

# COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

[www.cdfifund.gov](http://www.cdfifund.gov)



# Community Development Financial Institutions Fund (CDFI Fund)

## FY 2015 CDFI Program Overview Webinar

PRESENTED BY  
CDFI & NACA Program Team

PRESENTED ON  
September 2014



## CDFI & NACA Program Presenters

Rosenia D. Bailey, Portfolio Manager

Candace Herring, Acting Associate Program Manager

# Presentation Agenda



**CDFI Fund Overview**

FY2015 CDFI Program

What's New?

Submission Instructions

Application Review Selection,  
Process, and Reminders

# CDFI Fund Overview



## Mission

- ❖ The CDFI Fund's mission is to increase economic opportunity and promote community development investments for underserved populations and in distressed communities in the United States.

## Vision

- ❖ Economically empower America's underserved and distressed communities.



# CDFI Fund Overview



The CDFI Fund invests in and support CDFIs, CDEs, and other financial institutions through:

- ❖ **CDFI Program**
  - Financial Assistance (FA) Awards
  - Technical Assistance (TA) Grants
  - Healthy Foods Financing Initiative (HFFI-FA)
  - Capacity Building Initiative
- ❖ **Native American CDFI Assistance (NACA) Program**
- ❖ **Bank Enterprise Award (BEA) Program**
- ❖ **New Markets Tax Credit (NMTC) Program**
- ❖ **CDFI Bond Guarantee Program**

# CDFI Fund Overview



## CDFI Program Purpose:

- ❖ Promote economic revitalization and community development
- ❖ Help build the capacity of CDFIs to serve eligible Target Markets
- ❖ Leverage CDFI Fund resources



# CDFI Fund Overview



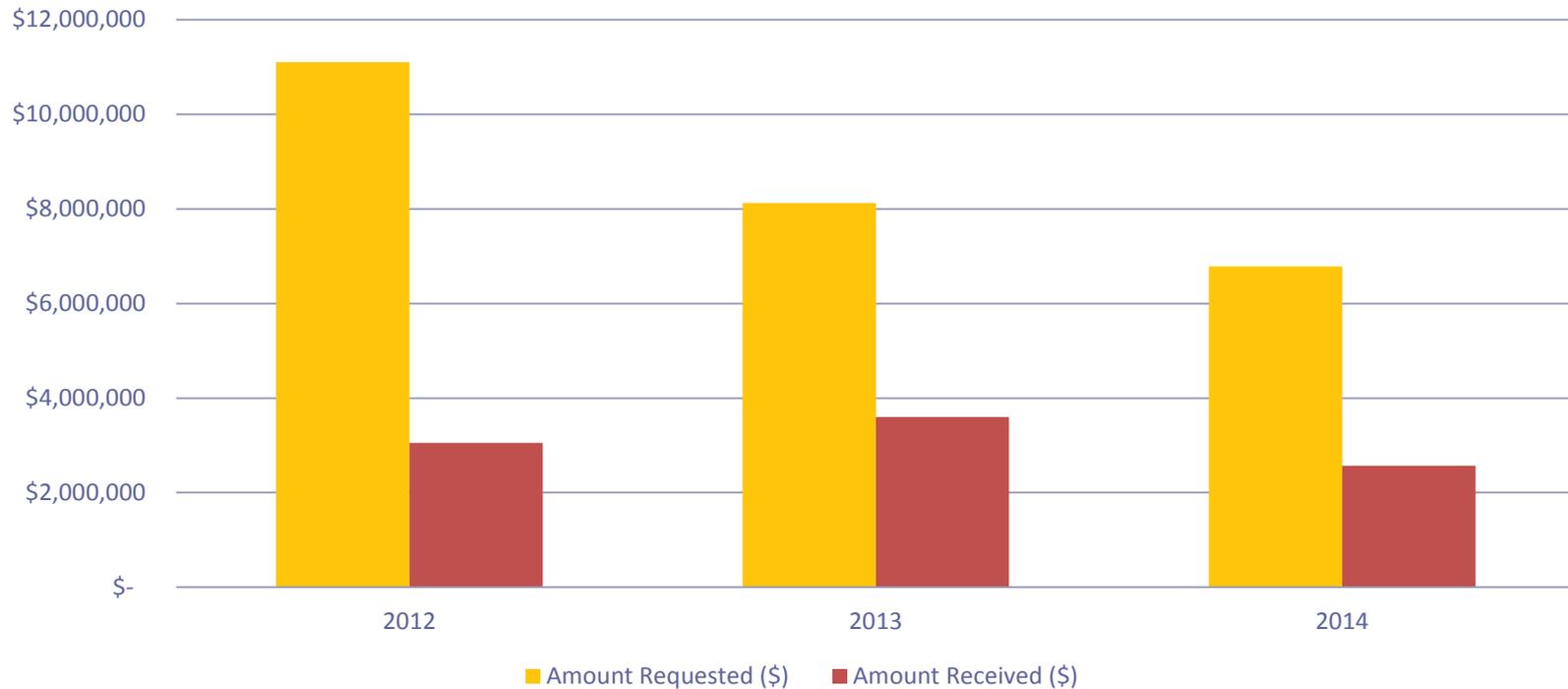
### FA Award Amount Requested vs. Awarded



# CDFI Fund Overview



### TA Award Amount Requested vs. Awarded



# CDFI Fund Overview



## Types of certified CDFIs:

- ❖ Loan Funds
- ❖ Credit Unions
- ❖ FDIC-Insured Community Development Banks/Bank Holding Companies/Thriffs
- ❖ Community Development Venture Capital Funds

CDFI Depository Institutions - Average asset size is \$140MM

CDFI Non-depository Institutions - Average asset size is \$24MM

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# FY 2015 CDFI Program: Types of Awards



- 1) Financial Assistance (FA)
- 2) Technical Assistance (TA)
- 3) Healthy Food Financing Initiative – Financial Assistance (HFFI-FA)



# FY 2015 CDFI Program: Financial Assistance

## CDFI Program Financial Assistance (FA)

|                       |  |
|-----------------------|--|
| Eligibility           | Certified & Certifiable CDFIs  |
| Award Type            | Applicants are required to provide dollar for dollar matching funds. The CDFI Fund will provide award in like form as matching funds submission.   |
| Award Amount          | <ul style="list-style-type: none"> <li>• Category I/Small and/or Emerging CDFI Assistance (SECA) up to \$700,000.</li> <li>• Category II/Core up to \$2 million.</li> </ul>  |
| Eligible Activities   | <p>(i) Financial Products; (ii) Financial Services; (iii) Development Services; (iv) Loan Loss Reserves; and/or (v) Capital Reserves</p> <p>Note: Only Insured Depository Institutions may use a FA award for Financial Services &amp; Capital Reserves</p>  |
| Reporting Period      | 3 years (as specified in each Award Recipient's Assistance Agreement)  |
| Limitations on Awards | <ul style="list-style-type: none"> <li>• Applicants may apply for either FA or for TA, but not for both.</li> <li>• Prior Award Recipients and their Subsidiaries and Affiliates are limited to \$5 million in CDFI and NACA Program awards under the FY 2013, FY 2014, and FY 2015 funding rounds.</li> </ul> |



# FY 2015 CDFI Program: Technical Assistance

## CDFI Program Technical Assistance (TA)

|                       |  |
|-----------------------|--|
| Eligibility           | Emerging and Certifiable CDFIs as well as Certified CDFIs that meet the SECA FA criteria.  |
| Award Type            | Grants with no matching funds requirement.   |
| Award Amount          | Up to \$125,000 for capacity-building activities.  |
| Eligible Activities   | (i) Compensation/Personnel Services; (ii) Compensation/Fringe benefits; (iii) Professional Service Costs; (iv) Travel Costs; (v) Training and Education Costs; (vi) Equipment; and/or (vii) Supplies |
| Reporting Period      | 2 years (as specified in each Award Recipient's Assistance Agreement)  |
| Limitations on Awards | Applicants may apply for either FA or for TA, but not for both.  |

# FY 2015 CDFI Program: Healthy Food Financing Initiative - Financial Assistance



## Healthy Food Financing Initiative - Financial Assistance (HFFI-FA)

|                       |   |
|-----------------------|---|
| Eligibility           | Certified & Certifiable CDFIs   |
| Award Type            | Matching funds requirement was waived per FY 2014 appropriation. HFFI-FA Applicants will be given the opportunity to submit matching funds if the requirement is not waived for FY 2015.  |
| Award Amount          | Up to \$5 million   |
| Eligible Activities   | (i) Financial Products; (ii) Financial Services; (iii) Development Services; (iv) Loan Loss Reserves; and/or (v) Capital Reserves<br>Note: Only Insured Depository Institutions may use a HFFI-FA award for Financial Services & Capital Reserves |
| Reporting Period      | 3 years (as specified in each Award Recipient's Assistance Agreement)   |
| Application           | 1) Complete "HFFI-FA" fields in Applicant Intake Form <b>AND</b> Award Request Table, 2) Complete FA Application, and 3) Complete the HFFI-FA Narrative   |
| Limitations on Awards | <ul style="list-style-type: none"> <li>Must receive a FA award in order to receive a HFFI-FA award</li> </ul>   |



# FY 2015 CDFI Program: Certification Categories

## ❖ Certification Categories

1. Certified CDFIs
2. Certifiable CDFIs
3. Emerging CDFIs

❖ Please refer to the Table 5 in the CDFI Program NOFA for the definitions of the above categories

# FY 2015 CDFI Program: Certification Criteria



An entity **must meet all** of the following requirements to be eligible to apply to become a certified CDFI:

1. Be a **Legally Existing Entity**;
2. Have a **Primary Mission** of promoting community development;
3. Be a **Financing Entity**;
4. Primarily serve an eligible **Target Market**;
5. Provide **Development Services** in conjunction with its financing activities;
6. Maintain **Accountability** to its defined Target Market; and
7. Be a **Non-Governmental Entity**, and not be controlled by any governmental entities.

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# What's New about the FY 2015 Funding Round?



- ❖ On December 26, 2013, the Office of Management and Budget (OMB) issued the final Uniform Federal Award Requirements consolidating eight sets of grant-related compliance requirements across the Federal government.
- ❖ Many of the changes highlighted in this section are mandated by the Uniform Federal Award Requirements
- ❖ Objectives for consolidating the requirements include:
  - Eliminating duplicative and conflicting guidance
  - Shifting focus to performance and internal controls over directive compliance for accountability
  - Providing a framework for standard business processes & data definitions
  - Promoting efficient use of IT and shared services
  - Requiring consistent and transparent treatment of costs
  - Strengthening oversight & target audits on risk of waste, fraud, and abuse
  - Increasing accountability for effective resolution of weaknesses

# What's New about Eligible FA Activities?



- 1) FA Award Applicants will be held to the FA activities and amounts per FA activity entered in the Award Request Table (Application Excel Workbook – Purpose Tab)
  - CDFI Fund-approved FA activities and corresponding amounts per FA activity will be included in the Assistance Agreement
  - Per the NOFA, an Applicant that does not fully complete the Award Request Table will be rejected without further consideration
- 2) Only Insured Depository Institutions are eligible to request FA award funds for Financial Services & Capital Reserves
- 3) Each of the allowable FA activity categories will be eligible for indirect costs and an associated indirect cost rate
  - Indirect cost rates will be determined as part of the terms and conditions of the award

# What's New about Matching Funds (for FA Applicants)?



- 1) The designated use of matching funds, as approved by the non-Federal funder, must coincide with eligible FA activities
- 2) Third party in-kind contributions will be accepted as an eligible form of matching funds
  - Eligible in-kind contributions will be matched in the form of a grant
  - The fair market value of goods and services received as in-kind contributions must be documented by the Applicant

# What's New for TA Applicants?



- 1) The following are eligible to apply for a TA grant:
  - Emerging or Certifiable CDFIs; and
  - Certified CDFIs that meet the SECA FA criteria
- 2) Supplies have been added as an eligible TA Activity category
  - Tangible personal property with a per unit acquisition of less than \$5,000

# What's New about Award Disbursements (for all Applicants)?



- All Applicants must indicate the amount of its total award request that it reasonably expects to expend within 12 months of notice of award.
- Initial disbursement amounts for FA and HFFI-FA Award Applicants will be based on the amount entered in the Award Request Table (Excel) in combination with determination of eligible matching funds.
  - HFFI-FA Applicants must enter a projected expenditure amount for its FA award request AND its HFFI-FA award request
- Initial disbursement amounts for TA Award Applicants will be based on the amounts entered in the “Year 1” field for each line item in the Award Request Table (Excel).
- Per the NOFA, an Applicant that does not fully complete the Award Request Table will be rejected without further consideration.

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# Application Checklist: Steps for Completion



- ❖ Please review the Submission Instructions and the Application Excel Guidance (both found in the Application Excel Workbook) for details regarding steps to complete and submit the application.

|                          |                   |
|--------------------------|-------------------|
| <b>Pre-Application</b>   | <b>Steps 1-4</b>  |
| <b>Application Steps</b> | <b>Steps 5-8</b>  |
| <b>Post-Application</b>  | <b>Steps 9-10</b> |

# Steps 1-4: Pre-Application



- ❖ Step 1 – Read the FY 2015 CDFI Program NOFA
- ❖ Step 2 – Obtain Employer Identification Number (EIN) and DUNS number
- ❖ Step 3 – Register and/or update your online accounts in the following systems:
  - SAM.gov
  - Grants.gov
  - myCDFIFund
- ❖ Step 4 – Download and familiarize yourself with Application Materials found on CDFI Fund’s website and Grants.gov

# SAM.gov (System for Award Management)



- ❖ New SAM.gov users should register **as soon as possible**. Existing users should ensure that their account is active and up-to-date.
- ❖ The CDFI Fund will not consider Applicants who fail to register or activate their account in SAM and as a result, are unable to submit their Application by the deadline.
- ❖ The CDFI Fund does not maintain SAM.gov, so Applicants must contact SAM directly for assistance.



- ❖ Applicants **MUST** submit their application and all required attachments through Grants.gov.
- ❖ New Grants.gov users should register **as soon as possible**. Existing users should ensure that their account is active and up-to-date.
- ❖ Application submission questions should be directed to Grants.gov.
- ❖ Application materials can be found on both Grants.gov and the CDFI Fund website.



# Step 4: Download and familiarize yourself with Application Materials (Pre-Application)



- ❖ SF-424
- ❖ Applicant Intake Form (PDF)
- ❖ Application Excel Workbook
  - Includes Summary of FY 2015 Changes, Application Excel Guidance, Submission Instructions, and Matching Funds Guidance and Forms
- ❖ Narrative Template (MS Word)

# Steps 5-7: Application Steps



- ❖ **Step 5 – Fill out the Application for Federal Assistance (SF-424)**
  - Fields highlighted in yellow are **MANDATORY**
  - Applications will be **REJECTED** if the SF-424 or any of the required SF-424 data is missing
- ❖ **Step 6 – Complete Applicant Intake Form (PDF)**
  - Certain fields pre-populate from SF-424
- ❖ **Step 7 – Complete Application Excel Workbook and Narrative Template (MS Word)**

# Step 8: Complete and Collect all Supplemental Information (Application Steps)



- 1) EIN Documentation
- 2) Key Staff Resumes
- 3) Organizational Chart
- 4) Policies & Procedures
- 5) Financial Statements
  - FA Applicants: Audited Financial Statements w/ Management Letters, Financial Performance Reports, or Uniform Bank Performance Reports as applicable
  - TA Applicants: Audited or Internally Prepared Financial Statements, Financial Performance Reports, or Uniform Bank Performance Reports as applicable
- 6) Matching Funds Documentation (FA only)

# Matching Funds Requirements



- ❖ Matching Funds are required for all FA Applicants
  - Must have 50% of matching funds in-hand or firmly committed at the time of application submission
  - In-hand matching funds window is January 1, 2013 through January 15, 2016.
  - Read Matching Funds Guidance and Retained Earnings Guidance, if applicable AND view FY 2014 CDFI & NACA Programs Matching Funds Webinar for more information on matching funds requirements

# Process for Submitting Matching Funds



- 1) Complete the following forms in the Application Excel Workbook
  - Tab 13 - Matching Funds Breakout Table
  - Tab 14 - Matching Funds Grants & In-Kind Contributions under \$50,000 (if applicable)
  - Tab 16 - Retained Earnings Calculator (if applicable)
- 2) Scan and Upload Matching Funds documentation along with other required supplemental information



# Steps 9-10: Post-Application

- ❖ Step 9 – Upload your application materials in Grants.gov
- ❖ Step 10 – Submit your application package in Grants.gov
  - Should immediately receive an initial email from Grants.gov that confirms submission and provides tracking number for Application package
  - A second email from Grants.gov will indicate if the submitted Application package was either successfully validated or rejected with errors
  - Applicants are strongly encouraged to use the tracking number to closely monitor the status of their Application package by contacting the Grants.gov helpdesk directly rather waiting on receipt of the second email



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# Application Review Process & Award Recipient Selection



## 1) Eligibility Review

- Eligibility requirements are detailed in the NOFA (refer to Tables 6, 7, & 8)

## 2) Substantive Reviews by External Community Development Finance Professionals

- Conducted by three (3) external reviewers for FA and HFFI-FA Applications and one (1) external reviewer for TA Applications
- Reviewers independently review and evaluate each Application section

## 3) Follow-up Reviews by CDFI Fund Staff

- Applications that meet the minimum scoring threshold are reviewed by CDFI Fund staff to conduct further analysis based upon: (i) rank order by score, (ii) institutional diversity protocols, and (iii) availability of funds
- Due diligence includes analysis of programmatic and financial risk factors
- Award amounts may be reduced based on analysis conducted



## IMPORTANT DEADLINES

- ❖ Please refer to the NOFA for the CDFI Program Application deadline
- ❖ Remember that the last day for applicant questions is **two days** prior to the application deadline





# Contact Information for Applicants

## **Programmatic Support:**

[cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov) or 202.653.0421, option #1

## **Compliance Support:**

[ccme@cdfi.treas.gov](mailto:ccme@cdfi.treas.gov) or 202.653.0423

## **Technical Support:**

[ithelpdesk@cdfi.treas.gov](mailto:ithelpdesk@cdfi.treas.gov) or 202.653.0422

## **Grants.gov:**

[support@grants.gov](mailto:support@grants.gov) or 1-800-518-4726

## **SAM.gov:**

[www.fsd.gov](http://www.fsd.gov) or 1-866-606-8220

# Additional Guidance



Additional information about the FY 2015 CDFI and NACA Programs Application, including webinars covering the following topics, can be found at [www.cdfifund.gov/cdfi](http://www.cdfifund.gov/cdfi):

- FY 2015 NACA Program Overview
- FY 2015 NACA Program Sponsoring Entities & Emerging Native CDFIs
- FY 2015 CDFI & NACA Programs HFFI-FA
- FY 2015 CDFI & NACA Programs FA and TA Narrative Template
- FY 2015 CDFI & NACA Programs Application Excel Workbook
- FY 2015 CDFI & NACA Programs Matching Funds
- FY 2015 CDFI & NACA Programs Retained Earnings Guidance



**for participating in today's webinar!**

The CDFI Fund is an equal opportunity provider.