



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

Office of Housing

Notice of Funding Availability (NOFA) for the Department's Fiscal Year 2020 Supplemental  
Comprehensive Housing Counseling Grant Program

FR-6400-N-33

07/08/2020

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**Program Office:**

Office of Housing

**Funding Opportunity Title:**

Notice of Funding Availability (NOFA) for the Department's Fiscal Year 2020 Supplemental Comprehensive Housing Counseling Grant Program

**Funding Opportunity Number:**

FR-6400-N-33

**Primary CFDA Number:**

14.169

**Due Date for Applications:**

07/08/2020

**Overview**

The U.S. Department of Housing and Urban Development (HUD) issues this Notice of Funding Availability (NOFA) to invite applications from eligible applicants for the program and purpose described within this NOFA. Prospective applicants should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. HUD funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive proposal.

During the selection process HUD is prohibited from disclosing 1) information regarding any applicant's relative standing, 2) the amount of assistance requested by an applicant, and 3) any information contained in the application. Prior to the application deadline, HUD may not disclose the identity of any applicant or the number of applicants that have applied for assistance.

For Further Information Regarding this NOFA: Please direct questions regarding the specific requirements of this Notice of Funding Availability (NOFA) to the office 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 to HUD-approved housing counseling agencies that provide counseling and advice to tenants and homeowners, with respect to property maintenance, financial management and literacy, and 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. This NOFA plays an integral role in helping individuals and families obtain housing and stay in their homes through responsible homeownership or affordable rental housing. Housing counseling agencies are an important safeguard in the prevention of housing scams and discrimination and serve 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.
3. Reduce the administrative costs to program participants when applying for and reporting on HUD funding while maintaining accountability for federal funds.
4. Leverage external resources and funding to increase the sustainability of quality housing counseling programs.
5. Prepare the housing counseling industry for housing counselor testing and certification.
6. Ensure distribution of funding amounts for rural areas with low levels of access to housing counseling services.
7. Provide housing counseling services to traditionally underserved populations, such as minorities, seniors, veterans, persons with disabilities, and persons with limited English proficiency.
8. Reform government services and expand opportunities for more Americans to become self-sufficient. HUD has developed EnVision Centers in select communities across the nation. Individuals are able to utilize the services of EnVision Centers located in these pilot communities, as well as through mobile applications and the EnVision Network organizations. For more information, please visit [www.hud.gov/envisioncenters.com](http://www.hud.gov/envisioncenters.com).

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

### **Limited Eligibility for FY 2020 Supplemental Comprehensive Housing Counseling NOFA.**

Agencies that were awarded FY 2019 funds through the NOFA for the Department's Fiscal Year 2019 Comprehensive Housing Counseling Grant Program funds are not eligible for this FY 2020 Supplemental NOFA, except under limited circumstances described in Section III of this NOFA.

For agencies awarded FY 2019 Comprehensive Housing Counseling Grant Program funds, HUD has directly contacted eligible FY 2019 grantees to determine their interest in FY 2020 funds. HUD will use the applications received under the FY 2019 NOFA and the corresponding scores and funding methodology to distribute the majority of the FY 2020 funding to those grantees, applying the limitation described in the following heading.

### **Certification of Housing Counselors**

There is a limit on costs of certification of housing counselors. Successful applicants will be notified how much of their award may be used for HUD Housing Counselor Exam fees.

### **Preference Points**

Applicants may now apply for Historically Black Colleges and Universities (HBCU) preference points. In addition, for Opportunity Zone (OZ) preference points, applicants must now submit the Certification for Opportunity Zone Preference Points. Successful applicants who receive these Opportunity Zone preference points must commit to expending the estimated percentage of their

award in OZ census tracts, as certified in the Certification for Opportunity Zone Preference Points.

**Continuation of Previously Implemented Changes.** HUD continues with the following changes implemented under previous Comprehensive Housing Counseling NOFA competitions to improve communication, streamline program requirements, reduce administrative burdens, and prepare for additional program standards:

- **Increased Reliance on HUD's Own Records for Scoring.** HUD will use the applicant's previous fiscal year's HUD-9902 and Housing Counseling System (HCS) profile information and validation record to score portions of Rating Factors. Agencies must ensure that all HUD-9902 reports are submitted timely and that HCS profiles are accurate and validated quarterly.
- **Promoting Accountability for Federal Funds.** HUD reminds applicants that actual accomplishments must match the program objectives of the award and information provided to HUD in the NOFA application and grant agreement. HUD will assess the grantee's performance in achieving agreed upon goals when reviewing performance reports. See 2 CFR § 200.328.
- **Fewer Charts and Reduced Burden.** In the FY 2019 NOFA, HUD reduced the HUD-9906 application from six charts to four by consolidating questions and overlapping scoring criteria. Additionally, separate narrative responses were eliminated. HUD removed small value items that were vague or unverifiable. HUD will continue to assess the same general attributes of agency performance.
- **Eligible Costs.** Reimbursement of direct costs is limited to eligible activities described in Section IV.F.
- **Changes to Application Package.** There are two sets of charts. Local Housing Counseling Agencies (LCHA) must complete and submit the HUD-9906-L "Local Housing Counseling Agency Application" which contains Charts A1, B1, C1, etc. Intermediaries, State Housing Finance Agencies (SHFA), and Multi-State Organizations (MSO) must complete the HUD-9906-P "Intermediary, State Housing Finance Agency, and Multi-State Organization Application" which contains Charts A2, B2, C2, etc. Intermediaries, SHFAs, and MSOs will also complete the *Chart A2 Supplement* (Excel). Any Applicant with leveraged resources must complete the *Chart B Supplement* (Excel).
- **Home Equity Conversion Mortgage (HECM) Default Counseling Activities.** HUD permits agencies to provide nationwide HECM default counseling if it is part of the agency's HUD-approved work plan. Default counseling for HECM loans can be provided by non-HECM Roster counselors.
- **Funding Methodology.** HUD continues the slight decrease in the weight 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

### 3. Definitions.

#### a. Standard Definitions

**Affirmatively Furthering Fair Housing (AFFH).** The obligation to affirmatively further the purposes and policies of the Fair Housing Act.

**Assistance Listings (formerly 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. An Assistance Listing (CFDA) Number is the unique number assigned to each program, project, service or activity listed in the Catalog of Federal Domestic Assistance (CFDA).

**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 OR cooperative agreement as specified in Section II.E (Type of Funding Instrument).

**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 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. Examples of deficiencies include missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box.). 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 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 that, 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.

**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 on Grants.gov is required for submission of applications to prospective agencies unless otherwise specified in this NOFA.

**Non-Federal Entity** is a state, local government, Indian tribe, institution of higher education (IHE), or non-profit organization carrying out a Federal award as a recipient or sub recipient. If eligible applicants under the NOFA include for profit entities, this definition of non-federal entity includes for profit entities.

**Opportunity Zone (OZs)** are defined in 26 U.S.C. 1400Z-1. In general, OZs are census tracts located in low-income communities where new investments, under certain conditions, may be eligible for preferential tax treatment.

**Point of Contact (POC)** is the person who may be contacted with questions about the application submitted by the AOR. The POC is listed in item 8F on the SF-424.

**Promise Zones (PZs)** are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health and address other priorities identified by the community.

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

**Subaward** means an award provided by a pass-through entity 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 beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract. The legal agreement must contain the subrecipient's assurance of compliance with program requirements, including but not limited to nondiscrimination and equal opportunity requirements.

**Subrecipient** is a non-Federal entity receiving a subaward from a pass-through entity to carry out part of a HUD program; but does not include an individual 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 a 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 is required for submission of applications via Grants.gov. You can access the website at <https://www.sam.gov/SAM/>. There is no cost to use SAM.

**Threshold Requirements** are an eligibility requirement that must be met for an application to be



reviewed. Threshold requirements are not curable, except for documentation of applicant eligibility and are listed in Section III.D Threshold Eligibility Requirements. Similarly, there are eligibility requirements under Section III.E, Statutory and Regulatory Requirements Affecting Eligibility.

**Unique Entity Identifier** is a number used to identify a specific commercial, nonprofit, or government entity. SAM states that currently Dun & Bradstreet (D&B) is the designated entity to establish and maintain the DUNS Number as the unique entity identifier required for registration in SAM and further used throughout federal procurement, financial assistance, and financial management systems. Beginning December 2020, the DUNS number will no longer be the official identifier for entities doing business with the government.

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

Program specific definitions are available in Appendix A, Definitions.

##### **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) and Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. § 3533) as amended by Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). 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. Funding for this program is provided by the Further Consolidated Appropriations Act, 2020 (Public Law 116-94, approved December 20, 2019).

#### **II. Award Information.**

##### **A. Available Funds**

Funding of approximately **\$ 3,500,000** is available through this NOFA. Additional funds may become available for award under this NOFA, because of HUD's efforts to recapture 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 funding restrictions contained in this NOFA.

HUD's estimate of \$3,500,000 is based on the projected number of agencies that will be eligible and apply for funds under this FY 2020 Supplemental NOFA; HUD anticipates that the majority of FY 2020 Comprehensive Housing Counseling Grant Program funding will be distributed to those FY 2019 grantees who remained eligible and were interested in second-year grant funding. HUD reserves the right to award more or less than this amount, in one or more phases, depending upon the number of eligible applicants and other factors.

##### **B. Number of Awards.**

HUD expects to make approximately 30 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.

### **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 SF-424, Application for Federal Assistance.
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, funds available, and other factors that HUD may determine.
3. **Minimum and Maximum Award Amounts.** Awards available under this NOFA will depend on the number of eligible applicants and other factors and are subject to the minimum and maximum amounts below.

Estimated Total Funding:

\$ 3,500,000

Minimum Award Amount:

\$ 1

Per Project Period

Maximum Award Amount:

\$ 3,000,000

Per Project Period

### **D. Period of Performance**

Estimated Project Start Date:

10/01/2019

Estimated Project End Date:

03/31/2021

Length of Project Periods:

Other

Length of Periods Explanation of Other:

The initial period of performance for grants awarded under this program will be for a period of 18 months. For planning purposes, Applicants should assume that the period of performance is October 1, 2019 through March 31, 2021.

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

Funding Instrument Type:

G (Grant)

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

### **F. Supplementation.**

For this NOFA, sub-section "F. Supplementation" is Not Applicable

### **III. Eligibility Information.**

## **A. Eligible Applicants.**

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

### **Information on Eligible Applicants**

#### **1. Eligible applicants must satisfy the following criteria:**

Applicant must be [approved to participate in the HUD Housing Counseling Program](#) prior to the NOFA issue date. In addition, SHFAs are eligible for this NOFA if they possess statutory authority to provide housing counseling throughout their entire state and adhere to all program requirements outlined in 24 CFR Part 214, this handbook, and other governing documents.

#### **2. Affiliations**

Agencies that were awarded FY 2019 funds as a subgrantee of an SHFA or Intermediary may:

- maintain their FY 2019 affiliation,
- join a different network,
- apply as a direct grantee, if agency is a HUD-approved LHCA, or
- apply as a direct grantee as a newly approved MSO or Intermediary (approved on or after May 24, 2019).

LHCAs that were awarded FY 2019 funds as a direct grantee may:

- express interest in FY 2020 funding, when contacted by HUD, or
- affiliate with an Intermediary or SHFA for FY 2020 funding.

Applicants and Subgrantees are prohibited from applying for or receiving FY 2020 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 Subgrantee of an Intermediary or SHFA is prohibited. Likewise, applying for funding under this NOFA as a Subgrantee of two different Intermediaries or as a Subgrantee of an Intermediary and as a Subgrantee of an SHFA is prohibited.

The following limited sole exception is made to this requirement: The Grantee or Subgrantee 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 Subgrantee receives a single additional subgrant for reverse mortgage counseling activities from an Intermediary that provides reverse mortgage counseling exclusively.

## **B. Ineligible Applicants.**

Applicants must not have been awarded FY 2019 funds through the NOFA for the Department's Fiscal Year 2019 Comprehensive Housing Counseling Grant Program as a direct grant from HUD, subject to the following exception:

**Newly-approved MSO or Intermediary:** Agencies that were awarded FY 2019 funds as an LHCA or as a subgrantee of an SHFA or Intermediary and then received HUD approval as a newly approved MSO or Intermediary on or after May 24, 2019, and prior to the publication of this NOFA, are eligible to apply for this NOFA using the MSO or Intermediary designation.

### **C. Cost Sharing or Matching.**

This Program does not require cost sharing or matching.

### **D. Threshold Eligibility 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. Outstanding civil rights matters** must be resolved to HUD's satisfaction prior to grant award, provided that all applicable legal processes have been satisfied.

**2. 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 Section IV. D. Application Submission Dates and Times.

### **E. 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](#).

- 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

### **F. Program-Specific Requirements Affecting Eligibility.**

1. **Audits and Investigations.** Successful 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) completed no earlier than fiscal year 2017. 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. HUD will review individual circumstances upon request.  
At the time of the NOFA application submission date and thereafter, all Applicants must disclose to HUD the status of active investigations as outlined in 24 CFR 214.103(c)(3). HUD may determine that Applicants are not eligible for grant funding based on its review of HUD, HUD Office of Inspector General (OIG), or other government audits or investigations.
2. **Client Management System.** All Applicants, Branches, and Subgrantees must use a HUD-compliant Client Management System (CMS) that interfaces with HUD's Housing Counseling System (HCS). HUD will review individual circumstances when an agency is transitioning client management systems.
3. **Subgrant Allocation.** Applicants that manage networks of counseling agencies submit proposed sub-allocation plan indicating how they will divide their HUD Housing

Counseling grant funds among their Branches and Subgrantees, based on percentages of the grant rather than dollar amounts (Chart A2, Fields P1 and P2). Only Subgrantees and Branches that provide housing counseling services should be listed. Subgrantees or Branches that perform only administrative functions should not be listed. Intermediaries and SHFAs that award subgrants to counseling agencies that are not HUD-approved must ensure that they meet or exceed HUD's approval standards as outlined in 24 C.F.R. Part 214 and clarified in HUD policy guidance. Further, a Subgrantee cannot be funded at 100% of its budget. During grant execution, Grantees will input this sub-allocation plan into HCS. If, after the grants are awarded, a Grantee would like to change its sub-allocation plan, the Grantee must make a request in writing and provide justification.

4. **Subgrant Agreement.** Intermediaries and SHFAs that award subgrants must execute subgrant agreements with Subgrantees that delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD and compliance with HUD rules and regulations. These records must meet the data requirements of the Transparency Act, and must be made available to Subgrantees, Branches, and HUD within 30 days of making the subaward or allocation.
5. **Succession and Contingency Plans.** Grantees shall make available to HUD, upon request, plans demonstrating how they will ensure continuity of services to consumers.
6. **Documentation of Expenses.** The Grantee and Subgrantees 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 upon request and maintained for a period of at least three years after the expiration of the Grant period or date of last payment, whichever occurs first. All grantees and Subgrantees must be able to demonstrate and document the actual cost of service provision. The amount billed cannot exceed the actual cost of providing the service.
7. **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 alone do not qualify as support for charges to awards. Records must reasonably reflect the total activity for which employees are compensated.
8. **Subcontracting.** Grantees and Subgrantees must deliver the housing counseling services set forth in the Applicant's Work Plan. It is not permissible to contract out housing counseling services, except as specified in 24 C.F.R. § 214.103(i).
9. **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.
10. **Home Inspection Materials.** If a grantee provides homebuyer counseling or education, the client must be provided a copy of the following materials: "For Your Protection Get a Home Inspection" (Form HUD-92564) and "Ten Important Questions to Ask Your Home Inspector."

11. **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 C.F.R. 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 be consistent with the obligation to affirmatively further fair housing 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.
  2. Maintaining a data base of accessible housing opportunities in the community and providing database for use by Limited English Proficient (LEP) persons or persons with disabilities.
  3. Providing mobility counseling to help persons move to and access affordable housing in the community, including helping persons identify housing opportunities, helping them connect with landlords, and assisting them with applying for such housing.
12. **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. 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.
13. **Tax Exempt.** Applicants, Subgrantees, and Branches must be:
- 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,
  - in good standing under the laws and regulations of the state of their organization, and
  - authorized to do business in the states in which they propose to provide housing counseling services.
14. **Provide Accessible Services.** Applicants receiving Federal financial assistance shall operate their housing programs or activities so that they are readily accessible to and usable by persons with disabilities. Applicants must give priority to methods that provide physical access to individuals with disabilities 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. 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 burden. 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.

15. **[Sam.gov](http://sam.gov) and DUNS Registration Requirement.** Applicants must have a valid, active registration in the System for Award Management (SAM). In addition, applicants and subgrantees must have a Data Universal Number System (DUNS) identifier.
16. **Outstanding Performance Issues.** Applicants and Subgrantees must resolve all outstanding issues communicated by HUD in writing by the later of the application deadline date of this NOFA or the expiration date of any conditional re-approval or inactive status resulting from such written communication.
17. **Election for Federal Office Violation.** No Applicant, Subgrantee, or Branch that 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.
18. **Housing Counseling Work Plan.** 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 prior to the application due date. Applicants are reminded of the requirement to provide counseling to at least thirty clients annually (24 CFR 214.303(b)).
19. **Compliance with Third Party Certifications and Licensing.** 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.
20. **Inherently Religious Activities.** 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. Criteria for Beneficiaries.**

### **IV. Application and Submission Information.**

#### **A. Obtaining an Application Package.**

##### **Instructions for Applicants.**

You must download both the Application Instructions and the Application Package from Grants.gov. You must verify that the CFDA Number and CFDA Description on the first page of the Application Package, and the Funding Opportunity Title and the Funding Opportunity

Number match the Program and NOFA to which you are applying.

The Application Package contains the portable document forms (PDFs) available on Grants.gov, such as the SF-424 Family. 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 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 and if you do not demonstrate good cause. An email request for a waiver received by HUD 15 days before the application is due will also be considered. If HUD waives the requirement, HUD must receive your paper application before the deadline of this NOFA. To request a waiver you must contact:

Name:

Email:

Housing.Counseling@hud.gov

HUD Organization:

Street:

City:

State:

Zip:

Waiver requests must be submitted with the subject line “NOFA - Request for Waiver of Electronic Application.”

NOFA applications and forms are available from <http://www.grants.gov/web/grants/applicants/apply-for-grants.html>. Below are basic instructions for obtaining the application instructions and package:

1. Go to the “Package” tab of the Grant Opportunity. Click “Preview” to view the instructions and application package. Click “Apply” and “Create a Workspace” to access fillable forms and begin the application process.
2. Click “Download Instructions” to download a WinZip folder containing the following files:
  - i. Supplemental Comprehensive Housing Counseling NOFA pdf
  - ii. HUD-9906-L pdf (application for LHCAs)
  - iii. HUD-9906-P pdf (application for Intermediaries, SHFAs and MSOs)
  - iv. Chart A2 Supplement xls (for Intermediaries, SHFAs and MSOs)
  - v. Chart B Supplement xls
  - vi. HUD 50153 Certification of Consistency with Promise Zone pdf
3. The Grants.gov Workspace will list Mandatory and Optional forms, fillable as PDFs or webforms, if available. Applicants must complete all required fields and upload the



Mandatory forms in order for Grants.gov to allow submission of the package. Grants.gov may not permit submission of an incomplete or improperly filled-out form.

4. To add required attachments (like the HUD-9906, supplemental spreadsheets, etc.), click "Include in Package" to use the "Attachments Form." Click the "Add Attachment" box to attach documents and forms.
5. When the application is complete, you may click "Check Package for Errors."
6. To submit the completed application on behalf of the organization, an Authorized Organization representative must click "Sign and Submit." Applications may not be received by [grants.gov](https://grants.gov) or by HUD until they have been signed and submit by an AOR prior to the application deadline. For the SF-424, HUD-2880, and Certification Regarding Lobbying, the signature of the authorized representative and the date signed are completed upon submission.

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](https://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 that boxes 11, 12, and 13 on the SF-424 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.**

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

**See Application Checklist below for a list of required content.**

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

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

**a. Application Checklist (Required of all Applicants).** Below are forms, information, and certifications that all Applicants must complete:

1. **SF-424, Application for Federal Assistance.** Applicants should check "new" for block 2 for "Type of Application." Applicants may leave blocks 4, 5a, and 5b blank. For block 8c of the form, ensure that your DUNS identifier is correct and is listed on [SAM.gov](https://sam.gov) with an active registration. In block 8d, you must include a 9 digit number for your organization's zip code (zip plus 4 digits). Applicants are not required to request a specific grant amount, but should enter a response of \$1.00 in block 18a.
2. **HUD-2880 Applicant/Recipient Disclosure/Update Report.** Applicants must complete the HUD-2880. Applicants should check the box "Initial Report." In block 4, "Amount of HUD Assistance Requested/Received" of this form, Applicants may enter \$1.00: HUD

will not use this amount as a cap in establishing the maximum grant amount for the applicant (applicants may indicate a maximum grant amount in the HUD-9906). Applicants that have received or expect to receive HUD assistance for housing counseling in excess of \$200,000 during FY 2020 must select "yes" under the second question in "Part I Threshold Determinations." Detailed instructions for completing the form are found at this link: <http://portal.hud.gov/hudportal/documents/huddoc?id=2880.pdf>.

3. **HUD-9906 Housing Counseling Charts.** LHCA applicants must complete and submit the HUD-9906-L (pdf). Intermediary/SHFA/MSO applicants must complete and submit the HUD-9906-P (pdf) and the Chart A2 Supplement (Excel). All applicants with leveraged funds must complete the Chart B Supplement (Excel). Please be advised that there are multiple components (i.e., Chart A, Chart B, etc.) that comprise the HUD-9906. As these charts change each grant cycle, Applicants may not reuse the HUD-9906 from previous applications.
4. **Certification Regarding Lobbying (Grants.gov Lobbying Form).** All applicants must complete the Certification Regarding Lobbying to ensure applicants acknowledge the requirements in Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment) and 24 CFR part 87. These statutes and regulation prohibit the use of federal award funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific award. This is separate from the requirement for applicants to report lobbying activities using the SF-LLL form.

#### **b. Application Checklist (Applicable Only to Certain Applicants).**

Below are forms, information, and certifications that certain Applicants must include depending on their individual circumstances:

1. **HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation (if applicable).** Applicants requesting Promise Zone preference points must submit a form signed by the authorized official for the designated Promise Zone.
2. **HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period October 1, 2018 through September 30, 2019 (if applicable).** Applicants will be evaluated based on the HUD-9902 data in HUD's Housing Counseling System (HCS). Newly approved applicants that received approval as HUD housing counseling agencies after September 30, 2019, and did not submit a Fiscal Year 2019 Quarter 4 HUD-9902 by January 1, 2020, must prepare and submit a HUD-9902 as part of the application.
3. **SF-LLL, Disclosure of Lobbying Activities (if applicable).**
4. **SHFA Statutory Authority (if applicable).** 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.
5. **HUD-2996 Certification for Opportunity Zone Preference Points (if applicable).** Applicants must complete and submit this form in order to be eligible for Opportunity Zone preference points.

6. **HBCU Letter of Commitment (if applicable).** Applicants requesting HBCU preference points must submit a Letter of Commitment signed by an authorizing official of an HBCU and documentation of the college or university's status as an HBCU.

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

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

Applicants must be registered with <https://www.sam.gov/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 <https://www.sam.gov/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](https://www.grants.gov) and be approved by the EBiz POC in SAM to submit applications for the organization. Registration for SAM and [grants.gov](https://www.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 apply through [grants.gov](https://www.grants.gov). Complete registration instructions and guidance are provided on [grants.gov](https://www.grants.gov).

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

#### **Application Due Date Explanation**

The application deadline is 11:59:59 pm Eastern Standard time on

07/08/2020

Applications must be received no later than the deadline.

Submit your application to [Grants.gov](https://www.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](https://www.grants.gov)" means the applicant received a confirmation of receipt and an application tracking number from [Grants.gov](https://www.grants.gov). [Grants.gov](https://www.grants.gov) then assigns an application tracking number and date-and-timestamps each application upon successful receipt by the [Grants.gov](https://www.grants.gov) system. A submission attempt not resulting in confirmation of receipt and an application tracking number is not considered received by [Grants.gov](https://www.grants.gov).

Applications received by [Grants.gov](https://www.grants.gov) must be validated by [Grants.gov](https://www.grants.gov) to be received by HUD.

"Validated by [Grants.gov](https://www.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](https://www.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 applying.

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, 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. Before the deadline, HUD may contact the applicant to clarify information submitted.

HUD will uniformly notify applicants of each curable deficiency. A curable deficiency is an error or oversight that, if corrected, would not alter, in a positive or negative fashion, the review and rating of the application. See curable deficiency in the definitions section (Section I.A.3.). 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 by email. This 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 to cure a 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 be no less than 48 hours and no more than 14 calendar days 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 or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXX). 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.

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.

**6. Exemptions.** Parties that believe the requirements of the NOFA would impose a substantial burden on the exercise of their religion should seek an exemption under the Religious Freedom Restoration Act (RFRA).

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

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

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

**Eligible Activities.** HUD requires grantees to use grant funds for housing counseling and education in accordance with 24 CFR 214 and the Office of Housing Counseling [Handbook](#). To be eligible for reimbursement as direct costs, costs must be incurred pursuant to one or more of the following activities:

1. Housing counseling and group education
2. Oversight, compliance, and quality control
3. Supervision of housing counseling staff
4. Housing counselor training and certification (see limitation directly below)
5. Marketing and outreach of the housing counseling program to potential clients

There is a limit on reimbursement for HUD Housing Counselor Certification exam fees. Grantees will be notified how much of their award will be available for these costs.

HUD will respect cost classifications determined in a duly-approved negotiated indirect cost rate agreement or cost allocation plan. HUD may require applicants to provide documentation supporting classification of direct and indirect costs. HUD will not reimburse as direct costs those items that are classified as indirect costs in cost rate calculations and applications (see 24 CFR §§200.403, 412, and 414). Applicants may choose to take a 10% de minimis indirect cost rate as provided in the Uniform Grant Guidance to cover indirect costs.

In order for the cost of Housing Counseling or group education performed on or after the Final Compliance Date (see 24 CFR §214.103(n)(4) Certification of Housing Counselors and updated guidance) to be eligible for reimbursement, the following conditions must be met:

- Any housing counseling performed on or after the Final Compliance Date must be provided by a HUD-certified housing counselor, and
- any group education performed on or after the Final Compliance Date must be overseen by a HUD-certified housing counselor.

### **Indirect Cost Rate.**

Normal indirect cost rules under 2 CFR part 200, subpart E 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. Successful applicants whose rate changes after the application deadline must submit new rate and documentation.

State, county 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 direct federal funding per year, 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 direct federal funding per year and your department or agency unit has developed and maintains an indirect cost rate proposal and supporting documentation for audit in accordance with 2 CFR Part 200, Appendix VII, you may use the rate and distribution base specified in that indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in direct Federal funding per year and has never received a 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.

Applicants other than state, county and local 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 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 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, Assurances and Certifications.**

Standard Form 424 (SF-424) Application for Federal Assistance Programs is the government-wide form required to apply for Application for Federal Assistance Programs, discretionary Federal grants and other forms of financial assistance programs. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-

424B (Assurances of Non construction Programs) or SF424D (Assurances for Construction Programs). Applications receiving funds for both non construction programs and construction programs must submit both the SF-424B and SF-424D.

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), the applicant and the signing authorized representative affirm that they have reviewed the certifications and assurances associated with the application for federal assistance and (1) are aware the submission of the SF424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant. If it is later determined the signing authorized representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, 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.

**Assurances.** By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and public policy requirements, including, but not limited to civil rights requirements.

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

When providing education or counseling on buying or renting housing that may include pre-1978 housing, applicants must 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 applications in accordance with the requirements of this NOFA and the Housing Counseling Program. HUD may rely on performance monitoring and audit reports, financial status information, and other information available to HUD to make score determinations. The maximum points for each factor are outlined below. Applicants that manage networks of counseling agencies should not submit a separate response for each proposed Subgrantee and Branch. Rather, such applicants will be directed to use the Chart A2 Supplement (Excel spreadsheet).

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.

Unless otherwise specified, the term "Chart A" refers to Chart A1 for LHCA Applicants and to Chart A2 for Intermediary/SHFA/MSO Applicants. The same convention applies to all charts.

#### **RATINGS FACTOR**

#### **POINTS CHART**



**Rating Factor 1. Capacity of the Applicant**

Sub-factor A HECM Average Hours	2	N/A
Sub-factor B Training and Industry Standards	6	Chart A
Sub-factor C Performance Reviews	7	N/A
Sub-factor D Client Satisfaction and Progress	4	Chart A

**Rating Factor 2. Need / Departmental Policy Priorities**

Sub-factor A Rural Communities	5	N/A
Sub-factor B Vulnerable Populations: Fair Housing	2	Chart C
Sub-factor C Vulnerable Populations: Staff Training	2	Chart C
Sub-factor D Vulnerable Populations: Disabilities	2	Chart C
Sub-factor E Vulnerable Populations: Limited English Proficiency	2	Chart C
Sub-Factor F Vulnerable Populations: Mobility Counseling	1	Chart C
Sub-factor G Vulnerable Populations: Lead Paint	1	Chart C

**Rating Factor 3. Soundness of Approach**

Sub-factor A Impact (Clients served)	12	N/A
Sub-factor B Cost per Client	5	Chart A
Sub-factor C Counseling Ratio	3	Chart A
Sub-factor D Grant to Expenses Ratio	4	Chart A
Sub-factor E Allocation to Subgrantees	2	Chart A
Sub-factor F Counseling and Education Services	4	N/A
Sub-factor G Modes of Providing Services	8	Chart A
Sub-factor H Oversight Activities	6	Chart D

**Rating Factor 4. Leveraging Resources**

Sub-factor A Itemized Leveraging	5	Chart B
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**Rating Factor 5. Achieving Results and Program Evaluation**

Sub-factor A HCS Reporting	4	N/A
Sub-factor B Grant Expenditure History	6	N/A
Sub-factor C Counseling Outcomes	7	N/A

**PREFERENCE POINTS (maximum of 2 points total)**

Option 1	Opportunity Zones	2	Chart A
Option 2	HBCU	2	N/A
Option 3	Promise Zones	2	Chart A
Option 4	Emergency Preparedness/ Disaster Recovery	2	Chart C

**Rating Factors.** Each Rating Factor and the maximum points available for each scored item are outlined below. The maximum total available is 100 points. HUD reminds applicants that responses given in this application are subject to verification during performance progress reports, performance reviews, audits, or other methods that HUD may elect.

**Rating Factor 1: Capacity of the Applicant**

**Maximum Points: 19**

**(a) Duration of HECM Counseling Session (2 points).** Agencies with HECM Roster counselors will be assessed on the average duration of a counseling session. HUD will use its own records to score this factor.

**(b) Counselor Training and Industry Standards (6 points).** Using Chart A, indicate by entering an “x” in the appropriate field if:

- Fifty percent or more of counselors received formal housing counseling training in the past two years, not including on-the-job training (Field I)
- Agencies have any counselors on staff who have passed the HUD Housing Counseling Certification Exam (Field J)
- Agencies adopted the National Industry Standards for Homeownership Education and Counseling (<http://homeownershipstandards.com>) prior to the NOFA application submission date (Field K)

Intermediaries, SHFAs, and MSOs must specify this information for each Branch/Subgrantee on the Supplemental Chart A2 Attachment (Excel), and then transfer the totals onto Chart A2.

In addition, Applicants that manage networks of counseling agencies and also provide housing counseling services at their main office must include this office in the list of Subgrantees and Branches. The main office will be treated as a Branch for scoring and funding formula purposes. When completing Chart A2, Applicants must only list offices that provide housing counseling services to a minimum of thirty clients per year. (This requirement does not apply to agencies that offer only reverse mortgages counseling.)

**(c) Performance Reviews (7 points).** In scoring this section, HUD will evaluate Applicant compliance with programmatic requirements and oversight results. HUD will use its own records to score this factor.

For the Applicant, findings on oversight and performance reviews conducted by HUD staff will be taken into consideration when scoring this section. HUD may also factor in the Applicant’s responsiveness to findings and implementation of corrective action.

**(d) Client Satisfaction and Progress (4 points).** Scoring of this sub-factor will reward Applicants that measure customer satisfaction and progress. On Chart A, indicate if the Agency:

- Issued client exit surveys at the end of counseling or education sessions (Field L) - Issued any follow-up client surveys after the counseling was completed (Field M)
- Pulled credit reports as part of post-counseling follow-up six months or more after counseling was completed (Field N)

Intermediaries, SHFAs, and MSOs must specify this information for each Branch/Subgrantee on the Chart A2 Supplement (Excel), and then transfer the totals onto Chart A2.

**Rating Factor 2: Need / NOFA Priorities**

**Maximum Points: 15**

HUD will evaluate the degree to which the Applicant addressed the needs identified and, where requested, cited source information and provided examples or brief descriptions of activities proposed to address the needs.

**(a) Rural Communities (5 points).** HUD will use agency-reported data to determine the extent that an Applicant (and, if applicable, its network) serves rural clientele, as defined by the U.S. Department of Agriculture (USDA) at 7 C.F.R. § 3550.10.

**(b) Identifying Impediments to Fair Housing (2 points).** Applicants must affirmatively further fair housing in their use of grant funds, per Section 808(e)(5) of the Fair Housing Act. In Chart C (Fields A-C), Applicants must specify impediments to fair housing in their service area. (Applicants managing a network should cite no more than three jurisdictions served by their network.) Applicants must describe at least one activity that seeks to overcome the effects of such impediments and describe how it will measure outcomes. Applicants must maintain records of these activities.

[Applicants should 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. Applicants can find out more information about impediments to fair housing within their jurisdiction by consulting with their applicable local or state government agency.]

**(c) Staff Training (2 points).** In Chart C (Field D), Applicants must describe how they will train their staff on fair housing issues, including civil rights laws, methods of providing clients with information about their rights, and mechanisms for referring potential fair housing violations to HUD, state or local fair housing agencies, or private fair housing groups.

**(d) Persons with Disabilities (2 points).** In Chart C (Field E), Applicants must describe how access to programs and activities will be readily accessible to and usable by persons with disabilities. Applicants must also describe what appropriate steps will be taken to ensure effective communication with persons with disabilities.

**(e) Persons with Limited English Proficiency (2 points).** In Chart C (Field F), Applicants must describe how they will take reasonable steps to ensure persons with limited English proficiency (LEP) have meaningful access to the program and activities.

**(f) Mobility Counseling (1 point).** In Chart C (Field G), Applicants must describe how they provide mobility counseling.

**(g) Lead-Based Paint (1 point).** In Chart C (Field H), Applicants must describe how they inform clients about the hazards of lead-based paint in homes.

**Rating Factor 3: Soundness of Approach / Scope of Housing Counseling Services**

**Maximum Points: 44**

This factor addresses the quality and effectiveness of the Applicant's past and proposed housing counseling activities.

**(a) Impact (12 points).** HUD will evaluate the total number of clients served by the Applicant as reported in its HUD-9902 for Fiscal Year 2019. Applicants who were approved after September 30, 2019 and therefore were not required to submit a HUD-9902 covering this period must prepare and submit a HUD-9902 as part of the application (See *Section IV.B Content and Form of Application Submission* for more details).

**(b) Cost per Client (5 points).** HUD will evaluate the Applicant's Housing Counseling Program actual expenses for the period October 1, 2018, through September 30, 2019. Applicants must document their total housing counseling program expenses (Chart A, Field R),

which includes salaries and fringe of housing counselors and staff who provide counseling or group sessions (as stated in (c) below), other direct costs, and indirect costs. MSOs, SHFAs, and Intermediaries must include total housing counseling program expenses for their entire proposed network.

Agencies that became HUD-approved midway through the fiscal year should ensure that both their 9902 data and their expenses reflect the entire fiscal year, and not just that portion for which the agency was HUD-approved.

**(c) Counseling and Education Ratio (3 points).** Applicants must indicate the total funds expended on the salary and fringe benefits for housing counselors (Chart A, Field S). For an employee whose primary duty is providing counseling and education, the entire salary and fringe benefits may be considered. For employees whose primary duty is not counseling (e.g. program managers, administrative assistants, etc.), but who nevertheless conduct counseling sessions or group workshops as an ancillary duty, their salaries and fringe benefits should be prorated in accordance with the proportion of their efforts expended in providing such client services. Field S (Salary and Fringe) will be a subset of Field R (Total Housing Counseling Program Expenses).

**(d) Ratio of HUD Grant to Total Expenses (4 points).** HUD will calculate the ratio of an Applicant's previous HUD grant to its total Housing Counseling Program actual expenses. Applicants without a previous HUD grant will be awarded full points.

**(e) Allocation to Subgrantees (2 points).** Intermediaries, SHFAs, and MSOs must indicate the percentage of the proposed award the Applicant intends to allocate to itself (Chart A2, Field P1) and to each Subgrantee and Branch (Chart A2, Field P2). Points are awarded to applicants who sub-allocate a larger percentage of their award.

**(f) Services Provided (4 points).** HUD will consider the types of housing counseling and education services being offered. HUD will use its own records to score this factor.

**(g) Methods of Service Delivery Provided (8 points).** HUD permits housing counseling agencies to provide various modes of counseling and education that reach a broader range of clients who would not otherwise receive housing counseling services. Applicants must indicate their methods of service provision in Chart A, Fields T-W.

**(h) Oversight Activities (6 points).** Applicants must indicate their oversight and quality control activities (Chart D). Items selected in these charts must be included in an Agency's quality control plan and may be verified by HUD staff prior to approving grant progress reports and drawdown requests, as well as during performance reviews.

#### **Rating Factor 4: Leveraging Resources**

**Maximum Points: 5**

HUD Housing Counseling grants should not be the sole source of funds for a housing counseling program. Grantees are expected to seek other sources of funding, both private and public, to supplement HUD grant funding. HUD will calculate the ratio of an Applicant's anticipated HUD grant to its total qualified leveraged funding.

Applicants are evaluated based on the extent to which they have obtained non-federal resources including direct financial assistance (grants), fees, program income, and in-kind contributions for the period of performance. Resources provided by non-federal government sources, public or private nonprofit organizations, for-profit organizations, or other entities will be counted toward the Applicant's leveraged funding total. Do not include funds unless they are exclusively allocated for the housing counseling program. Grantees must 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.

Applicants must list their leveraged resources in Chart B. Applicants must complete all fields for each resource. Leveraged resources claimed by an Applicant must meet the criteria in 2 C.F.R. Part 200. Applicants must submit itemized information on the Chart B Supplement (Excel) AND enter total leveraged amounts on 9906 Chart B. Please ensure the total amount on the spreadsheet is the same as the total entered on Chart B. Leveraged totals that do not match constitute a non-curable deficiency.

- In Field A, enter the name of the Applicant, Subgrantee, or Branch (not applicable to LHCAs).
- In Field B, enter the name of the organization providing the resources, including the point of contact who can verify that these resources are dedicated.
- In Field C, enter the type of contribution.
- In Field D, enter the use of the leveraged funds. For in-kind contributions, describe the goods or services contributed.
- In Field E, enter the amount of funds from this resource.

Include only funds that will be available during the period of performance. If Applicant's funding is available outside of the 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 only available for three months, then only include 25% of the total amount. Funds available for multiple years must also be pro-rated (e.g., \$100,000 leverage available July 1, 2018 through June 30, 2020, only \$37,500 should be entered on Chart B for the 9 months of October 1, 2019 through June 30, 2020).

While agencies are strongly encouraged to leverage funds from other private and public sources, they are permitted to charge fees to counseling recipients (see 24 CFR Part 214 for more information). Agencies are not permitted to charge fees for default counseling or homeless counseling. In order to receive credit for the fee income, it 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 B.

**Rating Factor 5: Achieving Results**

**Maximum Points: 17**

HUD will assess Applicant's performance in achieving agreed upon performance goals and commitments made in their applications and grant agreements.

**(a) HCS Reporting (4 points).** Applicants will be assessed on timely validation of their agency profile in HCS, timely submission of HUD-9902 reports, and use of their Client Management System to submit HUD-9902 reports. HUD will use its own records to score this factor.

**(b) Grant Expenditure History (6 points).** HUD will evaluate the Applicant's expenditure of previously-awarded grant funds. Significant delays in grant expenditure beyond the period of performance, including the need to recapture funding, will be taken into consideration.

Applicants that repeatedly fail to expend their grant awards within the period of performance may be deemed ineligible applicants in subsequent NOFAs. HUD will use its own records to score this factor. Applicants without a previous HUD grant will be awarded full points.

**(c) Counseling Outcomes (7 points).** HUD will evaluate the positive impacts that an

Applicant's housing counseling services had on clients. HUD will use its own records to score this factor.

## **2. Other Factors.**

### **Preference Points.**

HUD encourages activities in support of the Secretary's FY20 Initiatives. HUD may award up to two (2) points for any of the 3 preferences (OZ, PZ or HBCU).

### **Opportunity Zones.**

**Opportunity Zone (OZ) Certification and Supporting Documentation:** Applicants proposing projects in an Opportunity Zone community must identify the state, county and census tract(s) of the opportunity zone(s) in which the activity will be carried out and provide certification to HUD in order to receive preference points. The certification must affirm that the investment is in a qualified Opportunity Zone, and be submitted as a supporting attachment on the applicant's letterhead with the application package. Applicants must also provide supporting documentation showing that the investment is in an Opportunity Zone. To view the list of designated Opportunity Zones, please see the following link on the U.S. Department of the Treasury website: <https://www.cdfifund.gov/Pages/Opportunity-Zones.aspx>. HUD encourages activities in Opportunity Zones. This form will be included as part of the grant application package on [grants.gov](https://www.cdfifund.gov/grants.gov) for all HUD grants that offer Opportunity Zone preference points. For Fiscal Year 2020, applicants will be required to complete and submit this form along with the SF-424 in order to be eligible for Opportunity Zone preference. Applicants who do not complete this form and submit it along with the rest of their application package will not be eligible to receive the points. Additionally, applicants who do complete and submit this form, but indicate they intend to use less than 50% of the award within Opportunity Zone tracts, will also be ineligible to receive preference points, unless: a.) the applicant can show why they are unable to expend at least 50% of the grant award within Opportunity Zone designated tracts, or b.) the applicant is able to make a compelling case for why the amount that will be expended will have a significant impact within Opportunity Zone designated tracts.

To receive these OZ preference points, investment and activities must be located in an OZ. Intermediaries, SHFAs, and MSOs will be assessed based on the location of their subgrantees and branches. HUD will use the list of designated Opportunity Zones as it exists at the application due date. To qualify for these two preference points, you must list your agency's 11-digit census tract number in Chart A, Field O1. Do not list census tracts for branches or subgrantees that are not located in Opportunity Zones.

Successful applicants who receive these Opportunity Zone preference points must commit to expending the estimated percentage of their award in OZ census tracts, as certified in the Certification for Opportunity Zone Preference Points.

### **HBCU.**

An applicant partnering with a Historically Black College or University (HBCU) will receive up to two (2) Preference Points when the application includes a Letter of Commitment certifying that an HBCU Partnership is in place and signed by an authorizing official of the HBCU and documentation of the college or university's status as an HBCU. [Click here to view the list of accredited HBCU's](#)

### **Promise Zones**

HUD encourages activities in Promise Zones (PZ). 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.

**Emergency Preparedness and Disaster Recovery.**

HUD encourages agencies to have housing counselors with training in emergency preparedness and/or disaster recovery. Emergency preparedness and/or disaster recovery include efforts in response to global pandemics. Applicants must describe their activities in Chart C (Fields I-J). HUD will award two point for this criterion.

**Minimum Fundable Score.**

Preference points will be awarded only after an application has earned a minimum fundable score (i.e., the preference points do not assist the applicant to meet the minimum fundable score). The minimum fundable score restriction does not apply for Emergency Preparedness and Disaster Recovery. Applicants can earn up to a **total** of two preference points for all qualified activities.

**B. Review and Selection Process.**

**1. Past Performance**

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

The ability to account for funds in compliance with applicable reporting and recordkeeping requirements;

Timely use of funds received from HUD;

Timely submission and quality of reports submitted to HUD;

Meeting program requirements;

Meeting performance targets as established in the grant agreement;

The applicant's organizational capacity, including staffing structures and capabilities;

Timely completion of activities and receipt and expenditure of promised matching or leveraged funds;

The number of persons served or targeted for assistance;

HUD may reduce scores as specified under V. A. Review Criteria. Whenever possible, HUD will obtain past performance information. If this review results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III. E Statutory and Regulatory Requirements Affecting Eligibility, “Pre-selection Review of Performance” document link above.

**2. Assessing Applicant Risk.**

In evaluating risks posed by applicants, HUD may use a risk-based approach and may consider any items such as the following:

- Financial stability;
- Quality of management systems and ability to meet the management standards prescribed in this part;
- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable

reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;

- Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

### **3. Review and Selection Process.**

**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 provides the procedures to correct a deficient application.

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

**Minimum Fundable Score.** All applications will be scored on a 100 point scale, not including preference points. For FY20, HUD anticipates making awards to all Applicants scoring 70 points or greater. If available funds are insufficient to provide grants to all Applicants achieving the minimum fundable score, grants will be awarded in rank order until all available funds have been distributed. HUD reserves the right to adjust the minimum fundable score.

**Funding Methodology.** This methodology awards agencies a base award 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.

Applicants may also indicate, but are not required to, a maximum grant request (Chart A, Field Q) that will be considered as a cap in establishing the maximum award for the Applicant.

Although HUD will determine the total award amount for each Applicant, Grantees themselves will determine the actual funding amounts to be distributed to Subgrantees and/or Branches.

**(a) Base Award.** The funding methodology will provide a Base Award for successful Applicants.

1. LHCAs applying independently are not eligible to manage a network of subgrantees. While LHCAs applying independently may sub-allocate HUD grant funds to their Branch offices, the funding formula will not augment the award for such offices.
2. For Intermediaries, SHFAs, and MSOs that provide subgrants or fund their own Branches, the award will be calculated based on the size of the Applicant's funded network. In the Chart A2 Supplement (Excel), Applicants must list and describe their funded network. If the entity is a Branch of the Applicant's organization, place an "X" in Field D. If the entity is a Subgrantee, place an "X" in Field E. For each member of the Applicant's funded network, there should be one and only one box checked (i.e. either Field D or Field E, not both). If an Intermediary, SHFA, or MSO provides counseling services at their main office, Applicants may list their main office as a Branch.

Subgrantees and Branches that did not provide housing counseling services to a minimum of thirty clients in the previous year should not be listed and will not be counted. Branches that are part of a Subgrantee's organization should not be listed and will not be counted.



**(b) Competitive Funding Amount.** Higher scoring submissions may receive incentive funding on top of the base funding.

**(c) Funding to Support a Network.** HUD may augment the award for oversight and quality control activities. HUD may base a portion of this calculation on an Applicant's plan to review members of its network using form HUD-9910 and to share results and follow-up actions with HUD (Chart D2, Field 1). Chart D2 includes a space for Applicants to indicate the number of Subgrantees and Branches (from 0 to 5) that they propose to review during the upcoming performance period.

**(d) Number of Counselor FTEs.** HUD may augment the award based on the number of FTEs that provide housing counseling services as of September 30, 2019 (Chart A, Field F). Applicants that provide counseling services at their main office may count the number of housing counselor FTEs at the main office in addition to the offices of Subgrantees and/or Branches.

**(e) Funding of Reverse Mortgage Counseling.** HUD may augment the award based on the number of HECM Roster Counselors that provide housing counseling services as of September 30, 2019 (Chart A, Field G).

**(f) Funding of Default Counseling for Reverse Mortgages.** HUD may augment the award based on an Applicant's commitment to providing HECM default counseling. Applicants are asked to indicate how many of their counselors will provide default counseling for reverse mortgage borrowers from October 1, 2019 to March 31, 2021 (Chart A, Field H). The bonus will be capped at five such counselors per agency, branch, and subgrantee. As a reminder, default counseling for reverse mortgages can be provided by non-HECM Roster counselors.

By the end of the period of performance, such counselors must have:

- Attended at least eight hours of training in reverse mortgages in the three years prior to the end of the grant period; and
- Provided services to a minimum of ten HECM default counseling clients during the grant period.

Grantees must provide documentation supporting these activities in grant progress reports.

**Reallocation of Unallocated Funds.** If funds designated for this NOFA remain unallocated after award recommendations, HUD may reallocate those funds.

**Funds Recapture.** HUD may decrease the award amount if changes to the network size, number of housing counselor full-time equivalents (FTEs), or services provided would result in a lower amount than was awarded using the funding methodology and reserves the right to recapture all or part of the resulting grant. Additionally, HUD may recapture funds unspent in the time allotted. Grantees are required to cooperate with recapture requests.

**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 within 15 days of implementation of such changes. However, HUD encourages grantees to report such changes as early as possible to ensure that the organization remains eligible for grant funds. 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.

## **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 SF424.

**Negotiation.** After HUD has made selections, HUD will negotiate specific terms of the funding agreement and budget with selected applicants. If HUD and a selected applicant do not successfully conclude negotiations in a timely manner, or a selected applicant fails to provide requested information, an award will not be made to that applicant. In this case, HUD may select another eligible applicant. HUD may impose special conditions on an award as provided under 2 CFR 200.207:

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

**Adjustments to Funding.** To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, HUD reserves the right to fund less than the amount requested in an application.

a. HUD will fund no portion of an application that:

- (1) Is not eligible for funding under applicable statutory or regulatory requirements;

- (2) Does not meet the requirements of this notice; or
- (3) Duplicates other funded programs or activities from prior year awards or other selected applicants.
- b. If funds are available after funding the highest-ranking application, HUD may fund all or part of another eligible fundable application. If an applicant turns down an award offer, or if HUD and an applicant do not successfully complete grant negotiations, HUD may make an offer of funding to another eligible application.
- c. If funds remain after all selections have been made, remaining funds may be made available within the current FY for other competitions within the program area, or be held for future competitions, or be used as otherwise provided by authorizing statute or appropriation.
- d. If, after announcement of awards made under the current NOFA, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, HUD may use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, and/or to fund additional applicants that were eligible to receive an award but for which there were no funds available.

**Funding Errors.** If HUD commits an error that when corrected would cause selection of an applicant during the funding round of a Program NOFA, HUD may select that applicant for funding, subject to the availability of funds.

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

For this NOFA, the following [Administrative, National and Department Policy Requirements and Terms for HUD Financial Assistance Awards](#) apply. (Please select the linked text to read the detailed description of each applicable requirement).

### 1. Compliance with Non-discrimination and Related 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, Which Encompass the Fair Housing Act and Related Authorities (cf. 24 CFR 5.105(a)).
- 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 Requirements.

### 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. Participation in HUD-Sponsored Program Evaluation.

### 6. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

### 7. Drug-Free Workplace.

### 8. Safeguarding Resident/Client Files.

### 9. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended.

### 10. Eminent Domain.

### 11. Accessibility for Persons with Disabilities.

12. Violence Against Women Act.
13. Conducting Business in Accordance with Ethical Standards/Code of Conduct.
14. Environmental Requirements.

### **C. Reporting.**

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

**1. Recipient Integrity and Performance Matters.** 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.

### **3. Program-Specific Reporting Requirements**

#### **Performance Reporting.**

**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.

### **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 SF-424 or by his or her successor in office and be submitted to the POC 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 Contact(s).**

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 POC listed below. Name:

Tracy Badua

Phone:

Email:

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 activities under these regulations are excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) ("NEPA"). This NOFA does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing (other than tenant-based rental assistance), rehabilitation, alteration, demolition, or new construction. Accordingly, under 24 CFR §50.19(c)(5), this NOFA is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

**2. Paperwork Reduction Act Statement.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. Each NOFA will identify its applicable OMB control number unless its collection of information is excluded from these requirements under 5 CFR part 1320.

### **3. Web Resources.**

- [Affirmatively Furthering Fair Housing](#)
- [Code of Conduct list](#)
- [CFDA](#)
- [Dun & Bradstreet](#)
- [Equal Participation of Faith-Based Organizations](#)
- [Federal Awardee Performance and Integrity Information System](#)
- [FFATA Subaward Reporting System](#)
- [Grants.gov](#)
- [HBCUs](#)
- [Healthy Homes Strategic Plan](#)
- [Healthy Housing Reference Manual](#)
- [HUD's Strategic Plan](#)
- [HUD Grants](#)
- [Limited English Proficiency](#)
- [NOFA Webcasts](#)
- [Opportunity Zone](#)
- [Procurement of Recovered Materials](#)
- [Promise Zones](#)
- [Section 3 Business Registry](#)
- [State Point of Contact List](#)
- [System for Award Management \(SAM\)](#)
- [Uniform Relocation Act – Real Property Acquisition and Relocation Requirements](#)
- [USA Spending](#)

## APPENDIX

### Appendix A

#### 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 regional or national 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, regional or national Intermediary or SHFA, not separately incorporated or organized, that participates in HUD's Housing Counseling Program. A branch or branch office must be in good standing under the laws of the state where it proposes to provide housing counseling services. A branch or branch office cannot be a subgrantee 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 or housing issues and focuses on ways of overcoming specific obstacles to achieving a housing goal such as repairing credit, 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 24 C.F.R. 214.103.

**7. Final Compliance Date.** The date, determined by HUD, when all housing counseling required by or provided in connection with any HUD program must be performed by a HUD certified housing counselor and all group education must be overseen by a HUD certified housing counselor.

**8. 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.

**9. 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.

**10. Homeownership Counseling.** Homeownership Counseling means 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.

**11. 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.

**12. 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.

**13. 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.

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

**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 subgrant 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. Subgrantee.** An affiliate of a HUD-approved Intermediary or SHFA that receives a subgrant of housing counseling funds provided under a HUD housing counseling grant. All subgrantees must be identified in the grantee's application. Under certain conditions, including approval by HUD, grantees may amend their subgrantee 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.