Notice of Funding Availability (NOFA) for the Department's Fiscal Years 2016 and 2017 Comprehensive Housing Counseling Grant Program
FR-6000-N-33
Application Due Date: 04/04/2016
TABLE OF CONTENTS

I. Funding Opportunity Description.
II. Award Information.
III. Eligibility Information.
   A. Eligible Applicants.
   B. Cost Sharing or Matching.
   C. Other.
IV. Application and Submission Information.
   A. Obtaining an Application Package.
   B. Content and Form of Application Submission.
   C. System for Award Management (SAM) and Dun and Bradstreet Universal Numbering System (DUNS) Number.
   D. Application Submission Dates and Times.
   E. Intergovernmental Review.
   F. Funding Restrictions.
   G. Other Submission Requirements.
V. Application Review Information.
   A. Criteria.
   B. Review and Selection Process.
   C. Anticipated Announcement and Award Dates.
VI. Award Administration Information.
   A. Award Notices.
   B. Administrative, National and Departmental Policy Requirements.
   C. Reporting.
VII. Agency Contact(s).
VIII. Other Information.
IX. Appendix.
Program Office: Housing
Funding Opportunity Title: Notice of Funding Availability (NOFA) for the Department's Fiscal Years 2016 and 2017 Comprehensive Housing Counseling Grant Program
Announcement Type: Initial
Funding Opportunity Number: FR-6000-N-33
Primary CFDA Number: 14.169
Due Date for Applications: 04/04/2016

For Further Information Contact: Please direct questions regarding the specific program requirements of this Program Notice of Funding Availability (NOFA) to the agency contact identified in Section VII. Please direct general questions regarding the FY2016 NOFAs to the Office of Strategic Planning and Management, Grants Management Division, at AskGMO@hud.gov. Persons with hearing or speech impairments may access these numbers via TTY by calling the Federal Relay Service at 1-800-877-8339.

Additional Overview Information
Incorporation of the General Section. HUD publishes a General Section each fiscal year that contains requirements for all applicants to HUD’s various competitive grant programs, including this NOFA. Applications must meet all of the requirements of the General Section in addition to the requirements of this NOFA to be considered and potentially receive funding. The full title of the General Section is the General Section to HUD's Fiscal Year 2016 Notice[s] of Funding Availability for Discretionary Programs. Copies are available at Grants.gov or HUD's Funds Available page, http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail.

1. Participative Planning and Implementation. HUD encourages all applicants to HUD’s competitive programs to ensure, where applicable, public decision making and meaningful participation throughout the visioning, development, and implementation of funded projects, by residents of affected areas and especially communities traditionally marginalized from planning processes. In seeking public participation, applicants and grantees must ensure that all communications are provided in a manner that is effective for persons with hearing, visual, and other communications-related disabilities consistent with Section 504 of the Rehabilitation Act of 1973 and, as applicable, the Americans with Disabilities Act. In addition Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that grantees take responsible steps to ensure meaningful access to services, programs, and activities by persons with Limited English Proficiency (LEP persons).

2. OMB Approval Number(s): 2502-0261

This NOFA provides information and instructions for the FY 2016 Comprehensive Housing Counseling Grant Program. This NOFA is comprised of both the General Section to the Department’s FY 2016 NOFAs for Discretionary Programs (General Section) published September 24, 2015, and this program section to the NOFA. In addition to the application requirements set forth in this document, Applicants must also comply with the requirements established in the General Section, and all Housing Counseling Program requirements. HUD reserves the right to award both FY 2016 and FY 2017 funds on the basis of this single NOFA competition. FY 2017 grant awards under this NOFA are contingent upon the availability of appropriations.
I. Funding Opportunity Description.

A. Program Description.

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

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

   - Distribute federal financial support to housing counseling agencies for them to provide quality services to consumers to address their housing and financial needs.
   - Distribute federal financial support to housing counseling agencies based on past performance and quality of housing counseling services.
   - Reduce the administrative costs to program participants when applying for and reporting on HUD funding while maintaining essential tracking of program performance and accountability for federal funds.
   - Leverage external resources and funding to increase the sustainability of quality housing counseling programs.
   - Ensure high quality housing counseling services by preparing the housing counseling industry for additional HUD counseling standards and individual housing counselor testing and certification.
   - Ensure distribution of funding amounts for rural areas having traditionally low levels of access to housing counseling services, including areas with insufficient access to the Internet.

2. Changes from Previous NOFA.
   a. Procedural Changes. In accordance with the 2016 General Section and the administrative requirements of 2 CFR Part 200, HUD is outlining its process to consider and establish requirements in the following areas.

   - Risk. This NOFA recognizes that all eligible Applicants already participate in HUD’s Housing Counseling Program and those that met threshold requirements have demonstrated an acceptable level of performance and compliance with programmatic requirements. Risk under HUD’s Housing Counseling Program is further related to past performance and scored under this NOFA through three
factors outlined in this NOFA in Section V – Application Review Information. These three factors represent up to 33 of the 100 maximum total points available. Rating Factor 1 - Capacity, sub-factor 2 – Performance Review, worth a maximum total of 7 points, considers the Applicant’s performance review history utilizing HUD records. Rating Factor 3 – Soundness of Approach, sub-factor 1 - Past Performance, worth a maximum total of 24 points, considers the Applicant’s past performance (including the impact of number of clients served and the Applicant’s past budget) through information available both in HUD’s systems and as provided by the Applicant. Rating Factor 5 - Achieving Results and Program Evaluation, sub-factor 2 - Grant Expenditure, worth a maximum total of 2 points, considers the Applicant's past grant expenditure history utilizing HUD's records.

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

**b. Continuation of Previously Implemented Procedural Changes.** In this NOFA, HUD continues a number of significant changes implemented under previous Comprehensive Housing Counseling NOFA competitions to improve communication, streamline program requirements, reduce administrative burdens, and prepare for additional program standards.

- **One Competition Distributes Subsequent Year Funding if Available.** Under the FY2016 – FY2017 NOFA and corresponding FY 2016 HUD General Section, HUD may conduct a competition for housing counseling grant funding for both FY 2016 and FY2017. HUD will use the Grant applications received for FY 2016 and the corresponding scores and funding methodology to make awards for FY2017 subject to the availability of FY 2017 appropriations. HUD will contact eligible FY 2016 Grantees to determine their interest in FY 2017 funding. HUD will then rerun the FY 2016 funding formula, utilizing FY 2016 application data and scores for the eligible Grantees interested in receiving FY 2017 funds. Along with significantly reducing the application burdens for FY 2016 Grantees, this funding process should enable HUD to make FY 2017 awards soon after FY 2017 appropriations become available. HUD’s FY 2016 General Section to the NOFA will apply to Housing Counseling Comprehensive NOFA awards for both FY 2016 and FY 2017.

Local Housing Counseling Agencies (LHCAs) that received HUD approval after the FY 2016-FY 2017 NOFA publication date, and other Participating Agencies may be able to affiliate with an Intermediary or State Housing Finance Agency (SHFA) and access FY 2017 funding through that affiliation. A counseling agency which changes its Housing Counseling Program status during FY 2016 (e.g., change in status from a Multi-State Organization to an LHCA) may still be eligible for FY 2017 funding if the counseling agency meets all pertinent requirements for the current status of the agency. In such a case, HUD may, at its discretion, fund the eligible counseling agency for FY 2017 based on the applicable funding methodology.

Alternatively, HUD reserves the right to issue a supplemental or independent Housing Counseling Program NOFA in FY 2017, perhaps limited to new Applicants, or for a specific housing counseling related activity to provide additional support for that activity.

- **Offsetting Expected Counselor Certification Costs.** As Applicants should be aware, sections 106(e) and (f) of the Housing and Urban Development Act of 1968 (12 U.S.C. §§ 1701x(e) and (f)) requires the Department to test and certify housing counselors. HUD has published a proposed rule related to these requirements. See 78 FR 56625. Applicants should be aware that expected training, testing and certification expenses are eligible expenses under this NOFA. The funding methodology contains a
layer of funding based on the number of the Applicant’s full-time equivalent (FTE) housing counselors. This change was made not only to improve the methodology with which HUD determines award amounts, but also to make sure award amounts are made in a manner consistent with the intent to help counseling agencies offset expected certification costs for their counselors.

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

• **Encouraging Counseling Networks.** HUD will provide increased support for Intermediaries, SHFAs and Multi-State Organizations (MSOs) that manage networks of housing counseling agencies or Branches, in other words, that sub-allocate funding to Sub-grantees and Branches. Specifically, this NOFA is structured to encourage such agencies to expand their network, and encourage Local Housing Counseling Agencies (LHCAs) and other agencies to form new partnerships to gain access to additional resources and cost savings. This NOFA permits the funding of a Sub-grantee’s Branches. However, to receive a base award under the funding methodology for this NOFA, a Branch office must be open to provide housing counseling services to a minimum of thirty (30) clients per year, except for those agencies providing only HECM counseling. In addition, this NOFA will provide support based on the number of FTE counselors in a network. HUD counseling grants will be structured to provide Grantees that manage networks of counseling agencies with additional resources to ensure quality, accountability, technical assistance support and information technology support for their respective networks.

HUD continues to encourage networks with HUD-approved Intermediaries and SHFAs for several reasons. First, HUD recognizes the important role that housing counseling networks can play in improving the quality of housing counseling, for example by facilitating knowledge and sharing best practices. Second, HUD is determined to take steps to decrease the size of the application, reporting and other program administration work load burdens on housing counseling agencies in an effort to maximize the impact of housing counseling resources on the consumers of housing counseling services. HUD also wants to cooperate more effectively with SHFAs given the increasingly important role they are playing in the housing counseling field. Most applicants should be familiar with this counseling network funding model, as a similar approach has been used to distribute National Foreclosure Mitigation Counseling (NFMC) funding. To help facilitate the partnering of LHCAs with Intermediaries and SHFAs, Appendix A provides contact information for Intermediaries and SHFAs that participate in HUD’s Housing Counseling Program as of the NOFA publication date.

To encourage Applicants to increase the size of their counseling networks, the funding methodology for this NOFA incorporates a flat award per Sub-grantee and Branch (of the Intermediary, SHFA or Multi-State Organization [MSO]) included in an application.

c. **Significant Funding Methodology Changes.** While network size and number of Sub-grantees remain as
funding methodology factors, this NOFA has changed the funding methodology to again slightly decrease the weighting of network size while it continues to factor in other criteria such as score, number of FTEs, network management activities and other relevant criteria. In determining the level of funding to provide support for a network, HUD may base a portion of this calculation on an Applicant’s intent to review members of its network utilizing the HUD-9910 form and share review results and follow-up actions with HUD. HUD continues to reserve the right to establish maximum award amounts as it has done in the past, and anticipates considering a reduction in the maximum award amount under this NOFA.

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

3. Definitions.

a. Eligibility Requirements – Eligibility requirements are those requirements that must be met for an application to be eligible for funding. Deficiencies in meeting an eligibility requirement may be categorized as either curable or non-cur able.

b. Threshold Requirement – Threshold requirements are a category of eligibility requirements. A threshold requirement is a requirement that must be met in order for an application to be reviewed. Threshold requirements are not curable. Threshold requirements are listed in Section III.C.1 of this Program NOFA.

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

c. Deficiency – Deficiencies are not the same as errors. Errors are never curable except as permitted under Section IV.C.2. Deficiencies are items of missing or omitted information within a submitted application. Deficiencies typically involve missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box, etc.). Depending on specific criteria, deficiencies may be either curable or non-cur able.

d. Curable Deficiency – A curable deficiency is a specific type of deficiency that applicants may correct with timely action. To be curable the deficiency must:

- Not be a threshold requirement;
- 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.

e. 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.

Program specific definitions are available in Appendix B, 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.
II. Award Information.

A. Available Funds.

HUD is making available approximately **$40,000,000** through this NOFA for Notice of Funding Availability (NOFA) for the Department's Fiscal Years 2016 and 2017 Comprehensive Housing Counseling Grant Program.

Additional funds may become available for award under this NOFA as a result of HUD's efforts to recapture unused funds, use carryover funds, or because of the availability of additional appropriated funds. Use of these funds is subject to statutory constraints. All awards are subject to the applicable funding restrictions described in the General Section and to those contained in this NOFA.

Funding is provided under the Consolidated Appropriations Act, 2016 (Public Law 114-113, approved December 18, 2015).

HUD estimates approximately $40 million may be available for eligible applicants under this NOFA for FY 2016. This estimate is based on the estimated number of agencies that will be eligible and apply for funds under this NOFA. 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 300 awards from the funds available under this NOFA.

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

C. Minimum/Maximum Award Information.

1. **Total Grant Request.** Applicants are not required to request a specific award amount, nor provide a proposed budget for a grant amount but should enter a response of $1.00 in line 18a of the SF424, Application for Federal Assistance. Applicants will be required to submit the revenue and expense statements for their counseling program for the most recent fiscal year (*i.e.*, October 1, 2014 to September 30, 2015).

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

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

    **Estimated Total Funding:** $40,000,000
    **Minimum Award Amount:** $0 Per Project Period
    **Maximum Award Amount:** $0 Per Project Period

D. Period of Performance.

- **Estimated Project Start Date:** 10/01/2015
- **Estimated Project End Date:** 03/31/2017
- **Length of Project Periods:** Other
Length of Project Periods
Explanation of Other:
The initial period of performance for grants awarded under this program will be for a period of up to eighteen (18) months. For planning purposes, Applicants should assume that the period of performance is October 1, 2015 through March 31, 2017. On a case-by-case basis, after HUD has issued the FY 2016 awards, HUD may approve one-time requests from grantees to extend the initial period of performance for good cause. This request must include the reasons why an extension is necessary and justified, the specific time frame of the proposed extension, and an explanation of how the funds will be effectively spent within the proposed extension period. Extensions will not be exercised merely for the purpose of using un-obligated balances.

E. Type of Funding Instrument.
Funding Instrument Type: Grant
HUD will use a Grant Agreement. All awards will be made on a cost reimbursement basis, which means that grantees will receive funding for housing counseling services that were provided prior to a draw request for reimbursement from HUD.

III. Eligibility Information.

A. Eligible Applicants.
Others (see text field entitled "Additional Information on Eligibility" for clarification)

Additional Information on Eligibility:

a. All housing counseling agencies (including LHCAs, Intermediaries and MSOs) that are directly approved by HUD to participate in the HUD Housing Counseling Program prior to the NOFA issue date and SHFAs are eligible for this NOFA. Housing Counseling agencies that have not received HUD approval but meet the Housing Counseling Program approval criteria at 24 C.F.R. § 214.103 are encouraged to affiliate with a HUD-approved Intermediary or SHFA.

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

   i. 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 be a local, county or state government;
   
   ii. in good standing under the laws and regulations of the state of their organization; and
   
   iii. authorized to do business in the states in which they propose to provide housing counseling services.

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

   i. Successful Applicants must give priority to methods that provide physical access to individuals with disabilities, i.e., holding the training or any other type of meeting in an accessible location, in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990, as applicable. 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, in which case the recipients must take any action that would not result in such an alteration or such burden but would nevertheless ensure that individuals with disabilities receive the benefits and services of the program or activity, e.g., training at an alternate accessible site or in-home training. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs. In addition, counseling services must comply with effective communication requirements pursuant to Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 C.F.R. § 8.6.

ii. **SAM.gov Registration Requirement.** All Applicants must have a valid, active registration in the System for Award Management (SAM). All Sub-grantees must have a Data Universal Number System (DUNS) identifier. See the Summary, page 7 and Section V of the *General Section* for more information.

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

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

d. **Additional Eligibility Requirements for Applicant:**

i. **Housing Counseling Work Plan.** All Applicants must have a Housing Counseling Work Plan on file with HUD. Activities specified in the HUD-9906 Housing Counseling charts must be consistent with the applicant’s Work Plan and include the provision of housing counseling. Providing only education or marketing and outreach does not fulfill this requirement.

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

e. **Limits on Applicants.** Applicants and Sub-grantees are prohibited from applying for or accessing FY 2016 HUD Housing Counseling Program grant funding from multiple sources. For example, applying for funding under this NOFA as both a direct Grantee (e.g. LHCA) and as a Sub-grantee of an Intermediary or SHFA is prohibited. Likewise, applying for funding under this NOFA as a Sub-grantee of two different Intermediaries or as a Sub-grantee of an Intermediary and as a Sub-grantee of an SHFA is prohibited.

The following limited sole exception is made to these requirements:

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

Additionally, if for-profit firms are eligible they are not allowed to earn a fee (i.e. make a profit from the project).

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

As required in the Code of Federal Regulations (CFR) at 2 CFR 25.200 and 24 CFR Part 5 Subpart K, all applicants for financial assistance must have an active Data Universal Numbering System (DUNS) number (http://fedgov.dnb.com/webform) and have an active registration in the System for Award Management (SAM) (www.sam.gov) before submitting an application. Getting a DUNS number and completing SAM
registration can take up to four weeks; therefore, applicants should start this process or check their status early.

See also Section IV.B for necessary form and content information.

**B. Cost Sharing or Matching.**

This Program does not require an applicant to leverage resources through cost sharing or matching.

**C. Other.**

All applicants must comply with the following requirements, which may determine whether your application is reviewed or make your application ineligible for funding. Eligibility criteria for this competition include:

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

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

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

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

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

   ii. **Housing Analysis.** A review of the client’s housing needs, current housing quality, and housing affordability relative to their financial capability.

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

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

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

   b. **Group Education/Classes:** Group education or classes regarding one or more of the following topics:
Applications that provide education regarding any of these topics must also offer individual counseling that complements the education.

c. **Fair Housing.** For both individual counseling and group education, as appropriate, educate the client with respect to fair housing, fair lending, and accessibility rights (e.g., how to file a Fair Housing Act complaint, legal and illegal inquiries related to disability, reasonable accommodations, placement in the most integrated setting appropriate to the person’s needs, additional protections available under state and local laws, etc.)

d. **Lead-Based Paint.** Applicants that provide education or counseling regarding Pre-Purchase/Home Buying, or Locating, Securing, or Maintaining Residence in Rental Housing, are encouraged, when the homes in which clients will be seeking may include pre-1978 housing, to teach counselors how to, and inform clients about their rights and responsibilities under the HUD Lead-Based Paint Disclosure Rule (24 CFR part 35, subpart A), and, if the rental or purchase may be HUD-assisted, requirements of 24 CFR part 35, subparts B, K and R. See the lead-safety information and guidance at: [http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/training](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/training).

e. **Marketing and Outreach Initiatives.** This includes providing general information and materials about housing opportunities and issues, conducting informational campaigns, advocating with lenders for non-traditional lending standards and raising awareness about critical housing topics, such as fair housing rights and remedies, lending discrimination, predatory lending, mortgage fraud, lead safety, other fair lending issues or energy efficiency options to reduce homeowner energy costs. For example, grant funds may be utilized to purchase and disseminate materials related to the Loan Modification Scam Alert Campaign: [http://www.loanscamalert.org/](http://www.loanscamalert.org/) or fair housing rights.

**NOTE:** Marketing and outreach initiatives should follow affirmative marketing principles and be directed at those populations least likely to seek counseling services or the information marketed, including those of racial, religious or national origin groups not normally served by the sponsoring agency, as well as persons with disabilities and persons with Limited English Proficiency (LEP). To do so, it may be necessary to broaden the target areas or provide translation and interpretive services in languages other than English in order to reach a greater variety of racial and ethnic minorities. It may also require providing outreach and services in alternative formats for persons with disabilities (e.g., Braille, large type, sign language interpreters, audio, assistive listening devices, etc.).

f. **Training.** Eligible expenses include training, testing and certification on housing counseling topics, including, but not limited to, preparation of counselors to satisfy HUD housing counseling training, testing and certification requirements.

g. **Quality Assurance.** Eligible expenses include costs associated with ensuring compliance with program rules and regulations, internal and external quality assurance, program evaluation and improvement, and the cost of implementing improved management, supervision and oversight of the housing counseling program.

h. **Computer Equipment and Systems.** Eligible expenses include the cost of computer equipment and systems acquired with the objective of improving the quality of counseling and education services
available.

i. **Administrative Costs.** This includes direct costs associated with administering a housing counseling program, and for Intermediaries, SHFAs and MSOs managing a network of housing counseling agencies or Branch offices, or both. HUD reserves the right to review and approve or reject costs.

j. **Capacity Building.** This includes costs associated with hiring additional staff to meet the demand for counseling and to effectively expend grant awards.

k. **Scam Awareness, Identification and Reporting.** Eligible expenses include education on, identification of, and reporting of potential loan modification scams, rental scams, rent to own scams, home repair scams and similar. The HUD Office of Inspector General has several integrity bulletins posted on its website that can assist counselors with additional information on Fraud Prevention. For more information, go to [https://www.hudoig.gov/fraud-prevention/industry-advisories](https://www.hudoig.gov/fraud-prevention/industry-advisories).

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

   a. **External Audits and Investigations.** All Applicants must provide the most recent audit of financial activities with completed audit no earlier than its fiscal year 2013. Applicants must be in compliance with the audit filing requirements at 2 C.F.R. Part 200.501. 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. Applicants must also disclose to HUD the status of active federal investigations at the time of the NOFA application submission date or thereafter. HUD may determine that Applicants are not eligible for grant funding based on its review of such external audits and federal investigation.

   b. **Client Management System.** All Applicants, and all Affiliates and Branches, if applicable, must utilize a client management system acceptable to HUD that interfaces, or is working to interface, with HUD’s databases. Information on client management systems and interfacing with HUD’s database is found on HUD’s website: [http://portal.hud.gov/hudportal/HUD?src=/program_offices/​housing/sfh/hcc/ohc_hcs](http://portal.hud.gov/hudportal/HUD?src=/program_offices/​housing/sfh/hcc/ohc_hcs)

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

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

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

   f. **Compliance with Fair Housing and Civil Rights Law.** Applicants and their Sub-grantees must comply with all applicable fair housing and civil rights requirements found in 24 C.F.R. § 5.105(a), including, but not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504
of the Rehabilitation Act of 1973, and Titles II and III of the Americans with Disabilities Act, as applicable. In addition, Grantees must comply with 24 C.F.R. § 5.105(a)(2), which requires eligibility determinations be made without regard to actual or perceived sexual orientation, gender identity, or marital status, and such eligibility extends to clients served by HUD's Housing Counseling Program. Refer to Section V.C.1. of the FY 2016 General Section for more information.

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

**h. Documentation of Expenses.** The grantee or its Sub-grantees, or both, must maintain source documentation of direct costs, such as invoices, receipts, cancelled checks, and personnel activity reports, to support all Line of Credit Control System (LOCCS) draw requests for payment. This information must be made available to HUD upon request and maintained for a period of at least three (3) years after the expiration of the Grant period or date of last payment, whichever occurs first. All grantees and Sub-grantees must be able to demonstrate and document the actual cost of service provision. The amount billed by the grantee or its Sub-grantees, or both, to the grant cannot exceed the actual cost of providing the service.

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

**j. Ensuring the Participation of Small Businesses, Small Disadvantaged Businesses, and Woman-Owned Businesses.** See the General Section for information on this topic.

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

**l. Conflicts of Interest.** See the General Section and 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.

**m. Accessible Technology.** See Section V.C.1. of the General Section.

**n. Participation in HUD Sponsored Program Evaluation.** See the General Section.

**o. Home Inspection Materials.** If grantee provides pre-purchase counseling or homebuyer education, or both, the client(s) must be provided a copy of the following materials: “For Your Protection Get a Home Inspection” (HUD Form 92564) and “Ten Important Questions to Ask Your Home Inspector” (both documents can be found at [http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home](http://portal.hud.gov/hudportal/HUD?src=/topics/buying_a_home) and [http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/insp/inspfaq](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/insp/inspfaq))

**p. Affirmatively Furthering Fair Housing.** 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. See Section V.C.1. of the FY 2016 General Section for additional information on this requirement. Examples of housing counseling activities that would fulfill the affirmatively furthering fair housing policy priority in rating factor 3(2)(c) of this NOFA and the affirmatively furthering fair
housing policy priority in rating factor 2(2)(a) of this NOFA include, but are not limited to, the following:

i. Providing persons with counseling, education, or information on discriminatory housing and mortgage lending practices and the rights and remedies available under federal, state, and local laws.

ii. Creating and maintaining a database of accessible housing opportunities in the community and marketing such housing opportunities to persons with Limited English Proficiency (LEP) and persons with disabilities, including those who live in segregated, institutional settings.

iii. Affirmative marketing and outreach to those populations least likely to seek the counseling or education services or information marketed, including those of racial, national origin, or religious groups not normally served by the sponsoring agency, as well as persons with disabilities and persons with Limited English Proficiency (LEP). To do so, it may be necessary to conduct marketing and outreach in a broader target area or languages other than English. It may also require conducting marketing and outreach in alternative formats for persons with disabilities (e.g. Braille, large print, audio, etc.).

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

When housing counselors learn of alleged housing or mortgage lending discrimination that may violate federal, state, or local fair housing or civil rights laws, report the instance to HUD, a state or local Fair Housing Assistance Program (FHAP) agency, or a private fair housing group, and/or provide clients with information on how to file a housing discrimination complaint of their own.

q. **Limited English Proficiency.** Housing counseling agencies shall take reasonable steps to ensure meaningful access to their services to individuals with Limited English Proficiency. Applicants are to comply with Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and may refer to the Department’s January 22, 2007 Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (72 FR 2732).

1. **Threshold Requirements.**
   Applicants who fail to meet any of the following threshold eligibility requirements will be deemed ineligible. Applications from ineligible applicants will not be evaluated. See also Section I.A.3 Definitions.
   a. Timely Submission of Applications – Applications submitted after the deadline stated within this NOFA and that do not meet the requirements of the grace period policy will be marked late. Late applications are deemed ineligible and will not be considered for funding. See also Section IV Application and Submission Information, part D.
   b. Civil Rights Matters – Outstanding civil rights matters must be resolved prior to the application deadline.
      (1) Applicants having any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (a) – (e) that have not been resolved to HUD’s satisfaction before or on the application deadline date are ineligible for funding.
         (a) Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex, national origin, disability or familial status;
         (b) Status as a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance pursuant to 42 U.S.C. 3614(a);
(c) Status as a defendant in any other lawsuit filed or joined by the Department of Justice alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act, or a claim under the False Claims Act related to fair housing, nondiscrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
(d) Receipt of a letter of findings identifying systemic noncompliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; or Title II of the Americans with Disabilities Act; or
(e) Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.

(2) HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline date are sufficient to resolve the matter. Examples of actions that may be considered sufficient to resolve the matter include, but are not limited to:
(a) Current compliance with a voluntary compliance agreement signed by all the parties;
(b) Current compliance with a HUD-approved conciliation agreement signed by all the parties;
(c) Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;
(d) Current compliance with a consent order or consent decree; or
(e) Current compliance with a final judicial ruling or administrative ruling or decision.

2. Statutory and Regulatory Requirements.

a. Compliance with Nondiscrimination and Related Requirements.

Compliance with Fair Housing and Civil Rights Laws.
Applicants and their prospective subrecipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a), including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II and Title III of the Americans with Disabilities Act of 1990; and Section 109 of the Housing and Community Development Act of 1974.
Applicants, and their prospective subrecipients, who are conducting programs or activities within a state or local jurisdiction that has passed a law prohibiting discrimination in housing based upon sexual orientation or gender identity, or a law prohibiting discrimination in housing based on lawful source of income, must comply with the law(s) of the state or locality in which the program activities are conducted.
Compliance with nondiscrimination and other related requirements, including but not limited to applicable fair housing and civil rights laws (See Section V.C.1. of the FY 2016 General Section);

b. HUD Agency Wide or Federal Government Wide Requirements.
(1) Outstanding Delinquent Federal Debts – It is HUD policy, consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), that applicants with outstanding delinquent federal debt will not be eligible to receive an award of funds, unless:
(a) A negotiated repayment schedule is established and the repayment schedule is not delinquent, or
(b) Other arrangements satisfactory to HUD are made prior to the award of funds by HUD. If satisfactory arrangements cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the applicant, and instead offer the award to the next eligible applicant. HUD may act earlier than the above stated 90 days to ensure, in HUD’s determination, that the funds can be obligated in a timely manner. Applicants selected for funding, or awarded funds, must report any changes in status of current agreements covering federal debt. HUD may withhold funding, terminate an award, or seek other remedies from a grantee if a previously agreed-upon payment schedule has not been followed or a new agreement with the federal agency to which the debt is owed has not been signed.
(2) Pre-Award Accounting System Survey – HUD will not award or disburse funds to applicants that do not have a financial management system that meets federal standards. HUD may arrange for a pre-award survey of any such financial management system for applicants selected for award who have not previously received federal financial assistance, where HUD Program officials have reason to question whether a financial management system meets federal financial management standards, or for applicants considered high risk based upon past performance or financial management findings.

(3) Debarments and/or Suspensions – In accordance with 2 CFR part 2424, no award of federal funds may be made to debarred or suspended applicants, or those proposed to be debarred or suspended from doing business with the Federal Government.

(4) False Statements – A false statement in an application is grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001.

(5) Do Not Pay Website Review – As part of the Improper Payments Elimination and Recovery Improvement Act (IPERIA) of 2012, in making funding determinations HUD will look up applicant information on the Federal website http://www.donotpay.treas.gov/. The Do Not Pay Portal is intended to prevent improper payments and can be used by HUD to ensure that applicants that receive funding do not owe funds to the federal government; are not on the Excluded Parties List System (EPLS); the List of Excluded Individuals/Entities List (LEIE); the Social Security Administration (SSA) Death Master File (DMF); or other federal databases that would provide adverse information regarding the applicant. HUD reserves the right to:
   (a) Deny funding, or in the case of a renewal or continuing award, consider suspension or termination of an award immediately for cause,
   (b) Require the removal of any key individual from association with management or implementation of the award, and
   (c) Make appropriate provisions or revisions with respect to the method of payment or financial reporting requirements.

(6) Conducting Business in Accordance with Ethical Standards/Code of Conduct – Applicants are required to develop and maintain a written code of conduct in accordance with 2 CFR 200.112 and 200.318. Codes of conduct must prohibit real and apparent conflicts of interest that may arise among officers, employees, or agents; prohibit the solicitation and acceptance of gifts or gratuities by officers, employees, or agents for their personal benefit in excess of minimal value; and outline administrative and disciplinary actions available to remedy violations of such standards.

Pursuant to applicable Federal and HUD regulations, applicants must disclose in writing any potential conflict of interest and all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

Before entering into an agreement with HUD, applicants selected to receive funding under a Program NOFA must submit an up-to-date copy of their code of conduct. Applicants with codes already on file with HUD do not need to resubmit a new code unless the information on file has changed. New or updated submissions must be dated and signed by the Executive Director, or Chair, or equivalent official, of the governing body of the organization. Applicants must also describe the methods to be used to ensure that all officers, employees, and agents are aware of and have agreed to adhere to the code of conduct.

(7) Conflict of Interest of Consultants or Technical Experts Assisting HUD – Consultants and technical experts who assist HUD in rating and ranking applications for funding under published FY 2016 Program NOFAs are subject to 18 U.S.C. 208, the federal criminal conflict-of-interest statute, and the Standards of Ethical Conduct for Employees of the Executive Branch regulation published at 5 CFR part 2635. As a result, consultants and technical experts who have assisted or plan to assist applicants with preparing
applications for FY 2016 Program NOFAs may not serve on a selection panel and may not serve as a technical advisor to HUD. Anyone involved in rating and ranking FY 2016 Program NOFA applications, including departmental staff, experts and consultants must avoid conflicts of interest or the appearance of such conflicts. These individuals must also disclose to HUD’s Office of General Counsel Ethics Law Division the following information, if applicable:

(a) How the selection or non-selection of any applicant under a FY 2016 Program NOFA will affect the individual’s financial interests, as provided in 18 U.S.C. 208, or

(b) How the application process involves a party with whom the individual has a covered relationship under 5 CFR 2635.502.

The consultant or technical expert assisting HUD must disclose this information before participating in any matter regarding an FY 2016 program NOFA. Applicants with questions regarding these provisions or concerning a conflict of interest, please call the Office of General Counsel, Ethics Law Division, at (202) 708-3815 (this is not a toll-free number). The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Relay Service’s teletype service at 1-800-877-8339.

(8) Prohibition Against Lobbying Activities – Applicants are subject to the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment) and 24 CFR part 87, which prohibit recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, loan, or cooperative agreement. In addition, applicants must disclose, using Standard Form LLL (SFLLL), “Disclosure of Lobbying Activities,” any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific grants or contracts. Federally-recognized Indian tribes and tribally designated housing entities (TDHEs) established by federally-recognized Indian tribes as a result of the exercise of the tribe’s sovereign power are excluded from coverage of the Byrd Amendment, but state-recognized Indian tribes and TDHEs established only under state law shall comply with this requirement. Applicants must submit the SFLLL if they have used or intend to use non-federal funds for lobbying activities.

(9) Consistency with the Consolidated Plan and Analysis of Impediments (AI)/Assessment of Fair Housing – Certain competitive Programs require applications to contain a certification of consistency with a HUD-approved Consolidated Plan. This certification means that the proposed activities are consistent with the jurisdiction’s strategic plan, and the location of the proposed activities is consistent with the geographic areas specified in the Consolidated Plan. The Consolidated Plan also includes the jurisdiction’s certification to affirmatively further fair housing which means, among other requirements, that the jurisdiction has conducted an AI/Assessment of Fair Housing. If a program NOFA requires a certification of consistency with the Consolidated Plan and you fail to provide the certification, and you do not cure the omission as a technical deficiency, HUD will not fund the application.

Under HUD’s regulations at 24 CFR 91.2(d), an applicant’s PHA Plan must include a certification by the appropriate state or local official that the PHA Plan is consistent with the applicable Consolidated Plan for the jurisdiction in which the PHA is located and must describe the manner in which the applicable contents of the PHA Plan are consistent with the Consolidated Plan. To the extent that a proposal funded under this NOFA is addressed or should be addressed in the PHA Plan, it must be certified to be consistent with the Consolidated Plan.

3. Program Specific Requirements.

4. Criteria for Beneficiaries.

IV. Application and Submission Information.
A. Obtaining an Application Package

An electronic copy of the Application Package and Application Instructions for this NOFA can be downloaded from Grants.gov at http://www.grants.gov/applicants/apply-for-grants.html. Except for Continuum of Care applications, or unless an applicant received a waiver for good cause, all applications must be submitted electronically via Grants.gov. The Continuum of Care application is submitted through HUD’s e-snaps system.

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 the applicant’s business offices are located. Applicants that cannot submit their applications electronically and must seek a waiver of the electronic grant submission requirements must submit a waiver request so that the request is received at least 15 days before the application deadline. If HUD waives the requirement, HUD must receive your paper application before the deadline of this NOFA. To request a waiver and receive a paper copy of the application materials, you should contact:

Email: housing.counseling@hud.gov

1. Address to Request Application Package. See the General Section for specific procedures concerning the electronic application submission and timely receipt requirements. Applications and forms that you need to apply for funding under this NOFA are available from http://www.grants.gov/Applicants/apply_for_grants.jsp. If Applicants have difficulty accessing the information, Applicants may call the help desk at (800) 518-GRANTS or e-mailing 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 help desk is available 24 hours a day, 7 days per week, except federal holidays.

2. Waiver of Electronic Application. See the General Section for additional instructions. Waiver requests for this NOFA must be submitted to housing.counseling@hud.gov with the subject line “FY 2016-FY 2017 NOFA – Request for Waiver of Electronic Application.”

B. Content and Form of Application Submission.

To ensure that the correct Application Package and Application Instructions are used, applicants must verify that the CFDA Number and CFDA Description on the first page of the Application Package downloaded from Grants.gov, as well as the Funding Opportunity Title, and the Funding Opportunity Number match the Program and NOFA to which they are applying. Applications will only be considered for the competition indicated in box 11, 12, and 13 on the SF-424 submitted in the application.

1. Content

Forms for your package include the forms outlined below:

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

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

Please see the FY 2016 General Section for instructions on electronic application submission. Applicants should carefully read the section titled “HUD NOFA GUIDANCE FOR APPLICANTS” in the FY2016 General Section. This section contains information on using Adobe Reader, registration requirements, HUD’s timely receipt policies, including grace period policy, and other application submission
2. Format and Form.
Narratives and other attachments to your application must follow the following format guidelines.

2. Application Checklist. The Application Checklist indicates forms, information, certifications and assurances that apply to this NOFA. The Excel spreadsheet that accompanies this NOFA contains a checklist that summarizes eligibility and application requirements for Applicants.

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

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

   c. HUD-2995, Certification of Consistency with Sustainable Communities Planning and Implementation. This form must be signed by the Designated Point of Contact for designated Preferred Sustainability Status Community or the HUD Regional Administrator in cases where the Applicant would otherwise be self-certifying. See the General Section for details.

   d. HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period October 1, 2014 through September 30, 2015. This form is only required for Applicants who did not electronically submit to HUD a form HUD-9902 for the period October 1, 2014 through September 30, 2015, (i.e., Applicants that received approval as a HUD housing counseling agency after September 30, 2015.) These newly-approved applicants that were not required to submit a HUD-9902 during this period must prepare and submit a HUD-9902 form as part of the application. Applicants that were previously required to submit a HUD-9902 will be evaluated based on the HUD-9902 data in HUD's Housing Counseling System (HCS). It is the responsibility of these Applicants to ensure that the form HUD-9902 attributed to the Applicant in HCS is correct prior to the application due date.

   e. SHFA Statutory Authority. SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFA, and must submit evidence of their authority to apply for funds and subsequently use any funds awarded. Applicants should verify that their agency profile information is accurately represented in HUD’s Housing Counseling System (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.

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

   g. External Audits and Investigations. Applicants must provide the most recent audit of financial activities (e.g. a single or program-specific audit required under 2 C.F.R. Part 200.501) with completed audit no earlier than its fiscal year 2013. 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.

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

**i. HUD-9906 Housing Counseling Charts.** Applicants must provide completed HUD-9906 Housing Counseling Charts as a required part of their application submission. The charts must be completed in their entirety in order for Applicants to receive full points.

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

1. SAM Registration Requirement.

Applicants must be registered with SAM before submitting their application. In addition, applicants must continue to maintain an active SAM registration with current information at all times during which 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 in their application. DUNS numbers may be obtained for free at [http://fedgov.dnb.com/webform](http://fedgov.dnb.com/webform).

D. Application Submission Dates and Times.

The application deadline is 11:59:59 p.m. Eastern time on **04/04/2016**. Applications must be received no later than the deadline.

Submit your application to Grants.gov unless a waiver has been issued allowing you to submit your application in paper form or you are applying for the Continuum of Care program. The Continuum of Care application is submitted through HUD’s e-snaps system. Instructions for submitting your application to Grants.gov are contained within the Application Package you downloaded from Grants.gov. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

Your application must be both received and validated by Grants.gov. Your application is “received” when Grants.gov provides you a confirmation of receipt and an application tracking number. **If you do not see this confirmation and tracking number, your application has not been received.**

After your application has been received, your application still must be validated by Grants.gov. During this process, your application may be “validated” or “rejected with errors.” To know whether your application was rejected with errors and the reason(s) why, you must log into Grants.gov, select “Applicants” from the top navigation, and select “Track my application” from the drop-down list. If the status is “rejected with errors,” you have the option to correct the error(s) and resubmit your application before the Grace Period ends. If your application was “rejected with errors” and you do not correct these errors, Grants.gov will not send your application to HUD, and HUD will not review your application. If your status is “validated” your application will be forwarded to HUD by Grants.gov.

1. Amending or Resubmitting an Application.

Before the submission deadline, applicants who choose to amend an application that has been validated by Grants.gov may resubmit a revised application containing the new or changed material. The resubmitted application must be received by the applicable deadline.


If an application is received by Grants.gov before the deadline, but is rejected with errors, applicants have a grace period of 24 hours beyond the application deadline to submit a corrected application that is received and validated by Grants.gov. Any application submitted during the grace period that does not meet the criteria above will not be considered for funding. There is no grace period for paper applications.
3. Late Applications.
An application received after the Program NOFA deadline date that does not meet the requirements of the grace period policy will be marked late, and will not be considered for funding.

4. Corrections to Deficient Applications.
Except as provided by the electronic submission grace period described in this notice, HUD may not consider any unsolicited information that applicants may want to provide after the application deadline. (Refer to 24 CFR part 4, subpart B.) In addition, HUD may not seek clarification of items or responses that improve the substantive quality of an applicant’s response to any rating factors or which correct deficiencies which are in whole or part of a rating factor, including items that impact bonus points. HUD may contact the applicant to clarify other items in its application. In order not to unreasonably exclude applications from being rated and ranked in situations where there are curable deficiencies, HUD will notify applicants of each technical deficiency and will do so on a uniform basis.

If HUD finds a curable deficiency in an application, HUD will notify the applicant by email describing the clarification or technical deficiency. HUD will send an email to the person designated in item 8F of the SF424 and to the person listed as the authorized representative in item 21 of the SF424. Both email notifications will be sent from HUD with confirmation of delivery receipt requested. The email notifications will be the official notification of the need to cure a technical deficiency. It is the responsibility of applicants to provide accurate email addresses for receipt of these notifications and to monitor their email accounts to determine whether a cure letter has been received. The applicant must carefully review the request for cure of a technical deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Clarifications or corrections of technical deficiencies must be received by HUD within the time limits specified in the notification. In no case shall the time allowed to correct deficiencies exceed 14 calendar days or be less than 48 hours from the date of the email notification. The start of the cure period will be the date stamp on the email HUD sends to the applicant. If the deficiency cure deadline date falls on a Saturday, Sunday, federal holiday, or other day when HUD’s Headquarters offices in Washington, DC, are closed, then the applicant’s correction must be received on the next day that is not a Saturday, Sunday, or federal holiday, or other day when the HUD’s Headquarters offices in Washington, DC, are closed.

Curable deficiency items must be submitted via email addressed to ApplicationSupport@hud.gov. When submitting technical deficiency cure items you must enter “Technical Cure” plus the Grants.gov application tracking number in the subject line of the email (e.g., Subject: Technical Cure - GRANT123456). If this information in not included, HUD will not be able to match the response to the application under review and the application may therefore be rejected due to the deficiency.

Corrections to a paper application should 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 that contains the wrong DUNS number as having a technical 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.

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

F. Funding Restrictions.
**Indirect Cost Rate**

Indirect Cost Rate: No restrictions, applicants may use their negotiated rate or the *de Minimis* rate (10% of Modified Total Direct Costs).

**G. Other Submission Requirements.**

1. **Discrepancies between the NOFA on Grants.gov and Other Documents.**

   The Program NOFA posted at the Grants.gov website is the official document HUD uses to solicit applications. Applicants are advised to review their application submission against the requirements in the posted Program NOFA. If there is a discrepancy between the Program NOFA posted on Grants.gov and other information provided in any other copy or version or supporting documentation, the posted Program NOFA located at www.Grants.gov prevails. If discrepancies are found, please notify HUD immediately by calling the program contact listed in the Program NOFA. HUD will post any corrections or changes to a Program NOFA on the Grants.gov website. Applicants who enroll an email address at the application download page will receive an e-mail alert from Grants.gov in the event the opportunity is changed.

2. **Application Certifications and Assurances.**

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

3. **Lead Based Paint Requirements**

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

4. **Indirect Cost Rate (ICR)**

   If you are a governmental organization or agency that receives more than $35 million in federal funding, you are required to request an Indirect Cost Rate from your cognizant agency (2 CFR 200 Appendix VII). If you have not requested an indirect cost rate or have not received a negotiated indirect cost rate, you may not claim indirect costs until you receive a negotiated rate.

   Non-governmental organizations: If your organization has never had an indirect cost rate and wishes to use the *de minimis* rate, your application's budget narrative must clearly state you intend to use the *de minimis* 10% of Modified Total Direct Costs (MTDC). If you are using a negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and include a letter or other documentation from the cognizant agency showing the approved rate.

   Governmental organizations: If your organization has a negotiated indirect cost rate, your application's budget narrative must include the rate and a letter or other documentation from the cognizant agency...
showing the negotiated rate. If your organization has prepared and maintains documentation supporting an indirect rate proposal but has not negotiated approval of the rate, your application's budget narrative must include the rate and applicable distribution base. State and local government departments that have never negotiated indirect cost rates with the Federal government and receive less than $35 million in direct Federal funding per year may use the 10% de minimis indirect cost rate, and must keep the documentation of this decision on file. Federally recognized Indian tribes that have never negotiated an indirect cost rate with the Federal government may also use the 10% de minimis rate and must keep the documentation of this decision on file.

V. Application Review Information.

A. Review Criteria.

1. Rating Factors

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

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

<table>
<thead>
<tr>
<th>BONUS POINTS</th>
<th>POINTS</th>
<th>CHART</th>
<th>SEPARATE NARRATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred Sustainable Status Communities or Promise Zone</td>
<td>2</td>
<td>Chart A1 or A2</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RATING FACTOR</th>
<th>POINTS</th>
<th>CHART</th>
<th>SEPARATE NARRATIVE</th>
</tr>
</thead>
</table>

Rating Factor 1. Capacity of the Applicant 31

<table>
<thead>
<tr>
<th>Sub-factor 1</th>
<th>Capacity</th>
<th>18</th>
<th>Chart A1 or A2</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-factor 2</td>
<td>Performance Reviews/Compliance</td>
<td>7</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Sub-factor 3</td>
<td>Measuring Client Satisfaction</td>
<td>6</td>
<td>Chart A1 or A2</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Rating Factor 2. Need/ Departmental Policy Priorities 14

See table below for a summary of the Rating Factors and Sub-factors, their point values and information on whether to use the HUD-9906 Housing Counseling Charts or provide separate narratives.
<table>
<thead>
<tr>
<th>Sub-factor</th>
<th>Needs</th>
<th>10</th>
<th>Chart A1 or A2</th>
<th>Sub-factor 1d</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chart F, Columns A-C</td>
<td></td>
</tr>
<tr>
<td>Sub-factor 2</td>
<td>NOFA Priorities</td>
<td>4</td>
<td>N/A</td>
<td>Sub-factors 2 a and b</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Sub-factor</th>
<th>Needs</th>
<th>41</th>
<th>Chart A1 or A2</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chart A1 or A2</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sub-factor</th>
<th>Needs</th>
<th>24</th>
<th>Charts E1 or E2 and Charts G1 or G2</th>
<th>Sub-factors 1b</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Chart A2, Column X</td>
<td></td>
</tr>
</tbody>
</table>

**Sub-factor 2**

<table>
<thead>
<tr>
<th>Needs</th>
<th>12</th>
<th>Chart A2, Column X</th>
<th>Sub-factor 2b</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Chart B</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chart F, Columns D-E Chart G1 or G2</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Needs</th>
<th>5</th>
<th>Chart A1 or A2</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Chart C</td>
<td></td>
</tr>
</tbody>
</table>

**Rating Factor 4. Leveraging Resources**

<table>
<thead>
<tr>
<th>Needs</th>
<th>6</th>
<th>Chart D</th>
<th>N/A</th>
</tr>
</thead>
</table>

**Rating Factor 5. Achieving Results and Program Evaluation**

<table>
<thead>
<tr>
<th>Needs</th>
<th>6</th>
<th>Chart A1 or A2, Columns Z - A1</th>
<th>Only if “x” entered in Column AI on Chart A</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### 1. Bonus Points - Preferred Sustainable Status Communities or Promise Zone

All Applicants are eligible for two (2) bonus points. See Section V.D. of the 2016 General Section and Sections V.A. 1 and 3 of this NOFA for additional information regarding bonus points, Preferred Sustainable Status Communities, and Promise Zones. Applicants eligible for these points must indicate an "x" in Column E on Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO). To be eligible to receive bonus points, an Applicant is required to obtain the applicable certification to verify that the Applicant has met the required criteria. For Preferred Sustainable Status Communities, this certification is obtained from the designated Point of Contact for the designated Preferred Sustainability Status Community or the Regional Administrator using form HUD2995. For Promise Zones, this certification is obtained from the authorized official for the designated Promise Zone using form HUD50153. Applicants should indicate whether the applicant and, if applicable, its Sub-grantees have obtained HUD2995 or HUD51053 Certifications with in "x" in Column E on Chart A1 (LHCA) or
Chart A2 (Intermediary, SHFA, or MSO). Intermediaries, SHFAs and MSOs must obtain copies of the obtained HUD2995 or HUD50153 certifications from all the Sub-grantees or Branches for which they checked Column E on Chart A2.

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

a. Rating Factor 1: Capacity of the Applicant (31 Points). HUD uses responses to this Rating Factor to evaluate the readiness and ability of an Applicant and if applicable, its proposed Sub-grantee and Branch staff, to immediately begin, and successfully implement, the proposed work plan detailed in Rating Factor 3. HUD will also evaluate how effectively the Applicant managed work plan adjustments that may have been required if the client outcome projections for each type of counseling activity provided were not met within established timeframes and how often work plan adjustments were required.

(1) Capacity (18 points). In scoring this section, HUD will evaluate the capacity of the Applicant, including proposed Sub-grantees and Branches, if applicable, to implement the proposed activities in a timely and effective manner. A higher score will be awarded to Applicants that demonstrate a greater capacity based on the factors delineated in this section. HUD will consider the following factors related to capacity, as outlined in Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), Applicant Characteristics, Tab 2 or Tab 3, as applicable, indicate under:

- Column J, the number of FTE employees as of September 30, 2015 that provided direct housing counseling services;
- Column K, the number of HUD HECM Roster Counselors;
- Column L, the average counseling hours per FY 2015 HECM Client;
- Column M, if fifty per cent (50%) or more of counselors received formal housing counseling training in the past two years (not including on-the-job training);
- Column N, if agencies require testing and/or certification for counselors;
- Column O, if agencies offer alternate mode(s) of counseling (e.g. phone, internet, Skype);
- Column P, if agencies adopted national industry standards prior to the NOFA application submission date;
- Column Q, if services are available in multiple languages; and
- Column R, if services are available in alternate formats that are accessible to persons with disabilities.

Using Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) – Applicant Characteristics (Tab 2 or Tab 3, as applicable), all Applicants must provide the requested information regarding the Applicant and if applicable, its proposed Sub-grantees and/or Branches. For example, indicate by entering an “x” in the appropriate column if the Applicant and if applicable, its Sub-grantees and/or Branches have adopted the National Industry Standards for Homeownership Education and Counseling (http://homeownershipstandards.com) prior to the NOFA application submission date.

In addition, Applicants that manage networks of counseling agencies and also provide direct housing counseling services at the Applicant’s main office must complete an additional step when filling out Chart A2 (Intermediary, SHFA, MSO). These Applicants must indicate their direct housing counseling activities by including the main office in the list of Sub-grantees and Branches on Chart A2. The main office will be treated as a Branch for scoring and funding formula purposes. Applicants completing Chart A2 should mark only one “x” pertaining to Columns F, G or H and complete the corresponding columns to respond for the particular type of entity selected.

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

(2) Performance Reviews/Compliance (7 points). In scoring this section, HUD will evaluate Applicant compliance with programmatic requirements and oversight results, for the period October 1, 2014 through September 30, 2015.

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

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

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

Use Chart A1 or Chart A2 – Applicant Characteristics (Tab 2 or Tab 3, as applicable), to indicate if the Applicant and if applicable, its proposed Sub-grantees and/or Branches, measured customer satisfaction during the period October 1, 2013 through September 30, 2014. Indicate if the Applicant, and if applicable, its proposed Sub-grantees and Branches:

(a) Column S, issued client exit surveys at the end of counseling or education sessions; and

(b) Column T issued any follow-up client surveys after the counseling was completed.

b. Rating Factor 2: Need/NOFA Priorities (14 Points). This factor addresses the extent to which there is a need for funding the proposed activities described in the Applicant’s work plan and the degree to which the Applicant’s work plan substantively addresses certain NOFA priorities.

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

(a) Rural Communities. In Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) – Applicant Characteristics (Tab 2 or Tab 3, as applicable), (Column U), indicate if the Applicant, or its Sub-grantees and/or Branches, if applicable, proposes to serve a community that includes a Rural Area as defined by the U.S. Department of Agriculture at 7 C.F.R. § 3550.10. In Chart A1 or Chart A2, (Column V), also identify if the proposed agency, Sub-grantees, and/or Branches serve a Rural Area that lacks Internet access at the time of the application submission.

(b) Geographically Isolated Counseling Agencies. In Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) – Applicant Characteristics (Tab 2 or 3, as applicable), indicate if the Applicant, or one of its Sub-grantees or Branch offices, is or will be the only
agency, Sub-grantee or Branch office participating in HUD’s Housing Counseling Program that is physically located in the service area of the Applicant, Sub-grantee or Branch (Column W).

(c) Identifying Impediments to Fair Housing Choice. Successful Applicants will be obligated to affirmatively further fair housing in their use of Housing Counseling grant funds. Therefore, on Chart F (Column B) Applicants must submit a brief description of impediments to fair housing choice in their jurisdiction or service area and, if applicable, their Sub-grantees’ jurisdictions or service areas, as well as strategies for overcoming the effect of such impediments. On Chart F (Column C) identify the applicable state or local Consolidated Plan and Analysis of Impediments to Fair Housing Choice or other source of information on impediments to fair housing, including but not limited to discriminatory housing practices under the Fair Housing Act and its implementing regulations at 24 C.F.R. Part 100.

Under the Affirmatively Furthering Fair Housing (AFFH) rule, an "Assessment of Fair Housing" (AFH) will replace the current "Analysis of Impediments" (AI) process. The AFH Assessment Tool, which includes instructions and data provided by HUD, consists of a series of questions designed to help program participants identify, among other things, fair housing issues pertaining to patterns of integration and segregation; racially and ethnically concentrated areas of poverty; disparities in access to opportunity; and disproportionate housing needs, as well as the contributing factors for those issues. The Assessment Tool is intended to help communities understand and identify local barriers to fair housing choice. The AFH provides an approach that will help program participants more effectively affirmatively further the purposes and policies of the Fair Housing Act.

The AFFH rule establishes specific requirements for the incorporation of the AFH into subsequent consolidated plans and Public Housing Authority (PHA) plans in a manner that connects housing and community development policy and investment planning with meaningful actions to AFFH. The AFFH rule links existing community participation and consultation requirements to the AFH process to ensure program participants give the public opportunities for involvement in the development of the AFH and its incorporation into the consolidated plan and PHA plan.

This background has been provided to help applicants understand changing terminology and requirements in this areas as jurisdictions and Public Housing Authorities implement the AFFH rule over the next two years.

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

(2) NOFA Priorities (4 points). The NOFA Priorities are described in detail in Section VII of the General Section under the Appendix. Each NOFA Priority addressed below has a point value of one (1) point. Applicants that are responding to a NOFA Priority that requires a narrative response must limit responses to 500 words per NOFA Priority.

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

(a) Affirmatively Furthering Fair Housing. (2 points) Applicants may receive one point
for demonstrating any one of the following, with a maximum of 2 points awarded for this priority overall.

- **Staff Training (1 point)**: Applicants may earn 1 point by describing how they will train their staff on fair housing and civil rights laws, their method of providing their clients with information about their fair housing rights, and their mechanism for referring potential fair housing violations to HUD, state or local fair housing agencies, or private fair housing groups. For example, an Applicant may meet this requirement by demonstrating that it has entered into a memorandum of understanding with a fair housing enforcement agency that will provide them with fair housing training and informational materials and accept referrals of potential fair housing complaints;

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

(b) **Increase Energy Efficiency and the Health and Safety of Homes. (2 Points).** Applicants may receive, within the maximum of 2 points awarded for this priority overall, 1 point for meeting criterion i. or criterion ii., or both.

i. **Improve Residents' Home Health and Safety (1 point):** The Applicant demonstrates a high degree of technical expertise (through past performance or staff competencies) in improving residents' health and safety, particularly that of children and other vulnerable populations by promoting green and healthy design, construction, rehabilitation, and maintenance of housing and communities.

ii. **Green Building or Renewable Energy (1 point):** Applicants may receive this point by fulfilling either the green building or renewable energy criteria, or both.

  - **Green Building Standards:** The Applicant must describe how its curriculum and work plan inform clients about one or more industry-recognized green building standards and certifications for green building or rehabilitation, including supporting and promoting an energy-efficient, green, and healthy housing market by retrofitting existing housing, supporting energy-efficient new construction, improving home energy labeling, or promoting financial products that reduce the carbon footprint of non-HUD supported residential housing.

  - **Renewable Energy:** The Applicant demonstrates through past performance and technical competencies - the ability to assist with the delivery of successful financing and/or installation of on-site renewable energy technologies in HUD-supported affordable housing.

c. **Rating Factor 3: Soundness of Approach/Scope of Housing Counseling Services (41 points).** This factor addresses the quality and effectiveness of the Applicant’s past and proposed housing counseling activities. In scoring this Rating Factor, HUD will evaluate the past impact of the Applicant’s housing counseling services, the complexity of the projected work plan the Applicant proposes to undertake, and the degree to which the Applicant coordinates its housing counseling services with additional HUD programs and other organizations and programs.

  (1) **Past Performance – Impact (24 points).** To score this factor, HUD will analyze performance and budget for the period October 1, 2014 through September 30, 2015.

    (a) **Impact.** In scoring this sub-factor, HUD will evaluate the total number of education participants and housing counseling clients served by the Applicant during the period October 1, 2014 through September 30, 2015 with all sources of funding. HUD will utilize the form HUD-9902 data. Newly-approved applicants who were not required to submit a HUD-9902
during this period must prepare and submit a HUD-9902 as part of the application. Applicants who were previously required to submit a HUD-9902 will be evaluated based on their report submitted through the Housing Counseling System (HCS). Applicants are responsible for ensuring that the information contained in HCS is correct before the application due date. HUD will not consider a HUD-9902 submitted with the application by Agencies that are not new approvals and were previously required to submit the report.

(b) **Budget.** In scoring this sub-factor, HUD will evaluate the Applicant’s Housing Counseling Program budget for the period October 1, 2014 through September 30, 2015. Utilizing Chart E1 (Intermediary, SHFA, or MSO) or Chart E2 (LHCA) – Budget (Tab 8 or 9, as applicable), for the above time period, Applicants must document their total housing counseling program budget that includes all of the activities and services shown on the Applicant’s form HUD-9902 submitted to HUD for the same time period. In completing the “Total Other Direct Costs” line item on Chart E1 or Chart E2, Applicants should include expenses such as supplies; telephone/Internet; postage; office space; equipment rental/maintenance; printing and copying; marketing and outreach; training costs (supplies, room, tuition, testing, etc.) and travel. Note that fees for joining a network are an allowable expense under the grant, and if applicable should also be included in the "Other" line item on the budget chart and explained in the related narrative for this line. If applicable, Applicants must also include a detailed breakdown of their intermediary administrative expenses, i.e. funds not sub-allocated to Sub-grantees and Branches. If applicable, the budget must provide a full picture of both housing counseling and program management activities.

All Applicants are required to submit a narrative description/justification of the budget, including variations between actual and projected expenses, expenses that did not result in the direct provision of services, expenses that seem disproportionately high, and an explanation of the value entered under the “Other” line item on the Chart E1 or Chart E2 Budget.

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

Applicants may also indicate, but are not required to, a maximum grant request on chart E1 or E2. This amount, if provided, will also be considered in the funding methodology as a cap in establishing the maximum grant amount for the Applicant.

(c) **Oversight Activities.** All Applicants must complete Chart G1 or G2 to indicate housing counseling oversight and quality control activities performed as part of the FY 2015 work plan, including how Applicants determined that, if applicable, their Sub-grantees that are not directly approved by HUD met or exceeded HUD’s Housing Counseling Program requirements. Items selected in these charts may be verified by HUD staff during a performance review.

**Intermediaries, MSOs, and SHFAs** that sub-allocated funding to Sub-grantees and Branches must complete Chart G1 to indicate network management activities performed as part of the FY 2015 work plan.

**LHCAs** must complete Chart G2 to indicate housing counseling oversight and quality control activities performed as a part of the FY 2015 work plan.

(2) **Projected Performance - Work Plan (12 points).** This sub-factor involves the proposed housing counseling services and other activities to be conducted by the Applicant and its Sub-grantees and Branches it intends to fund during the period October 1, 2015 through March 31, 2017 using all funding sources. Applicants who receive an award under this NOFA will be required to provide projections for the number of clients to be served in connection with each of the services indicated on Chart B with the HUD funding awarded prior to the final execution of the award.
In scoring this sub-factor, HUD will consider the types and variety of housing counseling and education services being offered, and other activities occurring in support of the Applicant’s housing counseling program. Those Applicants that will provide the greatest variety of services and delivery modes, that provide a comprehensive plan for oversight activities (of their activities or those of their Sub-grantees/Branches), and that demonstrate how they will affirmatively further fair housing with their use of Housing Counseling grant funds will get the highest scores.

HUD may decrease the award amount to the Grantee if changes to the composition of Sub-grantees and Branches or services provided would result in a lower amount than was awarded using the funding methodology stated in the Housing Counseling NOFA and reserves the right to recapture all or part of the resulting grant and reprogram the funds to any other allowable use.

(a) Counseling and Education Services. Applicants will be evaluated on the reach and complexity of the various types of housing counseling and education services the Applicant proposes to undertake. Using Chart A2 – Applicant Characteristics (Tab 3), Intermediaries, SHFAs and MSOs must indicate the percentage of the proposed award the Applicant intends to sub-allocate to each Sub-grantee and Branch (Column X).

Using Chart B – Services and Modes (Tab 4), for each housing counseling service listed in Column A that the Applicant and its Sub-grantees and Branches will provide during the period through all funding sources, indicate under:

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

(b) Oversight Activities. All Applicants must complete Chart G1 or G2 to indicate housing counseling oversight and quality control activities that will be performed as part of the proposed work plan, including how Applicants determine that, if applicable, their Sub-grantees that are not directly approved by HUD meet or exceed HUD’s Housing Counseling Program requirements. Items selected in this chart may be verified by HUD staff during a performance review and must be included in an Agency's quality control plan.

Intermediaries, MSOs, and SHFAs that sub-allocate funding to Sub-grantees and/or Branches must complete Chart G1 to select network management activities that will be performed as part of the proposed work plan. In determining the level of funding to provide support for a network under the funding methodology, HUD wants to incentivize oversight agencies to review members of their network using the HUD-9910 form and share these reviews and follow-up resolution with HUD to inform HUD review and oversight. HUD may base a portion of the calculation for network support in the funding methodology on an
Applicant's plan to review members of their network to meet this objective. Chart G1 includes a space for Applicants to indicate the number of members (from 0 to a maximum of 5) that they propose to review using this criteria during the FY2016 grant performance period.

LHCAs must complete Chart G2 to select which housing counseling oversight and quality control activities will be performed as part of the FY 2016 work plan.

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

(3) Projected Performance/Work Plan – Coordination (5 points).

(a) Housing Counseling-related Partnerships/Collaboratives. In scoring this sub-factor, HUD will reward Applicants that actively participate in housing counseling related partnerships/collaboratives. If the Applicant, or proposed Sub-grantees and Branches, participate in any local, regional or state housing counseling related partnership/collaborative, on Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO), Applicant Characteristics (Tab 2, or Tab 3, as applicable, Column Y), indicate the names(s) of the partnership/collaborative.

(b) Complementing Other HUD Programs. Using Chart C - Other HUD Programs (Tab 5), all Applicants must indicate (by putting “x”s” in Column C) whether the Applicant, or proposed Sub-grantees or Branches, provided housing counseling services in conjunction with any of the identified HUD programs during the period October 1, 2014 through September 30, 2015. Intermediaries, SHFAs or MSOs proposing to fund Sub-grantees and/or Branches must also indicate the number of proposed Sub-grantees and/or Branches (Column D) that provide housing counseling services in conjunction with the listed HUD programs. To receive credit for this sub-factor, Applicants must specify in writing the names of “Other” HUD programs, where indicated on Chart C. For the purposes of Chart C, FHA programs and HECM/Reverse Mortgage Counseling should not be added as "Other" HUD programs, and will not be considered in evaluating this chart.

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

Applicants will be evaluated based on their ability to demonstrate that they have obtained additional non-federal resources including direct financial assistance (grants), fees, in-kind contribution, such as services, equipment, office space and labor to support their housing counseling activities, for the period October 1, 2015 through March 31, 2017. Leveraged resources provided by non-federal government sources, public or private nonprofit organizations, for-profit organizations, or other entities committed to providing assistance will be counted toward the Applicant’s leveraged funding total. Grantees will be required to maintain evidence that leveraged funds were actually provided to the agency. Files may be reviewed by HUD staff as a part of the performance reviews and on-site monitoring visits.

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

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

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

(1) **Itemize Leveraging.** Utilize Chart D – Leveraging (Spreadsheet Tab 6) to provide the following information:

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

- In Column A, use the drop down button to choose the type of agency listed in Column B
- In Column B, enter the name of the Applicant, Sub-grantee or Branch
- In Column C, enter the name of the organization providing the funds or in-kind contributions
- In Column D, use drop down button to choose the type of contribution
- In Column E, note the time period for which funds are available
- In Column F, enter for what the leveraging funds will be used (must be exclusively allocated for the housing counseling program)
- In Column G, enter only the amount of funds that will be available during the grant period of October 1, 2015 through March 31, 2017.

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

Include only funds that will be available during the grant period (October 1, 2015 through March 31, 2017). If Applicant’s funding is available outside of the FY 2016 grant period, the Applicant must pro-rate the funding to reflect the amount that is available during the grant period. For example, if funds are available from January 2015 through December 2015, include only 3 months (October 1 through December 31, 2015) of funding (e.g., only $25,000 of a $100,000 grant should be entered on Chart D). If funds are available for two years, the total amount of funds must be pro-rated (e.g., $100,000 leverage available July 1, 2014 through June 30, 2016, only $37,500 should be entered on Chart D for the 9 months of October 1, 2015 through June 30, 2016).

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

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

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

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

In responding to this factor, Applicants must indicate how they evaluate program success. Use Chart A1 (LHCA) or Chart A2 (Intermediary, SHFA, or MSO) – Applicant Characteristics (Tab 2 or 3, as applicable) to indicate specific components of evaluation used by the Applicant. Intermediaries, SHFAs or MSOs should also indicate on Chart A2 specific components of evaluation used by each of its Sub-grantees.

(1) Components of Evaluation. (6 points). Components of evaluation include whether the Applicant and/or its Sub-grantees:

(a) Column Z, utilizes reviews by senior management staff with results reported to organization’s board);

(b) Column AA, publishes performance data (such as in annual reports, press releases, trade publications, or on the Web) and provide, if applicable, link to published performance data if available online (Column AB);

(c) uses their client management system (identify CMS in Column AC) to evaluate their performance and measure whether the goals were achieved by:

   i. Column AD, generating reports on achievement of goals for management analysis;

   ii. Column AE, using their client management system to record notes for client activity, action plan, financial analysis, and follow-up;

   iii. Column AF, tracking grants;

   iv. Column AG, performing Quality Control Reviews of client management system data;

(d) Column AH, pulled credit reports as part of post counseling follow-up and reviews 6 months or more after counseling was completed;

(e) Column AI, uses other methods of evaluation not listed above

Applicants that put “x’s” in Column AI “Uses Other Methods of Evaluating Program Services” on Chart A1 or Chart A2 – Applicant Characteristics (Tab 2 or Tab 3, as applicable) must provide a list or brief description of the other methods that the Applicant or its Sub-grantees, if applicable, use to evaluate program success. Intermediaries, SHFAs or MSOs that provide such information need only provide a list or description with a total of up to three examples of methods that the Applicant or its Sub-grantees use to evaluate program success.
success.

(2) Grant Expenditure History. (2 points) In scoring this section, HUD will evaluate Applicant compliance with programmatic requirements and expenditure results, based on the applicant's expenditure of FY 2014 funds.

Applicants will not provide a response to this sub-factor. HUD will use its own records to score this area. Significant delays in grant expenditure beyond the FY2014 period of performance, including but not limited to the need for HUD to recapture funding, will be taken into consideration.

2. NOFA Priorities.
HUD encourages applicants for funding to undertake programs and projects that contribute to HUD's NOFA Priorities. Applicants that undertake activities that result in achievement of specific NOFA Priorities listed below are eligible to receive priority points in the rating of their application. These points will be awarded only if the application otherwise meets or exceeds the Program's minimum fundable score based on the rating factors of this NOFA.

Priority points are not available for this program.
See Rating Factor 2 above for NOFA Priorities applicable to this NOFA.

In support of certain inter-agency initiatives, HUD awards bonus points to projects where the preponderance of work will occur in a designated zone, community or region. These points will be awarded only if the application otherwise meets or exceeds the Program's minimum fundable score based on the rating factors of this NOFA.

HUD encourages activities in communities with Preferred Sustainability Status (PSS) and/or Promise Zones (PZ), HUD will award two (2) points for qualified activities within a designated zone or area and supporting either or both initiative(s). In no case will HUD award more than two bonus points for these activities.

a. To receive Preferred Sustainability Status Communities Bonus Points, applicants must submit form HUD2995, Certification of Consistency with Sustainable Communities Planning and Implementation, signed by the designated Preferred Sustainability Status Community point of contact. Designated PSS Communities Points of Contacts can be found on HUD’s website at http://portal.hud.gov/hudportal/HUD?src= / program_offices/administration/grants/nofa11/psscontacts.

b. To receive Promise Zones Bonus 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 bonus points. To view the list of designated Promise Zones and persons authorized to certify, please go to https://www.hudexchange.info/promise-zones/promise-zones-designees/.

B. Reviews and Selection Process.

1. Past Performance
In evaluating applications for funding HUD will take into account an applicant’s past performance in managing funds, including, but not limited to: the ability to account for funds appropriately; the timely use of funds received from HUD or other federal, state, or local programs; the timely submission and quality of reports submitted to HUD; meeting program requirements; meeting performance targets as established in Logic Models or other performance evaluation tools approved as part of the grant agreement; the timelines for completion of activities and receipt of promised matching or leveraged funds; and the number of persons
to be served or targeted for assistance. Before making a Federal award, HUD is required by 31 U.S.C. 3321 and 41 U.S.C. 2313 note to review information available through any OMB-designated repositories of government-wide eligibility qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System (FAPIIS), Dun and Bradstreet, and “Do Not Pay.” HUD may consider other public sources such as newspapers, Inspector General or Government Accountability Office reports or findings, or hotline or other complaints that have been proven to have merit. In evaluating past performance, HUD may deduct points from the rating score or establish threshold levels as specified under the Factors for Award in the Program NOFAs. Each Program NOFA will specify how past performance will be rated.

2. Integrity
HUD evaluates the integrity of the applicant as reflected in government-wide websites, information in HUD’s files, the federal Do Not Pay portal, public information and information received during HUD’s Name Check Review process. If this integrity evaluation results in an adverse finding, HUD reserves the right to take any of the remedies provided in Section III.C.4.a.5, Do Not Pay website Review.

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

a. Technical Review. First, a technical sufficiency review will determine whether each application meets the threshold requirements set forth in this NOFA and the General Section and whether all required forms have been properly submitted. The General Section provides the procedures for corrections to deficient applications.

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

c. Rating Panels. Detailed information on the rating review panels appears in the General Section.

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

e. Funding Methodology. The funding methodology for this NOFA recognizes that all eligible Applicants already participate in HUD’s Housing Counseling Program and those that met threshold requirements have demonstrated an acceptable level of performance and compliance with programmatic requirements. This methodology awards agencies a base grant amount determined by the size and nature of their counseling networks. The methodology then augments that amount based on performance within HUD’s Housing Counseling Program; number of FTEs that perform housing counseling services need, and other relevant factors. While these factors were utilized by HUD in determining grant amounts under prior NOFAs, the FY 2016-2017 NOFA again slightly decreases the weighting of network size while it continues to factor in other relevant criteria.

HUD continues to reserve the right to establish maximum award amounts as it has done in the past, and anticipates considering a reduction in the maximum award amount under this NOFA. Applicants may also indicate, but are not required to, a maximum grant request on Chart E1 or E2. This amount, if provided, will also be considered in the funding methodology as a cap in establishing the maximum grant amount for that Applicant.

f. Although HUD will determine the total Base Award for each grantee, grantees themselves will determine the actual funding amounts to be distributed to Sub-grantees and/or Branches as delineated in their response in Chart A2.
i. **Base Award for LHCAs Applying Independently to HUD.** For this NOFA, the funding formula will provide a Base Award for successful LHCAs applying independently to HUD. LHCAs applying independently are not eligible under this NOFA to make sub-grants. Successful LHCAs applying independently may sub-allocate HUD grant funds to eligible Branch offices, but the funding formula for this NOFA will not provide a Base Award for such Branch offices.

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

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

iv. **Funding Based on Number of Counselor FTEs.** HUD may augment the Base Award with additional funds for successful Applicants based on the number of FTEs that provide direct housing counseling services as of September 30, 2015. For successful Applicants that provide direct counseling services at the Applicant’s main office, Applicant may count the number of housing counselor FTEs at the main office and at the offices of Sub-grantees and/or Branches.

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

vi. **Funding for Reverse Mortgage Counseling.** Successful Applicants that are awarded a Comprehensive Counseling grant are eligible to receive funding for reverse mortgage counseling. The award amount will be calculated based on the number of HUD HECM Roster Counselors to be funded and average time per HECM client served.

2. **Reallocation of Unallocated Funds.** If funds designated for this NOFA remain unallocated after the formulas have been run and award recommendations are determined, HUD may, at its discretion, reallocate those funds to FY2016 Housing Counseling Training grants, FY2017 Comprehensive Housing Counseling awards issued under the FY 2016 – 2017 NOFA, or any other allowable use.

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

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

- The new or merged entity receives HUD approval as a housing counseling agency and agrees to comply with programmatic requirements, including oversight and reporting;
- 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;
- 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;
- The Name Check review process has been conducted for the proposed new awardee;
- An amendment to the award agreement is made assigning the award to the new entity is completed; and
- A new LOCCS access form has been filed with the HUD Accounting Office.

C. Anticipated Announcement and Award Dates.

Information regarding anticipated announcement and award dates is unavailable at this time.

VI. Award Administration Information.

A. Award Notices.

Following the evaluation process HUD will notify successful applicants of their selection for funding. HUD will also notify all other applicants, whose applications were received by the deadline, that have not been chosen for award. Notifications will be sent by email, delivery receipt requested, to the person designated in item 8F of the SF424 and to the person listed as authorized representative in item 21 of the SF424.

Following selection, Applicants will receive notification from HUD regarding their application.

1. Publication of Recipients of HUD Funding. HUD's regulations at 24 C.F.R. Part 4 provide that HUD will publish a notice in the Federal Register to notify the public of all funding decisions made by the Department. Please see the General Section, Section VI.D.11 for more information on this topic.

2. Debriefing. See General Section and section D. below.

B. Administrative, National and Department Policy Requirements.

For this NOFA, the following requirements apply:

Equal Protection for Faith-based and Community Organizations.

Executive Order 13279, “Equal Protection of the Laws for Faith-based and Community Organizations,” and Executive Order 13559, “Fundamental Principles and Policymaking Criteria for Partnerships with Faith-Based and Other Neighborhood Partnerships.” Faith-based organizations are eligible to participate in HUD’s programs and activities on the same basis as any other organization. HUD’s regulation on the equal participation of faith-based organizations, consistent with Executive Order 13279, is at 24 CFR 5.109. Additionally, several HUD programs, particularly programs administered by the Office of Community Planning and Development, are subject to program-specific rules. The rule at 24 CFR 5.109 provides, among other things, that religious organizations may not engage in inherently religious activities as part of a HUD-funded program or activity; a religious organization that participates in a HUD-funded program or activity may retain its independence and continue to carry out its mission; and an organization that receives direct federal funds from HUD is not permitted to discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief in providing program assistance. Executive Order 13559 amended Executive Order 13279 to require additional protections for program beneficiaries. HUD is preparing a proposed rule that will amend its current regulations at 24 CFR 5.109 and elsewhere to implement the provisions of E.O. 13559 in accordance with the process set out in OMB Memorandum
M-13-19. However, some program-specific rules have been amended to reflect the new provisions of E.O. 13559. Recipients and subrecipients of funds subject to those amended rules must comply with the new regulatory provisions.
See the General Section.

Real Property Acquisition and Relocation.

Except as otherwise provided by federal statute, HUD-assisted programs or projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act or URA) (42 U.S.C. 4601-4655), and the government-wide implementing regulations issued by the Federal Highway Administration at 49 CFR part 24. The Uniform Act applies to acquisitions of real property and displacements resulting from the acquisition, rehabilitation, or demolition of real property for Federal or federally-assisted programs or projects. With certain limited exceptions, real property acquisitions for programs or projects that receive federal financial assistance from HUD must comply with 49 CFR part 24, subpart B.
To be exempt from the URA’s acquisition requirements, real property acquisitions conducted without the threat or use of eminent domain, commonly referred to as “voluntary acquisitions,” must satisfy the applicable requirements of 49 CFR 24.101(b)(1) through (5). Records demonstrating compliance with these requirements must be maintained by the recipient. The URA's relocation requirements remain applicable to any tenant who is displaced by an acquisition that meets the requirements of 49 CFR 24.101(b) (1) through (5).
The relocation requirements of the Uniform Act, and its implementing regulations at 49 CFR part 24, cover any person who moves permanently from real property or moves personal property from real property as a direct result of acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance. While there are no URA statutory provisions for “temporary relocation”, the URA regulations recognize that there are circumstances where a person will not be permanently displaced but may need to be moved from a project for a short period of time. Appendix A of the URA regulation (49 CFR 24.2(a)(9)(ii)(D)) explains that any tenant who has been temporarily relocated for a period beyond one year must be contacted by the displacing agency and offered URA permanent relocation assistance. Some HUD program regulations provide additional protections for temporarily relocated tenants. Before planning their project, applicants must review the regulations for the programs for which they are applying. Generally, the URA does not apply to displacements resulting from the demolition or disposition of public housing covered by Section 18 of the United States Housing Act of 1937. Individual Program NOFAs may have additional relocation guidance and requirements.
Additional resources and guidance pertaining to real property acquisition and relocation for HUD-funded programs and projects are available on HUD’s Real Estate Acquisition and Relocation website at www.hud.gov/relocation. Applicable laws and regulations, policy and guidance, publications, training resources, and a listing of HUD contacts are also available for applicants who have questions or are in need of assistance.
See the General Section.

Procurement of Recovered Materials.

State agencies and agencies of a political subdivision of a state that are using assistance under a Program NOFA for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of Section 6002 of the Solid Waste Disposal Act. In accordance with Section 6002, these agencies and persons must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired in the preceding fiscal year exceeded $10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for
procurement of recovered materials identified in the EPA guidelines. Please refer to www.epa.gov/osw/conserve/tools/cpg/pdf/rcra-6002.pdf for complete text and requirements of Section 6002.

See the General Section.

Participation in a HUD-Sponsored Program Evaluation.

As a condition of the receipt of financial assistance under a Program NOFA, all successful applicants will be required to cooperate with all HUD staff, contractors, or designated grantees performing research or evaluation studies funded by HUD.

Environmental Requirements.

Recipients and participants, including public or private nonprofit or for-profit entities, or any of their contractors, under a HUD-funded program that assists in physical development activities or property acquisition are generally prohibited from acquiring, rehabilitating, converting, demolishing, leasing, repairing, or constructing property, or committing or expending HUD or other funds for these types of program activities, until one of the following has occurred:

a. HUD has completed an environmental review in accordance with 24 CFR part 50; or
b. For programs subject to 24 CFR part 58, HUD has approved a recipient’s Request for Release of Funds (form HUD7015.15) following a responsible entity’s completion of an environmental review. The applicant must consult the Program NOFA to determine the procedures for, timing of, and any modifications or exclusions from environmental review under a particular program.

Environmental Requirements. In accordance with 24 CFR Part 50, Section 50.19(b)(2), (3), (4), (9), (12), (13) of the HUD regulations, activities assisted under this program are categorically excluded from the requirements of the National Environmental Policy Act and are not subject to environmental review under the related laws and authorities.

OMB Administrative Requirements and Cost Principles.

Unless excepted under 24 CFR chapters I through IX, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, set forth in 2 CFR part 200, shall apply to Federal Awards made by the Department of Housing and Urban Development to non-Federal entities.

See the General Section.

OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs. All awards under this NOFA will be subject to 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Audit Requirements. Grantees that expend $750,000 or more in federal financial assistance in a single year (this can be program year or fiscal year) must be audited in accordance with the OMB requirements as established in 2 C.F.R. Part 200. Additional information regarding this requirement can be accessed at the following website: http://harvester.census.gov/sac. This site has recently been temporarily offline due to maintenance and testing. If unavailable, additional information can be obtained at 1-800-253-0696 or by email to erd.fac@census.gov

Safeguarding Resident/Client Files.

In maintaining resident and client files, funding recipients shall comply with the Privacy Act of 1974 (Privacy Act), the agency rules and regulations issued under the Privacy Act, and observe state and local laws concerning the disclosure of records that pertain to individuals. Further, recipients are required to comply with the Privacy Act in the design, development, or operation of any system of records on individuals and take reasonable measures to ensure that resident and client files are safeguarded, including when reviewing, printing, or copying client files.
See the General Section.

C. Reporting.

1. **Race and Ethnicity Data Reporting Form.** HUD requires grantees that provide HUD-funded program benefits to individuals or families to report data on the race and ethnicity of those individuals receiving such benefits. Grantees that provide benefits to individuals during the period of performance, whether directly or through subrecipients or contractors, must report the data using the Race and Ethnic Data Reporting Form found on Grants.gov. The form is a data collection based on the standards published by OMB on August 13, 2002.

Race and Ethnicity Data for this program is reported on the HUD9902, Housing Counseling Activity Report. See item C.2. below

1. **Fiscal Year Activity Report.** Grantees are required to submit Form HUD9902, 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.

2. **Transparency Act Reporting.**


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

      (a) Starting with awards made October 1, 2010 prime financial assistance awardees receiving funds directly from the Department are required to report sub-awards and executive compensation information both for the prime award and sub-award recipients, including awards made as pass-through awards or awards to vendors, if the initial prime grant award is $25,000 or greater, or the cumulative prime grant award will be $25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance; and the sub-award is $25,000 or greater, or the cumulative sub-award will be $25,000 or greater. For reportable sub-awards, if executive compensation reporting is required and sub-award recipients’ executive compensation is reported through the SAM system, the prime recipient is not required to report this information. The reporting of award and sub-award information is in accordance with the requirements of the Transparency Act, as amended by section 6202 of Public Law 110-252 and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. Please refer to [https://www.fsrs.gov/](https://www.fsrs.gov/) for complete information on requirements under the Transparency Act and OMB guidance.

Please direct questions regarding specific reporting requirements to the point of contact listed in Section VII below.

D. Debriefing.

For a period of at least 120 days, beginning 30 days after the awards for a Program NOFA are publicly announced, HUD will provide to a requesting applicant a debriefing related to its application. A request for debriefing must be made in writing or by email by the authorized official whose signature appears on the SF424 or by his or her successor in office, and be submitted to the person, organization, or email address identified as the contact under the section entitled Agency Contact(s) in the Program NOFA. 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 assistance was provided or denied.
VII. Agency Contact(s).

HUD staff will be available to provide clarification on the content of this NOFA. Please note that HUD staff cannot assist applicants in preparing their applications. Questions regarding specific program requirements for this NOFA should be directed to the point of contact listed below.

Jamie
(303) 675-1621
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.

VIII. Other Information.

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 Program NOFA will identify its applicable OMB control number unless its collection of information is excluded from these requirements under 5 CFR part 1320.

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

2. Information Collection Approval Note. The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2502-0261. 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 currently valid OMB control number. Public reporting burden for the collection of information is estimated to average 68 hours per annum per respondent for the application and grant administration. This includes the time for collecting, reviewing, and reporting the data for the application, semi-annual reports and final report. The information collected pursuant to this NOFA will be used for grantee selection and monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

Appendix.

Appendix A

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

HUD's Office of Housing Counseling maintains a listing of currently-approved State Housing Finance Agencies (SHFAs) and HUD-approved Intermediaries at http://portal.hud.gov/hudportal/HUD?src=/ohc_n int .

This listing is updated periodically. Applicants that want to confirm the status of SHFAs and Intermediaries that are not listed here may contact the Office of Housing Counseling via email to housing.counseling@hud.gov.
Appendix B

Definitions

1. Affiliate. A nonprofit organization participating in the HUD-related housing counseling program of a regional or national intermediary, or state housing finance agency. An affiliate is incorporated separately from the Intermediary or SHFA. An affiliate is also:
   a. Duly organized and existing as a tax-exempt nonprofit organization;
   b. In good standing under the laws of the state of the organization; and
   c. Authorized to do business in the states where it proposes to provide housing counseling services.

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

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

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

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

6. 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 hours per week * 52 weeks per year - 5 weeks regulatory vacation]) / 4), then someone working 100 hours during that quarter represents 100/411.25 = 0.24 FTE. Two employees working in total 400 hours during that same quarterly period represent 0.97 FTE.

7. 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.

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

9. 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.

10. 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.

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

12. 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.

13. **State Housing Finance Agency (SHFA).** Any public body, agency or instrumentality created by a specific act of a state legislature empowered to finance activities designed to provide housing and related facilities and services, through land acquisition, construction or rehabilitation, throughout an entire state. SHFAs may provide direct counseling services or sub-grant housing counseling funds to affiliated housing counseling agencies within the SHFAs 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.

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

15. **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.