

Initiative, HUD has included Form HUD-23004, Survey on Ensuring Equal Opportunity for Applicants, with the standard forms in Appendix B of the General Section of this SuperNOFA. HUD asks that applicants complete this form to help HUD assess the extent of participation by grassroots faith-based and other community-based organizations.

(U) *Salary Limitation for Consultants.* FY 2003 funds may not be used to pay or to provide reimbursement for payment of the salary of a consultant at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

VI. Application Selection Process

(A) *Threshold Compliance.* Only applications that meet all of the threshold requirements will be eligible to be rated and ranked.

(B) *Rating Panels.* To review and rate applications, HUD may establish panels which may include persons not currently employed by HUD. HUD may include these non-HUD employees to obtain certain expertise and outside points of view, including views from other federal agencies.

Rating. HUD will evaluate and rate all applications for funding that meet the threshold requirements.

- **Past Performance.** In evaluating applications for funding HUD will take into account applicants' past performance in managing funds, including the ability to account for funds appropriately; timely use of funds received either from HUD or other federal, state, or local programs; meeting performance targets for completion of activities and receipt of promised matching or leveraged funds; and, number of persons to be served or targeted for assistance. HUD may consider information available from HUD's records or available from public sources such as, but not limited to, newspapers, Inspector General or Government Accounting Office Reports or Findings, and/or hotline complaints that have been proven to have merit.

- **Deducting Points for Poor Performance.** In evaluating past performance, HUD may elect to deduct points from the rating score or establish threshold levels as specified under the Factors for Award in the Program Section of this SuperNOFA.

Ranking. HUD will rank applicants within each program or, for Continuum of Care applicants, across the three programs identified in the Continuum of Care section of this SuperNOFA. HUD will rank applicants only against those applying for the same program funding.

Where there are set-asides within a program competition, you, the applicant, will compete against only those applicants in the same set-aside competition.

(C) *Factors for Award Used to Evaluate and Rate Applications.* For each program that is part of this SuperNOFA, the points awarded for the rating factors total 100. Depending upon the program for which you, the applicant, are seeking funding, the funding opportunity may provide for up to four bonus points as provided in paragraphs (1) and (2) of this Section VI(C).

(1) *RC/EZ/EC.* The SuperNOFA provides for the award of two bonus points for eligible activities/projects that the applicant proposes to be located in federally designated Empowerment Zones (EZs), Enterprise Communities (ECs), Urban Enhanced Enterprise Communities (EECs), Strategic Planning Communities, or Renewal Communities (RCs), that serve the residents of these areas, and are certified to be consistent with the area's strategic plan. (For ease of reference in the SuperNOFA, all these federally designated areas are collectively referred to as "RC/EZ/ECs" and residents of any of these federally designated areas as "RC/EZ/EC residents.") The individual funding announcement will indicate if the bonus points are available for that funding. The SuperNOFA contains a certification that must be completed for the applicant to be considered for RC/EZ/EC bonus points. A list of RCs, EZs, ECs, EECs, and Strategic Planning Communities is attached to this General Section of the SuperNOFA as Appendix A-2 and is also available from the SuperNOFA Information Center, and the HUD Web site, <http://www.hud.gov>.

(2) *Brownfields Show Case Communities:* In the BEDI competition, two bonus points are available for federally designated Brownfields Show Case Communities. (Please see BEDI section of this SuperNOFA for additional information.) A list of the federally designated RCs, EZs, ECs, Enhanced ECs, and Brownfields Show Case Communities is available from the SuperNOFA Information Center or through the HUD Web site, <http://www.hud.gov>.

(D) *The Five Standard Rating Factors for FY 2003.* The majority of programs in this SuperNOFA use the five rating factors described below. Additional details about the five rating factors and the maximum points for each factor are provided in the Program Section of the SuperNOFA. You, the applicant, should carefully read the factors for award as described in the Program Section of the

SuperNOFA. HUD has established these five factors as the basic factors for award in every program that is part of this SuperNOFA. For a specific funding opportunity, however, HUD may modify these factors to take into account specific program needs or statutory or regulatory limitations imposed on a program. The standard factors for award, except as modified in the program area section, are:

Factor 1: Capacity of the Applicant and Relevant Organizational Staff

Factor 2: Need/Extent of the Problem

Factor 3: Soundness of Approach

Factor 4: Leveraging Resources

Factor 5: Achieving Results and

Program Evaluation

The Continuum of Care Homeless Assistance Program has only two factors that receive points: Need and Continuum of Care.

(E) *Negotiation.* After HUD has rated and ranked all applications and made selections, HUD may require, depending upon the program, that all selected applicants participate in negotiations to determine the specific terms of the funding agreement and budget. In cases where HUD cannot successfully conclude negotiations with a selected applicant or a selected applicant fails to provide HUD with requested information, an award will not be made to that applicant. In this instance, HUD may offer an award, and proceed with negotiations with the next highest-ranking applicant.

(F) *Adjustments to Funding.*

(1) HUD reserves the right to fund less than the full amount requested in your application to ensure the fair distribution of funds and ensure that the purposes or requirements of a specific program are met.

(2) HUD will not fund any portion of your application that: is not eligible for funding under specific program statutory or regulatory requirements; does not meet the requirements of this SuperNOFA; or may be duplicative of other funded programs or activities from prior year awards or other selected applicants. Only the eligible portions of your application (including non-duplicative portions) may be funded.

(3) If funds remain after funding the highest-ranking applications, HUD may fund all or part of the next highest-ranking application in a given program. If you, the applicant, turn down an award offer, HUD will make an offer of funding to the next highest-ranking application. If funds remain after all selections have been made, remaining funds may be available for other competitions for each program where there is a balance of funds.