

**APPLICATION GUIDE  
FOR HUD-CERTIFIED INTERMEDIARIES &  
STATE HOUSING FINANCE AGENCIES (HFAs)**

**Updated August 29, 2008**

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## How to Use this Guide: Reminders and Tips

Although it is the intent of NFMC to make the application questions in GrantWorks as clear and specific as possible, this Application Guide was created to provide each applicant with further support, direction, and examples for each factor. Based on our experiences during the NFMC Round 1 application process, we offer you the following general reminders and tips:

- Refer to this guide frequently as it provides specific instructions and details not available in the actual GrantWorks application. It is your key to submitting the best application possible.
- Applicants should assume reviewers know nothing about your organization, including its history, structure, experience, or partners. If you applied in NFMC round 1, assume your application reviewers will be different people in round 2.
- If you are a current recipient of NFMC funds, provide relevant, detailed information and recent NFMC program/funding progress updates in the narrative sections of questions where requested and relevant.
- Any question marked with a red \* is required by GrantWorks to have a response by the applicant.
- For questions that require lengthy narrative responses, consider using all the space provided to you to create a complete, detailed answer. The number of characters available for each question is listed in GrantWorks.
- Take care to fully complete all data fields, specifically the counseling unit charts in Factors 3 and 4. Errors or omissions may substantially impact the quality of your application and ultimately any award amount.

If you encounter technical problems or need further clarification of any question that this guide is unable to resolve, please contact us at: [nfmc@nw.org](mailto:nfmc@nw.org) or 202-220-6314.

## Applicant Certifications

**Certifications 1-16:** This section contains eligibility requirements all applicants must meet and ensure their sub-grantees or branches meet in order to receive NFMC program funding. A check mark within each box signifies the applicant agrees and certifies on behalf of their sub-grantees or branches that each criteria have been met. If you cannot certify that all are true, your organization is not eligible for funding.

### Definitions

**Branch:** “Branch” or “Branch Office” refers to an applicant’s organizational and subordinate unit that is not separately incorporated or organized. A Branch or Branch Office must be in good standing under the laws of the state where it is authorized to do business and where it proposes to provide housing counseling services.

**Sub-grantee:** Sub-grantee refers to an organization to which the grantee awards a sub-grant, and which is accountable to the grantee for the use of the funds provided. A sub-grantee may be separately incorporated or organized, but connected with an intermediary or State HFA. See Funding Announcement for additional details.

**ALL FIELDS ARE REQUIRED. While no points are awarded for this section, this is a threshold requirement. If applicant cannot certify these are true, the application will not be considered for funding.**

**Each applicant must certify for itself, and for its affiliates or branches, that each of the following certifications is true. By checking off each required applicant certification below applicant certifies that it and its affiliates or branches:**

- 1. Is in good standing under the laws of the state in which it operates. \*
- 2. Is authorized to do business in the states where they propose to provide counseling services. \*
- 3. Meets or exceeds HUD’s minimal standards for approval as a HUD housing counseling agency (see [www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm](http://www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm)). \*
- 4. Has counseling offices and services that are accessible to people with disabilities. \*
- 5. Has counselors fluent in the language that customers speak or will use interpreter services to ensure non-English speaking customers can obtain foreclosure intervention counseling. \*
- 6. Will not permit discrimination against customers on the basis of their gender, race, religion, color, familial status, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability. \*

- ☑ 7. Will adhere to the National Industry Standards Code of Ethics and Conduct and offer (as appropriate) the Minimum Standard Activities for Foreclosure Intervention and Default Counseling.\* (see <http://www.nw.org/network/nfmc/documents/NationalIndustryForeclosureCounselingStandards-FINAL.pdf>).
- ☑ 8. Currently uses CounselorMax, NStep, or Home Counselor Online **or** applicant uses alternative client management system that will supply, electronically, the necessary client-level and aggregate reporting. NeighborWorks will make available a template for data modification and submission. \*
- ☑ 9. Certifies that all sub-grantees or branches have the capacity to track and report both client level and aggregate data. Reporting must be done via electronic data files. \*
- ☑ 10. Has the capacity to furnish client level data and aggregate reports on NFMC program activity in electronic file format. \*
- ☑ 11. Agrees to comply with quality control and evaluation of the NFMC program through June 30, 2011. \*
- ☑ 12. Certifies that the staff and volunteers who will provide foreclosure intervention counseling under NFMC have no conflict(s) of interest due to other relationships with servicers, real estate agencies, mortgage lenders and/or other entities that may stand to benefit from particular counseling outcomes. \*
- ☑ 13. Has the capacity to pass through NFMC funds received to their sub-grantees or branches and will do so within 14 calendar days of receipt of NFMC funds. \*
- ☑ 14. Certifies that it has documented counseling capacity, outreach capacity, past successful performance and positive outcomes with documented counseling plans, including foreclosure mitigation counseling, workout agreements and loan modification agreements. \*
- ☑ 15. Agrees to collect and maintain a file of Certification Agreements and multiple NFMC Affiliation Disclosures of all sub-grantees. \*
- ☑ 16. Certifies that neither it nor its employees or contractors have been indicted for a violation under Federal law relating to an election for Federal office. \* NFMC funds may not be distributed to an organization which has been indicted for a violation under Federal law relating to an election for Federal office; **or** an organization which employs applicable individuals. 'Applicable individual' means anyone who is
  - a) employed by the organization in a permanent or temporary capacity;
  - b) contracted or retained by the organization; or
  - c) acting on behalf of, or with the express or apparent authority of, the organization;**AND** has been indicted for a violation under Federal law relating to an election for Federal office.

## **Factor 1: NFMC Grant Performance (Points Possible: 10 – for NFMC Round 1 Grant Recipients only)**

- 1. Was your organization awarded NFMC funds February 24, 2008?\*** If you applied for and received a NFMC Grant Award previously, check “yes” and complete the remainder of Factor 1 prior to completing Factor 2. If you have not previously received a NFMC program grant, or this is your first NFMC application, check “no” and save your response in GrantWorks, then proceed to the questions in Factor 2.
  
- 2. The amount of your NFMC Round 1 award on February 24, 2008.** This dollar amount is pre-populated by NFMC.  
To complete the questions 3-8, log into the NFMC Data Collection System (<http://www.nfmc-reporting.org/>). On the home page, you will see a report that will give you the responses that are required to answer questions 3-8 of the application. These responses are based on the production you have reported to the Data Collection System and will be verified by NFMC staff, so please do not vary from the responses the report indicates you should provide.
  
- 3. Did applicant submit its first client-level production upload on or before August 1, 2008? \*** You will enter either Yes or No, based on what the Data Collection System report instructs you to enter.
  
- 4. Did applicant submit its first quarterly report on or before August 1, 2008? \*** You will enter either Yes or No, based on what the Data Collection System report instructs you to enter.
  
- 5. As of June 30, 2008, was applicant within the allowable variance for production by MSA as agreed to in Exhibit A of the Grant Agreement for the time period March 1 – June 30, 2008 (i.e., variance by MSA could not be more than 25%)?\***  
You will enter either Yes or No, based on what the Data Collection System report instructs you to enter.
  
- 6. As of June 30, 2008, was applicant within the allowable variance for production by Level as agreed to in Exhibit B of the Grant Agreement for the time period March 1 – June 30, 2008 (i.e., variance by Level could not be more than 50%)? \***  
You will enter either Yes or No, based on what the Data Collection System report instructs you to enter.
  
- 7. As of June 30, 2008, was applicant within the allowable variance for quarterly production as agreed to in Exhibit C of the Grant Agreement (i.e., no less than 75% of its projected production) for the time period March 1 – June 30, 2008? \***  
You will enter either Yes or No, based on what the Data Collection System report instructs you to enter.

- 8. What percentage of your total counseling goal has been completed as of August 31, 2008?** \* Locate this percentage in the Data Collection System report and enter the amount based on what the Data Collection System report instructs you to enter.
- 9. Do you anticipate asking for an extension because you will be unable to complete your total NFMC Round 1 goals agreed to in your Grant Agreement before December 31, 2008?** \* Base your response on both counseling completed to date and your projections for counseling completed through the end of 2008. Simply answer yes or no, and if yes, complete question 9A.
- 9A. If yes, how many units of counseling do you anticipate needing an extension to complete?** Enter the number of counseling units from NFMC Round 1 you expect you will not be able complete until after December 31, 2008.
- 10. If you answered “no” to any of the above questions 3 to 7, if the % documented in question 8 is less than 30%, or if you answered “yes” to question 9, describe challenges that you have faced in implementing NFMC Round 1 funds. Describe your solutions to those challenges. Demonstrate that you have the ability to expend Round 1 funds and reach the counseling goals to which you have already committed by December 31, 2008.** Provide information in a narrative format that justifies and explains why required NFMC reporting was submitted late, your counseling production is less than expected or needed to reach your goals, or your counseling goals by level, MSA, and quarter were outside of the allowable variances. For example, if your counseling production was very low during the first 3 months (March – May) due to such factors as an insufficient number of available counselors or a slow-to-be-implemented outreach and marketing plan, but your more recent production is much higher, describe what solutions you implemented and the specific impact of those actions. Or if you had projected high numbers of Level 3 counseling, but instead are reporting clients as Level 1 and Level 2 separately, please explain that here. If your most recent counseling volumes are such that reaching your goals by 12/31/08 is highly likely, make sure to demonstrate that fact in your response with quantitative data. If you indicated in question 9A counseling units that likely will need an extension into 2009, indicate the date by which you expect to complete those counseling units.
- 11. Explain why you are requesting NFMC Round 2 funding, in addition to your NFMC Round 1 award.** \* Provide specific facts and details that justify why you are deserving of additional funding, beyond your existing NFMC grant funds. Include information about both the overall need in your service area and your demonstrated experience to manage all aspects of NFMC grant administration, including required reporting, counseling quality control, and general oversight.

## Factor 2: Capacity of Applicant & Sub-grantees or Branches (Points possible: 20)

### APPLICANT ELIGIBILITY

HUD-Certified Intermediary applicants should complete section A by check marking the corresponding boxes. State Housing Finance Agency (HFA) applicants should complete section B by check marking the corresponding boxes. HFAs are asked to upload and attach documentation of their statutory authority to apply for and use these funds, and to work statewide.

#### Definitions

**Intermediary:** refers to a HUD-approved national or regional organization that provides housing counseling services through its branches or sub-grantees.

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

**1. Please check the type of entity that best describes the applicant organization. If (B) is selected attach appropriate documentation as required. \***

#### **A. Type of Applicant: HUD-Approved Housing Counseling Intermediary**

- Applicant is a HUD-Approved Housing Counseling Intermediary and all proposed sub-grantees are HUD approved housing counseling agencies, or meet or exceed guidelines for HUD approval of housing counseling agencies (see <http://www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm>)

OR

#### **B. Type of Applicant: State Housing Finance Agency (HFA)**

- Applicant is a State Housing Finance Agency and evidence of statutory authority to operate as a State HFA, to apply for and use funds, and to serve the entire state is attached. *Please upload document within the application.*

**2. Audit (Both Intermediaries and State HFAs)** It is expected that applicants will provide an audit that was completed within 6 months of the close of their most recent fiscal year. Audits which are more than two years old will receive a less favorable evaluation. An independent firm will be conducting audit analyses and will provide information which will be used in the evaluation of each application.

You must upload and attach your most recent independent financial audit. \* *Please upload document within the application.*



### **3. HUD 9902 (Both Intermediaries and State HFAs)**

**Indicate the number of sub-grantees represented in the attached HUD 9902.** Provide the actual number of sub-grantees listed on the attached 9902. This figure may be different than the number of sub-grantees or branches you include later in this NFMC application.

**If applicable, upload your most recent HUD 9902.** Applicants should upload and attach a copy of their most recent quarterly HUD 9902 form. NFMC reserves the right to verify numbers reported in this application against HUD's 9902 records. If applicant does not receive HUD Housing Counseling Funds, you can skip this question. *Please upload document within the application.*

### **4. Has your organization ever had HUD Housing Counseling Funds or NFMC recaptured or de-obligated? \***

If you answer yes, please complete questions 4A-4C to fully explain the specific causes and remedies of any such event. Of particular interest is whether changes were made to any systems that would demonstrate an improvement in the stated reasons that lead to the recapture or de-obligation. If issues and systems have not been adequately addressed, this may be a reason to substantially reduce a grant award or make the applicant ineligible for funding.

#### **4A. Date this occurred**

#### **4B. Explain why the HUD Housing Counseling Funds or NFMC funds were recaptured or de-obligated.**

#### **4C. What steps did your organization take to correct the issues that led to the funds being recaptured or de-obligated?**

Be certain to provide an answer that provides convincing evidence that the cause(s) of the recapture and/or de-obligation have been addressed and corrected.

**5. Does your organization or any of its sub-grantees have outstanding issues from compliance monitoring or other on-site reviews from HUD or NFMC? \*** If you answer yes, please complete questions 5A and 5B to fully explain the causes of these outstanding compliance issues. Of particular interest is what systematic changes are being currently implemented to bring the applicant and/or its sub-grantees into compliance with HUD and NFMC. Please also indicate a timeline for these changes and the date by which you expect to be in full compliance.

#### **5A. Date this occurred (MM/DD/YYYY)**

**5B. Explain the issues identified and steps taken to resolve those issues.** Be certain to provide an answer that provides convincing evidence that the cause(s) of the recapture and/or de-obligation have been addressed and corrected.

## EXPERIENCE OPERATING A FORECLOSURE INTERVENTION COUNSELING PROGRAM

**6. How long has your organization managed sub-grantees or branches that offered foreclosure intervention counseling programs? \* Please** select the correct response from the provided pull down menu. Be sure to include experience specifically related to foreclosure counseling, not general housing counseling.

12 months or less

13- 36 months

37 – 60 months

61 months or longer

**7. Describe your organization’s service delivery model. \***

Describe your organizations model for delivering counseling to homeowners. Be precise and fully describe the model, with emphasis on any aspects that may be unique. Be certain to address the following topics in your description:

a) intake and triage procedures, including expected response time to each homeowner’s request for counseling, b) method(s) of counseling used, including face to face, phone, internet, email, and/or in workshop/group settings, c) counseling staff roles, including if counselors are full-time, part-time, or volunteer; and if they are fully dedicated to foreclosure services, or if counselors split their time between other programs, and d) staffing models – describe if counselors complete all portions of foreclosure counseling or if they are specialized in any way to handle only certain aspects of the process. For example, some counselors do only intake and budget counseling, while other counselors are dedicated to securing outcomes and all negotiations with servicer.

**8. For New NFMC applicants only, describe your organization’s track record of providing oversight to a network of foreclosure counseling sub-grantees or branches. For Round 1 NFMC recipients only, describe the oversight of your sub-grantees or branches you are providing under that grant.\*** In describing your organization’s track record of providing oversight to a network of foreclosure counseling sub-grantees or branches, please describe the systems and procedures you have in place to provide quality oversight, including 1) distributing funds; 2) management improvements to systems and infrastructure; 3) grant or funding management; 4) communicating with sub-grantees or branches; 5) collecting requisite data and; 6) monitoring the counseling quality, performance, and financial systems of each sub-grantee or branch. If these systems are lacking at the sub-grantee or branch level, describe any technical assistance you can provide to address these challenges.

## Factor 2: Capacity of Applicant & Sub-grantees or Branches (Page 2)

### Sub-grantee or Branch Information

9. Complete the table below regarding all your sub-grantees or branches. If you name a sub-grantee or branch, all columns are required. For each of your proposed sub-grantees or branches, please enter information for each Column A, B, C, D, E, F, G, H and I. \*

*For Column E: Experience Level, please refer to the following definitions:*

**Experience Level A:** *Sub-grantee or branch has provided foreclosure intervention counseling services which include documented action plans to at least 50 people during the past year or 20 people during the most recent quarter; OR*

**Experience Level B:** *75% or more of sub-grantee or branch's service area is in a **rural area**\* AND the organization provided foreclosure intervention counseling services which include documented action plans to at least 25 people during the past year or 10 people during the most recent quarter; OR*

**Experience Level C:** *Sub-grantee or branch has provided foreclosure counseling services which include documented action plans to at least 12 people during the past year AND has at least one comprehensively trained and qualified foreclosure counselor.*

**\*Rural Area Definitions:** When qualifying as "rural," organizations must use one of the following three acceptable definitions:

**A) USDA Rural Development Definition as outlined in 7CFR 3550.10:** A rural area is:

- (1) Open country which is not part of or associated with an urban area.
- (2) Any town, village, city, or place, including the immediate adjacent densely settled area, which is not part of or associated with an urban area and which:
  - (a) Has a population not in excess of 10,000 if it is rural in character; or
  - (b) Has a population in excess of 10,000 but not in excess of 20,000, is not contained within a Metropolitan Statistical Area, and has a serious lack of mortgage credit for low- and moderate-income households as determined by the Secretary of Agriculture and the Secretary of HUD.
- (3) An area classified as a rural area prior to October 1, 1990, (even if within a Metropolitan Statistical Area), with a population exceeding 10,000, but not in excess of 25,000, which is rural in character, and has a serious lack of mortgage credit for low- and moderate-income families. This is effective through receipt of census data for the year 2000.

**B) Any metropolitan area** (defined as having population greater than 10,000 but less than 50,000 people)

**C) Any county identified using Isserman typology that is designated as rural or mixed rural:** Isserman typology map is included as Exhibit 2 of the Funding Announcement.

**For question 9 please note:**

- 1) If your organization provides direct counseling and you do not have affiliates, sub-grantees, or branches, please fill in one row of the chart with information that pertains to your organization.
- 2) You may leave **Column F** blank if sub-grantee or branch listed has not disclosed to you that they are included in multiple NFMC applications.
- 3) **Column I** asks for number of counselors who have received comprehensive training or certification, which is defined as having a minimum training equivalent of no less than 30 hours of facilitated instruction (can include lecture, interactive, demonstration, on-line, and case-study) in foreclosure intervention and default counseling. On-the-job training may not be included.

**Example:** We are a HUD-certified Intermediary with a total of 3 independent sub-grantee organizations operating across two separate states. Only one of our sub-grantee’s (City-Center Housing) is a member or in partnership with another Intermediary like ourselves and is applying for NFMC funds through that intermediary as well.

Each sub-grantee has been a part of our organization for over 3 years (36 months+), offering foreclosure counseling for each of those years. Two of the sub-grantee each counseled between 50 and 100 clients this past year, with documented action plans. In this past year, however, one of our sub-grantees (Mason Community Action) has counseled a total of just 15 clients. This was even with a staff of quality trained foreclosure counselors. Between the three, sub-grantees average counselor foreclosure experience ranges between 18 and 30 months, and 10 of the 11 counselors have completed comprehensive training or certification. Counselor career level experience is listed, as defined, in columns J and K. See how this example is represented in chart below, based on definitions above and within the chart.

Column A	Column B	Column C	Column D	Column E	Column F
Enter Name of the sub-grantee or Branch Office	Enter the Location of the sub-grantee or Branch Office (City, State)	Select if sub-grantee or Branch Office	How long, in months, has sub-grantee or Branch Office provided foreclosure intervention counseling?	Experience Level: A, B or C (See Column E definition above)	Check box for "Yes" if sub-grantees are submitting an NFMC <b>Round 2</b> application directly or via another intermediary or HFA?
<i>City-Center Housing</i>	<i>Philadelphia, PA</i>	<input checked="" type="checkbox"/> Sub-Grantee <input type="checkbox"/> Branch Office	47	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	✓
Mason Community Action	<i>Mason, DE</i>	<input checked="" type="checkbox"/> Sub-Grantee <input type="checkbox"/> Branch Office	37	<input type="checkbox"/> A <input type="checkbox"/> B <input checked="" type="checkbox"/> C	
Help & Housing	<i>Pikeville, PA</i>	<input checked="" type="checkbox"/> Sub-Grantee <input type="checkbox"/> Branch Office	45	<input checked="" type="checkbox"/> A <input type="checkbox"/> B <input type="checkbox"/> C	

Column G	Column H	Column I	Column J	Column K
Total Number of Full-Time Equivalent Foreclosure Intervention Counselors (paid or volunteer) <u>currently available</u>	Average months of Foreclosure Intervention Counseling Experience of Counselors identified in Column G	Number of Counselors who have received Comprehensive Training or Certification	Number of Counselors that have provided individual foreclosure counseling to >250 but less than 500 people in their career	Number of Counselors that have provided individual foreclosure counseling to >500 people in their career
5	27	4	3	1
2	18	2	2	1
4	30	4	2	0

## Factor 2: Capacity of Applicant & Sub-grantees or Branches (Page 3)

- 10. Please describe any training completed or certifications obtained in the last 24 months by the counselors listed in question 7, Column G. Include details about the name and source (i.e. Acorn Housing Corporation, NCHEC, NFCC, HUD, etc.) of the training or certification. Give specific attention and detail to training and certification completed by counselors hired or newly assigned in the last 12 months.** \* Applicant should provide detailed information relevant to training obtained in the last 24 months, specifically training any new counselors have completed in last 12 months. NFMC is attempting to determine how well-trained counselors are in the recent changes in the foreclosure counseling industry, especially for those counselors most recently hired, assigned, or internally transferred to do foreclosure counseling. *Comprehensive training or certification is defined as having a minimum training equivalent of no less than 30 hours of facilitated instruction (can include lecture, interactive, demonstration, on-line, and case-study) in foreclosure intervention and default counseling. **On-the-job training may not be included.***
- 11. How many of the total counselors you listed in question 9, column G above have been hired, internally transferred, or newly assigned specifically to do foreclosure counseling since January 1, 2008?** \* Your response, when compared to your total in question 9G., will indicate the growth of your overall foreclosure counseling staff year-to-date. It will also be used, in part, to evaluate your demonstrated experience to hire and train foreclosure counselors.

## MEASURING RESULTS

12. **What Client Management System (CMS) will your organization use to report NFMC program results? Check all that apply.** \* Indicate any and all systems used by you and your sub-grantees and branches to track counseling data and outcomes.
- CounselorMax**
  - Home Counselor Online**
  - Nstep**
  - NFMC Microsoft Excel Template**
  - Other System, please specify and describe.** If you use a system other than the 4 listed above, please name and describe it. Include the primary functions of the system, how long you've used it for foreclosure client data management, and who provides the technical support.
13. **If your organization has multiple sub-grantees or branches, and they do not all use the same CMS system (or you checked "Other System" above), please explain how you will ensure each sub-grantee or branch's foreclosure counseling data is collected, consolidated, and then consistently reported to NFMC?** It is important to demonstrate a comprehensive and reliable process and system for managing counseling data if one system is not used by all sub-grantees and branches.

## Factor 3: Proposed Service to MSAs of Greatest Need

### **Important instructions that apply to all portions of Factor 3**

Factor 3 will not be given a numeric score. However, information provided here will be used to determine geographic coverage and will help insure that required portions of the funds are awarded in defined areas of greatest need.

**Note: For all of Factor 3, do not include in your figures any counseling units already funded through a previous NFMC award. The totals for all the questions in Factor 3 should equal the total number of counseling units you will enter into Factor 4, question 3 (New Goal) later in this application.**

Applicants should check mark any of the following service areas in Factor 3 (MSA and/or Rural/State) which they propose as their service areas for the purposes of this funding award **and** indicate how many unduplicated customers they intend to provide counseling to in each checked service area.

**AS YOU COMPLETE THIS FACTOR, PLEASE REMEMBER TO SAVE YOUR DATA ENTRY AFTER EACH COMPLETED QUESTION. PLEASE BE PATIENT AND WAIT FOR THE GREEN BAR ON THE BOTTOM OF YOUR SCREEN TO COMPLETELY SAVE OR DISAPPEAR BEFORE MOVING ON. FAILURE TO DO SO MAY RESULT IN LOST DATA.**

1. **Select the MSAs that are defined by NFMC as areas of greatest need that you propose to serve in NFMC Round 2. Check all that apply.** Service areas include the actual physical location of the Intermediary, HFA, and their sub-grantees or branches from which foreclosure counseling is being provided. If you or your sub-grantees and branches do not have a physical presence within a MSA, but you have demonstrated service delivery of foreclosure counseling to clients in any of these areas, this can also qualify as a service area.

**Note: All MSAs in this section are Areas of Greatest need, but those in red have been identified by NFMC as having even greater need than those listed in black.**

<b>Example: Metropolitan Area</b>	<b>STATE</b>	<b>Estimate the total number of unduplicated customers (Level 1 + Level 2 + Level 3) you expect to counsel in each MSA</b>
<input type="checkbox"/> Gadsden	AL	
<input type="checkbox"/> Florence-Muscle Shoals	AL	
<input checked="" type="checkbox"/> Montgomery	AL	100
<input type="checkbox"/> Tuscaloosa	AL	
<input type="checkbox"/> Anniston-Oxford	AL	
<input checked="" type="checkbox"/> Birmingham-Hoover	AL	200
<input type="checkbox"/> Dothan	AL	
<input type="checkbox"/> Mobile	AL	



### Factor 3: Proposed Service to MSAs NOT in Areas of Greatest Need

1. Select the MSAs that are **NOT** defined by NFMC as areas of greatest need that you propose to serve in NFMC Round 2. Check all that apply. Service areas include the actual physical location of the Intermediary, HFA, and their sub-grantees or branches from which foreclosure counseling is being provided. If you or your sub-grantees and branches do not have a physical presence within a MSA, but you have demonstrated service delivery of foreclosure counseling to clients in any of these areas, this can also qualify as a service area.

<b>Example:</b> <b>Metropolitan Area</b>	<b>STATE</b>	<b>Estimate the total number of unduplicated customers (Level 1 + Level 2 + Level 3) you expect to counsel in each MSA</b>
<input type="checkbox"/> Anchorage	AK	
<input type="checkbox"/> Fairbanks	AK	
<input checked="" type="checkbox"/> Auburn-Opelika	AL	100
<input type="checkbox"/> Decatur	AL	
<input type="checkbox"/> Huntsville	AL	
<input checked="" type="checkbox"/> Hot Springs	AR	300

### Factor 3: Proposed Service to Rural Areas of Greatest Need

1. **Select the rural states that are defined by NFMC as areas of greatest need that you propose to service in NFMC Round 2. Check all that apply.** Applicants should check mark the following states having defined rural areas of “greatest need” and indicate how many unduplicated customers they intend to provide counseling to in each state. A check mark signifies the applicant and sub-grantee or branches propose the rural areas in these states are included in their service areas for the purposes of this funding award. If your organizations do not have a physical presence within the rural area, but you have demonstrated service delivery of foreclosure counseling to clients in any of these areas, this can also qualify as a service area.

**Note: While all rural areas of states listed below are Areas of Greatest Need, rural areas of states listed in red are those that have been identified by NFMC as having even greater need than those listed in black.**

EXAMPLE	States where rural areas ARE defined as Areas of Greatest Need	Estimate the total number of unduplicated customers (Level 1 + Level 2 + Level 3) you expect to counsel in each rural area of the state
<input checked="" type="checkbox"/>	Alabama	950
	Arizona	
	California	
	Connecticut	
	Delaware	
	Florida	
<input checked="" type="checkbox"/>	Georgia	350

### Factor 3: Proposed Service to Rural Areas NOT in Areas of Greatest Need

1. Select the states in your proposed service area that NFMC has **NOT** designated as rural areas of greatest need. **Check all that apply.** Applicants should check mark the following states and indicate how many unduplicated customers they intend to provide counseling in in each state. A check mark signifies the applicant and sub-grantee or branches propose the rural areas in these states are included in their service areas for the purposes of this funding award. If your organizations do not have a physical presence within the rural area, but you have demonstrated service delivery of foreclosure counseling to clients in any of these areas, this can also qualify as a service area.

EXAMPLE	States where rural areas are NOT defined as Areas of Greatest Need	Estimate the total number of unduplicated customers (Level 1 + Level 2 + Level 3) you expect to counsel in each rural area of the state
<input checked="" type="checkbox"/>	Alaska	200
	Colorado	
	Idaho	
	Kansas	
	Louisiana	
	Massachusetts	
<input checked="" type="checkbox"/>	Montana	200

## Factor 4: Proposed Counseling Services (Points Possible: 30)

Of primary concern to application review teams will be the reasonableness of your counseling goals, your capacity to oversee these funds and a network of sub-grantees and branches, and your demonstrated ability to provide the highest quality foreclosure intervention counseling services. Eligible counseling award calculations are based on your projected new goals for NFMF Round 2 (listed in question 3 below); however other responses and figures weigh heavily in the final award determination.

In the tables below (questions 1 to 5) please fill out the estimated number of **unduplicated** foreclosure intervention customers served by all branches or sub-grantees. Please refer to each question within the table for further instruction.

**Note: NFMF funds must be used ONLY to counsel homeowners in their primary residence. Counseling completed with owners regarding second homes or investment properties may not be funded using NFMF program grants.**

### **Definitions of Counseling Levels**

Counseling can include a range of activities depending on the borrower's financial situation and the severity of the mortgage delinquency. Many borrowers in the early stages of delinquency may benefit from brief counseling sessions that result in an action plan they can follow to get back on track and prevent foreclosure. More complex workouts, involving negotiations with mortgage lenders or servicers, require staff with additional expertise and will take longer to resolve. Many applicants may have existing relationships with state or national programs or hotlines. Recognizing this, NeighborWorks® America has developed a three-tiered structure for defining and estimating the cost of counseling activity. For the purposes of projecting counseling budgets, Level One counseling is valued at \$150, Level Two at \$200, and Level Three at \$350. Level Three activities combine those offered under Levels One and Two. **WHEN PROJECTING YOUR NUMBERS FOR THIS TABLE, PLEASE NOTE THAT ANY CLIENTS INCLUDED IN LEVEL ONE AND/OR LEVEL TWO CAN NOT ALSO BE INCLUDED IN LEVEL THREE.**

**“Level One” Counseling:** To qualify for a level one payment (\$150), a counseling agency will be required to complete all four of the following steps:

1. Organization must conduct an intake including client name and address, basic demographic information, lender and loan information, and reason for delinquency. The National Industry Foreclosure Counseling Standards provide guidance on what should be included in an Intake Form (See [www.nw.org/network/nfmcp/documents/NationalIndustryForeclosureCounselingStandards-FINAL.pdf](http://www.nw.org/network/nfmcp/documents/NationalIndustryForeclosureCounselingStandards-FINAL.pdf)). It is recommended, but not required, that contact information for one additional person is collected at intake in the event that client moves or is otherwise unable to be reached following initial intake.

2. Organization shall collect a signed authorization form from the client or have other legally-permissible client authorization on record that will allow organization to (a.) submit client-level information to the data collection system for this grant, (b.) open files to be reviewed for program monitoring and compliance purposes, and (c.) conduct follow-up with client related to program evaluation. Clients may opt-out of (c.) above only, but proof of this opt-out must be retained in the client's file. Organization must also allow client access to its privacy policy statement. NeighborWorks® will make a template authorization form available for Grantees to modify for their own use if they do not already have such a form. Alternatively, Grantees may incorporate the language above into their existing authorization forms. Organization must also allow client access to its privacy policy statement.
3. Organization must develop a budget for the client based on client's oral representation of their expenses, debts, and available sources of income.
4. Organization must develop a written Action Plan for follow up activities to be taken by the client and review this Action Plan with the client. The National Industry Foreclosure Counseling provides guidance on what should be included in an Action Plan (See <http://www.nw.org/network/nfmcpc/documents/NationalIndustryForeclosureCounselingStandards-FINAL.pdf>).

***When billing for Level 1 activities, all 4 of these completed documents must be in client file: intake, authorization form, budget, and action plan.***

**“Level Two” Counseling:** To qualify for a level two payment (\$200), a counseling agency will be required to complete the following four steps:

1. Engage in budget verification during which the counselor reviews documented evidence provided by the client to establish true debt obligations (credit report), monthly expenses (monthly bills and banks statements) and spending patterns, and realistic opportunities for income (tax returns and pay stubs).
2. If not already on file, organization shall collect a signed authorization form from the client or have other legally-permissible client authorization on record that will allow agency to a) submit client-level information to the data collection system for this grant, b) open files to be reviewed for program monitoring and compliance purposes, and c) pull credit record for purposes of program evaluation two additional times between intake and June 30, 2011 and authorization to conduct follow-up with client related to program evaluation. Organization must also allow client access to its privacy policy statement.
3. Steps to obtain a solution outlined in the written Action Plan are taken and documented using counseling notes that indicate date counseling occurred. This could include but is not limited to the following:
  - a. Draft and submit to the servicer a hardship letter that describes for the servicer the situation of the client, reason for delinquency, factors that should be considered when developing a workout plan, and an estimate of the housing cost the client can afford to pay.

- b. Documented attempt to contact the servicer or lender and, if a workout is possible, fill out and submit forms required by the servicer to move forward with a workout plan, loan modification or other available program. NeighborWorks® will endeavor to post e-mail contact information for servicers who have made such available on the [www.nw.org/nfmc](http://www.nw.org/nfmc) web page so documentation of attempts to reach servicers is easily captured.
  - c. Complete and submit application for local resource options including refinance programs or rescue funds.
  - d. Assist in situations where client elects to pursue sale options.
4. Close-out documentation is completed. For purposes of this grant, “close-out documentation” refers to the documentation of steps taken in #3 above in order to report this client as having received Level 2 counseling. All files need to contain reason for close out and, if applicable, any documentation demonstrating solution.

***When billing for Level 2 activities, all of these completed documents must be in client file: authorization form, verified budget, documentation of steps taken based upon action plan, and close-out documentation.***

#### **“Level Three” Counseling:**

Level 3 counseling can be billed (\$350) when all necessary documentation for levels 1 and 2 are completed in succession by the same agency. **Note: the maximum that may be billed per individual counseling client is \$350. NeighborWorks® America will not allow duplicate billing for the same client at each counseling level.**

#### **Counseling Table Instructions**

In this section applicants are asked to indicate the number of Level One, Level Two, and Level Three counseling customers they (or their sub-grantees or branches) have provided between July 1, 2007 and June 30, 2008 and will provide for Calendar Year 2009. Some of the calculations will be filled in for you. **Simply click on the “save” button after you have entered your data in each table to view such auto-calculated fields.** Please do not leave any cell blank, but rather enter “0” in cells where your answer is “zero” or “none.”

**Question 1:** In this section applicants are asked to indicate the number of Level One, Level Two, and Level Three counseling customers they (or their sub-grantees or branches) have provided between July 1, 2007 and June 30, 2008. Demonstrated Experience, found at the bottom of the table, will be calculated one of two ways: 1) the simple sum of Q3 2007 through Q2 2008 or 2) the most recent quarter (Q2 2008) multiplied times four. Which ever number represents the largest number of counseled homeowners will be displayed and used as the applicant’s demonstrated experience throughout this application. In the example below, second quarter 2008 annualized (multiplied by 4) is the larger figure for Level 1 and thus is displayed as the demonstrated experience. \*

Number of Unduplicated Customers Receiving Foreclosure Counseling																
<b>DEMONSTRATED EXPERIENCE</b>																
Click on the <b>Save</b> button to see the totals and Demonstrated Experience																
	“Level One” Counseling					“Level Two” Counseling					“Level Three” Counseling					
	'07 Q3	'07 Q4	'08 Q1	'08 Q2	Total	'07 Q3	'07 Q4	'08 Q1	'08 Q2	Total	'07 Q3	'07 Q4	'08 Q1	'08 Q2	Total	
1. Foreclosure counseling provided during the following period: 7-1-07 to 6-30-08. Columns are labeled by Calendar Year.*  You may include in this question customers counseled using NFMCA Round 1 funds.  Demonstrated Experience will display the larger of either the four quarters in sum OR second quarter 2008 <i>annualized</i> for each counseling level.	100	200	250	300	850	0	0	0	0	0	90	100	130	100	420	
	Demonstrated Experience: <b>1200</b>					Demonstrated Experience: <b>0</b>					Demonstrated Experience: <b>420</b>					

**TOTAL DEMONSTRATED EXPERIENCE: 1,620**

**AS YOU COMPLETE THIS FACTOR, PLEASE REMEMBER TO SAVE YOUR DATA ENTRY AFTER EACH COMPLETED TABLE. PLEASE BE PATIENT AND WAIT FOR THE GREEN BAR ON THE BOTTOM OF YOUR SCREEN TO COMPLETELY SAVE OR DISAPPEAR BEFORE MOVING ON. FAILURE TO DO SO MAY RESULT IN LOST DATA.**

**Question 2A:** If you did not receive a NFMC Grant Award February 24, 2008, please enter “0” for every cell in this question. If you have received a NFMC award previously, indicate here the remaining counseling (if any) to be completed using Round 1 funds in calendar year 2009. Please indicate, by level and quarter, when you project to counsel these homeowners and utilize the remaining funds. Although it is the expectation of NFMC that all Round 1 counseling funds be utilized by December 31, 2008, your figures here should represent realistic projections for each quarter of Calendar Year 2009. If you indicate all your remaining counseling units will be used in the first quarter of FY 2009, then enter “0” for the remaining three quarters of each level. Because the maximum allowable extension for Level 1 funding is through June 2009, you should enter zeros in Q3 or Q4.

**Question 2B:** All applicants must enter figures for this portion of the Initial Goal table. Based on other sources of funding, you need to project what your 2009 counseling goals would be without the anticipated aid of any round of NFMC funding, including this current application round. \*

**Example:** Intermediary X did not receive a NFMC Round 1 grant award, and thus they entered “0” for all columns of question 2A in the table below. Based on funding from national and regional banks, and several municipalities, their initial goal for Calendar Year 2009 is 2,250 counseled homeowners (Level 1= +1000, Level 2 = +250, Level 3 = +1000) without any NFMC funding.



Number of Unduplicated Customers Receiving Foreclosure Counseling															
INITIAL GOAL FUNDED THROUGH SOURCES OTHER THAN NFMC ROUND 2															
	"Level One" Counseling					"Level Two" Counseling					"Level Three" Counseling				
	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 09	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 09	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 09
<b>INITIAL GOAL – funded by sources other than NFMC Round 2 funds</b>															
<b>2A. REMAINDER OF NFMC UNITS FROM ROUND 1.</b> If you received NFMC funds from Round 1, please indicate any counseling units funded by NFMC Round 1 expected to be completed in Calendar Year 2009. Remember that all NFMC Round 1 counseling goals should be completed by December 31, 2008. *	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>2B. GOAL</b> for foreclosure counseling projected for Calendar Year 2009 funded through sources other than NFMC Round 1 or proposed NFMC Round 2 funds. *	200	300	300	200	1000	50	50	50	100	250	200	200	300	300	1000
<b>TOTAL INITIAL GOAL</b>	200	300	300	200	1000	50	50	50	100	250	200	200	300	300	1000

**TOTAL INITIAL GOAL: 2,250**

**Question 3:** For the New Goal section applicants will need to indicate the number of “additional” clients/customers they propose to counsel if awarded NFMC program funding in Round 2. For this section, only indicate those additional counseling numbers. That is, the number of customers you propose to counsel in addition to your Initial Goal Totals presented in Factor 4, question 2. Figures in this table will be used later in this factor to determine your maximum eligible counseling award amount.\*

**Note:** It is the expectation of NFMC that applicants counseling projections for each quarter of 2009 be relatively equal with only minor changes in production from quarter to quarter. In essence, an applicant should have many of the counselors needed already on staff as well as the demonstrated experience and capacity to counsel roughly 20-30% of its annual goal each quarter, including first quarter 2009.

**Example:** Intermediary X proposes, with the additional aid of NFMC Round 2 funds, their sub-grantees **combined** could counsel an additional 1500 clients within 2009. The breakdown by counseling level would be as follows: Level 1= +400, Level 2= +350, Level 3= +750. Intermediary X presents these additional numbers in the quarterly format below:

<b>Number of Unduplicated Customers Receiving Foreclosure Counseling</b>															
<b>NEW GOAL</b>															
Click on the <b>Save</b> button to see the totals															
	“Level One” Counseling					“Level Two” Counseling					“Level Three” Counseling				
	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009
<b>3. NEW GOAL:</b> Additional foreclosure counseling projected within Calendar Year 2009 <u>with</u> a NFMC Round 2 award. *	100	100	100	100	400	75	75	100	100	350	150	175	200	225	750
Note: Your New Goal Grand Total must equal your overall total of customers listed in Factor 3.															

**TOTAL NEW GOAL: 1,500**

**APPLICANTS SHOULD PRESS SAVE BEFORE PROCEEDING WITH THE FOLLOWING QUESTIONS.**

**Question 4:** For the Total Goal section GrantWorks will add Factor 4 questions 2 and 3 (all columns) from the tables above to represent the total number of unduplicated homeowners you and your branches and sub-grantees expect to counsel in Calendar Year 2009. Figures in this table will represent comprehensive counseling goals for the applicant and its sub-grantees and branches, assuming funding from NFMC and other sources.

<b>Number of Unduplicated Customers Receiving Foreclosure Counseling</b> <b>TOTAL GOAL</b> Click on the <b>Save</b> button to see the totals.															
	"Level One" Counseling					"Level Two" Counseling					"Level Three" Counseling				
4. <b>TOTAL GOAL</b>	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Total CY 2009
(Initial Goal + New Goal)  This table combines the numbers in questions 2 & 3 above, to arrive at the total counseling goal for Calendar Year 2009.	300	400	400	300	1400	125	125	150	200	600	350	375	500	525	1750

**TOTAL GOAL: 3,750**

**APPLICANTS SHOULD PRESS SAVE BEFORE PROCEEDING WITH THE FOLLOWING QUESTIONS.**

**Question 5:** For the maximum eligible counseling award section GrantWorks will calculate the applicant’s counseling level totals presented in Factor 4, question 3 -- New Goal -- and multiply by the corresponding cost set for each Level. (For example, New Goal Level 1 X \$150, New Goal Level 2 X \$200, New Goal Level 3 X \$350.) Once all level totals have been calculated at the appropriate counseling rate, all three levels will be added by GrantWorks to determine the maximum NFMC counseling award your organization is eligible to receive.

<b>Maximum Eligible Counseling Award</b>			
<b>Click on the SAVE button to see the calculated Maximum Eligible Counseling Award</b>			
	<b>“Level One” Counseling</b>	<b>“Level Two” Counseling</b>	<b>“Level Three” Counseling</b>
5. Calculated Maximum Eligible NFMC Round 2 funds to be awarded from the New Goal numbers in question 3 above.	<b>400 X \$150</b>	<b>350 X \$200</b>	<b>750 X \$350</b>
<b>MAXIMUM ELIGIBLE COUNSELING AWARD PER LEVEL</b>	<b>\$60,000</b>	<b>\$70,000</b>	<b>262,500</b>

<b>TOTAL MAXIMUM ELIGIBLE COUNSELING AWARD</b>	<b>\$392,500</b>
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**NOTE:** The maximum allowable grant request for this application is \$20,979,440. If the amount listed here exceeds this amount, you must reduce your New Goal figures in Factor 4, question 3. After changing your new goal figures, hit save to see if your total maximum eligible counseling award is now below the grant cap for this application. If your request exceeds the cap, you will not be able to submit the final application as Factor 4 will be in error.

## Factor 4: Proposed Counseling Services (Page 2)

**Question 6:** In this table please list the number of additional counselors you will need to accomplish your New Goal (from question 3 above) if awarded NFMC funds as requested in question 5. If you would not need to hire any additional counselors to achieve these goals, you should enter zeros throughout this table.

<b>Number of Additional FTEs for Foreclosure Intervention Counselors Needed to Reach New Counseling Goal</b>					
Click on the <b>Save</b> button to see the totals.					
6. Number of foreclosure intervention counselor FTEs you and your sub-grantees or branches will need to hire (new) or reallocate and train (existing staff), or otherwise recruit (volunteers) to meet the New Goals in question 3. If you have no need for additional counselors for any quarter, enter "0". *	Additional Counselor FTE's Needed				
	'09 Q1	'09 Q2	'09 Q3	'09 Q4	Calendar Year 2009 Total
	6	4	0	0	10

7. Describe your strategy for recruiting, orienting, training and compensating any newly hired counselors/staff under this program, especially in light of the fact that the funds are time-limited. For those applicants who received a NFMC Round 1 award, please also describe how you have used those funds to recruit, train, and compensate counselors hired since March 1, 2008. \* Applicants who need to hire additional counselors to meet goals listed in question 3 (New Goal) above must provide a detailed hiring and training plan. If significant hiring is needed, please provide details on how you plan to compensate those employees over the long-term, given the fact that NFMC funding is not available long-term. For previous NFMC grant recipients, please report on your successes and challenges in terms of hiring and training new counselors since March 1, 2008.

- 8. Describe your sub-grantees or branches' capacity to track which level of counseling (Level 1, Level 2, or Level 3) has been provided.** \* Applicants should provide a succinct, but detailed, explanation of how the proposed counseling levels will be monitored, tracked, and submitted electronically to NFMCC. Intermediaries and HFAs will be responsible for ensuring that sub-grantees and branches submit accurate reports and that required documentation is in client files at sub-grantee or branch level.
- 9. If you (or your sub-grantees or branches) do not propose to provide all three levels of counseling, please describe partnerships or other arrangements you have in place to ensure homeowners can receive the level of counseling you will not be offering.** Applicants should reference their entries in Factor 4, questions 3-5, and provide a succinct, but detailed, explanation. See also question 12 of this factor.
- 10. Does your organization have a written plan that has been implemented for providing in-person counseling and for making contact, including personal contact, with defaulted mortgagors, for the purpose of providing counseling or providing information about available counseling?** \* If applicable the applicant should select "yes" and attach such a written plan. This plan would include specific information and procedures regarding a) how the applicant provides in-person counseling or locates and refers homeowners to face to face counseling if such services are needed or requested by the homeowner and such services are not available through the applicants' counselors or, b) how the applicant attempts to make contact directly with homeowner known to be in default on their mortgage. Outreach examples include, but are not limited to, door knocking by counselors or other staff, direct mailings by the applicant and/or a mortgage servicer partner, outbound calling campaigns, direct referral to counseling by the servicer, delinquent utility bill inserts, and group workshops where those invited were known to be behind on their mortgage. In general, describe outreach efforts where the homeowners known to be behind on their mortgage are contacted personally or directly, versus more general advertising campaigns that reach the public at large.

Be sure for question 10B. to describe how the attached plan is being implemented and provide outcome data as available.

- 11. Describe any partnerships you have established, or foreclosure task forces in which you are involved, that are designed to help homeowners facing default and foreclosure resolve their mortgage delinquencies. Examples may include (without limitation) partnerships with financial institutions or servicer, or involvement in local or state government initiatives in your service area. Only describe partnerships or initiatives in your proposed service area that are active now or that will be in place before October 1, 2008. Specifically indicate any partnerships you have to provide in-person counseling and for making contact, including personal contact, with defaulted mortgagors.\*** Provide a detailed overview of not only the partners involved, but also the goals, outcomes and accomplishments of the partnership(s) or initiatives. If any portion of these partnerships or initiatives is still developing, present evidence they will be in place and operating by October 1, 2008. In question 10 you may have uploaded a written plan that addresses making personal contact and providing in-person counseling. However, for question 11, please indicate specific partnerships you have with others to provide in-person services, including any agreements or contracts in place with those partners.
- 12. Describe your strategy for identifying, marketing to, and attracting homeowners who are delinquent or in default on their mortgages, or at-risk of becoming delinquent or in default on their mortgages. This should include any partnerships you have established with other organizations to help you identify and reach out to customers, or that will supply other services that support a successful resolution of customers' mortgage delinquencies. For those applicants who received a NFMC Round 1 award, please also describe how you have conducted outreach and marketing since March 1, 2008.\*** Applicants must provide a succinct, yet detailed explanation of their outreach strategy, both existing and proposed for 2009. Description should include evidence that illustrates your marketing and outreach plan will successfully reach the number of homeowners listed in your New Goal from question 3 above. Recipients of NFMC Round 1 funds should also give specific data and evidence that illustrates the success of their past/current outreach and marketing efforts.
- 13. How does your organization work to identify and coordinate with non-profit organizations operating national or statewide toll-free foreclosure prevention hotlines?** Applicants should provide a detailed description of any formal or informal programmatic agreements or contracts made with any existing national or state foreclosure hotlines/programs. NMFC is not encouraging applicants to create or form new state or national hotlines, but rather seeks to understand your coordination and collaboration with hotlines already in operation. If applicable, please describe how the hotline: a) serves as a consumer referral source and data repository for homeowners experiencing some form of delinquency or foreclosure; b) connects homeowners who call the hotline to your organization (or its sub-grantees or branches) to assist in working out a positive resolution to the mortgage delinquency or foreclosure; or c) facilitates or offers free assistance to help homeowners understand their options, negotiate solutions, and find the best resolution for their particular circumstances.

Furthermore, if you have previously attempted to coordinate with a national or statewide toll-free foreclosure prevention hotline, but were unsuccessful, please indicate why the effort was unsuccessful or not feasible. If you do not currently coordinate services in any way with a national or state non-profit foreclosure hotline, please indicate "not applicable" in the application response.

**14. Projected Foreclosure Counseling Growth in Calendar Year 2009:**  % This percentage will be auto-calculated and is determined based on your responses to questions 1 and 4 in Factor 4 and will be used to gauge the reasonableness of your counseling business growth plan.

**15. If your Total Counseling goal for Calendar Year 2009 (Factor 4, question 4) is more than 200% of your Demonstrated Experience (Factor 4, question 1), then please provide additional details about how your organization plans to support and implement such an aggressive growth plan. Give consideration to hiring and training, caseload size, managerial oversight, and outreach/marketing.** NFMC believes counseling production goals that exceed 200% of any previous production *may* be unrealistic and difficult to obtain based on the limitations of available and experienced counselors, large caseload increases placed upon existing counselors, and/or limited volume of potential customers seeking out your organization's services. Applicant should provide a detailed business plan that supports any growth over 200%, including any past experience managing significant program growth rates in the past (i.e. with another housing counseling program). If your most recent counseling production (i.e., August) is more indicative and supportive of your Calendar Year 2009 projections than your Demonstrated Experience in question 1, please share these more recent counseling trends and volumes and how you expect to sustain such levels in 2009.

**APPLICANTS SHOULD PRESS SAVE BEFORE PROCEEDING WITH THE FOLLOWING QUESTIONS.**



## Factor 4: Proposed Counseling Services (Page 3)

**Program-Related Support can include, but is not limited to, the following:**

- Establishing a triage system that makes more effective and efficient use of counseling time, ensuring customers are directed into the type of counseling they need to resolve their issues
- Outreach to delinquent borrowers, many of whom evidence shows may not seek assistance on their own
- Group orientation and education sessions to help use counseling time more effectively
- Infrastructure development and communication
- Improving applicant capacity and infrastructure for tracking and reporting data
- Costs related to hiring, orienting, and training new counseling staff
- Purchasing or leasing equipment and software for new counselors
- Collecting data and preparing quarterly reports and draw requests
- Local operational oversight by HCAs or the sub-grantees or branches of State HFA and Intermediary applicants

**16. The maximum amount you may request for Program-Related Support is 20% of your Maximum Eligible Counseling Award for NFMC Round 2 (from Factor 4, question 5).** Using Intermediary X's Maximum Eligible Award of \$392,500 as an example, Intermediary X can request up to \$78,500 in program-related support. (Max. Eligible Counseling award X .20). Program-Related support is in addition to your Maximum Eligible Counseling award. Intermediary X's maximum eligible NFMC award is now \$471,000.

\$  **Maximum Program-Related Support** This amount will be calculated automatically by GrantWorks.

**16A. Enter the dollar amount you are requesting for Program-Related Support. Note: it cannot be greater than the amount calculated above. \* \$**

**16B. Describe how your sub-grantees or branches will use the Program-Related funds to achieve your projected new counseling goals (Factor 4, question 3) under NFMC Round 2.\*** Provide a succinct, but detailed, plan for how your requested Program-Related Support amount will be used to achieve new counseling goals. Show how your plan would increase the effectiveness and efficiency of sub-grantees' or branches' ability to provide foreclosure counseling. **Please also provide major budget line-items that are related to your proposed plan.** These funds are not intended to be indirect or administrative fees; rather, they are meant primarily to support direct costs associated, as much as possible, with increasing the effectiveness and efficiency of sub-grantees or branches' ability to provide quality foreclosure counseling. Please only request the amount necessary to cover the Program-Related Support activities you propose.

**If you intend to retain any Program-Related Support funds at the Intermediary or HFA level:**

**17. Enter the percentage of funds you will retain. Note: it cannot exceed 50% of the Program-Related Support amount requested on Question 16A above.** \* This is the percentage of any Program-Related funds you, as the applicant, plan to retain to cover appropriate costs. State HFAs and Intermediaries that have separately-incorporated sub-grantees must pass through the full awarded percent of Program-Related Support to their sub-grantees. It is expected that these funds will be used to increase efficiency of foreclosure counseling.

**50 %**

**This is the total amount you intend to retain for the Program-Related Support funds:** \$39,250 (This number will be automatically populated once you hit “save” based upon the percentage you enter in question 17).

**18. Describe how you will use the funds to have a timely and positive impact on the counseling capacity of your sub-grantees or branches to achieve your new foreclosure counseling goals.** \* State HFA and Intermediary applicants requesting to retain any Program-Related Support funds from being passed through to their sub-grantees must provide written justification for how retaining a portion of this support will have a timely and positive impact on the capacity of their local sub-grantees to conduct foreclosure mitigation counseling. If justification is approved, a State HFA or Intermediary can retain no more than 50 percent of the total Program-Related Support funds held at the intermediary or State HFA level. Examples of Program Related Support are listed above, just prior to question 16.

**19. Do you plan to contract out some or all of your proposed activities under Program-Related Support?**

This only applies to applicants who plan to contract out any portion of their Program-Related Support. Provide a succinct, but detailed, explanation for each 19A-C if you answered “yes” to 19. If you answered “no” proceed to question 20.

- A. Describe which activities will be contracted out, and name the entity that will provide the services. Indicate whether any of these entities are related corporations or subsidiaries of the applicant organization**
- B. Describe the recent and relevant experience and expertise of the subcontractor(s). Justify why they are well-suited to performing the tasks above.**
- C. Please describe how the contractor(s) will report to you and be held accountable for their performance under this grant.**

**20. Describe how you will verify that none of the organizations, its employees or contractors that receive NFMC funds through you have been indicted for a violation under Federal law relating to an election for Federal office.** \* For full definitions, see item 16 in the Applicant Certifications section of this application guide. Applicant should provide specific steps taken to insure none of its organizations, employees or contractors has been indicted.

**21. If you do *not* plan to apply for Program-Related Support, discuss why the funds are not necessary and how you will support your sub-grantees and branches in achieving your new counseling goals under NFMC Round 2. This question is required if question 16A above is zero.** This only applies to applicants who opt out from requesting Program-Related Support. This section should only be completed if your entry in 16A above is "\$0." Please provide a succinct, but detailed explanation for your decision to opt out from requesting this additional support award.

**Operational Oversight can include, but is not limited to, the following:**

- Grant or Funding Management of sub-grantees or branches
- Support Data collection activities
- Client Record keeping and Reporting
- Quality control requirements
- Day-to-day oversight activities
- Management improvements to systems and infrastructure

**22. If you plan to apply for Operational Oversight funds, please describe how you will use these funds to complete the required data tracking and reporting.** \* Provide a succinct, but detailed, plan for how additional Operational Oversight funding will be used to execute the required client-level data collection, tracking, and reporting activities necessary for NFMC program eligibility. Applicants should only complete this section if they plan to request this additional funding level (described in question 23 below), but please only request the amount necessary to provide sufficient grant management and oversight of your sub-grantees and branches. **If you are not applying for Operational Oversight funds, please describe clearly how you will support tracking, reporting, and overall grant management without these funds.**

**23. If you did not receive NFMC funds in Round 1, your Operational Oversight award cannot exceed 7% of the first \$2.5 million of your Maximum Eligible Counseling Award for this application and 5% of any amount over \$2.5 million (from Factor 4, Question 5). If you did receive NFMC funds in Round 1, your Operational Oversight award cannot exceed 5% of your Maximum Eligible Counseling Award for this application.** Applicants should only complete this section if they plan to request Operational Oversight as an additional level of funding. If applicants are requesting this level of funding, be sure you have completely answered question 22 above. All Intermediaries and HFAs may request funding for Operational Oversight. Limits of these requests are based on whether or not you received NFMC Round 1 funding, which was determined in Question 1 of Factor 1.

**24. Enter the dollar amount you are requesting, it cannot be greater than the amount calculated above.** \* The maximum amount you may apply for will be displayed and calculated by GrantWorks within the application. Enter the amount you are requesting in the space provided.

**25. Describe how you will use Operational Oversight funds to administer NFMC Round 2 funding.** \* Provide specific details on how the Operational Oversight funds you are requesting will be used by you to administer all facets of this grant. **Please include a detailed budget for the Operational Oversight funds requested.** If you are not applying for Operational Oversight funds, enter “not applicable” for this question.

**Example A (7%):** State HFA Y's Max. Eligible Counseling Award (from Factor 4, question 5) is \$3,000,000. HFA Y can request an additional 7% of their counseling award for Operational Oversight for the first \$2,500,000 (or \$175,000) as they did not receive a NFMC Round 1 award. They may also request 5% of the remaining \$500,000 of their Eligible Counseling award (for an additional \$25,000), bringing their total eligible Operation Oversight amount to \$200,000. HFA Y has requested only \$160,471 in Operational Oversight and provided a detailed budget to support their request. HFA Y also requested the full 20% of Program-Related Support (or \$600,000), thus their total maximum eligible NFMC Round 2 award is \$3, 760,471. (*Max. Eligible Counseling = \$3,000,000, Program-Related Support = \$600,000, and Operational Oversight= \$160,471*).

**Example B (5%):** HUD Intermediary Z's Max. Eligible Counseling Award is \$500,000. Intermediary Z can request an additional 5% of their counseling award for Operational Oversight (or \$25,000) as they did receive a NFMC Round 1 award. Intermediary Z has requested the full 5% in Operational Oversight and provided a detailed budget to support their request. Intermediary Z also requested the full 20% of Program-Related Support (or \$100,000), thus their total maximum eligible NFMC Round 2 award is \$625,000. (*Max. Eligible Counseling = \$500,000, Program-Related Support = \$100,000, and Operational Oversight= \$25,000*).

## Factor 5: Targeted Outreach (Points Possible: 10)

### Outreach to minority and low-income homeowners and neighborhoods

Federal legislation requires that 15% of NFMC funds shall be provided to counseling organizations that target counseling services regarding loss mitigation to minority and low-income homeowners or provide such services in neighborhoods with high concentrations of minority and low-income homeowners. NFMC seeks to better understand how these groups may be targeted in terms of your foreclosure counseling outreach and marketing efforts. Please provide detailed responses for the questions of Factor 5 where relevant and required. Points will be awarded based on both the number of population groups to be targeted AND on the quality of the outreach plan, including how likely it is to achieve the counseling goals stated in Factor 5.

1. Does your organization intentionally target foreclosure intervention counseling services to minority and/or low-income homeowners?\* For Factor 5 NFMC seeks to understand if you specifically and intentionally market your foreclosure services to special populations. Simply respond yes or no.

- 1A. If yes, check which groups of homeowners you target. Check all that apply and indicate how many received foreclosure counseling from your organization between 7/1/07 and 6/30/08:

#### EXAMPLE

	Estimated # of clients served between 7/1/07 and 6/30/08
<input type="checkbox"/> American Indian/Alaskan Native	
<input type="checkbox"/> Asian	
<input type="checkbox"/> Black or African American	
<input type="checkbox"/> Native Hawaiian/Other Pacific Islander	
<input checked="" type="checkbox"/> Hispanic	1,145
<input type="checkbox"/> Families earning less than 50% of Area Median Income (AMI)	
<input type="checkbox"/> Families earning 50-79% of AMI	

- 1B. Describe how your outreach and marketing strategy is designed to specifically reach these homeowners. Include information about each group you selected above. Include how the outreach and marketing efforts were created for the groups listed. For example, if Hispanic populations were targeted, you may describe the materials and advertising used, that it was printed in Spanish, and then disseminated via culturally appropriate outlets and community locations.

2. **If you were to receive NFMC Round 2 funding, describe how these funds would be used to specifically market to low-income and minority homeowners.** \* If awarded Round 2 funds, describe how would you continue or increase your efforts to intentionally reach low-income and minority homeowners.
  
3. **If you were to receive NFMC Round 2 funding, what percentage of your total counseling units would you **commit** to provide to low-income or minority homeowners?** \* Simply indicate the percentage of your counseling units from Factor 4, question 3 you will commit to use to counseling low-income or minority homeowners.
  
4. **Does your organization intentionally target foreclosure intervention counseling services to low-income and/or minority neighborhoods?\***  
Simply respond yes or no. NFMC seeks to understand if you specifically and intentionally market your foreclosure services to these neighborhoods.  
  
**4A. If yes, please describe your outreach and marketing strategy, including how you identify and define which neighborhoods to target.** Although this question is similar to question 1 above, NFMC is specifically seeking additional information on how you focus any of your marketing and community outreach efforts on specific neighborhoods at large, versus directly to low-income homeowners facing mortgage default.
  
5. **If you were to receive NFMC Round 2 funding, describe how these funds would be used to specifically market to low-income and minority neighborhoods.** \* If awarded Round 2 funds, describe how would you continue or increase your efforts to intentionally reach low-income and minority neighborhoods. Include how you would identify which neighborhoods to target.
  
6. **If you were to receive NFMC Round 2 funding, what percentage of your total counseling units would you **commit** to provide to people living in low-income or minority neighborhoods?** \* Simply indicate the percentage of your counseling units from Factor 4, question 3 you will use to counseling low-income or minority neighborhoods.

## OUTREACH TO AREAS OF SPECIAL NEED

Please follow this link (<http://www.nw.org/network/nfmc/documents/targetedoutreach.pdf>) and review the list of MSAs and Zip codes that have been identified as **Areas of Special Need** by NFMFC. These tables list Metropolitan Statistical Areas and Zip Codes where specific targeted outreach would be beneficial.

**7. Does your organization propose serving any of these areas if NFMFC Round 2 funds are awarded?** \* Simply respond yes or no after reviewing the list.

**7A. If yes, list up to 10 areas you will commit to serve, the number of clients you will commit to counsel in each of these areas if awarded NFMFC Round 2 funds, and your strategy for reaching these populations and ensuring services will be provided. The number of clients you list here is a sub-set of your “new goal” figure in Factor 4, Question 3; it is not over and above what you proposed in Factor 4, Question 3.**

If any of these areas fall within your service area, and you are able to commit to counseling homeowners in these MSAs or zip codes, please indicate such by typing the CODE (e.g., A11) into Question 7A, Column 1 of the NFMFC Round 2 application. (See <http://www.nw.org/network/nfmc/documents/targetedoutreach.pdf> for a full listing). Indicate the number of clients you will commit to serve, and describe your outreach and service delivery strategy. You may list up to 10 areas in the Application.

If you can commit to serving more than 10 areas, please send an e-mail to [nfmc@nw.org](mailto:nfmc@nw.org) with the following message in the subject line: NFMFC Targeted Outreach Additional Areas. List the code, number of clients, and outreach/service delivery model as follows. Be sure to include the name of the applicant organization in your e-mail.

**8. Does your organization propose to serve other unique client groups using NFMFC Round 2 funds? Check all that apply and complete appropriate fields.** Please check all that apply and complete the appropriate fields. The number of clients you list here is a sub-set of your “new goal” figure in Factor 4, Question 3; not over and above what you proposed in Factor 4, Question 3.

### EXAMPLE

Veterans or Active Duty Military

1,000

We will market our services at the military base located in our primary service area. Working with local leaders, we will make sure all veterans and their families returning from Iraq or other Middle East locations will be given a packet of foreclosure educational materials, including what our organizations can offer and how to contact us. It is projected that over 200 families return to the military base every month, and...



## Factor 6: Match

**FACTOR 6 WILL NOT BE GIVEN A NUMERIC SCORE; HOWEVER, MATCHING FUNDS MUST BE EXPECTED AT THE REQUISITE LEVELS AND FUNDS CANNOT BE DRAWN DOWN UNTIL EVIDENCE OF MATCH FUNDS EXPENDED OR COMMITTED, PROPORTIONATE TO THE DRAW REQUEST, IS DOCUMENTED.**

1. In the table below, itemize your projected match for NFMC Grant Round 2.\* Please indicate the source of funds, whether they are in-kind or cash, and whether they are expended, committed, pending, or anticipated. Award recipients must match the funding they receive from the National Foreclosure Mitigation Counseling Program. Recognizing the limits of time and financial resources, match requirements are defined as follows:

- **Applicants must provide a 20 percent match for \$500,000 or less in funding received from the National Foreclosure Mitigation Counseling Program. For funding in excess of \$500,000 the required match rate drops to 10 percent.** For example, an Applicant applying for \$1 million in funds would be required to demonstrate a match of \$150,000 in cash and/or in-kind resources.
- Match can be cash or in-kind (e.g., staff time, office space, volunteer time, donated equipment, etc.).
- In-kind valuation will be considered consistent with requirements for other federal grant programs. Guidance is posted at [www.nw.org/nfmc](http://www.nw.org/nfmc).
- Applicant match must be related to Applicants' foreclosure mitigation program. This program **must** include foreclosure intervention counseling, but may also include triage, outreach, or mortgage workout assistance funds (both grants and loans), plus any administrative or overhead expenses associated with the program.
- Match need not be new resources generated for this grant program, but must be related to foreclosure counseling rather than the Applicant's general housing counseling program.
- **Other federal funds may not be counted toward match requirements.** Examples of federal funds ineligible for use as match in this application include (but are not limited to): HUD Housing Counseling funds, HOME Funds (unless applicant can demonstrate that these funds have not retained their federal identity), and grants awarded by NeighborWorks® America to its chartered members from Congressionally appropriated dollars, and NFMC Round 1 grant funds.
- Examples of funds that are eligible for match include (but are not limited to): fees received from servicers or lenders for providing foreclosure counseling to clients not counted under this program; funds received to capitalize mortgage rescue funds; Community Development Block Grant (CDBG) funds; foundation and corporate grants received for operating a foreclosure counseling and mitigation program; municipal, county, or state grants for operating a foreclosure counseling and

mitigation program (as long as the funds do not have a federal source); contract income; and unrestricted funds or net assets dedicated towards the foreclosure program.

- The match “window,” or period within which the match must be expended or raised, extends from July 1, 2008 to December 31, 2009. Any expenditure related to the Applicants’ foreclosure mitigation program that occurs between July 1, 2008 and the date award funds are received in NFMC Round 2 are eligible to be counted toward the match. Funds raised before this time period can be counted toward match as long as they will be expended between July 1, 2008 and December 31, 2009
- Applicants need not have all the match committed at the time of application, but can include funds they expect to raise before December 31, 2008 and any funds they have expended since July 1, 2008. Once grant funds are awarded, draws will be contingent upon Grantees’ ability to demonstrate at least the amount of match proportional to the draw amount, including the initial disbursement.

**Example:** Applicant requests \$149,225. The match requirement of 20% of \$149,225 is met through a match of non-federal funds totaling \$48,300 (or 32% of the NFMC amount requested).

<b>MATCH (Cash and In-Kind)</b>				
<u>Note:</u> In-kind and cash match resources must be expended between July 1, 2008 and December 31, 2009. Funds raised before this time period can be counted toward match as long as they will be expended between July 1, 2008 and December 31, 2009.				
<b>Enter the Name of the Source</b>	<b>Enter the Amount</b>	<b>Select the Description Source (cash, in-kind)</b>		<b>Select the Funding Status</b>
Smith and Mighty Bank	\$2,300	<input checked="" type="radio"/> Cash	<input type="radio"/> In-kind	Expended
Housing Preservation Fund	\$21,000	<input checked="" type="radio"/> Cash	<input type="radio"/> In-kind	Committed
FHP Society	\$8,000	<input checked="" type="radio"/> Cash	<input type="radio"/> In-kind	Anticipated
Volunteer Brigade of Small Town, USA	\$12,000	<input type="radio"/> Cash	<input checked="" type="radio"/> In-kind	Pending
Statewide Housing Finance	\$5,000	<input checked="" type="radio"/> Cash	<input type="radio"/> In-kind	Committed
<b>Total Match</b>	<b>\$48,300.</b>			
<b>Funds Requested from NFMC</b>	<b>Amount</b>			
Total Maximum Eligible Counseling Award	\$117,500			
Total Program-Related Support Amount Requested	\$23,500			
Total Operational Oversight Amount Requested	\$8,225			
<b>Total NFMC Amount Requested</b>	<b>\$149,225</b>			
This Amount will be displayed on your Requested Amount page				

## Factor 6: Match Waiver

1. If you are requesting a match waiver, list your County or Tribal land level service areas in the table below. Tribal land is defined for these purposes as Federal or state-recognized American Indian/Alaska Native Areas and Native Hawaiian Homeland Areas. The match requirement may be waived for counseling delivered in areas where either the local poverty rate or the local unemployment rate is greater than 150 percent of the national rate. When indicating the data source, please include date. Data should be from 2005 or more recent. Applicants can find unemployment rates from the U.S. Department of Labor Bureau of Labor Statistics at <http://www.bls.gov/lau/#data> and poverty rates from the U.S. Census Bureau at <http://www.census.gov/hhes/www/saipe/county.html>.

Waivers will be granted on a county-by-county basis for counties that have rates of poverty or unemployment greater than 150% of the national rate. In the event that a service area is *smaller* than the county, applicants may apply for a match waiver for the SMALLER geographic area. The applicant must have a physical presence (such as an office) in the area for which the waiver is requested and must state their estimated counseling volume in that area. Match waiver decisions will consider the volume of counseling expected by the applicant in that county or area compared to their Total Counseling Goals. Waivers will be granted proportionately and will be detailed in the Grant Agreement.

If you are requesting a match waiver for a service area smaller than county level, DO NOT FILL OUT THE CHART BELOW. Instead, you must fill out the excel spreadsheet titled “Match Waiver Request – smaller than County Level” under the “For All Eligible Applicants” section of [www.nw.org/nfmc](http://www.nw.org/nfmc) and e-mail it to [nfmc@nw.org](mailto:nfmc@nw.org) before 8PM EST on September 26, 2008.

Name of County or Tribal Land, and state	Is there a Physical sub-grantee Presence?	Projected # of Clients to be Counseled in this Area	Does this area have an unemployment rate greater than or equal to 7.05% (150% of national unemployment rate)?	Does this area have a poverty rate greater than or equal to 18.9% (150% of national poverty rate)?	Please list your data sources for the Unemployment and Poverty questions.
<i>Examples only:</i> Swaim County, PA	<input checked="" type="checkbox"/>	16	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Poverty: Census (2005) unemployment: Bureau of Labor Statistics (2005)
American Indian Reservation, DE		5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Poverty: Census (2005) unemployment: Bureau of Labor Statistics (2005)

Match funds will be awarded proportionate to the Level 1, Level 2, and Level 3 counseling New Goals you specified in Factor 4, Question 3 unless you instruct us otherwise in writing at the time of our application.