

Funding Opportunity Number: FR-6300-N-33
Funding Opportunity Title: Notice of Funding Availability (NOFA)
for the Department's Fiscal Year 2019
Comprehensive Housing Counseling
Grant Program
Program Office: Housing
Drafter: Joel Schumacher

Special Instructions:

Gray shaded text denotes standardized language that is required content in every announcement.

Gray shaded underlined text denotes optional standard language where users can opt to include certain text when appropriate.

U.S. Department of Housing and Urban Development

Program Office: Housing
Funding Opportunity Title: Notice of Funding Availability (NOFA)
for the Department's Fiscal Year 2019
Comprehensive Housing Counseling
Grant Program
Announcement Type: Initial
Funding Opportunity Number: FR-6300-N-33
Primary CFDA Number: 14.169
Due Date for Applications: **04/25/2019**

Overview

Prospective applicants should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. HUD funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive proposal.

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

OMB Approval Number(s): 2502-0261

I. Funding Opportunity Description.

A. Program Description.

1. Purpose

a. Program Description. The purpose of HUD's Housing Counseling Grant Program is to provide funds to HUD approved housing counseling agencies that provide counseling and advice to tenants and homeowners, with respect to property maintenance, financial management and literacy, and other matters as may be appropriate to assist program clients in improving their housing conditions, meeting their financial needs, and fulfilling the responsibilities of tenancy or homeownership. This NOFA plays an integral role in the continued stabilization of our nation's housing market by helping individuals and families obtain housing and stay in their homes through responsible homeownership or affordable rental housing. Housing counseling agencies are an important safeguard in the prevention of housing scams and discrimination and serve as an important gateway to local, state, federal and private housing assistance and resources.

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

1. Distribute federal financial support to housing counseling agencies to enable them to provide quality services to consumers to address their housing and financial needs.
2. Distribute federal financial support to housing counseling agencies based on past performance.
3. Reduce the administrative costs to program participants when applying for and reporting on HUD funding while maintaining accountability for federal funds.
4. Leverage external resources and funding to increase the sustainability of quality housing counseling programs.
5. Prepare the housing counseling industry for housing counselor testing and certification.
6. Ensure distribution of funding amounts for rural areas with low levels of access to housing counseling services, including areas with insufficient access to the Internet.
7. Provide housing counseling services to traditionally underserved populations, such as minorities, seniors, veterans, persons with disabilities, and persons with limited English proficiency.

2. Changes from Previous NOFA.

Two-Year NOFA: One Competition Distributes Subsequent Year Funding if Available.

HUD will use the grant applications received for FY 2019 and the corresponding scores and funding methodology to make awards for FY 2020, subject to the availability of appropriations. HUD will contact eligible FY 2019 grantees to determine their interest in FY 2020 funds if available. HUD also reserves the right to issue a supplemental comprehensive housing counseling NOFA in FY 2020, which may be limited to new applicants or to provide support for a specific housing counseling activity.

Increased Reliance on HUD's Own Records for Scoring. HUD will use the applicant's previous fiscal year's HUD-9902 and Housing Counseling System (HCS) profile information and validation record to score portions of Rating Factors. Agencies should ensure that all HUD-9902 reports are submitted timely and that HCS profiles are accurate and validated quarterly.

Promoting Accountability for Federal Funds. HUD reminds applicants that actual accomplishments must match the program objectives of the award and information provided to

HUD in the NOFA application and grant agreement. HUD will assess the grantee's performance in achieving agreed upon goals when reviewing performance reports. See 2 CFR 200.328.

Fewer Charts and Reduced Burden. HUD reduced the HUD-9906 application from six charts to four by consolidating questions and overlapping scoring criteria. Additionally, separate narratives responses were eliminated. HUD removed small value items that were vague or unverifiable. However, HUD will continue to assess the same general attributes of agency performance.

3. Continuation of Previously Implemented Changes. HUD continues to improve communication, streamline program requirements, reduce administrative burdens, and prepare for additional program standards in the following areas:

Eligible Costs. Reimbursement of direct costs is limited to eligible activities described in Section IV.F.

Changes to Application Package. There are two sets of charts. LHCA's will complete and submit the HUD-9906-L "Local Housing Counseling Agency (LHCA) Application" which contains Charts A1, B1, C1, etc. Intermediaries, State Housing Finance Agencies (SHFA), and Multi-State Organizations (MSO) will complete the HUD-9906-P "Intermediary, State Housing Finance Agency, and Multi-State Organization Application" which contains Charts A2, B2, C2, etc. Additionally, they must complete and submit the supplementary Excel spreadsheets accompanying Charts A2 and B2.

HECM Default Counseling Activities. HUD permits agencies to provide nationwide HECM default counseling if it is part of the agency's HUD-approved work plan. Default counseling for HECM loans can be provided by non-HECM Roster counselors.

Funding Methodology. HUD continues the slight decrease in the weight of network size while continuing to factor in other criteria such as score, number of Full Time Equivalents (FTE), network management activities, and other relevant criteria.

3. Definitions.

a. Standard Definitions

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

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

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

Contract means a legal instrument by which a non-Federal entity purchases property or services

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

Contractor means an entity receiving a contract.

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

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

To be curable the deficiency must:

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

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

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

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

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

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

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

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

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

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

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

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

Promise Zones are federally-designated, high-poverty urban, rural and tribal communities where the Federal government will partner with and invest in communities to accomplish these goals:

create jobs, leverage private investment, increase economic activity, expand educational opportunities, and reduce violent crime.

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

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

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

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

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

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

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

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

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

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

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

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

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

4. Program Definitions

Program specific definitions are available in Appendix B, Definitions.

5. Web Resources

The resources indicated provide details for the application process

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

B. Authority.

HUD's Housing Counseling Program is authorized by Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1701x) and Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. § 3533) as amended by Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). The Housing Counseling Program regulations are codified at 24 C.F.R. Part 214. The Home Equity Conversion Mortgage Program (HECM) is authorized by Section 255 of the National Housing Act (12 U.S.C. § 1715z-20), and its regulations are codified at 24 C.F.R. Part 206.

II. Award Information.

A. Available Funds

Congress has not yet appropriated funds for this program. Therefore, the amount of available funding is not known and is contingent on future Congressional action.

B. Number of Awards.

HUD expects to make approximately 250 awards from the funds available under this NOFA.
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C. Minimum/Maximum Award Information

1. **Total Grant Request.** Applicants are not required to request a specific award amount, nor provide a proposed budget for a grant amount but should enter a response of \$1.00 in line 18a of the SF424, Application for Federal Assistance.
2. **Award Adjustments.** HUD reserves the right to adjust funding levels for each grantee. Once Applicants are selected for award, HUD will determine the total amount to be awarded to any grantee, based upon the scope of services to be provided, funds available, and other factors that HUD may determine.

Congress has not yet appropriated funds for this Program.

D. Period of Performance

Estimated Project Start Date:	07/08/2019
Estimated Project End Date:	01/07/2021
Length of Project Periods:	Other
Length of Project Periods Explanation of Other:	The initial period of performance for grants awarded under this program will be for a period of 18 months. For planning purposes, Applicants should assume that the period of performance is October 1, 2018 through March 30, 2020.

E. Type of Funding Instrument.

Funding Instrument Type:	Grant
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HUD will use a cost reimbursement Grant Agreement. Grantees may not draw down on an award made through this NOFA until the prior year's award has been fully expended.

III. Eligibility Information.

A. Eligible Applicants.

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

Additional Information on Eligibility:

1. Eligible applicants must satisfy the following criteria:

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

Tax Exempt. Applicants, Sub-grantees, and Branches must be:

- tax-exempt organizations under Internal Revenue Code (IRC) section 501 (a) as described in IRC section 501(c) (26 U.S.C. 501 (a) and (c)), or units of local, county, or state government,
- in good standing under the laws and regulations of the state of their organization., and
- authorized to do business in the states in which they propose to provide housing counseling services.

Provide Accessible Services. Applicants receiving Federal financial assistance shall operate their housing programs or activities so that they are readily accessible to and usable by persons with disabilities. Applicants must give priority to methods that provide physical access to individuals with disabilities in accordance with the regulations implementing Section 504 of the Rehabilitation Act of 1973 and Titles II and III of the Americans with Disabilities Act of 1990. All programs or activities must be held in accessible locations unless the recipient can demonstrate that doing so would result in a fundamental alteration of the program or an undue financial and administrative burden. Individuals with disabilities must receive services in the most integrated setting appropriate to their needs.

In addition, counseling services must comply with effective communication requirements pursuant to Section 504 of the Rehabilitation Act of 1973 and its implementing regulations at 24 C.F.R. § 8.6, Titles II and III of the Americans with Disabilities Act of 1990, and the Department of Justice implementing regulations codified at 28 C.F.R. § § 35 and 36.

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

Outstanding Performance Issues. Applicants and Sub-grantees must resolve all outstanding issues on their most recent HUD housing counseling performance review by the later of the application deadline date of this NOFA or the expiration date of any conditional re-approval or inactive status resulting from a HUD performance review.

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

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

Housing Counseling Work Plan. Applicants must have an approved Housing Counseling work plan on file with HUD. Activities specified in the HUD-9906 Housing Counseling charts must be consistent with activities previously approved in the work plan prior to the application due date.

Compliance with Third Party Certifications and Licensing. Applicants must be in compliance with, and not in default under, any applicable state or other licensing and certification requirements. HUD will review individual circumstances upon request.

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

2. Limits on Applicants.

Applicants and Sub-grantees are prohibited from applying for or accessing FY 2019 Housing Counseling Program grant funding from multiple sources. For example, applying for funding under this NOFA as both a direct Grantee (e.g. LHCA) and as a Sub-grantee of an Intermediary or SHFA is prohibited. Likewise, applying for funding under this NOFA as a Sub-grantee of two different Intermediaries or as a Sub-grantee of an Intermediary and as a Sub-grantee of an SHFA is prohibited.

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

B. Cost Sharing

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

C. Threshold Requirements.

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

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

D. Statutory and Regulatory Requirements Affecting Eligibility

Eligibility Requirements for Applicants of HUD's Grants Programs

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

Resolution of Civil Rights Matters

Outstanding Delinquent Federal Debts

Debarments and/or Suspensions

Pre-selection Review of Performance

Sufficiency of Financial Management System

False Statements

Mandatory Disclosure Requirement

Prohibition Against Lobbying Activities

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

E. Program Specific Requirements.

1. Audits and Investigations. Applicants must comply with the audit filing requirements at 2 C.F.R. 200.501. Applicants must also disclose to HUD the status of active federal investigations at the time of the NOFA application submission date or thereafter. HUD may determine that Applicants are not eligible for grant funding based on its review of such external audits and federal investigations.

2. Client Management System. All Applicants, Affiliates, and Branches must use a HUD-compliant CMS that interfaces with HUD's Housing Counseling System (HCS). HUD will review individual circumstances when an agency is transitioning client management systems.

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

4. Sub-Grant Agreement. Intermediaries and SHFAs that award sub-grants must execute sub-grant agreements with Sub-grantees that delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD and compliance with HUD rules and regulations. These records must meet the data requirements of the Transparency Act, and must be made available to Sub-grantees, Branches, and HUD within 30 days of making the sub-award or allocation.

5. Succession and Contingency Plans. During grant execution, Grantees must submit plans demonstrating how they will ensure continuity of services to consumers.

6. Documentation of Expenses. The Grantee and Sub-grantees must maintain source

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

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

8. Subcontracting. Grantees and Sub-grantees must deliver the housing counseling services set forth in the Applicant's Work Plan. It is not permissible to contract out housing counseling services, except as specified in 24 C.F.R. § 214.103(i).

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

10. Home Inspection Materials. If a grantee provides homebuyer counseling or education, the client must be provided a copy of the following materials: "For Your Protection Get a Home Inspection" (Form HUD-92564) and "Ten Important Questions to Ask Your Home Inspector."

11. Affirmatively Furthering Fair Housing (AFFH). Under Section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients: As provided in the AFFH rule (24 CFR 5.150), AFFH means: taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a program participant's activities and programs relating to housing and urban development.

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

1. Providing persons with counseling, education, or information on discriminatory housing and mortgage lending practices and the rights and remedies available.
2. Maintaining a database of accessible housing opportunities in the community and providing database for use by persons with Limited English Proficiency (LEP) or

disabilities.

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

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

F. Criteria for Beneficiaries.

IV. Application and Submission Information.

A. Obtaining an Application Package.

Instructions for Applicants.

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

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

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

receive a paper copy of the application materials, you must contact:

Email: Housing.Counseling@hud.gov

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

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

1. Go to the “Package” tab of the Grant Opportunity. Click “Preview” to view the instructions and application package. Click “Apply” and “Create a Workspace” to access fillable forms and begin the application process.
2. Click “Download Instructions” to download a WinZip folder containing the following files:
 - i. Comprehensive Housing Counseling NOFA pdf
 - ii. HUD 50153 Certification of Consistency with Promise Zone pdf
 - iii. Mandatory Chart A2 and Chart B2 Supplemental Excel Spreadsheets (for Intermediaries, SHFAs and MSOs)
3. The [grants.gov](http://www.grants.gov) Workspace will list Mandatory and Optional forms, fillable as PDFs or webforms, if available. Applicants must complete all required fields and upload the Mandatory forms in order for grants.gov to allow submission of the package. Grants.gov may not permit submission of an incomplete or improperly filled-out form.
4. To add required attachments (like the HUD-9906 Charts, Excel supplemental spreadsheets, etc.), click "Include in Package" to use the “Attachments Form.” Click the “Add Attachment” box to attach documents and forms.
5. When the application is complete, you may click “Check Package for Errors.”
6. To submit the completed application on behalf of the organization, an Authorized Organization representative must click “Sign and Submit.” Applications may not be received by grants.gov or by HUD until they have been signed and submit by an AOR prior to the application deadline.

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

B. Content and Form of Application Submission.

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

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

1. Content.

Forms for your package include the forms outlined below:

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

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

See Application Checklist below for a list of required content.

2. Format and Form.

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

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

1. **SF-424, Application for Federal Assistance.** Applicants should check "new" for block 2 for "Type of Application." Applicants may leave blocks 4, 5a, and 5b blank. For block 8c of the form, ensure that your DUNS identifier is correct and is listed on SAM.gov with an active registration. In block 8d, you must include a 9 digit number for your organization's zip code (zip plus 4 digits). Applicants are not required to request a specific grant amount, but should enter a response of \$1.00 in block 18a.
2. **HUD-2880 Applicant/Recipient Disclosure/Update Report.** Applicants must complete the HUD-2880. Applicants should check the box "Initial Report." In block 4, "Amount of HUD Assistance Requested/Received" of this form, Applicants may enter \$1.00: HUD will not use this amount as a cap in establishing the maximum grant amount for the applicant (applicants may indicate a maximum grant amount in the HUD-9906). Applicants that have received or expect to receive HUD assistance for housing counseling in excess of \$200,000 during FY 2019 must select "yes" under the second question in "Part I Threshold Determinations." Detailed instructions for completing the form are found at this link: <http://portal.hud.gov/hudportal/documents/huddoc?id=2880.pdf>.
3. **HUD-9906 Housing Counseling Charts.** LHCA applicants must complete and submit the HUD-9906-L. Intermediary/SHFA/MSO applicants must complete and submit the HUD-9906-P and required Excel spreadsheet attachments for Chart A2 and Chart B2. Applicant's name and location will auto-populate onto the HUD-9906 charts from the

Applicant's SF-424. Please be advised that there are multiple components (i.e., Chart A, Chart B, etc.) that comprise the HUD-9906. As these charts change each grant cycle, Applicants may not reuse the HUD-9906 from previous applications.

4. **Organization Description.** Applicants must provide a brief description of their organization of no more than 225 words. This description will appear in the press release issued by HUD announcing the grant awards if the Applicant is funded through this NOFA. Each description should contain: organizational history, purpose and mission, years of service, affordable housing services provided, and agency web address for additional information.
5. **Audit.** Applicants must provide the most recent audit of financial activities (e.g. a single or program-specific audit required under 2 C.F.R. Part 200.501) with completed audit no earlier than its fiscal year 2016. All Applicants not required to complete a single or program-specific audit under 2 C.F.R. Part 200.501 must submit their most recent independent financial audit. HUD will review individual circumstances upon request.
6. **Certification Regarding Lobbying.** All applicants must complete the Certification Regarding Lobbying to ensure applicants acknowledge the requirements in Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment) and 24 CFR part 87. These statutes and regulation prohibit the use of federal award funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific award. This is separate from the requirement for applicants to report lobbying activities using the SF-LLL form.

b. Application Checklist (Applicable Only to Certain Applicants). Below are forms, information, and certifications that certain Applicants must include depending on their individual circumstances:

1. **HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation (if applicable).** Applicants requesting Promise Zone preference points must submit a form signed by the authorized official for the designated Promise Zone.
2. **HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period October 1, 2017 through September 30, 2018 (if applicable).** Applicants will be evaluated based on the HUD-9902 data in HUD's Housing Counseling System (HCS). It is the Applicants' responsibility to ensure that their HUD-9902 data in HCS is correct prior to the application due date. Newly approved applicants that received approval as HUD housing counseling agencies after September 30, 2018, must prepare and submit a HUD-9902 as part of the application.
3. **SF-LLL, Disclosure of Lobbying Activities (if applicable).**
4. **SHFA Statutory Authority (if applicable).** SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFA, and must submit evidence of their authority to apply for funds and subsequently use any funds awarded. Applicants should verify that their agency profile information is accurately represented in HUD's HCS and validate the information prior to submitting the grant application. HUD will contact SHFA Applicants that are new to the program to establish their profiles in the HCS.

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

1. SAM Registration Requirement

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

2. DUNS Number Requirement.

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

3. Requirement to Register with Grants.gov.

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

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

D. Application Submission Dates and Times.

The application deadline is 11:59:59 p.m. Eastern time on **04/25/2019**. Applications must be received no later than the deadline.

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

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

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

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

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

- Log in to Grants.gov.
- Click the Check Application Status link, which appears under the Grant Applications heading in the Applicant Center page. This will take you to the Check Application Status page.
- Enter search criteria and a date range to narrow your search results.
- Click the Search button. To review your search results in Microsoft Excel, click the Export Data button.
- Review the Status column.
- To view more detailed submission information, click the Details link in the Actions column.
- To download the submitted application, click the Download link in the Actions column.

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

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

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

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

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

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

1. Amending or Resubmitting an Application.

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

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

2. Grace Period for Grants.gov Submissions.

If your application is received by Grants.gov before the deadline, but is rejected with errors, you have a grace period of 24 hours after the application deadline to submit a corrected, received, and validated application through Grants.gov. The date and time stamp on the Grants.gov system determines the application receipt time. Any application submitted during the grace period not received and validated by Grants.gov will not be considered for funding. There is no grace period for paper applications.

3. Late Applications.

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

4. Corrections to Deficient Applications.

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

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

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

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

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

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

E. Intergovernmental Review.

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

F. Funding Restrictions.

Eligible Activities. HUD requires grantees to utilize housing counseling grant funds for the delivery of counseling and education services that benefit clients. Eligible cost categories are:

1. the cost of client education and materials
2. oversight, compliance, and quality control
3. supervision of housing counseling staff
4. housing counselor training
5. housing counselor certification
6. marketing and outreach initiatives

HUD reserves the right to review and approve or reject reimbursement of direct costs that are outside the scope of housing counseling and group education services.

Indirect Cost Rate.

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

Nongovernmental organizations and Indian tribal governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If you have never received a Federally negotiated indirect cost rate and elect to use the de minimis rate, your application must clearly state you intend to use the de minimis rate of 10% of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. Once an organization elects to use the de minimis

rate, the organization must apply this methodology consistently for all Federal awards until the organization chooses to negotiate for a rate, which the organization may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit. State and local governments. If your department or agency unit has a Federally negotiated indirect cost rate, your application must include that rate, the applicable distribution base, and a letter or other documentation from the cognizant agency showing the negotiated rate. If your department or agency unit receives more than \$35 million in federal funding, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in Appendix VII to 2 CFR part 200.

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

G. Other Submission Requirements.

1. Application Certifications and Assurances

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

2. Lead Based Paint Requirements

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

V. Application Review Information.

A. Review Criteria.

1. Rating Factors.

Scope of Review. HUD will review applications in accordance with the requirements of this NOFA and the Housing Counseling Program. HUD may rely on performance monitoring and audit reports, financial status information, and other information available to HUD to make score determinations. The maximum points for each factor are outlined below. Applicants that manage networks of counseling agencies should not submit a separate response for each proposed Sub-grantee and Branch. Rather, such applicants will be directed to use the Excel spreadsheet supplements to Chart A2 and B2 to capture data relevant to each Sub-grantee.

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

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

RATINGS FACTOR		POINTS	CHART
Rating Factor 1. Capacity of the Applicant			
Sub-factor A	HECM Average Hours	2	N/A
Sub-factor B	Training and Industry Standards	6	Chart A
Sub-factor C	Performance Reviews	7	N/A
Sub-factor D	Client Satisfaction and Progress	6	Chart A
Rating Factor 2. Need / Departmental Policy Priorities			
Sub-factor A	Rural Communities	5	N/A
Sub-factor B	Vulnerable Populations	10	Chart C
Rating Factor 3. Soundness of Approach			
Sub-factor A	Impact (Clients served)	12	N/A

Sub-factor B	Cost per Client	5	Chart A
Sub-factor C	Counseling Ratio	3	Chart A
Sub-factor D	Grant to Expenses Ratio	4	Chart A
Sub-factor E	Allocation to Sub-grantees	2	Chart A
Sub-factor F	Counseling and Education Services	4	N/A
Sub-factor G	Modes of Providing Services	8	Chart A
Sub-factor H	Oversight Activities	6	Chart D
Rating Factor 4. Leveraging Resources			
Sub-factor A	Itemized Leveraging	5	Chart C
Rating Factor 5. Achieving Results and Program Evaluation			
Sub-factor A	HCS Reporting	4	N/A
Sub-factor B	Grant Expenditure History	6	N/A
Sub-factor C	Counseling Outcomes	5	N/A
PREFERENCE POINTS (maximum of 2 points total)			
Option 1	Disaster Awareness / Emergency Preparedness	2	Chart C
Option 2	Promise Zone	2	HUD-50153

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

Rating Factor 1: Capacity of the Applicant

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

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

- Fifty percent or more of counselors received formal housing counseling training in the past two years, not including on-the-job training (Field I)

- Agencies have any counselors on staff who have passed the HUD Housing Counseling Certification Exam and are HUD-certified housing counselors (Field J)

- Agencies adopted the National Industry Standards for Homeownership Education and Counseling (<http://homeownershipstandards.com>) prior to the NOFA application submission date (Field K)

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

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

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

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

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

- Issued client exit surveys at the end of counseling or education sessions (Field L)

- Issued any follow-up client surveys after the counseling was completed (Field M)

- Pulled credit reports as part of post-counseling follow-up six months or more after counseling was completed (Field N)

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

Rating Factor 2: Need / NOFA Priorities. HUD will evaluate the degree to which the

Applicant addressed the needs identified and, where requested, cited source information and provided examples or brief descriptions of activities proposed to address the needs. Intermediaries, SHFAs, or MSOs that manage a network of counseling agencies must provide at least three examples from their network.

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

(b) Identifying Impediments to Fair Housing (3 points). Applicants must affirmatively further fair housing in their use of grant funds, per Section 808(e)(5) of the Fair Housing Act. In Chart C (Fields A-C), Applicants must specify impediments to fair housing in their service area (and, if applicable, their network's service areas). Applicants must describe at least one activity that seeks to overcome the effects of such impediments and describe how it will measure outcomes. Applicants must maintain records of these activities.

[Applicants should identify the applicable state or local Consolidated Plan, Analysis of Impediments to Fair Housing Choice (AI), Assessment of Fair Housing (AFH), or other source of information on impediments to fair housing, including but not limited to, discriminatory housing practices under the Fair Housing Act. Applicants can find out more information about impediments to fair housing within their jurisdiction by consulting with their applicable local or state government agency.]

(c) Staff Training (2 points). Applicants must describe how they will train their staff on fair housing and civil rights laws, their method of providing clients with information about their rights, and their mechanism for referring potential fair housing violations to HUD, state or local fair housing agencies, or private fair housing groups.

(d) Persons with Disabilities (2 points). In a brief narrative, Applicants must describe how they will provide meaningful program access to persons with disabilities.

(e) Persons with Limited English Proficiency (2 points). In a brief narrative, Applicants must describe how they will provide meaningful program access to persons with Limited English Proficiency (LEP).

(f) Lead-Based Paint (1 point). Applicants must describe how they inform clients about the hazards of lead.

Rating Factor 3: Soundness of Approach / Scope of Housing Counseling Services. This factor addresses the quality and effectiveness of the Applicant's past and proposed housing counseling activities. HUD will evaluate the past impact of the Applicant's housing counseling services and the complexity of the Applicant's work plan.

(a) Impact (12 points). HUD will evaluate the total number of clients served by the Applicant.

[Newly-approved applicants who were not required to submit a HUD-9902 during this period must prepare and submit a HUD-9902 as part of the application. Applicants who were

previously required to submit a HUD-9902 will be evaluated based on their report submitted through the Housing Counseling System (HCS). Applicants are responsible for ensuring that the information contained in HCS is correct before the application due date. HUD will not consider a HUD-9902 submitted with the application by Agencies that were not newly-approved (i.e. after September 30, 2018) and were previously required to submit the report.]

(b) Actual Expenses: Cost per Client (5 points). HUD will evaluate the Applicant's Housing Counseling Program actual expenses for the period October 1, 2017 through September 30, 2018. Applicants must document their total housing counseling program expenses (Chart A, Field S). Agencies that became HUD-approved midway through the fiscal year should ensure that both their 9902 data and their expenses reflect the entire fiscal year, and not just that portion for which the agency was HUD-approved.

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

(d) Actual Expenses: Ratio of HUD Grant to Total Expenses (4 points). HUD will calculate the ratio of an Applicant's previous HUD grant to its total Housing Counseling Program actual expenses.

(e) Allocation to Sub-Grantees (2 points). Intermediaries, SHFAs, and MSOs must indicate the percentage of the proposed award the Applicant intends to allocate to itself (Chart A2, Field P1) and to each Sub-grantee and Branch (Chart A2, Field P2).

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

(g) Methods of Service Delivery Provided (8 points). HUD permits housing counseling agencies to provide various modes of counseling and education that reach a broader range of clients who would not otherwise receive housing counseling services. Applicants must indicate their methods of service provision in Chart A, Fields T-W. Additionally, all counseling agencies should remember to update their HCS profile with this information during their quarterly validation process.

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

Rating Factor 4: Leveraging Resources (5 Points). HUD Housing Counseling grants should not be the sole source of funds for a housing counseling program. Grantees are expected to seek other sources of funding, both private and public, to supplement HUD grant funding. HUD will

calculate the ratio of an Applicant's HUD grant to its total qualified leveraged funding

Applicants are evaluated based on their ability to demonstrate that they have obtained non-federal resources including direct financial assistance (grants), fees, program income, and in-kind contributions for the period of performance. Resources provided by non-federal government sources, public or private nonprofit organizations, for-profit organizations, or other entities will be counted toward the Applicant's leveraged funding total. Do not include funds unless they are exclusively allocated for the housing counseling program. Grantees must maintain evidence that leveraged funds were actually provided to the agency. Files may be reviewed by HUD staff as a part of the performance reviews and on-site monitoring visits.

Leveraging resources cannot consist of federal funds, directly or indirectly. Federal funds that are passed through state and local governments are ineligible.

Applicants must list their leveraged resources in Chart B. Applicants must complete all fields for each resource. Leveraged resources claimed by an Applicant must meet the criteria in 2 C.F.R. Part 200. Intermediary/SHFA/MSO applicants must submit itemized information on the supplemental Excel spreadsheet AND enter total leveraged amounts on 9906 Chart B2. Please ensure the total amount on the spreadsheet is the same as the total entered on Chart B2. Leveraged totals that do not match constitute a non-curable deficiency.

- In Field A, enter the name of the Applicant, Sub-grantee, or Branch (not applicable to LHCAs).
- In Field B, enter the name of the organization providing the resources, including the point of contact who can verify that these resources are dedicated.
- In Field C, enter the type of contribution.
- In Field D, enter the intended use of the leveraged funds (must be exclusively allocated for the housing counseling program).
- In Field E, enter the amount of funds from this resources.

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

Agencies are not permitted to charge fees for default counseling or homeless counseling. In order to receive credit for the fee income, it must be identified as program income on line "18. Estimated Funding, f. Program Income" of SF-424 "Application for Federal Assistance" as well as in Chart B.

Rating Factor 5: Achieving Results. HUD will assess Applicant's performance in achieving agreed upon performance goals and commitments made in their applications and grant agreements.

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

(b) Grant Expenditure History (6 points). HUD will evaluate the Applicant's expenditure of previously-awarded grant funds. Significant delays in grant expenditure beyond the period of performance, including the need to recapture funding, will be taken into consideration. Applicants that repeatedly fail to expend their grant awards within the period of performance may be deemed ineligible applicants in subsequent NOFAs. HUD will use its own records to score this factor.

(c) Counseling Outcomes (7 points). HUD will evaluate the positive impacts that an Applicant's housing counseling services had on clients. HUD will use its own records to score this factor.

CHC Preference Points. Preference points will be awarded only after an application has earned a minimum fundable score (i.e., the preference points do not assist the applicant to meet the minimum fundable score). Applicants can earn up to a maximum of two preference points for all qualified activities:

HUD encourages agencies to have housing counselors with training in emergency preparedness and/or disaster recovery. Applicants must describe their activities in Chart C (Fields G-H). HUD will award two points for qualified activities.

2. Preference Points.

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

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

B. Review and Selection Process.

1. Past Performance

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

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

h. The number of persons to be served or targeted for assistance. HUD may reduce scores as specified under V.A. Review Criteria. Each NOFA will specify how past performance will be rated or otherwise used in the determination of award amounts. Whenever possible, HUD will obtain past performance information from staff with the greatest knowledge and understanding of each applicant's performance. If this evaluation results in an adverse finding related to integrity or performance, HUD reserves the right to take any of the remedies provided in Section III.D 1. Pre-selection Review of Performance, above.

2. Assessing Applicant Risk

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

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

3. Review and Selection Process.

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

General Review. During the second review, Applications will be evaluated competitively and ranked against other Applicants that applied in the same funding category.

Minimum Fundable Score. All applications will be scored on a 100 point scale, not including preference points. HUD anticipates making awards to all Applicants scoring 75 points or greater. If available funds are insufficient to provide grants to all Applicants achieving the minimum fundable score, grants will be awarded in rank order until all available funds have been distributed. HUD reserves the right to adjust the minimum fundable score.

Funding Methodology. This methodology awards agencies a base award determined by the size and nature of their counseling networks. The methodology then augments that amount based on performance within HUD's Housing Counseling Program and other relevant criteria.

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

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

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

(1) LHCA's applying independently are not eligible to manage a network of sub-grantees. While LHCA's applying independently may sub-allocate HUD grant funds to their Branch offices, the funding formula will not augment the award for such offices.

(2) For Intermediaries, SHFA's, and MSO's that provide sub-grants or fund Branches, the award

will be calculated based on the nature of the Applicant's network (Chart A2, Field D). Intermediaries, SHFAs, and MSOs that provide counseling services at their main office, HUD will count the main office in this calculation. To be considered, a Branch office must provide housing counseling services to a minimum of thirty clients per year.

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

(c) Funding to Support a Network. HUD may augment the award for oversight and quality control activities. HUD may base a portion of this calculation on an Applicant's plan to review members of its network using form HUD-9910 and to share results and follow-up actions with HUD (Chart D2, Field 3). Chart D2 includes a space for Applicants to indicate the number of Sub-grantees and Branches (from 0 to 5) that they propose to review during the upcoming performance period.

(d) Number of Counselor FTEs. HUD may augment the award based on the number of FTEs that provide housing counseling services as of September 30, 2018 (Chart A, Field F). Applicants that provide counseling services at their main office may count the number of housing counselor FTEs at the main office in addition to the offices of Sub-grantees and/or Branches.

(e) Funding of Reverse Mortgage Counseling. HUD may augment the award based on the number of HECM Roster Counselors that provide housing counseling services as of September 30, 2018 (Chart A, Field G).

(f) Funding of Default Counseling for Reverse Mortgages. HUD may augment the award based on an Applicant's commitment to providing HECM default counseling. Applicants are asked to indicate how many of their counselors will provide default counseling for reverse mortgage borrowers from 10/1/2018 to 3/30/2020 (Chart A, Field H). As a reminder, default counseling for reverse mortgages can be provided by non-HECM Roster counselors.

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

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

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

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

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

the time allotted. Grantees are required to cooperate with recapture requests.

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

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

C. Anticipated Announcement and Award Dates.

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

VI. Award Administration Information.

A. Award Notices.

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

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

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

1. Compliance with Non-discrimination and Other Requirements.

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

- Compliance with Fair Housing and Civil Rights Laws.
- Affirmatively Furthering Fair Housing.
- Economic Opportunities for Low-and Very Low-income Persons (Section 3).

- Improving Access to Services for Persons with Limited English Proficiency (LEP).
- Accessible Technology.

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

In accordance with 24 CFR **Part 50, Section 50.19(b)(2), (3), (4), (9), (12), and (13) of the HUD regulations**, activities funded under this NOFA are categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and not subject to environmental review under related laws and authorities.

C. Reporting.

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

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

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

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

4. Activity Report. Grantees are required to submit Form HUD-9902, Housing Counseling Activity Report, via HUD's web-based Housing Counseling System (HCS).

5. Transparency Act Reporting. Intermediaries, SHFAs, and MSOs are required to report certain sub-awards in the Federal Funding Accountability and Transparency Act Sub-award System (FSRS) website located at www.fdrs.gov or its successor system for all prime awards listed on the FSRS website (Recipient Reporting to Meet the Requirements of the Federal Funding Accountability and Transparency Act of 2006).

6. Grants Oversight and New Efficiency Act (GONE Act) Reporting. Grantees with expired grants and undisbursed balances at the end of the period of performance must provide a narrative description to their HUD POC explaining the challenges leading to delays in grant closeout.

7. Reporting Changes in Agency or Network. Grantees are reminded of their duty under 24 CFR 214.305 to notify HUD of any changes in staff personnel responsible for the Housing Counseling Program. Moreover, Intermediaries, SHFAs, and MSOs must report to HUD all changes in the composition and number of their network of Sub-grantees and funded Branches. HUD reserves the right to adjust the award if a Grantee's network changes significantly from that proposed in the grant application. For an Intermediary, SHFA or MSO, a significant change might include, but is not limited to, a 25 percent or greater decrease in the number of their Sub-grantees and funded Branches from that stated in their grant application.

D. Debriefing.

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this NOFA, HUD will provide a debriefing related to their application to requesting applicants. A request for debriefing must be made in writing or by email by the authorized official whose signature appears on the SF424 or by his or her successor in office, and be submitted to the point of contact in Section VII Agency Contact(s), below. Information provided during a debriefing may include the final score the applicant received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

VII. Agency Contacts.

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

Joel Schumacher

Housing.Counseling@hud.gov

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

applicants in preparing their applications.

VIII. Other Information.

1. National Environmental Policy Act.

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

Appendix.

Appendix A

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

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

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

Appendix B

Definitions

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

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

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

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

4. Continuity of Operations Plan (COOP). An organization's internal efforts to ensure that a viable capability exists to continue essential functions across a wide range of potential emergencies. COOP plans and procedures delineate essential functions, specify succession to

office and the emergency delegation of authority, provide for the safekeeping of vital records and databases, identify alternate operating facilities, and provide for interoperable communications.

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

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

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

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

9. Homeownership Counseling. The "Housing Counseling: New Certification Requirements" Final Rule, published in the Federal Register on December 14, 2016, defines Homeownership Counseling as Housing Counseling related to homeownership and residential mortgage loans when provided in connection with HUD's Housing Counseling Program, or required by or provided in connection with HUD Programs. Homeownership Counseling is housing counseling that covers: the decision to purchase a home; the selection and purchase of a home; issues arising during or affecting the period of ownership of a home (including financing, refinancing, default, and foreclosure, and other financial decisions); and the sale or other disposition of a home.

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

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

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

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

14. NOFA Priority. Policy priorities for HUD's Housing Counseling Program addressed by

this NOFA. HUD NOFAs for competitive funding are among the primary means by which HUD accomplishes its strategic goals and priorities.

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

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

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

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