

SUB-GRANT AGREEMENT
NeighborWorks® America
Housing Stability Counseling Program

THIS SUB-GRANT AGREEMENT (“Agreement” or “Sub-Grant Agreement”) is entered into effective as of 21 March 2022 , by and between the Colorado Housing and Finance Authority (“CHFA”) and Boulder County Department of Housing and Human Services Personal Finance Program (“Sub-Grantee”).

I. GENERAL

CHFA entered into an agreement (the “Grant Agreement”), attached hereto as Attachment E with Neighborhood Reinvestment Corporation, doing business as NeighborWorks® America (“NeighborWorks America”), a nonprofit, public corporation chartered by the Congress of the United States. The Grant Agreement governs the conditions for disbursement and expenditures of the Housing Stability Counseling Program (“HSCP”) grant funds provided thereunder (the “CHFA Grant”). HSCP funds were made available through the American Rescue Plan Act of 2021 (Public Law 117-2) and are administered by NeighborWorks America. The Assistance Listing Number (formerly known as the CFDA Number) is 99.U19.

CHFA Grant funds will be disbursed in accordance with the terms and conditions outlined below. By signing this Agreement, Sub-Grantee certifies that all representations made in its application are true and acknowledges that, in the event of any misrepresentations, CHFA may rescind any obligation to award funds and to recapture and/or de-obligate any funds awarded to Sub-Grantee.

CHFA reserves the right to consider an award contingent and to withhold awarded funds until Sub-Grantee satisfies all programmatic and compliance requirements specified herein. This Agreement may be amended to award additional funds to Sub-Grantee should they become available through a Recapture of Funds or De-obligation of Funds previously awarded or through other means.

CHFA and Sub-Grantee acknowledge that the purpose of this Agreement is to set forth the terms and conditions which will govern the disbursement and expenditure of HSCP grant funds by CHFA to Sub-Grantee. By executing this Agreement CHFA and Sub-Grantee accept the terms and conditions provided below.

II. DEFINITIONS

- A. **Affiliate.** An “Affiliate” is a sub-grantee of an Intermediary or State Housing Finance Agency that is incorporated separately from the Intermediary or State Housing Finance Agency. An Affiliate is: (1) duly organized and existing as a 501(c)(3) 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 will provide housing counseling services. For the purposes of this Grant Agreement, Affiliates are identified as “Sub-grantees.”

- B. **Branch.** A “Branch” or “Branch Office” is an organizational and subordinate unit of an NWO, or a Sub-grantee of an Intermediary or State Housing Finance Agency which is not separately incorporated or organized. For the purposes of this Grant Agreement, Branches are identified as “Sub-grantees.”
- C. **Counseling Funds.** “Counseling Funds” are the portion of the CHFA’s award provided on a per unit basis for providing direct housing counseling services to an eligible client of the HSCP Program.
- D. **De-obligation of Funds.** “De-obligation of Funds” refers to CHFA’s right to rescind its obligation to disburse funds awarded to a Sub-Grantee for reasons such as underperformance, non-compliance, end of grant period, breach of this Sub-Grant Agreement, violation of state, federal and/or local law, fraud or willful misconduct, or change in eligibility status.
- E. **Funding Announcement.** “Funding Announcement” refers to the Housing Stability Counseling Program issued by NeighborWorks America May 26, 2021.
- F. **Grant Agreement.** “Grant Agreement” refers to the Housing Stability Counseling Program Agreement between NeighborWorks America and CHFA.
- G. **Grantee.** “Grantee” refers to the Colorado Housing and Finance Authority or CHFA.
- H. **Grantor.** “Grantor” refers to the Neighborhood Reinvestment Corporation, doing business as NeighborWorks America, in its capacity as administrator of the Housing Stability Counseling Program.
- I. **Housing Counseling Agency.** A “Housing Counseling Agency” or “HCA” provides housing stability counseling as a Sub-grantee of a CHFA. An HCA may have a main office, and one or more branch offices. An HCA is either a HUD-Approved Housing Counseling Agency or meets the minimum standards required for HUD approval (as set forth at Attachment F, in the second attachment of the Funding Announcement).
- J. **Housing Counselor.** A “Housing Counselor” or “Counselor” is a professional who will provide housing stability counseling and is either a HUD-certified counselor or is actively working towards HUD counselor certification.

- K. **HUD.** “HUD” is the United States Department of Housing & Urban Development.
- L. **HUD-Approved Housing Counseling Intermediary.** An “Intermediary” is a HUD-approved organization (Multi-State, National, or Regional) that provides housing counseling services directly and/or indirectly through its Sub-grantees, for whom it exercises control over the quality and type of housing counseling services rendered.
- M. **Low-Income.** For the purposes of this Grant Agreement, a renter or homeowner is considered “Low- Income” if the household earns less than 80% of the Area Median Income (AMI) based on the location of their primary residence. Each area’s AMI is calculated annually by the U.S. Department of Housing & Urban Development based on household size and income. Area Median Income information can be found at www.huduser.gov AMI portal.
- N. **NeighborWorks Organization.** A “NeighborWorks Organization” or “NWO” is a chartered member of the NeighborWorks network.
- O. **Online Reporting System.** The “Online Reporting System” or “ORS” is NeighborWorks America’s online data collection and reporting system. HSCP CHFA will report client-level data and quarterly reports utilizing the ORS, which will be available October 1, 2021. NeighborWorks America will provide an Excel template and Data Dictionary which must be followed to successfully report data into the ORS. Data can also be entered manually.
- P. **Operational Oversight Funds.** “Operational Oversight Funds” or “OO” are the portion of Intermediary and SHFA grant awards that may be used to cover expenses related to quality control, day-to-day oversight and management of this grant award, and required improvements to systems and infrastructure.
- Q. **Program-Related Support Funds.** “Program Related Support Funds” or “PRS” is the portion of the grant award that may be used to support direct costs associated with increasing the effectiveness and efficiency of the Sub-grantees’ housing stability counseling programs.
- R. **Recapture of Funds.** “Recapture of Funds” refers to CHFA’s right to take back grant funds already disbursed to a Sub-Grantee for reasons such as underperformance, non-compliance, end of grant period, and/or fraud.
- S. **State Housing Finance Agency.** A “State Housing Finance Agency” or “SHFA” is the public body or agency that is an instrumentality created by a specific act of a state legislature, empowered to conduct finance activities designed to provide housing and related services, for example land acquisition, construction, or

rehabilitation, throughout an entire state. For the purposes of this Agreement, the term “state” includes: Puerto Rico, the District of Columbia, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa and the U.S. Virgin Islands.

- T. **Sub-grantee.** “Sub-grantee” refers to a HUD approved Housing Counseling Agency (HCA), and which is accountable to the CHFA for the use of the HSCP funds provided. Sub-grantee must either be a HUD-approved Housing Counseling Agency or meet the minimum standards required for HUD approval as stated in the Funding Announcement. Sub-Grantee is responsible for ensuring that it adheres to the standards set forth in the Funding Announcement attached hereto as Appendix B and the Grant Agreement and agree to comply with any and all requirements set forth therein, including but not limited to, quality of services and adequacy of record keeping requirements.
- U. **Total Award.** The “Total Award” refers to the sum of Counseling Funds, Program Related Support Funds, and (if applicable) Operational Oversight Funds granted directly to a Sub-Grantee through this Sub-Grant Agreement.

III. STATEMENT OF WORK

A. Counseling Services

1. Performance Period. The performance period for HSCP is from the date of September 8, 2021 through February 28, 2023 (the “Performance Period”). All counseling units funded by this Sub-Grant Agreement must be reported utilizing the ORS by February 28, 2023, after which time all unearned funds are subject to recapture or de-obligation. NeighborWorks America may decide – at its sole discretion – whether to extend the HSCP performance period. CHFA shall not have any control regarding the extension of the Performance Period.
2. Scope of Counseling Services. The housing stability counseling proposed by Sub-Grantee in its application to CHFA, as reduced and restated in the attached Attachments to this Sub-Grant Agreement, comprise the scope of counseling services funded by HSCP under this Sub-Grant Agreement.
 - a. Attachment A – Revised Counseling Goals by Targeted Geographic Areas
 - b. Attachment B1 – Revised Counseling Goals Based on Client Level Production
 - c. Attachment B2 – Revised Counseling Goals of Homeowners and Rental Clients
 - d. Attachment B3 – Revised Counseling Goals by Low-Income and Minority Areas
 - e. Attachment D – Counselor Certification

All Attachments to this Sub-Grant Agreement are hereby incorporated by this

reference and made a part hereof.

3. Revisions to the Scope of Counseling Services.
 - a. CHFA may consider requests by Sub-Grantee to revise the Scope of Counseling Services. To request a revision, Sub-Grantee must notify CHFA, Grant Administrator, and email the request and the revised Attachment A, Attachment B1, Attachment B2, and Attachment B3, to [Mary Byer, mbyer@chfainfo.com](mailto:mbyer@chfainfo.com) CHFA will need to approve the changes in writing from CHFA. CHFA will need receive approval from NeighborWorks America, before implementing changes to the Scope of Counseling Services,
 - b. CHFA may permit allowable variances to reported grant performance, consistent with Section IV.C below.
4. Duplicate Service to Clients. CHFA will not permit Sub-Grantee to receive duplicate credit or payment under this Sub-Grant Agreement where Sub-Grantee serves a client more than once with the same level of counseling services. Where clients require repeat services (for instance, when new circumstances are threatening their housing stability), Sub-Grantee is advised to document the additional costs associated with repeat or long-term counseling and bill those costs to other funding sources where allowable.
5. Required Documentation for Counseling. The steps and documents required for Sub-Grantee to report and receive credit for counseling at each level are stated in the Funding Announcement (Pages 10-16 Attachment F. *Sub-Grantee is responsible for ensuring all required steps have been completed and the client file includes the correct documentation prior to that client being reported to CHFA.*
 - a. When reporting **Level One Counseling (\$200)**, all six of these completed documents must be in the client's file: intake, authorization, disclosure, privacy policy, budget (crisis budget, if applicable), and action plan. Client signature must be present on the authorization, disclosure, and privacy policy documents.
 - b. When reporting **Level Two Counseling (\$550)**, all six of these completed documents must be in the client's file: authorization, disclosure, privacy policy, budget verification, budget, and documentation of steps taken based on the Action Plan. Client signature must be present on the authorization, disclosure, and privacy policy documents.
 - c. When reporting **Follow-Up (\$50)**, the following completed documents must be in the client's file:
 - **If follow-up session occurred: Documentation such as counseling notes must be present to ensure that the client is progressing toward their housing goals, to modify or terminate housing stability counseling, and to learn and report outcomes, if applicable.**

- **If the follow-up session did not occur: Documentation of two attempts should be present. If unsuccessful, a letter and/or email requesting the need for follow-up should be documented. The letter and/or email must request that the client contact Sub-Grantee no later than 30 days from the date of the letter, to help Sub-Grantee assess if additional client services are necessary to assist them in achieving their housing goals or if services should be terminated. The Housing Counselor must document the reason for no follow-up session. After 30 days, if no response, a letter informing client that the file will be closed needs to be sent and kept in the file (close-out can occur after two attempts to connect with the client with no response within 30 days after a follow-up letter or the follow-up has occurred and all counseling under HSCP has been provided and reported).**

Note: In some cases, a client may not return for Level 2 counseling. In this case the CHFA can bill for Level 1 and must also follow the requirements as noted for follow-up. In the cases where the client does return for Level 2 counseling, it is expected that follow-up is billed following Level 2 counseling.

6. Funding Limits. CHFA will not pay more than the Counseling Funds awarded to it pursuant to the Grant Agreement even if Sub-Grantee reports more than 100% of the dollar value of Counseling Funds awarded to CHFA. At each threshold, CHFA will evaluate Sub-Grantee's reported production by targeted geographic area, level of production, low-income and minority populations, and whether they are a homeowner or renter; if it exceeds or does not meet the allowable variances described below, then the Sub-Grantee will be required to submit explanatory information for NeighborWorks America's consideration. If the variances are significant enough or the explanation is not sound, as determined by NeighborWorks America, then CHFA will have cause to perform a Recapture of Funds or De-obligation of Funds or may choose to adjust the Sub-Grantee's disbursement schedule until Sub-Grantee is able to perform and report within the allowable variances.

B. Program Performance Requirements

1. OMB Uniform Grant Guidance. HSCP funds are federal funds and Sub-Grantee is subject to the Uniform Grant Guidance at 2 CFR 200 promulgated by the Office of Management & Budget (OMB). Sub-Grantee can find additional information regarding the guidance at the OMB website, at: <https://ecfr.federalregister.gov/> see PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.
2. HUD-Approved Housing Counseling Agency Requirement. Sub-Grantee must be a

HUD-Approved Housing Counseling Agency. Sub-Grantee must notify CHFA **immediately and no more than Twenty-Four (24) hours** of any changes to the HUD-Approved Housing Counseling Agency status; failure to do so may result in de-obligation and/or recapture of grant funds. Sub-Grantee may provide updates on their certification status by emailing Mary Byer at mbyer@chfainfo.com

3. HUD-Certified Housing Counselor Requirement. All housing counseling provided under this Sub-Grant Agreement must be provided by HUD-certified counselors **or** by counselors actively working towards passing the HUD certification exam.
 - a. The Sub-Grantee will provide documentation of HUD Housing Counseling Certification or progress toward certification. Counselors in training have six months (6) from the date of this Agreement to obtain HUD certification.
 - b. If a counselor is not HUD-certified, Sub-Grantee must monitor counselor's progress against an action plan for becoming a HUD-certified Housing Counselor.
 - c. Sub-Grantee must maintain an accurate record of counselors and their HUD certification status throughout the performance period, and update CHFA of changes to its counselors' certification status; failure to do so may result in de-obligation and/or recapture of grant funds. Sub-Grantee may provide updates on their counselors' certification status by emailing a revised list (using the Agency and Counselor Workbook provided) to Mary Byer, mbyer@chfainfo.com.
 - d. HSCP's tiered structure for housing stability counseling provides limited exception for the HUD- Certified Housing Counseling Requirement: Level 1 services related to intake, triage, and follow-up activities can be performed by someone other than a Housing Counselor, provided the intake staff person is trained to identify a crisis situation so that Level 2 counseling can take place within two (2) business days. All services related to creating a client budget and action plan must be conducted by a Housing Counselor.
4. Client eligibility.
 - a. Clients must self-certify that they are currently facing housing instability. Client lack of financial documentation or communication from landlord, lender or servicer should not be a barrier to receiving housing counseling. If the client has not received communication from the landlord, lender, or servicer, the Housing Counselor or intake staff must clearly outline the assessment and detail the reason for counseling in the Action Plan. Sub-Grantee is allowed to report Level 1 client-level data once the majority of financial documentation is included in the client file.
 - b. Clients must satisfy the documentation requirements for Authorization Form and Privacy Policy described at Section V(A). Client Authorization to Report.
5. Access to Housing Counseling Services.

- a. Disability Access. Counseling offices and services must be accessible to persons with disabilities. Sub-Grantee must be able to provide a Representations and Warranties Certification that the buildings in which counseling services are provided are accessible or have a referral list for clients that need accessibility if their building does not provide access, and proactively market and provide services that support remote or technological interest access requests, including TTY.
 - b. Language Access / Translation Services. Sub-Grantee must (i) have Housing Counselor(s) who are fluent in the language of the clients they serve, (ii) have a Memorandum of Understanding or other documentation detailing a relationship with services of an interpreter and translation service, or (iii) make a reasonable effort to refer the client to another Housing Counseling Agency that can provide housing stability counseling in the language of the client seeking services.
 - c. No service fees. To ensure no financial barriers would prohibit clients from receiving HSCP counseling services, Sub-Grantee must not charge fees (service fees, membership fees, or otherwise) to housing stability counseling clients in exchange for counseling services. Sub-Grantee may charge a nominal fee for pulling credit reports only if the cost does not deter clients from seeking counseling.
 - d. No Exclusivity Agreements. Sub-Grantee must not engage in exclusivity agreements with clients seeking housing stability counseling or with other interested parties (including landlords, property management companies, services, or lenders). Sub-Grantee must not engage in practices that exclude other Housing Counseling Agencies from working with their clients or their clients' landlords, property management companies, servicers, or lenders, should the client willingly seek assistance from another organization.
6. Conflicts of Interest.
- a. Sub-Grantee shall provide to all clients a disclosure statement that explicitly describes the various types of services provided, and any financial relationships between the Sub-Grantee and any other industry partners. The disclosure must state clearly that the client is not obligated to receive any other services offered by the Sub-Grantee or its exclusive partners.
 - b. All staff and counselors who provide housing stability counseling under HSCP shall have no conflict(s) of interest due to relationships with landlords, property management companies, servicers, lenders, or mortgage companies and/or other entities (including itself) that may stand to benefit from particular counseling outcomes.
 - c. Counseling services can be provided to renters living in properties owned and operated by CHFA or Sub-Grantee; and to homeowners holding

mortgages (including second mortgages) originated or serviced by a CHFA or Sub-Grantee. Sub-Grantee and its third-party vendors must operate in accordance with the HUD Handbook 7610.1. REV 5 6-2 Conflicts of Interest and 24 CFR 214.303(f). Sub-Grantee staff, board, and immediate family members will not participate in any action that supports personal interests, activities, or relationships related to HSCP. Sufficient firewalls must be in place to assure that Housing Counselor actions are not influenced by loss mitigation staff for lending, asset management functions or other personal gains.

7. Non-discrimination. Sub-Grantee must comply with HUD's general nondiscrimination and equal opportunity requirements at 24 CFR §5.105. For additional information on fair housing, please visit the Office of Fair Housing & Equal Opportunity at www.hud.gov that details promoting Fair Housing and protecting Civil Rights. Sub-Grantee shall not discriminate against clients on the basis of gender, gender identity, race, color, religion, national origin, ancestry, creed, pregnancy, marital or parental status, familial status, sexual orientation, or physical, mental, emotional or learning disability.
8. Records Retention Policy. In accordance with applicable law, Sub-Grantee shall establish and comply with a records retention policy.
 - a. Financial records, supporting documentation, statistical records, and all records pertinent to the grant shall be retained for a period of **three (3)** years from the date of submission of the HSCP final report. The only exceptions are the following:
 - If any litigation, claim or audit is started before expiration of the three (3) year period, the records shall be retained until the litigation, claims or audit findings involving the records have been resolved and final action taken.
 - Records for real property and equipment acquired with HSCP funds shall be retained for three (3) years after final disposition.
 - b. Notwithstanding the foregoing or any other provision in this Sub-Grant Agreement, NeighborWorks America's and its authorized representatives', agents' and third-party contractors' rights to site, document and personnel access for evaluation purposes are not limited to the required retention period, but shall last as long as records are retained.
 - c. Sub-Grantee must have policies and procedures in place to ensure HSCP records are not permanently destroyed as a result of a natural or man-made disaster.
9. Data Security & PII. Sub-Grantee must maintain internal safeguards adequate to ensure client privacy by:
 - a. complying with Privacy Act requirements regarding its collection and

- protocols for handling client personally identifiable information (PII);
 - b. complying with [eSign Act](#) requirements regarding electronic communications with clients and third parties and monitoring for security;
 - c. complying with the Gramm-Leach-Bliley Act regarding the storage, transmission, access, and disclosure of data; and
 - d. adhering to the principles of Fair Information Practices Principles ([FIPPS](#)) regarding transparency, individual participation, purpose specification, data quality and integrity, security, and accountability and auditing.
- C. Initiating Grant Performance / Required Start-Up Documentation - In order to initiate reporting capabilities under this Sub-Grant Agreement, Sub-Grantee must submit the following documents. Sub-Grantee should return all required start-up documents to CHFA no later than May 31, 2022. See [Checklist of Required Start-Up Documentation](#).
1. Sub-Grant Agreement - a copy signed by an authorized representative of the Sub-Grantee (such as the Sub-Grantee's President, CEO, or Executive Director). Grantee will return one fully executed copy to the Sub-Grantee.
 2. Maintain certification that Sub-Grantee is authorized to do business in the state(s) where it proposes to provide HSCP-funded services (Colorado Secretary of State Certificate of Good Standing).
 3. Proof of fidelity bond coverage or honesty insurance policy that names CHFA and NeighborWorks America as additional insured. Sub-Grantee's insurance policy should be equal to (a) Sub-Grantee's HSCP Total Award or (b) \$100,000, whichever is less.
 4. Copy of Sub-Grantee's records retention policy, which must comply with the standards outlined at Section III(B)(8) herein.
 5. Affirm compliance with the attachments to this contract as listed below:
 - a. Attachments A, B1, B2, and B3 – If applicable, modifications Sub-Grantee wishes to request to its Scope of Counseling Services. Please make modifications only to the column provided on the Attachments.
 - b. Attachment D– List of all Counselors that will provide counseling services under this Sub-Grant Agreement.
 - c. Attachment E– Signed Representations & Warranties Certification.
 - d. Proof of compliance with the HSCP translation services requirement described on Page 25 of the Funding Announcement <https://www.stablecommunities.org/HSCP/Resources>.
 - i. If Sub-Grantee does not offer translation services, it must provide (i) a Memorandum of Understanding or other documentation detailing a relationship with a translation agency or (ii) a referral form that describes options for clients who require translation services. If Sub-

Grantee does provide translations services, it must provide a form that lists (i) which staff provide translation services, (ii) the languages offered by those staff, and (iii) a referral form that describes options for clients who require translation services in languages the agency does not offer.

IV. DISBURSEMENT OF GRANT FUNDS

- A. Disbursement Requirements. CHFA shall not be required to disburse any HSCP grant funds until CHFA has received such funds from NeighborWorks America. CHFA will not process multiple disbursements to Sub-Grantee at one time. Prior to each disbursement to Sub-Grantee, CHFA will also check to ensure:
 - a. Sub-Grantee is current on quarterly programmatic and expenditure reports.
 - b. Sub-Grantee has no significant compliance findings with the terms of its Sub-Grant Agreement.
 - c. Sub-Grantee is within allowable variances as set forth in Section IV. C. below.
 - d. Sub-Grantee and its Counselors meet the minimum HUD approval standards and that any Counselors that do not already have certification are actively working toward HUD certification.
 - e. If Sub-Grantee has agreed to provide a certain amount of counseling sessions in low-income or minority zip codes, or to low-income or minority individuals, Sub-Grantee will be required to achieve at least the contract percentage of production in those areas.

B. NeighborWorks Cash Disbursement Schedule

	Initial Disbursement	Disbursement 2	Disbursement 3	Disbursement 4
Counseling Award	35 % of counseling goal	65 % of counseling goal	95 % of counseling goal	100 % of counseling goal
Program Related Support	30 % of counseling award amount for each disbursement			
Operational Oversight	Up to 5 % of award for each disbursement			

Please see Attachment F: Funding Announcement and Attachment E: CHFA NW HSCP Award Agreement page 9 for further disbursement information.

- C. Adjustments to the Disbursement Schedule.

1. CHFA reserves the right to establish and adjust Sub-Grantee's disbursement schedule and amounts at its sole discretion, for reasons including but not limited to, slow performance by Sub-Grantee, audit findings, or HSCP compliance findings that indicate risk in Sub-Grantee performance.
 2. CHFA will suspend disbursements in the following cases:
 - a. when Sub-Grantee is not in compliance with the terms outlined in the Funding Announcement, Grant Agreement, and Sub-Grant Agreement; Sub-Grantee will be required to correct the compliance issue before grant funds are disbursed.
 - b. when Sub-Grantee has an overdue quarterly or final report; Sub-Grantee must submit the report and CHFA must obtain approval for the report from NeighborWorks America before the disbursement will be issued.
 - c. when Sub-Grantee is not in good standing; for the purposes of HSCP, a Sub-Grantee is considered to be "in good standing" if it does not have a Notice of Default effective and is not suspended from HSCP as that status is defined in the Default & Remedy Policy Exhibit E.
 - d. when Sub-Grantee is not in good standing for any program(s) funded by the American Rescue Plan Act of 2021; for the purposes of HSCP, a Sub-Grantee is considered to be "in good standing" for a program funded by the American Rescue Plan Act if Sub-Grantee does not have active going concerns, suspended, recaptured, terminations due to adverse activity, or any similar action.
 3. Periodic Submission of Financial Statements: CHFA may require Sub-Grantee to provide updated financial statements (including general ledger details and quarterly financial statements) before each disbursement of grant funds. While this requirement may only impact some Sub-grantees, all Sub-grantees must agree to comply with this requirement if requested.
- D. Allowable Variances.
1. In determining Sub-Grantee eligibility for a disbursement of grant funds, CHFA may permit allowable variances of Sub-Grantee goals as described below.
 - a. Reported units of counseling by Targeted Geographic Area shall not be less than 75% of proposed units of counseling (See Attachment A)
 - b. Reported units of counseling to minority and low-income populations shall not be less than 75% (See Attachment B2)
 - c. If less than 75% of clients reported for Level 1 have reached Level 2 counseling, explanation of variance will be required on quarterly report.
 2. If Sub-Grantee's reported performance does not fall within these allowable variances, CHFA will request additional information to understand the circumstances of the uneven reported performance.

3. Severe variances in Sub-Grantee's production may result in Recapture of Funds or De-obligation of Funds, as determined by CHFA in its sole discretion.
4. Variances do not increase the dollar amount or counseling units of Sub-Grantee's HSCP award. Sub-Grantee must spend down 100% of Counseling Funds awarded under this Sub-Grant Agreement (according to the dollar value assigned to each level of counseling) in order to complete grant performance.

V. REPORTING REQUIREMENTS.

A. Client Permission to Report.

1. Authorization Form requirement. Clients must sign an acceptable Authorization Form prior to being reported to Sub-Grantee and/or ORS. Housing Counseling Agency must collect a signed authorization form from the client or have other legally-permissible client authorization on record that will allow organization to (a) pull a credit report at intake; (b) submit client-level information to CHFA and/or the ORS for this grant, (c) allow CHFA and/or HSCP to open files to be reviewed for program monitoring and compliance purposes, and (d) allow CHFA and/or HSCP to conduct follow-up with the client related to program evaluation. Client may opt out of (a) if the client provides a credit report dated within 30 days of intake; client may opt out of (d) if the Housing Counselor retains proof in the client file; client may not opt out of (b) or (c). For additional guidance on the Authorization Form requirement, please refer to the Funding Announcement.
2. Privacy Policy requirement. Clients must receive the Housing Counseling Agency's privacy policy prior to being reported to CHFA. The Housing Counseling Agency must provide client with a copy of its privacy policy and must maintain proof in the client file that the client received the privacy policy. Having access to the privacy policy on a website does not satisfy this requirement unless there is affirmative confirmation and documented proof in the client file that the client has reviewed the policy. A client that is permitted to opt out of the organization's privacy policy provision allowing for the sharing of client level information with affiliated third parties cannot be reported to CHFA.

B. Production Reports. As frequently as desired, but no less than quarterly, Sub-Grantee will furnish client level data to CHFA Client level reporting requirements and the data points required for each client are described in the Funding Announcement. Sub-Grantees will submit Attachment H: Client Data Template Housing Stability Counseling Program to CHFA using data collected from the Client Management System.

C. Quarterly Reports / Final Reports

1. Sub-Grantee must submit quarterly reports to CHFA on its progress toward aggregate activity toward goals of this Sub-Grant Agreement and will include progress against aggregate counseling goals, a narrative section on overall

program activities, successes and challenges encountered in helping clients avoid foreclosure or eviction, and efforts to ensure the affordability of mortgages or rents when clients retain their homes or find new apartments. The final report will include these items as well as a revenue and expenditure report.

2. While grant funds are disbursed independent of the quarterly report schedule, Sub-Grantee must be up to date on all reporting requirements (including quarterly reports) in order for a disbursement of grant funds to be processed.
3. The HSCP quarterly and final reporting schedule is as follows:

Report Due Date	Report / Reporting Period
March 21, 2022	First quarterly report required <i>reporting period September 8, 2021 – February 28, 2022</i>
June 21, 2022	Second quarterly report required <i>reporting period March 1, 2022 – May 31, 2022</i>
September 21, 2022	Third quarterly report required <i>reporting period June 1, 2022 – August 31, 2022</i>
December 21, 2022	Fourth quarterly report required <i>reporting period September 1, 2022 – November 30, 2022</i>
March 21, 2023	Fifth and final quarterly report required <i>reporting period December 1, 2022 – February 28, 2023</i>
June 15, 2023	Final Report

4. Required Quarterly Reports to CHFA
 - a. Attachment H: Client Data Template HSCP;
 - b. Attachment I: Financial Report Form NW HSCP; and
 - c. Attachment J: Program Activities Reporting Form.
5. Where a Sub-Grantee completes 100% of its Counseling Funds production before the end of the performance period, the Sub-Grantee will complete its next quarterly report as normal and then will complete the Final Report on the next report due date. For the sake of example, if Sub-Grantee finishes 100% of its counseling production during the third quarter, Sub-Grantee will be required to complete its third quarterly report as normal by September 15, 2022 and then will be required to complete its Final Report by the following report due date, which is December 15, 2022.
6. Payments are based upon NeighborWorks Disbursement Guidelines, see Exhibit C.

VI. PROGRAM EVALUATION AND QUALITY CONTROL & COMPLIANCE

- A. Because NeighborWorks America is accountable to Congress, the Office of Management & Budget, and the United States taxpayer, NeighborWorks America will collect data, conduct compliance reviews, and complete a program evaluation. Sub-Grantee agrees to cooperate fully with CHFA, NeighborWorks America, its agents, authorized representatives, and third-party contractors as they perform the Program evaluation and quality control and compliance reviews.
- B. Program Evaluation. CHFA and Sub-Grantee must comply with a separate evaluation of HSCP activity and client outcomes, which may occur up to three (3) years following submission of the final report.
- C. Quality Control and Compliance Measures.
 1. Sub-Grantee must agree to cooperate fully with the quality control and compliance efforts of the HSCP, as conducted by NeighborWorks America, its agents, authorized representatives, and third-party contractors, through site visits, file audits, and other methods to ensure compliance with the HSCP requirements set forth in the Funding Announcement, the Grant Agreement and this Sub-Grant Agreement. Compliance reviews will include but are not limited to:
 - a. standard compliance reviews of program operations and counseling files for clients reported to HSCP, in which reviews are conducted on-site or remotely; Grantor, CHFA and Sub-Grantee will cooperate to ensure maximum COVID safety during any in-person contact, including on-site reviews.
 - b. additional client file reviews and site visits, in which files are selected at random for remote compliance reviews of specific client files – including a requirement that some Sub-grantees submit randomly selected client files for compliance review before a disbursement of grant funds;
 - c. special compliance reviews that are performed when NeighborWorks America receives reports of CHFA or Sub-Grantee non-compliance or has concerns about a CHFA's or Sub-Grantee's program management or financial management.
 2. Whenever possible, CHFA will give Sub-Grantee at least five (5) days notice before it or NeighborWorks America conducts an on-site compliance review. However, in situations where a specific compliance concern warrants immediate action, CHFA reserves the right to give less than five (5) days notice.
- D. Sub-Grantee agrees to remain fully informed of and to comply with all laws and regulations that apply to Sub-Grantee.
 1. Sub-Grantee shall give CHFA prompt written notice of any action or event that may be cause for suspension or termination of this Sub-Grant Agreement. Failure to provide such notice constitutes a material breach of this Sub-Grant Agreement.

2. Sub-Grantee must notify CHFA if it is the subject of an investigation related to its housing stability counseling or the use of federal funds. For the purposes of this Sub-Grant Agreement, "investigation" shall not include (i) a regularly scheduled review by a government agency (for example, as required for licensure); or (ii) any labor or employment matter that does not relate to the housing stability counseling or use of federal funds.
3. Notice under this section should be provided to:

Colorado Housing and Finance Authority
Attention: Dorothy Axelson, Director of Research and Strategy
daxelson@chfainfo.com
Mary Byer, Grant Administrator, mbyer@chfainfo.com
With a copy to:
Colorado Housing and Finance General Counsel
Attention: Heather Schell, General Counsel hschell@chfainfo.com

VII. MANAGEMENT OF HSCP GRANT FUNDS

- A. **By entering into this Sub-Grant Agreement, Sub-Grantee certifies that it is able to track its HSCP grant award and all expenditures of HSCP grant funds, so as to ensure that HSCP grant funds are used only for eligible services and activities described in the Funding Announcement.**
 1. Separate Budget / Segregation of Funds. Sub-Grantee will maintain a separate budget for its HSCP grant funds and segregate HSCP grant funds from other sources of funds. Sub-Grantee is responsible for ensuring the HSCP funds are being used toward eligible expenses for Counseling, Program Related Support and Operational Oversight, if applicable. Sub-Grantee will furnish documented evidence during the course of HSCP planned quality control and compliance measures.
 2. Reporting Expenditures. Sub-Grantee must provide in its final report a full and accurate report on all expenditures of HSCP grant funds. *Sub-Grantee is liable for the full accounting of the Total Award and responsible for repayment of all unexpended, improperly-spent, or unaccounted-for grant funds.*
 3. Interest Earned. Sub-Grantee will deposit unexpended grant funds in securities either of the United States government or in accounts guaranteed by the United States government, or exclusively deposited in federally insured or state accounts. The investment of grant funds is permitted only for the preservation of principal and not for any type of speculative investment. Interest earnings on grant funds may be retained by Sub-Grantee and must be used to further program objectives as additional Counseling Funds, Program-Related Support, or Operational Oversight (if applicable), provided Sub-Grantee is in compliance with all terms and conditions of this Sub-Grant Agreement.

- B. Housing Stability Counseling Costs Excess / Deficit.
1. All HSCP funds must support the costs of overall housing stability counseling services. If the cost of the counseling is less than HSCP funding provided, Sub-Grantee must allocate those remaining funds to its overall housing stability counseling program (rather than return excess funds). CHFA reserves the right to request documentation demonstrating the use of any excess funds.
 2. Sub-Grantee agrees to accept the payments for HSCP performance, understanding that the HSCP grant funds may not cover all expenses of Sub-Grantee's housing stability counseling program. Sub-Grantee shall provide the necessary personnel, materials, services, facilities, and otherwise do all things required for performance of this Sub-Grant Agreement.
- C. Fidelity Bond or Honesty Insurance. Sub-Grantee shall obtain fidelity bond coverage or honesty insurance in an amount that is equal to (a) its Total Award or (b) \$100,000, whichever is less. For all such fidelity bond coverage or honesty insurance, NeighborWorks America and CHFA should be named as an additional insured.
- D. Eligible Uses. HSCP grant funds shall be used only for the eligible services or activities described in the Funding Announcement. No funds made available under this Sub-Grant Agreement may be provided directly to financial institutions, lenders, servicers, landlords, property management companies, renters or homeowners to discharge outstanding rent or mortgage balances or for any other direct debt reduction payments. These funds may only be used to provide housing stability counseling services.

VIII. AUDIT REQUIREMENTS

- A. OMB's Uniform Grant Guidance. HSCP funds are federal grant funds and Grantee is subject to the audit requirements of Uniform Grant Guidance (2 CFR 200) promulgated by the Office of Management & Budget. Grantee can find additional information regarding the guidance at the OMB website, at: <https://ecfr.federalregister.gov/> see PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS. Sub-Grantee shall cooperate with CHFA and NeighborWorks America to the extent necessary to comply with Uniform Grant Guidance audit requirements.
- B. Audit Submissions During Performance Period. Sub-Grantee must submit a complete audit package within 180 days of the fiscal year end for each year during which CHFA is performing with HSCP grant funds until the HSCP grant is closed out, unless otherwise exempted under Section VIII C. below. For the purposes of this Sub-Grant Agreement, a complete audit package is comprised of: audited financial statements, single-audit (if applicable), corrective action plan (if applicable), management letter (if issued), organizational responses to management letter (if applicable), and specific clarifying documentation CHFA or NeighborWorks America may request based on the review of the complete audit package.

- C. Sub-grantee Audit Requirements. Sub-Grantee must complete independent audits within nine (9) months of completion of their most recent fiscal year unless OMB grants an extension. If Sub-Grantee has revenues less than \$750,000 annually AND receives less than \$25,000 in HSCP funding, Sub-Grantee may submit a Review Statement or Compilation Statement in lieu of independent audited financial statements.

IX. DEFAULT, REMEDY, SUSPENSION, AND TERMINATION OF AWARD

- A. The Events of Default & Remedy Policy (at Attachment G) sets forth the processes and timelines that will govern disputes about grant performance in HSCP.
- B. The Events of Default & Remedy Policy explains the process for handling Events of Default and other areas of non-compliance or financial management concerns which may become Events of Default if not remedied. Specifically, the Events of Default & Remedy Policy describes the method by which compliance requirements are conveyed and what resources are available to help Sub-Grantees understand the requirements; the general process governing the handling of Events of Default; how NeighborWorks America responds to reports of non-compliance or financial management concerns that can become Events of Default if not remedied; and the appeals process afforded CHFA.

X. ENTIRE AGREEMENT

- A. This Sub- Grant Agreement, and any attachments hereto, Funding Announcement, and Notice of Intent to Award Funds constitutes the entire understanding between CHFA and Sub-Grantee and as such supersedes all prior written or oral agreements involving grant funds. To the extent there is a conflict between the Sub-Grant Agreement and any other document, the provisions of the Grant Agreement shall control. This Sub-Grant Agreement may be amended or superseded only in writing and executed by the authorized representatives of both parties.
- B. Sub-Grantee agrees to the terms and conditions outlined in the Funding Announcement, the Notice of Intent to Award Funds, the Grant Agreement and this Sub-Grant Agreement, and to the quality control, reporting, and evaluation requirements in this Sub-Grant Agreement and the Grant Agreement.
- C. Sub-Grantee consents to CHFA's sharing of its HSCP performance, compliance, and audit information with NeighborWorks America, HUD and other federal regulatory agencies.
- D. Sub-Grantee agrees to comply with all quality control, reporting, and evaluation requirements, and ensures that funds are used solely for the HSCP Program. If compliance monitoring uncovers that the Sub-Grantee has engaged in misrepresentations about itself, or its Counselors in the grant application, CHFA may terminate this Sub-Grant Agreement, do a Recapture of Funds, a De- Obligation of Funds, and/or rescind any obligation to grant funds.

XI. EXPIRATION OF SUB-GRANT AGREEMENT. Disbursement of funds will occur only upon CHFA's receipt and acknowledgment of a Sub-Grant Agreement that is duly executed by the Sub-Grantee and the Start Up Documentation. CHFA's receipt of grant funds from NeighborWorks America shall be a condition precedent to CHFA's obligation to disburse any funds to Sub-Grantee under this Sub-Grant Agreement. **In the event Sub-Grantee fails to provide CHFA a duly executed Sub-Grant Agreement by May 31, 2022 then CHFA reserves the right to redeploy the grant funds in accordance with the HSCP Default & Remedy Policy (Exhibit E or see stablecommunities.org/HSCP/Resources).**

XII. MISCELLANEOUS

- A. This Agreement shall be construed, and the rights and obligations of the parties determined, in accordance with the laws of Colorado.
- B. Neither of the parties is an agent, employee, or partner of the other; neither party has the authority to bind or represent the other.
- C. In case any provision of this Sub-Grant Agreement is held to be invalid, then such provision shall be amended by the parties only to the extent necessary to be enforceable consistent with the parties' intent; the remainder of the provisions shall remain in full force and effect.
- D. No waiver by either party of any breach or failure of compliance with respect to any provision of this Sub-Grant Agreement shall be deemed a continuing waiver, nor shall any delay or omission by either party to exercise any right hereunder impair in any manner the exercise of any such right.
- E. To the greatest extent practicable, all equipment and products purchased with grant funds shall be in compliance with the requirements of the Buy American Act (41 U.S.C. Section 10).
- F. Where any HSCP grant funds are used to pay a consultant, the maximum amount allowable to pay the salary of any individual shall not be greater than the daily equivalent of the rate paid for Level IV of the Executive Schedule of the United States Government, unless otherwise provided by law.
- G. If grant funds provided exceed \$100,000, the Sub-Grantee agrees to comply with all applicable standards, orders or regulations pursuant to the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act as amended (33 U.S.C. §1251 *et seq.*).
- H. If grant funds provided exceed \$100,000, the Sub-Grantee certifies that it will not and has not used these funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract grant or other award covered by 31 U.S.C. §1352.

XII. AUTHORIZING SIGNATURE

The person signing below hereby certifies that he/she/they is authorized to execute this Sub-Grant Agreement on behalf of Sub-Grantee.

IN AGREEMENT TO THE FOREGOING:

BOULDER COUNTY DEPARTMENT OF HOUSING AND HUMAN SERVICES PERSONAL FINANCE PROGRAM

Name and Title of Authorize Representative (please print)

Signature of Authorized Representative

Date: _____

COLORADO HOUSING AND FINANCE AUTHORITY

By: _____

Name: Dorothy Axelson

Title: Director of Research and Strategy

Date: _____

Contents

- Attachment A – Revised Counseling Goals by Targeted Geographic Areas
- Attachment B1 – Revised Counseling Goals Based on Client Level Production
- Attachment B2 – Revised Counseling Goals of Homeowners and Rental Clients
- Attachment B3 – Revised Counseling Goals by Low-Income and Minority Areas
- Attachment D – Counselor Certification
- Attachment E: CHFA NW HSCP Grant Agreement
- Attachment F: Housing Stability Counseling Program Funding Announcement
- Attachment G: Representations and Warranties
- Attachment H: Client Data Template HSCP Reporting
- Attachment I: Financial Report Form NW HSCP
- Attachment J: Program Activities Reporting Form

Exhibits

- Exhibit C: Disbursement Guidelines NW HSCP
- Exhibit D: NW HSCP ORS Data Points Reference Sheet
- Exhibit E: NW HSCP Compliance Default Remedy Policy