

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

HOUSING COUNSELING PROGRAMS

**Housing Counseling – Local Housing
Counseling Agencies (LHCA)**

**Housing Counseling – National and Regional
Intermediaries**

**Housing Counseling – State housing Finance
Agencies (SHFA)**

Housing Counseling – Colonias

Housing Counseling – Predatory lending

**Housing Counseling – Section 8
Homeownership Voucher Program**

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:* The **Federal Register** number is: FR-4950-N-05. The OMB Approval number is: 2502-0261.

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

F. *Dates:* The application submission date is June 6, 2005. Please see the General Section of the SuperNOFA for application submission and receipt procedures.

G. *Available Funds:* Approximately \$38.914 million is made 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 and improve access to affordable housing. 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.

Applicants funded through this program may also provide Home Equity Conversion Mortgage (HECM) 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.

This grant program also supports the delivery of housing counseling services to potential homebuyers and

homeowners utilizing Section 8 Homeownership Vouchers (hereafter referred to as Homeownership Vouchers) under HUD's Homeownership Voucher Program. The primary objectives of counseling in conjunction with the Homeownership Voucher program are to: (1) Help Homeownership Voucher Program participants make the transition from renting to homeownership; (2) assist them in evaluating their readiness and in making informed decisions; (3) help them meet the responsibilities of homeownership; and (4) encourage increased participation by Public Housing Agencies (PHAs) in HUD's Homeownership Voucher Program.

B. *Grant Applicant Categories.* HUD will award a single grant to qualified applicants through one of three categories: (1) Local Housing Counseling Agencies (LHCAs); (2) National and Regional Intermediaries (Intermediaries); and (3) State Housing Finance Agencies (SHFAs).

1. *Comprehensive Counseling.* All awards through the 3 categories will consist of a specified sum for comprehensive counseling which is also the minimum required application amount as specified in III.C.3.b.

2. *Supplemental Funding.* Comprehensive counseling awards may be used for any of the activities specified below. Applicants may also request additional funds to carry out the following specific activities and assistance to targeted communities:

a. *Predatory Lending.* Supplemental funding is available for counseling and educational activities designed to combat predatory lending, including helping 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 foreclosure.

b. *Homeownership Voucher Counseling.* Supplemental funding is available for counseling and educational activities in conjunction with HUD's Homeownership Voucher Program.

c. *Colonias.* Supplemental funding is available for the counseling and educational activities targeted at Colonias. Colonias means any identifiable, rural community that is located in Arizona, California, New

Mexico, or Texas; is within 150 miles of the border between the United States of America and the United Mexican States; and is determined to be a Colonia on the basis of objective need criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, sanitary, and accessible housing.

d. *HECM Counseling.* Supplemental funding is available for counseling and educational activities in conjunction with HUD's Home Equity Conversion Mortgage (HECM) Program.

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).

The Homeownership Voucher Program refers to the homeownership option in the Housing Choice Voucher Program. The homeownership option is authorized by section 8(y) of the United States Housing Act of 1937, as amended by section 555 of the Quality Housing and Work Responsibility Act of 1998. The implementing regulations are found at 24 CFR 982.625 through 982.643.

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

II. Award Information

A. *Amount Allocated.* Of the \$41.664 million appropriated for housing counseling in FY2005, \$38.914 million is available for eligible applicants under this NOFA. Specifically, \$32.120 million is available for comprehensive counseling, \$2.7 million is available for counseling services that address predatory lending, \$1.7 million is available for counseling in conjunction with HUD's Homeownership Voucher Program, \$394,000 is available for counseling services that specifically target Colonias, and \$2.0 million is available for HECM counseling.

B. *Specific Allocations.* Funding is allocated to each Homeownership Center (HOC), regional HUD offices that oversee the Housing Counseling Program in their jurisdiction, by a formula that incorporates first-time homebuyer rates, default rates, HECM endorsements, and minority homebuyers.

Applicant categories	Who is eligible	Total amount available
Category 1—LHCAs	HUD-approved Local Housing Counseling Agencies	\$14,954,946
Category 2—Intermediaries	HUD-approved National and Regional Intermediaries	21,575,182
Category 3—SHFAs	State Housing Finance Agencies	2,383,873

1. *Category 1—Local Housing Counseling Agencies (LHCAs).* Approximately \$14,954,946 is available from HUD to directly fund HUD-approved LHCAs, including

\$12,920,000 for comprehensive counseling, \$1,199,880 in supplemental funding for predatory lending, \$722,500 in supplemental funding for counseling in conjunction with HUD's

Homeownership Voucher Program, and \$112,566 for counseling targeting Colonias. Allocations for Category 1 by HOC are as follows:

HOC	Comprehensive counseling	Predatory lending	Homeownership voucher counseling	Colonias	Total
Philadelphia	\$3,511,709	\$326,127	\$196,376	\$4,034,212
Atlanta	3,706,596	344,246	207,285	4,258,127
Denver	345,317	310,649	187,055	56,283	3,899,304
Santa Ana	2,356,378	218,858	131,784	56,283	2,729,398
Total	12,920,000	1,199,880	722,500	112,566	14,954,946

2. *Category 2—Intermediaries.* Approximately \$21,575,182 is available from HUD to directly fund HUD-approved Intermediaries, including \$17,200,000 for comprehensive counseling, \$1,300,050 in supplemental funding for predatory lending, \$850,000 in supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program,

\$225,132 for counseling targeting Colonias, and \$2.0 million for HECM counseling.
3. *Category 3—State Housing Finance Agencies (SHFAs).* Approximately \$2,383,873 is available to fund SHFAs that provide housing counseling services directly or serve as intermediaries to Affiliates who offer housing counseling services, including

\$2.0 million for comprehensive counseling, \$200,070 in supplemental funding for predatory lending, \$127,500 in supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program, and \$56,303 for counseling targeting Colonias. Allocations for Category 3 by HOC are as follows:

HOC	Comprehensive counseling	Predatory lending	Homeownership voucher counseling	Colonias	Total
Philadelphia	\$543,600	\$54,379	\$34,655	\$632,634
Atlanta	573,800	57,400	36,580	667,780
Denver	517,800	51,798	33,010	28,152	630,759
Santa Ana	364,800	36,493	23,256	28,152	452,700
Total	2,000,000	200,070	127,500	56,303	2,383,873

C. *Individual Awards.*

1. *Category 1:* No individual LHCA may be awarded more than \$260,000, which includes any supplemental funding. Specifically, the limit for Comprehensive Counseling is \$175,000. The limit for supplemental funding for predatory lending is \$40,000, the limit for supplemental funding for Homeownership Voucher Counseling is \$30,000, and the limit for supplemental funding for Colonias is \$40,000. HUD anticipates that the average total award for LHCAs will be approximately \$40,000.

2. *Category 2:* Awards for individual HUD-approved intermediaries may not exceed \$3.4 million, which includes any supplemental funding. The limit for Comprehensive Counseling is \$2.5 million. The limit for supplemental funding for predatory lending is \$325,000, the limit for supplemental funding for Homeownership Voucher Counseling is \$275,000, the limit for supplemental funding for Colonias is \$300,000 and the limit for HECM counseling is \$2.0 million. HUD

anticipates that the average total award for Intermediaries will be \$1.1 million.

3. *Category 3:* No individual SHFA may be awarded more than \$450,000, which includes any supplemental funding. Specifically, the limit for Comprehensive Counseling is \$300,000. The limit for supplemental funding for predatory lending is \$63,000, the limit for supplemental funding for Homeownership Voucher Counseling is \$47,000, and the limit for supplemental funding for Colonias is \$40,000. HUD anticipates that the average total award for SHFAs will be approximately \$140,000.

D. *Grant Period.* Funds awarded shall be available for a period of 12 calendar months.

E. *Award Instrument.* HUD will use a Grant Agreement. All Housing Counseling Program awards will be made on a cost reimbursement basis in accordance with the requirements in OMB Circular A-87, Cost Principles for state and local governments and Indian tribal governments; or OMB Circular A-122, Cost Principles for Non-Profit Organizations, as applicable to your

organization; and the administrative requirements established in OMB Circular A-102, which was implemented by 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to state, local, and federally recognized Indian tribal governments); OMB Circular A-110, which was implemented by 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); and OMB Circular A-133 which was implemented by 24 CFR parts 84 and 85. Grantees must ensure that any Sub-grantees and/or Branches also comply with the above requirements. OMB circulars can be found at <http://www.whitehouse.gov/omb/>.

III. Eligibility Information

A. Eligible Applicants Eligible applicants include: HUD-approved Local Housing Counseling Agencies (LHCAs); HUD-approved national and regional intermediaries (Intermediaries); and State Housing Finance Agencies (SHFAs). LHCAs and Intermediaries are private or public nonprofit organizations, including grassroots community-based organizations, inclusive of faith-based organizations, that secure HUD approval as an LHCA, or as an intermediary, as of the publication date of the SuperNOFA, and retain such approval through the term of any grant awarded. A SHFA does not need HUD approval in order to apply for a grant through this NOFA.

1. Definitions

a. *Affiliate.* "Affiliate" means an organization to which a Grantee awards a sub-grant and which is accountable to the Grantee for the use of funds provided. An affiliate is separately incorporated or organized but connected with an intermediary or SHFA for the purposes of this NOFA. To be eligible for a sub-grant an affiliate must be: (1) duly organized and existing as a nonprofit, (2) in good standing under the laws of the state of its organization, and (3) authorized to do business in the states where it proposes to provide housing counseling services. In the case of an intermediary or SHFA, all affiliates must be identified in the application submitted in response to this NOFA.

b. *Applicant.* "Applicant" means 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.

c. *Branch.* "Branch" or "Branch Office" means an organizational and subordinate unit of an LHCA, Intermediary or SHFA not separately incorporated or organized. A Branch or Branch Office must be in good standing under the laws of the state where it is authorized to do business and where it proposes to provide housing counseling services. A Branch or Branch Office cannot be an applicant, affiliate or sub-grantee.

d. *Grantee.* "Grantee" means the 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.

e. *Intermediary.* "Intermediary" means a HUD-approved national or

regional organization that provides housing counseling services through its branches or affiliates. As used in this NOFA, the term Intermediary refers to any of the following entities:

(7) *National Intermediary.* A National Intermediary provides housing counseling services through its branches or affiliates in a number of states as determined by HUD.

(2) *Regional Intermediary.* A Regional Intermediary provides housing counseling services through its branches or affiliates in a generally recognized region or group of regions within the United States of America, such as the Southwest, Mid-Atlantic, and New England.

f. *Local Housing Counseling Agency (LHCA).* "LHCA" means a HUD-approved Local Housing Counseling Agency. LHCAs must be approved by one of HUD's four HOCs. Affiliates of HUD-approved Housing Counseling intermediaries are not HUD-approved LHCAs by virtue of their affiliation with the intermediary. They are, however, eligible to individually apply for HUD approval as an LHCA.

g. *State Housing Finance Agency (SHFA).* For the purpose of this NOFA, a "SHFA" is the unique public body, agency, or instrumentality created by a specific act of a state legislature and empowered to finance activities designed to provide housing and related facilities and services, for example through land acquisition, construction or rehabilitation, throughout a state. The term state includes the several states, Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and the U.S. Virgin Islands.

h. *Sub-grantee.* "Sub-grantee" means an organization to which the grantee awards a sub-grant, and which is accountable to the grantee for the use of the funds provided. A Sub-grantee may be separately incorporated or organized, but connected with an intermediary or SHFA for purposes of this NOFA.

In the case of an intermediary or SHFA, all Sub-grantees must be identified in the grantee's application. Under certain conditions, grantees may amend their Sub-grantee list after awards are made.

B. Cost Sharing or Matching

No specific ratio is 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 the

Housing Counseling grants to cover all costs incurred by an applicant.

C. Other

1. Eligible Activities for Awards Under all Applicant Categories

Grantees and sub-grantees will only be reimbursed for the eligible activities outlined in this Section. Grantees and sub-grantees providing housing counseling services under Categories 1 through 3 may use their HUD housing counseling funds for one or more of the following activities.

a. *Pre-Purchase Homebuyer Counseling.* This includes the following types of one-on-one counseling: pre-purchase; evaluating mortgageor readiness; search assistance/mobility; fair housing; 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, and home inspection. This also may include guidance on: 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; and referrals to community services and regulatory agencies.

b. *Homebuyer Education Programs.* These programs are homeownership preparation-related group education programs in which educational materials, including HUD's Homebuyer Education and Learning Program (HELP) guide, are used in training sessions for multiple participants, and not tailored to the unique circumstances of an individual. This activity also includes financial literacy workshops that are geared toward potential homebuyers, and group sessions that assist potential homebuyers with identifying and avoiding predatory lending practices, such as loans with unreasonable and inappropriate terms and conditions, and other unscrupulous practices intended to defraud or take advantage of homebuyers and borrowers. Applicants that provide homebuyer education must also offer individual counseling that complements the group sessions.

c. *Counseling to Resolve or Prevent Mortgage Delinquency or Default.* This includes counseling on how to: restructure debt, obtain re-certification for mortgage subsidy, establish reinstatement plans, seek loan forbearance, and manage household finances. This counseling can also include helping clients affected by predatory lending, foreclosure

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

d. *Non-Delinquency Post-Purchase Counseling including Improving Mortgage Terms, Home Equity Conversion, and Home Improvement.* This includes information and advice on finding favorable mortgage loan terms, personal money management, and relations with lenders. It also includes help in converting home equity into cash, such as counseling on HUD's HECM Program. HECM counseling assists clients who are 62 years or older with the opportunity to convert the equity in their homes into income to pay living, medical, or other expenses. This counseling also includes counseling the client about: 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; visitability and universal design; how to specify and bid construction work; how to enter into construction contracts; and how to manage construction contracts, including actions to address the non-performance of contractors.

e. *Post-Purchase Education Programs.* These are post-purchase oriented group sessions in which educational materials are used in training sessions for multiple participants. Topics can include resolving or preventing mortgage delinquency and default, converting home equity into cash, seeking favorable mortgage loan terms, budgeting and financial management, real estate taxes and insurance, and home maintenance. Agencies that provide this service must also offer individual counseling to complement group sessions.

f. *Counseling and Education on Locating, Securing, or Maintaining Residence in Rental Housing.* This refers to one-on-one counseling and group education sessions regarding 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.

g. *Counseling on Shelter or Services for the Homeless.* Includes referrals to social, community, and homeless services such as emergency shelter or transitional housing.

h. *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 issues. (Note: affirmative fair housing outreach should be directed at those populations least likely to seek counseling services. 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.)

2. Eligible Activities—Supplemental Funding

a. *Predatory Lending.* Recipients of supplemental funding for Predatory Lending must use the supplemental funds for any of the marketing and outreach initiatives, group sessions, or one-on-one counseling activities outlined in Section III.C. of this NOFA, in a manner that clearly and directly assists clients affected by predatory lending or helps to prevent predatory lending.

b. *Homeownership Voucher Counseling.* Recipients of supplemental funding for counseling in conjunction with HUD's Homeownership Voucher Program must use the supplemental funds for any of the group sessions or one-on-one counseling activities outlined in Section III.C. of this NOFA, in a manner that clearly and directly assists recipients of Homeownership Vouchers to utilize those vouchers toward the purchase and maintenance of a home.

According to the Final Rule on the Homeownership Voucher Program (65 FR 55163), suggested topics for the HUD-required pre-assistance counseling program include: how to negotiate the purchase price of a home; how to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing; alternative sources of mortgage credit; how to find a home, including information about homeownership opportunities, schools, and transportation in the PHA

jurisdiction; mobility counseling, including purchasing a home outside the PHA's jurisdiction; advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas; how to design features to provide accessibility for persons with disabilities; how to obtain funding for modifications that will make housing accessible and available to clients and their family members with disabilities; information on fair housing, including fair housing lending and local fair housing enforcement agencies; information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) (RESPA); state and federal truth-in-lending laws; how to identify and avoid loans with oppressive terms and conditions; home maintenance; budgeting and money management; and credit counseling.

Counseling services in conjunction with HUD's Homeownership Voucher Program can be adapted to reflect local circumstances, fit the pre- and ongoing post-purchase needs of the individual families, and fulfill specific requirements established by the PHA as identified in the written agreement. The PHA has the discretion to require ongoing counseling for all or select participants in the homeownership option.

For example, agencies may provide on-going counseling on issues such as home improvement and rehabilitation. This could include educating the client about loan and grant options; loan or grant application processes; what housing codes and housing enforcement procedures apply for the intended activity; accessibility codes; visitability and universal design; non-discriminatory lending for persons who modify their dwellings to accommodate disabilities; how to identify and hire a construction contractor; how to specify and bid construction work; how to enter into construction contracts; and how to manage construction contracts, including actions to address the non-performance of contractors.

Additional ongoing counseling needs may include default counseling and loss mitigation strategies such as debt restructuring, establishing reinstatement plans, seeking loan forbearance, and managing household finances. Counselors can also help program participants that are affected by predatory lending, provide referrals to emergency and social service providers, and assist clients with locating alternative housing.

c. *Colonias.* Recipients of this supplemental funding may provide any of the eligible activities outlined in

Section III.C, so long as they serve individuals in communities that meet the definition of a Colonia provided in Section I.B.2.c, of this NOFA.

d. *HECM Counseling.* Recipients of this supplemental funding must provide counseling to individuals/families that may be eligible for or are interested in obtaining a Home Equity Conversion Mortgage (HECM). Counseling must be provided by AARP certified HECM counselors who must explain all of the details related to HECM financing to help clients make informed decisions.

3. 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 of the SuperNOFA.

b. *Minimum grant request.*

Applications must contain a request for funds of not less than \$15,000 from LHCAAs, not less than \$50,000 from SFHAs and not less than \$200,000 from Intermediaries. Applications for lesser amounts will not be considered.

c. *Only HUD-approved Housing Counseling Agencies and SHFAs may apply.* Applicants must be currently approved by HUD as an LHCA or as a housing counseling intermediary, and have secured HUD approval as a housing counseling agency by the publication date of this NOFA. SHFAs are not required to be HUD-approved, but must meet the eligibility requirements listed in this NOFA.

d. *Recipients of Previous Housing Counseling Grants.* Applicants that received a HUD Housing Counseling grant or grants through the FY2003 HUD Housing Counseling NOFA, and did not receive an extension approved by HUD, must have drawn-down at least 70 percent of award monies by December 31, 2004.

e. *HUD-9902.* Applicants that were, for any reason, required to submit Form HUD-9902 data, covering the period October 1, 2003, through September 30, 2004, must have submitted the data to HUD by June 6, 2005.

f. *Applicants Requesting Supplemental Funding.* No separate application is needed to apply for supplemental funding. However, applicants who propose to use the Comprehensive portion of their award for these activities must propose outputs and outcomes under supplemental funding categories exclusive of (over and above) those proposed under comprehensive counseling. Applicants must also meet the following requirements.

(1) *Predatory Lending.* An applicant must: (a) request the supplemental funding by specifically and separately identifying "Predatory Lending" and the specific amount requested along with budget information in Section B of the SF-424A; (b) identify predatory lending related needs in the target community in the response to Rating Factor 2; (c) include predatory lending related activities over and above the proposed comprehensive counseling activities listed in response to the Rating Factors; (d) indicate, where required in the Rating Factors, how many individuals in addition to those served under the comprehensive counseling award will be served with the requested supplemental funding for predatory lending; and (e) respond to all predatory lending related requests for information throughout the NOFA. Be sure clearly to identify the total number served, the activities provided, and the output and outcome goals to be achieved with the supplemental funding.

(2) *Homeownership Voucher Counseling.* An applicant must: (a) request the supplemental funding by specifically and separately identifying "Homeownership Voucher Counseling" and the specific amount requested along with budget information in Section B of the SF-424A; (b) respond to all Homeownership Voucher Counseling related requests for information throughout the NOFA; (c) include counseling and other related activities in conjunction with the Homeownership Voucher Program over and above the proposed comprehensive counseling activities listed in response to the Rating Factors; (d) indicate, where required in the Rating Factors, how many individuals additional to those served under the comprehensive counseling award will be served with the requested supplemental funding for Homeownership Voucher Counseling; and (e) provide a written agreement from one or more Public Housing Authorities (PHAs) with whom the applicant has an agreement to provide housing counseling to participants of the PHA's Homeownership Voucher Program. Intermediaries and SHFAs proposing to make sub-grants must provide a separate written agreement from a PHA for each proposed sub-grantee. There is no requirement that the PHA commit to use the applicant for the provision of all housing counseling services related to its Homeownership Voucher Program, although this would be acceptable.

Written agreements from PHAs do not have to be ratified by the PHA Board, although a formal document, such as a Memorandum of Understanding (MOU)

between the PHA and the applicant, is acceptable. The written agreement must be on PHA letterhead, specifically mention the housing counseling agency (applicant) and proposed sub-grantee, if applicable; and be signed by an official authorized to sign on behalf of the PHA. Moreover, the written agreement must indicate that the PHA is exercising its option to implement the Homeownership Voucher Program and agrees to refer Homeownership Voucher participants to the applicant to fulfill the housing counseling requirement specified in the Homeownership Voucher Program regulations. The written agreement must clearly outline: (1) The respective activities and responsibilities to be undertaken by the PHA and the applicant; (2) the estimated number of Homeownership Voucher Program participants, both pre-purchase and ongoing, to be referred by the PHA to the applicant during the grant period October 1, 2005, to September 30, 2006; (3) the services to be delivered and the specific PHA requirements for ongoing counseling; and (4) outputs and outcome goals.

While no written agreement is required from PHAs approved by HUD as housing counseling agencies, the PHA must estimate the number of voucher participants to be counseled in connection with its Homeownership Voucher Program, and describe the types of counseling, and output and outcome goals to be achieved. See the General Section for directions for submitting documents requiring third party signatures. Be sure clearly to identify the total number served, the activities provided, and the output and outcome goals to be achieved with the supplemental funding.

(3) *Colonias.* An applicant must: (a) Request the supplemental funding by specifically and separately identifying "Colonias" and providing the specific amount requested along with budget information in Section B of the SF-424A; (b) identify Colonias-related needs in the target community in its response to Rating Factor 2; (c) respond to all Colonias-related requests for information throughout the NOFA; (d) include counseling and other related activities targeted at Colonias over and above the proposed comprehensive counseling activities listed in response to the Rating Factors; (e) indicate in the response to Rating Factors how many individuals in addition to those served under the comprehensive counseling award will be served with the requested supplemental funding for Colonias; and (f) demonstrate that the communities that the applicant will target with these funds meet the definition of Colonias

provided in Section I.B.2.c. of this NOFA. Be sure clearly to identify the total number served, the activities provided, and the output and outcome goals to be achieved with the supplemental funding.

(4) *HECM Counseling.* An applicant must: (a) request the supplemental funding by specifically and separately identifying "HECM" and providing the specific amount requested along with budget information in Section B of the SF-424A; (b) identify HECM-related needs in the target community in its response to Rating Factor 2; (c) respond to all HECM-related requests for information throughout the NOFA; (d) include counseling and other related activities targeted at HECM clients over and above the proposed comprehensive counseling activities listed in response to the Rating Factors; and (e) indicate in the Rating Factors how many individuals will be served with the requested supplemental funding for HECM counseling in addition to those served under the comprehensive counseling award. Be sure clearly to identify the total number served, the activities provided, and the output and outcome goals to be achieved with the supplemental funding.

4. Other Program Requirements

To receive a grant or subgrant under this Housing Counseling NOFA, all applicants and subgrantees (except SHFAs) must be:

- duly organized and existing as a nonprofit;
- in good standing under the laws of the state of their organization; and
- authorized to do business in the states where they propose to provide housing counseling services.

a. *Limits on applications.* (1) HUD-approved LHCA's. *HUD-approved LHCA's may apply for and receive: one grant under Applicant Category 1; or one sub-grant from an intermediary or SHFA under Applicant Category 2 or 3, but not both. The only exception to this rule is that HUD-approved LHCA's that have one or more HECM Network Counselors that receive a grant or sub-grant under Categories 1-3, may also receive a sub-grant, or be reimbursed exclusively for HECM counseling activities from a HUD-approved intermediary that exclusively provides HECM counseling.*

HUD-approved LHCA's applying under Category 1 are also eligible for supplemental funding to combat predatory lending, homeownership voucher counseling, and to provide counseling to residents of Colonias.

Funded LHCA's may not make sub-grants to other HUD-approved LHCA's 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 to combat predatory lending, homeownership voucher counseling, provide counseling to residents of Colonias, and for HECM counseling.

(3) *SHFAs.* SHFAs may only apply for grants under Applicant Category 3 and are eligible to apply for comprehensive counseling funds and supplemental funding to combat predatory lending, homeownership voucher counseling, and to provide counseling to residents of Colonias. b. *Sub-grantees of Intermediaries and SHFAs.* (1) Sub-grantees of intermediaries and SHFAs are not required to be HUD-approved, although HUD-approved LHCA's may apply to an intermediary or SHFA as a sub-grantee.

(2) Intermediaries and SHFAs that award sub-grants to counseling agencies that are not HUD-approved must assure that the sub-grantee organizations meet or exceed HUD's approval standards, listed in Section III.C.4.c. *Program Requirements.*

(3) Subgrantees must also be in compliance with all civil rights threshold requirements. 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) Sub-grantees under Categories 2 or 3 must not have directly applied for or received a grant under Category 1 of this NOFA, or applied for or received a sub-grant from an intermediary or SHFA under Category 2 or 3 of this NOFA.

(5) Sub-grantees may apply for and receive only one sub-grant from an intermediary or SHFA under Category 2 or 3, but not both. The only exception to this rule is that sub-grantees that have one or more HECM Network Counselors that receive a sub-grant from an intermediary or SHFA under Category 2 or 3 may also receive a sub-grant or be reimbursed exclusively for HECM counseling activities, from a HUD-approved intermediary that exclusively provides HECM counseling.

(6) 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 and SHFAs have

wide discretion to decide how to allocate their HUD Housing Counseling funding among sub-grantees, with the understanding that a written record must be kept documenting and justifying funding decisions. This record must be made available to sub-grantees and to HUD.

c. *Approval Criteria.* The following approval criteria apply to all applicants, except SHFAs.

(1) Each branch or affiliate included in an approval application must satisfy these criteria.

(a) *Nonprofit Status.* An applicant and its branches or affiliates for approval must function as private or public nonprofit organizations. The applicant must submit evidence of nonprofit status as demonstrated by section 501(c)(3) of the Internal Revenue Code approval (or pending approval) to support its nonprofit status and that of its branches or affiliates.

(b) *Community Base.* The applicant or its branches and affiliates must have functioned as a housing counseling agency for at least one year in the geographical area that the applicant proposes to serve as a HUD-approved housing counseling agency or agencies and must have established working relationships with private and public community resources to which it can refer clients who need help the agency cannot offer.

(c) *Staff.* The applicant and its branches or affiliates must employ staff trained in housing counseling with at least six months experience in the job they will perform in the counseling program.

(d) *Language Skills/Limited English Proficiency.* Agencies must seek to provide access to program benefits and information to persons with limited English proficiency (LEP) through translation and interpretive services. Applicants that receive an award from HUD must satisfy the requirements of HUD's LEP Recipient Guidance published on December 19, 2003 at 68 FR 70968.

(e) *Knowledge of HUD Programs and Local Housing Market.* The applicant's housing counseling staff, including those in branches and affiliates, must possess a working knowledge of HUD housing programs (including public housing), the housing programs available in the community, and the local housing market. A working knowledge means that a counselor can inform the client in detail regarding what housing is available for which the client is eligible, how the client applies for the housing, and the rights and responsibilities of all parties involved in

particular housing transactions—leases, mortgages, notes, contracts, etc.

(f) State and Local Requirements. The applicant, including its branches or affiliates, must meet all State and local requirements for its operation.

(g) Facilities. The counseling facilities of the applicant or its branches or affiliates must meet the following criteria.

(i) Located in the community of the target population.

(ii) Provide privacy for all one-on-one sessions between a counselor and a client.

(iii) Public transportation is within easy walking distance (15 minutes) of the applicant's location, except for rural or distant suburban locations.

(iv) Operating hours include regular work hours and days, and other hours and days when necessary to meet the needs of working clients.

(v) All grantees and sub-grantees must make counseling offices and services accessible to persons with a wide range of disabilities and help persons locate suitable housing in locations throughout the applicant's community, target area, or metropolitan area, as defined by the applicant. For each of the general activities proposed, grantees must be prepared to meet the needs of all individuals requesting services, including persons with disabilities, regardless of the complexity of the services involved.

d. *List of HUD-approved Housing Counseling Agencies.* Pursuant to section 106 (C)(5) 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 their branches that receive funding under Applicant Categories 2 and 3 of this NOFA will be placed on this list and must accept subsequent referrals, or when they do not provide the services sought, refer the person to another organization in the area that does 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 for the HUD-funded 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 established the requirements to determine allowable direct and indirect costs and the preparation of indirect cost proposals, and can be found at <http://www.whitehouse.omb.gov>. Applicants can review Indirect Cost Training on <http://www.hud.gov> at: <http://www.hud.gov/offices/adm/grants/training/training.cfm>.

g. *Economic Opportunities for Low- and Very Low-Income Persons (Section 3).* Section 3 does not apply to Housing Counseling Grants.

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

i. *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 HUD's approval standards, listed at III.C.4.c. above.

j. *Conflicts of Interest.* See the General Section. In addition, a grantee or sub-grantee that is using grant funds to pay a subcontractor for housing counseling services pursuant to a housing counseling sub-agreement is prohibited from having a controlling interest in that subcontractor or vice versa. In other words, a grantee or sub-grantee cannot use grant funds to pay for housing counseling services by a subcontractor, if the subcontractor is partially or fully-

controlled by the grantee or sub-grantee, or affiliate or vice versa.

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

l. *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 Web site at <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. The Support Desk staff will assist you in accessing the information. Please remember that you must be registered to submit an application utilizing Grants.gov. Your registration allows you to electronically sign the application and Grants.gov to authenticate that the appropriate organization staff with legal authority to submit the application on behalf of the applicant submitted the application. Please see the General Section for information regarding the registration process or ask for registration information from the Grants.gov Support Desk. Please be aware that the registration process is a separate process from requesting email notification of funding opportunities or downloading the application and should be done prior to downloading the grant application from the Grants.gov web site. If you are not sure if you are already registered, the Grants.gov Support Desk can assist in verifying whether you are or are not registered.

B. Content and Form of Application Submission

Please be sure to read the General Section for application submission and timely receipt requirements as HUD is using electronic application submission via 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, narrative responses to each factor must be limited to 10 double-spaced, size 12 font, single sided pages. Intermediaries and SHFA's

are limited to 20 double-spaced, size 12 font, single sided page narratives for each factor. 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. The General Section of the SuperNOFA provides detailed requirements for electronic submission of narrative statements and other documents that are part of the application.

2. Application Checklist

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

Housing Counseling NOFA Application Checklist

- SF-424, Application for Federal Assistance
- SF-424 Supplement—Survey on Ensuring Equal Opportunity for Applicants
 - SF 424A, Budget Information—Non-Construction Programs
 - SF-LLL, Disclosure of Lobbying Activities (if applicable)
 - HUD-27300, Questionnaire for HUD's Initiative on Removal of Regulatory Barriers (optional)
 - HUD-2880, Applicant/Recipient Disclosure/Update Report
 - HUD-2990, Certification of Consistency with the RC/EZ/EC-II Strategic Plan (LHCAs only) (if applicable)
 - HUD-2991, Certification of Consistency with the Consolidated Plan (if applicable)
 - HUD-2994, Client Comments and Suggestions (optional)
 - HUD-96010, Program Outcome Logic Model
 - HUD-96011 Facsimile Transmittal Cover Page
 - HUD-9902, Housing Counseling Agency Fiscal Year Activity Report
 - *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.
 - *Written Agreement with a PHA*. Applicants applying for Supplemental Funding for Homeownership Voucher Counseling, and applicants proposing to counsel clients in conjunction with HUD's Homeownership Voucher Program with comprehensive counseling funds, must provide a copy of a written agreement from each Public Housing Authority (PHA) with which

the applicant, and proposed sub-grantees and branches, have entered into an agreement, as described in Section III of this NOFA.

- *Letters, Contracts, MOUs* and/or other documentation that demonstrates working relationships.
- *Letters, Contracts, MOUs* and/or other documentation that shows leveraged resources.
- *List of all offices*. Intermediaries must provide a list of the states in which they maintain offices, including the central office and all affiliates or branch offices. Provide this information for all affiliates and branch offices, not just the ones the applicant proposes to fund through this grant. Indicate with an asterisk or other notation those that will be funded through this grant and the amount, if known.
- *Organization Description*. Applicants must provide a brief description, no more than 225 words, of their organizational history and 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.
 - Copy(s) of disclosure forms used by the housing counseling agency or SHFA to inform clients they are not required to use other services or products offered by the housing counseling agency or SHFA or any of its associates.
 - Narrative statements as required in this NOFA.

C. Submission Dates and Times

1. *Application Submission Date and Proof of Timely Submission*. The application submission date is June 6, 2005. Please be sure to read the General Section for timely submission and receipt requirements as submission requirements have substantially changed this year. Failure to follow the submission requirements and procedures may affect your ability to receive an award of funds.

D. Intergovernmental Review

The Housing Counseling Program is not subject to Intergovernmental Review.

E. Funding Restrictions

1. *Funding* is limited to the eligible activities described in Section III.C of this NOFA.
2. *Pre-award Costs*. Grantees may incur pre-award costs not more than 90 calendar days prior to the effective date of the grant agreement and only with prior approval from HUD. All pre-award costs are incurred at the applicant's risk and HUD has no obligation to reimburse such costs if the award is inadequate to cover such costs or the award offer is

withdrawn because of the applicant's failure to satisfy the requirements of this NOFA.

F. Other Submission Requirements See the General Section. Please read the General Section instructions for submission of third-party documents by facsimile or by scanning and attaching to Grants.gov submission package.

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 LHCAs and 100 for all other applicants.

1. *Bonus Points*—"RC/EZ/EC-II". ONLY LHCAs are eligible for 2 bonus points. See the General Section for information regarding "RC/EZ/EC-II" bonus points.

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 funding. Applicants who propose to use the Comprehensive portion of their award for these activities must also respond to the requirements defined for each category the applicant proposes to provide services in.

In responses to the various factors and sub-factors, intermediaries 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 may 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 working 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 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) For intermediaries and SHFAs, the number of sub-grantees and branches that received funding from the applicant through a FY2003 HUD housing counseling grant(s), if applicable, covering the period October 1, 2003–September 30, 2004.

(2) Knowledge and Experience (14 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 LHCA's, scoring will be based on the number of years of recent and relevant experience of Housing Counseling Program project directors and recent housing counseling and relevant experience of housing counselors.

For intermediaries and SHFAs, scoring will be based on: the number of years of recent and relevant experience of project directors of proposed sub-grantees and branches; the number of years of recent housing counseling and relevant experience of counselors in proposed sub-grantees and branches; and the number of years, for key intermediary or SHFA personnel, of recent experience running 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.

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, competency exams, and certifications. HUD will award higher scores to applicants with staff and management that have the greatest combination of experience, training and demonstrated competency.

(a) Submit 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. Describe each employee's, subcontractor's, or consultant's 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. Individual descriptions should be limited to one page, and do not count toward narrative page limitations. Provide the number of years of experience for each position listed, and indicate when each position was held. Indicate whether the position is full-time or part-time, and in the case of part-time positions, provide the number of hours per week.

Intermediaries and SHFAs should summarize in a single chart listing, 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. Please total each column.

(b) All applicants must indicate whether counselors in their agency and proposed sub-grantees and branches are required to take and pass an exam that evaluates housing counseling competency as a condition of employment. Describe the test and

testing process and how test results are used to measure the capability of an employee.

(c) Indicate for each counselor listed the specific counseling activities with which they have experience, distinguishing between group sessions and one-on-one counseling, and the relevant number of years of experience for each counseling type. In scoring this section, HUD will evaluate whether the applicant has experience providing the proposed services.

Applicants for supplemental funding for Homeownership Voucher Counseling must provide detailed information regarding the Homeownership Voucher Program-related experience of the applicant and each PHA with whom the applicant, or its proposed sub-grantees and branch offices, have a written commitment to partner, including the number of years of experience that the applicant and partnering PHA(s) have working with HUD's Homeownership Voucher Program. If different from the applicant, explain what counseling agency or other organization provided the housing counseling related to the PHA's program.

Similarly, applicants for supplemental funding for Predatory Lending, HECM and Colonias must specify the predatory lending, HECM or Colonias-specific experience of project directors and counselors and the organization. Applicants for Colonias supplemental funding must also highlight the bilingual capacity of relevant counselors.

(d) Indicate for all housing counselors and project directors the specialized trainings and certifications received relevant to the proposed activities. Include when the training was received and who provided it.

Applicants for supplemental funding must also indicate whether or not staff has received recent and relevant specialized training. For example, applicants for supplemental funding for predatory lending must indicate if relevant personnel received FHA loss mitigation training or other training relevant to predatory lending. Applicants that seek supplemental funds for HECM counseling must indicate what relevant training and certifications counselors received to qualify them as HECM counselors. Likewise, specific training for Homeownership Voucher and Colonias should be highlighted.

(e) Indicate if the applicant, affiliates and branches, utilized an on-line Client Management System during the grant period October 1, 2003, to September 30, 2004. If a system was used, identify

which system, how long it has been used and whether or not it is web based. If the applicant does not currently use an on-line or web-based system but plans to in the coming grant period, October 1, 2005 through September 30, 2006, indicate which system will be used, whether or not it is web based, and how its use will be implemented in terms of training employees to use it and its ability to improve client services and generate reports.

(3) Grant and Compliance Management (6 points)

In scoring this Section, HUD will examine its files and evaluate how well the applicant managed administration and met the requirements, including reporting and grant document execution, of its FY2003 HUD housing counseling grant, for the grant period October 1, 2003, to September 30, 2004, and its ability to spend all grant funds allotted. If the applicant did not receive an FY2003 HUD grant, it must provide a response, with sufficient detail for HUD to evaluate management, based on activities and requirements under other sources of funding, such as other federal, state, or local grant awards. Identify the source(s), amount(s), how funds were used for housing counseling and related activities and whether work was completed during the period of performance.

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

(b) If grant awards were not fully expended during the grant period October 1, 2003, to September 30, 2004, indicate the percentage of funds that were not spent, and 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. To receive full credit, either 100 percent of grant funds must have been expended in a timely manner or all goals must have been achieved prior to expending 100 percent of grant funds. If goals were achieved with fewer funds, state so and briefly provide details of efficiencies realized (if any).

(c) *Biennial Performance Reviews.* Significant findings on biennial performance reviews conducted by HUD staff will be taken into consideration when scoring this section. Explain how the applicant has taken steps to address and correct any significant findings, if applicable.

(4) Management—Goals and Results (10 points)

Applicants that received a FY2003 housing counseling grant covering the period October 1, 2003 to September 30, 2004 were required to submit a Program Outcome Logic Model, Form HUD-96010, which reflected an effective, quantifiable, outcome-oriented evaluation plan for measuring performance. The Logic Model was to identify what would be measured, how it would be measured, and the steps the applicant would take to make adjustments to the work plan if performance targets were not met within established timeframes. Specifically, the plan had to identify:

(a) *Outputs.* Outputs are the direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Examples of outputs include, but are not limited to, the number of individual counseling sessions, the number of group sessions to be provided, the number of materials to be distributed, and outreach activities. Interim and full grant term outputs, and time frames for accomplishing these goals. The plan must have shown how the applicant would measure actual accomplishments against anticipated achievements.

(b) *Work Plan Adjustments.* A description of steps in place to make adjustments to the work plan if outputs are not met within established time frames or if the applicant begins to fall short of established outputs and time frames. Intermediaries and SHFAs should have indicated if and how the performance of sub-grantees and branch offices affects current and future sub-grants and allocations.

(c) *Outcomes.* Outcomes are benefits accruing to the families 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. For the period October 1, 2003–September 30, 2004, the anticipated outcomes for clients as a result of the proposed grant were required as part of the Logic Model. The required outcome categories are:

- The number of individuals receiving pre-purchase counseling who will purchase a home;
- The number of individuals receiving pre-purchase counseling who are working toward becoming mortgage ready;
- The number of individuals receiving pre-purchase counseling who, after evaluating their unique financial situation and the costs of

homeownership, will elect not to purchase a home;

- The number of individuals receiving default counseling who will successfully avoid foreclosure;
- The number of individuals seeking help in locating or securing residence in rental housing who found alternative rental housing;
- Applicants proposing to address predatory lending should indicate the number of clients affected by predatory lending counseled that will have their mortgage modified, refinanced, or otherwise assisted to avoid foreclosure.

These specific outcomes correspond to the Form HUD-9902.

Applicants who received a FY2003 Housing Counseling Grant must explain differences in goals and actual results in narrative form including any changes in measurement reporting tools and/or the evaluation process as a result of variations in output and outcome goals and results. For purposes of scoring this sub-factor, HUD's primary concern is 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. Applicants who did not receive a FY2003 Housing Counseling Grant must provide detailed, quantifiable information on housing counseling related goals they did set for their organization and actual results either for the period covering October 1, 2003 to September 30, 2004 or for the 12 month period ending December 31, 2004 if more appropriate to the Applicant's or other grant-required reporting schedule. In narrative form, explain any differences in goals versus actual results and indicate what measurement reporting tools were used as well as the evaluation process. Form HUD-96010-1, Logic Model Instructions, which is part of Form HUD-96010, provides information on what should be included in measurement reporting tools and the evaluation process.

For applicants applying for the predatory lending supplemental funding, identify the number of clients affected by predatory lending that were counseled and able to have their mortgage modified, refinanced, or otherwise assisted to avoid foreclosure. Compare these outcome goals with the applicant's actual performance outcomes for these categories, reported in the Form HUD-9902 submitted with this application, covering the grant period October 1, 2003, to September 30, 2004. Characterize the applicant's performance at meeting its goals

regarding activities for that time period. Explain any differences between goals and results. Describe relevant market conditions and other circumstances that affected reported outcome numbers. If the applicant did not establish outcome projections/goals for these specific categories prior to the grant period October 1, 2003, to September 30, 2004, indicate the specific quantitative goals that it did make, and explain any difference between goals and results.

b. Rating Factor 2: Need/Extent of the Problem (12 Points)

This factor addresses the extent to which there is a need for funding the proposed activities described in the applicant's work plan, and the degree to which the applicant's work plan substantively addresses departmental policy priorities.

(1) Needs Data (6 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 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 the applicant serves has documented need in its Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), or other planning documents, provide 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 web site: <http://www.census.gov/hhes/www/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.

Applicants applying for *predatory lending* supplemental funding must provide current or recent economic and demographic data, and any other evidence, that demonstrates the prevalence and impact of predatory lending within the target area.

Applicants planning to provide counseling in conjunction with HUD's *Homeownership Voucher Program* must demonstrate that the local market will support affordable homeownership. For example, describe the income and wealth characteristics of Homeownership Voucher Program participants, such as average income as

a percent of area median income, and average savings available for down payment, and then demonstrate the availability in the local market of homes that are affordable to these participants. Intermediaries and SHFAs must provide this information for each sub-grantee or branch included in their application that will engage in this activity.

In scoring this Section, HUD will evaluate the degree to which the applicant is able to provide 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 will receive no 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 the 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 work plan substantively addresses. Up to 2 points are available for priority (e). The activities the applicant proposes in its projected work plan, detailed in Factor 3 of this NOFA, must address the policy priorities for priorities (a)–(c) in order to receive rating points. Points will only be awarded to applicants for policy priority (e) if the submission includes the required documentation or URL sites where the documentation can be found.

(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.

(c) Participation of Minority-Serving Institutions in HUD Programs.

(d) 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.

(e) Removal of Regulatory Barriers to Affordable Housing. Under this policy priority, higher rating points are available to (1) governmental applicants that are able to demonstrate successful efforts in removing regulatory barriers to affordable 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 limited number of questions on form HUD-27300 expressly request the applicant to provide brief documentation with its response. Other questions require that, for each affirmative statement made, the applicant supply a reference, URL or brief statement indicating where the back-up information may be found, and a point of contact, including a telephone number or e-mail address. Applicants that do not provide the URL references or documentation will not get the policy priority points.

The General Section and HUD's Notices identify how policy priority points will be awarded. Copies of HUD's notices published on this issue, can be found on HUD's web site at <http://www.hud.gov/grants/index.cfm>.

c. Rating Factor 3: Soundness of Approach/Scope of Housing Counseling Services (40 Points)

This factor addresses the quality and effectiveness of the applicant's historical and proposed housing counseling activities.

(1) *Historical Performance* includes information on Housing Counseling services conducted during the period *October 1, 2003 through September 30, 2004*. Applicants must provide the following information, which will be used as a basis to support the scoring of sub-factors V.A.3.c (2) and V.A.3.c (3). Responses to V.A.3.c(2) and V.A.3.c (3) should contain "Historical Performance" as part of the heading for the response.

(a) Average hours of housing counseling per client, for the period October 1, 2003, through September 30, 2004, for each of the following service types, including follow-up, the applicant organization provides:

(i) Pre-purchase Counseling

- (ii) Homebuyer Education
- (iii) Delinquency/Default Counseling
- (iv) Non-Delinquency Post-Purchase Counseling
- (v) Home Equity Conversion Mortgage (HECM) Counseling
- (vi) Post-Purchase Education
- (vii) Rental Counseling
- (viii) Homeless/Displacement Counseling
- (ix) Predatory Lending Counseling
- (x) Homeownership Voucher Counseling and Education
- (xi) Other (describe)

(b) FY2003 HUD housing counseling grant(s) or sub-grant(s), if applicable. If the applicant received one or more FY2003 HUD housing counseling grants or sub-grants covering the period October 1, 2003–September 30, 2004, make sure that these grants are properly recorded in Section 8 of the Form HUD–9902 that was submitted through HUD’s Housing Counseling System (HCS). Applicants that were not required to submit Form HUD–9902 must complete one as part of this application filling in the “All Activities” column only.

(c) FY2003 total housing counseling budget, covering the period October 1, 2003–September 30, 2004, 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.

(d) The number of clients recorded on the Form HUD–9902, covering the period October 1, 2003, through September 30, 2004, that participated only in Homebuyer Education Workshops or other types of classes offered as group sessions:

(i) Under the “HUD Grant Activities” column, if applicable

(ii) Under the “All Counseling Activities” column

(e) The number of clients recorded on the Form HUD–9902 submitted with this application, covering the period October 1, 2003, through September 30, 2004, that participated in one-on-one counseling only:

(i) Under the “HUD Grant Activities” column, if applicable

(ii) Under the “All Counseling Activities” column

(f) If applicable, for the grant period October 1, 2003, through September 30, 2004, indicate:

(i) The number of individuals and families counseled by the applicant that participated in HUD’s Homeownership Voucher Program;

(ii) The number of clients that received one-on-one counseling from

the applicant related to predatory lending, or if applicable, from sub-grantees and branches;

(iii) The results of one-on-one counseling pertaining to predatory lending, including the number of clients for whom loans have been successfully restructured, credit fixed, and the success of other loss mitigation strategies.

(iv) The number of clients that participated in group educational sessions related to predatory lending

(2) *Historical Performance—Quality and Complexity of Services* (6 points).

HUD will evaluate the quality of, the variety of, and the level of effort and time associated with the housing counseling services provided by the applicant during the period October 1, 2003, to September 30, 2004, both with HUD housing counseling grant funds, if applicable, and with other resources leveraged for housing counseling. For applicants that did not receive an FY2003 HUD housing counseling grant, the analysis will be based on services provided with other sources of funding.

(a) Applicants must carefully document the various types of housing counseling and education services provided during the period October 1, 2003, through September 30, 2004, both with FY2003 HUD grant funds, if applicable, and other resources leveraged for housing counseling. Also describe follow-up activities, if applicable.

If applying for supplemental funding for predatory lending, describe the applicant’s activities for the grant period October 1, 2003, to September 30, 2004, in assisting individuals, through outreach and group education, in identifying and avoiding predatory lending. For example, describe group workshops, community meetings, mass media, or material distribution (provide copies of relevant letters, brochures, etc.) Also describe the applicant’s outreach strategy, including the various types of individuals targeted (e.g., sub-prime borrowers, elderly homeowners with substantial equity in their homes, etc.), explain the rationale for targeting specific areas, types of community forums that are effective, methods through which ideas and materials are disseminated, and all other relevant information.

Also, if applicable, describe efforts through one-on-one counseling for the period October 1, 2003, to September 30, 2004, to assist individuals in identifying and avoiding predatory lending, and describe efforts through one-on-one counseling to assist clients affected by predatory lending.

If applying for supplemental Homeownership Voucher Counseling funds, describe counseling and education activities during the period October 1, 2003, to September 30, 2004, performed in conjunction with HUD’s Homeownership Voucher Program.

If applying for supplemental funding for Colonias, describe the applicant’s activities for the grant period October 1, 2003, to September 30, 2004, in assisting individuals in Colonias.

If applying for supplemental funding for HECM counseling describe the applicant’s activities for the grant period October 1, 2003, to September 30, 2004, in assisting individuals that sought HECM counseling.

(b) Describe the level of effort and time required to provide the housing counseling services described in part (a) and to meet the needs of clients. Explain the average counseling time per client figures provided in Section V.A.4.c(1)(a). Scoring will be based on the degree to which the applicant demonstrates that sufficient time and resources were devoted to ensure that clients received quality counseling.

(c) Explain the figures provided in Section V.A.4.c(1)(d)–(f) 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 provision.

Applicants for supplemental funds should also provide this information for the activities relevant to the specific supplemental funding for which they are applying, which should include only information on clients served exclusive of (over and above) those served with comprehensive funds.

Scorers will evaluate the extent to which an agency encouraged and provided 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.

(3) *Historical Performance—Impact/Outcomes* (7 Points).

To score this Section, HUD will evaluate the applicant’s, and affiliates’ and branches’, clients served numbers for the grant period October 1, 2003 to September 30, 2004. The quantity of clients the applicant was able to serve will be compared to similar applicants providing similar services. Clients served numbers will also be analyzed in the context of the total housing counseling budget, which applicants must provide from FY2003 HUD housing counseling grant(s), including costs; spending decisions; the types of

services provided; level of effort expended; and the performance of similar applicants providing similar services. HUD will also consider the degree to which the services provided are time and resource intensive.

Additionally, HUD will evaluate the geographic coverage of the applicant's activities for the grant period October 1, 2003, through September 30, 2004. For intermediaries and SHFAs, the number of sub-grantees under a FY2003 HUD housing counseling grant(s), if applicable, and the overall size of the housing counseling network during that period will be factors in the scoring.

(a) Indicate how location, type of counseling, client type, and expenses may have affected client volume that appears on the Form HUD-9902, and in Section V.A.4.c(1)(d)-(f), that were served under the column "All Counseling Activities." This total should reflect all the counseling activities performed by the applicant during the period October 1, 2003 through September 30, 2004, both with HUD housing counseling grant funds, if applicable, and with other leveraged resources.

If the applicant received one or more FY2003 HUD housing counseling grants, indicate differences in how the HUD grants were spent compared to other leveraged resources. Justify expenses and explain why they were reasonable, strategic, and appropriate for the counseling activities identified above.

If applying for supplemental funding, quantify the applicant's relevant predatory lending, Homeownership Voucher Counseling, Colonias and/or HECM results during the period October 1, 2003 through September 30, 2004 and provide the total budget for each. For example, if applying for supplemental funding for Homeownership Voucher Counseling, provide the number of families that participated in the applicant's Homeownership Voucher Program in the past complete fiscal year, and the number of current homeowners receiving voucher assistance to date, and other notable outcomes and information demonstrating the effectiveness of the existing program. Provide the same information for PHAs with whom the applicant, and if applicable, proposed sub-grantees and branches have written commitments to partner.

(b) Intermediaries and SHFAs that received one or more FY2003 HUD housing counseling grants, for the grant period October 1, 2003, to September 30, 2004, must also indicate what percentage of their grant(s) was passed through directly to sub-grantees or

branches, and explain how funds not passed through were spent.

LHCAs applying under Applicant Category 1 that received one or more FY2003 HUD housing counseling grants for the grant period October 1, 2003, to September 30, 2004, 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 FY2003 HUD housing counseling grant must characterize their performance through other housing counseling funding sources, providing as much detail, similar to that requested above, as possible.

(c) LHCAs must describe the applicant's geographic coverage for the period October 1, 2003 through September 30, 2004. For example, indicate the percentage of a metropolitan area covered by the grantee. If the LHCA operates in more than one state, indicate which states and the percent of each state covered.

Intermediaries 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, 2003, through September 30, 2004, through:

(i) FY2003 HUD housing counseling grant funds, if applicable

(ii) All housing counseling resources

(4) *Projected Performance/Work Plan*—Involves information on housing counseling services to be conducted during the period October 1, 2005 through September 30, 2006. 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. Responses should contain "Projected Performance" as part of the heading for the response.

(a) Average hours of housing counseling time the applicant estimates per client, for each of the activities listed in V.A.3.c(1)(a)(i)-(xi), including follow-up: If the projected average times are the same as those listed for the period covering October 1, 2003–September 30, 2004, the applicant may simply state so in lieu of listing them again here.

The proposed average hourly labor-rate for housing counselors working for the applicant, affiliates, or branch network, if applicable, including benefits.

(b) For intermediaries and SHFAs, the total number of sub-grantees and branches, and corresponding number of states, that the applicant estimates will receive funding through the proposed

FY2005 HUD Housing Counseling Grant. If applying for supplemental funding, indicate the number of sub-grantees and branches the applicant estimates for comprehensive counseling, and for each type of supplemental funding requested.

(c) For intermediaries and SHFAs, the total number of sub-grantees and branches that the applicant estimates will receive funding, specifically for housing counseling, from the applicant, both through the proposed FY2005 HUD Housing Counseling Grant, and other sources of funds, during the grant period October 1, 2005, to September 30, 2006.

(5) *Projected Performance/Work Plan—Quality and Complexity of Services (12 points)*

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 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.

Additionally, scorers will evaluate the extent to which an applicant will 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.

(a) Describe the various types of housing counseling and education services, and if applicable intermediary activities, including training, the applicant proposes to undertake, and identify the geographic area the services will cover. Also, describe planned follow-up activities, if applicable.

Applicant work plans must include both pre-purchase counseling and post-purchase counseling and a broad array of counseling services in general. Applicants that provide default counseling as part of the work plan will receive more points in this sub-factor than those that do not.

Intermediaries 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 and distribute funds. If applicable, indicate how sub-grantee funding levels are adjusted on an on-going basis based on performance.

(b) Describe the level of effort and time the applicant anticipates is required to provide the proposed counseling services to, and meet the needs of, the number of clients it indicates in Section V.A.4.c (4)(a)–(d) that it will serve with the proposed grant. Explain and describe the activities corresponding to the average counseling time figures for each counseling type provided in Section V.A.4.c (4)(b).

(c) Explain the figures provided in Section V.A.4.c (4)(c)–(d) regarding proposed group session participation and one-on-one counseling. 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.

(d) Indicate the names and titles of employees, including subcontractors and consultants, 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 Rating Factor 1 will be involved and any new staff, subcontractors or consultants that will be hired for the October 1, 2005–September 30, 2006 grant period.

(6) Projected Performance/Work Plan—Coordination (5 points).

HUD will consider the extent to which, as compared to similar applicants, the applicant can demonstrate it will coordinate proposed activities with other organizations, and 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 product they choose and the house that they purchase.

(a) 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, and nonprofit housing providers. For example, describe agreements with lenders regarding non-traditional lending standards. Any written agreements or memoranda of understanding in place should be described and copies provided.

Applicants should also highlight internal products and functions, 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.

Applicants requesting supplemental funding should highlight the partnerships or internal products that are relevant to the proposed predatory lending, Homeownership Voucher counseling, Colonias or HECM activities. For example, applicants for supplemental funding for predatory lending should also describe relevant partnerships and relationships with other organizations, including state and local government regulatory agencies, Legal Aid groups, and other organizations with whom the applicant collaborates on predatory lending cases and issues, or to whom the applicant refers clients affected by predatory lending.

(b) 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 provide copies of 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 available through the applicant, and partnerships in which the applicant has entered, the client is under no obligation to utilize these services.

(7) Projected Performance/Work Plan—Impact/Efficient Use of Resources (10 points).

In scoring this Section, HUD will evaluate 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, 2005, to September 30, 2006. Scoring will be based on the cost and quantity of clients the applicant proposes to serve, compared historical averages for similar services. 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. HUD will also factor in other information that demonstrates that resources are being used efficiently; for example, the percentage of grant funds intermediaries and SHFAs pass through to sub-grantees. Additionally, HUD will evaluate the geographic coverage of the applicant's proposed activities.

In the case of intermediaries and SHFAs, the number of proposed sub-grantees and branches, the overall size and scope of the counseling network will be a factor in the scoring.

(a) 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, and whether the impact will be short-term or long-term. Justify proposed expenses and explain why they are reasonable, strategic, and appropriate for the counseling activities identified above.

Explain and justify significant changes, relative to past performance and grant/budget size, in the number of clients the applicant proposes to serve. For example, describe changes in the types of counseling being delivered, costs, etc.

(b) Intermediaries and SHFAs must also indicate what percentage of their proposed award will be passed through directly to sub-grantees and branches, and explain how funds not passed through will be spent.

LHCAs 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.

(c) LHCAs must list all branch offices and indicate if they will be funded through the proposed award. Also, describe the applicant's geographic coverage. For example, indicate the percentage of a metropolitan area that will be covered by the grantee, and if the applicant will operate in more than one state, identify the states and what percent of coverage in each the applicant will provide.

Intermediaries and SHFAs must also identify the sub-grantees and branches, and corresponding states, the applicant proposes will receive funding through this grant award. In the event that different sub-grantees or branches will be selected for comprehensive counseling and/or the supplemental funding types, separately list proposed sub-grantees and branches for each. Applicants unable to precisely identify

proposed sub-grantees and branches to receive funding through the proposed grant must identify the most likely sub-grantees 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 must 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 resources for their housing counseling activities, including: direct financial assistance; in-kind contributions, such as services, equipment, office space, labor; etc. Resources may be provided by 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) Applicants must provide a comprehensive list of all leveraged funds and in-kind contributions being claimed. Include the amount and the source. All contributions, including cash and third party in-kind, shall be accepted as part of the recipient's cost sharing or matching when such contributions meet all of the criteria set forth in 24 CFR 84.23.

(2) 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 such as down payment and closing cost assistance, IDA programs, and emergency services.

(3) Intermediaries and SHFAs should include information on leveraged resources for their entire counseling network and program, not simply anticipated sub-grantees that will be funded through this application.

(4) Points for this factor will be awarded based on the satisfactory level of leveraging and financial sustainability and the percentage of the applicant's total housing counseling budget that the requested HUD housing counseling funds would represent. Depending on organization type, the following scales will be used to determine scores for this factor:

LHCAs 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

1–15%—10 points
16–23%—9 points
24–29%—8 points
30–35%—7 points
36–41%—6 points
42–47%—5 points
48–53%—4 points
54–59%—3 points
60–65%—2 points
66–99%—1 point

e. Rating Factor 5: Achieving Results and Program Evaluation (8 Points)

This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements and assess their performance to realize performance goals, and reflects HUD's goal to embrace high standards of ethics, management and accountability.

The purpose of this factor is for the applicant to identify program outputs and outcomes that will allow it and HUD to measure actual achievements against anticipated achievements. Outputs and outcomes must be objectively quantifiable.

In scoring this section, HUD will consider the thoroughness of the response, as well as the appropriateness of the proposed outcomes given the proposed HUD award and past performance, as compared to similar applicants.

(1) Program Outcome Logic Model (6 Points)

Applicants must complete and submit Form HUD-96010 identifying activities to be performed, program outputs and outcomes to be achieved with grant funds. Applicants must also submit an effective, quantifiable, outcome-oriented evaluation plan for measuring

performance and determining that output and outcome goals have been met. Applicants must submit a program evaluation plan, consisting of the completed Form HUD-96010, Program Outcome Logic Model, and corresponding narrative, that identifies what will be measured, how it will be measured, and the steps the applicant has in place to make adjustments to the work plan if performance targets are not met within established timeframes. Specifically, the plan must identify:

(a) *Outputs.* Outputs are the direct products of the applicant's activities that lead to the ultimate achievement of outcomes. Examples of outputs include, but are not limited to, the number of individual counseling sessions, the number of group sessions to be provided, the number of materials to be distributed, and outreach activities. Identify interim and full grant term outputs, and time frames for accomplishing these goals. The plan must show how the applicant will measure actual accomplishments against anticipated achievements.

- Provide the following figures. Do not provide ranges or percentages, but a specific numbers of clients. These amounts should represent individuals to be served entirely with 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.

- The total number of clients the applicant projects it and, if applicable, sub-grantees, will serve under the total proposed HUD grant, including all requested supplemental funding.

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

- If requesting supplemental funding, separately indicate for each specific type of supplemental funding being requested, the number of clients the applicant projects it, or if applicable, sub-grantees, will serve under the proposed supplemental funding. The total number of clients that will receive only Homebuyer Education Workshops or other types of classes offered as group sessions with the proposed award in general, and under each of the applicable supplemental funding types.

- The number of clients that will participate in one-on-one counseling only, with the proposed award in general, and under each of the applicable supplemental funding types.

(b) *Work Plan Adjustments*. Describe steps in place to make adjustments to the work plan if outputs are not met within established time frames or if the applicant begins to fall short of established outputs and time frames. National and regional intermediaries and SHFAs should indicate if and how the performance of sub-grantees and branch offices, affects current and future sub-grants and allocations.

(c) *Outcomes*. Outcomes are benefits accruing to the families 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. For the period October 1, 2005–September 30, 2006, provide the following anticipated outcomes for clients as a result of the proposed grant. In other words, provide the figure that the applicant estimates for that outcome category under the HUD grant activities column on the Form HUD–9902.

- The number of individuals receiving pre-purchase counseling that will purchase a home;
- The number of individuals receiving pre-purchase counseling that are working toward becoming mortgage ready;
- The number of individuals receiving pre-purchase counseling that, after evaluating their unique financial situation and the costs of homeownership, will elect not to purchase a home;
- The number of individuals receiving default counseling that will successfully avoid foreclosure;
- The number of individuals seeking help in locating or securing residence in rental housing that found alternative rental housing;
- Applicants proposing to address predatory lending should indicate the number of clients affected by predatory lending counseled that will have their mortgage modified, refinanced, or otherwise assisted to avoid foreclosure.

These specific outcomes correspond to the Form HUD–9902 data. The proposed outcomes the applicant provides will be compared to actual results in the measurement of grant performance and future grant application evaluations.

(2) *Information Collection* (2 points).

Describe the applicant's procedure for following-up with clients and collection of outcome information.

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.

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 Web site: <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.

i. *Sense of Congress*. See the General Section.

C. Reporting

1. Fiscal Year Activity Report

Grantees are required to submit Form HUD–9902, Fiscal Year Activity Report, 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

Grantees are required to submit an updated Form HUD–96010, Program Outcome Logic Model 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 <http://www.Grants.gov>, contact the Grants.gov support desk at 800–518-Grants or by sending an e-mail to support@grants.gov.

B. Programmatic Information

For program related information, LHCA's and SHFA's 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.

Homeownership center	States
<p><i>PHILADELPHIA HOMEOWNERSHIP CENTER</i> Ms. Brenda Bellisario, Acting Director, Program Support Division, Wannamaker Building, 100 Penn Square East, 12th Fl Philadelphia, PA 19107-3389, For programmatic information contact: Robert Wright <i>Robert_Wright@hud.gov</i>. (215) 656-0527 x3406.</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><i>ATLANTA HOMEOWNERSHIP CENTER</i> Ms. Gayle Knowlson, Director, Program Support Division 40 Marietta Street, 8th Floor Atlanta, GA 30303-2806 For programmatic information contact: E. Carolyn Hogans <i>E_Carolyn_Hogans@hud.gov</i> (404) 331-5001, x2129.</p>	<p>Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee.</p>
<p><i>DENVER HOMEOWNERSHIP CENTER</i> Ms. Irma Devich, Director, Program Support Division 1670 Broadway Denver, CO 80202-4801 For programmatic information contact: 303-672-5200 Vic Karels x1995 <i>Victor_E_Karels@hud.gov</i> Jonna Munson x1987 <i>Jonna_R_Munson@hud.gov</i>.</p>	<p>Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, Wyoming.</p>
<p><i>SANTA ANA HOMEOWNERSHIP CENTER</i> Mr. Jerrold Mayer, Director, Program Support Division 1600 N. Broadway Suite 100 Santa Ana, CA 92706-3927 For programmatic information contact: Rhonda J. Rivera, <i>rhonda_j_rivera@hud.gov</i> 1-888-827-5605 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 and the application. For more information about the date and time of the broadcast, consult the HUD Web site at: <http://www.hud.gov/offices/adm/grants/fundsavail.cfm>.

B. Public Access, Documentation, and Disclosure

See the General Section of the SuperNOFA for more information on this topic.

C. 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 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.

Appendix A—Form HUD-9902, Fiscal Year Activity Report

BILLING CODE 4210-32-P

Budget Information — Non-Construction Programs

OMB Approval No. 0348-0044

Section A - Budget Summary		Estimated Unobligated Funds		New or Revised Budget		Total (g)
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)					
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5.	Totals	\$	\$	\$	\$	\$
Section B - Budget Categories						
6. Object Class Categories		Grant Program, Function or Activity				Total (5)
		(1)	(2)	(3)	(4)	
a. Personnel		\$	\$	\$	\$	\$
b. Fringe Benefits						
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual						
g. Construction						
h. Other						
i. Total Direct Charges (sum of 6a-6h)						
j. Indirect Charges						
k. Totals (sum of 6i and 6j)						
7. Program Income		\$	\$	\$	\$	\$

SF-424A (Rev. 4-92)
Prescribed by OMB Circular A-102

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Previous Edition Usable

Section C - Non-Federal Resources

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) Totals
	\$	\$	\$	\$
12. Total (sum of lines 8 - 11)	\$	\$	\$	\$

Section D - Forecasted Cash Needs

	Total for 1st Year			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$
14. Non-Federal				
15. Total (sum of lines 13 and 14)	\$	\$	\$	\$

Section E - Budget Estimates of Federal Funds Needed for Balance of the Project

(a) Grant Program	Future Funding Periods (Years)				
	(b) First	(c) Second	(d) Third	(e) Fourth	
	\$	\$	\$	\$	
20. Total (sum of lines 16-19)	\$	\$	\$	\$	

Section F - Other Budget Information

21. Direct Charges	
22. Indirect Charges	

23. Remarks

Instructions for the SF-424A

Public Reporting Burden for this collection of information is estimated to average 3.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the later case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a **single** Federal grant program (Federal Domestic Assistance Catalog number) and **not requiring** a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a **single** program requiring budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in Column (a) and the respective catalog number on each line in Column (b).

For applications pertaining to **multiple** programs where one or more programs **require** a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5—Show the totals for all columns used.

Section B. Budget Categories

In the column headings (a) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Lines 6a-i—Show the totals of Lines 6a to 6h in each column.

Line 6j—Show the amount of indirect cost.

Line 6k—Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7—Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11—Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a)—Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b)—Enter the contribution to be made by the applicant.

Column (c)—Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d)—Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e)—Enter totals of Columns (b), (c), and (d).

Line 12—Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f) Section A.

Section D. Forecasted Cash Needs

Line 13—Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14—Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15—Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19—Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20—Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21—Use this space to explain amounts for individual direct object-class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22—Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23—Provide any other explanations or comments deemed necessary.

**Housing Counseling Agency
Fiscal Year Activity Report**

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0261
(exp.12/31/2006)

Read the Instructions and Public Reporting Statement on the back of this form.

1. Counseling agency name and address/telephone/fax/contact person/e-mail Check here if any of this is new information <input type="checkbox"/>	2. Reporting Year (yyyy) from Oct 1, _____ to Sep 30, _____
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	All Counseling Activities	HUD Grant Activities
3. Ethnicity of Clients (select only one)		
a. Hispanic		
b. Not Hispanic		
4. Race of Clients		
Single Race		
a. American Indian/Alaskan Native		
b. Asian		
c. Black or African American		
d. Native Hawaiian or Other Pacific Islander		
e. White		
Multi-Race		
f. American Indian or Alaska Native <i>and</i> White		
g. Asian <i>and</i> White		
h. Black or African American <i>and</i> White		
i. American Indian or Alaska Native <i>and</i> Black or African American		
j. Other multiple race		
5. Income Levels		
a. < 50% of Area Median Income (AMI)		
b. 50 - 80% of AMI		
c. 80 - 100% of AMI		
d. >100% AMI		
6. Numbers of Clients Receiving Educational/Outreach Services (if client also receives counseling, please include in count below)		
a. Completed Homebuyer Education Workshop		
b. Completed Post-Purchase Homeowner Workshop		
c. Sought Help with Fair Housing Issue		
d. Sought Help with or Attended Workshop on Predatory Lending		
7. Numbers of Clients Counseled, by Purpose of Visit and Results		
a. Seeking Pre-Purchase Homebuyer Counseling		
Purchased Housing		
Client will be Mortgage Ready within 90 Days		
Client will be Mortgage Ready after 90 Days; Receiving Long-Term Prepurchase Counseling		
Entered Lease Purchase Program		
Decided Not to Purchase Housing; No Further Effort to Prepare Needed		
Other		
Total		
b. Seeking Help with Resolving or Preventing Mortgage Delinquency		
Brought Mortgage Current		
Mortgage Refinanced		
Mortgage Modified		
Received Second Mortgage		
Initiated Forbearance Agreement/Repayment Plan		
Executed a Deed-in-Lieu		
Sold Property/Preforeclosure Sale, Chose Alternative Housing Solution		
Mortgage Foreclosed		

7. Numbers of Clients Counseled, by Purpose of Visit and Results (continued)	All Counseling Activities	HUD Grant Activities
Currently Receiving Foreclosure Prevention/Budget Counseling		
Partial Claim		
Other		
Total		
c. Seeking Help Converting Home Equity into Cash or Seeking Better Mortgage Loan Terms		
Obtained a Home Equity Conversion Mortgage (HECM)		
Received Home Equity or Home Improvement Loan		
Received Consumer Loan (Unsecured)		
Mortgage Refinanced		
Referred to Other Social Service Agency		
Sold House, Chose Alternative Housing Solution		
Counseled on HECM; Decided Not to Obtain Mortgage		
Currently Receiving Counseling		
Other		
Total		
d. Seeking Help in Locating, Securing, or Maintaining Residence in Rental Housing		
Received Housing Search Assistance		
Obtained Temporary Rental Relief		
Referred to Agency with Rental Assistance Program		
Advised on Recertification for HUD/Other Subsidy Program		
Referred to Other Social Service Agency		
Counseled or Referred to Legal Aid Agency for Eviction or Other Fair Housing Assistance		
Found Alternative Rental Housing		
Decided to Remain in Current Housing Situation		
Entered Debt Management/Repayment Plan		
Currently Receiving Counseling		
Other		
Total		
e. Seeking Shelter or Services for the Homeless		
Occupied Emergency Shelter		
Occupied Transitional Housing		
Occupied Permanent Housing with Rental Assistance		
Occupied Permanent Housing without Rental Assistance		
Referred to other Social Service Agency		
Remained Homeless		
Currently Receiving Counseling		
Other		
Total		

8. HUD Grant Activity - Summary Data

HUD Grant No.	HUD Grant Amount	Number of Clients	Amount Invoiced
	Total		

9. Name of Person Authorized to Sign this Report

Title	
Signature	Date

Instructions for Form HUD-9902, Housing Counseling Agency Fiscal Year Activity Report

This **HUD Fiscal Year** Activity Report enables a HUD-approved housing counseling agency to report all of its housing counseling activity for clients with housing needs and problems.

- 1. Counseling Agency Name & Address** - Enter the official name of your agency in the format you submitted to HUD. If the data you enter is new, check the box indicating this change.
- 2. Enter Report HUD Fiscal Year** - This is an annual report covering the HUD Fiscal Year. Indicate the HUD Fiscal Year covered by the report. Even if your agency was approved by HUD for less than the full year report period, include clients counseling during the full report year.

- 3. Ethnicity of Clients** Enter number of clients to whom you provided counseling during this period. If your client came in for homebuyer education or fair housing in addition to other types of counseling, do not count them twice.

Hispanic or Latino - A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Spanish origin" can be used in addition to "Hispanic or Latino."

Not Hispanic or Latino - A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

4. Race of Clients Categories -

American Indian or Alaskan Native - A person having origins with any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community recognition.

Asian - A person having origins with any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

Black or African American - A person having origins with in of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."

Native Hawaiian or Other Pacific Islander - A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

- 5. Income Levels** - Enter the client's income level based on the percentage of the Area Median Income (AMI), adjusted for family size.

6. Number of Clients Receiving Educational or Outreach Services

Homebuyer Education (6a). Enter data for clients who completed a homebuyer education course or workshop. Homebuyer education differs from counseling in that it is usually conducted in a group setting and is not tailored to the unique circumstance of the individual. Counseling goes beyond the general education, is more rigorous, and involves one-on-one and longer-term relationships. Note that you will also count the client who receives or is receiving counseling under the prepurchase counseling heading.

Post-Purchase Homeowner Workshop (6b). Enter data for clients who completed a post-purchase homeowner education course or workshop. This includes topics such as budgeting and financial management, real estate taxes and insurance, and property maintenance. Please also count the client who supplements education with one-on-one counseling under the appropriate counseling heading.

Fair Housing (6c). Enter data for clients who, in addition to seeking other types counseling as described on this form, had issues affecting a protected class as defined under the Fair Housing Act, 42 USC 3601-3631. The law prohibits discrimination on basis of race, color, religion, sex, handicap, or familial status. Remember to include these clients under the appropriate type of counseling sought.

Predatory Lending (6d). Enter data for clients who attended a predatory lending workshop or outreach program. Please also count the client who supplements education with one-on-one counseling under the appropriate counseling heading.

7. Number of Clients Counseled, by Purpose of Visit and Results.

General

Clients - Please remember that you report clients as the number of individual households you counseled.

Examples:

- a. A **husband and wife** or a **brother and sister** or **three friends** who are mortgagors under the same note count as **one client**.
- b. **Three renting families** who experience the **same problem** with the **same landlord** and come to your agency together for assistance and receive the same problem resolution count as **one client**.

Columnar Entries - The report contains two data columns.

- c. **All Counseling Activities** - Enter data covering all housing counseling activities, including those performed under one or more HUD housing counseling grant. **Results of**
- d. **HUD Grant Activities** - Enter data covering only counseling provided under one or more HUD counseling grants during the report period. Include this data in the "All Counseling Activities" column.

Other - Throughout the form, "other" provides a general category into which you place clients who do not fall under any specific category on the form.

Instructions for Form HUD-9902 continued

Counseling (7a through 7e) - Enter the number of clients to whom you provided counseling during the report period, by the purpose of their visit and results. This count might include clients who entered your workload the previous report period but who carried over into and received counseling during the current report period. Enter the client count in the box that best describes the status of the clients when they first entered your workload.

Counseling (7a through 7e) continued -For each of the five types of counseling sought, enter data for the appropriate results listed. NOTE: You might achieve more than one result for the same client during the report year. In the rare event that there is more than one result, **please report only one**. You should select the result that most closely relates to the counseling received.

Example: A mortgagor in default enters into a **forbearance agreement** and later **sells the property**. You report the first result because the counseling enabled the client to seek and enter into forbearance. Also, in the Pre-Purchase Counseling outcomes, enter the client as mortgage ready after 90 days, if the client has entered a homebuyer savings plan, debt management plan, or some other type of long-term financial plan to prepare for homeownership.

8. HUD Grant Activity - Summary Data - Enter summary data from the "HUD Grant Activities" column for each grant under which you provided counseling during the report period. In the "Total" row, enter totals for the "No. of Clients" and the "Amount Invoiced" columns.

9. An authorized staff person must sign and date the report.

Public reporting burden for this collection of information is estimated to average 1.17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

This information is collected in connection with HUD's Housing Counseling Program, and will be used by HUD to determine that the grant applicant meets the requirements of the Notice of Funding Availability (NOFA) and to assign points for awarding grant funds on a competitive and equitable basis. The information is required to obtain funding under Section 106 of the Housing and Community Development Act of 1974. The information is considered sensitive and is protected by the Privacy Act which requires the records to be maintained with appropriate administrative, technical and physical safeguards to ensure their security and confidentiality.

Budget Information — Non-Construction Programs

OMB Approval No. 0348-0044

Section A - Budget Summary		Estimated Unobligated Funds		New or Revised Budget		Total (g)
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	
1.		\$	\$	\$	\$	\$
2.						
3.						
4.						
5.	Totals	\$	\$	\$	\$	\$
Section B - Budget Categories						
6. Object Class Categories		Grant Program, Function or Activity			Total (5)	
		(1)	(2)	(3)		
a. Personnel		\$	\$	\$	\$	
b. Fringe Benefits						
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual						
g. Construction						
h. Other						
i. Total Direct Charges (sum of 6a-6h)						
j. Indirect Charges						
k. Totals (sum of 6i and 6j)						
7. Program Income		\$	\$	\$	\$	\$

Section C - Non-Federal Resources

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) Totals
8.	\$	\$	\$	\$
9.				
10.				
11.				
12. Total (sum of lines 8 - 11)	\$	\$	\$	\$

Section D - Forecasted Cash Needs

	Total for 1st Year	Future Funding Periods (Years)			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$	\$	\$	\$	\$
14. Non-Federal					
15. Total (sum of lines 13 and 14)	\$	\$	\$	\$	\$

Section E - Budget Estimates of Federal Funds Needed for Balance of the Project

(a) Grant Program	Future Funding Periods (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	\$	\$	\$	\$
17.				
18.				
19.				
20. Total (sum of lines 16-19)	\$	\$	\$	\$

Section F - Other Budget Information

21. Direct Charges

22. Indirect Charges

23. Remarks

Instructions for the SF-424A

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General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the later case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a **single** Federal grant program (Federal Domestic Assistance Catalog number) and **not requiring** a functional or activity breakdown, enter on Line 1 under Column (a) the catalog program title and the catalog number in Column (b).

For applications pertaining to a **single** program requiring budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the catalog program title on each line in Column (a) and the respective catalog number on each line in Column (b).

For applications pertaining to **multiple** programs where one or more programs require a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Columns (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5—Show the totals for all columns used.

Section B. Budget Categories

In the column headings (a) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Lines 6a-f—Show the totals of Lines 6a to 6f in each column.

Line 6j—Show the amount of indirect cost.

Line 6k—Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7—Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Show under the program narrative statement the nature and source of income. The estimated amount of program income may be considered by the federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11—Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a)—Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b)—Enter the contribution to be made by the applicant.

Column (c)—Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d)—Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e)—Enter totals of Columns (b), (c), and (d).

Line 12—Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f) Section A.

Section D. Forecasted Cash Needs

Line 13—Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14—Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15—Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19—Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20—Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21—Use this space to explain amounts for individual direct object-class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22—Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23—Provide any other explanations or comments deemed necessary.