

prescribed time or responds with insufficient documentation, then HUD may determine that the applicant has not met this requirement and may withdraw the grant offer.

(H) *Indirect Cost Rate.* You must also submit documentation establishing your organization's indirect cost rate. Such documentation may consist of a certification from, most recent audit, or indirect cost rate agreement by, the cognizant federal agency or an Independent Public Accountant. If your organization does not have an established indirect cost rate, you will be required to develop and submit an indirect cost proposal to HUD or the cognizant federal Agency as applicable, for determination of an indirect cost rate that will govern your award. Applicants that do not have a previously established indirect cost rate with a federal agency shall submit an initial indirect cost rate proposal immediately after the applicant is advised that it will be offered a grant and, in no event, later than three months after the effective date of the grant. OMB Circular A-122 established the requirements to determine allowable direct and indirect costs and the preparation of indirect cost proposals, and can be found at [www.whitehouse.omb.gov](http://www.whitehouse.omb.gov)

## V. Application Selection Process

(A) *General.* Applications will be evaluated competitively, and ranked against all other applicants that applied in the same funding category. All applicants will be rated and ranked in HUD Headquarters. The funding formula described below will be used to calculate award amounts.

(B) *Factors For Award Used to Rate and Rank Applications.* Section VI(B) of the General Section of the SuperNOFA contains information on the rating panels used to review and score applications. The Factors for Award, and maximum points for each factor, are outlined below.

These factors will be used to evaluate applications and the maximum number of points for each applicant is 102 points for LHCA's and 100 for all other applicants. LHCA's are eligible for 2 bonus points if they can demonstrate that at least 51% of their proposed services: (1) Will be provided to residents of federally designated Empowerment Zones (EZs), Enterprise Communities (ECs), Urban Enhanced Enterprise Communities (EECs), Strategic Planning Communities, or Renewal Communities (RCs); and (2) are certified to be consistent with the area's strategic plan. Section VI.C(1) of the General Section of this SuperNOFA, entitled "RC/EZ/EC," contains

additional information regarding these bonus points.

HUD may rely on information from performance reports, financial status information, monitoring reports, audit reports and other information available to HUD in making score determinations under any Rating Factor.

### Rating Factor 1: Capacity—Readiness and Effectiveness (35 Points)

HUD uses responses to this Rating Factor to evaluate the readiness and ability of an applicant to immediately begin the proposed work program, as well as the potential for an applicant to cost-effectively and successfully implement the proposed activities indicated in response to Rating Factor 3.

(A) (6 points) *Knowledge and Experience.* In rating this sub-factor, HUD will consider the degree to which the applicant, and, if applicable, affiliates, has sufficient personnel with the relevant knowledge and experience to implement the proposed activities in a timely and effective fashion.

Specifically, for LHCA's, scoring will be based on the number of years of recent housing counseling experience of counselors. For intermediaries and SHFA's, scoring will be based on: the number of years of recent housing counseling experience of counselors in affiliates and branches; and the number of years, for key intermediary / SHFA personnel, of recent experience running a housing counseling program consisting of a network of multiple counseling agencies. Related experience, such as experience in mortgage lending, will also be considered, but will not be weighted as heavily as direct housing counseling or housing counseling program management experience.

Submit the names and titles of employees, including subcontractors and consultants, performing the activities proposed in Rating Factor 3. Clerical staff should not be listed. Describe each employee's, subcontractor's, or consultant's relevant professional background and experience. Experience is relevant if it corresponds directly to projects of a similar scale and purpose. Provide the number of years of experience for each position listed, and indicate when each position was held. Individual descriptions should be limited to one page. List recent and relevant trainings received.

(B) (4 points) *Section 8 Homeownership Experience.* In scoring this section, HUD will evaluate the degree to which, as compared to other applicants, the applicant and partnering PHA(s) have experience working with

HUD's Homeownership Voucher Program.

Highlight counselors and key staff with experience related to counseling Homeownership Voucher families in the context of the homeownership option. Describe counseling activities and results performed in conjunction with the Homeownership Voucher Program, if applicable, including the number of families counseled by your agency that participated in Homeownership Voucher Program last year. Identify the sources and amount of funding used to support counseling in conjunction with the Homeownership Voucher Program.

Additionally, if applicable, provide detailed information regarding the Homeownership Voucher Program-related experience of each PHA with whom you, or your affiliates or branch offices, have a written commitment to partner, including the number of families that participated in the PHA's Homeownership Voucher Program in the past year, and the number of current homeowners receiving voucher assistance to date, and other notable outcomes and information demonstrating the effectiveness of the existing program. If different from the applicant, explain what counseling agency or other organization provided the housing counseling related to the Program.

(Sections C and D pertain to the applicant's performance with their FY01 HUD grant, the most recent complete grant year. If you received no FY01 HUD grant, the five points available in Section C, and the twelve points available in Section D will be allocated to Section E (Impact-Leveraged Resources) for a total of 20 points.)

(C) (5 points) *Quality and Complexity of Services.* In scoring this Section, HUD will evaluate the quality of services provided, and level of effort and time required to provide the housing counseling services (in general, not just Homeownership Voucher-related), captured in the form HUD-9902 for the time period October 1, 2001 to September 30, 2002. Scoring will be based on the degree to which the applicant demonstrates that, for each type of counseling service delivered, and compared to other applicants, sufficient time and resources were devoted to ensure that clients received quality counseling. Additionally, scorers will evaluate the extent to which, as compared to other applicants, an agency encouraged and provided one-on-one counseling, which HUD views as the most effective form of housing counseling, instead of over-relying on homebuyer education