



HUD Housing Counseling Program Guide

Grant Programs and Initiatives

NOVEMBER 2024

Table of Contents

SECTION 1: PROGRAM DESCRIPTION	5
THE GUIDE	5
HOURS OF OPERATION AND HOLIDAY SCHEDULE.....	6
SINGLE FAMILY PROGRAMS DIVISION STAFF DIRECTORY	7
HE&C BASIC PROGRAM DESCRIPTION.....	8
ROLE OF HUD-APPROVED COUNSELING AGENCY	8
ROLE OF THDA	8
HOUSING EDUCATION & COUNSELING PROGRAM AGENCY.....	9
ELIGIBILITY AND APPLICATION REQUIREMENTS.....	9
SECTION 2: APPLYING TO BE A THDA APPROVED AGENCY	10
ADMINISTERING A HOUSING EDUCATION & COUNSELING PROGRAM.....	10
CODE OF ETHICS AND CONDUCT.....	10
CONFLICT OF INTEREST	10
CUSTOMER FEEDBACK.....	11
DATA PRIVACY	12
FAIR HOUSING	12
FEES	12
MARKETING.....	13
PREFERRED LANGUAGE.....	14
THDA HE&C PROGRAM COMPLIANCE REQUIREMENTS	14
PROGRAM COMPLIANCE REVIEW.....	14
RECORD KEEPING	15
THDA Client REPORTING	15
STAFF AND AGENCY CHANGES.....	16
STEERING	16
SUSPENSION/TERMINATION.....	16
PART II: HBE PROGRAM DELIVERY STANDARDS.....	17
SECTION 3: BASIC HOMEBUYER SERVICES	17
FORMAT AND TIME REQUIREMENTS	17
ASSESSMENT & INTAKE	18
REFERRALS.....	19
SECTION 4: PROGRAM DELIVERY	19
CUSTOMER SERVICE STATUS	19
MARKETING FOR EARLY PARTICIPATION	19
CLASS SIZE.....	19
THDA WEBSITE CLASS CALENDAR.....	19
APPROVED CURRICULUM	19
APPROVED FORMATS.....	20
CLASSROOM STYLE HOMEBUYER EDUCATION OR WORKSHOP.....	20
HOMEBUYER CLUB.....	20
ONLINE HOMEBUYER EDUCATION	20
LANDLORD EDUCATION	20
INDIVIDUAL HOUSING COUNSELING.....	21
PROGRAM PARAMETERS AND CLIENT FILES.....	21
INDIVIDUAL HOUSING COUNSELING.....	22
GROUP EDUCATION/CLASSES.....	23
LEAD-BASED PAINT.....	24
VOLUNTEERS	24
REGISTRATION.....	25
Online Customer Transfers	25
ATTENDANCE.....	26

CERTIFICATES OF COMPLETION	26
OUT OF DATE CERTIFICATES	27
CLASS SCHEDULING	27
CLASS CANCELATION	28
SECTION 5: PAYMENT FOR HBE SERVICES FOR THDA CUSTOMERS	28
FACILITATOR-LED (IN PERSON OR VIRTUAL) EDUCATION	28
COUNSELING (eHOME AMERICA FOLLOW-UP).....	29
STEP IN.....	29
SPECIAL PROGRAMS	30
REFRESHER COURSE	30
CLIENT REFUNDS	30
SECTION 6: APPLYING FOR HUD FUNDING	30
APPLICATION REQUIREMENTS.....	30
ATTACHMENTS.....	30
ALLOWABLE ACTIVITIES.....	31
APPROVAL	32
DENIAL	32
AWARD REDUCTION	32
AWARD INCREASE.....	32
SECTION 7: REPORTING AND RECORDS.....	32
9902 DATA ENTRY	32
NONDISCRIMINATION REQUIREMENTS	33
GRANT ACTIVITY REPORTS.....	33
FINAL REPORTING	35
RECORDS.....	35
CLIENT MANAGEMENT SYSTEM (CMS)	35
CREDIT REPORTING.....	35
DOCUMENTATION OF EXPENSES	35
FINANCIAL RECORDS.....	36
SUBCONTRACTORS.....	36
NONCOMPLIANCE WITH RECORDS MANAGEMENT.....	36
SECTION 8: RESOURCES AND FORMS.....	36
THDA FORMS	37
SECTION 9: HUD GUIDANCE FOR THDA SUB-GRANTEES AND AFFILIATES	37
CLAIMS	37
REIMBURSEMENT	37
CLAIMS SCHEDULE.....	39
PERSONNEL REPORTING	39
TRAVEL AND EXPENSES.....	40
PERIOD OF PERFORMANCE.....	40
GRANT ACTIVITY REPORTING.....	40
FINAL REPORTING	42
CONTRACT CHANGES	42
9902	42
WORK PLAN.....	42
BUDGET	42
REVIEWS.....	42
ADMINISTRATIVE REVIEWS.....	42
PERFORMANCE REVIEWS	43
ORGANIZATIONAL CHANGES	43
QUALITY ASSURANCE	43
HUD HOUSING COUNSELING GLOSSARY OF TERMS	44

SECTION 1: PROGRAM DESCRIPTION

THE GUIDE

The Housing Education and Counseling Program (“HE&C Program”) is implemented and funded by the Tennessee Housing Development Agency (“THDA”). The THDA Division of Single-Family Programs administers the HE&C Program. This Housing Education and Counseling Program and Standards Guide, HUD’s Office of Housing Counseling Handbook 7610.1 Rev.6, HE&C Program Agreement, together with all subsequent revisions, modifications or updates provided by THDA, contain information about the HE&C Program that must be adhered to by the HUD-approved housing counseling agency. The primary purpose of these Standards and Program Procedures is to ensure that consumers and other stakeholders receive effective, high-quality, professional services from HUD-approved housing counseling agencies. Adherence to these standards is part of periodic program reviews conducted by the THDA and HUD’s Office of Housing Counseling. These standards and program procedures do not prescribe every aspect of programming delivery. Agencies may customize their services within the parameters of the standards and procedures to meet the needs of their community and consumers.

- THDA may revise, modify, or update this Program and Standards Guide from time to time and will notify HE&C Agencies of such changes. THDA may provide notice of changes by posting such changes to its web site at www.THDA.org. This Program and Standards Guide was developed with recommendations and input from the Tennessee Housing Development Agency staff, THDA Housing Education Advisory Board, and HE&C Agencies. Standards were informed by the following: [HUD’s Office of Housing Counseling Handbook 7610.1 Rev 6](#)
- The National Industry Standards for Homeownership Education and Counseling (see www.homeownershipstandards.com)
- The policies for administering HUD Housing Counseling programs

In addition, The THDA Housing Education & Counseling Program supports the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters and the homeless. The primary objective of the program is to counsel families and individuals in order to help them make smart decisions regarding improving their housing situation and meeting the responsibilities of tenancy and homeownership. Participating counselors also help borrowers avoid inflated appraisals, unreasonably high interest rates, unaffordable repayment terms and other conditions that can result in a loss of equity, increased debt, default, and possible foreclosure. Participating counselors who are certified in this area may also provide reverse mortgage counseling to elderly homeowners who seek to convert equity in their homes to pay for home improvements, medical costs, living expenses, or other expenses. Additionally, housing counselors should also distribute and be a resource for information concerning Fair Housing and Fair Lending.

THDA is an intermediary agency for HUD’s Office of Housing Counseling program.

The regulations contained in 24 CFR Part 214 prescribe the procedures and requirements by which the Housing Counseling Program is administered. In addition to THDA program guidelines and in accordance with 24 CFR Part 214.1 all agencies participating in HUD’s Housing Counseling Program must comply with the requirements outlined in the Housing Counseling Program regulations 24 CFR Part 214. Additionally, participants must comply with this handbook,

the HUD Housing Counseling Handbook 7610.1, Rev. 6, and other applicable governing documents, including mortgagee letters, and if applicable, grant agreements and OMB regulations governing federal grant recipients.

HOURS OF OPERATION AND HOLIDAY SCHEDULE

The Single Family Loan Operation (SFLO) Division hours of operation are 7:00 a.m. until 4:30 p.m. Central Time, Monday through Friday. The SFLO Division will be closed on official State holidays which are as follows:

New Year's Day
Martin Luther King Day
Presidents' Day
Good Friday
Memorial Day
Juneteenth
Independence Day
Labor Day
Veteran's Day
Thanksgiving Day and Friday After*
Christmas Day**
New Year's Eve

*THDA will be closed on the Friday after Thanksgiving Day.

**Other holidays around Christmas may be announced later.

The Single Family Programs Division of THDA has day-to-day operational control of the origination and closing of THDA mortgage loans. All correspondence should be directed to:

Single Family Programs Division
Tennessee Housing Development Agency
502 Deaderick Street, Third Floor
Nashville, TN 37243

THDA Toll-Free.....800-228-8432
Single Family Information Line.....615-815-2100
Fax (24 hours a day, 7 days a week)615-564-2799
Volunteer Mortgage Loan Servicing.....844-865-7378
Volunteer Mortgage Loan Servicing Email....custserv@volservicing.com

SINGLE FAMILY PROGRAMS DIVISION STAFF DIRECTORY

THDA STAFF	PHONE	EMAIL
Lindsay Hall, Chief Operating Officer of Single Family Programs	615-815-2080	lhall@thda.org
Rhonda Ronnow, Director of Loan Operations, Single Family Programs	615-815-2111	rronnow@thda.org
Jennifer Green, Assistant Director of Loan Operations, Single Family	615-815-2087	jgreen@thda.org
Connie Brewington, Underwriting Manager	615-815-3984	cbrewington@thda.org
Jayna Johnson, Homebuyer Education Manager	615-815-2019	jjohnson@thda.org
Chuck Pickering, Mortgage Funding Manager	615-815-2086	cpickering@thda.org
Russell Catron, Program Development & Administration Coordinator	615-815-2186	rcatron@thda.org
Amber Holland, SFLO Administrative Coordinator	615-815-2094	aholland@thda.org
Rhonda Ellis, Mortgage Loan Specialist, Processing	615-815-2103	rellis@thda.org
Bryan Yoshino, Senior Mortgage Loan Underwriter	615-815-2114	byoshino@thda.org
Leigh Ann Freeman, Senior Mortgage Loan Underwriter	615-815-3980	lfreeman@thda.org
Kay Leyhew, Senior Mortgage Loan Underwriter	615-815-2112	kleyhew@thda.org
Kelly Murph, Senior Mortgage Loan Underwriter	615-815-2099	kmurph@thda.org
Paulie Crone, Mortgage Loan Underwriter	615-815-3981	pcrone@thda.org
Samantha Thacker, Mortgage Loan Underwriter	615-815-3983	sthacker@thda.org
Shannon Ward, Mortgage Loan Coordinator, Closing	615-815-2084	sward@thda.org
Jennifer Carpenter, Senior Mortgage Loan Closer	615-815-3991	jcarpenter@thda.org
Olivia Rodriguez, Mortgage Loan Closer, Final Documents	615-815-3992	orodriguez@thda.org
Stephen Chinique, Loan Specialist, Post-Closing	615-815-2107	schinique@thda.org
Wendee Luman, Mortgage Loan Specialist, Final Documents	615-815-2110	wluman@thda.org
Katina Brewer, Mortgage Loan Specialist, Final Documents	615-815-2083	kbrewer@thda.org
Sharayah Shattuck, Document Delivery and Shipping Coordinator	615-815-2089	sshattuck@thda.org
Jennifer Brown, Investor Delivery Coordinator	615-815-2096	jlbrown@thda.org
Mandy Garman, Housing Education Training Coordinator	615-815-2161	mgarman@thda.org
Yvonne Hall, Housing Education Grants Coordinator	615-815-2228	yhall@thda.org
Kendra Love, HUD Housing Education Counselor- West TN	615-815-2138	klove@thda.org
Montrice Brown-Miller, HUD Housing Education Counselor-Middle TN	615-815-2137	mbrown-miller@thda.org
Angela Hall, HUD Housing Education Counselor- East TN	615-815-2088	ahall@thda.org
LiSandra McLaurine, Housing Education Resource Specialist	615-815-2085	lmclaurine@thda.org
Toumie Parrot, Customer Account Manager-Middle Tennessee	615-815-2122	tparrot@thda.org
Rebekah Bicknell, Customer Account Manager-East Tennessee	615-815-2121	rbicknell@thda.org
Juanita Hamilton, Customer Account Manager-West Tennessee	615-815-2190	jhhamilton@thda.org

HE&C BASIC PROGRAM DESCRIPTION

ROLE OF HUD-APPROVED COUNSELING AGENCY

HE&C agencies in THDA's Network are dedicated to providing affordable, high-quality, effective homebuyer education and counseling services to Tennessee consumers. HE&C agencies are committed to the following:

- Adhering to all THDA and HUD (Office of Housing Counseling) guidelines
- Adhering to the HE&C Program Agreement (See Section 13), standards and policies that are based on national best practices but reflect Tennessee's homebuyer education and counseling environment
- Reporting programming outcomes to THDA and HUD
- Participating in annual program reviews and regular check-ins
- Collaborating with Network peers to promote and advance the professionalism of the Network and the homebuyer education and counseling industry, including the annual Housing Education Symposium, industry trainings, and Network Conference Calls

HE&C Agencies adhere to standards in this Program and Standards Guide, which comply with, HUD's Office of Housing Counseling and the National Industry Standards for Homeownership Education and Counseling www.homeownershipstandards.com. THDA recognizes the importance of promoting professionalism and quality assurance in homebuyer education and counseling at the national level while supporting the standards that reflect the local education and counseling industry.

ROLE OF THDA

THDA supports HE&C agencies by offering technical assistance, capacity building support, training, consumer training materials, marketing, and outreach support, and coordinated networking. THDA Housing Education & Resource staff is available to provide guidance on program delivery, program management, and a range of best practices. THDA conducts public education and outreach and is responsible for research and analysis of program delivery, outcomes, and trends.

THDA provides HUD-approved housing counseling agencies with consumer training materials and payment for their homebuyer education provided to THDA loan customers. THDA also provides industry training sessions and a mandated annual conference offering continuing education and networking opportunities for the THDA network.

THDA participates in a variety of partnerships with industry stakeholders in an effort to further the mission of the Housing Education & Counseling program. In addition, THDA raises funds through other private and public entities and uses these funds to support training for the network. Agencies also secure their own funding through grants, government contracts, and donations.

As an Intermediary of HUD, THDA is able to grant HUD-approved housing counseling agency designation status to new qualified agencies. As well as provide technical assistance, training, and compensation for housing counseling services provided by THDA HUD sub-grantees.

HOUSING EDUCATION & COUNSELING PROGRAM AGENCY

ELIGIBILITY AND APPLICATION REQUIREMENTS

A. Eligible Housing Education & Counseling Agency

To be eligible, agency must meet the following requirements:

1. Must be one of the following:
 - a. Non-profit entity organized and existing under the laws of the State of Tennessee with federal 501(c)3 or 501(c)4 designation, operating as a HUD-approved housing counseling agency and have at least one certified staff member as a HUD Certified Housing Counselor.
 - b. A UT Extension agency office, Tennessee Development District Office, Human Resource Agency, Public Housing Authority, or Tennessee state, county, or local government office, operating as a HUD-approved housing counseling agency and having at least one certified staff member, as a HUD Certified Housing Counselor
 - c. Entity must not be an arm of or connected to a for-profit business, including licensed lending and real estate professionals or credit repair agencies,
2. Have a minimum of one year of experience, as determined by THDA in its sole discretion, in homebuyer education and counseling; and have working knowledge about the current mortgage industry. Eligible HUD-approved agencies can apply for HUD funding through THDA after providing HUD housing counseling services for a minimum of one full year.
3. Be in good standing with all THDA, HUD, Federal, and local government programs.
4. Be in good standing under the laws of Tennessee and have a current Certificate of Existence from the Office of the Tennessee Secretary of State.
5. Have sufficient financial capacity and resources, as determined by THDA in its sole discretion. HUD-approved agency must provide a copy of their independent audited financial statement completed within the last two years.
6. Have a clearly and properly identified office, not in a residence, with space available for the provision of housing education services. There must be permanent signage identifying the agency's office. The office should provide privacy for in-person individual sessions and confidentiality of client records. Education space should be convenient, accessible to the community by public transportation whenever possible and offer private meeting space.
7. The office should operate during normal business hours and offer extended hours when necessary. However, an exception to this requirement is allowed for certain branch offices that only have the resources to operate on a part-time basis but can demonstrate that their services are critical to the community in which they are located.

8. Staff have sufficient technology and a professional setting to conduct meetings, education classes, and counseling sessions virtually with minimal distractions and to ensure client confidentiality – to include location, camera & audio access, lighting, background, and attire.
9. Provide accessibility features or make alternate accommodations for persons with disabilities, in accordance with section 504 of the Rehabilitation Act of 1973 (29 U.S.C.94), 24 CFR parts 8 and 9, and the Americans with Disabilities Act (42 U.S.C. 12101 et seq.)

SECTION 2: APPLYING TO BE A THDA APPROVED AGENCY

All applications must be submitted during the designated application period by email to the HE&RT Application Review Team at hecinfo@thda.org. Although applying may qualify an agency to become a THDA approved network agency, it does not guarantee funding from HUD's Office of Housing Counseling.

The application will be reviewed within 30 days of receipt. THDA may arrange a conference before a final determination notification is issued to review requirements of the program. THDA will contact the point of contact listed in the agency's application if a correctable deficiency exists in the application. Within fifteen (15) calendar days of the written notice, the agency may submit a revised application. The applicant will be notified whether the application is approved or denied.

NOTE: THDA may, at its discretion, request clarification or additional information from an agency for use in determining the agency's eligibility for the Housing Counseling Program. If an application package does not meet all Program requirements, an agency may re-apply for the program thirty (30) days from the date of the notification.

Refer to [Section 9](#) for THDA HUD Sub-grantee Application Process.

ADMINISTERING A HOUSING EDUCATION & COUNSELING PROGRAM

CODE OF ETHICS AND CONDUCT

1. A Code of Ethics and Conduct for Homeownership Professionals has been developed by the Advisory Council for the National Industry Standards for Homeownership Education and Counseling. Adhering to this code of ethics is critical to demonstrating ethical conduct within the housing education and counseling profession. A copy of the Code of Ethics and Conduct for Homeownership Professionals is located in [Section 8](#).
2. HE&C educator/counselors sign and adopt the written National Industry Code of Ethics and Conduct for Homeownership Professionals upon the Agency becoming a member of the HE&C Network. Agency must provide an annual acknowledgement.

CONFLICT OF INTEREST

1. THDA requires HE&C Agencies to serve clients without conflict of interest. A conflict of interest exists when the Agency has an interest that has the potential to compromise the Agency's ability to fully represent the best interests of the client. In order for the client to make a fully informed decision, they must be made aware of any real or potential conflict of interest that could be created on the part of the Agency or their staff. The following are examples of relevant conflicts of interest:

- a. Agency or their staff owns or purchases property that the client may choose to purchase
 - b. Agency or their staff accepts a fee for participating in any way in the sale of a property for the client.
 - c. Agency or their staff holds or services the first mortgage on a client's property.
 - d. Agency or their staff makes available an in-house mortgage product or real estate services.
 - e. Agency or their staff holding an active license in the real estate or lending profession.
 - f. Agency or their staff is also employed with a THDA approved lending partner.
2. When a conflict of interest exists or may exist, HE&C Agencies give a written disclosure to clients revealing the conflict and stating that clients are under no obligation to receive additional services from the Agency. Both parties sign the disclosure. Agencies offer information on alternative services and programs. The signed disclosure is maintained in the client file. A sample Conflict of Interest and Disclosure Agreement is included in [Section 8](#). THDA also requires any educator/counselor who may have an active mortgage lending license or real estate license to disclose this on their annual certification via the HE&C Disclosure Form; and if also employed by a THDA approved lending partner, must not serve in both the educator/counselor and lending role.
3. HE&C Agencies may use an alternative disclosure, subject to THDA's approval. Such disclosure language should clarify that:
 - a. The client household is seeking homebuyer education and/or counseling services and is not applying for a loan or real estate representation.
 - b. The client household will be offered objective advice about loan products for which the household may be eligible.
 - c. The client household is free to select lenders, lending products and real estate services of their own choosing.
4. No information will be shared with an in-house or outside loan officer without the written consent of the client household. HE&C Agencies may not accept a fee from a lender, real estate agent, developer, home inspector, appraiser, or insurance company, or any other homeownership industry representative for referring clients.
5. Agencies may not be associated with the decision to approve or deny in-house mortgage loans, grant programs or the sale of property to clients that receive their homebuyer education and counseling services. Agency must implement internal processes to include arm length duties for staff.

CUSTOMER FEEDBACK

Clients completing homebuyer education classes, workshops, clubs, and counseling sessions are encouraged to complete a satisfaction survey, before receiving their certificates (See HUD Handbook 7610.1 Rev 6 Section 3-14 or [Section 8](#) for National Industry Standards Guide). If all other education and counseling requirements are met, the certificate of completion must be issued.

1. Clients are to be given customer satisfaction surveys to complete at the conclusion of their training.
2. In adherence to HUD's guidance, a copy of the Customer Survey should be placed in the client's file or class file.

DATA PRIVACY

HE&C Agencies adhere to federal regulations and statutory laws pertaining to the release of private data about individuals to outside parties. Before releasing private client data, Agencies must secure written authorization from the client. The authorization must include the parameters of information to be shared and may not be a blanket waiver. Clients are not required to share private data with Agency or third parties. Provision of service must not be contingent on clients' providing their consent to share data. See Privacy Policy and Housing Counseling Agreement in [Section 8](#).

FAIR HOUSING

HE&C Agencies must affirmatively further fair housing by making special efforts to reach and accommodate populations that are typically underserved. Agencies comply with the provisions of the Americans with Disabilities Act (ADA) and observe all laws pertaining to fair housing in the administration of homebuyer services. Agencies ensure the accessibility of their services for people with disabilities and offer reasonable accommodation when necessary. In cases where reasonable accommodations are requested, all actions taken to facilitate service delivery should be documented.

For both individual counseling and group education, as appropriate, educate the client with respect to fair housing, fair lending, and accessibility rights (e.g., how to file a Fair Housing Act complaint, legal and illegal inquiries related to disability, reasonable accommodations, placement in the most integrated setting appropriate to the person's needs, additional protections available under state and local laws, etc.). Pursuant to 24 CFR § 214.503, all participating agencies must comply with HUD's general nondiscrimination and equal opportunity requirements at 24 CFR § 5.105.

FEES

HE&C Agencies may charge up to \$99 to clients obtaining a THDA loan and a reasonable fee to other clients for classroom style homebuyer education. Agencies should establish a sliding fee scale, based on income and/or clients' needs.

HE&C Agencies who elect to charge fees must have a written fee policy that is made available to clients. Third party fees that present a conflict of interest are prohibited. This includes direct payment from a lender or real estate agent on behalf of the client.

Fees should be reasonable and customary and are based on the actual cost of delivering services. Agencies should consider what other Agencies in their area charge.

1. THDA homebuyer education class fees: A reasonable maximum fee for a THDA loan customer for a 6 hour homebuyer education class or a minimum four hour one-on-one service is \$99 per person, not to exceed \$99 per household.
2. A reasonable minimum fee for a THDA loan customer should not be less than \$25
3. No additional fees should be charged to households who complete the eHome America online course. In the event all borrowers in the household do not attend the initial scheduled follow-up counseling session, a reasonable fee may be charged for any additional counseling sessions required for that household.

4. Fees must be reasonable and customary.

NOTE: Course Reimbursement to Clients

Recipients of housing education services are eligible to be reimbursed for their out of pocket expense(s). Agencies may make clients aware that their mortgage professional can record their out-of-pocket expenses on their closing documents. ****Payments in the form of credit cards are not eligible for reimbursement.***

THDA does not issue refunds. We believe that the education will be beneficial regardless of the loan product you choose. Agencies may issue refunds at their own discretion.

MARKETING

Reaching clients early is key to providing effective services. Early participation increases the likelihood of success in homeownership. Raising awareness about the availability of homebuyer education and counseling is a critical component of programming. To assist with marketing efforts, THDA has outreach materials and support services available for HE&C Agencies' use.

1. Agencies are responsible for marketing their housing services; and should develop, maintain, and utilize a marketing plan that employs a variety of outreach methods for reaching clients early. The marketing plan should be included in the agency's HUD Work Plan.
2. Agencies should have an affirmative marketing process to communicate that housing services are administered in a non-discriminatory manner. This may include equal housing opportunity messages, logos or slogans on written materials, and tailoring marketing messages to populations less likely to participate in services. This Affirmatively Furthering Fair Housing Plan should be included in the agency's HUD Work Plan. This includes providing general information and materials about housing opportunities and issues, conducting informational campaigns, advocating with lenders for non-traditional lending standards and raising awareness about critical housing topics, such as fair housing rights and remedies, lending discrimination, predatory lending, mortgage fraud, lead safety, other fair lending issues, or energy efficiency options to reduce homeowner energy costs. For example, grant funds may be utilized to purchase and disseminate materials related to scam alerts and fair housing rights.

Note: Marketing and outreach initiatives should follow affirmative marketing principles and be directed at those populations least likely to seek counseling services or the information marketed, including those of racial, religious, or national origin groups not normally served by the sponsoring agency, as well as persons with disabilities and persons with Limited English Proficiency (LEP). To do so, it may be necessary to broaden the target areas or provide translation and interpretive services in languages other than English in order to reach a greater variety of racial and ethnic minorities. It may also require providing outreach and services in alternative formats for persons with disabilities (e.g., Braille, large type, sign language interpreters, audio, assistive listening devices, etc.).

3. Agencies may contact THDA for guidance and resources in their area.

PREFERRED LANGUAGE

HE&C Agencies should accommodate language needs of clients and refer them to advisors within their organization, or to another agency that offers language specific services whenever possible.

1. HE&C Agencies should not turn away a client due to language barriers.
2. If language specific services are not available, translators and/or interpreters should be made available to clients requesting the service. THDA will reimburse for translator services, up to \$400 in cost (\$100 per hour for a 4 hour one-on-one session). Refer to the [National Industry Standards](#) for additional guidance.
3. For reimbursement, HE&C Agencies should obtain at least two bids, selecting the most reasonable rate considering availability for the service. Agencies must submit a paid invoice to THDA staff, reflecting the expense was paid by the Agency. Eligible reimbursements will be issued upon approval.

THDA HE&C PROGRAM COMPLIANCE REQUIREMENTS

THDA staff members annually and periodically review program performance, continuing education, staff communication, client reports, website calendar usage, a review for understanding of National Standards, Symposium attendance and other HE&C Program compliance indicators. Staff will send follow up communication, after the agency review indicating what compliance areas may be lacking and/or what corrections are necessary. Failure to meet all compliance requirements may result in suspension and/or termination from THDA's list of approved HE&C network. In addition, the following are compliance standards:

- Attend annual conferences and at least two quarterly network calls
- Access and utilize the Outcome Tracker Counselor Portal: Submit client reports by the 5th of the month and verify client payment reports by the requested deadline
- Be available and actively participate in annual agency visit
- Provide and respond to communication, timely and effectively
- Adhere to all program guidelines

THDA partners with HUD approved Housing Counseling Agencies. THDA will continue offering support and training for all network partners; however, HUD agencies under a different Intermediary will need to refer to their Point of Contact for direct technical support regarding the HUD program.

PROGRAM COMPLIANCE REVIEW

The HE&C Program Review process is designed to examine the Agency's strengths and areas that may need improvement and ensure compliance with the Program and Standards Guide. The following are considered during the Program Compliance Review:

1. THDA conducts the program review at least once every year for each HE&C Agency, either in-person or virtually. New Agencies are reviewed within the first 90 days of offering services. For Agencies who have completed the program review, an abbreviated review is conducted within 12 months of hiring new staff or if deemed necessary by THDA to ensure compliance. During the site visit, THDA staff will follow up on agency issues, discuss status of the homebuyer education program, conduct a file review of at least two files (one education and one counseling, and answer any questions. Program staff must also provide verification of continuing education hours obtained over the last 12 months.

2. Prior to the scheduled review, THDA will verify the agency's Charitable Donations status using the Secretary of State's website. The agency's status must be in good standing in order to continue participation and receive program funding.
3. Program staff are required to submit an annual certification, updated agency Work Plan (if changes were made), and applicable staff must submit a Lender/Realtor Disclosure. All documents are required in order to remain an approved HE&C Agency.
4. Third party, unidentified monitor will observe classes and provide report findings to THDA.
5. HE&C Agency must ensure all program guidelines are being met and remain in compliance. THDA staff will assess agency's progress monthly. Non-compliant agencies will be notified and will receive guidance on next steps. Failure to comply will result in suspension or termination (see [Suspension/Termination](#)).

In addition to THDA compliance reviews, HUD conducts Audit Reviews, using the HUD Form 9910. All HUD approved agencies are subject to a HUD Audit Review. Agencies must adhere to their Intermediary guidelines for guidance. THDA HUD sub-grantees refer to [Section 9](#) for additional guidance.

RECORD KEEPING

Client files (paper or electronic) should be maintained by HE&C Agencies. A group file should be maintained for homebuyer education and housing counseling files are maintained for housing counseling. Files should be maintained in a secure location (locked and/or password protected); kept for a minimum of three (3) years following the end of the program year in which the file was closed; and housed in a HUD-approved Client Management System. If the housing counseling agency is a recipient of a HUD housing counseling grant, then the client files attributed to the housing counseling grant must be retained for three (3) years from the date the final grant invoice was paid by HUD.

At the time of disposal, paper files should be shredded and electronic files permanently deleted. A checklist should be used to ensure files are consistently maintained and meet reporting standards and quality assurance. See Sample Counseling Documentation Checklist for group files and one-on-one files in [Section 8](#).

Refer to [Section 4](#) for file Program Parameters and Client Files.

THDA CLIENT REPORTING

HE&C Agencies are required to collect and share client and program data with THDA on a monthly basis. The ability to comprehensively report program outcomes is critical to demonstrating program effectiveness, securing resources, and ensuring ongoing program enhancements. HE&C Agency Client reports showing production totals and other program information – specific to their agency- will be available annually and upon request.

Agencies are responsible for timely and accurate reporting. Recorded completion dates on the client spreadsheet should align with the recorded dates on the borrower's certificate of completion. Agencies are required to use the counselor portal via Outcome Tracker to upload the THDA custom spreadsheet to report client and program data to THDA. All required client information must be entered and submitted to THDA no later than the fifth (5th) of each month, payment will not be made until the following month, or once all clients are verified. In addition, HUD requires the use of an approved client management system to submit quarterly 9902 reports. Agency should

contact the system administrator to determine how to generate the reports to match required fields in an Excel format.

No later than the 15th of each month, THDA staff will generate a report and make available in the counselor portal, that shows the names of the funded loan clients for the previous month. THDA staff sends a notice to each Agency that had funded Mortgage Revenue Bond (MRB) loan clients the month before. Funded Mortgage Backed-Security (MBS) loan client reports will be processed and sent quarterly. THDA requires each Agency to review their report, check their files, and confirm that each client on the report actually was served by their agency. Using the counselor portal, each Agency must mark a confirmation space on the report and save in the counselor portal. THDA will not issue payment unless the Agency has confirmed their homebuyer education service, has reported the funded loan client, and is in good standing with the HE&C Program.

If THDA does not receive confirmation of service provided to a client, within 60 days from the funded date (2 months from the initial receipt of the report), the agency will not be compensated for the pending loan(s)/client(s).

Refer to [Section 7](#) for additional guidance.

STAFF AND AGENCY CHANGES

To ensure continuity of services and to facilitate communication with THDA partners & consumers, agencies are required to inform THDA staff of attrition or new hires. Within 15 days from the staff or agency change, the agency must notify, THDA, HUD/HUD Intermediary, eHome America, and all local partners.

THDA may request supporting documentation, as needed.

STEERING

Housing counseling agencies are not permitted to promote, represent, recommend, or speak for any specific lender. If a THDA client does initiate a request for help in finding a lender, then counselors should provide references of at least three (3) lenders, offer a resource table to include multiple housing professionals, or the full list of THDA approved lender. This ensures that only clients who expressly request help in finding a lender will be given information about contacting lenders, and that the information they receive will be an approved list created by THDA. Refer to HUD Handbook Chapter 4-10 for additional guidance.

In addition, lenders may not steer, direct, recommend or otherwise encourage a client to seek the services of any one particular counselor or counseling agency. Refer to HUD Handbook Chapter 4-11.

SUSPENSION/TERMINATION

To ensure quality services and the professionalism of the Network, failure to comply with HE&C requirements and standards may result in Agency suspension and/or termination.

1. HE&C Agency will be contacted regarding concerns that may lead to suspension and/or termination. If the matter is a clear violation of an HE&C requirement or standard, as determined by THDA, the Agency will receive written notification with an effective suspension date. Once suspended, the Agency may not offer homebuyer education services under the THDA HE&C Network (i.e., THDA Certificate of Completion will not be of value), utilize materials provided by THDA, or market themselves as a THDA HE&C

Network Agency. The suspension will remain in effect for a time determined by THDA. Failure to resolve the matter in a timely manner, as determined by THDA, will result in termination.

2. Termination of an HE&C Agency must be approved by THDA HE&RT staff, Director of Single Family, and THDA's Executive Director. Notice of termination is sent via written notification with an effective date. THDA HE&RT staff reserves the right to recommend immediate termination to the Executive Director for egregious acts committed by agency. All written notification will be sent by mail to the most current mailing address on record. Agencies are entitled to appeal the termination to the Executive Director, in writing, within 30 days of the effective termination date. Appeals must include any discrepancies and all supporting documentation.
3. THDA will not fund any payments for services or provide any training materials for an agency whose status is not in good standing, to include payment of service at the date THDA was made aware of the compliance issue.
4. Cause of termination will determine if THDA will allow reinstatement if later requested. Agency will not be eligible for review of reinstatement until after 3 years of initial termination. During the reinstatement review process, the Agency must submit a full application and complete a thorough one-on-one meeting with THDA to ensure compliance is understood. If approved, the Agency will be placed on a six (6) month probation to determine success.

NOTE: In the event of suspension or termination, THDA will be obligated to notify the Agency's Intermediary – if not THDA, as well as HUD's Office of Housing Counseling.

PART II: HBE PROGRAM DELIVERY STANDARDS

SECTION 3: BASIC HOMEBUYER SERVICES

The HE&C Program model is designed to meet the needs of clients by understanding what steps, if any, have been taken towards homeownership, determining mortgage readiness, affordability, and customizing services based on the needs of the client. HE&C Agencies should have a working knowledge of and be able to share information with their clients about THDA mortgage loans, HUD Programs, FHA, and USDA Rural Development mortgage loans, as well as other special affordable loan products available in their area. Agencies can access www.thda.org , www.HUD.gov , and www.rd.usda.gov/tn for more information.

FORMAT AND TIME REQUIREMENTS

Homebuyer education and Counseling may be provided to households of one or more participants in a class or one-on-one session. Each person on the loan is required to attend a homebuyer education class. Borrowers are encouraged to complete education as early in their home buying process as possible; preferably, at least 4 weeks prior closing. Approved THDA HE&C Agencies serve THDA loan customers through a variety of formats, including the following:

- Minimum of six hours of facilitator-led pre-purchase education class. This can be offered in-person or virtually to a class of one or more households. Education classes can be facilitated by a non-certified staff person but must be monitored by a HUD-certified counselor.

- A minimum of four hours of facilitator-led pre-purchase education class. This can be offered in-person or virtually to one single household. **NOTE:** Full curriculum must be covered.
- A minimum of one hour counseling session paired with THDA's approved eHomeAmerica online course. Refer to Follow-up Session checklist for required topics to be covered, to include all HUD guidelines for Housing Counseling.
- HUD approved agencies must be available to offer one-on-one Housing Counseling services, of any eligible education service, upon client's request.

ASSESSMENT & INTAKE

The client assessment helps clients understand what services are available and best fits their needs. HE&C Agencies should use client intake forms to collect required client information and to track the services provided for the client. THDA gathers this information to meet federal requirements. Information from the forms will help agencies prepare pay requests and activity reports, and also will be useful if the client needs additional services. The staff person performing screening and/or intake must be trained in requirement of the Privacy Act but is not required to be HUD Certified. This staff may obtain basic information to determine if the agency can assist a potential client, schedule an appointment with a HUD Certified counselor, or refer the potential client to other resources.

1. An assessment should be completed for all clients interested in homebuyer education & counseling and can be completed by staff or by the client during online course registration. The assessment may take place in person, by telephone or email, or through website applications.
2. Agencies may offer online registration on their website and must contact clients by phone or email to complete the assessment.
3. For the purposes of assessment, agencies must be able to track clients, streamline processes, and report outcomes. HUD recommends agencies identify clients as one of the following:
 - a. *Initial Stage:* The client has not been preapproved for a mortgage loan or submitted a purchase agreement.
 - b. *In Process:* The client has been preapproved for a mortgage loan, submitted a purchase agreement, or has a closing scheduled.

During intake, contact and demographic information should be collected for each household. Applicable forms and authorizations are reviewed with clients. Intake should be completed immediately following the assessment or at the first session and can be facilitated by staff in-person, by telephone, email, or website application. Each person on the loan is required to attend a homebuyer education class. Client files must include the intake application, authorizations, copy of identification with name and photo, or ID verification form, and other applicable forms. Standardized intake forms should be used for each household. See samples of Client Intake Forms in [Section 8](#).

All clients must be entered in the agency's Client Management System.

REFERRALS

HE&C Agencies will provide services within their skill sets and refer client for additional services when necessary.

- Agencies should be aware of local resources and maintain a referral list.
- Prior to referring clients, agencies should ensure competent and timely services are offered. Following a referral, agency staff should contact the client within ten (10) business days to determine the outcome.
- If asked by clients to provide referrals for for-profit housing professionals, such as lenders, real estate agents, home inspectors, insurance agents, etc., HE&C Agencies should always provide a list or a resource table to include a minimum of three names. “Steering” clients is prohibited and, if documented, will be cause for permanent removal from THDA’s approved list.

SECTION 4: PROGRAM DELIVERY

CUSTOMER SERVICE STATUS

Clients shall not be refused service regardless of their status in the home buying process.

MARKETING FOR EARLY PARTICIPATION

Borrowers are encouraged to complete education as early in their home buying process as possible; preferably, at least 4 weeks prior closing. Agencies should market their services within their communities to encourage clients to attend homebuyer education prior to signing a purchase agreement.

CLASS SIZE

No maximum limits have been set for number of attendees; however, agencies should consider the capacity of the space and the impact on learning when registering clients.

THDA WEBSITE CLASS CALENDAR

At least a month before the event, HE&C Network Agencies should utilize THDA’s website calendar to post their homebuyer education classes using the provided login and password, in addition to notifying their community industry partners and publicizing the classes with local media (See Section 9 for calendar instructions). Agency must notify THDA and any registered clients, as well as update the HE&C calendar, to reflect class changes.

APPROVED CURRICULUM

Pre-purchase education classes held by HE&C Agencies and marketed as THDA approved will utilize one of the following curricula:

- NeighborWorks® America “Realizing the American Dream” (RTAD). The curriculum is available in English, Spanish, Mandarin Chinese, and Vietnamese.
- Finally Home – PDF and hard copy manuals available in English and Spanish.
- eHome America (Online)
- THDA Home Maintenance Guides are available upon requests, via hard copy or electronic version. An electronic version of the Home Maintenance Guide is also available in Spanish.

- Landlord Education (any industry approved curriculum) – required for all Freddie Mac borrowers purchasing a duplex or 3-4 unit dwelling. See [Section 8](#) for curriculum suggestions.

The Finally Home curriculum and Home Maintenance Guides are provided at no cost to the Agency, for client issuance and use. Although the NeighborWorks RTAD is an approved curriculum, THDA does not cover the cost of the manuals.

When Agencies need consumer training materials and are current on their client reporting, they may order course materials through the [THDA Counselor Portal](#).

HE&C Agencies can utilize additional training material, in accordance with HUD guidelines.

Required HUD material includes:

- Home Inspection
- Lead Based Paint

Under no circumstances should HE&C Agencies allow sales or multi-level marketing presentations to be included within the class timeframe or in connection or conjunction with a THDA approved homebuyer education class, to include but not limited to share class clients' contact information for any sales solicitation. Agencies or individual counselors participating in such activities will be immediately and permanently terminated from THDA's homebuyer education and counseling program.

APPROVED FORMATS

THDA approved homebuyer education is delivered in one of the following formats:

CLASSROOM STYLE HOMEBUYER EDUCATION OR WORKSHOP

Facilitator led education to households of one or more participants in a class. Classes may be offered in-person or virtually.

HOMEBUYER CLUB

Homebuyer clubs, which are offered at a minimum of 12 hours and delivered over several months to allow in-depth instruction, may be more beneficial for clients who have greater barriers to homeownership. Sessions may be offered in-person or virtually. This method is typically used for New Start participants and agencies working to qualify future borrowers.

ONLINE HOMEBUYER EDUCATION

Online homebuyer education, through eHomeAmerica, is available to all clients in conjunction with a minimum of one hour counseling session by an approved HUD Certified Housing Counselor. Counseling sessions can be conducted virtually or in-person.

A client may access the Homebuyer Education Course via THDA's website.

LANDLORD EDUCATION

Landlord curriculum is required for all Freddie Mac borrowers purchasing a duplex or 3 – 4+ unit property. THDA has identified a course created by a HUD-approved non-profit organization named Balance as an available curriculum. **NOTE:** THDA will accept any industry approved landlord curriculum that meets Freddie's program requirement. The client will complete their preferred method of the Pre-purchase education.

If online (eHome America) is chosen:

- Borrower will complete the eHome America Pre-purchase online course.
- Counselor will schedule and conduct the required Counseling session. During this time, for this specific borrower, the Counselor will need to confirm if the client already completed a landlord course or not.
- If the client has not, the Counselor will need to provide available options to them (i.e., Balance/ARCH course link). The client will be responsible for completing the course and providing proof of completion (course certificate) to their lender.
- The counselor will issue the THDA or eHome America certificate of completion - whichever is applicable, reflecting the completion of the Pre-Purchase requirements. THDA will accept the issued certificate of any approved landlord education course. The borrower will be responsible for providing copies of both certificates to their lender, for the application submission.

If facilitator-led (in-person or virtual) is chosen:

- Borrower will attend and complete scheduled class.
- Counselor will confirm loan type with course participants. If applicable, the Counselor will provide Landlord Education options to the Freddie Mac borrower.
- Counselor may issue the client's Pre-Purchase certificate of completion and require the client to provide confirmation of their completion of the Landlord Education to their lender.
- Once the client completes the course (within 5 days from Pre-Purchase completion), they must provide a copy of the Landlord Education certificate of completion to the Counselor.
- The counselor will issue the THDA certificate of completion, reflecting the completion of the Pre-Purchase requirements. THDA will accept the issued certificate of any approved landlord education course. The borrower will be responsible for providing copies of both certificates to their lender, for the application submission.

INDIVIDUAL HOUSING COUNSELING

Housing Counseling is independent, expert advice customized to the need of the client to address the client's housing barriers and to help achieve their housing goals. THDA requires housing counseling as the follow-up requirement to the eHome America online course. The following guidelines must be met:

- Intake
- Client Budget
- Financial and Housing Affordability Analysis
- Action Plan
- A reasonable effort to have follow-up communication with the client when possible
- Proper file documentation per HUD guidelines, to include applicable disclosures

PROGRAM PARAMETERS AND CLIENT FILES

Approved agencies must comply with the HUD Housing Counseling Handbook 7610.10 REV 5 and/or REV 6, the 9902-reporting requirement, and the scope of housing counseling and group

education services listed below.

INDIVIDUAL HOUSING COUNSELING

Individual counseling activity regarding one or more of the following topics:

- Pre-Purchase/Home Buying
- Resolving or Preventing Mortgage Delinquency or Default
- Home Maintenance and Financial Management for Homeowners (Non- Delinquency Post-Purchase)
- Rental Topics
- Homeless Assistance
- Reverse Mortgage

A housing counselor must perform and document each of the following activities:

- A. Required Data. All required fields are listed on the HUD Exchange: <https://www.hudexchange.info/>
- B. File Number. A file number for the unique counseling interaction.
- C. Financial Analysis. Evidence of analysis of clients unique financial and credit circumstances.
- D. Activity Log. A recording of the date, time, duration and description of each interaction or activity performed on behalf of, and by, the client.
- E. Action Plan. For all counseling, except for reverse mortgage counseling, the client file must include an action plan. The housing counselor prepares an individual housing counseling action plan. The plan clearly identifies the client need or problem and outlines what the agency and the client will do in order to meet the client's housing goal(s). A copy of the action plan must be given to the client and maintained in the client's file.
- F. Follow-up. A record of all follow-up communication with the client must be documented. This documentation should also include an account of all written and verbal attempts made to contact clients in order to conduct follow-up sessions.
- G. Pertinent Documents. Copies (electronic or paper) of pertinent records or correspondence received from the client or created on their behalf.
- H. Disclosure. A copy of the disclosure statement provided to each client or a notation of the date that the disclosure statement was provided. The wording of the disclosure statement must be relevant to client.
- I. Termination. The housing counseling agency must document in the client's file when housing counseling services are terminated. The housing counselor must notate the client's file with the date and cause/explanation of termination. Client files must not remain open indefinitely.
- J. Results. Documentation of the results of counseling.
- K. Funding Source. Document the funding source or sources and amounts to which the counseling activity is attributed.

- L. Fees. If applicable, the amount paid through client fees and a copy of the receipt provided to the client. Additionally, document the amount and source of fees paid by other parties, for example lenders. The counseling file of each client charged fees must include documentation demonstrating that the cost did not create a financial hardship.
- M. HUD Grant Activity. An indication, if applicable, of the activity and amount that was partially or fully funded by a HUD housing counseling grant or sub-grant.
- N. Discussion of Alternatives. A list of any service agencies, product vendors, products, features, services, or properties about which information was discussed with the client.
- O. Client Authorization. Documentation indicating client authorization to order a credit report and/or to share information, for example with HUD or third parties, if applicable.
- P. Miscellaneous. Other information obtained during the intake and subsequent housing counseling sessions not mentioned above.
- Q. Reverse Mortgage Counseling. Additional documentation required for reverse mortgage client files:
 - 1. List of people other than the borrower(s) that attended the reverse mortgage counseling session and a description of their relationship to the client(s)
 - 2. Signed and dated HECM counseling certificate, if applicable
 - 3. Power of Attorney or other documents relating to legal competency, if applicable
 - 4. Total Annual Loan Cost Analysis
 - 5. Amortization schedules for reverse mortgage loan options
 - 6. Notation of any brochures or handouts on the reverse mortgage lending process /procedures/ timelines, reverse mortgage lenders, and/or alternatives to a reverse mortgage provided to client
 - 7. All HECM clients who contact a HUD approved agency must be served. Documentation demonstrating either the counseling content and information covered, or the details of the transfer must be included in the file. In cases where the agency does not offer the unique services requested by the client, is unable to effectively communicate with the client, does not have sufficient resources, or if the client is outside the geographic jurisdiction of the agency, the agency must refer the client to another participating agency, preferably an agency in the client's area. If there is not a participating agency available, the agency must make a reasonable effort to refer the client to another agency that can help them meet their needs.

GROUP EDUCATION/CLASSES

Group education or classes regarding one or more of the following topics:

- Pre-Purchase/Home Buying
- Resolving or Preventing Mortgage Delinquency or Default
- Home Maintenance and Financial Management for Homeowners (Non- Delinquency Post- Purchase)

- Rental Topics
- Homeless Assistance
- Reverse Mortgage

A housing counselor must perform and document each of the following activities:

- File Number. A file number for the education/ workshop session.
- Data. All required fields are listed on the Housing Counseling Website. See Appendix 3 for the CMS website containing the listing of all required data fields.
- HUD Grant. An indication of the activity, and amount that was partially or fully funded by a HUD housing counseling grant or sub-grant, when applicable.
- Course Description. Course title, course outline or established curriculum, and instructional goals
- Instructors. Name of each housing counselor, instructor or presenter participating in the session.
- Course Logistics. Date, place and duration of each session.
- Participant Information. List of participating households and the race, ethnicity, and income data for each household.
- Disclosure. The disclosure statement provided to each household that is relevant to the subject of the session.
- Fees. If applicable, the amount paid through client fees and a copy of the receipt provided to the client. Applicants that provide education regarding any of these topics must also offer individual counseling that complements the education.

LEAD-BASED PAINT

Education instructors must ensure consumers are aware of the following:

- Lead Based Paint – when homes in which clients may be seeking might be built before 1978. If the rental or purchase is HUD-assisted, requirements of 24 CFR part 35, subparts B, K and R might apply. See the [HUD lead-safe information and guidance](#).
- For Your Protection, Get a Home Inspection – ensuring clients understand the benefits of home inspections and a guide of questions to ask an Inspector. For more information See [Section 8](#).

VOLUNTEERS

HE&C agencies are allowed, but not required to utilize volunteers in the delivery of homebuyer education. All volunteers must be identified, screened, and trained by the agency. Agency staff must be present throughout the class to monitor volunteer presentations and ensure that the core curriculum is delivered thoroughly and objectively. Agencies should give regular feedback to volunteers.

Periodically agencies should use different volunteers to ensure variety in delivery style and perspective and to engage more industry professionals in homebuyer education.

Volunteers may not distribute marketing or educational materials with company logos or contact

information, including business cards and brochures. Business cards may be made available at a general resource table. It is imperative the agency use best judgement with donated company SWAG or promotional products (pens, calculators, note pads, etc.).

Volunteers are not required to complete certification; however they must adhere to and sign the Code of Ethics and Conduct found in [Section 8](#). Agencies are encouraged to create a Volunteer

Agreement to incorporate agency procedures, proprietary policies, and client confidentiality, and require all volunteers to adhere to and sign such agreements. See sample Volunteer Agreement in [Section 8](#).

REGISTRATION

HE&C agencies should have a formal registration process for all clients. To reduce barriers, clients can register by phone or if available, online.

Agency voicemail should identify the organization as a homebuyer education provider and may include registration instructions.

Clients should be scheduled for homebuyer education based on their need and the availability of services. If an agency's schedule does not allow clients to complete education in time for a closing, the agency should refer clients to another agency and/or request an online transfer.

ONLINE CUSTOMER TRANSFERS

Counselors have 48 business hours from the date of course completion, to make initial contact with online customer. Counselor has seven (7) business days, from the date of course completion, to conduct the required counseling session with the online customer.

The following client scenarios **are eligible** for an approved transfer request:

- Client has not received any communication (via email or phone) within the first 48 business hour window.
- THDA has confirmed that the assigned counselor is out of the office and not scheduled to return within the 7-business day window.
- eHome America Support Team sends a direct request, that also aligns with the above timelines.
- The assigned counselor requests the transfer directly and/or approves it, during THDA staff contact.
- Client and/or Counselor's availability; this is a case-by-case situation
- Client and/or Counselor's personal comfort (i.e. unprofessional; disrespectful manner)

The following client scenarios are **not eligible** for a transfer request:

- Client was informed about the homebuyer education course during the lender's file submission to THDA.
- Client was not initially closing with THDA but switched to THDA later in the process.
- Client's convenience (i.e. work schedule, course cost)
- Lender's convenience (i.e. closing date; personal preference to work with a particular Counselor)

HE&C Agencies may contact eHome America directly to request and client's transfer from their agency. eHome America will contact the THDA HE&RT Team to assist with connecting the client to a new agency. Consumers and industry professionals may submit transfer requests directly to the THDA Housing Education & Resource Team at homebuyereducationinfo@thda.org or sfask@thda.org.

ATTENDANCE

Each household member listed on the loan is required to complete a homebuyer education class and are required to attend the entire class or series. If completed online, all members must complete the course and the required one hour follow up education session. Participants of in-person classes who miss more than 10 percent of the class are required to make up the missed portion to receive a certificate of completion. Attendance requirements cannot be shared between members of a household. For online education clients, each borrower must complete the online course and the follow-up session.

Agencies may establish a policy to address how participants can make up missed portions of homebuyer education. Agencies may implement a policy to address when participants arrive late or return late from breaks.

CERTIFICATES OF COMPLETION

Certificates are issued by the HE&C agency to the client upon completion of the course. Certificates should only be issued to clients who adhere to the attendance policy and successfully meet all education requirements.

In instances where it is deemed the client has not adhered to program requirements, the HE&C agency may hold the certificate of completion until all obligations are met and/or the matter has been resolved through escalation procedures. Providers should contact THDA HE&RT Manager for escalation.

For THDA's financial accounting purposes, Agency must complete the applicable certificate of completion.

For all facilitator-led classes, the THDA issued template must be used. The certificate should include THDA's logo, Client name, Agency name, completion date, and educator/counselor signature/initial for all facilitator-led classes.

For all eHome America online courses, the eHome America Certificate of Completion must be used, and issued via the eHome America site. NOTE: The recorded date must reflect the date the counseling session took place and must not be scheduled or conducted until after the completion of the online course and all required documentation is received.

In order to reduce fraudulent activity, certificates must contain a signature or initial. When emailing the certificate, the agency must first save the template as a pdf formatted document and lock it prior to sending to the client.

- THDA Approved Certificates of Completion are effective for 12 months.
- Clients are not required to pass an exam to receive the certificate of completion.
- Once issued, certificates may not be invalidated by agencies for nonpayment.

OUT OF DATE CERTIFICATES

If a client with an HE&C Certificate of Completion applies for a THDA mortgage loan more than 12 months following their education session, they must retake the course, either in person or online. A THDA sponsored coupon code may be issued to the client to complete the eHome America pre-purchase course.

Refresher codes are available to clients who would like to re-take the course using the online option. The client should receive a new certificate of completion to include the new course completion date.

- All clients needing to retake the course and wanting an online option will need to email their old certificate to the original agency for a new code and request a refresher code to take the eHome America course for \$25.
- All clients can also select to retake the course in-person or virtually through the agency instead of the online option. The agency can charge standard or discounted rate.
- Step In clients are not eligible for this \$25 course discount and will need to retake the course online at the \$99 rate or at a classroom style course to receive a new certificate.
- See [Section 5](#) for agency payment process

CLASS SCHEDULING

HE&C Agencies should establish an annual homebuyer education schedule that is responsive to the demand in/around their community and maximizes the number of clients. Homebuyer education classes should be offered to the public, either via eHome America's online platform or in-person/virtually.

Schedules must be submitted to THDA for approval and include dates, times, city location, registration contact name, email address, phone number and fee. Classes and workshops are published on THDA's HE&C website calendar. Additions or changes should also be submitted to THDA for approval for posting on the website calendar. Agencies should also create and follow a Marketing and Outreach plan to connect with local partners and consumers.

THDA WEBSITE LIST

THDA-approved HE&C agencies are listed alphabetically at www.thda.org. Agencies should also use THDA's website calendar to advertise their class schedules. The HE&C agency list and the calendar can be found on the THDA website under "Buy a Home" in the "Homebuyer Education" section. Clients needing to access the homebuyer education calendar may go to <http://thda.mhsoftware.com/>. They click on the name of the desired location/town on the date needed and a screen will appear with contact info.

THDA HE&C CALENDAR

When an HE&C Agency is first approved, THDA sets up their HE&C Calendar system account. The Agency login name and password are provided to the agency.

The system automatically sends THDA HE&RT staff a message each time the agency enters a new class, so the agency does not have to send a message when it does its entries. The system notifies HE&C staff for the Agency, then THDA HE&RT staff will go in as soon as possible to review and approve the request. The system will send the agency the message after the approval is completed. If there is a question, staff will note that, and the system will send an "action deferred" message telling the agency what it needs to do to correct the entry

THDA HE&C CLASS CALENDAR INSTRUCTIONS

1. Go to <http://thda.mhsoftware.com>
2. Login access is required and provided by THDA.
3. Refer to [Calendar Reference Guide](#) for step-by-step instructions and template

CLASS CANCELTION

A workshop or class may not be cancelled once participants have signed up. The following exceptions apply:

- A. Inclement weather or a natural disaster. For inclement weather, the workshop or class must be rescheduled within one week, if possible.
- B. HE&C agency staff is ill. In case of staff illness on the scheduled class date, Agency should contact all registrants and refer to other area agencies or re-schedule class at earliest opportunity.
- C. Agencies may contact THDA HE&RT Team or their regional THDA HUD Counseling Coordinator as an alternative to canceling the class. This option allows the class to remain scheduled, facilitated by a certified educator/counselor, and all/any THDA fees still be paid to the agency.

SECTION 5: PAYMENT FOR HBE SERVICES FOR THDA CUSTOMERS

FACILITATOR-LED (IN PERSON OR VIRTUAL) EDUCATION

Homebuyer education is delivered in a group setting – in-person or virtually. The THDA issued certificate of completion must be provided to the borrower following the completion of the course.

If payments are made on a monthly basis after the loan has been closed by the lender and been purchased by THDA. Lenders should send required closing documents to THDA 3 to 5 days after closing. If an HE&C serviced loan is purchased (funded) during one month, then the HE&C payment will be made to the Agency during the following month. However, if a loan is closed at the end of one month and the lender sends the purchase request early the next month, the HE&C payment will not arrive until two months after the closing.

At the beginning of each month, THDA staff will generate a report that shows the names of the funded loan clients for the previous month. That report also shows the name of the Agency that provided the service for the clients. Using the counselor portal, THDA staff sends a notice to each Agency that had funded loan clients the month before. THDA requires each Agency to review their report, check their files, and confirm that each client on the report actually was served by their agency. Using the counselor portal, Each Agency must mark a confirmation space on the report. THDA will not issue payment unless the Agency has confirmed their homebuyer education service, has reported the funded loan client, and is in good standing with the HEC Program.

The payment will be processed via ACH to the Agency's account on the last business day of the month by THDA. See [Section 8](#) for copies of required payment forms.

HE&C Agency will receive their monthly payment report after their submission of their monthly client spreadsheet. The agency will not receive the payment report if the client spreadsheet has not been submitted. If the THDA Staff does not receive confirmation of service provided to a client,

within 2 months from the initial receipt of the payment report, the organization will not be compensated for the pending loan(s)/client(s).

NOTE: It is the HE&C agency's responsibility to ensure the correct delivery method is recorded on the client's certificate of completion, as the type of service determines the compensation amount. THDA recommends its approved HE&C Agencies not charge more than \$99 to THDA loan clients (single or couple) for the required six hour pre-purchase class.

Delivery Format	Mortgage Revenue Bond (MRB) Reimbursement		Frequency
Education	\$	500.00	Monthly
Step In	\$	500.00	Monthly
Counseling	\$	400.00	Monthly
***** Mortgage Back Security (MBS) to Mirror Amts Above *****			***** Quarterly *****

COUNSELING (eHome America Follow-up)

Housing counseling is provided as the follow-up session once a borrower completes the eHome America course or as a standalone service requested by the client. Once the online course and the counseling session are complete, the counselor should issue a certificate of completion via the eHome America site. The recorded date must reflect the date the counseling session took place and must not be scheduled or conducted until after the completion of the online course and all required documentation is received.

eHomeAmerica will pay the Agency \$74 for every online client. This payment is submitted monthly by eHome America. (**Note:** \$74 payment is based on the client's fee of \$99. If an Agency chooses to offer a discounted coupon to the client, the Agency will receive the difference of the client's fee and eHome America's administrative fee.)

NOTE: Course Reimbursement to Clients

Recipients of housing education services are eligible to be reimbursed for their out of pocket expense(s). Educator/counselor may make client aware that their mortgage professional can record their out-of-pocket expenses on their closing documents.

***Payments in the form of credit cards are not eligible for reimbursement.**

STEP IN

State of Tennessee Employee Partnership Initiative, "STEP IN," allows State of Tennessee employees and eligible corporation employees to receive a discount for the online pre-purchase homebuyer course through eHome America. The program will allow eligible clients to take the online course at a discounted fee of \$25.

Eligible clients will complete the following steps:

- Contact stepin@thda.org to request a coupon code
- Answer screening questions to confirm eligibility
- THDA staff will send an invite via eHome America, which will include the code and course link.
- Client will complete the online course. THDA staff will follow up upon completion to complete their account transfer to an approved Agency.

- Once Agency has access to the account, Agency will contact client to conduct the required one-hour session and provide their certificate of completion. Agency should select STEP IN program on the certificate.
- This program removes the payment directly issued by eHome America. If the client closes (and the loan funds) through THDA, the Agency will be compensated \$500 from THDA – to be reflected on the monthly payment report.

SPECIAL PROGRAMS

THDA may offer a variety of agency programs that require housing education and counseling services (i.e., HAF). HE&C Agencies have the opportunity to participate and offer these services. The THDA Staff provides instructions and program details; however, payments are issued from the specific program division and are not included in the monthly HE&C payments.

REFRESHER COURSE

NOTE: For any clients returning with an outdated certificate of completion, the HE&C Agency will only receive payment for clients once the loan closes and is funded. Payment will be based on the type of delivery (classroom style vs online) provided to the client for the Refresher course or applicable certificate.

CLIENT REFUNDS

THDA does not issue or approve refunds. THDA believes that the education will be beneficial regardless of the loan product you choose. All refunds are at the discretion of the HE&C agency.

SECTION 6: APPLYING FOR HUD FUNDING

As an Intermediary of the HUD Office of Housing Counseling Program, THDA grants funds to HUD local and participating housing counseling agencies in order to support the delivery of a wide variety of housing counseling services to homebuyers, homeowners, low- to moderate-income renters and the homeless.

Awards are based on agency capacity, previous performance, and the availability of THDA funding. This is a competitive grant. Agencies cannot apply for funding as a Local Housing Counseling agency (LHCA) or with more than one intermediary. Agencies may apply as an Affiliate or Sub-Grantee.

APPLICATION REQUIREMENTS

Agencies seeking funding through THDA under the HUD Housing Counseling Program should apply during designated application and funding period

Applications submitted beyond the end date stated will not be accepted.

ATTACHMENTS

The following must be attached to the application:

1. Charter and Bylaws
2. Code of Conduct
3. Copy of Client Management System contract
4. Independent Audited Financial Statement, Within Last 2 Years

5. Evidence of Leveraged Funds
6. Indirect Cost Rate Documentation (if applicable)
7. Facility information and photos
8. HUD 9902
9. Quality Control Plan
10. Projected Budget
11. Succession Plan
12. Verification of 501C3 status
13. Work Plan
14. Approval of Local or Participating HUD Housing Counseling Agency status
15. Organizational Chart
16. Agency Unique Entity Identifier
17. Mission Statement
18. Declaration of Funding
19. Client Disclosures
20. Conflict of Interest Policy & Procedures for Personnel and Board Members

ALLOWABLE ACTIVITIES

Sub-grantees will be eligible for reimbursements only for the applicable activities outlined in this section. THDA and HUD reserves the right to reject funding requested for any costs that are outside the scope of housing counseling and group education services listed below.

- A. To be reimbursed for one-on-one counseling, the Sub-Grantee and Branches must perform and document housing counseling activities in accordance with HUD Handbook 7610.1 REV-5, Counseling Services, Chapters 3-5. To be reimbursed for group education, Grantees and Branches must provide formal classes (in person and remote) with established curriculum and instructional goals covering one or more of the eligible topics in 24 CFR § 214.3.
- B. To be eligible for reimbursement as direct costs, costs must be incurred pursuant to one or more of the following activities: (1) housing counseling and group education; (2) oversight, compliance, and quality control; (3) supervision of housing counseling staff; (4) housing counselor training and certification; and (5) marketing and outreach of the housing counseling program to potential clients.
- C. Sub-Grantee must submit a projected budget listing all proposed expenses under the Grant and a budget narrative, if necessary. The budget may include salaries, fringe and other employment benefits, travel, training, marketing, outreach, and indirect costs, as applicable to the Grantee. All expenses must be itemized, and all Grant Funds must be accounted for in this projected budget. This projected budget must demonstrate the actual cost of service provision.

- D. To be reimbursed, costs must be determined by HUD to be allowable, allocable, and reasonable in accordance with the:
1. Provisions of this Agreement and conditions listed in the grant application and;
 2. Housing Counseling NOFA

APPROVAL

Funds will be awarded based on an assessment of the agency's application, other leveraging funds, and the amount of funding granted to THDA by HUD.

Selected agencies will receive a notification regarding approval and award amount. Upon receiving the grant contract, agencies must return a signed copy to THDA with signature by an authorized representative.

Awards are not issued by THDA until THDA receives an award from HUD, which can take up to 120 days from the end date of the HUD NOFA.

Participating staff from approved agency must also attend all sub-grantee meetings facilitated by THDA.

DENIAL

Agencies that are not approved will receive a notification from THDA explaining the denial of funds under this grant program.

AWARD REDUCTION

THDA reserves the right to retract any unused funds previously awarded to the Sub-Grantee for any reason at the end of the performance period. THDA will notify agencies of the award reduction and provide an addendum to their sub-grantee agreement.

THDA may choose to disburse unused funds via a supplemental Housing Counseling Grant Funds option with eligibility being extended to Sub-Grantee that achieved 100% goal achievement during their period of performance. Agencies that receive awards will be allowed to request reimbursement for allowable expenses incurred in excess of payment by THDA or a leveraged funding source during the original period of performance.

AWARD INCREASE

In instances where HUD may award THDA with additional grant funds, agencies may also be eligible to receive funds. This increase would be determined by THDA and based on the total award amount. THDA will communicate with each agency to confirm acceptance of the funds and identify the exact amount each agency will receive. THDA will request an updated budget and client projections to reflect the new funds and services. Sub-Grantees not in compliance with the program guidelines and experiencing challenges with spending existing funds will not be eligible for any additional funds.

SECTION 7: REPORTING AND RECORDS

9902 DATA ENTRY

All HUD approved Housing Counseling Agencies are required to submit the 9902 via the HUD Housing Counseling System (HCS) in accordance with the HUD reporting schedule and due dates following the end of each quarter. Data should be entered by the designated federal fiscal year.

THDA HUD Sub-grantees and Affiliates are required to submit the 9902 via the HUD Housing Counseling System (HCS) by the 5th day of the month following the end of each quarter. Data should be entered by the designated federal fiscal year.

THDA will review and submit the report through HCS for all THDA sub-grantees. Agencies affiliated with different intermediaries will need to work directly with them and/or their HUD POC.

NONDISCRIMINATION REQUIREMENTS

HE&C Agencies shall comply with these requirements for nondiscrimination based on race, color, religion, sex, national origin, age, familial status, and disability. The SF- 4248, Assurances for Non-Construction Programs, is hereby incorporated into this Agreement.

HE&C Agencies shall comply with nondiscrimination requirements enumerated in certification six in the SF- 4248, Assurances for Non-Construction Programs and executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency and implementing Federal Register Notice 72 FR 27 32, Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons; and Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity (77 FR 5562).

GRANT ACTIVITY REPORTS

All HUD approved Housing Counseling Agencies are required to submit Quarterly Performance Reports. These reports should be submitted to the agency's HUD Intermediary and/or HUD POC.

Agencies affiliated with different intermediaries will need to work directly with them and/or their HUD POC. Additional guidance is provided in the applicable NOFA Award package.

Participating HUD sub-grantees must submit Grant Activity Reports to THDA within 45 days of the last day of the performance period unless otherwise specified. The following items must be submitted in the report:

1. Agency's name, address, and HUD number: As they appear on the Grant document.
2. Start and end dates: For the designated performance report period.
3. Hourly rate: Identify each counselor or other employee whose time/activity is being billed to the Grant, the individual's title, and the hourly billing rate used to calculate reimbursement from HUD of a Parent Organization for that individual's time/activity; or, in the event of fixed-price reimbursement, document actual expenses. Explain the method used for calculating hourly rates, e.g., whether benefits are included in the rate.
4. Staff hours: Indicate for each relevant counselor and other employee the total number of hours being billed to the Grant cumulatively and for the quarter. For each employee whose time will be reimbursed from the Grant, multiply the relevant hours by the relevant hourly rate (see #3) and indicate the cumulative total and total for the quarter.
5. Fixed-Price Reimbursement: Agency must document actual expenses, which must be reasonable and cannot exceed actual costs.
6. Itemized Accounting of Actual Costs: Submit an itemized accounting of actual costs for each quarter, and the Grant period to date. The accounting must include the following as applicable: salaries, fringe and other benefits, training, marketing, outreach, and indirect

costs. The itemized accounting of actual expenses may be submitted on form HUD-424 CB, or in a format of the Grantee's choosing. Any deviation between the itemized accounting and the budget submitted Grant execution must be approved by the HUD POC.

7. Required Certification: In accordance with 2 CFR § 200.415 (a), include a certification, signed by an individual who is authorized to execute the certification on behalf of the Grantee, which reads as follows:

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812)." The rest of this language is not required and is unnecessary as the grantees are already required to comply with all federal laws and regulations (under Article I)."

8. Form HUD-9902: Grantees must update the HUD- 9902 electronically through HCS so that the appropriate "HUD Housing Counseling Grant Activity" column reflects activity funded through this agreement. HCS will list the relevant columns for each reporting agency. Grant activity must be reported in the appropriate column, according to the specific Grant under which the activity occurred. Grant activity should be transmitted through a client management system (CMS) directly into HCS. If necessary, grant activity may be submitted manually by entering the data on the applicable HUD-9902 in HCS. If HCS does not contain separate columns for multiple grants at any point during the Period of Performance, Grantees must report all activity attributed to HUD Housing Counseling Grants in the "All Counseling and Education Activities" column. The Grantee must update the HUD-9902 report in HCS with the applicable "HUD Housing Counseling Grant Activity" column data once it is available for entry. HUD will not consider retroactive updates to the "HUD Housing Counseling Grant Activity" data as late. For assistance with Form HUD-9902 reporting, the Housing Counseling 9902 Toolkit is available on the HUD Exchange.
9. HECM Default Counseling Activities: Submit a report indicating the total number of default counselors providing default counseling for reverse mortgage (HECM) borrowers during each quarterly reporting period, as well as in the final report. The final report must also include details regarding the number of hours of training in reverse mortgages for each counselor and the number of Clients for which HECM default counseling was provided by each counselor.
10. Oversight Activity:-Agency must adhere to their approved Quality Control Plan to ensure compliance. Internal Quality Control processes are recommended quarterly.
11. Housing Counseling System (HCS) Validation: Using the HCS system, agency should validate agency information, to include address, contacts, services provided, and areas served – quarterly. Update as needed prior to validation. Agency Work Plan should reflect the information in HCS.

FINAL REPORTING

All HUD approved Housing Counseling Agencies are required to submit a Final Report. These reports should be submitted to the agency's HUD Intermediary and/or HUD POC.

Agencies affiliated with different intermediaries will need to work directly with them and/or their HUD POC. Additional guidance is provided in the applicable NOFA Award package.

RECORDS

CLIENT MANAGEMENT SYSTEM (CMS)

All participating agencies are required to use a CMS that interfaces with HUD's databases for the collection and reporting of agency and client-level data.

Agencies must maintain current and accurate data on the race, ethnicity, and income of their counseling clients and education participants so that HUD can comply with Section 808(e)(6) of the Fair Housing Act.

Agencies must ensure that their CMS protects the confidentiality of each client's personal and financial information, both electronic and paper, including credit reports, whether the information is received from the client or from another source.

The agency must ensure that neither they nor their CMS vendor discloses the information in the client's individual case file to anyone except for authorized agency personnel, THDA and HUD. Agencies must also ensure that their selected CMS maintains the confidentiality of this information as well. The only exception to this requirement is when the counseling recipient expressly grants permission, for example in the case of, through a CMS, the automatic creation of a loan application and submission to a lender.

THDA does not monitor, negotiate, or engage with CMS vendors on behalf of housing counseling agencies. Refer to Section 8 for a list of HUD approved CMS vendors.

CREDIT REPORTING

Counselors must secure a client's authorization prior to ordering a credit report, regardless of whether the information is received from the Client or from another source or is collected electronically or on paper. In accordance with HUD Handbook 7610.1 REV-6, Chapter 5-6B, if a Participating Agency contracts with a credit bureau for credit reports, whether or not disclosure can be made depends on the terms of the contract between the Participating Agency and the credit-reporting bureau.

NOTE: Agencies should review their disclosure statements and agency agreements concerning their access to share credit reports. Visit [FICO website](#) for more information.

DOCUMENTATION OF EXPENSES

HUD Approved Housing Counseling Agencies must maintain a list of all Client Counseling File numbers and group education file numbers attributed to the Grant in alpha or numeric order. This list must indicate the activity attributed to the relevant quarter, the cumulative total for the entire Grant year and the relevant counseling or education type. Itemize for each Client and/or group education session on the list, the relevant counselor and/or other employee that provided service, the duration of service provided in hours and minutes and the total amount of funds charged to the HUD Grant. The Client Counseling File List must also identify the branch or main office that served the client.

FINANCIAL RECORDS

HUD Approved Housing Counseling Agencies must maintain and make available to their HUD Intermediary and/or HUD POC upon request evidence that leveraged funds cited in the grant application were actually provided to the agency, and/or evidence that the total housing counseling budget reported by the agency was accurate and used for housing counseling purposes.

SUBCONTRACTORS

Grantees must deliver the housing counseling services set forth in the Applicant's Housing Counseling Work Plan. It is not permissible to contract out housing counseling services, except as specified in 24 CFR § 214.103(i). The general prohibition does not apply to web-based education services and/or the sub-grant, transfer, or subcontract for the purchase of supplies, material, equipment, or general support services. If this exception to the general prohibition applies, Grantee shall comply with the applicable procurement standards in HUD regulations at 2 CFR Part 200 and all other requirements. Subcontractors of agencies may be required to maintain additional records identified in the applicable grant agreement.

NONCOMPLIANCE WITH RECORDS MANAGEMENT

Failure to comply with any of the recordkeeping and reporting requirements could result in consequences which may include, but are not limited to, a delay in payment of claims under a HUD housing counseling grant; the sub-grantee's forfeiture of all remaining funds in the grant account; the sub-grantee's future housing counseling grant applications being adversely rated because of this failure; placement in inactive status or termination of the agency's participating status and deletion from the list of HUD-approved and participating agencies.

SECTION 8: RESOURCES AND FORMS

Please also utilize the following resources as a reference guide when executing HUD's Housing Counseling Program:

1. [HUD's Housing Counseling Handbook](#)
2. Work Plan Toolkit
3. THDA's Grant Contract for Housing Counseling – THDA Sub-grantees and affiliates only
4. Applicable Grant Year Comprehensive Housing Counseling NOFA – THDA sub-grantees and affiliates only
5. [HUD Form HUD-424 CB – Budget Template](#)
6. [Personnel Activity Report \(PAR\)](#)
7. [HUD Exchange](#)
8. [Scam Awareness, Identification, and Reporting](#)
9. Attachment A from the Grant Contract for Housing Counseling
10. [Approved Client Management Systems](#)
11. [For Your Protection Get a Home Inspection](#)
12. [9902 Report Template](#)

13. [9902 Report Instructions](#)
14. [Landlord Education Information: Client Access](#)
15. [Landlord Education Information: Counselor/Instructor Information](#)
16. [National Industry Standard \(NIS\) Reference Guide](#)

THDA FORMS

Forms referenced in this HUD Housing and Counseling Guide are listed below. THDA forms may not be altered and may not be distributed to any entity who is not an HE&C Provider or to any other unauthorized individual or entity. These forms are to be considered part of this HUD Housing and Counseling Guide.

1. [ACH Form](#)
2. [Code of Ethics](#)
3. [Conflict of Interest](#)
4. [HE&CN Abridged Application](#) (Existing Agencies Only)
5. [HE&CN Annual Certification](#)
6. [HE&CN Transcript Tracker](#)
7. [HE&C Program Disclosure for Licensed Realtor](#)
8. [HE&C Program Disclosure MLO](#)
9. [HE&CN Program Agreement](#)
10. [Privacy Policy](#)
11. [THDA Checklist for eHome Counseling Sessions](#)
12. [THDA HUD Application Form 9900](#)
13. [THDA HUD Application Addendum](#)
14. [Verification of Identification](#)
15. [W9](#)

SECTION 9: HUD GUIDANCE FOR THDA SUB-GRANTEES AND AFFILIATES

CLAIMS

REIMBURSEMENT

Funding is on a reimbursement basis and issued quarterly. Costs should be in accordance with Subpart E-Cost Principles of 2 CFR 200 and the terms and conditions of the federal award.

Sub-grantees can only request reimbursement for funds in proportion to goal achievement. For example, a sub-grantee meeting 50% of its goals can request reimbursement for up to 50% of its award.

Proof of payment must be submitted with the claim for each expense in which reimbursement is requested.

Amount requested per line item cannot exceed the currently approved budget. Claims are due by the 5th day of the month following the end of the quarter.

Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

1. Invoice/Reference Number (assigned by the Grantee)
2. Invoice Date
3. Invoice Period (to which the reimbursement request is applicable)
4. Grant Contract Number (assigned by the State)
5. Grantor: Tennessee Housing Development Agency, Single Family Loan Operations
6. Grantor Number (assigned by the Grantee to the above-referenced Grantor)
7. Grantee Name
8. Grantee Tennessee Edison Registration ID Number Referenced in Preamble of this Grant Contract
9. Grantee Remittance Address
10. Grantee Contact for Invoice Questions (name, phone, or fax)
11. Itemization of Reimbursement Requested for the Invoice Period— it must detail, at minimum, all of the following:
 - a) The amount requested by Grant Budget line-item (including any travel expenditure reimbursement requested and for which documentation and receipts, as required by "State Comprehensive Travel Regulations," are attached to the invoice)
 - b) The amount reimbursed by Grant Budget line-item to date
 - c) The total amount reimbursed under the Grant Contract to date
 - d) The total amount requested (all line-items) for the Invoice Period

The Grantee understands and agrees to all of the following.

1. An invoice under this Grant Contract shall include only reimbursement requests for actual, reasonable, and necessary expenditures required in the delivery of service described by this Grant Contract and shall be subject to the Grant Budget and any other provision of this Grant Contract relating to allowable reimbursements.
2. An invoice under this Grant Contract shall not include any reimbursement request for future expenditures.
3. An invoice under this Grant Contract shall initiate the timeframe for reimbursement only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.
4. Grantee must maintain source of documentation of direct costs, such as invoices, receipts, cancelled checks, documentation of personnel expenses, and indirect cost rate agreements to support all draw requests. Documentation for indirect expenses should be submitted on

an itemized ledger. Agency is responsible for maintaining all additional supporting documentation, if needed. In addition, Grantee must maintain a list of all Client Counseling File numbers and group education file numbers attributed to the Grant in alpha or numeric order. This list must indicate the activity attributed to the relevant education type. Itemize for each Client and/or group education session on the list, the relevant counselor and/or other employee that provided service, the duration of service provided in hours and minutes and the total amount of funds charged to the HUD Grant. The Client Counseling File list must also identify the Branch or main office that served the Client.

5. Grantees must also document the methodology used for charging costs to the HUD Grant, such as salaries, employee benefits, travel, training, marketing, outreach, and other expenses that are not classified as indirect costs.
6. All standards for financial management and payment procedures apply based on 2 CFR 200, Subpart D.
7. All Grantees must be able to demonstrate and document the actual cost of service provision. The amount billed to the Grant cannot exceed the actual cost of providing the service. Where Grant Funds are utilized for counseling services, individual Client Counseling Files and group education files must support the duration of service billed to the Grant.
8. Grantee shall maintain and operate financial management systems that meet or exceed the federal requirements for funds control and accountability as established by the applicable regulations in 2 CFR 200, Subpart D.

CLAIMS SCHEDULE

Claims should be submitted via one email per quarter as follows:

- April 5 for the previous three months (January 1 through March 31)
- July 5 for the previous three months (April 1 through June 30)
- October 5 for the previous three months (July 1 through September 30)
- January 5 for the previous three months (October 1 through December 31)

PERSONNEL REPORTING

Personnel Reports submitted with Claims must designate the type and number of hours for the housing counseling services provided. The report must include the employee and supervisor name and signature.

Agencies that use electronic signatures on Personnel Activity Reports must include a statement signed by a program manager or executive director when a claim is submitted. The statement must convey that the agency uses electronic signatures on timesheets and/or PARs (example: *Agency Name uses electronic Signatures on Timesheets / PARs during the FY16 HUD Grant Program, Performance Period, 10/1/2015- 3/31/2017.*). This statement can be included on the first PAR entry but should be attached to each claim.

If an employee is unable to sign a timesheet or PAR due to extended leave or termination, a statement must be included from the agency's human resources department documenting the dates of leave or termination.

Personnel reports listing all hours worked, including non-HUD Housing Counseling related activity, and designating HUD activities, must be maintained on site by the agency for all personnel paid with HUD Housing Counseling funds. Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and meet the standards required in 2 CFR Part 200.430(i). The records must support the distribution of employee's salaries and wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. PARS must be submitted with each quarterly report and are subject to a financial audit.

TRAVEL AND EXPENSES

Charges to the awards may include reasonable amounts for activities contributing and directly related to work under the agreement. Contributing activities may include, but are not limited to, delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, securing project-specific data, participating in appropriate seminars, and attending meetings and conferences.

Travel such as transportation, lodging, and subsistence of employees in travel status needed to conduct official business of the program will be reimbursed based on the allowable federal per diem, lodging, and mileage rate at the time.

PERIOD OF PERFORMANCE

Claim submissions will only be allowed for services provided during the designated Performance Period, unless an extension has been granted.

GRANT ACTIVITY REPORTING

Participating HUD sub-grantees must submit Grant Activity Reports to THDA within 45 days of the last day of the performance period unless otherwise specified.

The following items must be submitted in the report:

1. Agency's name, address, and HUD number: As they appear on the Grant document.
2. Start and end dates: For the designated performance report period.
3. Hourly rate: Identify each counselor or other employee whose time/activity is being billed to the Grant, the individual's title, and the hourly billing rate used to calculate reimbursement from HUD of a Parent Organization for that individual's time/activity; or, in the event of fixed-price reimbursement, document actual expenses. Explain the method used for calculating hourly rates, e.g., whether benefits are included in the rate.
4. Staff hours: Indicate for each relevant counselor and other employee the total number of hours being billed to the Grant cumulatively and for the quarter. For each employee whose time will be reimbursed from the Grant, multiply the relevant hours by the relevant hourly rate (see #3) and indicate the cumulative total and total for the quarter.
5. Fixed-Price Reimbursement: Agency must document actual expenses, which must be reasonable and cannot exceed actual costs.
6. Itemized Accounting of Actual Costs: Submit an itemized accounting of actual costs for each quarter, and the Grant period to date. The accounting must include the following as applicable: salaries, fringe and other benefits, training, marketing, outreach, and indirect

costs. The itemized accounting of actual expenses may be submitted on form HUD-424 CB, or in a format of the Grantee's choosing. Any deviation between the itemized accounting and the budget submitted Grant execution must be approved by the HUD POC.

7. Required Certification: In accordance with 2 CFR § 200.415 (a), include a certification, signed by an individual who is authorized to execute the certification on behalf of the Grantee, which reads as follows:

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812)." The rest of this language is not required and is unnecessary as the grantees are already required to comply with all federal laws and regulations (under Article I)."

8. Form HUD-9902: Grantees must update the HUD- 9902 electronically through HCS so that the appropriate "HUD Housing Counseling Grant Activity" column reflects activity funded through this agreement. HCS will list the relevant columns for each reporting agency. Grant activity must be reported in the appropriate column, according to the specific Grant under which the activity occurred. Grant activity should be transmitted through a client management system (CMS) directly into HCS. If necessary, grant activity may be submitted manually by entering the data on the applicable HUD-9902 in HCS. If HCS does not contain separate columns for multiple grants at any point during the Period of Performance, Grantees must report all activity attributed to HUD Housing Counseling Grants in the "All Counseling and Education Activities" column. The Grantee must update the HUD-9902 report in HCS with the applicable "HUD Housing Counseling Grant Activity" column data once it is available for entry. HUD will not consider retroactive updates to the "HUD Housing Counseling Grant Activity" data as late. For assistance with Form HUD-9902 reporting, the Housing Counseling 9902 Toolkit is available on the HUD Exchange.
9. HECM Default Counseling Activities: Submit a report indicating the total number of default counselors providing default counseling for reverse mortgage (HECM) borrowers during each quarterly reporting period, as well as in the final report. The final report must also include details regarding the number of hours of training in reverse mortgages for each counselor and the number of Clients for which HECM default counseling was provided by each counselor.
10. Oversight Activity:-Agency must adhere to their approved Quality Control Plan to ensure compliance. Internal Quality Control processes are recommended quarterly.
11. Housing Counseling System (HCS) Validation: Using the HCS system, agency should validate agency information, to include address, contacts, services provided, and areas served – quarterly. Update as needed prior to validation. Agency Work Plan should reflect the information in HCS.

FINAL REPORTING

A final report is due forty-five (45) calendar days after the Grantee has completed all Grant activities funded under the Grant. See 2 CFR § 200.328(b)(1). Grantees must also report items listed in the section above. Grantee must submit a narrative report of not more than five (5) single-spaced letter- sized pages using a font size of no smaller than twelve (12) or larger than fourteen (14). In the narrative report, Applicant must briefly summarize the outcomes of the activities that Grantee proposed in the Grant Application to address impediments to fair housing choice. Additionally, Grantee should also include in this narrative report items such as problems encountered by the Grantee, items for which the Grantee needs additional guidance, unusual Client needs or problems for which the Grantee provided counseling, recommendations to HUD, and developments having a significant impact on the award supported activities, such as delays or adverse conditions which materially impair the ability to meet the objectives of the awards. The final report shall also describe any action taken or contemplated, and any assistance needed to resolve the situation as well as a summary of oversight. The Grantee must also submit with the final report a certification, signed by an individual who is authorized to execute the certification on behalf of the Grantee, which states that all applicable closeout activities required in 2 CFR § 200.343 have been completed.

CONTRACT CHANGES

9902

Changes to a previously submitted 9902 in HUD's Housing Counseling System (HCS) are only allowed for modification to billing. If an agency wants to change its COMP Funded column on a previously submitted 9902, it must submit a Contract Amendment via email. THDA and HUD must approve all changes to previously submitted 9902s.

WORK PLAN

If an agency wants to change its Work Plan after award approval from THDA, it must submit a new Work Plan sixty (60) days prior to the desired date of service start date. The new Work Plan, with any revisions highlighted, should be attached to the request. The agency will then receive instructions to change the desired Work Plan or approval. THDA and HUD must approve all changes to Work Plans prior to implementation.

BUDGET

If an agency wants to change the amount budgeted for any given line item, the agency must submit a Contract Amendment Request via email. THDA and HUD must approve all changes to contract budgets. As a result, agencies are encouraged to estimate its budgets carefully.

REVIEWS

ADMINISTRATIVE REVIEWS

Under HUD funding, THDA only monitors those agencies that receive funding under a Housing Counseling Grant Funds. THDA will provide support and training for all network partners; however, HUD agencies under a different Intermediary will need to refer to their Point of Contact for direct technical support regarding the HUD program. Under the Office of Management and Budget (OMB) Omni Circular 2 CFR Part §200.331 - Requirements for Pass-Through Entities, all intermediaries are required to evaluate each sub-recipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the sub-award for purposes of determining the appropriate sub-recipient monitoring. Factors used to determine sub-recipient monitoring may include, but are not limited to, the sub-recipient's prior experience with the same or similar sub-

awards; the results of previous audits including whether or not the sub-recipient received a Single Audit in accordance with Subpart F - Audit Requirements, and whether the sub-recipient has new personnel or new or substantially changed systems.

Depending upon the sub-grantee's assessment of risk, the following monitoring strategies may be used by THDA to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- Administrative Desk Review of the sub-recipient's program operations
- Administrative On-site Review of the sub-recipient's program operations
- Referral to HUD Office of Housing Counseling for a HUD Financial & Administrative Review

Using the findings of the administrative review, THDA may determine whether to continue participation unconditionally, conditionally, temporarily change status to inactive, or terminate approval of participation of the agency.

Additionally, the findings of an administrative review may serve as a basis for determining future grant funding for the Housing Counseling Program.

Sub-recipients will be notified prior to reviews.

THDA reserves the right to review homeownership education classes without prior notice to assess compliance.

PERFORMANCE REVIEWS

Participating HUD sub-grantees and affiliates will receive a performance review from THDA in partnership with HUD near the end of their HUD Housing Counseling Agency certification period. This performance review will determine the agency's ability to continue as a HUD Housing Counseling Agency.

Using the findings of the performance review, HUD may determine whether to continue participation unconditionally, conditionally, temporarily change status to inactive, or terminate approval of participation of the agency.

ORGANIZATIONAL CHANGES

Applicant must report changes to the agency or affiliate address and phone number; key staff changes; mergers and acquisitions to THDA, copying hecinfo@thda.org within fifteen (15) days of the change.

QUALITY ASSURANCE

This includes ensuring compliance with program rules and regulations, internal and external quality assurance, program evaluation and improvement, and implementing improved management, supervision, and oversight of the housing counseling program. Steps for Quality Assurance should be identifiable within your Quality Control Plan.

HUD HOUSING COUNSELING GLOSSARY OF TERMS

***A complete list of definitions can be found in the HUD Counseling Handbook 7610.1 Rev-6 Section 1-4.*

Action plan. This plan outlines what the housing counseling agency and the client will do in order to meet the client's housing goals and, when appropriate, addresses the client's housing problem(s).

Affiliate. An affiliate is defined as a nonprofit organization participating in the HUD-related Housing Counseling program of a regional or national intermediary, or State Housing Finance Agency. The affiliate organization is incorporated separately from the regional or national intermediary or state housing finance agency. An affiliate is: (1) duly organized and existing as a tax-exempt nonprofit organization, (2) in good standing under the laws of the state of the organization, and (3) authorized to do business in the states where it provides or proposes to provide housing counseling services.

Branch or Branch Office. HUD defines a branch office as an organizational and subordinate unit of a local housing counseling agency, multi-state organization, regional or national intermediary, or State Housing Finance Agency, not separately incorporated or organized, that participates in HUD's Housing Counseling Program. A branch or branch office must be in good standing under the laws of the state where it provides or proposes to provide housing counseling services.

Client Management System (CMS). A client management system is an online system that automates some of the counseling process, including intake, file creation, and the collection and reporting of client-level information including, but not limited to, financial and demographic data, counseling services provided, and outcomes. CMSs also provide counselors with sophisticated calculators and other tools, for example to analyze credit, evaluate readiness for homeownership and compare loan products and features.

Clients. Clients are individuals or households who seek assistance from an agency participating in HUD's Housing Counseling program to meet a housing need or resolve a housing problem.

Counseling. Counseling is described as counselor-to-client assistance that addresses unique financial circumstances and housing issues, and focuses on overcoming specific obstacles to achieving a housing goal such as repairing credit, addressing a rental dispute, purchasing a home, locating cash for a down payment, raising awareness about critical housing topics such as predatory lending practices, fair lending and fair housing requirements, finding units accessible to persons with disabilities, avoiding foreclosure, or resolving a financial crisis. Except for reverse mortgage counseling, all counseling will involve the creation of an action plan.

Education. For the purposes of HUD's Housing Counseling Program, education is defined as formal classes, with established curriculum and instructional goals, provided in a group or classroom setting, or other formats approved by HUD, covering topics such as, but not limited to: (1) renter rights; (2) the home buying process; (3) how to maintain a home; (4) budgeting; (5) fair housing; (6) identifying and reporting predatory lending practices; (7) rights for persons with disabilities; (8) and the importance of good credit. **Special Note:** The educational topic of "Fair Housing" may include the promotion and protection of civil rights as they relate to ensuring equal opportunity housing. Such educational sessions may include topics such as identifying and reporting discriminatory policies, procedures practices, fair lending, Section 504 of the

Rehabilitation Act, and predatory lending.

Grant Agreement. The grant agreement is a legal instrument that outlines the terms and conditions that an agency must comply with when it receives a HUD Housing Counseling Grant award. The grantee and the HUD Grant Officer or authorized designee sign the agreement.

Grantee. A HUD approved housing counseling agency or State Housing Finance Agency that receives housing counseling funds from HUD. The term “Grantee” includes the agency’s branch or branch offices identified in this application.

Housing Counseling System (HCS). The HCS is a web-based application that allows agencies to verify certain information and reports, such as client level data, submitted from their CMS. Agencies also use the HCS to verify agency profile information such as changes in address, telephone number, and contact information. HUD uses the HCS to manage the housing counseling program, including the scoring of grant applications, and calculating of grant amounts. The system is accessed through the Housing Counseling webpage on HUD’s website at www.hud.gov.

Housing Counseling Work Plan. This is a participating agency’s plan that explains: (1) the needs and problems of the target population; (2) how the agency will address one or more of these needs and problems with its available resources; (3) the type of housing counseling services offered; (4) fee structure, if applicable; (5) the geographic service area to be served; and (6) the anticipated results (outcomes) to be achieved within the period of approval. When the plan is changed or amended, the agency must notify and provide a copy to HUD. An agency’s housing counseling work plan must also address, if appropriate, alternative settings and formats for the provision of housing counseling services. Alternative formats can include telephonic counseling or remote counseling systems designed using Skype technology, video cameras and the internet. An Intermediary’s, a State Housing Finance Agency’s or a multi-state organization’s plan includes similar information for the network of affiliated agencies or branches. HUD must approve the any amended plan prior to implementation.

Housing Counselor. A housing counselor is a professional who provides advice and guidance to individuals and households in order to assist them in improving their housing situation and meeting the responsibilities of tenancy and homeownership.

Housing Goal. A housing goal is a realistic short- or long-term objective set by the client, with advice from a housing counselor.

HUD-Approved Housing Counseling Agencies. HUD-approved housing counseling agencies are private and public nonprofit organizations that are exempt from taxation under section 501(a) pursuant to section 501(c) of the Internal Revenue Code of 1996, 26 U.S.C. 501(a) and 501(c)), and approved by HUD, in accordance with this Handbook and 24 CFR 5 214, to provide housing counseling services to clients directly, or through their affiliates or branches, and which meet the requirements set forth in this part.

Intermediary. An intermediary is a HUD-approved organization that provides housing counseling services indirectly through its branches or affiliates, for whom it exercises control over the quality and type of housing counseling services rendered. The Housing Counseling Program recognizes two types of intermediaries, which include:

1. *National Intermediary*. A national intermediary provides, in multiple regions of the United States: (a) housing counseling services, through its branches, affiliates, or both; and (b) administrative and supportive services to its network of affiliates or branches, including but not limited to oversight, pass-through funding, training and technical assistance.
2. *Regional Intermediary*. A regional intermediary provides, in a generally recognized region within the United States such as the Southwest, Mid-Atlanta, New England: (a) housing counseling services, through its branches or affiliates or both; and (b) administrative and supportive services to its network of affiliates or branches, including but not limited to oversight, pass-through funding, training and technical assistance.

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

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

Notice of Funding Availability (NOFA). The NOFA is HUD's funding opportunity announcement that is published in the Federal Register to announce the availability of competitive housing counseling grant funds. It sets forth the instructions regarding the preparation and submission of a housing counseling grant application.

Participating Agency. Participating agencies are all housing counseling and intermediary organizations participating in HUD's Housing Counseling Program, including HUD approved agencies; and affiliates and branches of HUD-approved intermediaries, HUD approved MSOs, and State Housing Finance Agencies.

Person in a Position of Trust. This person is a participating agency's employee (including both paid and volunteer staff), consultant, officer, director, elected or appointed official, any member of their immediate families, or anyone who is in a position to influence a participating agency's decision-making process or who has access to the agency's confidential client information.

Predatory Lending. The term predatory lending describes unscrupulous actions by lenders, appraisers, mortgage brokers, home improvement contractors and other industry participants that take advantage of mortgagors and can result in a loss of equity, increased debt, default, and possible foreclosure.

Examples include, but are not limited to:

- selling properties for more than they are worth using false appraisals;
- encouraging borrowers to lie about their income, expenses, or cash available for down payment in order to obtain a loan;
- knowingly lending more money than a borrower can afford to repay;
- charging higher interest rates to borrowers based on their race or national origin and not on their credit history;
- or charging fees for unnecessary or nonexistent products and services.

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

Sub grantee. An affiliate of a HUD-approved intermediary or SHFA that receives a subaward of housing counseling funds provided under a HUD housing counseling grant.