



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

Office of Housing

Notice of Funding Opportunity (NOFO) for the Department's Fiscal Year 2021 Comprehensive  
Housing Counseling Grant Program

FR-6500-N-33

10/14/2021

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**Program Office:**

Office of Housing

**Funding Opportunity Title:**

Notice of Funding Opportunity (NOFO) for the Department's Fiscal Year 2021 Comprehensive Housing Counseling Grant Program

**Funding Opportunity Number:**

FR-6500-N-33

**Primary CFDA Number:**

14.169

**Due Date for Applications:**

10/14/2021

**Overview**

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

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

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

***Paperwork Reduction Act Statement.** The information collection requirements in this notice have been approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 35013520). In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid OMB control number. Each NOFO will identify its applicable OMB control number unless its collection of information is excluded from these requirements under 5 CFR part 1320.*

**OMB Approval Number(s):**

2502-0261

**I. FUNDING OPPORTUNITY DESCRIPTION.****A. Program Description.****1. Purpose**

**a. Program Description.** The purpose of HUD's Comprehensive Housing Counseling (CHC) 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 NOFO plays an integral role in helping individuals and families obtain housing and stay in their homes through responsible homeownership or affordable rental housing. Housing counseling agencies are an important safeguard in the prevention of housing scams and discrimination and serve as an important gateway to local, state, federal, and private housing assistance and resources.

**b. Objectives and Priorities of this NOFO.** The objectives and priorities of this NOFO include but are not limited to:

1. Distributing federal financial support to eligible housing counseling agencies to enable them to provide quality services to consumers to address their housing and financial needs.
2. Distributing federal financial support to eligible Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and other Minority Serving Institutions (MSI) to provide quality services to consumers to address their housing and financial needs.
3. Distributing federal financial support to eligible housing counseling agencies based on past performance.
4. Reducing the costs to program participants when applying for and reporting on HUD funding while maintaining accountability for federal funds.
5. Leveraging external resources and funding to increase the sustainability of quality housing counseling programs.
6. Supporting the housing counseling industry in implementing counselor certification to increase the quality, consistency, and effectiveness of housing counseling.
7. Ensuring distribution of funding amounts for rural areas with low levels of access to housing counseling services.
8. Providing housing counseling services to traditionally underserved populations, such as people of color, seniors, veterans, persons with disabilities, and persons with limited English proficiency.

## **2. Changes from Previous NOFO.**

### **Two-Year NOFO. One Competition Distributes Subsequent Year Funding if Available.**

HUD will use the grant applications received for FY 2021 and the corresponding scores to make awards for FY 2022, subject to the availability of appropriations. HUD will contact eligible FY 2021 grantees to determine their interest in FY 2022 funds if available. HUD also reserves the right to issue a supplemental comprehensive housing counseling NOFO in FY 2022, which may be limited to new applicants or to provide support for a specific housing counseling activity.

**Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and Minority Serving Institutions (MSI).** HUD will provide increased financial support to eligible HUD-approved housing counseling agencies that demonstrate their status as an HBCU or other MSI and/or to HUD-approved housing counseling agencies partnering with HBCUs and MSIs.

**Changes to Eligibility Information.** Applicants and Subgrantees are prohibited from applying for or receiving FY 2021 CHC Program grant funding from multiple sources. For example,

applying for funding under this NOFO as both a direct Grantee (e.g. a Local Housing Counseling Agency (LHCA)) and as a Subgrantee of an Intermediary or SHFA is prohibited. Likewise, applying for funding under this NOFO as a Subgrantee of two different Intermediaries or as a Subgrantee of an Intermediary and as a Subgrantee of an SHFA is prohibited. There are no exceptions to this requirement.

**Changes to the Minimum Fundable Score.** For FY 2021, HUD anticipates making awards to all Applicants scoring 75 points or greater.

**Change to the Period of Performance.** The period of performance for grants awarded under this program is April 1, 2021, through September 30, 2022.

### **Changes to the Application Package.**

- 1. Leveraging.** Any Applicant with leveraged resources must complete *Chart B: Leveraged Resources (Excel)*. Applicants will no longer be required to transfer their total leveraging to form HUD-9906 (PDF). (*Note:* Unless otherwise specified, the term “Form HUD-9906” refers to form HUD-9906-L for LHCA Applicants and to form HUD-9906-P for Intermediary/SHFA/MSO Applicants).
- 2. Total Program Expenses.** There is a new *Chart E: Use of Funds (Excel)*. All Applicants must document their total housing counseling program expenses using this chart.
- 3. Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and other Minority Serving Institutions (MSI).** There is a new *Chart F*. This Chart only needs to be completed by Applicants requesting funds dedicated for HBCUs and other MSIs (and partnerships therewith).

### **Changes to Preference Points.**

1. Applicants do not have to reach a fundable score to be awarded preference points.
2. There are no longer preference points for “Emergency Preparedness/Disaster Recovery.” Points for “Emergency Preparedness/Disaster Recovery” will be considered in Rating Factor 2.

### **Changes to the Funding Methodology and Rating Factor.**

- 1. Funding to Support a Network.** HUD may augment an Applicant’s award for oversight and quality control activities. The bonus will be capped at the lesser of a) five reviews or b) 50% or less of the Applicants funded network.

#### **0. Definitions.**

##### a. Standard Definitions

**Affirmatively Furthering Fair Housing (AFFH).** Affirmatively Furthering Fair Housing (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.

**Assistance Listings** means a unique number assigned to identify a Federal Assistance Listing, formerly known as the CFDA Number.

**Federal Financial Assistance** means assistance that entities received or administer in the form of:

- 1) Grant;
  2. Cooperative agreements (which does not include a cooperative research and development agreement pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710a));
  3. Loans;
  4. Loan guarantees;
  5. Subsidies;
  6. Insurance;
  7. Food commodities;
  8. Direct appropriations;
  9. Assessed or voluntary contributions; or
  10. Any other financial assistance transaction that authorizes the non-Federal entity's expenditure of Federal funds.
- b. Federal Financial Assistance does not include:
1. Technical assistance, which provides services in lieu of money; and
  2. A transfer of title to federally owned property provided in lieu of money, even if the award is called a grant.

**Authorized Organization Representative (AOR)** is the person authorized to submit applications on behalf of the organization via [Grants.gov](https://www.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.

**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 HUD's requirements regarding the Consolidated Plan and related Action Plan).

**Contract** means, [for the purpose of Federal financial assistance](#), a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a Federal award. For additional information on contractor and subrecipient determinations see 2 CFR 200.331.

**Contractor** means an entity that receives a contract as defined in 2 CFR 200.1.

**Deficiency** is information missing or omitted within a submitted application. Examples of deficiencies include missing documents, information on a form, or some other type of unsatisfied

information requirement (e.g., an unsigned form, unchecked box.). Depending on specific criteria, deficiencies may be either curable or non-curable.

- *Curable Deficiencies* may be corrected by the applicant with timely action. To be curable the deficiency must:
- Not be a threshold requirement, except for documentation of applicant eligibility;
- Not influence how an applicant is ranked or scored versus other applicants; and
- Be remedied within the time frame specified in the notice of deficiency.
- *Non-Curable Deficiencies* cannot be corrected by an applicant after the submission deadline.

Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score or rank versus other applicants. Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

**DUNS Number** is the nine-digit Dun and Bradstreet Data Universal Number

System identification number assigned to a business or organization by Dun & Bradstreet and provides a means of identifying business entities on a location-specific basis. OMB removed duplicate recipients based on recipient Data Universal Number System (DUNS) numbers, from Dun & Bradstreet (D&B). At this time all Federal financial assistance recipients are required to register for DUNS numbers.

**E-Business Point of Contact (E-Biz POC)** A user registered as an organization applicant who is responsible for the administration and management of grant activities for his or her organization. The E-Biz POC is likely to be an organization's chief financial officer or authorizing official. The E-Biz POC authorizes representatives of their organization to apply on behalf of the organization (see Standard AOR and Expanded AOR). There can only be one E-Biz POC per DUNS Number.)

**Eligibility requirements** are mandatory requirements for an application to be eligible for funding.

**Federal award**, has the meaning, depending on the context, in either paragraph (1) or (2) of this definition:

(1)(i) The Federal financial assistance that a recipient receives directly from a Federal awarding agency or a subrecipient receives indirectly from a pass-through entity, as described in 2 CFR §200.101; or

- ii. The cost-reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in 2 CFR §200.101.

2. The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (2) of the definitions of Federal financial assistance in 2 CFR §200.1, or the cost-reimbursement contract awarded under the Federal Acquisition Regulations.



3. Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate Federal Government owned, contractor operated facilities (GOCOs).
4. See also definitions of Federal financial assistance, grant agreement, and cooperative agreement.

[Grants.gov](https://www.grants.gov) is the website serving as the Federal government's central portal for searching and applying for Federal financial assistance throughout the Federal government. Registration on [Grants.gov](https://www.grants.gov) is required for submission of applications to prospective agencies unless otherwise specified in this NOFO.

**Non-Federal Entity (NFE)** means a state, local government, Indian tribe, Institution of Higher Education (IHE), or non-profit organization that carries out a Federal award as a recipient or subrecipient.

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

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

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

**Recipient** means an entity, usually but not limited to non-Federal entities, that receives a Federal award directly from HUD. The term recipient does not include subrecipients or individuals that are beneficiaries of the award.

**Small business** is defined as a privately-owned corporation, partnership, or sole proprietorship that has fewer employees and less annual revenue than a corporation or regular-sized business. The definition of "small"—in terms of being able to apply for government support and qualify for preferential tax policy—varies by country and industry. The U.S. Small Business Administration defines a small business according to a set of standards based on specific industries. {[e-CFR Title 13-Chapter I – Part 121](#)}

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

**Subrecipient** means an entity, usually but not limited to non-Federal entities, that receives a subaward from a pass-through entity to carry out part of a Federal award but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly for a Federal awarding agency.

**System for Award Management (SAM)** means the Federal Repository into which an entity must provide information required for the conduct of business as a recipient. Registration with SAM is required for submission of applications via [Grants.gov](https://www.grants.gov). You can access the website

[athttps://www.sam.gov/SAM/](https://www.sam.gov/SAM/). There is no cost to use SAM.

**Threshold Requirements** are an eligibility requirement that must be met for an application to be reviewed. Threshold requirements are not curable, except for documentation of applicant eligibility and are listed in Section III.D Threshold Eligibility Requirements. Similarly, there are eligibility requirements under Section III.E, Statutory and Regulatory Requirements Affecting Eligibility.

**Unique Entity Identifier** means the identifier required for SAM registration to uniquely identify business entities.

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

Program specific definitions are available in Appendix A, Definitions.

##### **B. Authority.**

HUD's Housing Counseling Program is authorized by Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1701x) (Section 106) and Section 4 of the Department of Housing and Urban Development Act (42 U.S.C. § 3533) as amended. The Housing Counseling Program regulations are codified at 24 C.F.R. Part 214. The Home Equity Conversion Mortgage Program (HECM) is authorized by Section 255 of the National Housing Act (12 U.S.C. § 1715z-20), and its regulations are codified at 24 C.F.R. Part 206. Funding for this program is provided by the Consolidated Appropriations Act, 2021 (Public. Law 116-260, approved December 27, 2020).

## **II. Award Information.**

### **A. Available Funds**

Funding of approximately \$ **51,000,000** is available through this NOFO.

Additional funds may become available for award under this NOFO, because of HUD's efforts to recapture funds, use carryover funds, or because of the availability of additional appropriated funds. Use of these funds is subject to statutory constraints. All awards are subject to the funding restrictions contained in this NOFO.

\$3,000,000 of the approximately \$51,000,000 will be for HUD-approved housing counseling agencies that are HBCUs or other MSIs and/or for HUD-approved housing counseling agencies that partner with an HBCU or other MSI to provide counseling and group education.

**One Competition Distributes Subsequent Year Funding if Available.** HUD will use the grant applications received for FY 2021 and the corresponding scores to make awards for FY 2022, subject to the availability of appropriations. HUD will contact eligible FY 2021 grantees to determine their interest in FY 2022 funds if available. HUD also reserves the right to issue a supplemental comprehensive housing counseling NOFO in FY 2022, which may be limited to new applicants or to provide support for a specific housing counseling activity.

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

HUD expects to make approximately 250 awards from the funds available under this NOFO.

The number of awards under this NOFO will depend on the number of eligible applicants and other factors. For information on the methodology used to make award determinations under this NOFO, see Section V.B.

### C. Minimum/Maximum Award Information

- 1. Total Grant Request.** Applicants are not required to request a specific award amount, nor provide a proposed budget for a grant amount but should enter a response of \$1.00 in line 18a of the SF-424, Application for Federal Assistance.
- 2. Award Adjustments.** Once Applicants are selected for award, HUD will determine the total amount to be awarded to each grantee. HUD reserves the right to adjust funding levels for each grantee.
- 3. Minimum and Maximum Award Amounts.** Applicants may indicate a maximum grant request that will be considered as a cap in establishing the maximum Comprehensive Housing Counseling award, up to \$3 million.

HBCU and other MSI funds will be awarded to HUD-approved housing counseling agencies in addition to the maximum award amount.

Estimated Total Funding:

\$ 51,000,000

Minimum Award Amount:

\$ 1

Per Project Period

Maximum Award Amount:

\$ 3,000,000

Per Project Period

### D. Period of Performance

Estimated Project Start Date:

04/01/2021

Estimated Project End Date:

09/30/2022

Length of Project Periods:

18-month project period and budget period

Length of Periods Explanation of Other:

The initial period of performance for grants awarded under this program will be for a period of 18 months. For planning purposes, Applicants should assume that the period of performance is April 1, 2021 through September 30, 2022.

### E. Type of Funding Instrument.

Funding Instrument Type:

G (Grant)

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

### III. Eligibility Information.

## **A. Eligible Applicants.**

25 (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 NOFO issue date. In addition, SHFAs are eligible for this NOFO 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, HUD Handbook 7610.1 Rev-5, and other governing policies and requirements.

**2. Limits on Applicants.** Applicants and Subgrantees are prohibited from receiving FY 2021 Housing Counseling Program grant funding from multiple sources. For example, receiving funding under this NOFO as both a direct Grantee (e.g. LHCA) and as a Subgrantee of an Intermediary or SHFA is prohibited. Likewise, receiving funding under this NOFO as a Subgrantee of two different Intermediaries/SHFAs is prohibited.

## **B. Ineligible Applicants.**

Applicants that do not meet the criteria of Section III.A. are ineligible.

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

This Program does not require cost sharing or matching, but provides points based on leverage as describe below.

See Rating Factor 4: Leveraging Resources in Section V.A.

## **D. Threshold Eligibility Requirements.**

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

**1. Resolution of Civil Rights Matters.** Outstanding civil rights matters must be resolved before the application deadline. Applicants, who after review are confirmed to have civil rights matters unresolved at the application deadline, will be deemed ineligible. Their applications will receive no further review, will not be rated and ranked, and they will not receive funding.

- a. Applicants having any of the charges, cause determinations, lawsuits, or letters of findings referenced in subparagraphs (1) – (5) that have not been resolved to HUD's satisfaction before or on the application deadline date are ineligible for funding. Such matters include:
  1. Charges from HUD concerning a systemic violation of the Fair Housing Act or receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of a substantially equivalent state or local fair housing law proscribing discrimination because of race, color, religion, sex, national origin, disability or familial status;
  2. Status as a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging a pattern or practice of discrimination or denial of rights to a group of persons raising an issue of general public importance under 42 U.S.C. 3614(a);
  3. Status as a defendant in any other lawsuit filed or joined by the Department of Justice, or in which the Department of Justice has intervened, or filed an amicus brief

- or statement of interest, alleging a pattern or practice or systemic violation of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974, the Americans with Disabilities Act or a claim under the False Claims Act related to fair housing, non-discrimination, or civil rights generally including an alleged failure to affirmatively further fair housing;
4. Receipt of a letter of findings identifying systemic non-compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974; or the Americans with Disabilities Act; or
  5. Receipt of a cause determination from a substantially equivalent state or local fair housing agency concerning a systemic violation of provisions of a state or local law prohibiting discrimination in housing based on sexual orientation, gender identity, or lawful source of income.
- b. HUD will determine if actions to resolve the charge, cause determination, lawsuit, or letter of findings taken before the application deadline date will resolve the matter. Examples of actions that may be sufficient to resolve the matter include, but are not limited to:
1. Current compliance with a voluntary compliance agreement signed by all the parties;
  2. Current compliance with a HUD-approved conciliation agreement signed by all the parties;
  3. Current compliance with a conciliation agreement signed by all the parties and approved by the state governmental or local administrative agency with jurisdiction over the matter;
  4. Current compliance with a consent order or consent decree;
  5. Current compliance with a final judicial ruling or administrative ruling or decision; or
  6. Dismissal of charges.

**2. Timely Submission of Applications.** Applications submitted after the deadline stated within this NOFO that do not meet the requirements of the grace period policy will be marked late. Late applications are ineligible and will not be considered for funding. See Section IV. D. Application Submission Dates and Times.

### **E. Statutory and Regulatory Requirements Affecting Eligibility.**

#### **Eligibility Requirements for Applicants of HUD's Grants Programs**

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

- Active Prime and Sub Recipient registration with [SAM.gov](#)
- 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

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

- 1. Audits and Investigations.** Successful Applicants must provide the most recent audit of financial activities (e.g., a single or program-specific audit required under 2 C.F.R. §200.501) completed no earlier than fiscal year 2018. All Applicants not required to complete a single or program-specific audit under 2 C.F.R. §200.501 must submit their most recent independent financial audit. HUD will review individual circumstances upon request.  
At the time of the NOFO application submission date and thereafter, all Applicants must disclose to HUD the status of active investigations as outlined in 24 CFR § 214.103(c)(3). HUD may determine that Applicants are not eligible for grant funding based on its review of HUD, HUD Office of Inspector General (OIG), or other government audits or investigations.
- 2. Client Management System.** All Applicants, Branches, and Subgrantees must use a HUD-compliant Client Management System (CMS) that interfaces with HUD's Housing Counseling System (HCS). HUD will review individual circumstances when an agency is transitioning CMSs.
- 3. Subgrant Allocation.** Applicants that manage networks of counseling agencies must submit a proposed sub-allocation plan indicating how they will divide their HUD CHC Grant funds among their Branches and Subgrantees, based on percentages of the grant rather than dollar amounts (see Form HUD-9906-P, Chart A2, Fields P1 and P2). Only Subgrantees and Branches that provide housing counseling services should be listed. Subgrantees or Branches that perform only administrative functions should not be listed. Intermediaries and SHFAs that award subgrants to counseling agencies that are not HUD-approved must ensure that they meet or exceed HUD's approval standards as outlined in 24 C.F.R. Part 214 and clarified in HUD policy guidance. Further, a Subgrantee cannot be funded at 100% of its budget. During grant execution, Grantees will input this sub-allocation plan into HCS. If, after the grants are awarded, a Grantee would like to change its sub-allocation plan, the Grantee must make a request in writing and provide justification.
- 4. Subgrant Agreement.** Intermediaries and SHFAs that award subgrants must execute subgrant agreements with Subgrantees that delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD and compliance with HUD rules and regulations. These records must meet the data requirements of the Federal Funding Accountability and Transparency Act of 2006 (FFATA) (P.L. 109-282), and must be made available to Subgrantees, Branches, and HUD within 30 days of making the subaward or allocation.
- 5. Succession and Contingency Plans.** Grantees shall make available to HUD, upon request, plans demonstrating how they will ensure continuity of services to consumers.
- 6. Documentation of Expenses.** All Grantees and Subgrantees must be able to demonstrate and document the actual cost of service provision. The amount billed cannot exceed the actual cost of providing the service. The Grantee and Subgrantees must maintain source documentation of direct costs, such as invoices, receipts, cancelled checks, and personnel activity reports, to support all Line of Credit Control System (LOCCS) draw requests for payment. This information must be made available upon request and maintained for a

period of at least three years after the expiration of the Grant period or date of last payment, whichever occurs first.

7. **Documentation of Personnel Expenses.** Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and meet the standards required in 2 C.F.R Part 200.430(i). The records must support the distribution of employee's salaries and wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. Budget estimates alone do not qualify as support for charges to awards. Records must reasonably reflect the total activity for which employees are compensated.
8. **Subcontracting.** Grantees and Subgrantees must deliver the housing counseling services set forth in the Applicant's Work Plan. It is not permissible to contract out housing counseling services, except as approved by HUD as specified in 24 C.F.R. § 214.103(i).
9. **Conflicts of Interest.** See 24 C.F.R. Part 214 and Handbook 7610.1 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. **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 and requires the same of its funding recipients: As provided in the AFFH rule (24 CFR § 5.151), "Affirmatively furthering" means: "taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with racially balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws." "Meaningful actions" are significant actions that are designed and can be reasonably expected to achieve a material positive change that affirmatively furthers fair housing by, for example, increasing fair housing choice or decreasing disparities in access to opportunity. Specifically, action must be taken to fulfill, as much as possible, the goal of open, integrated residential housing patterns and to prevent the increase of segregation, of racial groups whose lack of opportunities the Act was designed to combat. Examples of housing counseling activities that would be consistent with the obligation to AFFH include, but are not limited to, the following:
  - a. Providing persons with counseling, education, or information on discriminatory housing and mortgage lending practices and the rights and remedies available.
  - b. Maintaining a data base of accessible housing opportunities in the community and providing database for use by LEP persons or persons with disabilities.
  - c. Providing mobility counseling to help persons move to and access affordable housing in the community, including helping persons identify housing opportunities, helping them connect with landlords, and assisting them with applying for such housing.
11. **Prohibition Against Lobbying Activities.** Applicants are subject to the provisions of Section 319 of Pub L No. 101-121, 31 U.S.C. § 1352 (the 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 NOFO 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.

12. **Tax Exempt.** Applicants, Subgrantees, and Branches must be:
- a. exemption from taxation under Internal Revenue Code (IRC) Section 501 (a) as an entity described in IRC Section 501(c) (26 U.S.C. § 501 (a) and (c)), or units of local, county, or state government,
  - b. in good standing under the laws and regulations of the state of their organization, and
  - c. authorized to do business in the states in which they propose to provide housing counseling services.
13. **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. All programs or activities must be held in accessible locations, and successful applicants must give priority to methods that provide physical access to individuals with disabilities. Applicants receiving federal financial assistance shall administer their housing programs or activities in the most integrated setting appropriate to the needs of individuals with disabilities. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and HUD's implementing regulations at 24 CFR part 8; Titles II and III of the Americans with Disabilities Act (42 U.S.C 12101 et seq.) and its implementing regulations at 28 CFR parts 35 and 36.

In addition, counseling services must comply with effective communication and reasonable accommodation requirements pursuant to Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 C.F.R. part 8 and 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. parts 35 and 36.

Accessibility arrangements, auxiliary aids and services, and reasonable accommodations may include, but are not limited to, materials provided in different formats, including large print or Braille and interpreter services. Information on how to request available assistive services and reasonable accommodations must be available, as well as available in different formats. Regarding accessible technology, HUD requires its funding recipients to adopt the goals and objectives of Section 508 of the Rehabilitation Act of 1973 by ensuring, whenever electronic and information technology (EIT) is used, procured, or developed, that persons with disabilities have access to and use of the information and data made available through the EIT on a comparable basis as is made available to and used by persons without disabilities.

Further, Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d et seq., and Executive



Order 13166 require that grantees take reasonable steps to ensure meaningful access to services, programs, and activities by persons with Limited English Proficiency. For assistance, grantees should consult HUD's Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (HUD's LEP Guidance) published in the Federal Register on January 22, 2007 (72 Fed. Reg. 2732).

- 14. [Sam.gov](#) and DUNS Registration Requirement.** Applicants must have a valid, active registration in the SAM. In addition, applicants and subgrantees must have a DUNS Number.
- 15. Outstanding Performance Issues.** Applicants and Subgrantees must resolve all outstanding issues communicated by HUD in writing by the later of the application deadline date of this NOFO or the expiration date of any conditional re-approval or inactive status resulting from such written communication.
- 16. Election for Federal Office Violation.** No Applicant, Subgrantee, or Branch that employs an individual who has been convicted of a violation under federal law relating to an election for Federal office. *See* 12 U.S.C. 1701x(a)(4)(D).
- 17. Housing Counseling Work Plan.** Applicants must have an approved Housing Counseling Work Plan on file with HUD. Activities specified in the form HUD-9906 Housing Counseling Charts must be consistent with activities previously approved in the work plan prior to the application due date. Applicants are reminded of the requirement to provide counseling to at least thirty clients annually (24 CFR § 214.303(b)).
- 18. Compliance with Third Party Certifications and Licensing.** Applicants must comply with, and not in default under, any applicable state or other licensing and certification requirements. HUD will review individual circumstances upon request.
- 19. Inherently Religious Activities.** If an organization engages in inherently religious activities, such as worship, religious instruction, or proselytization, 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(e).

#### **G. Criteria for Beneficiaries.**

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

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

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

You must download both the Application Instructions and the Application Package from [Grants.gov](#). You must verify that the Assistance Listing Number and Assistance Listing Description on the first page of the Application Package, and the Funding Opportunity Title and the Funding Opportunity Number match the Program and NOFO to which you are applying.

The Application Package contains the portable document forms (PDFs) available on [Grants.gov](#), such as the SF-424 Family. The Instruction Download contains official copies of the NOFO 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 Number is not good cause. If you cannot submit your application electronically, you must ask in writing for a waiver of the electronic grant submission requirements. HUD will not grant a waiver if HUD does not receive your written mailed, shipped, or emailed request at least 15 calendar days before the application deadline and if you do not demonstrate good cause. If HUD waives the requirement, HUD must receive your paper application before the deadline of this NOFO. To request a waiver, you must contact:

Name:

Email:

[Housing.Counseling@hud.gov](mailto:Housing.Counseling@hud.gov)

HUD Organization:

Street:

City:

State:

Zip:

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

NOFO 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:
  - a. Comprehensive Housing Counseling NOFO (PDF)
  - b. Form HUD-9906-L, Local Housing Counseling Agency Application (PDF)
  - c. Form HUD-9906-P, Intermediary, State Housing Finance Agency, and Multi-Sate Organization Application (PDF)
  - d. Form HUD-9906, Chart A2 Supplement (for Intermediaries, SHFAs, and MSOs) (Excel)
  - e. Form HUD-9906, Chart B: Leveraged Resources (Excel)
  - f. Form HUD-9906, Chart E: Use of Funds (Excel)
  - g. Form HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation (PDF)
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](http://www.grants.gov) to allow submission of the application [package](#). [Grants.gov](http://www.grants.gov) may not permit submission of an incomplete or improperly filled-out form.
4. To add required attachments (like Form HUD-9906, supplemental spreadsheets, etc.), click "Include in Package" to use the “Attachments Form.” Click the “Add Attachment” box to attach documents and forms.
5. When the application is complete, you may click “Check Package for Errors.”

6. To submit the completed application on behalf of the organization, an Authorized Organization representative must click “Sign and Submit.” Applications may not be received by [Grants.gov](http://Grants.gov) or by HUD until they have been signed and submit by an AOR prior to the application deadline. For the SF-424, Form HUD-2880, and Certification Regarding Lobbying, the signature of the authorized representative and the date signed are completed upon submission.

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

**B. Content and Form of Application Submission.**

You must verify that boxes 11, 12, and 13 on the SF-424 match the NOFO 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 Assistance Listing and Funding Opportunity Number is non curable unless otherwise stated in Threshold requirements.

**1. Content.**

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
Application for Federal Assistance (SF424)	Submission is required for all applicants by the application due date.	
Disclosure of Lobbying Activities (SFLLL), if applicable	HUD will provide instructions to grantees on how the form is to be submitted.	If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the applicant shall complete and submit the SF-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Applicants must furnish

Forms/Assurances/Certifications	Submission Requirement	Notes/Description
		an executed copy of the Certification Regarding Lobbying prior to award.
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 instructions to grantees are provided by webcast, To view the webcast, <a href="#">click here</a> .

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.

\_\_\_\_\_ Pages maximum length of narratives

**a. Application Checklist (Required of all Applicants).** Below are forms, information, and certifications that all Applicants must complete. Failure to complete and submit these forms may result in loss of points or disqualification.

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 Number is correct and is listed on [SAM.gov](http://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. **Form HUD-2880 Applicant/Recipient Disclosure/Update Report.** Applicants must complete the Form 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 Form HUD-9906). Applicants that have received or expect to receive HUD assistance for housing counseling in excess of \$200,000 during FY 2021 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](http://portal.hud.gov/hudportal/documents/huddoc?id=2880.pdf).
3. **Form HUD-9906 Housing Counseling Charts.** LHCA applicants must complete and submit form HUD-9906-L (PDF). Intermediary/SHFA/MSO applicants must complete and submit the HUD-9906-P (PDF) and the Chart A2 Supplement (Excel). All applicants

must complete the form HUD-9906, Chart E: Use of Funds (Excel). All Applicants with leveraged funds must complete the Chart B: Leveraged Resources (Excel). Applicants may not reuse the form HUD-9906 from previous applications.

- 4. Certification Regarding Lobbying ([Grants.gov](https://www.grants.gov) Lobbying Form).** All applicants must complete the Certification Regarding Lobbying to ensure applicants acknowledge the requirements in 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 SF-LLL.

**b. Application Checklist - Additional Items (Applicable Only to Certain Applicants).**

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

- 1. Form HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation.** Applicants requesting Promise Zone preference points must submit a form signed by the authorized official for the designated Promise Zone.
- 2. Form HUD-9902, Housing Counseling Agency Fiscal Year Activity Report, for the Period October 1, 2019 through September 30, 2020.** Applicants will be evaluated based on HUD-9902 data in HUD's HCS. Newly approved Applicants that received approval as HUD housing counseling agencies after September 30, 2020 and did not submit a Fiscal Year 2020 Quarter 4 HUD-9902 by January 1, 2021, must prepare and submit a form HUD-9902 as part of the application for the period October 1, 2019 through September 30, 2020.
- 3. SF-LLL, Disclosure of Lobbying Activities.**
- 4. SHFA Statutory Authority.** SHFAs must submit evidence of their statutory authority to operate as a SHFA, as defined in this NOFO, and must submit evidence of their authority to apply for funds and subsequently use any funds awarded. Applicants should verify that their agency profile information is accurately represented in HUD's HCS and validate the information prior to submitting the grant application. HUD will contact SHFA Applicants that are new to the program to establish their profiles in the HCS.
- 5. Form HUD-2996 Certification for Opportunity Zone Preference Points.** Applicants must complete and submit this form in order to be eligible for Opportunity Zone preference points.
- 6. Historically Black Colleges and Universities (HBCU): Preference Points.** An Applicant partnering with a Historically Black College or University will receive up to two (2) Preference Points when the application includes a Letter of Commitment certifying that an HBCU Partnership is in place and signed by an authorizing official of the HBCU and documentation of the college or university's status as an HBCU.
- 7. Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and other Minority Serving Institutions (MSI).** Applicants requesting funds dedicated for HBCUs and other MSIs (and partnerships therewith) must submit evidence of the college or university's status as an HBCU or MSI. Additionally, Applicants that are partnering with an HBCU or other MSI must submit a letter certifying that an HBCU or other MSI partnership is in place or that there is an intent to enter a partnership. The letter must be signed by the Applicant and an authorizing official of the

HBCU or other MSI and the Applicant must provide documentation of the partnering college or university's status as an HBCU or other MSI.

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

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

Applicants must be registered with <https://www.sam.gov/> before submitting their application. Applicants must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a Federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which the applicant has an active Federal award or an application or plan under consideration by HUD.

#### **2. DUNS Number Requirement.**

Applicants must provide a valid DUNS number, registered and active at <https://www.sam.gov/> in the application. DUNS numbers may be obtained for free from Dun & Bradstreet.

#### **3. Requirement to Register with [Grants.gov](https://www.grants.gov/).**

Anyone planning to submit applications on behalf of an organization must register at [grants.gov](https://www.grants.gov/) and be approved by the E-Biz POC in SAM to submit applications for the organization. Registration for SAM and [grants.gov](https://www.grants.gov/) is a multi-step process and can take four (4) weeks or longer to complete if data issues arise. Applicants without a valid registration cannot apply through [grants.gov](https://www.grants.gov/). Complete registration instructions and guidance are provided on [grants.gov](https://www.grants.gov/).

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

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

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

10/14/2021

Applications must be received no later than the deadline, or, if HUD has issued you a waiver allowing you to submit your application in paper form, by HUD no later than the deadline.

Submit your application to [Grants.gov](https://www.grants.gov/) unless a waiver has been issued allowing you to submit your application in paper form. Instructions for submitting your paper application will be contained in the waiver of electronic submission.

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

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

"Validated by [Grants.gov](https://www.grants.gov/)" means the application has been accepted and was not rejected with errors. You can track the status of your application by logging into [Grants.gov](https://www.grants.gov/), selecting "Applicants" from the top navigation, and selecting "Track my application" from the dropdown



list. If the application status is "rejected with errors," you must correct the error(s) and resubmit the application before the 24-hour grace period ends. Applications in "rejected with errors" status after the 24-hour grace period expires will not be received by HUD. Visit [Grants.gov](https://www.grants.gov) for a complete description of processing steps after applying.

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

**Grants.gov Customer Support.** [Grants.gov](https://www.grants.gov) provides customer support information on its website at <https://www.grants.gov/web/grants/support.html> . Applicants having difficulty accessing the application and instructions or having technical problems can receive customer support from [Grants.gov](https://www.grants.gov) by calling (800) 518-GRANTS (this is a toll-free number) or by sending an email to [support@grants.gov](mailto:support@grants.gov). The customer support center is open 24 hours a day, seven days per week, except Federal holidays. The phone number above may also be reached by individuals who are deaf or hard of hearing, or who have speech disabilities, through the Federal Relay Service's teletype service at 800-877-8339.

You can verify the contents of your submitted application to confirm [Grants.gov](https://www.grants.gov) received everything you intended to submit. To verify the contents of your submitted application:

- Log in to [Grants.gov](https://www.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](https://www.grants.gov) tracking number as it will be needed by the [Grants.gov](https://www.grants.gov) Help Desk if you seek their assistance.

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

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

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

In determining whether to grant a request for an extension based on a presidentially-declared

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

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

### **1. Amending or Resubmitting an Application.**

Before the submission deadline, you may amend a validated application through [Grants.gov](https://www.grants.gov) by resubmitting a revised application containing the new or changed material. The resubmitted application must be received and validated by [Grants.gov](https://www.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](https://www.grants.gov) before the deadline.

### **2. Grace Period for [Grants.gov](https://www.grants.gov) Submissions.**

If your application is received by [Grants.gov](https://www.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](https://www.grants.gov). The date and time stamp on the [Grants.gov](https://www.grants.gov) system determines the application receipt time. Any application submitted during the grace period not received and validated by [Grants.gov](https://www.grants.gov) will not be considered for funding. There is no grace period for paper applications.

### **3. Late Applications.**

An application received after the NOFO 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 will uniformly notify applicants of each curable deficiency. See curable deficiency in the definitions section (Section I.A.3). Examples of curable (correctable) deficiencies include inconsistencies in the funding request and failure to submit required certifications. These examples are non-exhaustive.

When HUD identifies a curable deficiency, HUD will notify the authorized organization representative identified on the SF 424 Application for Federal Assistance via email. This email is the official notification of a curable deficiency.

Applicants must email corrections of curable deficiencies to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 14 calendar days from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure



deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

The subject line of the email sent to [applicationsupport@hud.gov](mailto:applicationsupport@hud.gov) must state: Technical Cure and include the [Grants.gov](https://www.grants.gov) application tracking number or the GrantSolutions application number (e.g., Subject: Technical Cure - GRANT123456 or Technical Cure - XXXXXXXXXXXXX). If this information is not included, HUD cannot match the response with the application under review and the application may be rejected due to the deficiency.

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

**5. Authoritative Versions of HUD NOFOs.** The version of these NOFOs as posted on [Grants.gov](https://www.grants.gov) are the official documents HUD uses to solicit applications.

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

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

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

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

**Eligible Activities** HUD requires Grantees to use grant funds for housing counseling and group education in accordance with 24 CFR Part 214 and [Handbook 7610.1](#). To be eligible for reimbursement as direct costs, costs must be incurred pursuant to one or more of the following activities:

1. Housing counseling and group education
2. Oversight, compliance, and quality control
3. Supervision of housing counseling staff
4. Housing counselor training and certification
5. Marketing and outreach of the CHC Program

HUD will respect cost classifications determined in a negotiated indirect cost rate agreement (NICRA) or cost allocation plan. HUD may require Applicants to provide documentation supporting classification of direct and indirect costs. HUD will not reimburse as direct costs those items that are classified as indirect costs in cost rate calculations and applications (See 24 CFR §§200.403, 200.412, and 200.414). Applicants may choose to take a 10% de minimis indirect cost rate as provided in the Uniform Guidance to cover indirect costs.

To be eligible for reimbursement, housing counseling or group education performed on or after

the Final Compliance Date, must be provided by a HUD-certified housing counselor (See 24 CFR §214.103(n) Certification of Housing Counselors and updated guidance).

**Program Costs Incurred Prior to the Period of Performance.** Unless prior approval by HUD of allowability of costs is required under 2 CFR part 200, Applicants may, pursuant to 2 CFR 200.308, revise budget and program plans and OHC may provide reimbursements for eligible costs incurred during the period prior to HUD making an award but no earlier than October 1, 2020. Applicants should indicate whether they intend to seek reimbursement for such costs on form HUD-9906, Chart A, Field R. All costs incurred before the federal awarding agency makes the federal award are at the recipient's risk (i.e., the federal awarding agency is not required to reimburse such costs if the recipient does not receive a federal award or if the federal award is less than anticipated and inadequate to cover such costs).

**Indirect Cost Rate.**

Normal indirect cost rules under 2 CFR part 200, subpart E apply. If you intend to charge indirect costs to your award, your application must clearly state the rate and distribution base you intend to use. If you have a Federally negotiated indirect cost rate, your application must also include a letter or other documentation from the cognizant agency showing the approved rate. Successful applicants whose rate changes after the application deadline must submit new rate and documentation.

Applicants other than state and local governments. If you have a Federally negotiated indirect cost rate, your application must clearly state the approved rate and distribution base and must include a letter or other documentation from the cognizant agency showing the approved rate. If your agency does not have a current negotiated rate (including provisional) rate and elects to use the de minimis rate, your application must clearly state you intend to use the de minimis rate of 10% of Modified Total Direct Costs (MTDC). As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. Once elected, the de minimis rate must be applied consistently for all Federal awards until you choose to negotiate for a rate, which you may apply to do at any time. Documentation of the decision to use the de minimis rate must be retained on file for audit.

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 direct Federal funding per year, you may not claim indirect costs until you receive a negotiated rate from your cognizant agency for indirect costs as provided in Appendix VII to 2 CFR Part 200.

If your department or agency unit receives no more than \$35 million in direct Federal funding per year and your department or agency unit has developed and maintains an indirect cost rate proposal and supporting documentation for audit in accordance with 2 CFR Part 200, Appendix VII, you may use the rate and distribution base specified in that indirect cost rate proposal. Alternatively, if your department or agency unit receives no more than \$35 million in direct Federal funding per year and does not have a current negotiated rate (including provisional) 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, Assurances and Certifications.**

Standard Form 424 (SF-424) Application for Federal Assistance Programs is the government-wide form required to apply for Application for Federal Assistance Programs, discretionary Federal grants and other forms of financial assistance programs. Applicants for this Federal assistance program must submit all required forms in the SF-424 Family of forms, including SF-424B (Assurances of Non construction Programs) or SF424D (Assurances for Construction Programs). Applications receiving funds for both non-construction programs and construction programs must submit both the SF-424B and SF-424D.

By signing the forms in the SF-424 either through electronic submission or in paper copy submission (for those granted a waiver), the applicant and the signing authorized organization representative affirm that they have reviewed the certifications and assurances associated with the application for Federal assistance and (1) are aware the submission of the SF-424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant. If it is later determined the signing authorized organization representative to the application made a false certification or assurance, caused the submission of a false certification or assurance, or did not have the authority to make a legally binding commitment for the applicant, the applicant and the individual who signed the application may be subject to administrative, civil, or criminal action. Additionally, HUD may terminate the award to the applicant organization or pursue other available remedies. Each applicant is responsible for including the correct certifications and assurances with its application submission, including those applicable to all applicants, those applicable only to Federally recognized Indian tribes, or Alaska native villages and those applicable to applicants other than federally recognized Indian tribes or Alaska native villages.

**Assurances.** By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and public policy requirements, including, but not limited to civil rights requirements. Applicants and recipients are required to submit assurances of compliance with federal civil rights requirements. *See, e.g.,* Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments Act of 1972, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975; *see also* 24 C.F.R. §§ 1.5; 3.115; 8.50; and 146.25. HUD accepts these assurances in the form of the SF-424B and SF-424D, which also require compliance with all general federal nondiscrimination requirements in the administration of the grant.

## V. Application Review Information.

### A. Review Criteria.

#### 1. Rating Factors.

##### 1. Rating Factors.

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

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	7	Chart A
Sub-factor C Client Satisfaction and Progress	4	Chart A

##### **Rating Factor 2. Need / NOFO Priorities**

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

##### **Rating Factor 3. Soundness of Approach**

Sub-factor A Clients Served	14	N/A
Sub-factor B Cost per Client	6	Chart E
Sub-factor C Counseling Expense Ratio	3	Chart E
Sub-factor D Grant to Total Program Expenses Ratio	5	Chart E
Sub-factor E Allocation to Subgrantees	2	Chart A
Sub-factor F Counseling and Education Services	4	N/A
Sub-factor G Modes of Providing Services	8	Chart A
Sub-factor H Oversight Activities	6	Chart D

##### **Rating Factor 4. Leveraging Resources**

Sub-factor A Itemized Leveraging	4	Chart B
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##### **Rating Factor 5. Achieving Results and Program Evaluation**

Sub-factor A Performance and HCS Reporting	8	N/A
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Sub-factor B Grant Expenditure History	4	N/A
Sub-factor C Counseling Outcomes	8	N/A
<b>Preference Points (maximum of 2 points total)</b>		
Option 1 Opportunity Zones	2	Chart A
Option 2 Promise Zones	2	Chart A
Option 3 HBCU	2	Chart A

**Rating Factors.** The maximum points available are outlined below. The total available is 102 points. HUD reminds applicants that responses are subject to verification.

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

**Maximum Points: 13**

**(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 (7 points).** Using Chart A, indicate by entering an “x” in the appropriate field if:

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

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

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

**(c) 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 follow-up client surveys after the counseling was completed (Field M)
- Pulled credit reports as part of housing counseling follow-up prior to the termination of

counseling (Field N)

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

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

**Maximum Points: 15**

**(a) Rural Communities (2 points).** HUD will use agency-reported data to determine the extent that an Applicant (and, if applicable, its network) serves rural clientele, as defined by the U.S. Department of Agriculture (USDA) at 7 C.F.R. § 3550.10.

**(b) Affirmatively Furthering Fair Housing (2 points).** Applicants must affirmatively further fair housing in their use of grant funds, per Section 808(e)(5) of the Fair Housing Act. Each recipient, consistent with HUD's AFFH regulations at 24 CFR §§ 5.151 and 5.152, is required to submit a certification that it will affirmatively further fair housing. Applicants must provide a brief description of any meaningful action the Applicant will take that is consistent with the obligation to AFFH. (Chart C, Field A).

**(c) Staff Training (2 points).** Applicants must describe how they will train their staff on fair housing issues, including promoting housing that is affordable, safe, decent, free of unlawful discrimination, and accessible as required under fair housing and civil rights laws (Chart C, Field B).

**(d) Persons with Disabilities (2 points).** Applicants must describe how access to programs and activities are readily accessible to and usable by persons with disabilities. Applicants must also describe what appropriate steps are taken to ensure effective communication with persons with disabilities and identify their policies and procedures for providing reasonable accommodations (Chart C, Field C).

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

**(f) Mobility Counseling (2 points).** Applicants must describe how they provide mobility counseling (Chart C, Field E).

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

**(h) Emergency Preparedness (2 points).** Applicants must describe their emergency preparedness and/or disaster recovery activities (Chart C, Field G and H).

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

**Maximum Points: 48**

**(a) Clients Served (14 points).** HUD will evaluate the total number of clients served by the Applicant as reported in its HUD-9902 for Fiscal Year 2020. Applicants who were approved after September 30, 2020 and therefore were not required to submit a form HUD-9902 covering this period must prepare and submit a Form HUD-9902 as part of the application (See *Section IV.B Content and Form of Application Submission* for more details). Such agencies must ensure that their HUD-9902 data reflects the entire fiscal year, and not just that portion for which the agency was HUD-approved.

**(b) Cost Per Client (6 points).** HUD will evaluate the Applicant's Housing Counseling Program actual expenses for the period October 1, 2019, through September 30, 2020, which includes salaries and fringe of housing counselors and staff who provide counseling or group sessions, other direct costs, and indirect costs. Applicants must document their total housing counseling program expenses in Chart E. MSOs, SHFAs, and Intermediaries must include total expenses for their entire proposed network.

Agencies that became HUD-approved during the past year should ensure their expenses reflect the entire fiscal year 2020, and not just that portion for which the agency was HUD-approved.

**(c) Counseling and Education Expense Ratio (3 points).** HUD will calculate the ratio of counseling and education costs to total program expenses (Chart E).

**(d) Ratio of HUD Grant to Total Program Expenses (5 points).** HUD will calculate the ratio of an Applicant's previous HUD grant to its total Housing Counseling Program expenses (Chart E). Applicants without a previous HUD grant will be awarded full points.

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

**(f) Services Provided (4 points).** HUD will consider the types of housing counseling and education services 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 S-V).

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

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

**Maximum Points: 4**

HUD's CHC 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. This rating factor will assess an Applicant's financial capacity per 24 CFR § 214.303(i) and is not tied to a voluntary or required cost-share assessment. HUD will calculate the ratio of an Applicant's anticipated HUD grant to its total qualified leveraged funding.

Applicants are evaluated based on the extent to which they have obtained non-federal resources including direct financial assistance (grants), fees, program income, and in-kind contributions for the period of performance. Only include funds allocated for the CHC Program. Leveraging resources cannot consist of federal funds, directly or indirectly. Federal funds that are passed through state and local governments are ineligible.

Evidence that leveraged funds were actually provided may be reviewed by HUD staff as a part of the performance reviews.

Applicants must list their leveraged resources in Chart B: Leveraged Resources (Excel) and complete all fields for each resource.

- In Field A, enter the name of the Applicant, Subgrantee, or Branch (not applicable to LHCAs). - In Field B, enter the name of the organization providing the resources, including the point of contact who can verify that these resources are dedicated.

- In Field C, enter the type of contribution.

- In Field D, enter the use of the leveraged funds. For in-kind contributions, describe the goods or services contributed.

- In Field E, enter the amount of funds from this resource.

Include only funds that will be available during the period of performance. If Applicant's funding is available outside of the grant period, the Applicant must pro-rate the funding to reflect the amount that is available during the grant period. For example, if funds are only available for three months, then only include 25% of the total amount. Funds available for multiple years must also be pro-rated (e.g., \$100,000 leverage available January 1, 2020 through December 31, 2021, only \$37,500 should be entered on Chart B for the 9 months of April 1, 2021 through December 31, 2021).

While agencies are strongly encouraged to leverage funds from other private and public sources, they are permitted to charge fees to counseling recipients (See 24 CFR Part 214 for more information). Agencies are not permitted to charge fees for default counseling or homeless counseling. In order to receive credit for the fee income, it must be identified as program income on line "18. Estimated Funding, f. Program Income" of SF-424 as well as in Chart B: Leveraged Resources (Excel). Program income will be treated using the addition method (2 CFR 200.307(e)(2)).

## **Rating Factor 5: Achieving Results**

**Maximum Points: 20**

### **(a) Performance and HCS Reporting (8 points).**

- HUD will evaluate Applicant compliance with programmatic requirements and oversight results. HUD will use its own records to score this factor.
- Applicants will be assessed on timely validation of their agency profile in HCS, timely submission of form HUD-9902 reports, and use of their CMS to submit form HUD-9902 reports. HUD will use its own records to score this factor.

**(b) Grant Expenditure History (4 points).** HUD will evaluate the Applicant's use of previously awarded grant funds. Significant delays in grant execution and expenditure,



including the need to recapture funding, will be taken into consideration. HUD will use its own records to score this factor. Applicants without a previous HUD grant will be awarded full points.

**(c) Counseling Outcomes (8 points).** HUD will evaluate the positive impacts that an Applicant's housing counseling services had on clients. HUD will use its own records to score this factor.

## **2. Other Factors.**

This program does not offer points for Section 3.

### **Preference Points**

HUD encourages activities in support of the Secretary's Initiatives. HUD may award no more than two (2) points for any of the three (3) preferences (OZ, PZ or HBCU). Each preference is worth two points and only one preference can apply to any situation, meaning that applicants will ONLY be awarded 2 points for being within an OZ, PZ or involving HBCUs.

### **Opportunity Zones.**

**Opportunity Zone (OZ) Certification:** HUD encourages activities in Opportunity Zones. To receive two (2) points for this preference, applicants proposing projects in an Opportunity Zone community must submit the Certification for Opportunity Zone Preference Points (HUD-2996) that identifies the state, county and census tract(s) of the opportunity zone(s) in which the activity will be carried out. To view the list of designated Opportunity Zones, please see the following link on the U.S. Department of the Treasury website:

<https://opportunityzones.hud.gov/>

Applicants who do not complete this form and submit it along with the rest of their application package will not be eligible to receive the points. Additionally, applicants who do complete and submit this form, but indicate they intend to use less than 50% of the award within Opportunity Zone tracts, will also be ineligible to receive preference points, unless: a.) the applicant can show why they are unable to expend at least 50% of the grant award within Opportunity Zone designated tracts, or b.) the applicant is able to make a compelling case for why the amount that will be expended will have a significant impact within Opportunity Zone designated tracts. [Click here to view HUD's Opportunity Zones webpage.](#)

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

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

### **HBCU.**

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

### **Promise Zones**

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

## **B. Review and Selection Process.**

### **1. Past Performance**

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

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

Timely use of funds received from HUD;

Timely submission and quality of reports submitted to HUD;

Meeting program requirements;

Meeting performance targets as established in the grant agreement;

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

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

The number of persons served or targeted for assistance;

Producing positive outcomes and results.

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

### **2. Assessing Applicant Risk.**

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

- Financial stability;
- Quality of management systems and ability to meet the management standards prescribed in this part;

- History of performance. The applicant's record in managing Federal awards, if it is a prior recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, failing to make significant progress in a timely manner, failing to meet planned activities in a timely manner, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
- Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits; and
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities.

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

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

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

**Minimum Fundable Score.** All applications will be scored on a 102-point scale, including preference points, as outlined in Section V.A of this NOFO. For FY21, HUD anticipates making awards to all Applicants scoring 75 points or greater from this section. To be eligible for any funding under the NOFO, Applicants must meet the minimum fundable score. 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 grantees 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 CHC Program and other relevant criteria.

Applicants may also indicate a maximum grant request (Chart A, Field Q) that will be considered as a cap in establishing the maximum CHC award. Separately, Applicants applying for the HBCUs, Tribal Colleges and Universities, and other MSIs initiative must indicate their desired award amount on Chart F.

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

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

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

Subgrantees and Branches that did not provide housing counseling services to a minimum of thirty clients in the previous year must not be listed. Branches that are part of a Subgrantee's organization must not be listed. Awards may be adjusted based on an Applicant's funded network.

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

**(c) Funding to Monitor 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 funded network using form HUD-9910 and to share results and follow-up actions with HUD (Chart D2, Field 1). Chart D2 includes a space for Applicants to indicate the number of funded Subgrantees and Branches that they propose to review during the upcoming performance period. The bonus will be capped at the lesser of: a) five reviews, or b) 50% or less of the Applicant's funded network.

**(d) Number of Counselor FTEs.** HUD may augment the award based on the number of Housing Counselor Full-Time Equivalents (FTEs) that provide housing counseling services as of September 30, 2020 (Chart A, Field F). Applicants that provide counseling services at their main office may count the number of housing counselor FTEs at the main office in addition to the offices of Subgrantees and/or Branches.

**(e) Funding of Reverse Mortgage Counseling.** HUD may augment the award based on the number of HECM Roster Counselors that provide housing counseling services as of September 30, 2020 (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 April 1, 2021 to September 30, 2022 (Chart A, Field H). The bonus will be capped at five such counselors per Agency, Branch, and Subgrantee. As a reminder, default counseling for reverse mortgages can be provided by non-HUD HECM Roster Counselors.

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

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

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

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

**Mergers, Acquisitions, and Other Changes in Organizational Structure.** Anticipated mergers, acquisitions, or other changes in Grantee(s) legal or organizational structure must be reported to Grantee's Point of Contact in HUD's Office of Housing Counseling within 15 days of implementation of such changes. However, HUD encourages grantees to report such changes as early as possible to ensure that the organization remains eligible for grant funds. In the case of a simple name change, HUD may make the award in the name of the newly named entity. In the case of a merger, the new or merged entity may be eligible to receive grant funding made to the original Grantee(s), provided they meet certain conditions, including but not necessarily limited to:

1. The new or merged entity receives HUD approval as a housing counseling agency and demonstrates in its application that it meets all eligibility requirements for a HUD-approved housing counseling agency in Section 106, 24 CFR part 214, and HUD Handbook 7610.1, including oversight and reporting, housing counseling experience and staffing
2. The newly named entity has a DUNS Number, has registered in SAM and has passed the IRS check conducted as part of the SAM registration process;
3. The Name Check review process has been conducted for the proposed new awardee;
4. An amendment to the award agreement assigning the award to the new entity is completed; and
5. A new LOCCS access form has been filed with the HUD Accounting Office.

#### **4. Historically Black Colleges and Universities, Tribal Colleges and Universities, and other Minority Serving Institutions.**

**Purpose:** The purpose of this initiative is to expand opportunities for wealth building and financial stability in underserved minority communities, by increasing access to safe affordable housing, financial education, and homeownership. Historically Black Colleges and Universities (HBCU), Tribal Colleges and Universities, and other Minority Serving Institutions (MSI) have strong relationships with stakeholder communities and have a vested interest in improving socio-economic outcomes for minorities. Specifically, this initiative is designed to expand these institutions' roles and effectiveness in addressing the needs of their local communities, expand partnerships with housing counseling agencies, and provide housing counseling services. HUD seeks to leverage expert experience and social position of MSIs within minority communities to help remove any barriers to housing services and increase financial education for this targeted

population.

**Eligible Applicants:** Applicants requesting funds dedicated for HBCUs and other MSIs (and partnerships therewith) must submit proof of the college or university's status as an HBCU or MSI. Additionally, Applicants that are partnering with an HBCU or MSI must submit a letter certifying that an HBCU or other MSI partnership is in place or that there is an intent to enter a partnership. The letter must be signed by the Applicant and an authorizing official of the HBCU or other MSI and the Applicant must provide documentation of the partnering college or university's status as an HBCU or other MSI.

When executing the grant, you must submit a Memorandum of Understanding (MOU) or similar agreement signed by all partners to signify their formal commitment. The MOU should at least clearly specify the partnership's purpose and activities; each organization's role and responsibilities for funding, participation, management and organizational structure, and compliance; and integrating data sharing or reporting capabilities.

**Eligible Activities:** The eligible activities are outlined in Section IV.F, Funding Restrictions.

**Maximum Award Amounts.** Eligible Applicants must indicate a maximum grant request that will be considered as a cap in establishing the maximum award. An eligible Applicant can request up to \$250,000 as an HBCU or other MSI, or for its partnership and/or its subgrantee partnership with an HBCU or other MSI. The Applicant may also request up to \$150,000 for each additional partnership and/or its subgrantee partnership with an HBCU or other MSI. HUD will use the NOFO score; narrative response on the Form HUD-9906, Chart F; and other factors to rate and rank applications. Depending on factors such as the number of eligible Applicants and other factors, HUD reserves the right to fund less than the amount requested in the application.

**Review and Selection Process.** Eligible Applicants interested in this funding must complete the following information on Form HUD-9906, Chart F.

1. **Number of Clients Served.** How many housing counseling clients the Applicant or the Applicant's network of HBCUs or other MSIs partners plan to serve with the funding.
2. **Award Amount (Budget).** Provide the total amount of funds requested for these purposes, and if applicable, indicate the amount allocated to each partnership.
3. **Statement of Work.** Applicants must describe the following.
  - a. All proposed eligible activities and major tasks required to successfully implement the proposed initiative.
  - b. The extent to which there is a need to fund the proposed initiative and the importance of meeting the need(s).
  - c. The relevant experience and capacity of the Applicant, its staff, and HBCU or other MSI partners in implementing the proposed eligible activities.
  - d. How the Applicant will measure the outcomes on the target population by the end of the grant performance period.
  - e. How the Applicant proposes to integrate the institution's students and faculty into proposed eligible activities.

- f. How the community (e.g., businesses, residents, and others) will be involved in the implementation of the program and how the institution will expand its role in the target community.
- g. The other resources (not including HUD's CHC Grant) that support or fund the Applicant's existing housing counseling related partnerships with HBCUs or other MSIs. Include the dollar amounts of support provided, if applicable.

## **VI. Award Administration Information.**

### **A. Award Notices.**

Following the evaluation process, HUD will notify successful applicants of their selection for funding. HUD will also notify other applicants, whose applications were received by the deadline, but have not been chosen for award. Notifications will be sent by email to the person listed as the AOR in item 21 of the SF424.

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

HUD may impose special conditions on an award as provided under 2 CFR 200.208:

- Based on HUD's review of the applicant's risk under 2 CFR 200.206;
- When the applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
- When the applicant or recipient fails to meet expected performance goals contained in a Federal award; or
- When the applicant or recipient is not otherwise responsible.

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

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

- (1) Is not eligible for funding under applicable statutory or regulatory requirements;
- (2) Does not meet the requirements of this notice; or
- (3) Duplicates other funded programs or activities from prior year awards or other selected applicants.

b. If funds are available after funding the highest-ranking application, HUD may fund all or part of another eligible fundable application. If an applicant turns down an award offer, or if HUD and an applicant do not successfully complete grant negotiations, HUD may withdraw the award offer and make an offer of funding to another eligible application.

c. If funds remain after all selections have been made, remaining funds may be made available within the current FY for other competitions within the program area, or be held for future competitions, or be used as otherwise provided by authorizing statute or appropriation.

d. If, after announcement of awards made under the current NOFO, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, HUD may use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, and/or to fund additional applicants that were eligible to receive an award but for which there were no funds available.

**Funding Errors.** If HUD commits an error that when corrected would cause selection of an applicant during the funding round of a Program NOFO, HUD may select that applicant for funding, subject to the availability of funds. If funding is not available to award in the current fiscal year, HUD may make an award to this applicant during the next fiscal year, if funding is available then.

## **B. Statutory and Administrative, National and Department Requirements for HUD Recipients**

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

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

Compliance with 24 CFR part 50 or 58 procedures is explained below:

In accordance with 24 CFR 50.19(b)(2), (3), (4), (9), (12), and (13), activities funded under this NOFO are exempt or 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.

2 CFR 200.340 *Termination*

2 CFR 200.216 *Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment*

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

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

## **C. Reporting.**

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

**1. Recipient Integrity and Performance Matters.** Applicants should be aware that if the total Federal share of your Federal award includes more than \$ 500,000 over the period of



performance, you may be subject to post award reporting requirements reflected in Appendix XII to Part 200-Award Term and Condition for Recipient Integrity and Performance Matters. **2.**

**Race, Ethnicity and Other Data Reporting.** HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987.

**4. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) as amended (FFATA).** FFATA requires information on Federal awards be made available to the public via a single, searchable website, which is [www.USASpending.gov](http://www.USASpending.gov). Accordingly, each award HUD makes under this NOFO will be subject to the requirements provided by the Award Term in Appendix A to 2 CFR Part 170, "REPORTING SUBAWARD AND EXECUTIVE COMPENSATION INFORMATION," unless the Federal funding for the award (including funding that may be added through amendments) is not expected to equal or exceed \$30,000. Requirements under this Award Term include filing subaward information in the Federal Funding Accountability and Transparency Act (FFATA) Sub-award Reporting System ([FSRS.gov](http://FSRS.gov)) by the end of the month following the month in which the recipient awards any sub-grant equal to or greater than \$30,000. Each applicant under this NOFO must have the necessary processes and systems in place to comply with this Award Term, in the event that they receive an award, unless an exception applies under 2 CFR 170.110.

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

**Grant Activity Report.** Grantees must comply with all reporting requirements found in the grant agreement including but not limited to HUD-9902 reporting, providing itemized costs, fulfilling commitments made in the NOFO, and submitting final narratives. Grantees receiving HBCU/other MSI funds will have additional requirements as outlined in the grant agreement.

#### **D. Debriefing.**

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this NOFO, 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 organization representative whose signature appears on the SF-424 or by his or her successor in office and be submitted to the POC in Section VII Agency Contact(s), below. Information provided during a debriefing may include the final score the applicant received for each rating factor, final evaluator comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

The debriefing period will be no more than 150 days after the announcement of awards.

#### **VII. Agency Contact(s).**

HUD staff will be available to provide clarification on the content of this NOFO.

Questions regarding specific program requirements for this NOFO should be directed to the POC listed below.

Name:

Tracie Oaks

Phone:

Email:

[Housing.Counseling@hud.gov](mailto: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 NOFO provides funding pursuant to Section 106 as implemented in 24 CFR Part 214, which does not contain environmental review provisions because activities under these regulations are excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321) ("NEPA"). Accordingly, under 24 CFR 50.19(c)(5), this NOFO is categorically excluded from environmental review under NEPA.

### **2. Web Resources.**

- [\*\*Affirmatively Furthering Fair Housing\*\*](#)
- [\*\*Code of Conduct list\*\*](#)
- [\*\*Assistance Listing \(formerly CFDA\)\*\*](#)
- [\*\*Dun & Bradstreet\*\*](#)
- [\*\*Equal Participation of Faith-Based Organizations\*\*](#)
- [\*\*Federal Awardee Performance and Integrity Information System\*\*](#)
- [\*\*FEATA Subaward Reporting System\*\*](#)
- [\*\*Grants.gov\*\*](#)
- [\*\*HBCUs\*\*](#)
- [\*\*Healthy Homes Strategic Plan\*\*](#)
- [\*\*Healthy Housing Reference Manual\*\*](#)
- [\*\*HUD's Strategic Plan\*\*](#)
- [\*\*HUD Grants\*\*](#)
- [\*\*Limited English Proficiency\*\*](#)
- [\*\*NOFO Webcasts\*\*](#)
- [\*\*Opportunity Zone\*\*](#)
- [\*\*Procurement of Recovered Materials\*\*](#)
- [\*\*Promise Zones\*\*](#)
- [\*\*Section 3 Business Registry\*\*](#)
- [\*\*State Point of Contact List\*\*](#)
- [\*\*System for Award Management \(SAM\)\*\*](#)
- [\*\*Uniform Relocation Assistance and Real Property Acquisition Act of 1970 \(URA\)\*\*](#)
- [\*\*USA Spending\*\*](#)

### **3. Program Relevant Web Resources**

## APPENDIX

### Appendix A Definitions

1. **Affiliate.** See definition at 24 CFR 214.3.
2. **Applicant.** A HUD-approved housing counseling agency or SHFA, MSO or local government applying for a CHC grant from HUD through this NOFO. The term Applicant includes the agency's branches identified in its application.
3. **Branch.** See definition at 24 CFR 214.3.
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.** See definition at 24 CFR 214.3.
6. **Education.** See definition at 24 CFR 214.3.
7. **Final Compliance Date.** The date, determined by HUD, when all housing counseling required by or provided in connection with any HUD program must be performed by a HUD certified housing counselor and all group education must be overseen by a HUD certified housing counselor. See 24 CFR 214.103(n).
8. **Full-time equivalent.** The number of total hours worked divided by the maximum number of compensable hours in a full-time schedule as defined by law. For example, if the normal schedule for a quarter is defined as 411.25 hours ( $[35 \text{ hours per week} * 52 \text{ weeks per year} - 5 \text{ weeks regulatory vacation}] / 4$ ), then someone working 100 hours during that a quarter represents  $100/411.25 = 0.24$  FTE. Two employees working in total 400 hours during that same quarterly period represent 0.97 FTE.
9. **Grantee.** A HUD-approved housing counseling agency or SHFA that receives housing counseling funds from HUD through this NOFO. The term Grantee includes the Grantee's branches identified in its application.
10. **Historically Black College and University (HBCU).** Any historically black college or university that was established prior to 1964, whose principal mission was, and is, the education of black Americans, and that is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation.
11. **Homeownership Counseling.** See definition at 24 CFR 5.100.
12. **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.
13. **Intermediary.** See definition at 24 CFR 214.3.
14. **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.

- 15. Minority Serving Institution (MSI).** An institution serving a high proportion of minority students. ‘Minority students’ refers to students who are Black, Hispanic, Asian/Pacific Islander, or American Indian/Alaska Native.
- 16. Multi-State Organization (MSO).** See definition at 24 CFR 214.3.
- 17. Participating Agency.** See definition at 24 CFR 214.3.
- 18. State Housing Finance Agency (SHFA).** See definition at 24 CFR 214.3.
- 19. Subgrantee.** See definition at 24 CFR 214.3.
- 20. Reverse Mortgage.** See definition at 24 CFR 214.3.