseling services should be listed in the application. In other words, Sub-grantees or Branches that perform administrative functions only should not be listed as Sub-grantees. Further, an Intermediary or State Housing Finance Agency (SHFA) may not fund a Sub-grantee at 100% of the Sub-grantee's budget. HUD will view the list of Sub-grantees identified in the Applicant's application as final. If after the grants are awarded an Applicant would like to change its submitted list of Sub-grantees, the Grantee must make the request of HUD in writing and provide detailed justification for the request.

**(5) Rigorous Oversight of Housing Counseling Networks.** HUD will provide increased support for Intermediaries, SHFAs and Multi-State Organizations (MSOs) that utilize the form HUD-9910 to conduct rigorous oversight of their networks of housing counseling agencies or their Branches. HUD housing counseling program grants will be structured to provide Grantees that manage networks of counseling agencies with additional resources to ensure quality, accountability, and technical assistance support for their respective networks. Rating Factor 3-Soundness of Approach/Scope of Housing Counseling Services-Subfactor (2)(b) Oversight

Activities, will ask applicants to indicate the type of management activities and the number of members of their network they plan to review using the form HUD-9910.

**c. Continuation of Significant Funding Methodology Changes.** While network size and number of Sub-grantees remain as funding methodology factors, this NOFA continues changes made to the FY16-FY17 Comprehensive Housing Counseling NOFA funding methodology that slightly decreased the weighting of network size while continuing to factor in other criteria such as score, number of Full Time Equivalents (FTE), network management activities and other relevant criteria. In determining the level of funding to provide support for a network, HUD may base a portion of this calculation on an Applicant's intent to review members of its network utilizing the form HUD-9910 and share review results and follow-up actions with HUD. HUD continues to reserve the right to establish maximum award amounts as it has done in the past, and anticipates considering a reduction in the maximum award amount under this NOFA.

**d. Grant Request Amount.** HUD will not require grant amount requests or grant budgets at the time of application. However, HUD will require submission of the actual expenses of the previous year, which will be used as an element in scoring. As discussed in the Funding Methodology section of this NOFA (Section V.B.2.a.(5)), HUD reserves the right to establish a maximum grant amount in order to distribute funds to best meet program objectives. Applicants may also indicate (but are not required to provide) a maximum grant request. This amount, if provided, will also be used in the Funding Methodology as a cap used in establishing the maximum grant amount for the Applicant.

**e. Changes to Application Form:** LHCA and Intermediaries, SHFAs, MSOs will now have separate sets of application forms. LHCA's will complete and submit the HUD-9906-L "Local Housing Counseling Agency (LHCA) Application" which contains Charts A1, B1, C1, D1, E1, and F1.

Intermediaries, State Housing Finance Agencies (SHFA) and Multi-State Organizations (MSO) will complete the HUD-9906-P "Intermediary, State Housing Finance Agency, and Multi-State Organization Application" which contains Charts A2, B2, C2, D2, E2, and F2. Additionally, they must complete and submit the mandatory Excel spreadsheets accompanying Charts A2 and C2.

**f. Changes to Preference Points.** Preference Points in addition to Promise Zones in Section V.A.2 of this NOFA: HUD encourages housing counselling agencies to provide housing counselors with training in emergency preparedness or disaster recovery, or both. HUD will award two points for qualified activities, such as establishing a Continuity of Operations Plan (COOP), supporting either or both initiative(s). In no case will HUD award more than two preference points for these activities. To receive Emergency Preparedness and/or Disaster Recovery Preference Points, applicants must indicate "x" in Field D on HUD-9906 Chart A1 or A2, and have described these types of activities in their approved housing counseling work plan on file with HUD. Applicants should note that preference points will be awarded only after an applicant has met a minimum threshold score on their application (i.e., the preference points shall not count towards the applicant meeting the minimum threshold score).

There are no longer Preference points for Preferred Sustainability Status Communities (PSSC).

**g. HECM Default Counseling Activities.** New in this NOFA is an incentive for agencies that will commit to provide HECM default counseling in the future. The goal of this additional

support is to assist housing counseling agencies in expanding their HECM default counseling services.

Applicants will be asked to indicate on Chart A, Field R: How many of the agency's default counselors will provide default counseling for reverse mortgage (HECM) borrowers from 10/1/2018 to 9/30/2019.

By the end of the grant Period of Performance (9/30/2019), such counselors must have:

- Attended at least eight (8) hours of training in reverse mortgages in the three years prior to the end of the grant Period of Performance; and
- Provided services to a minimum of ten (10) HECM default counseling clients per year.

Subject to the applicable Grant Agreement, HECM Default Counseling is an eligible expense under the grant, and grantees seeking reimbursement for these activities must report on and provide documentation supporting these activities in the quarterly and final grant reports submitted to HUD.

**h. Rural Communities.** HUD supports the expansion of housing counseling services in rural areas, and for this reason, will award additional points in Rating Factor 2 of this NOFA (Section V.A.1.b) for agencies that commit to serving communities which include a Rural Area as defined by the U.S. Department of Agriculture.

**i. Eligible Activities.** Grantees and Sub-grantees will be reimbursed only for the following eligible activities: delivery of counseling and education services that benefit clients, including the supervision and quality control necessary to provide high quality services, cost of client education and materials, oversight, cost of compliance and quality control, supervision of housing counseling staff, housing counselor training, marketing and outreach initiatives.

The following Housing Counselor Certification costs are eligible expenses under this NOFA: training, testing and certification expenses.

### **3. Definitions.**

#### **a. Standard Definitions**

Authorized Organization Representative (AOR) is the person authorized to submit applications on behalf of the organization via Grants.gov. The AOR is authorized by the E-Biz point of contact in the System for Award Management. The AOR is listed in item 21 on the SF-424. Award, as used in this NOFA means a federal, grant, cooperative agreement, loan, or loan guarantee.

Catalog of Federal Domestic Assistance (CFDA) is a directory of the various Federal listings, projects, services and activities offering financial and non-financial assistance and benefits to the American public. CFDA Number is the unique number assigned to each program, project, service or activity listed in the Catalog of Federal Domestic Assistance (CFDA).

Consolidated Plan is a document developed by states and local jurisdictions. This plan is completed by engaging in a participatory process to assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions with funding from formula grant programs. (See 24 CFR part 91 for more information about the Consolidated Plan and related Annual Action Plan).

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this NOFA does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward (See 2 CFR 200.22.)

Contractor means an entity receiving a contract.

Deficiency is information missing or omitted within a submitted application. Deficiencies typically involve missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box, etc.). Depending on specific criteria, deficiencies may be either curable or non-curable.

- Curable Deficiency – Applicants may correct a curable deficiency with timely action.

To be curable the deficiency must:

Not be a threshold requirement, except for documentation of applicant eligibility;

Not influence how an applicant is ranked or scored versus other applicants; and

Be able to be remedied within the time frame specified in the notice of deficiency.

- Non-Curable Deficiency – An applicant cannot correct a non-curable deficiency after the submission deadline.

Non-curable deficiencies are deficiencies if corrected would change an applicant's score or rank versus other applicants.

Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

DUNS Number is the nine-digit identification number assigned to a business or organization by Dun & Bradstreet and provides a means of identifying business entities on a location-specific basis. Requests for a DUNS number can be made by visiting the Online DUNS Request Portal. Eligibility requirements are mandatory requirements for an application to be eligible for funding. Deficiencies in meeting an eligibility requirement may be categorized as either curable or non-curable.

Federal Awardee Performance and Integrity Information System (FAPIIS) is a database that has been established to track contractor misconduct and performance.

Grants.gov is the website serving as the Federal government's central portal for searching and applying for federal financial assistance throughout the Federal government. Registration in Grants.gov is required for submission of applications to prospective agencies.

NOTE: Passwords expire every 60 days. Accounts inactive for 1 year or more result in removal of all account roles. For more account management information, review the [Applicant FAQs](#) contained on the grants.gov web page.

Non-Federal Entity means a state, local government, Indian tribe, institution of higher education (IHE), or non-profit organization carrying out a Federal award as a recipient or subrecipient.

Point of Contact (POC) is the person who may be contacted with questions about the application submitted by the AOR. The point of contact is listed in item 8F on the SF424.

Promise Zones are federally-designated, high-poverty urban, rural and tribal communities where



the Federal government will partner with and invest in communities to accomplish these goals: create jobs, leverage private investment, increase economic activity, expand educational opportunities, and reduce violent crime.

Promotores/Promotoras are Spanish-speaking Community Health Workers who work in their communities to reduce barriers to health services and make health care systems more responsive.

Recipient means a non-Federal entity receiving an award directly from HUD to carry out an activity under a HUD program.

Section 3 Business Concern means a business concern (1) 51 percent or more owned by Section 3 residents; or (2) of which at least 30 percent of permanent, full-time employees are currently Section 3 residents, or were Section 3 residents within three years of the date of first employment with the business concern; or (3) provides evidence of a commitment to subcontract over 25 percent of the dollar award of all subcontracts to be awarded to business concerns meeting the qualifications in this definition.

Section 3 Residents means: 1) Public housing residents; or 2) Low and very-low income persons, as defined in 24 CFR 135.5, who live in the metropolitan area or non-metropolitan county where Section 3 covered assistance is expended.

Standard Form 424 (SF424) Application for Federal Assistance Programs, required by discretionary grant programs.

Subaward means an award provided by a recipient to a subrecipient for the subrecipient to carry out part of a Federal award received by the recipient. It does not include payments to a contractor or payments to an individual's beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the recipient considers a contract.

Subrecipient means a non-Federal entity receiving a subaward from a recipient to carry out part of a HUD program; but does not include an individual's beneficiary of such program.

A subrecipient may also receive other Federal awards directly from a Federal awarding agency (including HUD).

System for Award Management (SAM), is an official website of the U.S. government. You can access the website at [Sam.gov](http://Sam.gov) There is no cost to use SAM. SAM is the official U.S.

Government system that consolidated the capabilities of Central Contractor Registry (CCR), Excluded Parties List System (EPLS) and the Online Representations and Certifications Application (ORCA). Registration with [Sam.gov](http://Sam.gov) is required for submission of applications via [Grants.gov](http://Grants.gov).

Threshold Requirement – Threshold requirements are a type of eligibility requirement.

Threshold requirements must be met for an application to be reviewed. Threshold requirements are not curable, except for documentation of applicant eligibility. Threshold requirements are listed in Section III.C. of this NOFA.

Applicants must ensure their application package addresses threshold requirements. Please check your application carefully!

#### **4. Program Definitions**

Program specific definitions are available in Appendix B, Definitions.

#### **5. Web Resources**

## The resources indicated provide details for the application process

- [Affirmatively Furthering Fair Housing](#)
- [Code of Conduct list](#)
- [Do Not Pay](#)
- [Dun & Bradstreet](#)
- [Request a DUNS Number](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [Federal Subaward Reporting System\) FSRS](#)
- [Grants.gov](#)
- [Grants.gov support](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD Funds available](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [NOFA webcasts](#)
- [Procurement of recovered materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Real Property Acquisition and Relocation](#)
- [USASpending](#)

### **B. Authority.**

HUD's Housing Counseling Program is authorized by Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. §1701x) as amended. The Housing Counseling Program regulations are codified at 24 C.F.R. Part 214. The Home Equity Conversion Mortgage Program (HECM) is authorized by Section 255 of the National Housing Act (12 U.S.C. § 1715z-20), and its regulations are codified at 24 C.F.R. Part 206.

## **II. Award Information.**

### **A. Available Funds**

Funding of up to **\$47,000,000** is available through this NOFA.

Additional funds may become available for award under this NOFA as a result of HUD's efforts to recapture unused funds, use carryover funds, or because of the availability of additional

appropriated funds. Use of these funds is subject to statutory constraints. All awards are subject to the applicable funding restrictions contained in this NOFA.

**B. Number of Awards.**

HUD expects to make approximately 300 awards from the funds available under this NOFA. The number of awards under this NOFA will depend on the number of eligible applicants and other factors. For information on the methodology used to make award determinations under this NOFA, please see Section V.B Review and Selection Process below.

**C. Minimum/Maximum Award Information**

**1. Total Grant Request.** Applicants are not required to request a specific award amount, nor provide a proposed budget for a grant amount but should enter a response of \$1.00 in line 18a of the SF424, Application for Federal Assistance. Applicants will be required to submit the actual expenses for their counseling program for the most recent fiscal year (*i.e.*, October 1, 2016 to September 30, 2017).

**2. Award Adjustments.** HUD reserves the right to adjust funding levels for each grantee. Once Applicants are selected for award, HUD will determine the total amount to be awarded to any grantee, based upon the scope of services to be provided and funds available and other factors that HUD may determine.

**3. Minimum and Maximum Award Amounts.** Minimum and maximum award amounts for awards made from funds available under this NOFA will depend on the number of eligible applicants and other factors. For information on the methodology used to make award determinations under this NOFA, please see Section V.B Review and Selection Process below.

Estimated Total Funding:	\$47,000,000
Minimum Award Amount:	\$1 Per Project Period
Maximum Award Amount:	\$47,000,000 Per Project Period

**D. Period of Performance**

Estimated Project Start Date:	10/01/2017
Estimated Project End Date:	09/30/2019
Length of Project Periods:	Other
Length of Project Periods Explanation of Other:	The initial period of performance for grants awarded under this program will be for a period of up to twenty-four (24) months. For planning purposes, Applicants should assume that the period of performance is October 1, 2017 through September 30, 2019. On a case-by-case basis, after HUD has issued the FY 2018 awards, HUD may approve one-time requests from grantees to extend the initial period of performance

for good cause. This request must include the reasons why an extension is necessary and justified, the specific time frame of the proposed extension, and an explanation of how the funds will be effectively spent within the proposed extension period. Extensions will not be exercised merely for the purpose of using un-obligated balances.

### **E. Type of Funding Instrument.**

Funding Instrument Type:

Grant

HUD will use a Grant Agreement. All awards will be made on a cost reimbursement basis, which means that grantees will receive funding for housing counseling services that were provided prior to a draw request for reimbursement from HUD. Grantees may not draw down on an award made through this NOFA until the prior year's award has been fully expended.

## **III. Eligibility Information.**

### **A. Eligible Applicants.**

Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility:

1. All housing counseling agencies (including LHCAs, Intermediaries and MSOs) that are directly approved by HUD to participate in the HUD Housing Counseling Program prior to the NOFA issue date and SHFAs are eligible for this NOFA.

**2. Applicant and Sub-grantee Status.** To be eligible to receive a grant or sub-grant under this NOFA, all Applicants, Sub-grantees and Branches must be:

- a. Tax-exempt organizations under Internal Revenue Code (IRC) section 501 (a) as described in IRC section 501(c) (26 U.S.C. 501 (a) and (c)), or units of local, county or state government. HUD is reviewing this criteria and may limit eligibility to 501(c)(3) organizations in the future;
- b. in good standing under the laws and regulations of the state of their organization; and
- c. authorized to do business in the states in which they propose to provide housing counseling services.

**3. Additional Eligibility Requirements for Applicants and Sub-grantees.** To be eligible to receive a grant or sub-grant under this NOFA:

- a. Successful Applicants shall operate each existing housing program or activity receiving Federal financial assistance so that the program or activity, when viewed in its entirety, is readily accessible to and usable by persons with disabilities and must give priority to methods

that provide physical access to individuals with disabilities, i.e., holding the training or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. Meetings must be held and services provided in facilities that are physically accessible to persons with disabilities. All programs or activities must be held in accessible locations unless the recipient can demonstrate that doing so would result in a fundamental alteration of the program or an undue financial and administrative burdens in which case the recipients must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., training at an alternate accessible site or in-home training. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs. In addition, counseling services must comply with effective communication requirements pursuant to Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 C.F.R. § 8.6, Titles II and III of the Americans with Disabilities Act of 1990, and the Department of Justice implementing regulations codified at 28 C.F.R. §§ 35 and 36.

b. SAM.gov Registration Requirement. All Applicants must have a valid, active registration in the System for Award Management (SAM). All applicants and sub-grantees must have a Data Universal Number System (DUNS) identifier.

c. All Applicants and Sub-grantees must have resolved all outstanding issues on their most recent HUD housing counseling performance review by the later of the application deadline date of this NOFA, or the expiration date of any conditional re-approval resulting from a HUD performance review.

d. All Applicants and Sub-grantees must disclose to HUD the status of active HUD Office of Inspector General (OIG) audits or investigations at the time of the NOFA application submission date. At the time of application submission or thereafter, HUD may determine that applicants are not eligible for grant funding based on its review of HUD OIG audits and investigations.

e. No Applicant, Sub-grantee or Branch that has been, or employs an individual who has been, convicted of a violation under federal law relating to an election for Federal office (See Pub. L. 111-203, 124 Stat. 1376 (July 21, 2010)) is eligible for grant funding under this NOFA.

#### **4. Additional Eligibility Requirements for Applicant:**

a. Housing Counseling Work Plan. All Applicants must have an approved Housing Counseling Work Plan on file with HUD. Activities specified in the HUD-9906 Housing Counseling charts must be consistent with activities previously approved in the work plan on file with HUD prior to the application due date, and the activities must include the provision of housing counseling.

b. Compliance with third party certifications and licensing. All Applicants must be in compliance with, and not in default under, any applicable state or other licensing and certification requirements. HUD will review individual circumstances upon request.

**5. Limits on Applicants.** Applicants and Sub-grantees are prohibited from applying for or

accessing FY 2018 HUD Housing Counseling Program grant funding from multiple sources. For example, applying for funding under this NOFA as both a direct Grantee (e.g. LHCA) and as a Sub-grantee of an Intermediary or SHFA is prohibited. Likewise, applying for funding under this NOFA as a Sub-grantee of two different Intermediaries or as a Sub-grantee of an Intermediary and as a Sub-grantee of an SHFA is prohibited.

The following limited sole exception is made to these requirements:

The Grantee or Sub-grantee has one or more HUD HECM Roster Counselors that are awarded Comprehensive Grant funds directly from HUD, or indirectly through an Intermediary or SHFA, and the Grantee or Sub-grantee receives a single additional Sub-grant for reverse mortgage counseling activities from an Intermediary that provides reverse mortgage counseling exclusively.

HUD does not award grants to individuals. HUD will not evaluate applications from ineligible applicants.

## **B. Cost Sharing**

This Program does not require cost sharing, matching or leveraging.

## **C. Threshold Requirements.**

Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated.

**1. Timely Submission of Applications** – Applications submitted after the deadline stated within this NOFA that do not meet the requirements of the grace period policy will be marked late. Late applications are ineligible and will not be considered for funding. See also Section IV Application and Submission Information, part D. Application Submission Dates and Times

## **D. Statutory and Regulatory Requirements Affecting Eligibility**

### **Eligibility Requirements for Applicants of HUD's Grants Programs**

The following requirements affect applicant eligibility. Detailed information on each requirement is posted on HUD's Funding Opportunities Page ([click here](#)).

Outstanding Delinquent Federal Debts

Debarments and/or Suspensions

Pre-selection Review of Performance

Sufficiency of Financial Management System

False Statements

Mandatory Disclosure Requirement

Prohibition Against Lobbying Activities

Equal Participation of Faith-Based Organizations in HUD Programs and Activities

## **E. Program Specific Requirements.**

## 1. Eligible Activities.

To align with emerging administration priorities, HUD is looking forward to housing counseling agencies committing grant funds to providing clients with housing counseling services. In that regard, grantees should expect to see changes in future NOFAs whereby housing counseling grants may be limited to funding direct delivery of counseling services.

HUD requires grantees to utilize housing counseling grant funds awarded under this NOFA for delivery of counseling and education services that benefit clients, including the supervision and quality control necessary to provide high quality services. Such eligible activities which are necessary to the provision of housing counseling include the cost of client education and materials, oversight, cost of compliance and quality control, supervision of housing counseling staff, housing counselor training, marketing and outreach initiatives.

The following Housing Counselor Certification costs are eligible expenses under this NOFA: training, testing and certification expenses.

Grantees and Sub-grantees will be reimbursed only for the applicable activities outlined in this section. HUD reserves the right to review and approve or reject funding requested for any costs that are outside the scope of housing counseling and group education services listed below:

**a. Individual Housing Counseling.** Individual counseling activity regarding one or more of the following topics:

- Pre-Purchase/Home Buying
- Resolving or Preventing Mortgage Delinquency or Default
- Home Maintenance and Financial Management for Homeowners (Non-Delinquency Post-Purchase)
- Rental Topics
- Homeless Assistance
- Reverse Mortgage

As noted in Section IV.G.2, counseling activity may include informing clients of their rights under the Lead Disclosure Rule.

For counseling to be eligible for reimbursement under this NOFA, at a minimum, a housing counselor must perform and document each of the following activities:

**(1) Budget/Financial Analysis.** A review of the client's income, expenses, spending habits, and use of credit in order to evaluate their unique financial situation relative to their housing needs.

**(2) Housing Analysis.** A review of the client's housing needs, current housing quality, and housing affordability relative to their financial capability.

**(3) Action Plan.** Except for reverse mortgage counseling, the housing counselor and client must establish an action plan that outlines the actions the housing counseling agency and client will take in order to meet the client's housing goals and, when appropriate, addresses the client's housing problem(s).

**(4) Discuss Alternatives.** Identify and discuss with the client at least three (3) alternatives or options available to the client, including Federal Housing Administration (FHA) programs and products if applicable, relevant to the specific housing need. For example, if a particular company, loan product, property, or debt management program is discussed, the counseling must include a detailed discussion of alternative companies, loan products, properties, debt management programs, etc.

**(5) Follow-up.** Efforts made by the counselor to have follow-up communication with the client, to ensure that the client is progressing toward his or her housing goal(s), to modify or terminate housing counseling services, and to determine and report outcomes.

**b. Group Education/Classes:** Group education or classes regarding one or more of the following topics:

- Financial Literacy
- Predatory Lending, Loan Scams or Fraud Prevention
- Fair Housing
- Pre-Purchase/Home Buying
- Resolving or Preventing Mortgage Delinquency or Default
- Non-Delinquency Post-Purchase including home maintenance and/or financial management for homeowners
- Locating, Securing, or Maintaining Residence in Rental Housing
- Homeless Prevention

Applicants that provide education regarding any of these topics must also offer individual counseling that complements the education.

**c. Indirect Costs, if applicable.** Consistent with 2 CFR 200.414, applicants may use their negotiated rate or the de minimis rate of 10 percent of modified total direct costs (MTDC). See Section IV.F of this NOFA for indirect cost rules information.

Indirect costs are, by nature, administrative and represent the expenses of doing business that are not readily identified, exclusively with a specific grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs. 2 CFR 200, subpart E – Cost Principles, establishes the federal requirements for the determination of allowable and unallowable direct and indirect facilities and administrative (F&A) costs and is available at: <https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1.5&rgn=div6> . Grantees are required to properly document their cost methodologies to demonstrate that indirect costs meet these criteria.

## **2. Other Program and Grant Agreement Requirements and Obligations**

**a. External Audits and Investigations.** All Applicants must provide the most recent audit of financial activities with completed audit no earlier than its fiscal year 2015. Applicants must be in compliance with the audit filing requirements at 2 C.F.R. 200.501. All Applicants not required to complete a single or program-specific audit under 2 C.F.R. 200.501 must submit



their most recent independent financial audit. HUD will review individual circumstances upon request. Applicants must also disclose to HUD the status of active federal investigations at the time of the NOFA application submission date or thereafter. HUD may determine that Applicants are not eligible for grant funding based on its review of such external audits and federal investigation.

**b. Client Management System.** All Applicants, and all Affiliates and Branches, if applicable, must utilize a client management system acceptable to HUD that interfaces, or is working to interface, with HUD's databases. Information on client management systems and interfacing with HUD's database is found on HUD's website: <https://www.hudexchange.info/programs/housing-counseling/cms/>

**c. Sub-grantees and Branches.** As part of their executed Grant Agreement, Grantees must identify to HUD a list of funded Sub-grantees and Branches. Intermediaries, and SHFAs that award sub-grants to counseling agencies that are not HUD-approved must assure that the Sub-grantee organizations meet or exceed HUD's approval standards as outlined in 24 C.F.R. Part 214 and clarified in HUD policy guidance and continue to comply with all HUD requirements. Grantees may request to amend their Sub-grantee list after awards are made by submitting written request and detailed justification to HUD. Such amendments will be approved at HUD's sole discretion.

**d. Sub-Grant Agreement.** Intermediaries and SHFAs that make sub-grants must execute sub-grant agreements with Sub-grantees that clearly delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD and compliance with all HUD rules and regulations. Applicants that manage networks of counseling agencies must submit to HUD with their application a proposed sub-allocation plan indicating how they will divide their HUD Housing Counseling grant funds among its Branches and Sub-grantees, with the understanding that a written agreement with the Sub-grantees will be required once the grant award with HUD is finalized. These records must meet the data requirements of the Transparency Act, and must be made available to Sub-grantees, Branches and to HUD, within 30 days of making the sub-award or allocation to Branches.

**e. Succession Plans.** HUD will require grantees to execute transition or succession plans to ensure continuity of services to consumers.

**f. Inherently Religious Activity.** Organizations funded under this NOFA may not engage in inherently religious activities, such as worship, religious instruction or proselytization, as part of the programs or services funded under this program. If an organization conducts such activities, these activities must be offered separately, in time or location, from the programs or services funded under this part, and participation must be voluntary and not a condition of the HUD programs or services in accordance with 24 CFR 5.109(c).

**g. Documentation of Expenses.** The grantee or its Sub-grantees, or both, must maintain source documentation of direct costs, such as invoices, receipts, cancelled checks, and personnel activity reports, to support all Line of Credit Control System (LOCCS) draw requests for payment. This information must be made available to HUD upon request and maintained for a period of at least three (3) years after the expiration of the Grant period or date of last payment, whichever occurs first. All grantees and Sub-grantees must be able to demonstrate and document the actual cost of service provision. The amount billed by the grantee or its Sub-

grantees, or both, to the grant cannot exceed the actual cost of providing the service.

**h. Documentation of Personnel Expenses.** Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and meet the standards required in 2 C.F.R Part 200.430(i). The records must support the distribution of employee's salaries and wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. Budget estimates ( i.e., estimates determined before the services are performed) alone do not qualify as support for charges to awards. Records must reasonably reflect the total activity for which employees are compensated.

**i. Subcontracting.** Grantees and Sub-grantees must deliver all the housing counseling services set forth in the Applicant's Work Plan provided in response to Rating Factor 3 of this NOFA. It is not permissible to contract out housing counseling services, except as specified in 24 C.F.R. § 214.103(i).

**j. Conflicts of Interest.** See 24 C.F.R. Part 214 for information about the Applicant's code of conduct and the prohibition against real and apparent conflicts of interest that may arise among officers, employees, agents or other parties.

**k. Home Inspection Materials.** If grantee provides homeownership counseling or homebuyer education, or both, the client(s) must be provided a copy of the following materials: "For Your Protection Get a Home Inspection" (HUD Form 92564) and "Ten Important Questions to Ask Your Home Inspector" (both documents can be found at: <https://www.hudexchange.info/resources/documents/For-Your-Protection-Get-a-Home-Inspection.pdf> and <https://www.hudexchange.info/resources/documents/10-Important-Questions-to-Ask-Your-Home-Inspector.pdf> .

**l. Affirmatively Furthering Fair Housing (AFFH).** Under Section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients.

As provided in the AFFH rule (24 CFR 5.150), AFFH means: taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a program participant's activities and programs relating to housing and urban development.

Examples of housing counseling activities that would fulfill the affirmatively furthering fair housing policy priority in the rating factors include, but are not limited to, the following:

(1) Providing persons with counseling, education, or information on discriminatory housing and mortgage lending practices and the rights and remedies available under federal, state, and local

laws.

(2) Creating and maintaining a database of accessible housing opportunities in the community and providing such database for use by persons with Limited English Proficiency (LEP) and persons with disabilities, including those who live in segregated, institutional settings.

(3) Providing mobility counseling to help persons move to housing that is not located in areas of poverty concentration or minority concentration, including helping persons identify housing opportunities, helping them connect with landlords, and assisting them with applying for such housing.

**m. Prohibition Against Lobbying Activities.** Applicants are subject to the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352 (Byrd Amendment), 24 CFR part 87 and 2 CFR 200.450, which prohibit recipients of federal awards and their contractors, subcontractors, at any tier, and subgrantees at any tier from using appropriated funds for lobbying the executive or legislative branches of the Federal government in connection with a Federal award. All applicants must submit with their application the signed Certification Regarding Lobbying included in the Application download from Grants.gov. In addition, grant funds under this NOFA shall not be utilized to advocate or influence the outcome of any Federal, state or local election, referendum, initiative or similar procedure or policy position through contributions, endorsements, publicity or similar activity.

This program requires a certification of Consistency with the Consolidated Plan under 24 CFR 91.2. This certification means the proposed activities in the application are consistent with the jurisdiction's strategic plan, and the location of the proposed activities is consistent with the geographic areas specified in the Consolidated Plan. The Consolidated Plan also includes the jurisdiction's certification to affirmatively further fair housing, which means: (1) that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with 24 CFR 5.150 through 5.180, and that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing; or (2) for jurisdictions that are not yet required to submit an AFH, they must continue complying with the regulations that existed prior to August 17, 2015, with respect to conducting Analyses of Impediments to Fair Housing Choice, as applicable. Under 24 CFR 91.510, for competitive programs, a certification of consistency of the application with the approved consolidated plan for the jurisdiction may be required, whether the applicant is the jurisdiction or another applicant. If you fail to provide the certification, and you do not cure the omission as a curable deficiency, HUD will not fund the application.

## **F. Criteria for Beneficiaries.**

## IV. Application and Submission Information.

### A. Obtaining an Application Package.

#### Instructions for Applicants.

You must download both the Application Instruction and the Application Package from Grants.gov. To ensure you are using the correct Application Package and Application Instructions, you must verify the CFDA Number and CFDA Description on the first page of the Application Package, and the Opportunity Title and the Funding Opportunity Number match the Program and NOFA to which you are applying.

The Application Package contains the Adobe forms created by Grants.gov. The Instruction Download contains official copies of the NOFA, and forms necessary for a complete application. The Instruction Download may include Microsoft Word, Microsoft Excel and additional documents.

An applicant demonstrating good cause may request a waiver from the requirement for electronic submission. For example, a lack of available Internet access in the geographic area in which your business offices are located. Lack of SAM registration or valid DUNS is not deemed good cause. If you cannot submit your application electronically, you must ask in writing for a waiver of the electronic grant submission requirements. HUD will not grant a waiver if HUD does not receive your written request at least 15 days before the application deadline or if you do not demonstrate good cause. An email request sent 15 days before the application will also be considered. If HUD waives the requirement, HUD must receive your paper application or email request before the deadline of this NOFA. To request a waiver and receive a paper copy of the application materials, you must contact:

Email: [Housing.Counseling@hud.gov](mailto:Housing.Counseling@hud.gov)

Waiver requests for this NOFA must be submitted to [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov) with the subject line “FY 2018 NOFA - Request for Waiver of Electronic Application.”

**1. Website Address to Obtain Application Package.** Applications and forms that you need to apply for funding under this NOFA are available from <http://www.grants.gov/web/grants/applicants/apply-for-grants.html>, and outlined below are basic instructions for obtaining an application package:

- a. Go to the “Package” tab and click on “Select Package” to view the instructions and application package. You may be asked to enter your email to be notified of updates. Click submit.
- b. Download both the instructions and the appropriate application package for your agency type (LHCA or Intermediary/SHFA/MSO) by clicking the respective buttons or checkboxes.
- c. By clicking the Download Instructions button, a WinZip folder containing the following files will open. These files must be downloaded, completed as instructed in the NOFA, and saved as documents on the Applicant’s computer system:
  - i. HUD 50153 Certification of Consistency with Promise Zone.docx
  - ii. HUD 9902 Form.pdf

iii. FY18 CHC NOFA final.pdf

iv. Mandatory Chart A2 and Chart C2 Supplemental Excel Spreadsheets (for Intermediaries, SHFAs and MSOs)

d. The grants.gov Workspace will automatically require you to complete and include the required Application for Federal Assistance (SF-424) and HUD Applicant-Recipient Disclosure Report (form HUD-2880). Check "Include in Package" for HUD-9906 charts (HUD-9906-L for LHCA applicants and HUD-9906-P for Intermediary/SHFA/MSO applicants) and, if applicable Disclosure of Lobbying Activities form (SF-LLL).

e. To attach required or requested materials, click "Include in Package" to use the "Attachments Form." Click the "Add Attachment" box to attach documents and forms required for the application.

f. When the application is complete, you may click "Check Package for Errors" followed by "Save and Submit" when ready to submit the application.

If Applicants have difficulty accessing the information, Applicants may call the help desk at (800) 518-GRANTS or e-mailing [support@grants.gov](mailto:support@grants.gov). Persons who are deaf or hard of hearing, or who have speech disabilities, may contact customer support through the Federal Relay Service's teletype service at 1-800-877-8339. The [Grants.gov](http://Grants.gov) help desk is available 24 hours a day, 7 days per week, except federal holidays.

## **B. Content and Form of Application Submission.**

You must verify boxes 11, 12, and 13 on the SF424 match the NOFA for which you are applying. If they do not match, you have downloaded the wrong Application Instruction and Application Package.

Submission of an application that is otherwise sufficient, under the wrong CFDA and Funding Opportunity Number is a curable deficiency.

### **1. Content.**

Forms for your package include the forms outlined below:

<b>Forms / Assurances / Certifications</b>	<b>Submission Requirement</b>	<b>Notes / Description</b>
HUD Applicant Recipient Disclosure Report (HUD) 2880 Applicant/Recipient Disclosure/Update Report	HUD will provide instructions to grantees on how the form is to be submitted.	HUD will provide instructions to grantees on how the form is to be submitted.

Additionally, your complete application must include the following narratives and non-form attachments.

**See Application Checklist at Section IV(B)(2)(b) for a list of required content.**

## **2. Format and Form.**

Narratives and other attachments to your application must follow the following format guidelines.

**a. Size Limitations and Format for Narrative Statements.** Applicants must be as specific and direct as possible. For all Applicants, the narrative portion (responses to all Rating Factors) must not exceed 25 double-spaced, 12-point font, single-sided pages. Pages in excess of the size limit will not be read. Applicants must number the pages of their narrative statements and include on each page a header that indicates the Applicant's name and the Rating Factor (number and title) addressed in the body of the page. For each narrative, clearly identify each sub-factor immediately above the response for that sub-factor.

**b. Application Checklist.** The Application Checklist indicates forms, information, certifications and assurances that apply to this NOFA.

**(1) SF-424, Application for Federal Assistance. NOTE:** In block 8.d of the form, you must include a 9 digit number for your organization's zip code (zip plus 4 digits). Please be sure to check your DUNS identifier and ensure that it is listed on [SAM.gov](http://SAM.gov) with an active registration. Confirm that the person submitting the application has an ID and password for the [Grants.gov](http://Grants.gov) system and has been authorized to submit the Application on behalf of the Applicant organization named in box 8a.of the SF-424 by the eBiz Point of Contact listed in the [SAM.gov](http://SAM.gov) registration for the Applicant organization. Applicants are not required to request a specific grant amount, but should enter a response of \$1.00 in line 18a. Applicants may leave lines 4, 5a, and 5b blank. Applicants should check "new" for Question 2 for "Type of Application."

**(2) SF-LLL, Disclosure of Lobbying Activities.** (Complete if applicable).

**(3) HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation.** This form is not required for Applicants that do not meet the criteria for preference points - Promise Zones. This form must be signed by the authorized official for the designated Promise Zone.

**(4) HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period October 1, 2016 through September 30, 2017.** This form is required for newly-approved applicants (i.e., applicants that received approval as a HUD housing counseling agency after September 30, 2017) who have not submitted a form HUD-9902 covering the period October 1, 2016 through September 30, 2017. Applicants that were previously required to submit a HUD-9902 will be evaluated based on the data in HUD's Housing Counseling System (HCS). It is the responsibility of these Applicants to ensure that the HUD-9902 data attributed to the Applicant in HCS is correct prior to the application due date.

**(5) SHFA Statutory Authority.** SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFA, and must submit evidence of their authority to apply for funds and subsequently use any funds awarded. Applicants should verify that their agency profile information is accurately represented in HUD's HCS and validate the information prior to submitting the grant application. HUD will contact SHFA Applicants that

are new to the program to establish their profiles in the HCS.

**(6) Organization Description.** Applicants must provide a brief description of their organization of no more than 225 words. This description will appear in the press release issued by HUD announcing the grant awards if the Applicant is funded through this NOFA. Each description should contain: organizational history, purpose and mission, years of service, affordable housing services provided, and agency web address for additional information.

**(7) External Audits and Investigations.** Applicants must provide the most recent audit of financial activities (e.g. a single or program-specific audit required under 2 C.F.R. Part 200.501) with completed audit no earlier than its fiscal year 2015. All Applicants not required to complete a single or program-specific audit under 2 C.F.R. Part 200.501 must submit their most recent independent financial audit.

**(8) HUD-9906 Housing Counseling Charts.** Applicants must provide completed HUD-9906 Housing Counseling Charts as a required part of their application submission. The charts must be completed in their entirety for Applicants to receive full points. Applicant's name and location will auto-populate onto the HUD-9906 charts from the Applicant's SF-424. Please be advised that there are multiple components (i.e., Chart A, Chart B, etc.) that comprise the 9906 charts.

LHCA applicants must provide the HUD-9906-L. Intermediary/SHFA/MSO applicants must provide the HUD-9906-P, along with mandatory Excel spreadsheets for Chart A2 and Chart C2.

**(9) Narrative Statement.** Applicants must provide narrative statements responding to specific questions in this NOFA, including the data requested in the HUD-9906 Housing Counseling Charts.

**(10) HUD-2880 Applicant/Recipient Disclosure/Update Report.** All entities applying for HUD funding must complete the HUD-2880. Applicants should check the box "Initial Report." On line 4, "Amount of HUD Assistance Requested/Received" of this form, Applicants may enter \$1.00. The amount entered on this line will not be used by HUD as a cap in establishing the maximum grant amount for the applicant (applicants who choose to indicate a maximum grant amount may do so in the "Actual Expenses" portion of the HUD-9906). Please note that regardless of the amount listed in line 4, applicants that have received or expect to receive HUD assistance for housing counseling in excess of \$200,000 during FY 2018 must select "yes" under the second question in "Part I Threshold Determinations," and complete the remainder of the form. Detailed instructions for completing the form are found at this link: <http://portal.hud.gov/hudportal/documents/huddoc?id=2880.pdf>.

## **C. System for Award Management (SAM) and Dun and Bradstreet Universal Numbering System (DUNS) Number.**

### **1. SAM Registration Requirement**

Applicants must be registered with SAM before submitting their application. In addition, applicants must maintain an active SAM registration with current information while they have an active Federal award or an application or plan under consideration by HUD.

### **2. DUNS Number Requirement.**

Applicants must provide a valid DUNS number, registered and active at SAM, in the application. DUNS numbers may be obtained for free from [Dun & Bradstreet](#).

### **3. Requirement to Register with Grants.gov.**

Anyone planning to submit applications on behalf of an organization must register at Grants.gov and be approved by the EBiz Point of Contact in SAM to submit applications for the organization.

Registration for SAM and Grants.gov is a multi-step process and can take four (4) weeks or longer to complete if data issues arise. Applicants without a valid registration cannot submit an application through Grants.gov. Complete registration instructions and guidance are provided at Grants.gov. See also Section IV.B for necessary form and content information.

## **D. Application Submission Dates and Times.**

The application deadline is 11:59:59 p.m. Eastern time on **08/06/2018**. Applications must be received no later than the deadline.

Submit your application to Grants.gov unless a waiver has been issued allowing you to submit your application in paper form. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

“Received by Grants.gov” means the applicant received a confirmation of receipt and an application tracking number from Grants.gov. Then Grants.gov assigns an application tracking number and **date-and time-stamps** each application upon successful receipt by the Grants.gov system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by Grants.gov.

Applications received by Grants.gov must be validated by Grants.gov to be received by HUD. “Validated by Grants.gov” means the application has been accepted and was not rejected with errors. You can track the status of your application by logging into Grants.gov, selecting “Applicants” from the top navigation, and selecting “Track my application” from the dropdown list. If the application status is “rejected with errors,” you must correct the error(s) and resubmit the application before the 24-hour grace period ends. Applications in “rejected with errors” status after the 24-hour grace period expires will not be received by HUD. Visit Grants.gov for a complete description of processing steps after submitting an application.

HUD strongly recommends applications be submitted at least **48 hours before the deadline** and during regular business hours to allow enough time to correct errors or overcome other problems.

You can verify the contents of your submitted application to confirm Grants.gov received everything you intended to submit. To verify the contents of your submitted application:

- Log in to Grants.gov.
- Click the Check Application Status link, which appears under the Grant Applications heading in the Applicant Center page. This will take you to the Check Application



Status page.

- Enter search criteria and a date range to narrow your search results.
- Click the Search button. To review your search results in Microsoft Excel, click the Export Data button.
- Review the Status column.
- To view more detailed submission information, click the Details link in the Actions column.
- To download the submitted application, click the Download link in the Actions column.

Please make note of the Grants.gov tracking number as it will be needed by the Grants.gov Help Desk if you seek their assistance.

HUD may extend the application deadline for any program if Grants.gov is offline or not available to applicants for at least 24 hours immediately prior to the deadline date, or the system is down for 24 hours or longer and impacts the ability of applicants to cure a submission deficiency within the grace period.

HUD may also extend the application deadline upon request if there is a presidentially-declared disaster in the applicant's area.

If these events occur, HUD will post a notice on its website establishing the new, extended deadline for the affected applicants. HUD will also include the fact of the extension in the program's Notice of Funding Awards required to be published in the [Federal Register](#).

In determining whether to grant a request for an extension based on a presidentially-declared disaster, HUD will consider the totality of the circumstances including the date of an applicant's extension request (how closely it followed the basis for the extension), whether other applicants in the geographic area are similarly affected by the disaster, and how quickly power or services are restored to enable the applicant to submit its application.

**PLEASE NOTE:** Busy servers, slow processing, or large file sizes, improper registration or password issues are not valid circumstances to extend the deadline dates or the grace period.

### **1. Amending or Resubmitting an Application.**

Before the submission deadline, you may amend a validated application through Grants.gov by resubmitting a revised application containing the new or changed material. The resubmitted application must be received and validated by Grants.gov by the applicable deadline.

If HUD receives an original and a revised application for a single proposal, HUD will evaluate only the last submission received by Grants.gov before the deadline.

### **2. Grace Period for Grants.gov Submissions.**

If your application is received by Grants.gov before the deadline, but is rejected with errors, you have a grace period of 24 hours after the application deadline to submit a corrected, received, and validated application through Grants.gov. The date and time stamp on the Grants.gov system determines the application receipt time. Any application submitted during the grace period not received and validated by Grants.gov will not be considered for funding.

There is no grace period for paper applications.

### **3. Late Applications.**

An application received after the NOFA deadline date that does not meet the Grace Period requirements will be marked late and will not be received by HUD for funding consideration. Improper or expired registration and password issues are not causes that allow HUD to accept applications after the deadline.

### **4. Corrections to Deficient Applications.**

HUD will not consider information from applicants after the application deadline. HUD may contact the applicant to clarify other items in its application. HUD will uniformly notify applicants of each curable deficiency. A curable deficiency is an error or oversight that if **corrected** it would not alter, in a positive or negative fashion, the review and rating of the application. See curable deficiency in definitions section. Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a curable deficiency, HUD will notify the authorized representative. The email is the official notification of a curable deficiency. Each applicant must provide accurate email addresses for receipt of these notifications and must monitor their email accounts to determine whether a deficiency notification has been received. The applicant must carefully review the request for cure of deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Applicants must email corrections of curable deficiencies to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) within the time limits specified in the notification. The time allowed to correct deficiencies will not exceed 14 calendar days or be less than 48 hours from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

The subject line of the email sent to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) must state: **Technical Cure** and include the Grants.gov application tracking number (e.g., Subject: Technical Cure - GRANT123456). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency. This only applies to certain programs and responses should be sent to the NOFA specific program.

Corrections to a paper application must be sent in accordance with and to the address indicated in the notification of deficiency. HUD will treat a paper application submitted in accordance with a waiver of electronic application containing the wrong DUNS number as having a curable deficiency. Failure to correct the deficiency and meet the requirement to have a DUNS number and active registration in SAM will render the application ineligible for funding.

**5. Authoritative Versions of HUD NOFAs.** The version of these NOFAs as posted on Grants.gov are the official documents HUD uses to solicit applications.

### **E. Intergovernmental Review.**

This program is not subject to Executive Order 12372, Intergovernmental Review of Federal Programs.

### **F. Funding Restrictions.**

Not Applicable.

### **Indirect Cost Rate.**

Normal indirect cost rules apply. If you intend to charge indirect costs to your award, your application must clearly state the rate and distribution base you intend to use. If you have a Federally negotiated indirect cost rate, your application must also include a letter or other documentation from the cognizant agency showing the approved rate.

Nongovernmental organizations and Indian tribal governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If you have never received a Federally negotiated indirect cost rate and elect to use the de minimis rate, your application must clearly state you intend to use the de minimis rate of 10% of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Once an organization elects to use the de minimis rate, the organization must apply this methodology consistently for all Federal awards until the organization chooses to negotiate for a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

State and local governments. If your department or agency unit has a Federally negotiated indirect cost rate, your application must include that rate, the applicable distribution base, and a letter or other documentation from the cognizant agency showing the negotiated rate. If your department or agency unit receives more than \$35 million in federal funding, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in Appendix VII to 2 CFR part 200.

If your department or agency unit receives no more than \$35 million in federal funding and your department or agency unit has prepared and maintains documentation supporting an indirect rate proposal in accordance with 2 CFR part 200, appendix VII, you may use the rate and distribution base specified in your indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in federal funding and has never received a Federally negotiated indirect cost rate, you may elect to use the de minimis rate of 10% of MTDC. As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until you choose to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

## **G. Other Submission Requirements.**

### **1. Application Certifications and Assurances**

By signing the SF424 either through electronic submission or in paper copy submission (for those granted a waiver), applicant affirms certifications and assurances associated with the application are material representations of the facts upon which HUD will rely when making an award to the applicant. If it is later determined the signatory to the application submission knowingly made a false certification or assurance or did not have the authority to make a legally binding commitment for the applicant, the applicant may be subject to criminal prosecution, and HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission, including those applicable to all applicants, those applicable only to federally-recognized Indian tribes, and those applicable to applicants other than federally-recognized Indian tribes. All program-specific certifications and assurances are included in the program Instructions Download on Grants.gov.

### **2. Lead Based Paint Requirements**

When providing education or counseling on buying or renting housing that may include pre-1978 housing, when required by regulation or policy, inform clients of their rights under the Lead Disclosure Rule (24 CFR part 35, subpart A), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F - M).

## **V. Application Review Information.**

### **A. Review Criteria.**

#### **1. Rating Factors.**

**Scope of Review.** HUD will review all applications in accordance with the requirements of this NOFA, and Housing Counseling Program requirements. HUD may rely on performance, monitoring and audit reports, financial status information, and other information available to HUD to make score determinations for *any* relevant Rating Factor. The Factors for Award, and maximum points for each factor, are outlined below. These factors will be used to evaluate all applications. The maximum number of points available for the Rating Factors is 100 for all Applicants. In response to the various factors and sub-factors, Applicants that manage networks of counseling agencies should *not* submit a separate response for each proposed Sub-grantee and Branch, but should provide a brief profile of each proposed Sub-grantee and Branch and a summary response for the Applicant's entire network, highlighting individual activities, partnerships, needs and results when appropriate. Responses to the Rating Factors outlined below will be used to evaluate all applications.

See table below for a summary of the Rating Factors and Sub-factors, Preference Points, their point values and information on whether to use the HUD-9906 Housing Counseling Charts or provide separate narratives.

Unless otherwise specified, the term "HUD-9906" or "9906" refers to the HUD-9906-L for LHCA Applicants and to the HUD-9906-P for Intermediary/SHFA/MSO Applicants.

<b>RATING FACTOR</b>		<b>POINTS</b>	<b>CHART</b>	<b>SEPARATE NARRATIVE or EXCEL SPREADSHEET</b>
<b>Rating Factor 1. Capacity of the Applicant</b>		27		
Sub-factor 1	Capacity	14	Chart A1 or A2	Intermediary/SHFA/MSO Applicants Only: Spreadsheet with Chart A2.
Sub-factor 2	Performance Reviews/Compliance	7	N/A	N/A
Sub-factor 3	Measuring Client Satisfaction	6	Chart A1 or A2	N/A
<b>Rating Factor 2. Need/ Departmental Policy Priorities</b>		12		
Sub-factor 1	Needs	10	Chart A1 or A2 Chart E1 or E2, Fields A-C	Sub-factor 1b (if applicable) and 1d
Sub-factor 2	NOFA Priorities	2	N/A	Sub-factor 2a and 2b
<b>Rating Factor 3. Soundness of Approach/Scope of Housing Counseling Services</b>		47		
Sub-factor 1	Past Performance – Impact	26	Charts D1 or D2 and Charts F1 or F2	Sub-factors 1b
Sub-factor 2	Projected Performance – Work Plan	20	Chart A2, Field V Chart B1 or B2 Chart E1 or E2, Fields D-E Chart F1 or F2	N/A
Sub-factor 3	Projected Performance/ Work Plan – Coordination	1	Chart A1 or A2	N/A

<b>Rating Factor 4. Leveraging Resources</b>		<b>6</b>		
Sub-factor 1	Itemize Leveraging	6	Chart C1 or C2	Intermediary/SHFA/MSO Applicants Only: Excel Spreadsheet with Chart C2.
<b>Rating Factor 5. Achieving Results and Program Evaluation</b>		<b>8</b>		
Sub-factor 1	Components of Evaluation	4	Chart A1 or A2, Fields X - AE	N/A
Sub-factor 2	Grant Expenditure	4	N/A	N/A

<b>PREFERENCE POINTS</b>	<b>POINTS</b>	<b>CHART</b>	<b>SEPARATE NARRATIVE</b>
Promise Zone OR Disaster Awareness/Emergency Preparedness	2	Chart A1 or A2	N/A

**Preference Points in addition to Promise Zones (see Section V.A.2 of this NOFA: Preference Points):** HUD encourages housing counseling agencies to provide housing counselors with training in emergency preparedness and/or disaster recovery. HUD will award two points for qualified activities, such as establishing a Continuity of Operations Plan (COOP), supporting either or both initiative(s). In no case will HUD award more than two preference points for these activities.

To receive Emergency Preparedness and/or Disaster Recovery Preference Points, applicants must indicate an “x” in Field D on HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) and have described these types of activities in their approved housing counseling work plan on file with HUD.

Applicants should note that preference points will be awarded only after an applicant has met a minimum threshold score on their application (i.e., the preference points do not assist the applicant to meet the minimum threshold score).

Applicants with qualified activities in emergency preparedness and/or disaster recovery, in addition to Promise Zone activities, will earn a maximum of two (2) preference points for all qualified activities. In no case will HUD award more than two (2) preference points in this NOFA.

**Rating Factors.** The following Rating Factors are applicable to all Applicants. Each Rating Factor and the maximum points available for each factor are outlined below. For all Applicants the maximum total available for the Rating Factors is 100 points.

**a. Rating Factor 1: Capacity of the Applicant (27 Points).** HUD uses responses to this Rating Factor to evaluate the readiness and ability of an Applicant and if applicable, its

proposed Sub-grantee and Branch staff, to immediately begin, and successfully implement, the proposed work plan detailed in Rating Factor 3. HUD will also evaluate how effectively the Applicant managed work plan adjustments that may have been required if the client outcome projections for each type of counseling activity provided were not met within established timeframes and how often work plan adjustments were required.

**(1) Capacity (14 points).** In scoring this section, HUD will evaluate the capacity of the Applicant, including proposed Sub-grantees and Branches, if applicable, to implement the proposed activities in a timely and effective manner. A higher score will be awarded to Applicants that demonstrate a greater capacity based on the factors delineated in this section. HUD will consider the following factors related to capacity, as outlined in HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), as applicable:

- Field I the number of FTEs as of September 30, 2017 that provided direct housing counseling services;
- Field J, the number of HECM Roster reverse mortgage counselors as of September 30, 2017;
- Field K, the average counseling hours per FY 2017 HECM Client;
- Field L, if fifty percent (50%) or more of counselors received formal housing counseling training in the past two years (not including on-the-job training);
- Field M, if agencies have counselors on staff who have passed the HUD Housing Counseling Certification Exam and are HUD-certified housing counselors;
- Field N, if agencies adopted national industry standards prior to the NOFA application submission date; and
- Field O, if services are available in alternate formats that are accessible to persons with disabilities.

Using HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), all Applicants must provide the requested information regarding the Applicant and if applicable, its proposed Sub-grantees and/or Branches. For example, indicate by entering an “x” in the appropriate field if the Applicant and if applicable, its Sub-grantees and/or Branches have adopted the National Industry Standards for Homeownership Education and Counseling (<http://homeownershipstandards.com>) prior to the NOFA application submission date.

In addition, Applicants that manage networks of counseling agencies *and* also provide direct housing counseling services at the Applicant’s main office must complete an additional step when filling out HUD-9906 chart A2 (Intermediary, SHFA, MSO). These Applicants must indicate their direct housing counseling activities by including the main office in the list of Sub-grantees and Branches on Chart A2. The main office will be treated as a Branch for scoring and funding formula purposes.

When completing Chart A2, Intermediary, SHFA and MSO applicants must generally only list Branch offices that are open to provide housing counseling services to a minimum of thirty (30) clients per year. This thirty (30) client minimum does not apply to agencies that offer only housing counseling services limited to reverse mortgages, including HECMs. For additional information, see 24 C.F.R. 214.303(b) for additional information on the HECM exception.

Intermediaries, SHFAs and MSOs must submit this information on the Chart A2 Attachment (Excel spreadsheet) AND totals must be included on the 9906 chart.

**(2) Performance Reviews/Compliance (7 points).** In scoring this section, HUD will evaluate Applicant compliance with programmatic requirements and oversight results, for the period October 1, 2016 through September 30, 2017.

Applicants will not provide a narrative response to this sub-factor. HUD will utilize its own records to score this factor.

For the Applicant, significant findings on oversight and performance reviews conducted by HUD staff, HUD's Inspector General, or other non-HUD auditing organizations, will be taken into consideration when scoring this section. Significant findings may be findings that suggest an Applicant has operated its agency in a manner inconsistent with Housing Counseling Program requirements, including acts of waste, fraud and abuse of grant funds. HUD will consider significant findings documented during a review(s) and/or audit(s), and incidence of repeat findings, complaints, etc. HUD may also factor in frequency and responsiveness to complaints, the Applicant's responsiveness to findings and implementation of corrective action, grantee performance/reporting, and counseling activity reporting.

**(3) Measuring Client Satisfaction (6 points).** Scoring of this sub-factor will reward Applicants that measure customer satisfaction. Those Applicants that demonstrate a variety of methods and techniques to measure customer satisfaction, including those methods and techniques identified in this section, will be awarded a higher score.

Use HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) to indicate if the Applicant and if applicable, its proposed Sub-grantees and/or Branches, measured customer satisfaction during the period October 1, 2016 through September 30, 2017. Indicate if the Applicant, and if applicable, its proposed Sub-grantees and Branches:

- (a) Field P, issued client exit surveys at the end of counseling or education sessions; and
- (b) Field Q issued any follow-up client surveys after the counseling was completed.

**b. Rating Factor 2: Need/NOFA Priorities (12 Points).** This factor addresses the extent to which there is a need for funding the proposed activities described in the Applicant's work plan and the degree to which the Applicant's work plan substantively addresses certain NOFA priorities.

**(1) Needs (10 points).** Applicant must report the following data regarding the communities they propose to serve. In scoring this Section, HUD will evaluate the degree to which the Applicant addressed the specific needs identified in this factor and, where requested, cited source information, and provided examples and/or brief descriptions of activities proposed to address the needs. Applicants that fail to adequately address the specific needs or provide requested source citations, examples and/or descriptions will not receive full points for this sub-factor.

**(a) Rural Communities.** In HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), Field S, indicate if the Applicant, or its Sub-grantees and/or Branches, if applicable, proposes to serve a community that includes a Rural Area as defined by the U.S. Department of Agriculture (USDA) at 7 C.F.R. § 3550.10. Maps that help identify eligible rural areas can be accessed on the USDA's website at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. In Chart A1 or Chart A2, (Field T), also identify if the proposed agency, Sub-grantees,



and/or Branches serve a Rural Area that lacks Internet access at the time of the application submission.

**(b) Sole Agency Providing Housing Counseling Services in Target Area.** In HUD-9906 Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), indicate in Field U if the Applicant, or one of its Sub-grantees or Branch offices, is or will be the only agency, Sub-grantee or Branch office participating in HUD's Housing Counseling Program that is physically located in the service area of the Applicant, Sub-grantee or Branch. If applicable, in a brief narrative, please describe the geographic area that your agency alone serves.

**(c) Identifying Impediments to Fair Housing.** Successful Applicants are obligated to affirmatively further fair housing in their use of Housing Counseling grant funds, per Section 808(e)(5) of the Fair Housing Act. On HUD-9906 Chart E (Field B), Applicants must submit a brief description of impediments to fair housing in their jurisdiction or service area and, if applicable, their Sub-grantees' jurisdictions or service areas. Applicants must also identify the strategies and goals for overcoming the effects of such impediments to fair housing. On Chart E (Field C), identify the applicable state or local Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), Assessment of Fair Housing (AFH), or other source of information on impediments to fair housing, including but not limited to, discriminatory housing practices under the Fair Housing Act and its implementing regulations at 24 C.F.R. Part 100.

Applicants can find out more information about impediments to fair housing within their jurisdiction by consulting with their applicable local or state government agency that is responsible for completing an AI or AFH. More information and resources related to affirmatively furthering fair housing can also be found at <https://www.hudexchange.info/programs/affh/>.

**(d) Persons with Disabilities and Limited English Proficiency.** In a brief narrative, Applicants must describe how meaningful program access will be provided to persons with disabilities and persons with Limited English Proficiency (LEP).

**(2) NOFA Priorities (2 points).** Each NOFA Priority addressed below has a point value of one (1) point. Applicants that are responding to a NOFA Priority that requires a narrative response must limit responses to 500 words per NOFA Priority

To receive credit for a particular policy priority, Applicants must indicate if and describe how their work plan substantively addresses the NOFA Priority. In addition, Applicants that are Intermediaries, SHFAs or MSOs that manage a network of Sub-grantees and/or Branches must specifically state that one-third or more of their Sub-grantees and/or Branches meet the relevant criteria, and provide at least three (3) relevant specific examples. The following NOFA Priorities apply to the Housing Counseling Program for the purpose of this NOFA.

**(a) Affirmatively Furthering Fair Housing. (1 point) Applicants may receive one (1) point for demonstrating any one of the following, with a maximum of 1 point awarded for this priority overall.**

**i. Staff Training (1 point):** Applicants may earn 1 point by describing how they will train their staff on fair housing and civil rights laws, their method of providing their clients with information about their fair housing rights, and their mechanism for referring potential fair housing violations to HUD, state or local fair housing agencies, or private fair housing groups. For example, an Applicant may meet this requirement by demonstrating that it has entered into

a memorandum of understanding with a fair housing enforcement agency that will provide them with fair housing training and informational materials and accept referrals of potential fair housing complaints;

**ii. Mobility Counseling (1 point):** Applicants may earn 1 point by describing how they will provide clients with mobility counseling and what information Applicants will furnish to clients that will enhance their housing choice outside of areas of minority and poverty concentration;

**(b) Lead-Based Paint. (1 point)** Applicants may earn one (1) point by describing how they inform clients about lead-based paint. Applicants that provide education or counseling regarding Pre-Purchase/Home Buying, or Locating, Securing, or Maintaining Residence in Rental Housing, are encouraged, when the homes in which clients will be seeking may include pre-1978 housing, to inform clients about their rights and responsibilities under the HUD Lead-Based Paint Disclosure Rule (24 CFR part 35, Subpart A), and, if the rental or purchase may be HUD-assisted, requirements of 24 CFR part 35, subparts B, K, and R.

**c. Rating Factor 3: Soundness of Approach/Scope of Housing Counseling Services (47 points).** This factor addresses the quality and effectiveness of the Applicant's past and proposed housing counseling activities. In scoring this Rating Factor, HUD will evaluate the past impact of the Applicant's housing counseling services, the complexity of the projected work plan the Applicant proposes to undertake, and the degree to which the Applicant coordinates its housing counseling services with additional HUD programs and other organizations and programs.

**(1) Past Performance – Impact (26 points).** To score this factor, HUD will analyze performance and actual expenses for the period October 1, 2016 through September 30, 2017.

**(a) Impact.** In scoring this sub-factor, HUD will evaluate the total number of education participants and housing counseling clients served by the Applicant during the period October 1, 2016 through September 30, 2017 with all sources of funding. HUD will utilize the form HUD-9902 data. Newly-approved applicants who were not required to submit a HUD-9902 during this period must prepare and submit a HUD-9902 as part of the application. Applicants who were previously required to submit a HUD-9902 will be evaluated based on their report submitted through the Housing Counseling System (HCS). Applicants are responsible for ensuring that the information contained in HCS is correct before the application due date.

HUD will not consider a HUD-9902 submitted with the application by Agencies that were not newly-approved (i.e. after September 30, 2017) and were previously required to submit the report.

**(b) Actual Expenses.** In scoring this sub-factor, HUD will evaluate the Applicant's Housing Counseling Program actual expenses for the period October 1, 2016 through September 30, 2017. Utilizing HUD-9906 Chart D1 (LHCA) or Chart D2 (Intermediary, SHFA, or MSO) – Actual Expenses, for the above time period, Applicants must document their total housing counseling program expenses that includes all of the activities and services shown on the Applicant's form HUD-9902 submitted to HUD for the same time period. Agencies that became HUD-approved mid-way through the fiscal year should ensure that both their 9902 data and their Chart D expenses reflect the *entire fiscal year*, and not just that portion for which the agency was HUD-approved. In completing the "Total Other Direct Costs" line item on Chart

D1 or Chart D2, Applicants should include expenses such as supplies; telephone/Internet; postage; office space; equipment rental/maintenance; printing and copying; marketing and outreach; training costs (supplies, room, tuition, testing, etc.) and travel. Note that fees for joining a network are an allowable expense under the grant, and if applicable, should also be explained in the related narrative for this line. If applicable, Applicants must also include a detailed breakdown of their intermediary administrative expenses, *i.e.* funds not sub-allocated to Sub-grantees and Branches. If applicable, the actual expenses chart must provide a full picture of both housing counseling and program management activities.

All Applicants are required to submit a narrative description/justification of the actual expenses, including variations between actual and projected expenses, expenses that did not result in the direct provision of services, expenses that seem disproportionately high, and an explanation of the value entered under the “Other” line item on the Chart D1 or Chart D2 *Actual Expenses*.

In scoring this sub-factor, HUD may evaluate expenses for direct counseling service provision, the ratio of HUD grant funds to total expenses and the cost per client.

Applicants may also indicate, but are not required to, a maximum grant request on Chart D1 or D2. This amount, if provided, will also be considered in the funding methodology as a cap in establishing the maximum grant amount for the Applicant.

**(c) Oversight Activities.** All Applicants must complete HUD-9906 Chart F1 or F2 to indicate housing counseling oversight and quality control activities performed as part of the FY 2017 work plan, including how Applicants determined that, if applicable, their Sub-grantees that are not directly approved by HUD met or exceeded HUD’s Housing Counseling Program requirements. Items selected in these charts may be verified by HUD staff during a performance review.

**Intermediaries, MSOs, and SHFAs** that sub-allocated funding to Sub-grantees and Branches must complete Chart F2 to indicate network management activities performed as part of the FY 2017 work plan.

**LHCAs** must complete Chart F1 to indicate housing counseling oversight and quality control activities performed as a part of the FY 2017 work plan.

**(2) Projected Performance - Work Plan (20 points).** This sub-factor involves the proposed housing counseling services and other activities to be conducted by the Applicant and its Sub-grantees and Branches it intends to fund during the period of performance (October 1, 2017 through September 30, 2019) using all funding sources. Applicants who receive an award under this NOFA will be required to provide projections for the number of clients to be served in connection with each of the services indicated on HUD-9906 Chart B with the HUD funding awarded prior to the final execution of the award. Housing counseling activities specified in Chart B must be consistent with housing counseling activities previously approved in the work plan on file with HUD prior to the application due date.

In scoring this sub-factor, HUD will consider the types and variety of housing counseling and education services being offered, and other activities occurring in support of the Applicant’s housing counseling program. Those Applicants that will provide the greatest variety of services and delivery modes, that provide a comprehensive plan for oversight activities (of their activities or those of their Sub-grantees/Branches), and that demonstrate how they will affirmatively further fair housing with their use of Housing Counseling grant funds will get the

highest scores.

HUD may decrease the award amount to the Grantee if changes to the network (i.e. composition of Sub-grantees and Branches), number of housing counselor full-time equivalents (FTEs), or services provided would result in a lower amount than was awarded using the funding methodology stated in the Housing Counseling NOFA and reserves the right to recapture all or part of the resulting grant and reprogram the funds to any other allowable use.

**(a) Counseling and Education Services.** HUD permits housing counseling agencies to provide various modes of counseling and education that best meet the needs of their clients. HUD encourages agencies to develop and/or use online tools to expand client access to online education and counseling so that they may reach a broader range of audiences who would not otherwise seek out or receive the benefits of housing counseling.

Applicants will be evaluated on the reach and complexity of the various modes of housing counseling and education services the Applicant proposes to undertake. Using Chart A2, Intermediaries, SHFAs and MSOs must indicate the percentage of the proposed award the Applicant intends to allocate to itself or each Sub-grantee and Branch (Field V).

Using Chart B – *Services and Modes*, for each housing counseling service (listed at the top of the chart) that the Applicant and its Sub-grantees and Branches will provide during the period of performance through all funding sources, indicate in:

- Row B, if one-on-one counseling will be provided by the Applicant and in Row C, if applicable, the number of Sub-grantees and/or Branches that will provide one-on-one counseling;
- Row D, if group education will be provided by the Applicant and in Row E, if applicable, the number of Sub-grantees and/or Branches that will provide group education;
- Row F, whether the service will be provided in-person and in Row G, if applicable, the number of Sub-grantees and/or Branches that will provide the service in person;
- Row H, if the service will be provided via telephone and in Row I, if applicable, the number of Sub-grantees and/or Branches that will provide the service over the telephone;
- Row J, if the service will be provided over the internet and in Row K, if applicable, the number of Sub-grantees and/or Branches that will provide the service over the internet;
- Row L, whether the service is made available in multiple languages and in Row M, if applicable, the number of Sub-grantees or Branches that will provide the service in multiple languages.

**(b) Oversight Activities.** Intermediaries, MSOs, and SHFAs must ensure that their network agencies are in compliance with HUD's Housing Counseling Program requirements. They must provide rigorous and intensive oversight such as outlining processes for monitoring, including risk assessments, reviews, and follow-up in order to reduce the risk and incidence of actions and

events that may negatively impact the network housing counseling programs.

All Applicants must complete HUD-9906 Chart F1 or F2 to indicate housing counseling oversight and quality control activities that will be performed as part of the proposed work plan, including how Applicants determine that, if applicable, their Sub-grantees that are not directly approved by HUD meet or exceed HUD's Housing Counseling Program requirements. Items selected in this chart may be verified by HUD staff during a performance review and must be included in an Agency's quality control plan.

**Intermediaries, MSOs, and SHFAs** that sub-allocate funding to Sub-grantees and/or Branches must complete Chart F2 to select network management activities that will be performed as part of the proposed work plan.

Oversight agencies shall review members of their network using the HUD-9910 form and share these reviews and follow-up resolution with HUD by submitting these items during reporting periods specified in the FY 2018 grant agreement.

HUD may base a portion of the calculation for network support in the funding methodology on an Applicant's plan to review members of their network to meet this objective. Chart F2 includes a space for Applicants to indicate the number of members (from 0 to a maximum of 5) that they propose to review using this criteria during the FY 2018 grant performance period.

**LHCAs** must complete Chart F1 to select which housing counseling oversight and quality control activities will be performed as part of the FY 2018 work plan.

**(c) Affirmatively Furthering Fair Housing.** Successful Applicants, including their Sub-grantees, if applicable, are obligated to affirmatively further fair housing in their use of Housing Counseling grant funds. On Chart E – Affirmatively Furthering Fair Housing (Fields D and E) Applicants must describe at least one activity that addresses an impediment to fair housing choice in Applicant's and, if applicable, in at least three (3) of its Sub-grantees' distinct service areas and how it will measure outcomes related to the proposed activity. Applicants must maintain records of these activities. See Section III.E.2.p. for examples of affirmatively furthering fair housing activities.

### **(3) Performance/Work Plan – Coordination (1 points).**

**(a) Housing Counseling-related Partnerships/Collaboratives.** In scoring this sub-factor, HUD will reward Applicants that actively participate in housing counseling related partnerships/collaboratives. If the Applicant, or proposed Sub-grantees and Branches, participate in any local, regional or state housing counseling related partnership/collaborative, on Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), Field W, indicate the names(s) of the partnership/collaborative.

**d. Rating Factor 4: Leveraging Resources (6 Points).** HUD Housing Counseling grants are not intended to be the sole source of funds for an Applicant's (or its Sub-grantee's) housing counseling program. All organizations that receive HUD Housing Counseling grant funds are expected to seek other sources of funding, both private and public, to supplement HUD grant funding. Points for this factor will be awarded based on the amount of leveraged funding that meets the criteria in this section. Applicants who have no other resources available will receive no points for this factor.

Applicants will be evaluated based on their ability to demonstrate that they have obtained

additional **non-federal** resources including direct financial assistance (grants), fees, in-kind contribution, such as services, equipment, office space and labor to support their housing counseling activities, for the period of performance (October 1, 2017 through September 30, 2019). Leveraged resources provided by **non-federal** government sources, public or private nonprofit organizations, for-profit organizations, or other entities committed to providing assistance will be counted toward the Applicant's leveraged funding total. Grantees will be required to maintain evidence that leveraged funds were actually provided to the agency. Files may be reviewed by HUD staff as a part of the performance reviews and on-site monitoring visits.

Leveraging resources cannot consist of **federal funds**, directly or indirectly. **Federal funds** that are passed through state and local governments are ineligible. Any federal funds listed on the chart will not be counted towards the total amount of leveraged funds. Do **NOT** include federal sources such as, **but not limited to**:

- Hardest Hit Funds (HHF);
- Community Development Block Grants (CDBG);
- Community Services Block Grants (CSBG);
- Emergency Homeowner Loan Program (EHLPP);
- Fair Housing Initiatives program (FHIP); and
- Home Investment Partnerships program (HOME).

Settlement funds from the National Mortgage Settlement (<http://www.nationalmortgagesettlement.com>) are not considered Federal and therefore can count toward leveraging.

**(1) Itemize Leveraging.** Utilize Chart C1 or C2 – *Leveraging* to provide the following information. Intermediary/SHFA/MSO applicants must submit itemized information on the Chart C2-Leveraging Excel spreadsheet AND enter total leveraged amounts on the 9906 chart. Please ensure the total amount on the Chart C2 spreadsheet is the same as the total entered on Chart C1. Leveraged totals that do not match may constitute a non-curable deficiency and may not be amended after the application submission deadline.

**(a)** All Applicants must provide an itemized list of all leveraged resources, including in-kind contributions, for the Applicant and, if applicable, each proposed Sub-grantee and/or Branch office.

- In Field A, enter the type of agency listed in Field B
- In Field B, enter the name of the Applicant, Sub-grantee or Branch
- In Field C, enter the name of the organization providing the funds or in-kind contributions
- In Field D, enter the type of contribution
- In Field E, enter for what the leveraging funds will be used (must be exclusively allocated for the housing counseling program)
- In Field F, enter only the amount of funds that will be available during the period of performance (October 1, 2017 through September 30, 2019).

Every field must be completed. The leveraging amount for any resource that does not have all fields completed will not be counted.

Include only funds that will be available during the period of performance (October 1, 2017 through September 30, 2019). If Applicant's funding is available outside of the FY 2018 grant period, the Applicant must pro-rate the funding to reflect the amount that is available during the grant period. For example, if funds are available from January 2017 through December 2017, include only 3 months (October 1 through December 31, 2017) of funding (e.g., only \$25,000 of a \$100,000 grant should be entered on Chart C). If funds are available for two years, the total amount of funds must be pro-rated (e.g., \$100,000 leverage available July 1, 2016 through June 30, 2018, only \$37,500 should be entered on Chart C for the 9 months of October 1, 2017 through June 30, 2018).

Applicants that fail to provide this information will not receive any points for this factor. All leveraged resources claimed by an Applicant, including cash and in-kind contributions, must meet all of the criteria set forth in 2 C.F.R. Part 200.

In addition, do not include funds **unless** they are exclusively allocated for the housing counseling program. Resources provided by the Applicant must directly result in the provision of housing counseling services to count as leveraged resources. These funds must also be reflected in the SF424. However, resources provided by the Applicant for activities such as down payment and closing costs assistance, Individual Development Account (IDA) programs and emergency services may **not** be counted and should **not** be included on Chart C or the SF424.

**(b) Fees.** 24 C.F.R. Part 214 explains the conditions under which agencies participating in HUD's Housing Counseling Program are permitted to charge fees to counseling recipients. Agencies participating in HUD's Housing Counseling Program are not permitted to charge fees for default counseling or homeless counseling. While agencies are strongly encouraged to aggressively leverage funds from other private and public sources, fee income can be counted as leveraged resources. Fee income must be identified as program income on line "18. Estimated Funding, f. Program Income" of SF-424 "Application for Federal Assistance" as well as in Chart C, as described above, in order to receive credit for the fee income.

**e. Rating Factor 5: Achieving Results and Program Evaluation (8 points).** This factor emphasizes HUD's determination to ensure that Applicants meet the commitments made in their applications and grant agreements and to assess their performance in achieving agreed upon performance goals. This factor reflects HUD's Strategic Goal to embrace high standards of ethics, management and accountability. In scoring this section, HUD will consider Applicant methodologies used to evaluate overall program performance and grant expenditure performance. Applicants that utilize a variety of methods and techniques to evaluate performance, including those methods and techniques identified in this Rating Factor, will be awarded a higher score.

In responding to this factor, Applicants must indicate how they evaluate program success. Use Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) to indicate specific components of evaluation used by the Applicant. Intermediaries, SHFAs or MSOs should also indicate on Chart A2 specific components of evaluation used by **each** of its Sub-grantees.

**(1) Components of Evaluation. (4 points).** Components of evaluation include whether the

Applicant and/or its Sub-grantees:

- (a) Field X, utilizes reviews by senior management staff with results reported to organization's board;
- (b) Field Y, publishes performance data (such as in annual reports, press releases, trade publications, or on the Web) and provide, if applicable, link to published performance data if available online (Field Z);
- (c) uses their client management system (identify CMS in Field AA) to evaluate their performance and measure whether the goals were achieved by:
  - i. Field AB, generating reports on achievement of goals for management analysis;
  - ii. Field AC, tracking grants;
  - iii. Field AD, performing Quality Control Reviews of client management system data;
  - iv. Field AE, pulled credit reports as part of post counseling follow-up and reviews 6 months or more after counseling was completed;

**(2) Grant Expenditure History. (4 points)** In scoring this section, HUD will evaluate Applicant compliance with programmatic requirements and expenditure results, based on the Applicant's expenditure of FY 2016 funds.

Applicants will not provide a response to this sub-factor. HUD will use its own records to score this area. Significant delays in grant expenditure beyond the FY2016 period of performance, including but not limited to the need for HUD to recapture funding, will be taken into consideration.

HUD encourages the timely use of grant funds and wishes to minimize the recapture of awards to grantees as monies not used by agencies reduces the amount of funds available to other agencies. Applicants that repeatedly fail to expend their grant awards within the period of performance may be deemed ineligible applicants in subsequent NOFAs.

## 2. Preference Points.

HUD encourages activities in Promise Zones (PZ) communities. HUD will award two (2) points for qualified activities within a designated zone or area.

To receive Promise Zones Preference Points, applicants must submit form HUD 50153, Certification of Consistency with Promise Zone Goals and Implementation, signed by the Promise Zone Official authorized to certify the project meets the criteria to receive preference points. To view the list of designated Promise Zones and persons authorized to certify, please see the Promise Zone pages on [HUD's website](#).

## **B. Review and Selection Process.**

### **1. Past Performance**

In evaluating applications for funding, HUD will take into account an applicant's past performance in managing funds. Items HUD may consider include, but are not limited to:



- a. The ability to account for funds appropriately;
- b. Timely use of funds received from HUD;
- c. Timely submission and quality of reports submitted to HUD;
- d. Meeting program requirements;
- e. Meeting performance targets as established in the grant agreement;
- f. The applicant's organizational capacity, including staffing structures and capabilities;
- g. Time-lines for completion of activities and receipt of promised matching or leveraged funds; and
- h. The number of persons to be served or targeted for assistance.

HUD may reduce scores as specified under V.A. Review Criteria. Each NOFA will specify how past performance will be rated or otherwise used in the determination of award amounts.

Whenever possible, HUD will obtain past performance information from staff with the greatest knowledge and understanding of each applicant's performance. If this evaluation results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III.D 1. Pre-selection Review of Performance, above.

## **2. Assessing Applicant Risk**

HUD may impose special conditions on an award as provided under 2 CFR 200.207:

- 1. Based on HUD's review of the applicant's risk under 2 CFR 200.205;
- 2. When the applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal Award;
- 3. When the applicant or recipient fails to meet expected performance goals; and
- 4. When the applicant or recipient is not otherwise responsible.

**a. Review and Selection Process.** Two types of reviews will be conducted.

**(1) Technical Review.** First, a technical sufficiency review will determine whether each application meets the threshold requirements set forth in this NOFA and whether all required forms have been properly submitted. Section IV.D.4 of this NOFA provides the procedures for corrections to deficient applications.

**(2) General Review.** A second review will evaluate the responses to each Rating Factor outlined above and other relevant information. Applications will be evaluated competitively and ranked against all other Applicants that applied in the same funding category.

**(3) Rating Panels.** Information on the rating review panels appears in Section III.D.2.h of this NOFA.

**(4) Minimum Fundable Score.** All applications will be scored on a 100 point scale, not including preference points, if applicable. Applications that receive a total of 75 points or more will be eligible for grant funds awarded under this NOFA. HUD anticipates making awards to all Applicants scoring 75 points or greater, however, all awards will be subject to the availability of funds. In the event that available funds are insufficient to provide grants to all Applicants achieving the minimum fundable score, grants will be awarded in rank order from highest-ranking application to lowest-ranking fundable application until all available funds have been distributed.

**(5) Funding Methodology.** HUD recognizes that all eligible Applicants already participate in

HUD's Housing Counseling Program and those that met threshold requirements have demonstrated an acceptable level of performance and compliance with programmatic requirements. This methodology awards agencies a base grant amount determined by the size and nature of their counseling networks. The methodology then augments that amount based on performance within HUD's Housing Counseling Program and other relevant criteria.

HUD continues to reserve the right to establish maximum award amounts as it has done in the past, and anticipates considering a reduction in the maximum award amount under this NOFA.

Applicants may also indicate, but are not required to, a maximum grant request on Chart D1 or D2. This amount, if provided, will also be considered in the funding methodology as a cap in establishing the maximum grant amount for that Applicant.

Although HUD will determine the total Base Award for each grantee, grantees themselves will determine the actual funding amounts to be distributed to Sub-grantees and/or Branches as delineated in their response in Chart A2.

**(a) Base Award for LHCAs Applying Independently to HUD.** For this NOFA, the funding formula will provide a Base Award for successful LHCAs applying independently to HUD. LHCAs applying independently are not eligible under this NOFA to make sub-grants.

Successful LHCAs applying independently may sub-allocate HUD grant funds to eligible Branch offices, but the funding formula for this NOFA will not provide a Base Award for those Branch offices.

**(b) Base Award for Intermediaries, SHFAs and MSOs.** For successful Applicants that do provide sub-grants or fund Branches, the Base Award will be calculated using the number and nature of the Applicant's proposed Sub-grantees and Branches. For successful Applicants that provide direct counseling services at the Applicant's main office, HUD will count the main office as another Sub-grantee or Branch for the purpose of this calculation. To receive a base award under the funding methodology for this NOFA, a Branch office must be open to provide housing counseling services to a minimum of thirty (30) clients per year.

**(c) Competitive Funding Amount.** If sufficient funding is available, a percentage of the highest scoring submissions may receive incentive funding on top of the base funding based on the score of the Applicants.

**(d) Funding Based on Number of Counselor FTEs.** HUD may augment the Base Award with additional funds for successful Applicants based on the number of FTEs that provide direct housing counseling services as of September 30, 2017. For successful Applicants that provide direct counseling services at the Applicant's main office, Applicant may count the number of housing counselor FTEs at the main office and at the offices of Sub-grantees and/or Branches.

**(e) Funding to Provide Support to a Network.** HUD may augment the Base Award with additional funds for successful Applicants that are Intermediaries, SHFAs, or MSOs, that sub-allocate funding to Sub-grantees and/or Branches, including for oversight and quality control activities. In determining the level of funding to provide support for a network, HUD may base a portion of this calculation on an Applicant's plan to review members of its network utilizing the HUD-9910 form and share review results and follow-up actions with HUD.

**(f) Funding for Reverse Mortgage Counseling.** Successful Applicants that are awarded a Comprehensive Housing Counseling grant are eligible to receive funding for reverse mortgage counseling. The award amount will be calculated based on the number of HUD HECM Roster

Counselors to be funded and average time per HECM client served.

**(g) Funding of Default Counseling for Reverse Mortgages.** Successful Applicants that are awarded a Comprehensive Housing Counseling grant are eligible to receive funding for their commitment to providing HECM default counseling in the future. The award amount will be calculated based on the number of FTEs of counselors with such training and provision of HECM default counseling service by 9/30/2019 as indicated on Chart A, Field R.

**b. Reallocation of Unallocated Funds.** If funds designated for this NOFA remain unallocated after the formulas have been run and award recommendations are determined, HUD may, at its discretion, reallocate those funds to FY 2018 Housing Counseling Training grants, or any other allowable use.

**c. Funds Recapture.** HUD may recapture any funds unspent in the time allotted. Grantees are required to cooperate with recapture requests within the time period specified with the request. Should Grantees fail to cooperate with recapture requests in a timely fashion, this will be recorded and may affect application scoring in future grant competitions. HUD may also decrease the award amount to the Grantee if changes to the composition of Sub-grantees and Branches or services provided would result in a lower amount than was awarded using the funding methodology stated in the Housing Counseling NOFA and reserves the right to recapture all or part of the resulting grant. Recaptured funds will be awarded to fund any allowable use.

**d. Mergers, Acquisitions and Other Changes in Organizational Structure.** Anticipated mergers, acquisitions, or other changes in Grantee(s) legal or organizational structure must be reported to Grantee's Point of Contact in HUD's Office of Housing Counseling. In the case of a simple name change, HUD may make the award in the name of the newly named entity. In the case of a merger, the new or merged entity may be eligible to receive grant funding made to the original Grantee(s), provided they meet certain conditions, including but not necessarily limited to:

- (1) The new or merged entity receives HUD approval as a housing counseling agency and agrees to comply with programmatic requirements, including oversight and reporting;
- (2) The new or merged entity demonstrates that its application and work plan, target community, and personnel involved are substantially similar to that of the original Grantee(s);
- (3) The newly named entity has a DUNS identifier, has registered in SAM and has passed the IRS check conducted as part of the SAM registration process;
- (4) The Name Check review process has been conducted for the proposed new awardee;
- (5) An amendment to the award agreement assigning the award to the new entity is completed; and
- (6) A new LOCCS access form has been filed with the HUD Accounting Office.

### **C. Anticipated Announcement and Award Dates.**

Information about announcement and award dates is unavailable at this time.

## **VI. Award Administration Information.**

### **A. Award Notices.**

Following the evaluation process, HUD will notify successful applicants of their selection for funding. HUD will also notify other applicants, whose applications were received by the deadline, but have not been chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF-424.

### **B. Administrative, National and Department Policy Requirements for HUD recipients**

For this NOFA, the following General Administrative Requirements and Terms for HUD Financial Assistance Awards apply. Please [[click here](#)] to read the detailed description of each applicable requirement.

#### 1. Compliance with Non-discrimination and Other Requirements.

Unless otherwise specified, these non-discrimination and equal opportunity authorities and other requirements apply to all NOFAs. Please read the following requirements carefully as the requirements are different among HUD's programs.

- Compliance with Fair Housing and Civil Rights Laws.
  - Affirmatively Furthering Fair Housing.
  - Economic Opportunities for Low-and Very Low-income Persons (Section 3).
  - Improving Access to Services for Persons with Limited English Proficiency (LEP).
  - Accessible Technology.
2. Equal Access to Housing Regardless of Sexual Orientation or Gender Identity.
  3. Ensuring the Participation of Small Disadvantaged Business, and Women-Owned Business.
  4. Equal Participation of Faith-Based Organizations in HUD Programs and Activities.
  5. Real Property Acquisition and Relocation.
  6. Participation in HUD-Sponsored Program Evaluation.
  7. OMB Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
  8. Drug-Free Workplace.
  9. Safeguarding Resident/Client Files.
  10. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended.
  11. Eminent Domain.
  12. Accessibility for persons with Disabilities.
  13. Violence Against Women Act.
  14. Conducting Business in accordance with Ethical Standards/Code of Conduct.
  15. Environmental Requirements.

In accordance with 24 CFR **Part 50, Section 50.19(b)(2), (3), (4), (9), (12), and (13) of the**

**HUD regulations**, activities funded under this NOFA are categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and not subject to environmental review under related laws and authorities.

### **C. Reporting.**

HUD requires recipients to submit performance and financial reports under OMB guidance and program instructions.

**1. Reporting Requirements and Frequency of Reporting.** Applicants should be aware that if the total Federal share of your Federal award includes more than \$ 500,000 over the period of performance, you may be subject to post award reporting requirements reflected in Appendix XII to Part 200-Award Term and Condition for Recipient Integrity and Performance Matters.

**2. Race, Ethnicity and Other Data Reporting.** HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987. NOFAs may specify the data collection and reporting requirements. Many programs use the Race and Ethnic Data U.S. Department of Housing OMB Approval No. 2535-0113 Reporting Form HUD-27061.

**3. Performance Reporting.** All HUD funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement.

### **Race, Ethnicity and Other Data for this program is reported on the HUD-9902, Housing Counseling Activity Report.**

**a. Fiscal Year Activity Report.** Grantees are required to submit Form HUD-9902, Housing Counseling Activity Report, quarterly via HUD's web-based Housing Counseling System (HCS). The information compiled from this report provides HUD with its primary means of measuring program performance.

### **4. Transparency Act Reporting.**

#### **a. Recipient Reporting to Meet the Requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act), as amended.**

**(1) Prime Grant Awardee Reporting.** Prime recipients of the Department's financial assistance are required to report certain sub-awards in the Federal Funding Accountability and Transparency Act Sub-award System (FSRS) website located at [www.fsrs.gov](http://www.fsrs.gov) or its successor system for all prime awards listed on the FSRS website.

**(a)** Starting with awards made October 1, 2010 prime financial assistance awardees receiving

funds directly from the Department are required to report sub-awards and executive compensation information both for the prime award and sub-award recipients, including awards made as pass-through awards or awards to vendors, if the initial prime grant award is \$25,000 or greater, or the cumulative prime grant award will be \$25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance; and the sub-award is \$25,000 or greater, or the cumulative sub-award will be \$25,000 or greater. For reportable sub-awards, if executive compensation reporting is required and sub-award recipients' executive compensation is reported through the SAM system, the prime recipient is not required to report this information. The reporting of award and sub-award information is in accordance with the requirements of the Transparency Act, as amended by section 6202 of Public Law 110-252 and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. Please refer to <https://www.fsr.gov/> for complete information on requirements under the Transparency Act and OMB guidance.

Please direct questions regarding specific reporting requirements to the point of contact listed in Section VII. Agency Contact(s), below.

**5. Grants Oversight and New Efficiency Act (GONE Act) Reporting.** Subject to the requirements of Pub. Law 114-117, Grantees with Expired Grants and Undisbursed Balances at the end of the period of performance, must provide a narrative description to the GTR explaining the challenges leading to delays in grant closeout.

**6. Reporting Changes in Composition and/or Number of Network of Sub-grantees and Funded Branches.** In determining the level of funding to award, HUD takes into consideration an Applicant's capacity to meet program goals. Intermediaries, State Housing Finance Agencies (SHFA) and Multistate Organizations (MSO), must report to HUD all changes in the composition and number of their network of Sub-grantees and funded Branches. Moreover, all Grantees are reminded of their duty under 24 CFR 214.305 to notify HUD of any changes in staff personnel responsible for the Housing Counseling Program. HUD reserves the right to adjust the award amount granted through this year's NOFA should the number of a Grantees network of Sub-grantees and funded Branches change significantly from that proposed in the grant application. For an Intermediary, SHFA or MSO, a significant change might include, but is not limited to, a 25 percent or greater decrease in the number of their Sub-grantees and funded Branches from that stated in the Intermediary's, SHFA's or MSO's grant application.

#### **D. Debriefing.**

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this NOFA, HUD will provide a debriefing related to their application to requesting

applicants. A request for debriefing must be made in writing or by email by the authorized official whose signature appears on the SF424 or by his or her successor in office, and be submitted to the point of contact in Section VII Agency Contact(s), below. Information provided during a debriefing may include the final score the applicant received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

## **VII. Agency Contacts.**

HUD staff will be available to provide clarification on the content of this NOFA. Questions regarding specific program requirements for this NOFA should be directed to the point of contact listed below.

Connie Barton

[Housing.Counseling@hud.gov](mailto:Housing.Counseling@hud.gov)

Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800-877-8339. Please note that HUD staff cannot assist applicants in preparing their applications.

## **VIII. Other Information.**

### **1. National Environmental Policy Act.**

This NOFA provides funding under 24 CFR Part 214, which does not contain environmental review provisions because it is excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) ("NEPA"). Accordingly, under 24 CFR §50.19(c)(5), this NOFA is categorically excluded from environmental review under the NEPA.

## **Appendix.**

### **Appendix A**

#### **State Housing Finance Agencies (SHFAs) and HUD-approved Intermediaries**

*HUD's Office of Housing Counseling maintains a listing of currently-approved State Housing Finance Agencies (SHFAs) and HUD-approved Intermediaries at <https://www.hudexchange.info/programs/housing-counseling/intermediaries-shfa/>.*

This listing is updated periodically. Applicants that want to confirm the status of SHFAs and Intermediaries that are not listed here may contact the Office of Housing Counseling via email at [housing.counseling@hud.gov](mailto:housing.counseling@hud.gov).

### **Appendix B**

#### **Definitions**

**1. Affiliate.** A nonprofit organization participating in the HUD-related housing counseling program of a regional or national intermediary, or state housing finance agency. An affiliate is incorporated separately from the Intermediary or SHFA. An affiliate is also:

- a. Duly organized and existing as a tax-exempt nonprofit organization;
- b. In good standing under the laws of the state of the organization; and
- c. Authorized to do business in the states where it proposes to provide housing counseling services.

**2. Applicant.** A HUD-approved housing counseling agency or SHFA applying for a Housing Counseling grant from HUD through this NOFA. The term applicant includes the agency's branches identified in its application.

**3. Branch.** An organizational and subordinate unit of an LHCA, MSO, Intermediary or SHFA, not separately incorporated or organized, that participates in HUD's Housing Counseling Program. A branch must be in good standing under the laws of the state where it proposes to provide housing counseling services. A branch cannot be a sub-grantee or affiliate.

**4. Continuity of Operations Plan (COOP).** An organization's internal efforts to ensure that a viable capability exists to continue essential functions across a wide range of potential emergencies. COOP plans and procedures delineate essential functions, specify succession to office and the emergency delegation of authority, provide for the safekeeping of vital records and databases, identify alternate operating facilities, and provide for interoperable communications.

**5. Counseling.** Counselor-to-client assistance that addresses unique financial circumstances and housing issues and focuses on ways of overcoming specific obstacles to achieving a housing goal such as addressing a rental dispute, purchasing a home, locating resources for a down payment, being informed of fair housing and fair lending requirements of the Fair Housing Act, finding units accessible to persons with disabilities and persons with Limited English Proficiency, avoiding foreclosure, or resolving a financial crisis.

**6. Education.** Formal classes, with established curriculum and instructional goals, provided in a group or classroom setting, or other format approved by HUD, covering one or more of the eligible topics in Section III.E.1.b of this NOFA or 24 C.F.R. 214.103.

**7. Full-time equivalent.** The number of total hours worked divided by the maximum number of compensable hours in a full-time schedule as defined by law. For example, if the normal schedule for a quarter is defined as 411.25 hours ( $[35 \text{ hours per week} * 52 \text{ weeks per year} - 5 \text{ weeks regulatory vacation}] / 4$ ), then someone working 100 hours during that a quarter represents  $100/411.25 = 0.24$  FTE. Two employees working in total 400 hours during that same quarterly period represent 0.97 FTE.

**8. Grantee.** A HUD-approved housing counseling agency or SHFA that receives housing counseling funds from HUD through this NOFA. The term Grantee includes the Grantee's branches identified in its application.

**9. Homeownership Counseling.** The "Housing Counseling: New Certification Requirements" Final Rule, published in the Federal Register on December 14, 2016, defines Homeownership Counseling as Housing Counseling related to homeownership and residential mortgage loans when provided in connection with HUD's Housing Counseling Program, or required by or



provided in connection with HUD Programs. Homeownership Counseling is housing counseling that covers: the decision to purchase a home; the selection and purchase of a home; issues arising during or affecting the period of ownership of a home (including financing, refinancing, default, and foreclosure, and other financial decisions); and the sale or other disposition of a home.

**10. HUD HECM Roster Counselor.** A housing counselor that has met the requirements pertaining to HUD's HECM Counseling Standardization and Roster (24 C.F.R. 206, Subpart E) and appears on the HUD HECM Counselor Roster.

**11. Intermediary.** A HUD-approved organization that provides housing counseling services indirectly through its branches or affiliates for whom it exercises control over the quality and type of housing counseling services rendered.

**12. Local Housing Counseling Agency (LHCA).** A housing counseling agency that directly provides housing counseling services. An LHCA may have a main office, and one or more branch offices, in no more than two contiguous states.

**13. Multi-State Organization (MSO).** A multi-state organization provides housing counseling services through a main office and branches, in two or more states.

**14. NOFA Priority.** Policy priorities for HUD's Housing Counseling Program addressed by this NOFA. HUD NOFAs for competitive funding are among the primary means by which HUD accomplishes its strategic goals and priorities.

**15. Participating Agency.** Participating Agencies are all housing counseling and intermediary organizations participating in HUD's Housing Counseling program, including HUD-approved agencies, and affiliates and branches of HUD-approved Intermediaries, HUD-approved Multi-State Organizations, and State Housing Finance Agencies.

**16. State Housing Finance Agency (SHFA).** Any public body, agency or instrumentality created by a specific act of a state legislature empowered to finance activities designed to provide housing and related facilities and services, through land acquisition, construction or rehabilitation, throughout an entire state. SHFAs may provide direct counseling services or sub-grant housing counseling funds to affiliated housing counseling agencies within the SHFA's state, or both. The term state includes the fifty states, Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and the U.S. Virgin Islands.

**17. Sub-grantee.** An affiliate of a HUD-approved Intermediary or SHFA that receives a sub-grant of housing counseling funds provided under a HUD housing counseling grant. All sub-grantees must be identified in the grantee's application. Under certain conditions, including approval by HUD, grantees may amend their sub-grantee list after awards are made.

**18. Reverse Mortgage.** A reverse mortgage is a mortgage that pays a homeowner loan proceeds drawn from accumulated home equity and that requires no repayment until a future time.