

FY 2009 Financial Education and Counseling Pilot Grant Program
Guidance for Applicants that are Intermediaries or Collaborative Efforts

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A. Overview As stated in the FEC Pilot Program Notice of Fund Availability (NOFA), entities serving as intermediaries and entities working jointly as a Collaborative Effort are eligible to apply for funding. This document clarifies some questions related to their eligibility and how they should complete the application.

1. Collaborative Efforts. Per the statute, “any collaborative effort of entities described in any of subparagraphs (A) through (C)” is specifically designated as an eligible applicant for the pilot grant (Pub. L. 110-289, Section 1132 (c)2). The NOFA further defines a Collaborative Effort as “a joint effort by two or more Eligible Organizations to carry out Financial Education and Counseling Services to Prospective Homebuyers as described in the Application and as evidenced by a written agreement among the entities for the Performance Period. The Collaborative Effort must designate the entity that will serve as the primary FEC Pilot Program point of contact for the CDFI Fund, and that will serve as signatory to the Assistance Agreement, receive and allocate award disbursements, and report on behalf of the collaborative.” (74 FR 53324).

2. Intermediary organizations. Per the NOFA, “...Intermediary Organizations shall be permitted to apply for FEC Pilot Program grant funds in furtherance of their strategy to support other providers of Financial Education and Counseling Services to Prospective Homebuyers, provided that such funds are not used to provide financial or technical assistance to any other organization (or its Affiliates) that receives a FEC Pilot Program grant through the FY 2009 funding round.” (74 FR 53324). An Intermediary Organization is defined in the NOFA as “an Eligible Organization whose strategy for delivering Financial Education and Counseling services to Prospective Homebuyers is to provide support, through financial or technical assistance, to other organizations that will, in turn provide Financial Education and Counseling services directly to Prospective Homebuyers.” (74 FR 53324).

B. Eligibility Considerations.

1. Collaborative Efforts.

Per the NOFA, a Collaborative Effort must be comprised of entities that each, individually meet one or more of the criteria as Eligible Organizations. That is, every member of the Collaborative Effort must be one of the following entity types:

- A Certified CDFI
- A HUD Housing Counseling Agency
- A Credit Union , or
- A governmental entity (State government, Local government or Tribal government)

Additionally, the Collaborative Effort must designate an entity therein (a member of the Collaborative Effort) to serve as the primary FEC point of contact. Please see footnote 2 on page 5 of the Application for important information concerning how to complete the Application. This entity is hereinafter deemed the “Lead Applicant” for purposes of the Application. The Lead Applicant must be able to assert that it (individually, separate from the combined accomplishments of the Collaborate Effort) meets the minimum threshold criteria:

- it has provided Financial Education and Counseling Services for a period of at least three years immediately prior to the Application deadline;
- it has at least two full time equivalent position dedicated to the development and/or delivery of Financial Education and Counseling Services;

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- it has provided Financial Education and Counseling Services to at least 100 Prospective Homebuyers in the past year, or has served an average of at least 150 clients per year over the past three years, and subsequently tracked Positive Behavioral Change outcomes with respect to such services; and
- it has independent budget resources of at least \$50,000 currently available for the provision of Financial Education and Counseling Services.

Other members of the Collaborative Effort are not required to meet the minimum threshold criteria.

2. Intermediary Organizations

An Intermediary Organization must be one of the following:

- a Certified CDFI
- a HUD Housing Counseling Agency
- a Credit Union , or
- a governmental entity (State government, Local government or Tribal government).

Additionally, it must certify that it meets the minimum threshold criteria described above.

Intermediary Organizations may base their certification regarding the minimum threshold criteria on direct provision of Financial Education and Counseling (FEC) services and/or services that support FEC services provided by other entities. These services may include activities such as provision of training to staff or volunteers of the direct service provider, development and dissemination of curricula or materials, and development and implementation of measurement and evaluation of program effectiveness. For eligibility purposes, the number of Prospective Homebuyers served may include Prospective Homebuyers served directly by the Applicant and/or Prospective Homebuyers served by direct service providers served by the Applicant.

C. Completing the Application

1. Collaborative Efforts.

Part I: Applicant Information and MyCDFI: The designated “Lead Organization” contact shall be designated as the Applicant in the MyCDFI system and in the Applicant Information section. All questions in the applicant information section and MyCDFI should be answered for the Lead Organization only.

NOTE: Question 3, applies to Affiliates (as defined in the NOFA), not other entities in a Collaborative Effort.

Part II: FEC Pilot Program Proposal

Executive Summary: The Applicant should describe the nature of the Collaborative Effort including the members of the collaborative, the market served, and a summary of the use of funds and the proposal.

Implementation Plan: Applicant should describe the target audience, proposed services, and strategy of the entire Collaborative Effort.

Proposed Impact and Effective Use:

- Select Metrics to be used by the Collaborative Effort as a whole and reported on by the Lead Organization on behalf of the Collaborative Effort.
- Describe the method of evaluating and documenting Positive Behavioral Change for the Collaborative Effort as a whole to be reported on by the Lead Organization on behalf of the collaborative.
- Discuss the program model of the Collaborative Effort as a whole.

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Organizational Capacity:

- Describe the organizational capacity of the Lead Organization individually as well as the combined organizational capacity of the Collaborative Effort. Please also describe the following for both the Lead Organization (individually) and the Collaborative Effort (combined): the capacity, skills and experience, the track record of providing FEC to Prospective Homebuyers, documenting Positive Behavioral Changes, and the extent to which the members of the Collaborative Effort have been successful in using grants and federal funding to provide financial education and counseling.
- Financial Health: Discuss for the Lead Organization only.
- Budget and Program Funding: Complete for the Collaborative Effort. In the narrative, describe how grant funds will be allocated to members of the Collaborative Effort.

2. Intermediary Organizations

Part I: Applicant Information and MyCDFI: Complete for the Applicant Intermediary Organization. As described above in Section B.2, the response to question (k) may include Prospective Homebuyers served directly by the Applicant and/or Prospective Homebuyers served by direct service providers served by the Applicant, if the Applicant can demonstrate that its services substantially assisted in the service to those Prospective Homebuyers. Note, Question 3 applies to Affiliates as defined in the NOFA.

Part II: FEC Pilot Program Proposal

Executive Summary: the Applicant should describe its role as an Intermediary, the services provided by direct service providers that receive resources from the Intermediary, how it substantially assists in the service to Prospective Homebuyers served by the direct service providers, and a summary of the use of funds and the proposal.

Implementation Plan: The Applicant may describe both the intermediary services and direct services it provides. If the Applicant is requesting use of funds to be passed on to other entities, it should describe the activities of those entities that will be receiving funds.

Proposed Impact and Effective Use:

- Select Metrics to be used by the Applicant Intermediary Organization. If funding will be provided to other entities, the metrics should reflect use of funds by other entities, and be reported by the Applicant.
- Describe the method of evaluating and documenting Positive Behavioral Change and the replicability of the program model for the Applicant. If funding will be provided to other entities, the method of evaluating and documenting Positive Behavioral Change and the program model should also reflect the activities of entities receiving funding.

Organizational Capacity: Complete for the Applicant, the Intermediary Organization.

Budget and Program Funding: Complete for the Applicant Intermediary Organization. If funds will be provided to other entities, describe how the applicant will allocate funds.

D. Use of Funds:

1. Collaborative Efforts

A Collaborative Effort must have a written agreement in place for the duration of the three-year performance period designating the Lead Organization as signatory to the Assistance Agreement, responsible for transmitting award disbursement to other members of the Collaborative Effort, and responsible for collecting reporting information on behalf of the Collaborative Effort. A Collaborative Effort may request funds that will be allocated by the Lead Organization to other eligible members of the Collaborative Effort for uses described in the application.

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2. Intermediaries

An Intermediary Organization may request funds that will be allocated to other entities for uses described in the application. The extent to which such funds may be provided to other organizations will be governed through the Assistance Agreement. Awardees that are intermediaries shall not be permitted to use FEC program dollars to fund other organizations that have received FEC program awards.