



# COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

UNITED STATES DEPARTMENT OF THE TREASURY

CDFI Fund • 601 Thirteenth Street, NW • Suite 200, South • Washington, DC 20005 • (202) 622-8662

# Supplemental FY 2009 CDFI Program

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Application for  
Financial Assistance

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## Application for Financial Assistance

Pending Renewal OMB No. 1559-0021

CDFI-0001

#### Paperwork Reduction Act Notice

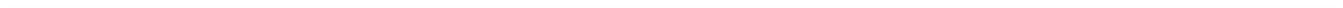
This submission requirements package is provided to Applicants for awards under the CDFI Program. The Estimated average burden associated with this collection of information is 50 hours per respondent, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Department of the Treasury, Community Development Financial Institutions Fund, 601 Thirteenth Street, N.W., Suite 200-South, Washington, DC 20005.

All materials are available on the CDFI Fund Website: [www.cdfifund.gov](http://www.cdfifund.gov).

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Catalog of Federal Domestic Assistance Number:

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# SUPPLEMENTAL FY 2009 CDFI PROGRAM

## APPLICATION FOR FINANCIAL ASSISTANCE

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# INTRODUCTION AND INSTRUCTIONS

**NOTE:** Capitalized terms (other than titles) are defined in the Notice of Funds Availability (NOFA) for the Supplemental FY 2009 Funding Round, the CDFI Program Regulations, or the CDFI Fund Program Glossary, which may be downloaded from the Fund's website at [www.cdfifund.gov](http://www.cdfifund.gov). Certain terms used throughout the Application have meanings unique to the CDFI Program. Applicants should make sure that they are familiar with these meanings by consulting the NOFA, regulations, and glossary.

## **CDFI Fund: Mission and Programs**

The mission of the Community Development Financial Institutions Fund (the Fund) is to expand the capacity of financial institutions to serve populations and communities lacking adequate access to Financial Products and Financial Services. The Fund achieves its mission by directly investing in and supporting Community Development Financial Institutions (CDFIs), Community Development Entities (CDEs), and other financial institutions through the following programs and initiatives:

- CDFI Program (includes Financial Assistance (FA) and Technical Assistance (TA)).
- Bank Enterprise Award (BEA) Program.
- New Markets Tax Credit (NMTC) Program.
- Native Initiatives.

Information on the Fund's programs can be found on the Fund's website at [www.cdfifund.gov](http://www.cdfifund.gov). From the home page, click on "What We Do" then "Information for Applicants." Click on the link for the various programs of interest.

## **Supplemental FY 2009 CDFI Program**

For FY 2009, the Fund will conduct its CDFI Program funding round in two components: (i) the Initial FY 2009 Funding Round, as set forth in the NOFA published on August 15, 2008, and the Fund's Recovery Act Implementation Plan, issued on March 18, 2009 pursuant to The American Recovery and Reinvestment Act of 2009 (Pub. Law 111-5, Division A, Title V) (hereafter, the Recovery Act), and (ii) the Supplemental FY 2009 Funding Round, as set forth in the NOFA published in April 2009. This Supplemental Application is for Applicants seeking FA only. The key component for applying for CDFI Program funding is the submission of the Comprehensive Business Plan (CBP). The application deadline for the Supplemental FY 2009 Funding Round of the CDFI Program is 5:00 p.m. Eastern Time, Wednesday, May 27, 2009. For the purposes of the Supplemental FY 2009 Funding Round, applicants must be Certified or Certifiable CDFIs as of March 18, 2009 as described in the NOFA. In addition, a "Certification of Material Event Form" must be submitted to the Fund no later than 5:00 p.m. on May 15, 2009.

## **Funding for Financial Assistance**

Financial Assistance (FA) funds can be requested for Financial Products, Financial Services, Development Services, Capital Reserves, Loan Loss Reserves, Operations and other uses that support the Comprehensive Business Plan. These funds are intended to offer flexible financial support for CDFIs to achieve the strategies outlined in their Comprehensive Business Plans. The most popular use of these funds is for direct financing of the Applicant's financial products.

Awardees may also use FA funds to cover staff costs or other operating expenses, restore or increase loan loss reserves, or otherwise strengthen the Awardee’s capital structure, e.g., by increasing net assets.

**Note: Applicants should be aware that successful awardees will be required to demonstrate that an amount equal to at least 85% of the total FA award amount has been deployed to its Target Market in Financial Products, Financial Services, and/or Development Services over the three year reporting period.**

Only a certified CDFI may receive an FA award. For the Supplemental FY 2009 Funding Round, all awards will be in the form of grants and no matching funds are required. The reporting period for an FA award is approximately 3 years as specified in each Awardee’s Assistance Agreement.

The amount of FA an Applicant can request depends on its category. This category determination is predominantly driven by asset size and age. Applicants requesting FA fall into one of two categories for the purposes of the Supplemental FY 2009 Application:

**Category I: Small and/or Emerging CDFI Assistance (SECA).** A Category I/SECA Applicant may request up to \$600,000 in FA. To qualify, an Applicant must also meet an asset test or an age test as follows:

- Began operations on or after January 1, 2005.
- OR**
- Has Total Assets as of the end of the Applicant’s most recent fiscal year or March 31, 2009, as follows:

Institution Type	SECA Asset Maximum
Insured Depository Institution / Holding Company	up to \$250 million
Insured Credit Union or Venture Capital Fund	up to \$10 million
Other CDFIs (Loan Funds)	up to \$5 million

**Category II: Core.** A Category II/Core Applicant may request up to \$2 million in FA. A Category II/Core Applicant is a Certified CDFI or a Certifiable CDFI (defined below) that meets all other eligibility requirements described in the NOFA for the FY 2009 funding round.

**TIP** The Fund will not make an award over the requested amount. Applicants are advised to consider organizational needs and projected costs carefully in developing the award request.

## **Application Eligibility Factors**

There are several factors that determine whether an organization is eligible to apply under the FY 2009 funding round. *Please refer to the Supplemental FY 2009 Funding Round NOFA for additional information regarding application eligibility factors including eligibility factors for Prior Fund Awardees or Allocatees.*

## Certification Status

For purposes of this Application, eligible FA Applicants include Certified CDFIs and Certifiable CDFIs, as described below and in the NOFA. A certified CDFI is a CDFI that has received official notification from the Fund that it meets all CDFI certification requirements as of March 18, 2009 and whose certification has not expired or been terminated by the Fund.

A Certifiable CDFI is an entity from which the Fund has received a complete CDFI Certification Application no later than March 18, 2009, evidencing that the Applicant meets the requirements to be certified as a CDFI.

Table 1 – FA Eligibility	
Applicant Type	What to Submit
<p><b>Certified CDFIs</b> Any certified CDFI whose certification has not expired and that has not been notified by the Fund that its certification has been terminated.</p>	<p><input type="checkbox"/> Certification of Material Event Form</p> <ul style="list-style-type: none"> <li>– Submit the Certification of Material Event Form to the Fund as of May 15, 2009.</li> <li>– The Form and related guidance are available on the Fund's website at <a href="http://www.cdfifund.gov">www.cdfifund.gov</a>.</li> </ul>
<p><b>Certifiable CDFIs</b> For purposes of this Application, a Certifiable CDFI is an entity from which the Fund receives a complete CDFI Certification Application no later than <b>March 18, 2009</b>.</p> <p>Note: The Fund will only certify as a CDFI an entity that submits a CDFI Certification Application that the Fund determines meets each certification requirement.</p>	<p><input type="checkbox"/> <u>CDFI Certification Application</u></p> <ul style="list-style-type: none"> <li>– Certifiable CDFIs must have submitted a CDFI certification application to the Fund no later than <b>March 18, 2009</b>.</li> </ul>

## Legal Entity

At the time an entity submits its Application, it must be a duly organized and validly existing legal entity under the laws of the applicable jurisdiction (including a Tribal jurisdiction), in which it is incorporated or otherwise established.

## Waiver of Matching Funds Requirement

Pursuant to the Recovery Act, matching funds requirements have been waived for the entire FY 2009 Funding Round of the CDFI Program. Therefore, all FA awards issued through the CDFI and NACA programs in FY 2009 will be in the form of grants.

## **Application Submission**

Applicants must submit applications under the Supplemental FY 2009 Funding Round electronically. Applications sent by mail, facsimile or other form will not be permitted, except in circumstances that the Fund, in its sole discretion, deems acceptable.

Applications must be submitted through myCDFIFund, the Fund's internet-based interface. Please note that the Fund is not accepting Applications through Grants.gov. Please see the Fund's website at [www.cdfifund.gov](http://www.cdfifund.gov) for instructions on accessing and submitting Applications.

### **Ensuring that the Application Is Complete**

**Complete Versus Incomplete Applications:** A complete Application is one that includes all required material listed on the Application Checklist. Some items – if missing or incomplete – will result in the immediate rejection of the entire Application.

Any Application missing the SF 424 or a valid EIN will immediately be rejected. No Applicant will be given an opportunity to provide a missing SF 424 or missing EIN after the Application deadline.

Any Applicant that fails to submit a Certification of Material Events Form will immediately be rejected. No Applicant will be given an opportunity to provide a missing Certification of Material Events Form or update incomplete information on a submitted form. The complete Form must be submitted to the Fund by 5:00 p.m. on May 15, 2009.

The Fund will allow two business days for an Applicant to submit the following items if missing or incomplete:

- IRS Documentation of the Applicant's EIN.
  - Provide an electronic copy of Internal Revenue Service (IRS) documentation as evidence the Applicant itself (i.e., not its parent or Affiliate) has been assigned its own unique EIN.
- Dun and Bradstreet Data Universal Numbering System (DUNS) Number.
  - Any entity applying for Federal assistance is required to have a DUNS number.
  - To obtain this number, call 1-866-705-5711 or visit [www.DNB.com](http://www.DNB.com).
- Environmental & Legal Certifications.
- Signed copy of the SF-424.

**TIP** Do not wait until the last minute to obtain a DUNS or EIN documentation. The Fund strongly encourages Applicants to allow sufficient time to obtain the necessary numbers or documentation. If either the DUNS or EIN documentation is missing from the initial submission of the Application materials, the 2 days allowed by the Fund to submit these items may not be sufficient time to obtain them. It is always better to ensure that the initial Application submission contains all required items and documentation.

## **Contacting the CDFI Fund**

The Fund will respond to questions between the hours of 9:00 a.m. and 5:00 p.m. ET, through May 25, 2009. The Fund will not respond to phone calls or e-mail inquiries received after 5:00 p.m. ET on May 25, 2009, until after the funding Application deadline.

<b>Table 2 – CDFI Fund Contact List</b>			
<b>Main Office:</b>	(202) 622-8662 (202) 622-7754 (fax)	www.cdfifund.gov	General inquiries; phone numbers for individual Fund staff; access to myCDFIFund and program webpage.
<b>Program Support:</b>	(202) 622-6355	cdfihelp@cdfi.treas.gov	CBP questions, how to complete tables, certification.
<b>Grants Management Support</b>	(202) 622-8226 (202) 622-7754 (fax)	grantsmanagement@cdfi.treas.gov	Application deadlines; Application submission requirements; completing the Signature Page or Environmental Review Form; Questions regarding EIN Documentation, DUNS, disbursements, and Notices of Awards.
<b>Compliance and Monitoring Support</b>	(202) 622-6330 (202) 622-7754 (fax)	cme@cdfi.treas.gov	Status of compliance with other awards including outstanding reports.
<b>IT Support</b>	(202) 622-2455	ithelpdesk@cdfi.treas.gov	Registering and creating accounts on myCDFIFund.
<b>Legal Support</b>	If you have any questions or matters that you believe require response by the Fund's Office of Legal Counsel, please refer to the document titled "How to Request a Legal Review", found on the Fund's web site at www.cdfifund.gov.		

NOTE: These are not toll-free numbers.

# APPLICATION CHECKLIST

Table 3 – Application Checklist			
Application Component	Prepare In...	Submit via...	Notes
<b>Standard Form (SF) 424</b>	myCDFIFund Online Form	myCDFIFund	<b>Required of All Applicants</b> <ul style="list-style-type: none"> <li>▪ This form must be signed by an authorized person.</li> <li>▪ Complete, sign and scan the document.</li> <li>▪ Submit as an attachment online.</li> </ul>
<b>Documentation of EIN</b>	PDF	myCDFIFund	<b>Required of All Applicants:</b> <ul style="list-style-type: none"> <li>• Documentation from the IRS of their own unique EIN.</li> </ul>
<b>Signature Page</b>	myCDFIFund Online Form	myCDFIFund	<b>Required of All Applicants:</b> <ul style="list-style-type: none"> <li>• Complete and submit form online.</li> </ul>
<b>Environmental Review Form 501 (c)(4) Certification Assurances and Certifications</b>	MS Word (Templates)	myCDFIFund	<b>Required of All Applicants:</b> <ul style="list-style-type: none"> <li>• Environmental Review Form and the 501(c)(4) Certification (if applicable): <ul style="list-style-type: none"> <li>– Complete MS Word Templates.</li> </ul> </li> <li>• Assurances and Certifications: Electronic Signature on the SF 424 certifies this form – it is not necessary to submit a separate copy.</li> </ul>
<b>Certification of Material Events</b>	MS Word	Mail or Fax	<b>Required of All Certified CDFI Applicants:</b> <ul style="list-style-type: none"> <li>▪ Complete and submit form online. Must be complete by May 15, 2009.</li> </ul>
<b>Comprehensive Business Plan (Narrative)</b>	MS Word	myCDFIFund	<b>Required of All Applicants:</b> <ul style="list-style-type: none"> <li>• Complete MS Word template.</li> </ul>
<b>Application Charts</b>	MS Excel	myCDFIFund	<b>Required of All Applicants:</b> <ul style="list-style-type: none"> <li>• Complete all applicable charts in the Excel Workbook.</li> </ul>
<b>Financial Statements</b>	PDF	myCDFIFund	<b>Required of All Applicants</b>
<b>Organizational Chart &amp; Resumes</b>	MS Word	myCDFIFund	<b>Required of All Applicants</b>

## Important Deadlines

- **Certification Application:** Must have been received by the Fund by **March 18, 2009**.
- **Certification of Material Events Form:** Must be received by the Fund by **May 15, 2009**.
- **FA Electronic Application:** Must be submitted to the Fund via myCDFIFund submission by 5:00 p.m. Eastern Time, **Wednesday, May 27, 2009**.

**Incomplete Applications:** Applications received after the submission deadlines noted above and/or missing any of the items listed below will be considered incomplete and immediately rejected from consideration for an award without an opportunity to rectify:

- SF 424
- EIN
- Certification of Material Events Form
- Substantially incomplete CBP section of the Application

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# PART I:

## COMPREHENSIVE BUSINESS PLAN

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### WHO MUST COMPLETE THIS SECTION?

- ALL APPLICANTS

### IS THERE ANYTHING IN THIS SECTION THAT WILL CAUSE MY APPLICATION TO BE REJECTED IF I MISS IT?

- The Applicant will use the specified MS Word template provided in the application documents available from [www.cdfifund.gov](http://www.cdfifund.gov) to respond to the CBP questions. An Applicant will be able to submit the CBP document even if there are no responses to the questions or the responses are incomplete. However, the lack of information will prevent reviewers from completing their evaluation. Therefore, if the Fund determines that there is insufficient information in the CBP section to evaluate the Application, it will not forward it for review. No Applicant will be provided an opportunity to provide supplemental information for the CBP.

### IS THERE A PAGE LIMIT IN THIS YEAR'S APPLICATION?

- Yes. Each section in the Application that is scored has page limitations. You will find guidance in each section specifying the page limits. Applicants are encouraged to read each section carefully and to remain within the page limitations for each section. The Fund will not consider responses beyond the specified page limitation in each section – reviewers will be instructed to stop reading the narrative at the page limit. Funding applications must be single-spaced and use a 12-point font with 1 inch margins.

**Table 6 - Application Page Limits**

Comprehensive Business Plan – Narrative Sections	Maximum Number of Narrative Response
Executive Summary	One (1) page
Market Analysis	Seven (7) pages
Business Strategy	Nine (9) pages
Community Development Performance & Effective Use	Six (6) pages
Management	Six (6) pages
Financial Health & Viability	Seven (7) pages
Total Narrative	Thirty-six (36) pages

### THINGS TO NOTE:

- Be sure to pay close attention to the Tips as well as the questions.
- The charts are all in a single MS Excel workbook. An electronic version of this Excel file is included in the application documents available from [www.cdfifund.gov](http://www.cdfifund.gov).
- The completed Excel Workbook and completed MS Word CBP template will be submitted electronically through the applicant's myCDFIFund account.

- Do not submit additional materials that are not specifically requested in this Application. The Fund will read only the information it requests. It will not read attachments that have not been specifically requested (such as organizational strategic plans, marketing plans, or letters of support).

# GENERAL GUIDANCE

The CBP includes an Executive Summary and five key sections, each of which includes several subcomponents. The maximum points available for each section are as follows:

<b>Comprehensive Business Plan (CBP) Sections</b>	<b>Category I/SECA</b>	<b>Category II/Core</b>
Market Analysis	25 points	20 points
Business Strategy	25 points	20 points
Community Development Performance and Effective Use	20 points	20 points
Management	20 points	20 points
Financial Health and Viability	10 points	20 points

## **Charts and Attachments**

The charts and attachments required to complement and supplement the CBP narrative are detailed within each section of the CBP. Make sure the charts and all attachments are submitted appropriately.

## ACTIVITIES LEVEL CHART CATEGORIES

Chart D, the Activities Level Chart, is an important supplement to the CBP narrative. Please use this table to clarify the financial product and service selection options in Chart D. Applicants are encouraged to use the activities listed when describing its financial products in its CBP. These "Activity" categories are loosely based on the transaction "Purpose" options found in the Community Investment Impact System (CIIS), the Fund's online data reporting tool. CDFIs that successfully receive an FA award are required to report their financing activity through CIIS annually. To learn more about CIIS click on the CIIS link under "What We Do" on the Fund's website, [www.cdfifund.gov](http://www.cdfifund.gov).

<b>Business Products:</b> Investments used to finance working capital or non-real estate fixed asset purchases. Commonly financed working capital includes payroll, rent, or utility expenses. Commonly financed fixed assets include machinery and equipment, furniture and fixtures, and leasehold improvements. Select one of the three categories that most accurately identifies the type of borrower to whom the product is targeted, and the type of investment made.	
Activity Option	Description
<b>Business - Equity Investments</b>	Equity Investments made to support for-profit entities. Intermediaries should use this category for equity investments made to for-profit CDFIs.
<b>Business Loans - Community Organizations</b>	Loans supporting non-profit or not-for-profit entities. Intermediaries should use this category for loans and EQ2 investments made to non-profit CDFIs.
<b>Business Loans - Non-Micro</b>	Loans supporting non-microenterprise, for-profit entities.
<b>Business Loans – Microenterprise</b>	Loans supporting microenterprise, for-profit entities.
<b>Consumer Loans</b>	Personal (secured or unsecured) loans to one or more individuals for health, education, emergency, credit repair, debt consolidation, or other consumer purposes (including car loans).
<b>Home Purchase – 1<sup>st</sup> Mortgage</b>	Non-subordinated loans supporting the purchase of a primary residence.
<b>Home Purchase - Subordinate</b>	Subordinated loans supporting the purchase of a primary residence and is not in first position. This includes down-payment assistance loans.
<b>Home Improvement</b>	Loans for the renovation or other improvement of an owner-occupied home, regardless of lien position.
<b>Real Estate Products:</b> Investments used for any real estate financing. Common real estate uses include acquisition, predevelopment, construction or permanent financing of office, retail, or manufacturing, space. Select one of the three categories which most accurately identifies the type of borrower the product is targeted.	
<b>Real Estate-Commercial</b>	Loans/equity investments that support commercial for-profit entities. Select this option for <b>mixed-use</b> real estate combining both commercial and residential use.
<b>Real Estate-AHD</b>	Loans/equity investments that support that support affordable housing development (AHD).
<b>Real Estate-Community Facilities</b>	Loans/equity investments that support <b>community facilities</b> .
<b>Savings/Checking/Share/Draft Accounts</b>	Deposit accounts offered by regulated financial institutions.
<b>Other</b>	Select this category for any grant programs or other financing not identified above.

# EXECUTIVE SUMMARY

No Points

## Narrative Page Limit

- ❑ The Executive Summary must be no more than one (1) page.
- Provide a narrative describing the Applicant's mission, key products and services, community development track record, and impacts to date in its Target Market.
- Include a paragraph stating the exact amount of the total award request. Include a sentence for the FA request which details the exact amount and intended use of funds. The FA total must be indicated on the Data Request Form within the Applicant Excel Workbook.
- Summarize the key elements of the CBP, expected outcomes, and proposed uses of FA.
- Complete an Applicant Profile providing the following information (a sample template is provided):
  - Organization name (Do not abbreviate)
  - Certification status – “certified,” “certifiable,” or “emerging” CDFI
  - Year organization was established
  - Major products offered
  - Geographic and, if applicable, population-based Target Market(s) served
  - Expected use of funds (summarize categories, high cost items, and unique uses).

### ***Sample Profile Template:***

**Smithtown Loan Fund is a certified CDFI established in 1973. It provides microloans and small business training related to childcare and youth development to a Low-Income Targeted Population in Orange County California. Smithtown Loan Fund will use the 2009 Financial Assistance award as lending capital.**

## **COMMUNITY PARTNER**

### **Narrative Page Limit**

- ❑ If applicable, the Community Partner narrative must be no more than one (1) page.

The Fund's statute provides specific conditions for an Applicant working with a Community Partner through a Community Partnership. The term "community partner" means an entity that provides loans, equity investments, or Development Services, including a DIHC, an IDI, an ICU, a nonprofit organization, a State or local government agency, a quasi-governmental entity, and an investment company authorized to operate pursuant to the Small Business Investment Act of 1958. The term "community partnership" means an agreement between a CDFI and a Community Partner to provide Development Services, loans, or equity investments to a Target Market.

If the Applicant has a Community Partner, attach the written agreement between the Applicant and the Community Partner. Briefly discuss the role of the Community Partner in delivering products, services, and projects in the Target Market. Describe how the Applicant will ensure quality performance by the Community Partner, how the Community Partner will enhance the likelihood of success of the CBP, and how service to the Target Market will be better performed by a partnership than by the Applicant alone.

**TIP** The CBP must be written from the Applicant's perspective. An Applicant may reference activities of its Affiliates (such as a parent organization) to the extent they are relevant to the Applicant's ability to carry out its CBP.

# MARKET ANALYSIS

Category I/SECA Applicants: 25 points; Category II/Core: 20 points

The Fund will evaluate: (i) the extent and nature of the economic distress within the designated Target Market; and (ii) the extent of demand for the Applicant's Financial Products, Development Services, and Financial Services within the designated Target Market.

## **Charts and Attachments**

- Activities Level Chart (Chart D in the Application Charts Excel Workbook)

## **Narrative Page Limit**

- The Narrative response to Part I. Market Analysis must be no more than seven (7) pages.

## **Narrative**

### **1. Briefly describe the Applicant's current or proposed Target Market.**

- Describe the Applicant's Target Market (according to the CDFI Fund's definitions, i.e., Investment Area, OTP, LITP)
- Provide an overview of the designated Target Market's principal characteristics (such as demographic, economic, or household characteristics). Provide quantitative and qualitative data on the Target Market context (e.g., population, population shifts, business environment, number of small businesses, largest employers).
- Discuss the extent of economic distress within this Target Market including quantitative and qualitative data (e.g., unemployment, poverty, number of families needing housing, etc.).
- Discuss the need in the Target Market for credit, capital, and financial services.

### **2. Discuss the demand for the Applicant's Financial Products, Development Services, and/or Financial Services within the Target Market.**

- Discuss and quantify the extent of demand for the Applicant's Financial Products, Development Services, and/or Financial Services within the current or proposed Target Market.
- Explain how the Applicant ascertained that there was demand for the Financial Products, Development Services, and/or Financial Services that it offers. Discussion should include indicators of demand such as market studies for specific products, trends in product deployment, and/or the number of applications/inquiries per month.
- Describe the demand for the CDFI by providing a sense of the financial marketplace currently available to the community. Identify other sources of Financial Products, Development Services, and/or Financial Services and discuss gaps in access to these resources in the Target Market.

### **3. Address areas needing improvement and steps taken to address these areas.**

- Acknowledge the areas for improvement needed in the Applicant's Market Analysis capacity by discussing the extent to which the Applicant lacks one of the elements above or is a start up. Include a discussion of how the applicant is trying to improve on those areas.

# BUSINESS STRATEGY

Category I/SECA Applicants: 25 points; Category II/Core: 20 points

The Fund will evaluate the Applicant's business strategy for addressing market demand and creating community development impact through: (i) its Financial Products, Development Services, and/or Financial Services; (ii) its marketing, outreach, and delivery strategy; and (iii) coordination with community development entities within the Target Market.

## Charts and Attachments

- Activities Level Chart (Chart D in the Application Charts Excel Workbook)

## Narrative Page Limit

- The Narrative response to Part II. Business Strategy must be no more than nine (9) pages.

## Narrative

### 4. Describe the Applicant's relevant Financial Products and Financial Services.

- List each of the Applicant's current and proposed Financial Products and/or Financial Services. ***For each: identify the dollar range, interest rate, fees, and terms.***
- Describe the customer profile for each Financial Product/Service and discuss how their design or proposed design is appropriate for the customer (e.g. flexible underwriting criteria, nontraditional forms of collateral, low down payment requirements, closing costs assistance, etc.).
- Describe the returns generated by each Financial Product and/or Financial Service. Make sure to discuss sources and costs of capital, the returns generated by each product/service, and the financial sustainability of each.
- Discuss how the Applicant's Financial Products/Services are leveraged with other resources (public and private) to achieve greater impact.

### 5. Describe the Applicant's Development Services.

- List each of the Applicant's current or proposed Development Service offerings. Typical examples include credit and financial counseling, homebuyer classes, business development classes, or project financing consultations for affordable housing development CDFIs. ***For each: identify the curriculum, qualifications of instructors, format (i.e., one-on-one vs. group); frequency of offerings, fees/costs, and the system used to evaluate the effectiveness of these offerings.***
- Discuss how Development Services are linked to Financial Products and/or Financial Services. What is the relationship between the number of clients receiving Development Services and ultimately qualifying for Financial Products?
- What are the Applicant's plans for pre-and post-loan support?
- Who provides (include description of partners) Development Services?
- How does the Applicant sustain these Services? (How does the Applicant cover the costs of providing these Services?)

6. **Describe the Applicant's marketing, outreach, and delivery strategy. Discuss the Applicant's collaboration, coordination, and partnerships.**
  - Describe how the Applicant markets its products and services.
  - Discuss methods the Applicant uses to expand the reach of its marketing. Discuss efforts to reach out to marginalized or isolated populations.
  - Discuss how the Applicant will sustain its delivery mechanisms.
  - Describe the Applicant's collaboration, coordination, and partnerships (including with banks, credit unions, CDFIs; local, state and tribal government agencies; and other relevant entities).
  
7. **Address areas needing improvement and steps taken to address these areas.**
  - Acknowledge the areas for improvement needed in the Applicant's Business Strategy capacity by discussing the extent to which the Applicant lacks one of the elements above or is a start up. Include a discussion of how the applicant is trying to improve on those areas.

# COMMUNITY DEVELOPMENT PERFORMANCE AND EFFECTIVE USE

Category I/SECA Applicants: 20 points; Category II/Core: 20 points

The Fund will evaluate (i) the Applicant's track record in providing Financial Products, Financial Services, and Development Services to the Target Market; (ii) the Applicant's projected activity levels and community development objectives and (iii) the extent to which the Applicant will maximize the effective use of the Fund's resources.

## Charts and Attachments

- Activities Level Chart (Chart D in the Application Charts Excel Workbook)
- Community Development Impacts Chart (Chart E in the Application Charts Excel Workbook)

## Narrative Page Limit

- The Narrative response to Part III. Community Development Performance and Effective Use must be no more than six (6) pages.

## Narrative

8. **Describe the Applicant's track record in providing Financial Products, Development Services, and/or Financial Services.**
  - Discuss the Applicant's past activities focusing on those specifically provided to clients in the designated Target Market. As appropriate, utilize historic data from the Activities Level Chart (Chart D) to support the Applicant's discussion.
  - Discuss the circumstances behind the Applicant's track record. For instance, relate growth patterns to the figures reported on the Activities Level Chart. Likewise, if the Applicant has experienced alternating periods of growth and decline, explain why this has occurred.
  - Discuss the extent to which past activity levels are suitable in light of the Applicant's organizational structure, products and services, and external/market factors.
  - Discuss the impacts and outcomes that have resulted from the Applicant's activities. Refer to historic data from the Community Development Impact Chart. Discuss how these outcomes are measured.
  
9. **Describe the Applicant's projected activities and how progress toward these goals is measured.**
  - Describe the Applicants projected activities, as illustrated in Activities Level Chart. Explain how all projected figures and timelines were calculated.
  - Describe the Applicant's impacts selected in the Community Development Impacts Chart (Chart E). Explain key data the Applicant uses to measure impact over time and how that data is captured.

- Describe the procedures and systems in place (or that will be developed) allowing the Applicant to track the impacts listed in Chart E.

**TIP** The Fund is looking for clearly defined specific outcomes or impacts that will be achieved during the performance period. For example, as a result of the Applicant's activities, it may successfully increase homeownership opportunities for Low Income residents of the Target Market. In structuring this discussion, keep in mind that outcomes are ultimate goals. Benchmarks or outputs are interim activities or products that lead to the ultimate achievement of the Applicant's goals.

**10. Discuss why the Applicant should receive a government subsidy in the form of a CDFI Fund award given the Fund's limited resources.**

- Describe in detail how the Applicant will use the Fund's award. Provide a timeline for achieving the major CBP's objectives. Discuss the Applicant's capacity to deploy the FA Award during the next three years.
- Discuss how the requested award will enable the Applicant to build its capacity as a CDFI.
- Explain how this award will help the applicant attract or leverage non-federal support for its work. Describe the percentage of federal dollars the applicant has historically depended on and how that percentage has changed over time. Explain which other types of support the applicant has or plans to use such as foundations, traditional banks, corporations, fees for service, etc.

**11. Prior Awardees.** If the Applicant or an Affiliate has received an award under any of the Fund's programs, discuss the extent to which the Applicant has been successful in utilizing the award(s) to build its capacity. *For Awards received between FY2004-2007*, discuss the extent to which the Applicant has been successful in meeting performance goals and reporting requirements. Additionally, please include the following information:

- Name of the entity that received the award(s) and relationship to the Applicant.
- Previous FA Awardees: At any time during the performance period, did the Awardee fail to meet a performance measure or a financial soundness covenant? If yes:
  - ~ What caused the failure?
  - ~ How have the issues leading to the failure been addressed/resolved?
  - ~ Is the Awardee requesting FA for the same type of activities? If yes, do the projected activity levels coincide with that of the previous award?
- Previous TA Awardees:
  - ~ Did the Awardee expend all the TA funds within the 2-year period? If not, why?
  - ~ How did the TA funds lead to improvements in the Awardee's capacity?
- Has the Applicant and/or any Affiliate previously received a financial award (includes any awards made under the CDFI Program, Native American Programs, and BEA Program) or NMTC Allocation from the CDFI Fund? (Yes or No). If yes, please list all of those previous awards and/or allocations:

Previous Awards				
Name of Awardee	EIN of Awardee	Award Control Number	Total Award/Allocation Amount	Award Type

**12. Address areas needing improvement and steps taken to address these areas.**

- Acknowledge the areas for improvement needed in the Applicant's CD Performance and Effective Use capacity by discussing the extent to which the Applicant lacks one of the elements above or is a start up. Include a discussion of how the applicant is trying to improve on those areas.

# MANAGEMENT

Category I/SECA Applicants: 20 points; Category II/Core: 20 points

The Fund will evaluate the Applicant's organizational capacity to achieve the objectives set forth in its Comprehensive Business Plan as well as its ability to use its award successfully and maintain compliance with its Assistance Agreement through an evaluation of: (i) the capacity, skills, size and experience of the Applicant's Governing Board, management team, and key staff; and (ii) the Applicant's management controls and risk mitigation strategies including policies and procedures for portfolio underwriting and review, financial management, risk management, management information systems.

## **Charts and Attachments**

- Organizational Chart
  - Chart should illustrate all positions as of the date of the Application including (i) Governing Board; (ii) management; (iii) all staff including shared or donated staff from other organizations or Affiliates; and (iii) volunteers and consultants who are an integral part of the Applicant's operations. Show reporting relationships for all positions.
- Up-to-date resumes of all personnel involved in implementing the CBP.

## **Narrative Page Limit**

- The Narrative response to Part IV. Management must be no more than six (6) pages.

## **Narrative**

- 13. Describe the capacity, skills, size and experience of the Applicant's Governing Board.**
  - List the members of the Applicant's Governing Board, advisory board, and any key committees that are an integral part of the Applicant's operations (e.g., loan/investment committee, audit committee).
  - For each member, provide a brief (one paragraph) description of that individual's capacity, skills, and experience – especially as it relates to his or her position on the board or committee.
  - If the Applicant has an Advisory Board, describe its role in advising policies and mission.
  - Describe how the Board is accountable to the Target Market.
- 14. Describe the capacity, skills, and experience of the Applicant's management team and key staff.**
  - For each member of the management team and any key staff who are integral to implementing the CBP (e.g., loan officers or marketing professional) provide a brief (1-2 paragraph) description of: (i) the position held by the individual including role and responsibilities; (ii) the individual's capacity, skills, and experience as it relates to his or her position; and (iii) the individual's role in carrying out the CBP.
  - For any vacancies or new positions, describe the status of filling the position and the strategy for doing so, as well as the expected date of filling the position.

**15. Describe the Applicant's underwriting policies and procedures.**

- Describe the underwriting process and review criteria for each product. Note whether the Applicant has written, board-approved policies in place.
- Discuss how the underwriting policies are responsive to the needs of the Target Market (ex: considerations for low credit scores or blemished credit histories, etc.) Provide an example illustrating these policies in practice.
- Address the roles and responsibilities for due diligence, initial recommendation, setting the interest rate, determining the risk level, and making the final loan decision.

**16. Describe the Applicant's portfolio management policies and procedures.**

- Discuss the Applicant's methodology for portfolio review, including the role of staff and/or Governing Board and/or committee members. Describe when and how portfolio review is conducted. Note whether the Applicant has written, board-approved policies in place.
- Describe the methodology for Write-Off/Charge-Offs of unrecoverable loans. Explain if Applicant does not Write-Off/Charge-Off loans delinquent greater than 120 days.
- Describe how the Applicant addressed delinquencies and defaults in its portfolio. Provide an example where the Applicant addressed problem loans. Describe any Development Services provided to borrowers that are related to portfolio management.
- If the Applicant is requesting an award for a new product, explain if policies and procedures have been developed or the timeframe for doing so.
- If Applicant provides Equity Investments:
  - ~ Describe the Applicant's role in company management and board decisions.
  - ~ Describe the methodology for portfolio valuation. If the Applicant does not revalue its portfolio at least annually, explain why.

**17. Describe the Applicant's financial management policies and procedures.**

- Discuss the Applicant's management of financial accounts. Discuss whether the Applicant conducts annual Audits.
- Discuss the Applicant's systems for tracking and reporting on use of funds from public and private sources.
- Discuss how the Applicant determines liquidity and operating reserves.
- Discuss the degree of oversight provided by the Board. Does the Board set goals or monitor performance measures (such as the measures identified in Part V, Financial Health & Viability?)

**18. Describe the Applicant's Management Information Systems (MIS).**

- BRIEFLY describe the Applicant's MIS including software and other technology used for: underwriting, portfolio monitoring, data and impact tracking, developing internal Financial Statements. For each item, provide the name of the current MIS in use and briefly describe the types of reports that are generated or explain the Applicant's strategy for acquiring and implementing an effective MIS.
- To the extent the Applicant lacks a system or procedure, explain the strategy for acquiring and implementing the appropriate information systems and technology.

- BRIEFLY discuss the Applicant's ability to ensure compliance with a CDFI Fund Assistance Agreement, including ability to report electronically through the Community Investment Impact System (CIIS)

**19. Address areas needing improvement and steps taken to address these areas.**

- Acknowledge the areas for improvement needed in the Applicant's Management capacity by discussing the extent to which the Applicant lacks one of the elements above or is a start up. Include a discussion of how the applicant is trying to improve on those areas.

# FINANCIAL HEALTH AND VIABILITY

Category I/SECA Applicants: 10 points; Category II/Core: 20 points

The Fund will evaluate the Applicant's: (i) audited or otherwise prepared Financial Statements; (ii) safety and soundness, including an analysis of the Applicant's financial services industry ratios (capital, liquidity, deployment and self-sufficiency) and ability to sustain positive net revenue; (iii) projected financial health, including its ability to raise operating support from sources other than the Fund and its capitalization strategy; and (iv) portfolio performance including loan delinquency, loan losses, and loan loss reserves.

<b>Financial Ratio Minimum Prudent Standards (MPS)</b>			
<b>Measure</b>	<b>Non-Regulated CDFIs</b>	<b>Insured Credit Unions</b>	<b>IDIs / DIHCs</b>
<b>Capital</b> Measures the underlying financial strength of an Awardee and whether it has sufficient cushion of assets to cover unexpected losses. The capital ratio identifies the percentage of the CDFI's total assets unencumbered by debt.	<b>Net Asset Ratio <math>\geq 20\%</math></b> Net Assets divided by Total Assets	<b>Net Worth Ratio <math>\geq 6\%</math></b> Net Worth divided by Total Assets	<b>Tier 1 Leverage Capital <math>\geq 8\%</math></b>
<b>Asset-Liability Management</b> Is the structure of the Applicant's debt appropriate for its financial products?	<b>Current Ratio = 1.25: 1</b> Current assets divided by current liabilities.	Narrative Only	Narrative Only
<b>Deployment</b> Measures how much of the Applicant's available funds are lent out or invested.	<b>Deployment Ratio <math>\geq 50\%</math></b>	Narrative Only	<b>Net Loans &amp; Leases To Deposits <math>&gt;50\%</math></b>
<b>Self-Sufficiency</b> Measures the percentage of operating costs a CDFI can cover with earned revenue.	<b>Self-Sufficiency Ratio = <math>\geq 40\%</math> (non-profit) <math>\geq 70\%</math> (for-profit)</b>	Narrative Only	Narrative Only
<b>Operating Liquidity</b> Measures whether the Applicant has sufficient cash to cover at least 3 months of operating expenses. The operating ratio reports the availability of cash to cover short-term operating expenses.	<b>Operating Liquidity Ratio= 1: 1</b> Cash and Cash Equivalents that are not restricted in a manner that prevents their use in satisfying obligations represented by operating expenses DIVIDED BY 25% of total operating expenses for the four most recently completed quarters.	Narrative Only	Narrative Only
<b>Earnings</b> Measures whether the Applicant is earning sufficient revenue to cover its expenses.	<b>Net Income = \$0</b> Gross Revenues (including grants or other contributions) less Total Expenses. For-profit Applicants should deduct total pre-tax expenses from Total Revenue.	Break Even (\$0)	Break Even (\$0)

**TIP** Failure to meet any of the historic and/or projected MPS does not necessarily preclude the Applicant from receiving a Financial Assistance award. However, the Applicant must explain why it believes it is financially sound despite not meeting the MPS.

## **Charts and Attachments**

- Financial Data Input Chart (Chart F1, F2, or F3 in the Application Charts Excel Workbook).
  - Chart F summarizes both the historic and projected financial performance of the Applicant. Complete the chart entering data in the green cells only. Yellow cells are formula calculations.
  - View cell comments in Excel for line item definitions. Applicant will enter historic data using its last three years of financial statements and portfolio data, if necessary. Applicant should develop the three years of projected financial information based on portfolio projections, expected revenue, and other business planning information.
- Submit Financial Statements for the Applicant's three most recently completed fiscal years (or as many years as are available if the Applicant has been in operation less than three years).
  - Non-Regulated Applicants: Submit audited or reviewed Financial Statements including any associated Notes to the Financial Statements. If audited or reviewed Financial Statements are not available, submit internally generated balance sheets (statements of financial position) and Income and Expense Statements (statements of activities), and respond to question 25, below.
  - Applicants with Affiliate(s): If the audited Financial Statements of the Applicant are consolidated with its Affiliate(s) and do not include separate schedules of the Applicant's financial position and Income and Expense Statements, submit a separate set of internally generated Financial Statements for the Applicant.
  - ICUs, IDIs, and DIHCs: Submit Financial Performance Ratios (FPR) as reported by the Applicant's appropriate federal regulating agency for the last three completed fiscal years. Regulator reports include the National Credit Union Administration Form 5300, or Uniform Bank Performance Report). Do not submit complete reports, only the financial ratio summary pages.
- Loan Portfolio Quality Chart (Chart G in the Application Charts Excel Workbook).
- Equity Investment Portfolio Valuation Chart (Chart H in the Application Charts Excel Workbook)

## **Narrative Page Limit**

- The Narrative response to Part V. Financial Health & Viability must be no more than seven (7) pages.

## **Narrative:**

20. **Describe the type of Financial Statements included with the Application, audited, reviewed, internally prepared.**
  - If applicable, explain why anything less than the most recent three years of audited Financial Statements were not included.
  - If applicable, explain measures being taken to address any negative findings reported in the audits.
  - Explain any major discrepancies between key financial statement line items and corresponding entries in Chart F. Include information about any transactions (such as off-balance sheet lending, activities undertaken by affiliates, etc.) that remain unclear on Chart F.
21. **Provide key assumptions underlying the projections for the projected three years (FY 2008-FY 2010) identified in the Financial Data Input Chart. Address the following:**

- Explain the basis for the change in outstanding financing during the projected years. For example, is this based on a % increase, if so what percentage. If not based on a percentage increase, what data was used to identify the projection pattern.
- Identify new products or services impacting the outstanding financing figure for the three projected years. These should correspond to products or services on the Activities Level Chart.
- Discuss the Applicant's operating budget. Discuss costs associated with program activity as opposed to management/administration.
- Discuss the Applicant's cost of capital.
- Does the Applicant have sufficient financing capital to meet the current and projected level of demand for its Financial Products and/or Financial Services? (When discussing, refer back to discussion of product demand.)

**22. For each Financial Ratio:**

- State the Applicant's ratio result as calculated on the Financial Data Input chart and whether that result meets the Fund's minimum prudent standard.
- For all ratios, including those where the Fund has not stated a definitive MPS, explain the organization's expectation or goal for this ratio and how those expectations were developed, e.g., trade association or regulator standards.
- For regulated Applicants, discuss any regulatory constraints or agreements affecting the MPS.
- If the ratio does not meet the MPS add the following to the narrative:
  - ~ Explain why the Applicant is financially sound although it does not meet the MPS. Include specific information relative to that ratio. For example, a capital ratio statement may address the Sources and terms of the debt that might mitigate the organization's financial risk, i.e., (20 different EQ2 investments, the earliest of which is due to roll over in 2020); **OR**
  - ~ Explain how the requested FA will help increase the Applicant's ratio.
  - ~ Capital Ratio: Explain why the Applicant's debts exceed 80% of its total assets and how the organization protects itself from financial risks related to this debt level.
  - ~ Earnings Ratio. Explain such factors as unusual losses, plans for preventing such losses in the future, strategy for increasing earnings, and how the requested FA will help the Applicant increase its earning potential. The Fund expects CDFIs to sustain positive net revenue each year but recognizes the nature of CDFI funding sources makes that difficult. The Fund's MPS is, therefore, based on a three-year time frame.
  - ~ Operating Liquidity [Non-Regulated] or Capital Liquidity [Regulated] Ratio. Address the factors affecting the Applicant's ability to meet its liabilities with off-balance sheet resources or other strategies.
  - ~ Self-Sufficiency Ratio. (Not applicable for ICUs, IDIs, and DIHCs.) Describe the Applicant's strategy and timeline for increasing total earned income and/or decreasing expenses. Explain any inflexible impediments to self-sufficiency and why they are considered inflexible (e.g., product mix or market served discussions.)

23. **Portfolio Management Ratios.** Review the chart below, which outlines the MPS for each of three portfolio management ratios: Portfolio-at-Risk (PAR), Annual Net Loan Loss Ratio, and Loan Loss Reserves (LLR) or Provision for Losses.

Loan Portfolio Quality Minimum Prudent Standard (MPS) for Non-Regulated Entities			
Product Grouping	Portfolio-at-Risk (PAR)	Annual Net Loan Loss Ratio	Loan Loss Reserves (LLR) Or Provision for Losses
Affordable Housing-First Lien	≤ 7.00%	≤ 1%	Loan Loss Reserves are expected to be no less than half the actual Portfolio-at-risk and no more than one and a half times the actual portfolio at risk: .5 PAR ≤ LLR ≤ 1.5 PAR
Affordable Housing-Subordinate Lien	≤ 7.00%	≤ 3%	
Business	≤ 10.00%	≤ 5%	
Consumer & Micro-enterprise	≤ 12.00%	≤ 9%	
Overall MPS	≤ 15.00%	Narrative Only	
Loan Portfolio Quality Minimum Prudent Standard (MPS) for Regulated Entities			
Institution Type	Portfolio-at-Risk (PAR)	Annual Net Loan Loss Ratio	Loan Loss Reserves (LLR) Or Provision for Losses
Insured Credit Unions	Delinquent Loans/Total Loans ≤ 3.5%	Net Charge offs/Average Loans ≤ 0.75%.	Comparing the two most recent fiscal years, Applicant's provision for loan losses changed by at least the same percentage and direction as the change in delinquent loans.
IDIs / DIHCs	Non current Loans & Leases/Total Loans & Leases ≤ 2.0%	Net Loss/Avg Total Loans & Leases ≤ 0.5%	Loans & Leases Allowance/Total Loans & Leases ≥ 0.5% PAR

- Applicants will complete the Loan Portfolio Quality Chart (Chart G) and compare their three-year average historical ratios to the MPS above. Use the narrative responses to explain any discrepancies.
- Overall MPS should be based on the product with the largest dollar percentage in your portfolio at the close of your last fiscal year.
- For each portfolio management ratio, the Applicant will address the following results reported in the Loan Portfolio Quality Chart:
  - ~ State whether the Applicant met the MPS. For the Delinquency (PAR) Ratio, the narrative should address each product grouping PAR ratio. For Net Loan Loss (NLL) and Loan Loss Reserve (LLR), address the aggregate portfolio result as they compare to the MPS.
  - ~ Explain the organization's expectation or goal for the portfolio ratio and how it was developed, e.g., trade association or regulator standards.
  - ~ If the Applicant failed the portfolio MPS, further explain why the Applicant believes it has reasonable risk management despite not meeting the MPS or describe the steps being taken to address this failure.

**24. Equity Investor Financial Health**

- This Chart is applicable for all Equity Investments (including, but not limited to, Venture Capital investments).
- Complete the Equity Investment Portfolio Valuation Chart (Chart H) and briefly answer the following questions:

- ~ Describe the terms of the Equity Investments made by the Applicant.
  - ~ Explain the Fund's life cycle and where the Applicant is in that life cycle.
  - ~ Describe the Fund's status in meeting both capitalization and investment goals compared to the original plans.
- Provide additional relevant information regarding the Applicant's investment portfolio.

**25. Address areas needing improvement and steps taken to address these areas.**

- Acknowledge the areas for improvement needed in the Applicant's financial health and viability capacity by discussing the extent to which the Applicant lacks one of the elements above or is a start up. Include a discussion of how the applicant is trying to improve on those areas.

# APPLICATION CHARTS

- The DATA FORM is the first worksheet found in the Excel Workbook. It must be completed in its entirety.
- The charts are included in this Application for visual reference only. All Application charts are available – and must be submitted – as an Excel file with the Application.
- Applicants will complete each chart and save the completed Workbook.
- Applicants must submit the completed Excel workbook by the application deadline.
- Applicant should print and retain a hard copy of all charts submitted for future reference.
- **Excel tip:** To print all worksheets in a workbook choose “Print” then in the “Print What” box in the lower left corner select the radio button for “Entire Workbook.”

# **NOTE: THE FOLLOWING CHARTS ARE NOT REQUIRED FOR THE FY2009 APPLICATION**

- **Chart A. Matching Funds Data Chart**
- **Chart B. Matching Funds Data Retained Earnings Calculators**
- **Chart C. Technical Assistance Request Summary Chart**

These charts are not illustrated here.

## D. Activities Level Chart

**Instructions:** Use this chart to identify up to five primary Financial Products and/or Financial Services provided by the Applicant. Select activity from the options in the "Activity" column dropdown menu. For each activity, identify total # and % of total provided to Target Market. Report actual figures for the 3 most recently completed fiscal years. Report projected activity for the current fiscal year and the next three fiscal years. If the Applicant is a start-up, enter information on its parent or its own activities (if it has applicable activities), or N/A if it has not yet started to provide financial products or services. Provide details about each activity in the CBP, Business Strategy, question #5 narrative.

**Total # and % of Total to TM:** Under the # sign enter the total number of transactions closed (or customers served in the case of Financial Services). Under the % enter percent of those total transactions or customers that would be credited to the Applicant's Target Market.

**Total \$ and % of Total to TM:** Under the \$ sign indicate the total dollar amount of transactions (as applicable) closed for that year. Under the % enter percentage of total \$ amount that can be credited to the Applicant's Target Market.

The chart assumes the Applicant's most recently completed fiscal year was 2006. If the most recently completed fiscal year was 2007, adjust the fiscal years by editing only the entry in cell G7 to 2007 and the other years will update automatically.

Activity	Historic Activity			Projected Activity			
	2004	2005	2006	2007	2008	2009	2010
	# %	# %	# %	# %	# %	# %	# %
	5455456						
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	45,464						
	# %	# %	# %	# %	# %	# %	# %
	545						
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	54,646 54%						
	# %	# %	# %	# %	# %	# %	# %
	456464						
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	4,646,454 545%						
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %

# E. Community Development Impact Chart

**Instructions:** Use this chart to identify up to five community development impacts related to the Financial Products or Financial Services identified on the Activities Level Chart. Report actual figures for the 3 most recently completed fiscal years. Report projected activity for the current fiscal year and the next three fiscal years. Select impacts from the options in the dropdown menu. For each impact, identify total # and % of total to Target Market. If the Applicant is a start-up, enter information on its parent or its own activities (if it has applicable activities), or N/A if it has not yet started to provide financing or financial services. Provide details about each impact in the CBP, Community Development Performance, question #10 narrative.

The chart assumes the Applicant's most recently completed fiscal year was 2006. If the most recently completed fiscal year was 2007, adjust the fiscal years by editing only the entry in cell G6 to 2007 and the other years will update automatically.

Activity	Historic Activity						Projected Activity							
	2004		2005		2006		2007		2008		2009		2010	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%

## F1. Financial Data Input Chart – Non-Regulated Applicant

<b>Non-Regulated Applicant Financial Data Input Chart</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Assets</b>			
Total cash and cash equivalents			
Unrestricted cash and cash equivalents			
Current: Gross Loans Receivables			
Total Commitments			
Total Current Assets			
Noncurrent: Gross Loans Receivables			
Less: Loan Loss Reserve			
Total Outstanding Equity Investment Portfolio			
Less: Net Unrealized Loss			
Total Gross Loans Receivables and/or Equity Investment Portfolio	0	0	0
Total Assets			
<b>Liabilities</b>			
Total Current Liabilities			
Total Notes Payable			
Total Adjusted Notes Payable			
Total Off-Balance Sheet Resources			
Total Liabilities			
<b>Net Assets</b>			
Total Net Assets Available for Financing			
Total Net Assets			
<b>Income and Expenses</b>			
Interest Payments from Financial Products			
Fee Income from Financial Products, Financial Services, and other activities			
Total Earned Income			
Total Grants and Contributions			
Total Income			
Total pre-tax Expenses			

Credit Unions and Banks, Thrifts, and Holding Companies should NOT use this chart. See Charts F2 and F3.

<b>Financial Health and Viability - MPS Ratios</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>3-Year Historic Ratios</b>
<b>Net Asset Ratio</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total Financing Capital	\$0	\$0	\$0	\$0
<b>Deployment Ratio</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Income	\$0	\$0	\$0	\$0
<b>Self-Sufficiency Ratio</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
<b>Operating Liquidity Ratio</b>	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Current Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!



## F2: Financial Data Input Chart – Credit Union Applicants

Credit Union Applicant Financial Data Input Chart		2003	2004	2005	2006
<b>Assets</b>					
a	Cash on Hand		0.00%	0.00%	0.00%
b	Cash on Deposit		0.00%	0.00%	0.00%
c	Cash Equivalents		0.00%	0.00%	0.00%
d	Investments w/ Maturity or repricing period of less than 1 year		\$ -	\$ -	\$ -
e	Total Investments		0.00%	0.00%	0.00%
f	Total Loans and Leases		0.00%	0.00%	0.00%
g	Less: Allowance for Loan & Lease Losses		0.00%	0.00%	0.00%
h	Total Assets	\$ -	0.00%	0.00%	0.00%
<b>Liabilities</b>					
i	Total Borrowings		0.00%	0.00%	0.00%
j	Accrued Dividends & Interest Payable in Shares and Deposits		\$ -	\$ -	\$ -
k	Accounts Payable and Other Liabilities		0.00%	0.00%	0.00%
l	Total Liabilities		0.00%	0.00%	0.00%
<b>Shares/Deposits</b>					
m	Total Member Deposits		0.00%	0.00%	0.00%
n	Total Non-Member Deposits		0.00%	0.00%	0.00%
o	Total Shares and Deposits		0.00%	0.00%	0.00%
<b>Equity</b>					
p	Undivided Earnings		0.00%	0.00%	0.00%
q	Regular Reserves		0.00%	0.00%	0.00%
r	Appropriation for Non-Conforming Investments (state-chartered credit unions)		\$ -	\$ -	\$ -
s	Other Reserves		0.00%	0.00%	0.00%
t	Uninsured Secondary Capital		0.00%	0.00%	0.00%
u	Net Income (unless this amount is already included in Undivided Earnings)		\$ -	\$ -	\$ -
v	Total Net Worth		0.00%	0.00%	0.00%
<b>Income and Expenses</b>					
w	Total Interest Income		0.00%	0.00%	0.00%
x	Total Interest Expenses		0.00%	0.00%	0.00%
y	Provision for Loan and Lease Losses		0.00%	0.00%	0.00%
z	Total Non-Interest Income		0.00%	0.00%	0.00%
aa	Total Non-Interest Expense		0.00%	0.00%	0.00%
bb	Net Income		0.00%	0.00%	0.00%

Financial Health and Viability - MPS Ratios			2004	2005	2006	3-Year Historic Ratios
cc	Net Worth Ratio		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
dd	Deployment Ratio		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ee	Earnings		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ff	Asset Liability Management		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

## F2: Financial Data Input Chart – Credit Union Applicants

Credit Union Applicant Financial Data Input Chart		2006	2007	2008	2009
<b>Assets</b>					
a	Cash on Hand	\$ -	\$ -	\$ -	\$ -
b	Cash on Deposit	\$ -	\$ -	\$ -	\$ -
c	Cash Equivalents	\$ -	\$ -	\$ -	\$ -
d	Investments w/ Maturity or repricing period of less than 1 year	\$ -	\$ -	\$ -	\$ -
e	Total Investments	\$ -	\$ -	\$ -	\$ -
f	Total Loans and Leases	\$ -	\$ -	\$ -	\$ -
g	Less: Allowance for Loan & Lease Losses	\$ -	\$ -	\$ -	\$ -
h	Total Assets	\$ -	\$ -	\$ -	\$ -
<b>Liabilities</b>					
i	Total Borrowings	\$ -	\$ -	\$ -	\$ -
j	Accrued Dividends & Interest Payable in Shares and Deposits	\$ -	\$ -	\$ -	\$ -
k	Accounts Payable and Other Liabilities	\$ -	\$ -	\$ -	\$ -
l	Total Liabilities	\$ -	\$ -	\$ -	\$ -
<b>Shares/Deposits</b>					
m	Total Member Deposits	\$ -	\$ -	\$ -	\$ -
n	Total Non-Member Deposits	\$ -	\$ -	\$ -	\$ -
o	Total Shares and Deposits	\$ -	\$ -	\$ -	\$ -
<b>Equity</b>					
p	Undivided Earnings	\$ -	\$ -	\$ -	\$ -
q	Regular Reserves	\$ -	\$ -	\$ -	\$ -
r	Appropriation for Non-Conforming Investments (state-chartered credit unions)	\$ -	\$ -	\$ -	\$ -
s	Other Reserves	\$ -	\$ -	\$ -	\$ -
t	Uninsured Secondary Capital	\$ -	\$ -	\$ -	\$ -
u	Net Income (unless this amount is already included in Undivided Earnings)	\$ -	\$ -	\$ -	\$ -
v	Total Net Worth	\$ -	\$ -	\$ -	\$ -
<b>Income and Expenses</b>					
w	Total Interest Income	\$ -	\$ -	\$ -	\$ -
x	Total Interest Expenses	\$ -	\$ -	\$ -	\$ -
y	Provision for Loan and Lease Losses	\$ -	\$ -	\$ -	\$ -
z	Total Non-Interest Income	\$ -	\$ -	\$ -	\$ -
aa	Total Non-Interest Expense	\$ -	\$ -	\$ -	\$ -
bb	Net Income	\$ -	\$ -	\$ -	\$ -

Financial Health and Viability - MPS Ratios		2006	2007	2008	2009	3-Year Projected Ratios
cc	Net Worth Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
dd	Deployment Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ee	Earnings	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ff	Asset Liability Management	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

### F3: Financial Data Input Chart – Bank/Thrift/Holding Companies

Bank/Thrift/ Holding Co. Financial Data Input Chart		2004	2005	2006
<b>Assets</b>				
a	Cash and balances due from depository institutions	\$ -	\$ -	\$ -
b	Short-term investments	\$ -	\$ -	\$ -
c	Total Investments	\$ -	\$ -	\$ -
d	Loans and Leases, net of unearned income	\$ -	\$ -	\$ -
e	Less: Allowance for Loan & Lease Losses	\$ -	\$ -	\$ -
f	Average Assets, year-to-date	\$ -	\$ -	\$ -
g	Long Term Assets	\$ -	\$ -	\$ -
h	Total Assets	\$ -	\$ -	\$ -
<b>Liabilities</b>				
i	Interest-bearing deposits	\$ -	\$ -	\$ -
j	Total Deposits	\$ -	\$ -	\$ -
k	Total Notes Payable	\$ -	\$ -	\$ -
l	Non-Core Liabilities	\$ -	\$ -	\$ -
m	Other Liabilities	\$ -	\$ -	\$ -
n	Total Liabilities	\$ -	\$ -	\$ -
<b>Equity Capital</b>				
o	Perpetual preferred stock	\$ -	\$ -	\$ -
p	Common Stock	\$ -	\$ -	\$ -
q	Surplus	\$ -	\$ -	\$ -
r	Undivided Profits	\$ -	\$ -	\$ -
s	Tier 1 Capital	\$ -	\$ -	\$ -
t	Tier 2 Capital	\$ -	\$ -	\$ -
u	Total Equity Capital	\$ -	\$ -	\$ -
<b>Income and Expenses</b>				
v	Total Interest Income	\$ -	\$ -	\$ -
w	Total Interest Expenses	\$ -	\$ -	\$ -
x	Provision for Loan and Lease Losses	\$ -	\$ -	\$ -
y	Total Non-Interest Income	\$ -	\$ -	\$ -
z	Total Non-Interest Expense	\$ -	\$ -	\$ -
aa	Income (loss) before income taxes and extraordinary items and other adjustments	\$ -	\$ -	\$ -
bb	Net Income (loss)	\$ -	\$ -	\$ -

Financial Health and Viability - MPS Ratios		2004	2005	2006	3-Year Historic Ratios
cc	Tier 1 Leverage Capital Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
dd	Deployment Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ee	Earnings Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
ff	Asset Liability Management Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!



## G. Loan Portfolio Quality Chart

**Instructions:** Provide data for the overall total loan portfolio in the first table. Delinquency is defined as 90+ days past due for non-regulated Applicants and 12 + months past due for regulated Applicants. The other two tables are optional and allow the Applicant to provide portfolio data for up to two products within the portfolio. Applicants may choose to use these tables to demonstrate how a particular product's delinquency figures impact the overall portfolio. For example in one table the Applicant could summarize the business portfolio and in the 2nd the microenterprise portfolio. Enter information in the green shaded cells only. Insured Credit Unions and Insured Depository Institutions are NOT required to complete this chart.

Aggregate Portfolio		2006		2005		2004		2003		Average PAR:
		#	\$	#	\$	#	\$	#	\$	
A	Portfolio Outstanding									
B	Delinquent Portfolio									
C	Total Portfolio-at-Risk (b / a)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Optional Product:		2006		2005		2004		2003		Average PAR:
		#	\$	#	\$	#	\$	#	\$	
A	Portfolio Outstanding									
B	Delinquent Portfolio									
C	Total Portfolio-at-Risk (b / a)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Optional Product:		2006		2005		2004		2003		Average PAR:
		#	\$	#	\$	#	\$	#	\$	
A	Portfolio Outstanding									
B	Delinquent Portfolio									
C	Total Portfolio-at-Risk (b / a)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Loan Loss and Loan Reserve History for Aggregate Portfolio		2006	2005	2004	2003	Historic
A	Total Outstanding Loan Portfolio					
B	Net Write-Offs or Net Charge-Offs					
C	Annual Net Loan Loss Ratio (B/A)	0.0%	0.0%	0.0%	0.0%	0.0%
D	Loan Loss Reserve (cash)					
E	Loan Loss Reserve (accrual)					
F	Loan Loss Reserve Ratio ((D + E) / A)	0.0%	0.0%	0.0%	0.0%	0.0%

## H. Equity Investment Portfolio Valuation Chart

**Instructions:** Complete the green-shaded cells only. Enter information on your Equity Investment portfolio as of the last day of your organization's fiscal year for the last three years (if applicable), and the current year to date. Follow-on investments into the same company should be counted as unique investments.

Investment Portfolio Measures		2003		2004		2005		2006	
		Number	Dollars gained (lost)						
A	Average holding period (# of months) of all investments in portfolio								
B	Equity Investments exited during the year		\$ -		\$ -		\$ -		\$ -
C	Equity Investments written-off during the year		\$ -		\$ -		\$ -		\$ -
D	Unrealized Gains (losses)								
E	Realized Gains (losses)		\$ -		\$ -		\$ -		\$ -
F	Projected Rate of Return Since Inception								
G	Actual Rate of Return Since Inception								

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# **PART II: ENVIRONMENTAL AND LEGAL CERTIFICATIONS**

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**WHO MUST COMPLETE THIS SECTION:**

- ALL APPLICANTS

**IS THERE ANYTHING IN THIS SECTION THAT MAY CAUSE MY APPLICATION TO BE REJECTED IF I MISS IT?**

- Failure to submit required forms.

**THINGS TO NOTE:**

- In certain cases, the Fund will allow a limited window of two (2) business days to submit some piece of missing documentation including a missing Environmental Review Form.

# ENVIRONMENTAL REVIEW FORM

Applicant Name: \_\_\_\_\_

The Fund's environmental review requirements are set forth in 12 CFR Part 1815. The Applicant should review such regulations carefully before completing this section. In order to assure compliance with those regulations and other requirements related to the environment, the Applicant shall provide the following information:

	YES	NO
1. Are there any actions proposed in the Application that do not constitute a "categorical exclusion" as defined in 12 CFR 1815.110?  If YES, would any of these actions normally require an environmental impact statement (see 12 CFR 1815.109)?	_____	_____
2. Are there any activities proposed in the Application that involve:		
(a) Historical or archeological sites listed on the National Register of Historic Places or that may be eligible for such listing?	_____	_____
(b) Wilderness areas designated or proposed under the Wilderness Act?	_____	_____
(c) Wild or scenic rivers proposed or listed under the Wild and Scenic Rivers Act?	_____	_____
(d) Critical habitats of endangered or threatened species?	_____	_____
(e) Natural landmarks listed on the National Registry of Natural Landmarks?	_____	_____
(f) Coastal barrier resource systems?	_____	_____
(g) Coastal Zone Management Areas?	_____	_____
(h) Sole Source Aquifer Recharge Areas designated by EPA?	_____	_____
(i) Wetlands?	_____	_____
(j) Flood plains?	_____	_____
(k) Prime and unique farmland?	_____	_____
(l) Properties listed or under consideration for listing on the Environmental Protection Agency's List of Violating Facilities?	_____	_____

If YES to any of the above questions, attach a detailed description of each action, clearly identifying the category in which the action falls.

**NOTIFICATION**

As stated in 12 CFR 1815.105, if the Fund determines that the Application proposes actions which require an environmental assessment or an environmental impact statement, any approval and funding of the Application will be contingent upon:

1. The Applicant supplying to the Fund all information necessary for the Fund to perform or have performed any required environmental review;
2. The Applicant not using any Fund Financial Assistance to perform any of the proposed actions in the Application requiring an environmental review until approval is received from the Fund; and
3. The outcome of the required environmental review.

In addition, as stated in 12 CFR 1815.106, if the Fund determines that an Application, or any part thereof, is not sufficiently definite to perform a meaningful environmental review prior to approval of the Application, final approval and funding of the Application shall require supplemental environmental review prior to the taking of any action directly using Fund Financial Assistance for any action that is not a categorical exclusion.

# ASSURANCES AND CERTIFICATIONS

Signing the certification on SF 424 certifies that the Applicant will comply with the Assurances and Certifications listed below if an award is made. Certain of these Assurances and Certifications may not be applicable to the Applicant. An Applicant may not modify any of the Assurances and Certifications.

## A. Standard Form 424B: Assurances -- Non-Construction Programs

As the duly authorized representative of the Applicant, I certify that the Applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this Application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work (activities in Application) within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specifies in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which Application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statutes which may apply to the Application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1509 & 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); (f) conformity of Federal actions to State Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

## B. Additional Certifications

In addition to the assurances and certifications provided by the Applicant pursuant to OMB Standard Form 424B, the Applicant hereby assures and certifies that:

1. It is duly organized and validly existing under the laws of the jurisdiction in which it was incorporated or otherwise established, and is (or within 30 days will be) authorized to do business in any jurisdiction in which it proposes to undertake activities specified in this Application;
2. Its Board of Directors (or similar governing body) has by proper resolution or similar action authorized the filing of this Application, including all understandings and assurances contained herein, and directed and authorized the person identified as the authorized representative of the Applicant to act in connection with this Application and to provide such additional information as may be required;
3. It will comply with all applicable requirements of the Community Development Banking and Financial Institutions Act of 1994 (the Act) [12 U.S.C. 4701 et seq.], regulations implementing the Act and all other applicable Department of the Treasury regulations and implementing procedures (and any regulations or procedures which are later promulgated to supplement or replace them);
4. It will comply, as applicable and appropriate, with the requirements of OMB Circulars (e.g., A-110 and A-133) and any regulations and circulars which are later promulgated to supplement or replace them, including standards for fund control and accountability;
5. It has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of this Application or any related document, correspondence or communication. (The Applicant and its authorized representative should be aware that, under 18 U.S.C. 1001, whoever knowingly and willfully makes or uses such document or writing shall be fined or imprisoned for not more than five years, or both); and
6. The information in this Application, and in these assurances and certifications in support of the Application, is true and correct to the best of the Applicant's knowledge and belief and the filing of this Application has been duly authorized.

## C. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions: Instructions for Certification

1. By signing and submitting this Application, the prospective primary participant (the Applicant) is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in the denial of participation in this covered transaction. The prospective Applicant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Fund's determination whether to enter into this transaction (approval and funding of the Application). However, failure of the Applicant to

- furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. This certification is a material representation of fact upon which reliance is placed when the Fund determines to enter into this transaction. If it is later determined that the Applicant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.
  4. The Applicant shall provide immediate written notice to the Fund if at any time the Applicant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
  5. The terms "covered transactions," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal", and "voluntarily excluded," as used in this clause (certification), have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the Fund for assistance in obtaining a copy of those regulations (31 CFR part 19).
  6. The Applicant agrees by submitting this Application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Fund.
  7. The Applicant further agrees by submitting this Application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," to be provided by the Fund, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions (see 31 CFR part 19, Appendix B).
  8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
  9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
  10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.
- D. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions**
1. The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:
    - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
    - (b) have not within a three-year period preceding this Application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
    - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
    - (d) Have not within a three-year period preceding this Application had one or more public transactions (Federal, State or local) terminated for cause or default.
  2. Where the Applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to this proposal.
- E. Certification Regarding Drug-Free Workplace Requirements**
1. The Applicant certifies that it will provide a drug-free workplace by:
    - (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
    - (b) establishing a drug-free awareness program to inform employees about:
      - (i) the dangers of drug abuse in the workplace;
      - (ii) the Applicant's policy of maintaining a drug-free workplace;
      - (iii) any available drug counseling, rehabilitation, and employee assistance program;
      - (iv) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace
    - (c) making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by subparagraph (a);
    - (d) notifying the employee in the statement required by subparagraph (a) that, as a condition of employment in such grant, the employee will:
      - (i) abide by the terms of the statement; and
      - (ii) notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
    - (e) notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such conviction;
    - (f) taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
      - (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
      - (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
    - (g) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).
  2. The Applicant may insert in the space provided below the site(s) for the performance of work (activities carried out by the Applicant) to be done in connection with the award (Place of Performance (Street Address, City, County, State and zip Code)):
 

Not Applicable
- F. Certification Regarding Lobbying**
1. The Applicant certifies, to the best of its knowledge and belief, that:
    - (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
    - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Application, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying, " in accordance with its instructions; and
    - (c) The Applicant shall require that the language of this certification be included in the award documents for all subawards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
  2. This certification is a material representation of fact upon which reliance is placed when this transaction is made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

# 501(C)(4) QUESTIONNAIRE

This questionnaire is necessary for the Fund to determine whether an Applicant with a 501(c)(4) designation from the IRS is eligible to receive an award from the Fund (see 12 C.F.R. § 1805.200(a)(3)). Please read all definitions before responding to the questions and continue to refer to such definitions in responding to this questionnaire. If the answer to any question is yes, please describe in detail the facts and circumstances, subject matter, date(s), names and titles of all individuals and their employers and their organizations on a separate sheet(s) of paper. The Fund reserves the right to seek follow-up responses from an Applicant. Failure to complete this questionnaire and, if applicable, respond timely to follow-up questions, will delay the Fund's processing of the Application, and may result in the disqualification of the Application from further consideration. After submitting responses to this questionnaire, the Applicant is under a continuing obligation to: (1) supplement its responses upon a change in circumstances; and (2) revise or modify its responses within 10 business days of having actual or constructive knowledge that the responses previously submitted and certified are no longer complete, accurate, or true. You may call the Fund's Office of Legal Counsel at (202) 622-8662 if you have any questions about this form.

Scope: The scope of this questionnaire is limited to activities on or after January 1, 1996.

## Questions

1. Has any officer, employee, director, partner, proprietor, or board member contacted <sup>1</sup> a Covered Executive Branch Official <sup>2</sup> with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has any officer, employee, director, partner, proprietor, or board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration or a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Executive Branch Official including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 1-4?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Has any officer employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No

10. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Legislative Branch Official<sup>3</sup> including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 6-9?

Yes  
 No

### **Signature**

Signing the certification on SF 424 certifies that the answers to the 501(c)(4) Questionnaire and the written explanations attached thereto are true, accurate, and complete to the best of its information, knowledge, and belief and that, since January 1, 1996, the Applicant has not engaged in Lobbying Activities as defined in Section 3 (7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

<sup>1</sup> "Contacted" means any oral or written communication including an electronic communication.

<sup>2</sup> "Covered executive branch official" means: (a) the President; (b) the Vice President; (c) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President; (d) any officer or employee serving in an Executive Level I-V position, a "Schedule C" position, or any official in a Senior Executive Service position; (e) any member of the uniformed services serving at grade 0-7 or above; or (f) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character.

<sup>3</sup> "Covered legislative branch official" means: (a) a member of Congress; (b) an elected officer of either House of Congress; and (c) any employee of the House or Senate, including employees of Members, committees, leadership and working groups or caucuses organized to provide legislative services or other assistance to Members of Congress.

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# **PART III:**

## **ADDITIONAL INFORMATION**

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**WHO MUST COMPLETE THIS SECTION:**

- ALL APPLICANTS

**IS THERE ANYTHING IN THIS SECTION THAT MAY CAUSE MY APPLICATION TO BE REJECTED IF I MISS IT?**

- No; this section contains additional information of interest to Applicants.

**THINGS TO NOTE:**

- In certain cases, the Fund will allow a limited window of two (2) business days to submit some piece of missing documentation including a missing Environmental Review Form.

## **Application Review and Awardee Selection Process**

After an Application is submitted, the Fund will determine whether it was submitted by the deadline and is complete. If the Application is determined to be complete, the Fund will then determine whether it meets the basic eligibility requirements described above. If the Application is found to be eligible, it will receive a two-part substantive review in accordance with the criteria and procedures described in the NOFA and this Application.

### **Application Scoring**

The Fund will evaluate the CBP on a 100-point scale with certain points assigned for each of the five sections. An Applicant must receive a minimum score in each section to be considered for an award.

In the case of an Applicant that has previously received funding from the Fund through any Fund program, after the readers establish the base score, the Fund will deduct points for:

- The Applicant's noncompliance with any active award or award that terminated in calendar year 2008 in meeting its performance goals, financial soundness covenants (if applicable), reporting deadlines, and other requirements set forth in the assistance or award agreement(s) with the Fund during the Applicant's two complete fiscal years prior to the Application deadline, generally FY 2006 and FY 2007;
- The Applicant's failure to make timely loan payments to the Fund during the Applicant's two complete fiscal years prior to the Application deadline (if applicable);
- Performance on any prior Assistance Agreement as part of the overall assessment of the Applicant's ability to carry out its Comprehensive Business Plan; and
- FA deobligated from a FY 2005, FY 2006 or FY 2007 award (for FA Applicants) if:
  - The amount of deobligated funds is at least \$200,000; and
  - The deobligation occurred subsequent to the expiration of the period of funds availability (generally, after September 30th following the year in which the award was made).

As part of the review process, the Fund may contact the Applicant by telephone, e-mail, or through an on-site visit for the purpose of obtaining clarifying or confirming Application information. The Applicant may be required to submit additional information to assist the Fund in its evaluation process. Such requests must be responded to within the time parameters set by the Fund. Further information on the review process is detailed in the NOFA.

### **Application Ranking and Awardee Selection**

Once the follow-up review is completed, the Fund will rank Applications by their scores, from highest to lowest. The Fund will make its final award selections based on the rank order of Applicants by their scores and the amount of funds available. Category I/ SECA and Category II/Core Applicants will be ranked separately. In addition, the Fund may consider the institutional and geographic diversity of Applicants when making its funding decisions.

### **Awardee Notification**

For the Supplemental FY 2009 Funding Round, the Fund will notify Applicants selected to receive an award by late September 2009. The Fund notifies Applicants of award decisions (positive or negative) via e-mail to the designated Authorized Representative. An Applicant selected for an award will access the Notice of Award through its myCDFIFund account (see more information below). By logging into the organization account the Awardee will be able to download (and print) a Notice of Award, which

contains the general terms and conditions underlying the Fund's provision of assistance, including the signing of an Assistance Agreement. Only the Applicant's myCDFIFund Account Administrator can access a Notice of Award.

## **MyCDFIFund Accounts**

MyCDFIFund is the primary vehicle through which the CDFI Fund communicates with its constituent awardees and applicants. It allows users to update contact information, including address and emails as staff changes occur. MyCDFIFund is managed and controlled by the CDFI Fund. Applicants must establish a personal and organization account by clicking on the link that reads "Log onto myCDFI Fund" from the Fund's website, [www.cdfifund.gov](http://www.cdfifund.gov). All application decisions are communicated through emails established in the myCDFIFund accounts. Since an Applicant will be notified via e-mail, it is essential that the email addresses identified in the SF 424 and Signature page documents are the same as the ones provided in the myCDFIFund account. If an Applicant's e-mail system has a spam blocker function, please ensure that the Fund's main email addresses ([cdfihelp@cdfi.treas.gov](mailto:cdfihelp@cdfi.treas.gov), [grantsmanagement@cdfi.treas.gov](mailto:grantsmanagement@cdfi.treas.gov), [cme@cdfi.treas.gov](mailto:cme@cdfi.treas.gov)) are listed as acceptable sources. Otherwise, the award notification email may never be received.

## **Organizations Not Selected for Funding**

The Fund generally rejects or declines an Application at one of three phases. First, at the Application deadline phase, the Fund will reject an Application if it is received late. Second, at the completeness and eligibility review phase, the Fund will reject an Application received on time – if it is found to be incomplete or ineligible. The Fund will notify an Applicant declined for one or both of these reasons via email usually within a month of the Application deadline. Third, at the Application review stage, the Fund may decline an Applicant that satisfies the eligibility and completeness requirements for substantive reasons (i.e., low position on the ranking list relative to available funds or a low score resulting from a poorly presented CBP). The Fund will notify an Applicant declined for substantive reasons via email shortly after awards are announced (usually by late September 2009).

## **Award Closing and Reporting**

Upon notification, all Awardees must print, sign, and return the Notice of Award. Shortly thereafter, the Fund will contact the Awardee to begin the closing process, which includes entering into an Assistance Agreement. FA Awardees will enter into a three-year Assistance Agreement. The Assistance Agreement is a contract that outlines the terms of the award including expectations for the Awardee to provide reports and remain in compliance. Once the Assistance Agreement has been signed, the Fund will authorize the award disbursement.

The Fund will collect information, on at least an annual basis, from all Awardees, including: (i) annual reports related to, among other matters, Awardee compliance with the performance goals and measures as set forth in the Assistance Agreement; (ii) audited or reviewed Financial Statements; (iii) uses of FA and Matching Funds; and (iv) such other information as the Fund may require, including transaction level data. The Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after due notice to the Awardee.

## **Additional Information To Be Found in NOFA**

Please be aware that the NOFA for the Supplemental FY 2009 CDFI Program Funding Round contains additional information not contained in this Application. The CDFI Fund strongly encourages all potential applicants to thoroughly review the NOFA before beginning their applications. The NOFA contains detailed guidance on compliance and eligibility factors that are of particular interest to prior Awardees and Allocatees. Additional Award Administration information is also available in the NOFA.