

COMMUNITY DEVELOPMENT
FINANCIAL INSTITUTIONS FUND



2001 Small and Emerging CDFI
Assistance (SECA) Component
Closing Guidance Book

**United States Department of the Treasury
Community Development Financial Institutions (CDFI) Fund**

**Closing Guidance Workbook for Awardees of the
2001 Small and Emerging CDFI Assistance Component of the CDFI Program**

<u>Contents</u>	<u>Page</u>
Introduction	1
The Closing Process	1
The Assistance Agreement	1
Assistance Agreement Schedules	2
▪ Schedule 3.2, Authorized Uses of Technical Assistance	2
▪ Schedule 4.1, Subsidiaries and Affiliates	2
▪ Schedule 5.1/5.3, Certificate of the Secretary	3
▪ Schedule 5.4, Performance Goals	4
▪ Schedule 6.13, Financial and Managerial Soundness Agreement	4
Matching Funds	5
Award Disbursement	5
CDFI Fund Contact Staff	5
Certification	6
 TAB	
1. Performance Goals	6
▪ Performance Measures	8
▪ Performance Benchmarks	9
▪ “Rules of Thumb” for Performance Benchmarks	9
2. Sample Performance Goals	10
3. Reporting Requirements	12
4. Awardee Responsibilities	14
5. CDFI Fund Staff Contacts	17
6. Financial Status Report	19

Reference

Assistance Agreement for SECA Awardees (DRAFT)

Closing Guidance for Awardees of the 2001 Small and Emerging CDFI Assistance Component of the CDFI Program

Introduction

Congratulations on your organization's selection to receive an award under the 2001 Small and Emerging CDFI Assistance (SECA) Component of the Community Development Financial Institutions (CDFI) Program. In order to receive the Financial Assistance (FA) and/or Technical Assistance (TA) award, you and the Fund staff member assigned to work with your organization must complete certain activities. This guidance workbook is designed to inform you about the process to "close" your award and identify responsibilities for completing key action items necessary for you to receive your award funds.

In this workbook those Awardees selected to receive FA in combination with TA will be referred to as "FA-TA Awardees" and those selected to receive TA only awards will be referred to as "TA Awardees". Please note that other defined terms (those terms whose first initials are capitalized) can be found in the CDFI Program Glossary, which is in the Appendix to the 2001 SECA Component Application, on the Fund's Website at <http://www.treas.gov/cdfi/applications/index.html>

The Closing Process

The award "closing" is evidenced by the Fund's execution of the Assistance Agreement. The process represents the culmination of the negotiation of Performance Goals by the Awardee and the Fund staff member assigned to work with your organization and the compilation and review of pertinent legal documents by the Fund's legal staff. The award "closing date" is the date on which the Assistance Agreement is executed (signed) by the Fund. Once the Fund signs the Assistance Agreement, the Fund's legal staff will finalize the document and mail it to you for execution by your organization's Authorized Representative. Prior to the award closing, you should review the Assistance Agreement carefully so that you understand your obligations to the Fund for the duration of the term of the Assistance Agreement. Your organization's legal counsel should also review the Assistance Agreement. When your organization's Authorized Representative executes the Assistance Agreement and it is returned to the Fund, along with any other required documents, your award disbursement will be processed.

The Assistance Agreement

The Assistance Agreement conveys the terms and conditions of the FA-TA or TA award, including reporting requirements and a description of the authorized use(s) of TA grant funds. There are different versions of the Assistance Agreement depending on the type of organization (non-regulated institutions; insured credit unions; and regulated institutions, other than insured credit unions) and type of assistance (FA-TA or TA only).

The FA-TA Awardees’ Assistance Agreement will generally be for a term of three years, while the Assistance Agreement for TA Awardees will generally be for a term of two years. Please note that the Fund has the discretion to lengthen the term of the Assistance Agreement (e.g., in cases when an Awardee requires more time to effectively expend the TA grant award).

Assistance Agreement Schedules

A draft copy of the Assistance Agreement is accompanying this guidance workbook. The Assistance Agreement includes several schedules. The schedules described below will be customized to your organization and will require your attention to prepare for the award closing. It is important that you work with the Fund staff assigned to work with your organization to develop these documents.

Schedule	Comments
<p>Schedule 3.2, Authorized Uses of Technical Assistance</p>	<p>Lists the specific uses of TA grant funds approved by the Fund for your organization, by category. The categories include: consulting services, staff salary, technology, training, and other. A draft Schedule 3.2 describing the eligible uses of TA grant funds for your award was sent to your organization along with your Notice of Award. The Fund staff member assigned to work with your organization may further develop or modify Schedule 3.2 to describe the specific authorized uses of TA grant funds, as appropriate.</p> <p><i>NOTE: 1) The Awardee may not use the TA grant funds to pay for any TA provided to the Awardee by an Insider, unless the Fund has specifically authorized that TA grant funds may be used to pay the salary of a staff person providing technical assistance to the Awardee. “Insider” is defined in Section 2.12 of the Assistance Agreement.</i></p> <p><i>2) The TA grant funds may not be used to pay for any expenses incurred by the Awardee prior to September 1, 2001.</i></p>
<p>Schedule 4.1, Subsidiaries and Affiliates</p>	<p>Identifies your organization’s subsidiaries and affiliates, if any. It is important for you to confirm that Schedule 4.1 is accurate.</p>

Assistance Agreement Schedules (continued)

Schedule	Comments
<p>Schedule 5.1/5.3, Certificate of the Secretary</p>	<p>A certification that must be <u>signed by the Secretary of your organization's Board of Directors</u> (or Chair of the Board if there is no Secretary of the Board) at the time the Assistance Agreement is executed by the Awardee. The certification states, among other things, that the Awardee has complied with the various conditions precedent to closing, as described in Article V, Conditions Precedent To Closing, of the Assistance Agreement. The Awardee must also provide the following exhibits prior to the award closing:</p> <ol style="list-style-type: none"> 1. Exhibit A, a copy of the Articles of Incorporation of the Awardee or other documentation evidencing its establishment as a legal entity, as applicable. [For example, a federal credit union, would submit a copy of its Approval of Organization Certificate and Certificate of Insurance. 2. Exhibit B, current By-laws of the Awardee; and 3. Exhibit C, a Certificate of Good Standing issued by the Secretary of State, or similar office, of the state in which the Awardee is incorporated or otherwise legally organized and any state in which the Awardee is registered to conduct business, as applicable. The Certificate must be dated no earlier than 90 days prior to the closing of the Assistance Agreement. <p><i>NOTE: Awardees that are federally regulated institutions are not required to submit a Certificate of Good Standing. Instead, the Fund will consult with the appropriate federal regulating agency prior to the award closing.</i></p> <p>The Certificate of the Secretary will be mailed to you, along with the Assistance Agreement. You must return both the fully executed Assistance Agreement and Certificate of the Secretary to the Fund in order to receive a disbursement of your award.</p>

Assistance Agreement Schedules (continued)

Schedule	Comments
<p>Schedule 5.4, Performance Goals</p>	<p>Includes specific Performance Goals, Measures, and Benchmarks that are determined through discussion and negotiation between your organization and the Fund staff member assigned to work with your organization. (Refer to TAB 1 for detailed guidance on developing Schedule 5.4).</p> <p><i>NOTE: You may develop a draft Schedule 5.4, Performance Goals, in order to initiate the closing of your organization’s SECA award. Submit this to your Fund staff contact.</i></p>
<p>Schedule 6.13, Financial and Managerial Soundness Agreement</p>	<p>For Awardees that are <i>not</i> regulated CDFIs, the Fund is required to ensure that Awardees are financially and managerially sound and maintain appropriate internal controls. One tool the Fund uses to achieve this is Schedule 6.13, which requires that: “The Awardee’s total revenues for the most recently completed fiscal year shall exceed its total expenses for that fiscal year.” This requirement is based on the principle that CDFIs should not lose money and that positive net revenue is necessary to grow the net assets of a CDFI. If an Awardee fails to have positive annual net revenue during the performance period, it must respond to the questions listed in Section 6.6 of the Assistance Agreement. The Fund will determine if any sanction(s) will be imposed for a violation of the Financial and Managerial Soundness Agreement based upon information provided in the Awardee’s Semi-Annual Report. Generally, Awardees will be required to meet only this one Financial and Managerial Soundness Agreement, although additional Financial and Managerial Soundness Agreements may be included at the Fund’s discretion.</p> <p>Other financial and managerial soundness requirements are described in Section 6.13, Financial and Managerial Soundness, of the Assistance Agreement. This section requires that, among other things, Awardees prepare monthly financial statements, including a balance sheet (or statement of financial position) and an income and expense statement (or statement of activities), and conduct at least a quarterly review of the Awardee’s loan or investment portfolio(s). It is <i>not</i> necessary, however, to submit the monthly financial statements or the portfolio reviews to the Fund.</p>

Matching Funds (applicable for FA-TA Awardees only)

The Fund will not begin its disbursement process of the FA portion of the award (i.e., capital grant, loan or deposit) until matching funds are in hand and adequate documentation has been submitted. As evidence of the receipt of funds to be used for the match, the Awardee must submit to the Fund a copy of the check or wire transfer confirmation. The documentation must include the terms, conditions and any restrictions on the use of the funds. Examples of the type of documents to be submitted are a grant agreement; grantor transmittal letter; loan, agreement; or promissory note.

An Awardee may use as match, funds legally committed or obtained on or after January 1, 2000. Unless an extension is granted, matching funds must have been received or legally committed by December 31, 2003.

Award Disbursement

Your organization's SECA award will be processed for disbursement after the Fund and your organization's Authorized Representative execute the Assistance Agreement. Award funds will be disbursed in the form of an Electronic Funds Transfer to your organization's bank account. The Fund will coordinate the payment with the Bureau of Public Debt (BPD), which makes all award disbursements for the Fund. At the time of award closing, the Awardee must provide a completed "ACH Awardee Payment Enrollment Form" which includes the Awardee's banking information. After the Assistance Agreement is fully executed, the Fund will forward a disbursement approval form to BPD. BPD will link the approved disbursement with the Awardee's banking information thereby enabling the Awardee to access its funds.

CDFI Fund Staff Contact

Each Awardee is assigned to a Fund staff member who will work with your organization to close your award. Refer to TAB 5 for a chart to identify your organization's staff contact and contact information. After reading this guidance workbook, you should talk with your Fund contact about submitting the materials described in this workbook that are a prerequisite to closing your award and scheduling your award closing. Prior to or during your initial discussion, make sure you understand:

1. Your organization's CDFI certification status.
2. The specific uses approved by the Fund for your TA grant. (Refer to the "draft" Schedule 3.2 included with the Notice of Award sent to your organization).
3. Your organization's compliance status with previous CDFI Program awards, if applicable.

4. What is required in terms of Matching Funds documentation for FA-TA Awardees. This is explained in more detail under the Matching Funds section of this workbook (see above).

Certification

An Awardee that is ***already*** certified as a CDFI by the award closing date and continues to meet the certification requirements will not need to do anything in this regard. The remainder of Awardees either will be certified prior to closing (discuss with your staff person), and/or have been found to be eligible to be selected to receive an award. Those Awardees that have been found eligible to be selected to receive an award but have not yet been certified must meet the certification requirements by January 24, 2004, unless the Fund grants an extension.

For TA Awardees: If an Awardee is not yet certified at the time of closing, the Fund may disburse that portion of the TA grant award that will be used to help the organization meet the certification requirements. Following certification, the Awardee may receive the balance, if applicable, of its TA grant award.

For FA-TA Awardees: The Fund will not disburse the FA portion of the award until the organization has been certified. As above, the TA portion of the award may be disbursed even if the Awardee is not yet certified at the time of the closing if the TA grant will be used to help the organization meet the certification requirements. Following certification, the Awardee may receive the balance, if applicable, of its TA grant award.

Performance Goals

NOTE: Your Fund staff contact will generally request that you develop and submit a draft Schedule 5.4, Performance Goals, in order to initiate the closing of your organization's SECA award.

A Performance Goal (Goal) is a brief qualitative statement that relates to your organization's community development mission and/or activities. The Goals must be based on the Technical Assistance Proposal and/or Comprehensive Business Plan contained in your organization's SECA application submitted to the Fund. All Awardees will generally have at least two Goals, preferably with one Goal related to the impact/outcome of their activities, particularly for FA-TA Awardees. A description of such impact/outcome activities can be found under the Performance Measures section. Generally, the Goals shall be as follows (additional Goals and/or Measures may be added at the Fund's discretion):

Goal 1

Goal 1 is standard for **all** SECA Awardees:

“Address the Awardee’s internal capacity needs by obtaining technical assistance in the form of the acquisition of consulting services, staff salary, technology, and training”*(the language will be adjusted to conform to the uses authorized in the draft Schedule 3.2 that accompanied your Notice of Award letter).*

The timeframe (Performance Benchmark) for completing this goal will generally not exceed the date of the final Annual Evaluation per your organization’s Assistance Agreement. (Refer to TAB 2 for a sample of Goal 1).

Goal 2

Goal 2, and any subsequent goal, must specifically relate to your organization’s business activities as described in the Comprehensive Business Plan of its SECA application, and be targeted to your organization’s Target Market, usually an Investment Area and/or Targeted Population. For example:

- Provide residential mortgages to members of the Awardee’s Targeted Population.
- Facilitate the creation of jobs for residents of the Awardee’s Investment Area(s).
- Provide access to credit to microentrepreneurs with businesses that are located within the Awardee’s Investment Area.
- Provide financial literacy education and technical assistance to the Awardee’s Targeted Population.

Performance Goals are fiscal year goals on which your organization will report annually for the duration of the Assistance Agreement (typically two years for TA Awardees and three years for FA-TA Awardees). Generally, the Performance Period begins on the first day of the fiscal year in which you sign the Assistance Agreement. For example, if your fiscal year runs from October 1 to September 30, and you sign your Assistance Agreement on January 15, 2002, your Performance Period will begin on October 1, 2001. However, if you close your Assistance Agreement during the last 3 months of your fiscal year, with the Fund’s approval, you may begin the Performance Period on either the first day of the fiscal year in which you sign your Assistance Agreement or the first day of the next fiscal year. For example, if your fiscal year runs from October 1 to September 30, and you sign your Assistance Agreement on August 20, 2002, you could begin your Performance Period on October 1, 2001 or October 1, 2002. (Refer to TAB 2 for sample Goals).

Performance Measures

Performance Measures (Measures) are calculable indicators that are used to assess your organization's progress in meeting its Performance Goals. Measures must relate to the activities directed toward or within your organization's Target Market (i.e., Investment Area and/or Targeted Population). There must be at least one Measure for each Goal contained in the Assistance Agreement.

Measures may be action- or numeric-based. An action-based Measure relates to the occurrence of a discrete activity and the date by which this occurs. Action-based Measures will be used for Goal 1 and will be standard for ***all*** Awardees.

*Measure for Goal 1 (required for ***all*** Awardees):*

“Date by which the Awardee obtains the technical assistance detailed in Schedule 3.2, Authorized Uses of Technical Assistance.”

Measures for Goal 2, and any subsequent Goals: These Measures will generally be numeric-based, and count the discrete activity, volume, or impact of your organization's business activities or products and services. Numeric Measures can be classified as Output or Impact/Outcome oriented. Output Measures tabulate, calculate, or record the level of activity expressed in a quantitative manner. Impact/Outcome Measures reflect the direct or indirect effects or consequences resulting from activities. Generally, the Assistance Agreement will include at least one Output and one Impact/Outcome Measure. Again, the Measures must be consistent with the activities presented in your organization's Comprehensive Business Plan, Activities Level Chart, and Community Development Impact Chart contained in the SECA Application. Examples of both types of Measures include:

Output

- Number and dollar amount of loans disbursed to members of the Awardee's Low-Income Targeted Population.
- Number of microentrepreneurs in the Awardee's Investment Area receiving loans.
- Number of entrepreneurs who own, or propose to own, a business located in the Awardee's Investment Area, and who complete the Awardee's business training program.

Impact/Outcome

- Number of housing units financed by the Awardee within its Investment Area.
- Number of full-time equivalent jobs created by the Awardee's business loan borrowers for members of the Awardee's Low-Income Targeted Population.
- Business survival rate of the Awardee's borrowers that operate a business located within the Awardee's Investment Area.

Performance Benchmarks

At the end of each annual performance period, your organization will report on each Measure contained in the Assistance Agreement. So that the Fund may assess your organization's progress in meeting its Goals, you must develop specific annual Performance Benchmarks (Benchmarks) with the Fund staff assigned to work with your organization. A Benchmark is the grading scale used to classify your organization's actual performance with respect to each Measure. There will be three Benchmarks: Satisfactory; Below Expectations; and Unacceptable. (Refer to TAB 2 for a sample Schedule 5.4).

To determine appropriate Benchmark levels of performance for action-based Measures you should consider the time necessary to complete the action item. For example, in the case of an Awardee that proposes to design and implement a financial literacy education program for residents of its Investment Area, the Awardee should consider the time required to: 1) develop a training curriculum; 2) produce the training materials; 3) train the Awardee's staff on the new program; and 4) market the program to Investment Area residents.

To determine appropriate Benchmark levels of performance for numeric-based Measures, you should consider the following factors, among others, as applicable: a) the Awardee's historic performance (actual activity level(s) over the past three years); b) projections in the Comprehensive Business Plan; c) financial assets available (or designated) for the activity(ies) listed in the Measure; and d) the amount of the TA grant to be received by the Awardee.

"Rules of Thumb" for Performance Benchmarks

1. Numeric Performance Benchmarks generally should follow a positive upward trend each succeeding year of the performance period.
2. The "Satisfactory" level for the first year should not be less than recent historic performance.
3. The Fund expects a linkage between the receipt and use of the FA and/or TA funds and the Awardee's performance.

***NOTE:** A template of Schedule 5.4, Performance Goals is available to download and use in drafting your organization's Performance Goals, Measures, and Benchmarks at http://www.treas.gov/cdfi/tech_assistance.html.*

Sample Goal 1

(Required for all Awardees)

Goal 1	Address the Awardee’s internal capacity needs by obtaining technical assistance in the form of the acquisition of consulting services and training.	
Goal 1, Measure 1	Date by which the Awardee obtains the technical assistance detailed in Schedule 3.2, Authorized Uses of Technical Assistance.	
Benchmarks	Performance	<u>Evaluation Date</u>
	Satisfactory	On or before June 30, 2003
	Below Expectations	July1 through December 31, 2003
	Unacceptable	After December 31, 2003
Actual Performance (To be completed and submitted with the Annual Report)		

Sample Goal 2 (and subsequent Goals)
(Required for all Awardees)

Goal 2	Provide access to credit to microenterprises located within the Awardee’s Target Market.		
Goal 2, Measure 1	Total number of micro loans disbursed by the Awardee annually during the performance period to microenterprises and microentrepreneurs that operate or propose to operate a business located in the Awardee’s Investment Area. A “micro loan” is a loan made for business purposes with a principal amount of \$25,000 or less.		
Benchmarks	Performance	Annual Evaluation for the Year Ending	
		12/31/02	12/31/03
	Satisfactory	Greater than 5	Greater than 8
	Below Expectations	3 to 5	6 to 8
	Unacceptable	Fewer than 3	Fewer than 6
Actual Performance (To be completed and submitted with the Annual Report)			
Goal 2, Measure 2	Total dollar amount of micro loans disbursed by the Awardee annually during the performance period to microenterprises and microentrepreneurs that operate or propose to operate a business located in the Awardee’s Investment Area. “micro loan” shall have the same meaning as in Goal 2, Measure 1.		
Benchmarks	Performance	Annual Evaluation for the Year Ending	
		12/31/02	12/31/03
	Satisfactory	> \$60,000	> \$78,500
	Below Expectations	\$49,000 to 60,000	\$60,000 to 78,500
	Unacceptable	< \$49,000	< \$60,000
Actual Performance (To be completed and submitted with the Annual Report)			

Goal 3	Provide financial literacy education and technical assistance to the Awardee’s Low-Income Targeted Population.		
Goal 3, Measure 1	Total number of members of the Awardee’s Low-Income Targeted Population that complete the basic financial literacy program offered by the Awardee annually during the performance period.		
Benchmarks	Performance	Annual Evaluation for the Year Ending	
		12/31/02	12/31/03
	Satisfactory	Greater than 94	Greater than 115
	Below Expectations	80 to 94	95 to 115
	Unacceptable	Fewer than 80	Fewer than 95
Actual Performance (To be completed and submitted with the Annual Report)			

Reporting Requirements

The following list of Awardee reporting requirements provides additional guidance for Awardees. The Assistance Agreement calls for the following reporting requirements:

<u>Report</u>	<u>Materials to Submit</u>
Semi-Annual Report, Schedule 6.6 (required twice per year; generally due 60 days after Awardee’s fiscal year end)*	<ul style="list-style-type: none">• Submit internal financial statements including a balance sheet (or statement of financial position) and fiscal year–to-date income and expense statement (or statement of activities).• The Awardee is required to report on the Financial and Managerial Soundness Agreement regarding Net Revenue <u>only once per fiscal year</u> in the second semi-annual report.
Annual Report Schedule 6.7 (generally due 60 days after Awardee’s fiscal year end)*	<ul style="list-style-type: none">• Submit a copy of Schedule 5.4 and insert quantitative information on annual progress toward achieving Performance Goals and Measures.• A description of factors contributing to any failure to achieve at least a “Satisfactory” rating for any Performance Goal or Measure, an explanation of what is being done by the Awardee to address the situation, and a representation as to when the Awardee expects to be in compliance with the Performance Goal or Measure.• Financial Status Report (SF-269A, a copy of which can be found, with instructions, in TAB 6) reporting on the status of the expenditures of the SECA award.• Narrative description of: 1) the Awardee’s activities in support of its Comprehensive Business Plan; 2) how the use of the TA grant was consistent with the Authorized Uses of Technical Assistance listed in Schedule 3.2 of the Assistance Agreement. All narrative submissions should be brief and to the point; and 3) For FA-TA Awardees only (in addition to the items above), how the use of FA and any corresponding Matching Funds was consistent with the Authorized Uses of the FA and Matching Funds as set forth in the Assistance Agreement.

*Please note that all materials submitted for either the Semi- or Annual Reports must be submitted to the Fund in a single submission (rather than piecemeal).

Reporting Requirements (continued)

<u>Report</u>	<u>Materials to Submit</u>
Schedule 6.7 Annual Report (continued)	<ul style="list-style-type: none">• Executed certification of the Awardee's:<ol style="list-style-type: none">1) status as a CDFI;2) compliance with Financial and Managerial Soundness Agreement; and3) information as submitted in the Annual Report.
Audited Financial Statements (generally due 120 days after the Awardee's fiscal year end)	<ul style="list-style-type: none">• Audited Financial Statements due on date agreed to by the Awardee and the Fund, as required (see also the section below entitled, "Audited Financial Statements").

Summary of Additional Awardee Responsibilities

The following seeks to highlight the Awardee's key responsibilities and does not replace the covenants and agreements of the Awardee as set forth in the Assistance Agreement with the Fund. The Awardee is responsible for complying with all applicable Federal, State and local laws, regulations, ordinances, Office of Management and Budget (OMB) Circulars, and Executive Orders. (See Assistance Agreement, Section 6.1). Awardees are advised to consult with their legal advisors and accountants to ensure that they are in compliance with such rules and regulations. Awardees are also responsible for the following items, as applicable:

Earned Interest

Except as otherwise provided in OMB Circular A-110, advances of all applicable federal grant assistance must be deposited and maintained in an insured, interest-bearing account. Any interest earned on advances of such assistance exceeding \$250.00 in each Awardee fiscal year, including, but not limited to, the technical assistance provided to the Awardee by the Fund, shall be remitted to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Earned interest amounts up to \$250.00 in each Awardee fiscal year may be retained by the Awardee for administrative expenses. (See Assistance Agreement, Section 6.16, and OMB Circular A-110, Subpart C, Section .22).

Debarment and Suspension

Awardees are prohibited from using Federal funds to enter into contracts with parties listed on the General Services Administration's list of parties Excluded from Federal Procurement and Nonprocurement Programs. This list contains the names of parties debarred, suspended, or otherwise excluded from receiving Federal contracts or certain subcontracts and from certain types of Federal financial and non-financial assistance and benefits. The list can be found at <http://epls.arnet.gov>. (See Executive Orders 12549 and 12689, OMB Circular A-110, Subpart B, Section .13, and 31 CFR Part 19). Awardees are advised to review the list prior to entering into contracts with third parties for the provision of the technical assistance authorized by the Fund (e.g., consulting contracts). Executive Orders can be found at <http://www.whitehouse.gov/>.

Maintain standards for financial management systems

Recipients of federal financial assistance must maintain financial management systems that include, among other things, the following (refer to OMB Circular A-110, Subpart C, Section .21 for more details on the requirements for financial management systems):

1. Accurate, current, and complete disclosure of the financial results of each federally sponsored project or program.
2. Records that identify adequately the source and application of funds for federally sponsored activities.
3. Effective control over and accountability for all funds, property and other assets, and provide adequate safeguards and assurances that these assets are being used for authorized purposes.
4. Comparison of outlays with budget amounts for each award.
NOTE: The Awardee will be required to report to the Fund on this information annually in the form of a Financial Status Report (Form 269A). This report should be submitted in conjunction with the Awardee's Annual Report to the Fund. (Refer to TAB 6 for a copy of Form 269A and instructions for completing it).
5. Accounting records (including cost accounting records) that are supported by source documentation.

Audited Financial Statements

The Awardee is required, pursuant to Section 6.8 of the Assistance Agreement, to submit to the Fund the audit report and any accompanying management letters prepared by its auditor in accordance with the provisions of OMB Circular A-133 ("Audits of States, Local Governments and Non-Profit Organizations"). OMB Circular A-133 requires non-profit organizations that expend \$300,000 or more of Federal awards in a fiscal year to have a single audit conducted. The Fund considers an Awardee to have "expended" the Fund's Financial and/or Technical Assistance upon receipt of such funds under Section 3.2 of the Assistance Agreement.

If the Awardee is not subject to the provisions of OMB Circular A-133 for any given fiscal year, it must instead provide the Fund with the Awardee's most recent audited financial statements prepared by an independent certified public accountant, if any.

NOTE: Under no circumstances should the requirements of Section 6.8 of the Assistance Agreement be construed as requiring the Awardee to conduct or arrange for additional audits not otherwise required under OMB Circular A-133 or by the Awardee's Board of Directors.

Prior Approvals

The Awardee must receive the prior written approval of the Fund for the following:

1. Any change in the scope or the objective of the Authorized Uses of the Technical Assistance grant as listed on Schedule 3.2 of the Assistance Agreement.
2. Any modifications in excess of 20% of the amounts allocated for the categories of Authorized Uses of the Technical Assistance grant as listed on Schedule 3.2 of the Assistance Agreement.

Conflicts of Interest

Unless otherwise authorized by the Fund (as may be described on Schedule 3.2), Awardees are prohibited from retaining staff or board members of the Awardee or its Affiliates to provide the technical assistance authorized by the Fund. Awardees are expected to have conflicts of interest policies in place.

Reports and Records

Awardees are responsible for complying with all record retention requirements set forth in OMB Circular A-110. The Awardee shall retain all financial records, supporting documents, statistical records and any other records pertinent to the SECA Component award for a period of three years after the Awardee submits its final annual report to the Fund as required by the Assistance Agreement. (For details, refer to OMB Circular A-110, Subpart C, Section .53, and Section 6.4 of the Assistance Agreement).

Travel Policies

TA grant funds may be used to cover reasonable and appropriate travel expenses **consistent with the Awardee's travel policies**. If TA grant funds are to be spent on travel/transportation, per diem allowances, or lodging associated with consulting services or training, the Awardee must have a travel policy in place. (For details, refer to OMB Circular A-122, Attachment B, Section .55).

**CDFI FUND 2001 SECA
COMPONENT CLOSING ASSIGNMENTS**

APPLICATION NUMBER	ORGANIZATION NAME	FUND CONTACT PERSON	TELEPHONE NUMBER
011TA003519	Alternatives Venture Fund	Pam Williams	(202) 622-8959
011TA003580	American Street Financial Services Center	James Berg	(303) 255-8847
011TA003609	Azteca Community Loan Fund	Paula Smith	(949) 458-0286
011TA003526	Bethex Federal Credit Union	Alice Veenstra	(202) 622-9042
011TA003621	Bushwick Coop. Federal Credit Union	Lori Stormer	(202) 622-8209
011TA003503	Business Loan Fund/Palm Beaches	Sean Zielenbach	(202) 622-8408
011TA003512	CAMBA Econ. Development Corporation	Sean Zielenbach	(202) 622-8408
011TA003514	Central Vermont Revolving Loan Fund	Pam Williams	(202) 622-8959
011TA003428	CF Banc Corporation	Fred Cooper	(202) 622-8290
011TA003489	Chatham-Lee Credit Union	Lori Stormer	(202) 622-8209
011TA003481	Comm. Neighborhood Housing	Paula Smith	(949) 458-0286
011TA003524	Communities United Credit Union	Pat Krackov	(202) 622-8453
011TA003457	Community Financing Consortium	Paula Smith	(949) 458-0286
011TA003522	Community Trust Federal Credit Union	Lori Stormer	(202) 622-8209
011TA003563	Connections for Community Ownership	Rosa Martinez	(202) 622-8439
011TA003460	Consumer's Federal Credit Union	Donna Fabiani	(617) 565-5167
011TA003462	Cooperative Business Assistance	Rosa Martinez	(202) 622-8439
011TA003478	Covenant Financial Services	Paula Smith	(949) 458-0286
011TA003456	El Paso Collaborative	Deattra Perkins	(202) 622-8704
011TA003506	Episcopal Community Federal Credit Union	Pat Krackov	(202) 622-8453
011TA003531	Faith Fund, Inc.	Jennifer Westerbeck	(202) 622-8449
011TA003570	First Nations Oweesta	Deepthi Jain	(202) 622-8751
011TA003551	Four Bands Community Fund, Inc	Deepthi Jain	(202) 622-8751
011TA003486	Four Directions Development Corp.	Alice Veenstra	(202) 622-9042
011TA003569	Genesee Co-op Federal Credit Union	Donna Fabiani	(617) 565-5167
011TA003454	Genesis Fund, Inc.	Deattra Perkins	(202) 622-8704
011TA003539	Habitat of Humanity of Minneapolis	Deattra Perkins	(202) 622-8704
011TA003591	Homesteaders Federal Credit Union	Jennifer Westerbeck	(202) 622-8449
011TA003543	KA'U Federal Credit Union	Heather Wiley	(202) 927-6225
011TA003567	La Fuerza Comm. Development Corporation	Rosa Martinez	(202) 622-8439
011TA003541	Latino Community Credit Union	Dawn Stentiford	(401) 849-4569
011TA003610	Latino Economic Development Assistance	Pam Williams	(202) 622-8959

011TA003469	Lowell Community Loan Fund	Devon Idstrom	(202) 622-8322
011TA003500	MaineStream Finance	Deepthi Jain	(202) 622-8751
011TA003599	Metro Broward Economic Development Corp.	Dawn Stentiford	(401) 849-4569
011TA003436	Metropolitan Comm. CU	Rosa Martinez	(202) 622-8439
011TA003476	Midland Community Devel. Corporation	Janet Carter	(202) 622-2312
011TA003504	Montana CDC	Lori Stormer	(202) 622-8209
011TA003473	Neighborhood Housing Svcs. Of Waco	Lori Glass	(202) 627-6332
011TA003513	Neighborhood Trust Federal CU	Heather Wiley	(202) 927-6225
011TA003537	Nevada Micro. Dev. Corp.	Pat Krackov	(202) 622-8453
011TA003520	New Haven Homeownership Center	Lori Glass	(202) 627-6332
011TA003474	NOAH Community Development Fund	Lori Glass	(202) 627-6332
011TA003590	North Side Comm. Federal Credit Union	Jennifer Westerbeck	(202) 622-8449
011TA003518	Pacific Gateway Center	Janet Carter	(202) 622-2312
011TA003527	Pennsylvania Appalachain	Deepthi Jain	(202) 622-8751
011TA003579	People's Comm. Partnership	Allison Moy	(202) 622-8275
011TA003578	Permian Basin Buss.	Heather Wiley	(202) 927-6225
011TA003450	Pine Mountain CDC	Dawn Stentiford	(401) 849-4569
011TA003482	Pocatello Neighborhood	Matt Josephs	(202) 922-9254
011TA003622	Prichard Federal Credit Union	Janet Carter	(202) 622-2312
011TA003557	Pueblo Coop	Pat Krackov	(202) 622-8453
011TA003452	Renaissance Community Fund	Dawn Stentiford	(401) 849-4569
011TA003594	Rural Alaska Investment and Finance	James Berg,	(303) 255-8847
011TA003494	Rural Collabrative	Deattra Perkins	(202) 622-8704
011TA003606	Rural Rental Housing Fund, LLC	Fred Cooper	(202) 622-8290
011TA003562	Rutland West Neighborhood	Sean Zielenbach	(202) 622-8408
011TA003623	Shiloh of Alexandria Federal Credit Union	Janet Carter	(202) 622-2312
011TA003434	South Dakota Rural Enterprise	James Berg,	(303) 255-8847
011TA003574	Southwest Virginia Comm. Devel. Financing	Heather Wiley	(202) 927-6225
011TA003459	Syracuse Coop. FCU	Sean Zielenbach	(202) 622-8408
011TA003564	TEJAS Comm. Credit	Paula Smith	(949) 458-0286
011TA003617	Union County Economic Devel.	Lori Glass	(202) 627-6332
011TA003448	Universal Capital Investment Fund	James Berg	(303) 255-8847
011TA003433	Urban Enterprise Fund	James Berg	(303) 255-8847
011TA003464	Virginia Community Development Fund	Alice Veenstra	(202) 622-9042
011TA003449	Washington Heights/Inwood Devel. Corp	Deattra Perkins	(202) 622-8704
011TA003505	Westchester Housing Fund, Inc.	Alice Veenstra	(202) 622-9042
011TA003607	Wolf Point Federal Credit Union	Williams Pam	(202) 622-8959
011TA003613	Women Venture	Lori Stormer	(202) 622-8209

FINANCIAL STATUS REPORT

(Short Form)

(Follow instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned By Federal Agency	OMB Approval No. 0348-0038	Page of pages
3. Recipient Organization (Name and complete address, including ZIP code)			
4. Employer Identification Number	5. Recipient Account Number or Identifying Number	6. Final Report <input type="checkbox"/> Yes <input type="checkbox"/> No	7. Basis <input type="checkbox"/> Cash <input type="checkbox"/> Accrual
8. Funding/Grant Period (See instructions) From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year)	To: (Month, Day, Year)
10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays			
b. Recipient share of outlays			
c. Federal share of outlays			
d. Total unliquidated obligations			
e. Recipient share of unliquidated obligations			
f. Federal share of unliquidated obligations			
g. Total Federal share(Sum of lines c and f)			
h. Total Federal funds authorized for this funding period			
i. Unobligated balance of Federal funds(Line h minus line g)			
11. Indirect Expense	a. Type of Rate(Place "X" in appropriate box) <input type="checkbox"/> Provisional <input type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed		
	b. Rate	c. Base	d. Total Amount
			e. Federal Share
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.			
13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.			
Typed or Printed Name and Title			Telephone (Area code, number and extension)
Signature of Authorized Certifying Official			Date Report Submitted

FINANCIAL STATUS REPORT

(Short Form)

Public reporting burden for this collection of information is estimated to average 90 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0038), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

Please type or print legibly. The following general instructions explain how to use the form itself. You may need additional information to complete certain items correctly, or to decide whether a specific item is applicable to this award. Usually, such information will be found in the Federal agency's grant regulations or in the terms and conditions of the award. You may also contact the Federal agency directly.

Item	Entry
1, 2 and 3. Self-explanatory.	the value of in-kind contributions applied, and the net increase or decrease in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subgrantees and other payees, and other amounts becoming owed under programs for which no current services or performances are required, such as annuities, insurance claims, and other benefit payments.
4. Enter the Employer Identification Number (EIN) assigned by the U.S. Internal Revenue Service.	10b. Self-explanatory.
5. Space reserved for an account number or other identifying number assigned by the recipient.	10c. Self-explanatory.
6. Check <i>yes</i> only if this is the last report for the period shown in item 8.	10d. Enter the total amount of unliquidated obligations, including unliquidated obligations to subgrantees and contractors.
7. Self-explanatory.	Unliquidated obligations on a cash basis are obligations incurred, but not yet paid. On an accrual basis, they are obligations incurred, but for which an outlay has not yet been recorded.
8. Unless you have received other instructions from the awarding agency, enter the beginning and ending dates of the current funding period. If this is a multi-year program, the Federal agency might require cumulative reporting through consecutive funding periods. In that case, enter the beginning and ending dates of the grant period, and in the rest of these instructions, substitute the term "grant period" for "funding period."	Do not include any amounts on line 10d that have been included on lines 10a, b, or c.
9. Self-explanatory.	On the final report, line 10d must be zero.
10. The purpose of columns I, II, and III is to show the effect of this reporting period's transactions on cumulative financial status. The amounts entered in column I will normally be the same as those in column III of the previous report in <i>the same funding period</i> . If this is the first or only report of the funding period, leave columns I and II blank. If you need to adjust amounts entered on previous reports, footnote the column I entry on this report and attach an explanation.	10e. f, g, h, h and i. Self-explanatory.
10a. Enter total program outlays less any rebates, refunds, or other credits. For reports prepared on a cash basis, outlays are the sum of actual cash disbursements for direct costs for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense incurred,	11a. Self-explanatory.
	11b. Enter the indirect cost rate in effect during the reporting period.
	11c. Enter the amount of the base against which the rate was applied.
	11d. Enter the total amount of indirect costs charged during the report period.
	11e. Enter the Federal share of the amount in 11d.
	Note: If more than one rate was in effect during the period shown in item 8, attach a schedule showing the bases against which the different rates were applied, the respective rates, the calendar periods they were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.