

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5200-N-01A]

### Fiscal Year 2008 SuperNOFA for HUD's Discretionary Programs

**AGENCY:** Office of the Secretary, HUD.

**ACTION:** Notice of HUD's 2008 Notice of Funding Availability (NOFA) for HUD's Discretionary Programs (SuperNOFA).

**SUMMARY:** On March 19, 2008, HUD published its Notice of Fiscal Year (FY) 2008 Notice of Funding Availability Policy Requirements and General Section to HUD's FY2008 NOFAs (General Section). HUD published the General Section of in advance of the individual NOFAs to give prospective applicants sufficient time to understand policy and program requirements that apply to the majority of HUD's programs in advance of the publication of the program section NOFAs, to register early with Grants.gov in order to facilitate their application submission process, and to gain a better understanding of the Grants.gov application receipt and validation process. Today's publication contains the 36 funding opportunities that constitute HUD's FY2008 SuperNOFA. Today's publication also provides a revised Appendix A that lists the programs contained in the FY2008 SuperNOFA and corrects two items contained in the General Section published on March 19, 2008.

**DATES:** Application deadline and other key dates that apply to all HUD federal financial assistance made available through HUD's FY2008 SuperNOFA are contained in each individual program NOFA and in Appendix A of this notice.

**FOR FURTHER INFORMATION CONTACT:** The individual program NOFA identifies the applicable agency contact(s) for each program. Questions regarding today's

Introduction to the SuperNOFA should be directed to the NOFA Information Center between the hours 10:00 a.m. and 6:30 p.m. eastern time at (800) HUD-8929. Hearing-impaired persons may access this telephone via TTY by calling the toll-free Federal Information Relay Service at (800) 877-8339. Questions regarding specific program requirements should be directed to the agency contact(s) identified in each program NOFA.

### **SUPPLEMENTARY INFORMATION**

HUD published the Policy Requirements and General Section to HUD's FY2008 NOFAs (the **General Section**) in the Federal Register on March 19, 2008 (73 FR 14882). HUD published the **General Section** in advance of the individual program NOFAs to give prospective applicants sufficient time to understand policy and program requirements that apply to the majority of HUD's programs in advance of the publication of the program section NOFAs, to register early with Grants.gov in order to facilitate their application submission process, and to gain a better understanding of the Grants.gov application receipt and validation process. Today's publication contains the 36 individual funding opportunities that constitute HUD's FY2008 SuperNOFA. Through the FY2008 SuperNOFA, HUD is making available approximately \$1.02 billion in federal financial assistance. Today's publication also provides a revised Appendix A that lists the programs contained in the FY2008 SuperNOFA and corrects items contained in the **General Section** published on March 19, 2008.

Each program NOFA provides the statutory and regulatory requirements, threshold requirements, and rating factors applicable to funding made available through the individual NOFA. Applicants must also read, however, the **General Section** for

important application information and requirements, including submission requirements that provide explicit instructions on file formats acceptable to HUD.

Appendix A to the **General Section** identified the funding opportunities that HUD anticipated would be included in the FY2008 SuperNOFA. HUD is revising and republishing Appendix A (Revised Appendix A) as part of today's publication. Revised Appendix A provides a corrected and up-to-date list of the funding opportunities included in today's FY2008 SuperNOFA publication. Revised Appendix A also lists the application deadline date and the approximate amount of funding available for each of the program NOFAs contained in the FY2008 SuperNOFA. Applicants are reminded that, unless they obtain a written waiver, applications must be **received and validated** by Grants.gov by 11:59:59 p.m. eastern time on the application deadline date. The validation check can take 24 to 48 hours after an application is received by Grants.gov. **As a result, HUD strongly encourages applicants to submit their applications 48 to 72 hours prior to the application deadline date.** By submitting prior to the application deadline date, applicants will have time to cure any deficiency in their applications should it fail the validation process. HUD also reminds applicants that, if they have changed their email address, they must also update their Authorized Organization Representative (AOR) registration with Grants.gov. Failure to update the AOR email address will prevent individuals submitting applications on behalf of an applicant from receiving a validation receipt or rejection notice from Grants.gov.

In reviewing Revised Appendix A, applicants should note that the HOPE VI program is not part of the FY2008 SuperNOFA. HUD published the HOPE VI NOFA separately in the Federal Register on March 26, 2008 (73 FR 16140). The application

and instructions for the HOPE VI NOFA can be found on the Grants.gov website at [http://www07.grants.gov/applicants/find\\_grant\\_opportunities.jsp](http://www07.grants.gov/applicants/find_grant_opportunities.jsp). In addition, the Continuum of Care program is not part of today's publication. Applicants for the Continuum of Care program should be advised that HUD will require applicants to submit Continuum of Care applications electronically in FY2008. Because the electronic application is not yet available, however, details of the registration process and other submission details (including, application submission date and timely receipt requirements) will be published in two notices that will be published in the Federal Register later this year. HUD expects the first notice to be available in spring 2008. HUD expects to publish the Continuum of Care NOFA no earlier than July 1, 2008. Notification of the availability of registration instructions, the application and other information will be released through the Grants.gov/Find website. To be placed on the Grants.gov notification service for notices about the Continuum of Care electronic application process, go to <http://www.grants.gov/search/subscribeAdvanced.do>. To join the HUD homeless assistance programs listserv go to <http://www.hud.gov/subscribe/signup.cfm?listname=Homeless%20Assistance%20Program&list=HOMELESS-ASST-L>.

HUD is also using today's publication to correct the following items in the General Section published on March 19, 2008:

On page 14885, Section III, C.2.j., the section on Debarment and Suspension, is modified to reference the December 24, 2007 final rule on Implementation of OMB Guidance on

Nonprocurement Debarment and Suspension (72 FR 73484). The December 24, 2007, final rule relocated HUD's regulations governing nonprocurement debarment and suspension to a new part in title 2 of the Code of Federal Regulations. The relocation of HUD's nonprocurement debarment and suspension regulation is part of a governmentwide initiative to create one location where the public can access both the Office of Management and Budget guidance for grants and agreements and the associated federal agency implementing regulations. HUD's final Rule is available at <http://www.hud.gov/grants/index.cfm> on the right hand side of the page under "What's Hot!"

On page 14890, Section VI.B.b. "Step Two: Register with CCR," is corrected to reflect the operating hours of the Central Contractor Registration (CCR) Assistance Center. If you need assistance you can contact the CCR Assistance Center, Monday to Friday, except federal holidays, from 9:00 a.m.-5:00 p.m. eastern time by calling 888-227-2423 or 269-961-5757. CCR also has on line help incorporated into its website. To obtain the online help, use the HELP link at the top of the page.

Applicants are invited and encouraged to participate in HUD's satellite training and webcast sessions designed to provide a detailed explanation of the general section and program section requirements for each of the SuperNOFA programs. The interactive broadcasts provide an opportunity to ask questions of HUD staff. These broadcasts are archived and accessible from HUD's Grants page at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>. HUD also encourages all applicants to subscribe to the Grants.gov free notification service. By doing so, applicants will receive email notification as soon as items are posted to Grants.gov and

have access to a significant amount of useful information, including responses to frequently asked questions that arise during the funding application period. The address to subscribe to the Grants.gov free notification service is

[http://www.grants.gov/applicants/email\\_subscription.jsp](http://www.grants.gov/applicants/email_subscription.jsp). Corrections to the **General**

**Section**, program NOFAs, or the application are posted to [www.Grants.gov](http://www.Grants.gov) as soon as they are available. HUD will also post the Continuum of Care NOFA (and any corrections to the Continuum of Care NOFA) on the Grants.gov/Find site.

HUD hopes that the steps that it has taken to provide information early in the FY2008 funding process will be of benefit to you, our applicants and urges applicants to carefully read the instructions provided in the **General Section** and program sections of the NOFA and to apply early so any issues can be addressed prior to the deadline date

Dated: April 15, 2008

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Dawn Luepke  
General Deputy Assistant Secretary  
for Administration

**[FR 5200-N-01A]**

## **HOUSING COUNSELING PROGRAM**

### **OVERVIEW INFORMATION:**

**A. Federal Agency Name:** Department of Housing and Urban Development, Office of Single Family Housing.

**B. Funding Opportunity Title:** Housing Counseling Program.

**C. Announcement Type:** Initial Announcement.

**D. Funding Opportunity Number:** FR-5200-N-18; OMB Approval number is: 2502-0261.

**E. Catalog of Federal Domestic Assistance (CFDA) Number:** 14.169 Housing Counseling Assistance Program.

**F. Dates:** The application deadline date is **July 9, 2008**. Applications submitted through <http://www.grants.gov> must be received and validated by Grants.gov no later than 11:59:59 pm eastern time on the application deadline date. See Section IV of the General Section, published March 19, 2008 (73 FR 14882) regarding application submission procedures and timely filing requirements.

**G. Available Funds:** Approximately \$47 million is available for eligible applicants under this program NOFA.

### **FULL TEXT OF ANNOUNCEMENT:**

#### **I. Funding Opportunity Description**

**A. Program Description.** This program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters, and the homeless. The primary objectives of the program are to expand homeownership opportunities, improve access to affordable housing and preserve



homeownership. Counselors provide guidance and advice to help families and individuals improve their housing conditions and meet the responsibilities of tenancy and homeownership. Counselors also help borrowers avoid inflated appraisals, unreasonably high interest rates, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and eventually foreclosure.

Additionally, counselors may provide counseling services to homeowners to prevent or resolve mortgage delinquency, default, and foreclosure, with the primary objective to preserve homeownership. Counselors provide guidance and advice to help families and individuals meet the responsibilities of homeownership and modify or refinance their loans to avoid unreasonably high interest rates, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and eventually foreclosure. Applicants funded through this program may also provide Reverse Mortgage Counseling to elderly homeowners who seek to convert equity in their homes into income that can be used to pay for home improvements, medical costs, living expenses, or other expenses.

**B. Grant Applicant Categories.** HUD will award a single comprehensive grant to qualified applicants through one of four categories:

- (1) Local Housing Counseling Agencies (LHCAs);
- (2) National and Regional Intermediaries (Intermediaries);
- (3) State Housing Finance Agencies (SHFAs); and
- (4) Multi-State Organizations (MSOs).

Also, supplemental funding is available to LHCA's and Intermediaries for Reverse Mortgage Counseling.

**C. 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). On September 28, 2007, a Final Rule was published in the Federal Register at 72 FR 55638 and codified at 24 CFR part 214 establishing new regulations for the Department of Housing and Urban Development's Housing Counseling Program.

The Home Equity Conversion Mortgage (HECM) Program is authorized by section 255 of the National Housing Act (12 U.S.C. 1715z-20).

**D. Definitions.**

**1. Affiliate.** A nonprofit organization participating in the HUD-related housing counseling program of a regional or national intermediary, or state housing finance agency. An affiliate is incorporated separately from the regional or national intermediary or state housing finance agency. 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 branch or branch offices identified in its application.

**3. Branch.** An organizational and subordinate unit of a local housing counseling agency, multi-state organization, regional or national intermediary, or state housing finance agency not separately incorporated or organized, that participates in HUD's Housing Counseling program. A branch or branch office must be in good standing under the laws

of the state where it proposes to provide housing counseling services. A branch or branch office cannot be a sub-grantee or affiliate.

**4. Delinquency/ Default Counseling.** Counseling provided to a current homeowner to prevent or resolve mortgage delinquency, mortgage default, or foreclosure.

**5. Grantee.** A HUD-approved housing counseling agency or SHFA that receives housing counseling funds from HUD through this NOFA. The term “Grantee” includes the agency’s branch or branch offices identified in its application.

**6. HUD HECM Network Counselor.** A housing counselor that has passed the Reverse Mortgage Counseling exam administered by HUD and/or its agent, and is approved by HUD to provide Reverse Mortgage Counseling nationally by telephone.

**7. 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. The Housing Counseling program recognizes two types of intermediaries, which include:

a. National intermediary. A national intermediary is an organization which operates in multiple regions of the United States, which provides:

- (1) Housing counseling services through its branches or affiliates or both; and
- (2) Administrative and supportive services to its network of affiliates or branches, including, but not limited to, pass-through funding, training, and technical assistance.

b. Regional intermediary. A regional intermediary is an organization which operates in a generally recognized region within the United States, such as the Southwest, Mid-Atlantic, New England, which provides:

(1) Housing counseling services through its branches or affiliates or both; and

(2) Administrative and supportive services to its network of affiliates, or branches, including, but not limited to, pass-through funding, training, and technical assistance.

**8. 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.

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

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

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

## **II. Award Information**

**A. Amount Allocated.** Of the approximately \$50 million appropriated for housing counseling in FY2008, approximately \$47 million is available for eligible applicants under this NOFA. Approximately \$43 million is available for comprehensive counseling. Approximately \$4 million is available for Reverse Mortgage Counseling. Available funding may also include carryover and recaptured funds, in addition to the appropriations.

**B. Specific Allocations.** Housing counseling funding is distributed over four applicant categories, as shown below.

<b>Applicant Categories</b>	<b>Who is Eligible</b>	<b>Total Amount Available</b>
Category 1 – LHCA's	HUD-approved Local Housing Counseling Agencies	\$15,840,000
Category 2 – Intermediaries	HUD-approved National and Regional Intermediaries	\$26,000,000
Category 3 – SHFAs	State Housing Finance Agencies	\$2,580,000
Category 4 - MSOs	Multi-State Organizations	\$2,580,000

**1. Category 1 – Local Housing Counseling Agencies (LHCAs).** For the grant period October 1, 2008 through September 30, 2009, approximately \$15,840,000 is available from HUD to directly fund HUD-approved LHCAs, including approximately \$14,840,000 for comprehensive counseling and approximately \$1 million for reverse mortgage counseling. An LHCA can only request funding for its main office and

branches located in the same state as the main office and/or located in one other contiguous state.

**2. Category 2 – Intermediaries.** For the grant period October 1, 2008 through September 30, 2009, approximately \$26 million is available from HUD to directly fund HUD-approved Intermediaries, including approximately \$23 million comprehensive counseling and approximately \$3 million for reverse mortgage counseling.

**3. Category 3 -- State Housing Finance Agencies (SHFAs).** For the grant period October 1, 2008 through September 30, 2009, approximately \$2,580,000 is available to fund SHFAs that provide housing counseling services directly or serve as intermediaries to Affiliates who offer housing counseling services.

**4. Category 4 – Multi-State Organizations (MSOs).** For the grant period October 1, 2008 through September 30, 2009, approximately \$2,580,000 is available to fund MSOs to provide housing counseling services directly through its branch offices throughout its HUD-approved multi-state service area.

**C. Maximum Awards.** Funds awarded shall be available for a period of 12 calendar months.

**1. Category 1.** No individual LHCA may be awarded more than \$180,000 which may include supplemental funding for reverse mortgage counseling. The maximum amount for the reverse mortgage counseling is \$30,000. The maximum amount for comprehensive counseling is \$150,000. HUD anticipates that the average total award for LHCAs will be approximately \$42,000.

**2. Category 2.** Awards for individual HUD-approved intermediaries may not exceed \$5.5 million, which includes any Reverse Mortgage supplemental funding. The limit for

Comprehensive Counseling is \$2.5 million and the limit for Reverse Mortgage counseling is \$3 million. HUD anticipates that the average total award for Intermediaries will be \$1.2 million.

**3. Category 3.** No individual SHFA may be awarded more than \$475,000. HUD anticipates that the average total award for SHFAs will be approximately \$130,000.

**4. Category 4.** No individual MSO may be awarded more than \$575,000. HUD anticipates that the average total award for MSOs will be approximately \$250,000.

**D. Award Instrument.** HUD will use a Grant Agreement. All Housing Counseling Program awards will be made on a cost reimbursement basis.

### **III. Eligibility Information**

**A. Eligible Applicants.** Eligible applicants include: HUD-approved Local Housing Counseling Agencies (LHCAs); HUD-approved national and regional intermediaries (Intermediaries); State Housing Finance Agencies (SHFAs); and HUD-approved Multi-State Organizations (MSOs).

**B. Cost Sharing or Matching.** No specific matching funds are required. However, in order to receive points under Rating Factor 4, applicants are required to demonstrate the commitment of other private and public sources of funding to supplement HUD funding for the applicant's counseling program. HUD does not intend for its Housing Counseling grant to cover all costs incurred by an applicant. The Final Rule published in the Federal Register on September 28, 2007, at 72 FR 55638 and codified at 24 CFR part 214 expands the conditions under which agencies participating in HUD's Housing Counseling Program are permitted to charge fees to counseling recipients. While agencies are

strongly encouraged to aggressively leverage funds from other private and public sources, fee income can be used to help satisfy this requirement.

**C. Other.**

**1. Eligible Activities for Comprehensive Counseling Awards under all Applicant Categories.** Grantees and sub-grantees will only be reimbursed for the applicable activities outlined in this Section.

**a. Individual counseling or group education/classes** regarding the following topics:

(1) Pre-Purchase/Homebuying. This includes: evaluating mortgagor readiness; search assistance; fair housing and fair lending, including whether or not the beneficiary belongs to a protected class, and how to recognize discrimination; budgeting for mortgage payments; money management (does not include administration of debt management plans whereby an organization pays bills on behalf of a client); selecting a real estate agent; home inspection; alternative sources of mortgage credit; how to apply for special programs available to potential homebuyers; how to identify and avoid predatory lending practices; locating housing that provides universal design and visitability; locating sources and methods to help pay for accessibility modifications; how to purchase a home using the Section 8 Homeownership Voucher Program, and referrals to community services and regulatory agencies. Applicants that provide homebuyer education must also offer individual counseling that complements the group sessions.

(2) Resolving or Preventing Mortgage Delinquency or Default. This includes: restructuring debt, obtaining re-certification for mortgage subsidy, establishing reinstatement plans, seeking loan forbearance, and managing household finances. This can also include helping clients affected by predatory lending, homeownership



preservation and foreclosure prevention strategies, explaining the foreclosure process, providing referrals to other sources, and assisting clients with locating alternative housing, or pursuing loss mitigation strategies.

(3) Non-Delinquency Post-Purchase. This includes information and advice on finding favorable mortgage loan terms, personal money management, and relations with lenders. It also includes: home improvement and rehabilitation; property maintenance; loan and grant options; the loan or grant application processes; what housing codes and housing enforcement procedures apply for the intended activity; accessibility codes and how to design features to provide accessibility for persons with disabilities; non-discriminatory lending and funding for persons who modify their dwellings to accommodate disabilities; and visitability and universal design. Agencies that provide post-purchase education classes must also offer individual counseling to complement group sessions.

(4) Locating, Securing, or Maintaining Residence in Rental Housing. This refers to renter-related topics, including: helping clients obtain and utilize rent subsidies; pre-rental search assistance/mobility counseling; budgeting for rent payments; educating clients on landlords' and renters' rights; explaining the eviction process; ensuring clients understand their rights when faced with displacement; explaining the responsibility of the entity causing displacement; and providing assistance with locating alternate housing.

(5) Shelter or Services for the Homeless. Includes referrals to social, community, and homeless services such as emergency shelter or transitional housing.

(6) Reverse Mortgage Counseling. This counseling and education assists elderly homeowners who seek to convert equity in their homes into income that can be used to

pay for home improvements, medical costs, living expenses, or other expenses. This includes providing the statutorily-required counseling to individuals/families that may be eligible for, or are interested in obtaining, an FHA-insured HECM.

**b. 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 predatory lending or fair housing and fair lending issues. (Note: affirmative fair housing outreach should be directed at those populations least likely to seek counseling services, including those of racial, religious or national groups not normally served by the sponsoring agency. 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.)

**c. Training.** Training to increase the capacity of housing counselors and program managers.

**d. Computer equipment/systems.** Computer equipment/systems with the objective of improving the quality of counseling and education services available.

**e. Administrative Costs.** For intermediaries and SHFAs, this includes administrative costs associated with managing a network of housing counseling agencies and providing technical assistance.

**2. Threshold Requirements.** Applications that do not meet all of the following Threshold Requirements are not eligible to receive an award from HUD.

**a.** Applicants and sub-grantees must meet the Threshold Requirements in the **General Section**.

**b.** Minimum grant request for Comprehensive Funds. LHCA applicants must request a minimum of \$20,000. SHFAs and MSOs must request a minimum of \$50,000 and Intermediaries must request a minimum of \$300,000. For applicants requesting only comprehensive counseling funding, HUD will consider the amount of the comprehensive counseling grant being requested to be the value entered into box 18a on form SF-424.

**c.** Minimum grant request for Reverse Mortgage Counseling Supplemental Funds. Intermediaries must request a minimum of \$500,000 for reverse mortgage counseling supplemental funding. LHCA's must request a minimum of \$5,000 for reverse mortgage counseling supplemental funding. For intermediaries and LHCA's requesting reverse mortgage supplemental funding, box 18a of Form SF-424 should reflect the total of the comprehensive and the reverse mortgage supplemental request. For those LHCA's and Intermediaries requesting supplemental funding, the narrative response to Factor 3 must make clear the exact comprehensive and supplemental amounts being requested.

**d. Only HUD-approved Housing Counseling Agencies and SHFAs may apply.**

Applicants must be currently approved by HUD as an LHCA, a housing counseling intermediary or a multi-state organization, and have secured HUD approval as a housing counseling agency by the publication date of this Housing Counseling Program NOFA. SHFAs are not required to be HUD-approved, but must meet the eligibility requirements listed in this NOFA and the Final Rule published in the Federal Register on September 28, 2007, at 72 FR 55638 and codified at 24 CFR part 214.

**e. Client Management System.** The applicant, and all affiliates and branches, if applicable, must utilize a client management system 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://www.hud.gov/offices/hsg/sfh/hcc/hccprof21.cfm>.

**f. Applicants Requesting Supplemental Reverse Mortgage Counseling Funding.**

Only LHCAs and Intermediaries are eligible to apply for reverse mortgage counseling supplemental funding. A separate application is not needed to apply for supplemental funding. However, applicants requesting supplemental Reverse Mortgage counseling funding must meet the following requirements:

- (1) LHCAs must have at least one HUD HECM Network counselor; Intermediaries must have at least 20 HUD HECM Network counselors within their network of affiliates or branches.
- (2) Request the supplemental funding by identifying in box 18a of Form SF-424 total of the comprehensive request and the Reverse Mortgage supplemental request, and making clear in the narrative response to Factor 3 the exact comprehensive and reverse mortgage counseling supplemental amounts, if applicable, being requested;
- (3) Identify reverse mortgage counseling related needs in the target community in its response to Rating Factor 2;
- (4) Respond to all reverse mortgage counseling related requests for information throughout the NOFA;
- (5) Respond to the Rating Factors describing activities related to the proposed counseling and the reverse mortgage counseling supplemental funding;

(6) Indicate in the Rating Factors how many individuals will be served specifically with the requested supplemental funding for Reverse Mortgage counseling in addition to those served under the comprehensive counseling award. Be sure to clearly identify the total number projected to be served, the activities to be provided, and the output and outcome goals to be achieved with the supplemental funding.

(7) Identify reverse mortgage counseling related training and certifications received by counselors and program managers; and

(8) Identify all HUD HECM Network counselors in the proposed application.

### **3. Other Program Requirements**

a. To receive a grant or sub-grantee under this Housing Counseling NOFA, all applicants and sub-grantees must be:

(1) In good standing under the laws of the state of their organization; and

(2) Authorized to do business in the states where they propose to provide housing counseling services.

(3) All grantees and sub-grantees must use counseling facilities and services that are accessible to persons with disabilities or provide other means of accommodation for persons with disabilities, in accordance with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR parts 8 & 9, and Title III of the Americans with Disabilities Act. In addition, counseling services must comply with effective communication requirements under these laws. All grantees and sub-grantees must help persons with disabilities locate suitable housing in locations throughout the applicant's community, target area, or metropolitan area, as defined by the applicant.

### **b. Limits on Applications**

**(1) HUD-approved LHCAs.** HUD-approved LHCAs may either:

(a) apply directly to HUD for grant funding, including comprehensive and supplemental funding for Reverse Mortgage counseling, under Applicant Category 1; *or*

(b) be included in the respective application of, and receive one sub-grant from, an intermediary, MSO or SHFA under Applicant Category 2, 3, or 4.

(2) The only exceptions to this rule are:

(a) HUD-approved LHCAs with one or more HUD HECM Network Counselors that are awarded comprehensive funds, but do not receive Reverse Mortgage supplemental funding, may receive a sub-grant or be reimbursed exclusively for Reverse Mortgage counseling activities from a HUD-approved intermediary administering the Reverse Mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and

(b) HUD-approved LHCAs that are awarded comprehensive funds may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

Funded LHCAs may not make sub-grants to other HUD-approved LHCAs or non-HUD-approved entities.

**2. HUD-approved Intermediaries.** HUD approved intermediaries may only apply for a grant under Applicant Category 2. HUD-approved intermediaries are also eligible for supplemental funding for Reverse Mortgage counseling.

**3. SHFAs.** SHFAs may only apply for grants under Applicant Category 3 for comprehensive counseling funds.

**4. MSOs.** HUD-approved MSOs may either:

a .apply directly to HUD for a grant under Applicant Category 4 for comprehensive counseling funds, or;

b. be included in the respective application of, and receive one sub-grant from, intermediary or SHFA under Applicant Categories 2 or 3.

The only exceptions to this rule are:

(1) HUD-approved MSOs with one or more HUD HECM Network Counselors that are awarded comprehensive funds, may receive a sub-grant or be reimbursed exclusively for Reverse Mortgage counseling activities from a HUD-approved intermediary administering the Reverse Mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and

(2) HUD-approved MSOs that are awarded comprehensive funds under category 4 may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

**c. Sub-grantees of Intermediaries and SHFAs.**

(1) Sub-grantees or branches of intermediaries, MSOs and SHFAs are not required to be HUD-approved, although HUD-approved LHCAs may apply to an intermediary or SHFA as a sub-grantee.

(2) Intermediaries, MSOs 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.

(3) Sub-grantees must also be in compliance with all civil rights threshold requirements. For a listing of civil rights threshold requirements, refer to the General Section. Intermediaries that do not ensure their sub-grantee's compliance with HUD

standards may be prohibited from participating in the Housing Counseling Program. HUD will monitor sub-grantees.

(4) To be eligible for funding under Categories 2, 3 or 4, proposed sub-grantees branches must not have directly applied for or received a grant under Category 1 of this NOFA, or applied for or received a sub-grant or funding from another intermediary, MSO or SHFA under Category 2, 3 or 4 of this NOFA. Sub-grantees or branches may apply for and receive funding from only one intermediary, MSO or SHFA under Category 2, 3 or 4. The only exceptions to this rule are: (a) sub-grantees or branches that have one or more HUD HECM Network Counselors that receive a sub-grant or funding for comprehensive counseling from an intermediary, MSO or SHFA under Category 2, 3, or 4 may also receive a sub-grant, or be reimbursed exclusively for reverse mortgage counseling activities, from a HUD-approved intermediary administering the reverse mortgage supplemental funds made available through this NOFA or by another entity designated by HUD; and (b) sub-grantees and branches that receive a sub-grant or funding for comprehensive counseling from an intermediary, MSO or SHFA under Category 2, 3, or 4, may also be reimbursed for default counseling by an intermediary that receives a category 2 award that provides default counseling exclusively.

(5) 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. Intermediaries, MSOs and SHFAs have wide discretion to decide how to allocate their HUD Housing Counseling funding among branches and sub-grantees, with the understanding that a written record must be kept documenting and justifying funding



decisions. This record, which must meet the data requirements of the Transparency Act (see General Section), must be made available to sub-grantees, branches and to HUD, within 30 days of making the sub-award or allocation to branches.

**d. List of HUD-approved and Participating Housing Counseling Agencies.** Pursuant to section 106(c)(5)(D) of the Housing and Urban Development Act of 1968, HUD maintains a list of all HUD-approved and HUD-funded counseling agencies, including contact information that interested persons can access. All HUD-approved LHCA's and their branches, and all sub-grantees and branches that receive funding under Applicant Categories 2, 3 and 4 of this NOFA may be placed on this list and must accept subsequent referrals, or when they do not provide the services sought, make a reasonable effort to refer the person to another organization in the area that can provide the services.

**e. Non-Discrimination Requirement.**

(1) Grant recipients and sub-grantees are prohibited from discriminating on behalf of or against any segment of the population in the provision of services or in outreach.

(2) Organizations funded under this program 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.

**f. Indirect Cost Rate.** Grantees that plan to use grant funds to cover direct costs **only** are not required to provide an indirect cost rate. However, Grantees that plan to use grant funds to cover any indirect costs must submit their approved indirect cost rate established

by the cognizant federal agency. If the grantee does not have an established indirect cost rate, it will be required to develop and submit an indirect cost proposal to HUD, or the cognizant federal agency as applicable, for determination of an indirect cost rate that will govern the award. Applicants that do not have a previously established indirect cost rate with a federal agency shall submit an initial indirect cost rate proposal immediately after the applicant is advised that it will be offered a grant and, in no event, later than three months after the start date of the grant. OMB Circular A-122 can be located at 2 CFR part 230. Applicants can review Indirect Cost Training on [www.hud.gov](http://www.hud.gov) at:

<http://www.hud.gov/offices/adm/grants/training/training.cfm>

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

**h. Subcontracting.** Grantees and sub-grantees must deliver all of the counseling activities set forth in the applicant's work plan provided in Factor 3 of this NOFA. Subcontracting with other entities is permitted only in geographical areas where no HUD-approved housing counseling agency exists; however, the subcontractor must meet or exceed the standards for a HUD approved agency.

**i. Conflicts of Interest.** See the **General Section** and Section 214.303(f) of the Final Rule published in the Federal Register on September 28, 2007, at 72 FR 55638 and codified at 24 CFR part 214.

**j. Accessible Technology.** See the **General Section**.

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

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

**A. Receiving an Application Package.** Applicants may download the instructions to the application found on the Grants.gov website at [www.Grants.gov](http://www.Grants.gov). The instructions contain the General Section and Program Section of the published NOFA as well as forms that you must complete and attach as a zip file to your application submission. If you have difficulty accessing the information you may call the Grants.gov Support desk toll free 800-518-GRANTS or email your questions to [Support@Grants.gov](mailto:Support@Grants.gov).

**B. Content and Form of Application Submission.** Please be sure to read the **General Section** for application deadline and timely receipt requirements as HUD is using electronic application submission via [www.Grants.gov](http://www.Grants.gov). In addition to the instructions in the **General Section** follow the instructions below:

**1. Size Limitations and Format for Narrative Statements.** Applicants must be as specific and direct as possible. For LHCA's, the narrative portion (responses to all factors) must be limited to 50 double-spaced, 12-point font, single-sided pages. Intermediaries, MSOs and SHFAs are limited to a total of 100 double-spaced, 12-point font, single-sided pages for the narrative portion. Pages in excess of the size limit will not be read. Number the pages of the narrative statements and include a header that includes the applicant's name and the Rating Factor number and title. Within each narrative, clearly identify each sub-factor immediately above the response for that sub-factor.

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

**Housing Counseling NOFA Application Checklist**

**a. SF-424, Application for Federal Assistance**

**b. SF-424 Supplement – Survey on Ensuring Equal Opportunity for Applicants**

("Faith Based EEO Survey (SF-424 SUPP)" on Grants.gov) (optional)

**c. HUD-424 CB, Grant Application Detailed Budget** On the form HUD 424 CB, clearly specify the proposed HUD housing counseling grant amount and itemize proposed expenses and Reverse Mortgage supplemental funds. NOTE: This amount should be consistent with the figure shown in Rating factors 3, 4 & 5, Form SF-424, Form HUD-424 CB and HUD-2880. Also, if all budget line items could not be itemized using the Form HUD-424 CB, submit a more detailed, comprehensive budget itemizing all proposed expenses under the grant. At a minimum, if applicable, the budget must include salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, and indirect costs. Intermediaries, MSOs and SHFAs that reimburse branches and sub-agencies at a fixed cost per counseling/education activity, and type, or per office, are not exempt from this requirement.

Intermediaries, MSOs and SHFAs that pass through funds to sub-agencies must also itemize how administrative funds are spent.

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

**e. HUD-27300, Questionnaire for HUD's Initiative on Removal of Regulatory Barriers** ("HUD Communities Initiative" on Grants.gov) (optional regarding eligibility, but mandatory to receive credit in Factor 2 for the Regulatory Barriers policy priority).

**f. HUD-2880, Applicant/Recipient Disclosure/Update Report** ("HUD Applicant Recipient Disclosure Report" on Grants.gov).

**g. HUD-2990, Certification of Consistency with the RC/EZ/EC-II Strategic Plan**

(LHCAs only, if applicable) (Must be signed by the official authorized to certify the RC/EZ/EC-II).

**h. HUD-2991, Certification of Consistency with the Consolidated Plan** (optional).

**i. HUD-2994, You Are Our Client Grant Applicant Survey** (optional).

**j. HUD-96010, Program Outcome Logic Model**

**k. HUD- 96011 Third Party Documentation Facsimile Transmittal** ("Facsimile Transmittal Form" on Grants.gov) (to be used to transmit third party documents as part of your electronic application). Faxed information must be sent to the following fax number: (800) HUD-1010. If you cannot access the toll-free 800 number, or experience problems, you may use (215) 825-8798 (this is not a toll-free number).

**l. HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the**

**Period October 1, 2006 through September 30, 2007** (only required for Applicants

who did not electronically submit to HUD a form HUD-9902 for the period October 1,

2006 through September 30, 2007, for example, applicants that received approval as a

HUD housing counseling agency after September 30, 2007.) HUD will utilize the HUD-

9902 data in HUD's Housing Counseling System. However, HUD will consider a

revised 9902 submitted with this application if it is accompanied by an acceptable

explanation regarding why the data was revised.

**m. 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.

**n. Organization Description.** Applicants must provide a brief description, no more than 225 words, of their organizational history and proposed grant activities, as they would like them to appear in the press release issued by HUD in the event that the applicant is funded through this NOFA.

**o. Narrative statements** as required in this NOFA.

**C. Submission Dates and Times.** A complete application package must be received and validated electronically by the Grants.gov portal no later than 11:59:59 p.m. eastern time on or before the applications deadline date. Applicants are advised to submit their applications at least 48 to 72 hours in advance of the deadline date and when the Grants.gov help desk is open so that any issues can be addressed prior to the deadline date and time. Please note that validation may take up to 72 hours. Please be sure to read the **General Section** for timely submission and receipt. Failure to follow the submission requirements and procedures may affect your ability to receive an award.

**D. Intergovernmental Review.** The Housing Counseling Program is not subject to Intergovernmental Review.

**E. Funding Restrictions.** Funding is limited to the eligible activities described in Section III.C.1 of this NOFA.

**F. Other Submission Requirements.** Applications must be submitted via the Grants.gov website at [http://www.grants.gov/applicants/apply\\_for\\_grants.jsp](http://www.grants.gov/applicants/apply_for_grants.jsp) by no later than the established deadline date and time. See the **General Section** for further information. Applicants interested in applying for funding under this NOFA must submit their

applications electronically or request a waiver from the electronic submission requirement. Applicants must submit their waiver requests in writing using email. Waiver requests must be submitted no later than 15 days prior to the application deadline date and should be submitted to [Betsy.M.Cromwell@hud.gov](mailto:Betsy.M.Cromwell@hud.gov). If granted a waiver the notification will provide instructions on where to submit the application and how many copies are required. Paper copy applications must be received by the deadline date. HUD will not accept a paper application without a waiver being granted. See the **General Section** for detailed submission and timely receipt instructions.

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

**A. Criteria.** 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 for each applicant is 102 for LHCA's and 100 for all other applicants.

**1. Bonus Points -"RC/EZ/EC-II."** ONLY LHCA's are eligible for 2 bonus points. See the **General Section** for information regarding "RC/EZ/EC-II" bonus points. Form HUD-2990 must be signed by the organization head of the RC/EZ/EC-II not the representative of the jurisdiction in which the RC/EZ/EC-II exists.

**2. Additional Information.** HUD may rely on information from performance reports, financial status information, monitoring reports, audit reports, and other information available to HUD to make score determinations to *any* relevant Rating Factor.

**3. Responses to Factors for Award.** Responses to the following rating factors should provide HUD with detailed quantitative and qualitative information and relevant examples regarding the housing counseling work of the organization. The Rating Factors

contain requests for additional information from applicants interested in supplemental Reverse Mortgage counseling funding.

In responses to the various factors and sub-factors, intermediaries, MSOs and SHFAs should not submit a separate response for each proposed sub-grantee and branch, but should provide a brief profile of each and summary response for their entire network, highlighting individual activities, partnerships, needs and/or results when appropriate.

**a. Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff (30 Points).** HUD uses responses to this Rating Factor to evaluate the readiness and ability of an applicant and 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 performance targets were not met within established timeframes and how often work plan adjustments were required.

**(1) Applicants must provide the following information to support evaluation of this Rating Factor.** Information must be provided in a chart or table.

(a) Number of full-time (35 hours + per week) housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;

(b) Number of part-time housing counselors (less than 35 hours per week) for the applicant and, if applicable, proposed sub-grantees or branches;

(c) Number of bilingual housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;

(d) Average years of housing counseling experience for housing counselors working for the applicant and, if applicable, proposed sub-grantees or branches;



(e) Average years of housing counseling program management experience for the project director(s) for the applicant and, if applicable, proposed sub-grantees or branches;

(f) Average years of related experience, such as experience in mortgage lending, for counselors and project managers;

(g) Proposed average hourly labor-rate for housing counselors and project managers, including benefits.

**(2) Knowledge and Experience (11 points).**

Using the information provided above, demonstrate that the applicant, including proposed sub-grantees and branches, has sufficient personnel with the relevant knowledge and experience to implement the proposed activities in a timely and effective manner, and bilingual language skills, if appropriate.

Specifically, for LHCAs, scoring will be based on the number of years of experience of Housing Counseling Program project directors and housing counselors.

For intermediaries, MSOs and SHFAs, scoring will be based on:

- The number of years of experience of housing counseling program management experience of project directors of proposed sub-grantees and branches;
- The number of years of housing counseling experience of counselors in proposed sub-grantees and branches;
- The number of years, for key intermediary, MSO or SHFA personnel, of experience administering a housing counseling program consisting of a network of multiple housing counseling agencies. HUD will award higher scores to applicants with more experienced staff and management;

For all applicants, related experience, such as experience in mortgage lending, will also be considered, but will not be weighted as heavily in the scoring as direct housing counseling or housing counseling program management experience;

HUD will also factor in other information that demonstrates the capacity of the applicant, such as relevant staff trainings and certifications. Indicate if the applicant, and proposed sub-grantees and branches, if applicable, meet the National Industry Standards for Homeownership Education and Counseling (<http://www.homeownershipstandards.com/>).

In scoring this section, HUD will evaluate whether the applicant has experience providing the proposed services. HUD will award higher scores to applicants with staff and management that have the greatest combination of experience, training and demonstrated competency.

(a) LHCAs may provide individual descriptions of staff limited to one page for all counselors and program managers included in the proposed work plan. These descriptions do not count toward narrative page limitations. Intermediaries, MSOs and SHFAs acting as intermediaries should summarize a single chart, for each applicable employee, subcontractor, and consultant of proposed sub-grantees or branches, the number of years of direct counseling or counseling program management experience, and the number of years of relevant experience. Total each column. Do not submit individual resumes for sub-grantee staff. HUD staff will verify experience information submitted during monitoring reviews. The following must be included in each person's description:

- The names and titles of employees, including subcontractors and consultants who will perform the activities proposed in the applicant’s work plan in Rating Factor 3. Clerical staff should not be listed.
- Individual current housing counseling duties and responsibilities, Multi-service applicants should differentiate between time spent on housing counseling versus time spent on other issues;
- Experience in providing one-on-one and group counseling (describe each separately);
- Relevant professional background and experience, and;
- Bilingual language skills, if applicable.
- Experience is relevant if it corresponds directly to projects of a similar scale and purpose, for example, real estate or housing finance.

Provide the number of years of experience for each position listed and indicate:

- Where and when each position was held;
- Whether the position was full-time or part-time;
- In the case of part-time positions, the number of hours per week.

Applicants for Reverse Mortgage counseling supplemental funding must specify the Reverse Mortgage counseling experience of project directors, HUD HECM Network Counselors and the organization. Identify the HUD HECM Network Counselors that are in the applicant’s network at the time of application, and that the applicant proposes to fund with the requested award;

(b) Also indicate in the chart for all housing counselors and project directors the specialized trainings received within the last two years relevant to the proposed housing

counseling activities, including specific trainings regarding FHA programs. Include dates for when the training was received and who provided it. Do not include on-the-job training. Applicants that seek supplemental funds for Reverse Mortgage counseling must indicate what relevant training counselors received to prepare them as Reverse Mortgage counselors. Any training that is not related to the proposed activities will not be considered.

(c) Indicate which housing counselors are certified housing or financial counselors. Describe what type of certification is held, who provided it, when certification was received, and if applicable, the date certification expires.

(d) Identify the Client Management System (CMS) utilized by the applicant, and each affiliate, and branch, if applicable, during the grant period October 1, 2006, to September 30, 2007, and describe any automated financial/credit tools or calculators and loan product/feature comparison tools the CMS(s) makes available to counselors, and explain how these tools and the CMS in general improves the quality of counseling.

For the coming grant period, October 1, 2008 through September 30, 2009, indicate which system will be used by the applicant, and each affiliate, and branch, if applicable, and how its use will be implemented, for example employee training.

**(3) Grant and Program Requirement Compliance (14 points).**

In scoring this Section, HUD will evaluate how well the applicant met the Program requirements, including reporting and grant document execution, if applicable, for the period October 1, 2006, to September 30, 2007, and its ability to spend all grant funds allotted.

If the applicant did not receive an FY2006 HUD grant, it must provide a response, with sufficient detail for HUD to evaluate compliance, based on activities and requirements under other sources of funding, such as other federal, state, or local grant awards. Identify the source(s) and amount(s) of funds used for housing counseling. Provide relevant contact information for the agencies or organizations administering these programs so HUD can verify that the information you report is accurate.

(a) Grantee Requirements. (3 points) HUD will evaluate the applicant's performance with regard to the timeliness and completeness with which the applicant satisfied grant requirements, including grant document execution, grant reporting requirements including quarterly (if applicable), mid-term and final reports.

(b) Form HUD-9902. (2 points) HUD will deduct points if the applicant was required to submit a form HUD-9902 for the period October 1, 2006 through September 30, 2007, but failed to do so in a timely manner.

(c) Expending Grant Funds. (2 points) If grant awards were not fully expended during the grant period October 1, 2006, to September 30, 2007, provide an explanation as to the reason why and the steps the applicant has taken to ensure that future funding will be expended according to the terms of the grant agreement.

(d) Performance Reviews. (5 points) Significant findings on performance reviews conducted by HUD staff 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 the Housing Counseling program. HUD will develop and apply a scoring scale based on the number of significant findings documented during a review(s), and incidence of repeat findings.

(e) Housing Counseling System (HCS). (2 points) HUD will evaluate applicant's timeliness and effectiveness in validating and updating agency information in HCS. Intermediaries, MSOs and SHFAs must describe procedures and quality control measures used to verify sub-grantee, and if applicable branch or affiliate, information is validated in HCS on a regular basis.

(4) **Management - Goals and Results (5 points)**. In scoring this section, HUD will compare applicant output and outcome goals and actual results for the period October 1, 2006 through September 30, 2007, and evaluate subsequent changes in approach resulting from any differences, if applicable. HUD's primary concern is outputs, specifically accomplishments relative to the projected total number of households to be served, both for one-on-one counseling and education. The outcome regarding the number of individuals avoiding foreclosure, if applicable, is also a priority for HUD. HUD will also evaluate how the applicant managed change, when needed, within the organization as well as a clear and reasonable explanation as to why goals were not met, or why they were exceeded, and what steps were taken organizationally to accommodate either scenario.

For applicants that received a FY 2006 housing counseling grant covering the period October 1, 2006 to September 30, 2007, HUD will compare the HUD-grant specific projections made in the Program Outcome and Output Logic Model, Form HUD-96010 submitted with the FY2006 Housing Counseling NOFA, including any adjustments based on actual award amounts, to the corresponding actual HUD-grant specific results for that period reported by the applicant.

Applicants who did not receive a FY2006 Housing Counseling Grant and therefore did not finalize outcome and output projections, or who are recently approved, or who were a sub-grantee of an intermediary or SHFA for the period of October 1, 2006 through September 30, 2007, and are now applying for funding must indicate the detailed, quantifiable goals the organization set for itself for the period covering October 1, 2006 to September 30, 2007, or for the 12 month period ending December 31, 2007 if more appropriate to the applicant's or other grant-requiring reporting schedule. Also provide the actual results corresponding to these goals and explain any differences in goals versus actual results and indicate what measurement reporting tools were used as well as describe the evaluation process. The Logic Model Instructions, which is tab 1 of Form HUD-96010, provides information regarding measurement reporting tools and the evaluation process. Provide relevant contact information for the agencies or organizations administering those programs so HUD can verify that the goals and corresponding achievements you report are accurate.

**b. Rating Factor 2: Need/Extent of the Problem (10 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 departmental policy priorities.

(1) Needs Data (4 points). Provide current or recent economic and demographic data, and any other evidence that demonstrates housing counseling need relevant to the target area. All proposed activities in Factor 3 must have corresponding need-related data. Sources for all data provided must be clearly cited. Do not submit copies of reports or tables.

To the extent that the community that the applicant serves has documented need in its Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), or other planning documents, provides these in the response. Economic and demographic data must include persons with disabilities located in the target area. The U.S. Census Bureau, for example, maintains disability data by state, county, and metropolitan statistical area (MSA) at the following website:

<http://www.census.gov/hhes/www/disability/disability.html>.

Additionally, the HUD USER Research Information Service and Clearinghouse, available at <http://www.huduser.org/>, allows users to search over 800 HUD publications by subjects and keywords.

In scoring this Section, HUD will evaluate the degree to which the applicant provides current or recent economic and demographic data, and any other evidence that demonstrates housing counseling need relevant to the target area and the activities proposed in projected work plan activities detailed in Rating Factor 3. Applicants that fail to identify current or recent objective data, including adequate source citation, will not receive full points for this factor.

(2) Departmental Policy Priorities (6 points). The Departmental policy priorities are described in detail in the **General Section**. Of those listed, the following five apply to the Housing Counseling Program for the purpose of this NOFA. Indicate if and describe how the applicant's work plan substantively addresses each of these departmental policy priorities. Applicants are advised to review policy priorities in the **General Section**, to assure they fully understand the meaning of each, prior to responding to this sub-factor. In scoring this section, the applicant will receive one point



for each of the departmental policy priorities (a) – (d) that the projected work-plan in Factor 3 substantively addresses. Up to 2 points are available for priority (e). The **General Section** identifies how policy priority points will be awarded. To receive full credit for each category intermediaries, MSOs and SHFAs must demonstrate that at least half of the proposed sub-grantees or branches have met the specified criteria. Copies of HUD’s notices published on this issue can be found on HUD’s website at <http://www.hud.gov/grants/index.cfm>.

(a) Providing Increased Homeownership and Rental Opportunities for Low- and Moderate-Income Persons, Persons with Disabilities, the Elderly, Minorities, and Families with Limited English Proficiency.

(b) Providing Full and Equal Access to Grassroots, Faith-Based and Other Community-Based Organizations in HUD Program Implementation. Identify and describe outreach activities and partnerships with grassroots, faith-based and other community-based organizations.

(c) Participation in Energy Star. Applicants must provide information on how they promote or plan to promote Energy Star materials and practices and buildings constructed to Energy Star standards to homebuyers, renters and other applicable counseling clients. Describe any outreach activities previously conducted and/or planned to promote Energy Star products.

(d) Utilization and Promotion of FHA-Insured Mortgages, Products and Programs. Applicants must describe counselors’ knowledge of FHA products and programs, how that knowledge was obtained, and its plans to present these loan products and programs as viable alternatives to clients. Applicants must describe any tools used to

inform clients about FHA products and programs such as a loan comparison chart or tool on its CMS comparing - insured loans with alternatives.

(e) Removal of Regulatory Barriers to Affordable Housing. Under this policy, higher rating points are available to (1) governmental applicants that are able to demonstrate successful efforts in removing regulatory barriers to housing and (2) nongovernmental applicants that are associated with jurisdictions that have undertaken successful efforts in removing barriers. To obtain the policy priority points for efforts to successfully remove regulatory barriers, applicants must complete form HUD-27300, "Questionnaire for HUD's Initiative on Removal of Regulatory Barriers." A number of questions on form HUD-27300 expressly request the applicant to provide brief documentation or contact information with its affirmative response. Applicants that do not provide this documentation will not receive the policy priority points. When addressing this policy priority, Intermediaries, MSOs and SHFAs should submit a form HUD-27300 for a single jurisdiction in which the preponderance of services will be performed if an award is made.

**c. Rating Factor 3: Soundness of Approach / Scope of Housing Counseling Services (38 Points).** This factor addresses the quality and effectiveness of the applicant's historical and proposed housing counseling activities.

**(1) Historical Performance-Quality and Complexity of Services (8 Points)**

In scoring this section, HUD will evaluate the quality of, the variety of, and the level of effort and time associated with all the housing counseling services provided by the applicant from all funding sources during the period October 1, 2006 through September 30, 2007. Responses should contain "Historical Performance" as part of the heading for the response. Applicants must provide the following information:

(a) Average Hours. Provide the average amount of time spent, per household, for of the following services types. Include only direct housing counseling and education service provision, not follow-up, preparation, etc., Intermediaries, SHFAs and MSOs must provide an average for the entire network of affiliates and branches, if applicable, included in their application. Do not provide a range of hours.

- (i) Pre-purchase Counseling
- (ii) Homebuyer Education
- (iii) Delinquency/Default Counseling
- (iv) Non-Delinquency Post-Purchase Counseling
- (v) Reverse Mortgage Counseling
- (vi) Non-Delinquency Post-Purchase Education
- (vii) Rental Counseling
- (viii) Homeless/Displacement Counseling
- (ix) Fair Housing Education

Scoring will be based on the degree to which the applicant demonstrates, as compared to other applicants, that sufficient time and resources were devoted to ensure that clients received quality counseling.

(b) Types of Counseling and Services Offered: HUD will retrieve this information the Form HUD-9902, “All Counseling Activities” column, through the Counseling System (HCS). Verify that the information from this is accurate. Scoring of the variety of housing counseling services is weighted to incentivize Reverse Mortgage and Delinquency/Default.

(c) Group Education and One-On-One Counseling. For the period October 1, 2006, through September 30, 2007, HUD will retrieve from Section 6 of form HUD-9902, “All Counseling Activities” column, the number of clients that participated in Homebuyer Education Workshops or other types of classes as group sessions and will retrieve from Section 7a-e, the number of clients that participated in one-on-one counseling. Applicants should explain figures provided in Form HUD-9902, “All Counseling Activities” column, regarding group session participation and one-on-one counseling. Describe how clients come to participate in one or the other, the relationship between the two, and the role that each plays in the applicant’s overall service. Indicate the percentage of clients participating in both group sessions and one-on-one counseling. Scorers will evaluate the extent to which an agency encouraged and provided one-on-one counseling; HUD considers the most effective form of housing counseling, to complement homebuyer education workshops and other forms of group.

(d) Marketing and Outreach. Describe outreach and marketing efforts, with particular emphasis on diverse emerging markets, for example, to first time. Indicate the amount from all sources of funding, spent on marketing and outreach.

(2) **Historical Performance - Impact/Outcomes (8 points)**. To score this Section, HUD will evaluate the applicant’s performance for the period October 1, 2006, to September 30, 2007 as reported on the HUD 9902, “All Counseling Activities” column. The quantity of clients the applicant served will be compared to similar applicants providing similar services. Clients served will also be analyzed in the context of the applicant’s total housing budget for the same period, FY2006. HUD will also consider the extent to which the services provided were time and resource intensive.

Additionally, for MSOs and SHFAs, HUD will evaluate the geographic coverage and scope of the applicant's activities for the period October 1, 2006, through September 30, 2007, and the overall size of the housing counseling network during that period.

(a) Cost per client. Clients served figures will be obtained from the Form HUD-9902, "All Counseling Activities" column, for the period October 1, 2006 through September 30, 2007, submitted to HUD by the applicant, which reflects activities funded both with HUD housing counseling grant funds, if applicable, and with other leveraged resources. Applicants that were not required to submit Form HUD-9902 for the period October 1, 2006 through 30, 2007, must complete one as part of this application. In addition, the applicant must provide the following information.

(i) Total housing counseling budget for the period October 1, 2006-September 30, 2007, including HUD housing counseling grant(s) or sub-grants, if applicable, as well as other resources leveraged specifically for housing counseling. Do not include funds for down payment or closing cost assistance, Individual Development Accounts, emergency services, or other resources not used for the direct provision of housing counseling.

(ii) Indicate how factors, such as, location, type of counseling, client type, and expenses, may have affected client volume. Justify expenses and explain why they were reasonable, strategic, and appropriate.

(b) Training Expenditures: Indicate the amount spent, from all sources of funding, on formal staff training during the grant period October 1, 2006, to September 30, 2007. Do not include on-the-job training.

(c) Percentage of Grant Funding Passed Through: Intermediaries, MSOs and SHFAs that received one or more FY2006 HUD housing counseling grants, the grant

period October 1, 2006, to September 30, 2007, must also indicate what percentage of their grant(s) was passed through directly to sub-grantees or branches for the provision of housing counseling services and explain how funds not passed through were spent.

LHCAs applying under Applicant Category 1 that received one or more FY2006 HUD housing counseling grants for the grant period October 1, 2006, to September 30, 2007, must indicate what percentage of their grant(s) was spent on the salaries and benefits of housing counselors and project directors. Explain how other funds were spent.

Applicants that did not receive a FY2006 HUD housing counseling grant must characterize their performance through other housing counseling funding sources, for example other federal, state or local government grants, providing as much detail, similar to that requested above, as possible.

(d) Geographic Coverage: Intermediaries, MSOs and SHFAs must identify the sub-grantees, affiliates and branches, and corresponding states, to which the applicant provided housing counseling funding, for the period October 1, 2006, through September 30, 2007, through:

- (i) FY2006 HUD housing counseling grant funds, if applicable
- (ii) All housing counseling resources
- (iii) SHFAs must describe methods and results of efforts to integrate existing agencies/systems in the state. SHFAs must also describe the process used to identify and rectify service delivery deficiencies within the state.

**(3) Projected Performance/Work Plan – Quality and Complexity of Services  
(8 points)**

This section involves information on the housing counseling services and other activities to be conducted during the period October 1, 2008, through September 30, 2009. In scoring this Section, 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.

HUD will also evaluate the quality of the applicant's proposed housing counseling services, and level of effort and time associated with providing the proposed counseling services to the number of clients it estimates it will serve. Scoring will be based on the degree to which the applicant demonstrates, as compared to other applicants that, for each type of counseling service delivered, average, greater than average or less than average time and resources, will be devoted to ensure that clients receive quality counseling.

Applicants must provide the following information, which will be used in conjunction with responses in Rating Factor 5, as a basis to support the scoring of the sub-factors below. There should be consistency between Rating Factor 3 and the projected outputs and outcomes in Rating Factor 5. Responses must contain "Projected Performance" as part of the heading for the response.

(a) Counseling and Education Services. Describe the various types of housing counseling and education services, and if applicable, intermediary activities, applicant proposes to undertake. The proposed work plan must be consistent with the most current work plan on file with the appropriate HUD, i.e., an applicant cannot propose to provide services which are not currently approved by HUD. Also, describe planned follow-up activities, if applicable. Proposed services and activities must relate to the needs

identified in Rating Factor 2. Scoring of the variety of housing counseling services offered is weighted to provide the most points for Reverse Mortgage and Delinquency/Default counseling.

(b) Average Hours. For each of the service types listed in part (a), indicate the average hours of direct housing counseling and education service provision, by the applicant, and affiliates and branches if applicable, per client, for the period October 1, 2008, through September 30, 2009. Do not provide a range of hours. If the projected average times are the same as those listed for the period covering October 1, 2006 – September 30, 2007, the applicant may simply state so in lieu of listing them again here.

(c) Sufficient Staff. LHCA's must indicate the names and titles of employees allocated to each proposed activity, as well as the corresponding staff hours for each task, and demonstrate that the applicant has the human resources to accomplish the proposed activities and serve the number of individuals the applicant proposes to serve. The staff information should include who from Factor 1 will be involved, and any new staff, subcontractors or consultants that will be hired for the October 1, 2008 - September 30, 2009 grant period.

(d) Training. Indicate proposed amount to be spent, from all funding sources, on formal staff training during the grant period October 1, 2008, to September 30, 2009. Indicate amount spent with HUD Housing Counseling grant funding, if applicable, and amount spent from other sources of funding. HUD will reward agencies that utilize other sources of funding, besides HUD housing counseling grant funding for training. Do not include on-the-job training. Intermediaries, MSOs and SHFAs should describe in detail their plans to train proposed sub-grantees and branches if applicable, provide technical



assistance, and evaluate compliance with program requirements, for example through site visits.

(e) Persons with Disabilities/LEP. Describe plans to effectively serve and/or communicate with persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. Applicants 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). Applicants that identified multi-lingual counselors in Factor 1, must demonstrate the applicability of their capacity to provide services in multiple languages to the language needs of the community they serve.

Also describe plans to effectively serve and /or communicate with persons with disabilities, in accordance with Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 CFR parts 8 & 9, and Title III of the Americans with Disabilities Act.

(f) Sub-grantees/Branches. Intermediaries, MSOs and SHFAs must also:

(i) Describe the housing counseling and education activities to be provided by proposed sub-grantees and branches, explicitly stating the types of services to be offered, preferably in a chart.

(ii) Describe the applicant's legal relationship with sub-grantees (i.e. membership organization, field, or branch office, subsidiary organization, etc.)

(iii) Explain the process that will be used to determine sub-grantee funding levels distribute funds. If applicable, indicate how sub-grantee funding levels adjusted on an on-going basis based on performance.

(4) **Projected Performance/Work Plan – Impact (8 points)**. In scoring this Section, HUD will evaluate the proposed outputs from the logic model, specifically the number of clients that the applicant estimates will be served under the proposed HUD grant, by the applicant and sub-grantees, if applicable, for the grant period October 1, 2008, to September 30, 2009. Scoring will be based on the cost per client, compared to historical averages similar services and similar applicants. Proposed clients served numbers will also be analyzed in the context of budget, costs, spending decisions, the types of services provided, level of effort expended, etc.

(a) Cost Per Client. Provide a context for, or qualify the number of clients the applicant projects to serve with the proposed HUD grant. Indicate how location, counseling and client types, and expenses may affect client volume, whether the impact will be short-term or long-term. Justify proposed expenses and explain why they are reasonable, strategic, and appropriate for counseling activities identified above.

(b) Projected Performance - Group Education and One-On-One Counseling. HUD will utilize logic model output projections to evaluate what percentage of total clients the applicant estimates will participate in group education, what percentage will participate in one-on-one counseling, and what percentage will participate in both group sessions and one-on-one counseling. Applicants must complete each of these output projections. Describe how clients are selected for one or the other, the relationship between the two, and the role that each will play in the overall service provision. Scorers will evaluate the extent to which an agency plans to encourage and provide one-on-one counseling, which HUD considers the most effective form of housing counseling, instead of over-relying on homebuyer education workshops and other forms of group sessions.

(c) Marketing and Outreach. Describe marketing and outreach strategies planned, including strategies to reach out to diverse emerging markets and households at risk of default and foreclosure. These strategies should be designed to reach clients in need of the counseling services described in the work plan. Provide the amount of the proposed HUD grant budgeted, and the amount of total budget, all sources of funding, earmarked for marketing and outreach for the period covering October 1, 2008 – September 30, 2009.

**(5) Projected Performance/Work Plan – Coordination (4 points).** HUD will the extent to which, as compared to similar applicants, the applicant can demonstrate it will coordinate proposed activities with other organizations, if applicable, with other services and products offered by the applicant’s organization in a manner that benefits their clients. Scoring will also be based on the degree to which the applicant takes steps to avoid conflicts of interest, and discloses to clients that they have a choice in matters such as the loan they choose and the house that they purchase.

(a) Partnerships. Identify and describe partnerships and efforts to coordinate proposed activities with other organizations, including, but not limited to, emergency and social services providers, lending organizations, homeowner insurance providers, down payment and closing cost assistance programs, nonprofit housing providers, and local or state government. No points will be given for simply a list of other organizations. Applicants should also internal products and functions, if applicable, such as loan products available to clients, down payment and closing cost assistance programs, as well as internal affordable housing programs that can be a resource for clients.

SHFAs should describe plans to integrate existing counseling agencies/systems within their states. Applicants requesting Reverse Mortgage supplemental funding should highlight the partnerships or internal products that are relevant to Reverse Mortgage activities.

(b) Conflict of Interest. Describe plans to avoid conflicts of interest, such as methods for disclosing to participants that they are free to choose lenders, loan products, and homes, regardless of the recommendations made by counselors. To receive full credit in this Section, the applicant must submit the disclosure forms and materials used by the applicant to communicate to clients that, while affordable homes, lending products and other forms of assistance might be through the applicant, and partnerships in which the applicant has entered, the client is under no obligation to utilize these services. These plans and disclosures will also be reviewed by HUD staff as a part of the biennial reviews and on-site monitoring visits.

**(6) Projected Performance/Work Plan - Coverage/Efficient Use of Resources (2 points)**. In scoring this Section, HUD will evaluate the geographic coverage of the applicant's proposed activities, and spending decisions.

(a) Percentage of Grant Funding To Be Passed Through: Intermediaries, MSOs and SHFAs must indicate what percentage of their proposed award will be passed through directly to sub-grantees and branches, and explain how funds passed through will be spent. LHCA's that apply under Applicant Category 1 must indicate what percentage of their proposed award will be spent on the salaries and benefits of housing counselors and project directors. Explain in detail how other proposed funds will be spent.

(b) Geographic Coverage: Intermediaries, MSOs and SHFAs must identify the sub-grantees and branches, and corresponding states, the applicant proposes will receive funding through this grant award. SHFAs should describe plans to identify and rectify service delivery deficiencies within their states. Applicants unable to precisely identify proposed sub-grantees and branches to receive funding through the proposed grant must identify the most likely sub- and branches, based on past experience, and explain what process will be used to select actual sub-grantees and branches. Pursuant to the applicable regulations at 24 CFR 84.82(d)(3)(iii) and 85.30(d)(4), grantees receive HUD's prior written approval for sub-grants.

**d. Rating Factor 4: Leveraging Resources (10 Points).** HUD housing counseling grants are not intended to fully fund an applicant's housing counseling program, or that of its sub-grantees. All organizations that use housing counseling grant funds are expected to seek other private and public sources of funding for housing counseling to supplement HUD funding. Any agency that does not have other resources available will receive no points for this factor.

Applicants will be evaluated based on their ability to show that they have obtained additional nonfederal resources for their housing counseling activities, for the period October 1, 2008 – September 30, 2009, including: direct financial assistance; in-kind contributions, such as services, equipment, office space, labor; etc. Resources may be provided by nonfederal governmental entities, public or private nonprofit organizations, for-profit private organizations, or other entities committed to providing assistance. Grantees will be required to maintain evidence that leveraged funds were

actually provided to the agency. These files will be reviewed by HUD staff as a part of the biennial reviews and on-site monitoring visits.

(1) All applicants must provide a comprehensive list of all leveraged funds and in-kind contributions being claimed. Include the total amount and the source of funds. Applicants are required to list the names of the organizations providing the nonfederal funds, the sources of those funds, and amounts of the funds to be devoted to the proposed program. Applicants that fail to provide this information shall not receive any points for this factor. Intermediaries and SHFAs must itemize the list of leveraged resources by each proposed sub- and/or funded branch office. All leveraged resources claimed by an applicant, including cash and third party in-kind, must meet all of the criteria set forth in 24 CFR 84.23 and must be accounted for in the budget form 424CB. Responses should be consistent with the leveraged funds amount shown on the SF Form 424, HUD Form 424 CB and the documentation for this rating factor.

(2) Additionally, for Category 1 – Local Housing Counseling Agencies (LHCAs), in order to obtain points under this factor, the applicant must demonstrate leveraging by providing letters and, if applicable, copies of relevant grant agreements, from entities or individuals, or both, committing resources to the project, that include:

(a) The identity of the entity or individual committing resources to the project.

(b) Dollar value of the resources to be committed. For in-kind resources with no clear total dollar value indicated, Applicants should estimate their value and describe in detail how the estimate was determined. Values for recipient contributions of services and property shall be established in accordance with the applicable cost principles.

(c) The type of resources to be committed.

(d) An indication that the resources will be available during the grant period pertaining to this NOFA, October 1, 2008 – September 30, 2009.

(e) An indication that the award, or a specific portion of it, is intended for housing counseling.

(f) The signature of an official of the entity legally able to make commitments on behalf of the entity.

(g) No conditions that would nullify the commitment. (It is, however, acceptable for the commitment to be conditional on HUD funding.)

(h) If a LHCA has a history of funding over the past two years from a particular source and cannot get a commitment letter for the coming grant year, the applicant can provide a verification of the receipt of the grant in the past and make a statement that they have applied for and expect to receive the grant during the period October 1, 2008 – September 30, 2009.

(3) Additionally, resources provided by the applicant may count as leveraged resources. These amounts must include only funds that will directly result in the provision of housing counseling services, but not resources for activities as down payment and closing cost assistance, IDA programs, and emergency services.

(4) The Final Rule published in the Federal Register on September 28, 2007, at 72 FR 55638 and codified at 24 CFR part 214 expands the conditions under which agency's participating in HUD's Housing Counseling Program are permitted to charge fees to counseling recipients. 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 would be identified as program income on required budget forms.

(5) Intermediaries, MSOs and SHFAs should include information on leveraged resources for only anticipated sub-grantees and branches that will be funded this application.

(6) Points for this factor will be awarded based on the amount of leveraging that meets the criteria in this section and the percentage of the applicant's total housing counseling budget that the requested HUD housing counseling funds would represent. The amount of grant funds requested will impact the ratio to score this factor, as this factor evaluates the proposed HUD grant as a percentage of the total counseling budget. For example, a LHCA requesting the maximum comprehensive grant amount of \$150,000 with leveraged funds equaling that grant will only receive 7 points. If that same LHCA requests only \$100,000 with the same leveraged funds of \$150,000, the score will be 9. Depending on organization type, the following scales will be used to determine scores for this factor:

**LHCAs, MSOs and SHFAs**

- 1 – 25% -- 10 points
- 26 – 40% -- 9 points
- 41 – 48% -- 8 points
- 49 – 55% --7 points
- 56 – 65% --6 points
- 66 – 75% -- 5 points
- 76 – 85% -- 4 points
- 86 – 91% --3 points
- 92 – 95% --2 points



96 – 99% --1 point

**Intermediaries**

1 – 20 % -- 10 points

21 – 26% -- 9 points

27 – 32% -- 8 points

33 – 41% -- 7 points

42 – 47% -- 6 points

48 – 53% -- 5 points

54 – 59% -- 4 points

60 – 65% -- 3 points

66 – 71% -- 2 point

72 – 99% --1 point

**e. Rating Factor 5: Achieving Results and Program Evaluation (12 points).** This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements and assess their performance in achieving agreed upon performance goals. This reflects HUD's Strategic goal to embrace high standards of ethics, management and accountability.

The purpose of this factor is for the applicant to identify projected outputs and outcomes corresponding to the proposed work plan in Factor 3. The developed logic model submitted with the application will serve as a reporting tool for applicants selected to receive an award, allowing HUD to compare proposed program outputs and outcomes with actual results. In scoring this Factor, HUD will consider the appropriateness of the goals given the award the applicant is applying for and evaluate the proposed outputs and outcomes for their effectiveness and efficiency in delivering housing counseling services to the population to be serviced.

Additionally, scorers will evaluate the extent to which an applicant's proposal includes one-on-one counseling or encourages affiliates to undertake one-on-one counseling. HUD considers one-on-one counseling the most effective form of housing counseling, as compared to homebuyer education workshops and other forms of group sessions. The outputs and outcomes projected in the logic model must be consistent with the projected number of clients proposed in Rating Factor 3. In addition, the narrative submitted with this factor should be consistent with the completed logic model. Applicants should clearly distinguish between one-on-one counseling and education participants.

The Logic Model submission is valued at up to 10 points. The point structure for review of the Logic Model is contained in the General Section. The evaluation plan and methods for reviewing and improving program effectiveness is valued at 2 points.

**(1) Program Outcome Logic Model (10 points).** Applicants must select appropriate outputs and outcomes from a series of "pick lists" for the Housing Counseling Program. The pick list can be found in the form HUD- 96010 in the Grants.gov Housing Counseling Program Instructions Download. Using pick list, for each column of the logic model, applicants can select and insert their outputs and outcomes in the appropriate columns of the logic model. Applicants should make sure their entries reflect all proposed counseling and education activity under the grant.

The pick lists also provide for an associate unit of measure for each output and outcome, and applicants must utilize the measure provided that is associated to the activity. Applicants must identify projected output and outcome values that correspond to the unit of measure. For example, insert whole numbers, not percentages, when the unit of measure is 'Households'.

These amounts should represent results to be achieved entirely as a result of the HUD housing counseling funding. If, in reality, various funding sources will contribute to the services provided each individual, the applicant must prorate their response to reflect a figure representing services provided with only funding from the proposed grant.

Applicants should use the same methodology to complete the logic model as they do form HUD-9902. For example, the logic model is not designed to record the exact number of clients projected or served, but rather the number of unique counseling or education services provided. So an individual or household that receives multiple, distinct types of counseling or education in a reporting period is recorded on the logic model multiple times. For example, if an individual comes in for one type of counseling (e.g. pre-purchase), they are recorded. If, later in the reporting period, the same individual comes in for another type of counseling, for example default counseling, record this new activity. By contrast, if multiple topics are covered in one counseling session, it is only recorded as one activity. Moreover, the form is designed to capture participation in each complete course on a unique education topic. For example: whether or not the course is completed in one 8 hr session, or four 2-hour classes, it is counted as one course.

In addition, HUD has provided a series of management questions, which awardees will be expected to respond to in reporting back to HUD. The management questions place a framework around the data you will be reporting to HUD. The management questions are included in the logic model and applicants should use them as a guide to understanding what HUD is interested in learning about the major element of your program.

Applicants must complete and submit Form HUD-96010 reflecting projected outputs and outcomes under the proposed HUD Housing Counseling grant.

The Form HUD 96010 must identify the following:

(a) Outputs. Outputs are the direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Based on the proposed work plan in Factor 3 and the amount being requested through this NOFA, applicants should select the appropriate outputs and their associated units of measure from the choices provided in the pick list, and provide the corresponding number to be achieved for each proposed output.

If requesting Reverse Mortgage supplemental funding, indicate the specific number of households the applicant projects it, or if applicable, sub-grantees and branches, will serve under the comprehensive counseling portion of the requested award and with requested Reverse Mortgage supplemental funding.

(b) Outcomes. Outcomes are benefits accruing to the households as a result of participation in the program. Outcomes are performance indicators the applicant expects to achieve or goals it hopes to meet over the term of the proposed grant. Using the pick lists provided, applicants should select each appropriate outcome and associated unit of measure related to the proposed work plan, and provide the corresponding number to be achieved for each proposed outcome. Projected outcomes should reflect the number you expect to report in the HUD Housing Counseling Grant Activities column on the Form HUD-9902.

The proposed outcomes the applicant provides will be compared to actual results in the measurement of grant performance and future grant application evaluations.

(2) **Evaluation Plan (2 points).** Applicants must also submit an evaluation plan for how they are going to track actual accomplishments against anticipated achievements and ensure that the program can provide the services projected to be delivered and outcomes projected to be achieved.

(a) Information Collection. Describe the applicant's procedures for measuring outputs and outcomes. Describe follow-up activities with clients to collect outcome information.

(b) Data Analysis and Work Plan Adjustments. Indicate how the information will be evaluated, and the steps the applicant has in place to make adjustments to the work plan if performance targets are not met within established timeframes. Intermediaries, MSOs and SHFAs should indicate if and how the performance of sub-grantees and branch offices affects current and future-grants and allocations.

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

**1. Technical Review.** First, each application will be reviewed for technical sufficiency, in other words, whether the application meets the threshold requirements set out in this NOFA and the **General Section** and whether all required forms have been submitted. The **General Section** provides the procedures for corrections to deficient applications.

**2. General Review.** The second review considers the responses to the rating factors outlined above and other relevant information. Applications will be evaluated competitively, and ranked against all other applicants that applied in the same funding category.

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

**4. Minimum Score for Fundable Applications.** The minimum score for fundable applications is 75 points.

**5. Funding Methodology**

**a. Comprehensive Counseling.** Only applicants who receive a score of 75 points or above will be considered eligible for funding. All eligible applicants will then be funded in proportion to the score they receive. Regarding the comprehensive counseling portion of an award, all grantees will receive the lower of either the comprehensive award amount determined with the formula, or the amount actually requested by the applicant. HUD will consider the amount of the comprehensive counseling grant being requested to be the value entered into box 18a on form SF-424. The minimum comprehensive award is \$20,000 for LHCA's; \$50,000 for SHFA's; \$300,000 for intermediaries; and \$50,000 for MSOs.

**b. Supplemental Funding.** The same methodology described above in section a will be used to distribute the available Reverse Mortgage counseling supplemental funds. Regarding supplemental funding, all grantees will receive the lower of either the supplemental award amount determined with the formula, or the specific amount of supplemental funding actually requested by the applicant.

For intermediaries and LHCA's requesting reverse mortgage counseling supplemental funding, box 18a of Form SF-424 should reflect the total of the comprehensive request and the Reverse Mortgage counseling supplemental request. The narrative response to Factor 3 must make clear the exact comprehensive and supplemental amounts being requested.

Each applicant will only submit one application and receive a score based on the application for the comprehensive counseling grant. Comprehensive counseling funds will be allocated based on this score. Subsequently, for reverse mortgage counseling supplemental funding, responses to each rating factor will be evaluated on a yes/no, adequate/inadequate basis. An adequate response will result in a score for the supplemental funding identical to the comprehensive score on each respective rating factor. An inadequate supplemental response will result in a 1-point deduction from the comprehensive score.

After all five rating factors have been evaluated the adjusted ratings will result in a distinct score for the reverse mortgage counseling supplemental funds. This method will result in scores for supplemental funding that may be equal to the comprehensive score, or up to five points less than the comprehensive score. In no case can an applicant receive a higher score on an application for supplemental funding than it received on its comprehensive application. An applicant will receive a separate score for its application for comprehensive counseling, reverse mortgage counseling supplemental funding.

The base award for the reverse mortgage counseling supplemental funding will be \$40,000 for intermediaries. The base award for LHCA's will be \$5000.

Only applicants scoring 75 points or above are eligible for either supplemental funding. HUD may award one or more reverse mortgage counseling supplemental grants to intermediaries or LHCA's. Reverse mortgage counseling supplemental grant funds are awarded based upon scores beginning with the highest until the funds are expended. Applications that receive 75 points or more will not necessarily receive supplemental funding.

**6. Reallocation of Unspent Funds.** If funds designated for a specific grant Category, HOC, or for supplemental funding remain unspent after the formulas have been run and award recommendations are determined, HUD may, at its discretion, reallocate those funds to any other funding Category or supplemental funding area under this NOFA. Additionally, HUD may reallocate unspent funds to any HOC jurisdiction or to HUD Headquarters for awards under this NOFA. HUD may also reallocate unspent funds for housing counseling support activities. Any reallocation will be based on demand and unmet need.

## **VI. Award Administration Information**

**A. Award Notices:** Following selection, applicants will receive notification from HUD regarding their application.

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

**2. Debriefing.** Applicants may receive a debriefing on their application submission. Please see the **General Section** for a further discussion of the time frame in which the debriefing request may be submitted.

### **B. Administrative and National Policy Requirements:**

**1. Environmental Requirements.** In accordance with 24 CFR 50.19(b)(9) and (12) 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.



**2. Audit Requirements.** Grantees that expend \$500,000 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 24 CFR part 84. Additional information regarding this requirement can be accessed at the following website:

<http://harvester.census.gov/sac>

**3. Other Matters.**

**a. Relocation.** See the **General Section**.

**b. OMB Circulars and Government-wide Regulations Applicable to Financial Assistance Programs.** See the **General Section**.

**c. Prohibition Against Lobbying Activities.** See the **General Section**.

- **d. Procurement of Recovered Materials.** See the **General Section**.

- **f. Executive Order 13279 Equal Protection of the Laws for Faith-Based and Community Organizations.** See the **General Section**.

- **g. Salary Limitation for Consultants.** See the **General Section**.

**h. Executive Order 13132, Federalism.** See the **General Section**.

**C. Reporting.**

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

**2. Program Outcome Logic Model.** If the actual award amount differs from the proposed award, Grantees are required to submit an updated Form HUD-96010, Program Outcome Logic Model, and a corresponding budget, before the grant agreement will be

executed. Additionally, Grantees will be required to submit an updated Form HUD-96010, Program Outcome Logic Model, reflecting actual achievements, with each quarterly, midterm and final report, in accordance with the reporting requirements of the grant agreement. The information in this form provides the primary means through which HUD will monitor the ongoing performance of the grantee.

**VII. Agency Contact(s)**

**A. Technical Assistance.** For technical assistance in downloading or submitting an application package using [www.Grants.gov](http://www.Grants.gov), contact the Grants.gov support desk at 800-518-Grants or by sending an email to [support@grants.gov](mailto:support@grants.gov).

**B. Programmatic Information.** For program related information, LHCA's, MSOs and SHFAs should contact the HOC serving their area, as indicated below. Intermediaries should contact HUD Headquarters, Program Support Division at (202) 708-0317 (this is not a toll-free number). **Hearing and speech challenged persons** may access the telephone numbers listed below by calling the Federal Information Relay Service at 800-877-8339.

<u>Homeownership Center</u>	<u>States</u>
<p><u>PHILADELPHIA HOMEOWNERSHIP CENTER</u>            Ms. Brenda Bellisario            Director, Program Support Division            Wannamaker Building            100 Penn Square East, 12<sup>th</sup> Fl            Philadelphia, PA 19107-3389            For programmatic information            contact: Robert Wright            Robert_Wright@hud.gov            (215) ) <b>861-7268</b></p>	<p>Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia</p>
<p><u>ATLANTA HOMEOWNERSHIP CENTER</u></p>	<p>Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina,</p>

<p>Ms. Gayle Knowlson  Director, Program Support Division  40 Marietta Street, 9th Floor  Atlanta, GA 30303-2806  For programmatic information  contact: Cheryl Appline  Cheryl.w.appline@hud.gov  (404) 331-5001, x2696</p>	<p>Tennessee</p>
<p><u>DENVER</u>  <u>HOMEOWNERSHIP CENTER</u>  Ms. Irma Devich  Director, Program Support Division  1670 Broadway  Denver, CO 80202-4801  For programmatic information  contact: Vic Karels  (303) 675-1640  Victor_E_Karels@hud.gov</p>	<p>Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota,  Missouri, Montana, Nebraska, New Mexico, North  Dakota, Oklahoma, South Dakota, Texas, Utah,  Wisconsin, Wyoming</p>
<p><u>SANTA ANA</u>  <u>HOMEOWNERSHIP CENTER</u>  Mr. Jerrold Mayer  Director, Program Support Division  Santa Ana Federal Building  34 Civic Center Plaza, Room 7015  Santa Ana, CA 92701-4003  For programmatic information  contact: Rhonda J. Rivera,  rhondaj.rivera@hud.gov  (714) 796-1200 x3210</p>	<p>Alaska, Arizona, California, Hawaii, Oregon, Idaho,  Nevada, Washington</p>

**VIII. Other Information**

**A. Satellite Broadcast.** HUD will hold an informational broadcast via satellite for potential applicants to learn more about the program, the FY 2008 Logic Model requirements, and the application. For more information about the date and time of the broadcast, consult the HUD website at:

<http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

**B. Paperwork Reduction Act.** 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 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.