



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

Native Initiatives

Native American CDFI Assistance Program FY 2011 Application

Pending Renewal OMB No. 1559-0025

CDFI-0001

Paperwork Reduction Act Notice

This submission requirements package is provided to Applicants for awards under the NACA 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.

Catalog of Federal Domestic Assistance Number:

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FY 2011 NACA PROGRAM

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INTRODUCTION AND INSTRUCTIONS

NOTE: Capitalized terms (other than titles) are defined in the Notice of Funds Availability (NOFA) for the FY 2011 funding round, the CDFI Program Regulations, or the CDFI Fund Program Glossary, which may be downloaded from the CDFI Fund's website at www.cdfifund.gov. Certain terms used throughout the Application have meanings unique to the NACA 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 CDFI Fund) is to increase economic opportunity and promote community development investments for underserved populations and in distressed communities in the United States. The CDFI 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,
- Capital Magnet Fund (CMF) Program, and the
- Financial Education and Counseling (FEC) Program.

Information on the CDFI Fund's programs can be found on the CDFI Fund's website at 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.

Fiscal Year 2011 NACA Program

For fiscal year 2011, the CDFI Fund released a NOFA and Application for Applicants seeking FA and/or TA. The key component for applying for either award type is the submission of the Comprehensive Business Plan (CBP).

A single Application allows an Applicant seeking either or both types of awards to submit a single CBP. The application deadline for the FY 2011 funding round of the NACA Program is midnight Eastern Time (ET), **December 22, 2010** for all types of assistance: Technical Assistance (TA) funding only; Financial Assistance (FA) funding only; and combined FA and TA funding. Please note the CDFI certification deadline is earlier; the CDFI certification application must be received by December 2, 2010.

Funding for Financial Assistance (FA)

Financial Assistance 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 Native 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 Financial Assistance 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 Native CDFI may receive an FA award. The CDFI Fund provides FA in the form of grants, loans, Equity Investments (including, in the case of Insured Credit Unions, Secondary Capital accounts), deposits, and Insured Credit Union Shares. The amount of FA an Applicant can request is determined by the Applicant's Category (see more information below). The form of the FA is based on the type of Matching Funds the Applicant demonstrates it has available (in-hand, firmly committed, or to be raised (for certain Applicant types explained further under the Eligibility section below)). The CDFI Fund will match the size and form of the assistance provided by the non-federal source. For example, an Applicant demonstrating Matching Funds in the form of a 10-year, 2% loan for \$200,000 will receive a 10-year, 2% loan from the CDFI Fund, if it is approved for an FA award. The reporting period for an FA award is approximately 3 years as specified in each Awardee's Assistance Agreement.

Funding for Technical Assistance (TA)

Technical Assistance funds can be requested to strengthen the capacity of a Native CDFI Applicant, help an Applicant that has not yet been certified achieve Native CDFI certification status, or assist a Sponsoring Entity to create a Native CDFI. TA grants do not require a corresponding matching fund source. TA grants can be used to cover operating expenses such as personnel salaries and fringe benefits, training, travel, professional services, material and supplies, equipment, and other costs. A detailed description of the TA categories and related application requirements can be found in Part I of this application under "Technical Assistance Proposal." The reporting period for a TA grant is approximately 2 years, as specified in each Awardee's Assistance Agreement.

Applicants can choose to apply for FA and TA together, FA only, or TA only.

TIP: The CDFI 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 2011 funding round. ***Please refer to the FY 2011 NACA Program NOFA for additional information regarding application eligibility factors including eligibility factors for Prior CDFI Fund Awardees or Allocatees.***

The information below explains these factors and which type of funding (FA vs. TA) an organization is eligible to apply for based on its certification status.

Certification Status

Only a certified Native CDFI is eligible to receive FA from the CDFI Fund. The CDFI Fund, however, may award and disburse a TA grant to an entity not certified as a Native CDFI. The entity must demonstrate that it has a reasonable plan to become certified by December 31, 2013. For purposes of this Application, the CDFI Fund

refers to such an Applicant as an “Emerging Native CDFI.” Also for purposes of this Application, the CDFI Fund refers to an Applicant that is not certified – but that currently meets all certification requirements – as a “Certifiable Native CDFI.” An Applicant that plans to create a separate legal entity that will seek certification as a Native CDFI is considered a “Sponsoring Entity” for the purposes of this Application.

Even if the CDFI Fund finds an Emerging Native CDFI or Certifiable Native CDFI eligible to receive an award, such an organization will not be certified as a Native CDFI until it submits a CDFI Certification Application and the CDFI Fund determines that the organization meets each of the requirements for certification. For details concerning the requirements to become a certified Native CDFI refer to the CDFI Program Regulations and CDFI Certification Application available from the CDFI Fund’s website.

Required eligibility materials depend on the Applicant’s certification status (Certified, Certifiable, Emerging, or Sponsoring Entity) and whether it is seeking FA. Failure to submit the required eligibility materials in the specified timeframe may result in the funding and/or certification applications being deemed incomplete and rejected without further review. Applicants are eligible to apply for FA and/or TA as follows:

Entities with CDFI Certification Applications Currently Pending with the CDFI Fund: An Applicant seeking TA (either solely or in conjunction with FA) that has a CDFI Certification Application pending with the CDFI Fund – but has not received notification that it has been certified – is highly recommended to also submit the Emerging CDFI Eligibility Questionnaire (Part II of this Application). If such Applicant is not certified as a Native CDFI based on the pending CDFI Certification Application, the narrative responses required in the Questionnaire will allow the CDFI Fund to better determine if the Applicant qualifies as an Emerging Native CDFI and is therefore, eligible to be considered for the TA portion of the Application.

Table 1 – Eligibility Materials		
Applicant Type	Eligible Funding	What to Submit
<p>Certified Native CDFIs Any certified Native CDFI whose certification has not expired and that has not been notified by the CDFI Fund that its certification has been terminated.</p>	FA and / or TA	<input type="checkbox"/> Certification of Material Event Form <ul style="list-style-type: none"> – Submit the Certification of Material Event Form to the CDFI Fund by December 2, 2010, in accordance with instructions on the CDFI Fund’s website. – The Form and related guidance are available on the CDFI Fund’s website at www.cdfifund.gov .
<p>Certifiable Native CDFIs For purposes of this Application, a Certifiable Native CDFI is an entity from which the CDFI Fund receives a complete CDFI Certification Application no later than FY 2011 NACA NOFA publication date, evidencing that the Applicant meets the requirements to be certified as a Native CDFI.</p>	FA and / or TA	<input type="checkbox"/> If seeking FA: <u>CDFI Certification Application</u> <ul style="list-style-type: none"> – Submit a CDFI certification application to the CDFI Fund by December 2, 2010. – The Application is available on the CDFI Fund’s website at www.cdfifund.gov . <input type="checkbox"/> If seeking TA Only: Applicant Type Questionnaire <ul style="list-style-type: none"> – Submit Part II of this Application. – May submit a CDFI certification application – but not required to do so.

Table 1 – Eligibility Materials		
Applicant Type	Eligible Funding	What to Submit
<p>Emerging Native CDFIs For purposes of this Application, an Emerging Native CDFI is an entity that demonstrates to the CDFI Fund that it has a reasonable plan to be certified as a Native CDFI by December 31, 2013.</p>	TA Only	<input type="checkbox"/> Applicant Type Questionnaire – Submit Part II - Application Type Questionnaire
<p>Sponsoring Entities For the purposes of this Application, a Sponsoring Entity is an entity that proposes to create a separate legal entity (generally within three years) that will become certified as a Native CDFI. (Please see the following note on examples that may constitute a sponsoring entity.)</p>	TA Only	<input type="checkbox"/> Applicant Type Questionnaire Part II of this Application

NOTE: A Sponsoring Entity may include any of the following: (a) A Tribe, Tribal entity, Alaska Native Village, Village Corporation, Regional Corporation, Non-Profit Regional Corporation/Association, or Inter-Tribal or Inter-Village organization; (b) an organization whose primary mission is to serve a Native Community including, but not limited to an Urban Indian Center, Tribally Controlled Community College, community development corporation (CDC), training or education organization, or Chamber of Commerce, and that primarily serves (meaning, at least 50 percent of its activities are directed toward serving) a Native Community.

TIP: The difference between a Certifiable Native CDFI and an Emerging Native CDFI:

- A Certifiable Native CDFI meets all certification requirements at the time it submits the CDFI Certification Application. Therefore, the CDFI Fund will certify such an entity upon its confirmation that the entity meets the certification requirements.
- An Emerging Native CDFI, on the other hand, does not meet all certification requirements at the time of Application (either for certification or funding). Therefore, the CDFI Fund will not certify such an entity as a Native CDFI.

The difference between the CDFI Certification Application and the Emerging CDFI Eligibility Questionnaire:

- The CDFI Certification Application is used to demonstrate that an Applicant currently meets all of the certification requirements as of the date of the application.
- The Emerging CDFI Eligibility Questionnaire, on the other hand, is used to demonstrate that the Applicant has a reasonable plan to become a certified CDFI by December 31, 2013.

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.

Matching Funds (FA Applicants Only)

Matching Funds are required for all FA awards. In accordance with the NOFA, the CDFI Fund will not consider for FA funding any Applicant that has no Matching Funds in-hand or committed as of the Application deadline. Matching Funds are not required for TA grants.

Additional information regarding Matching Funds can be found in Section III of this Application.

Application Materials and Deadlines

Grants.Gov Submission Requirement

The CDFI Fund is required to accept NACA Program Applications only through Grants.gov, the official Federal government-wide E-grant website, in compliance with Public Law 106-107 and Section 5(a) of the Federal Financial Assistance Management Improvement Act.

Downloading Templates and Other Application Material

Detailed instructions for submitting the application through Grants.gov are included in the document titled Grants.Gov Instructions FY2011, available on the CDFI Program page of the CDFI Fund's website. The link to that page is accessible from the "What We Do" -> "Information for Applicants" link path. To download the complete application package, including application, Excel chart workbook, and MS Word templates for completing the various submission documents, go to www.Grants.gov, click on "Apply for Grants" and search for the package using the CDFI Fund's CFDA Number: 21.020.

Grants.Gov Registration

Applicants must have either an individual or organization account registered with Grants.gov in order to submit a CDFI Fund application through the system. The one-time registration process involves several steps and will take several days to complete. Applicants are encouraged to start the registration process as early as possible. Detailed registration instructions can be directly found by accessing the "Get Registered" screen from the Grants.Gov home page. We recommend downloading Grants.gov's 2-page version of the instructions for "Get Started Now..."

Submission Deadlines:

The Application includes a table listing each component, the format of preparation, and how it is submitted. Please see the following table for application material deadlines:

TABLE 2 – APPLICATION MATERIALS - DEADLINES

Name of Application Document	Time and Date Due
Certification Application	5 p.m. ET; December 2, 2010
Certification of Material Events Form	5 p.m. ET; December 2, 2010
TA-only Application	Midnight ET; December 22, 2010
FA or FA/TA Application	Midnight ET; December 22, 2010

NOTE: TA-only, FA or FA/TA applications received *after* the submission deadlines noted above will be considered late and not be eligible for review. Applicants must allow enough time to submit their applications in order to avoid being late. If the applicant is in the middle of submitting its application they will not be able to continue submitting. The information that has been submitted at that point, will be considered the Applicant's submission.

Incomplete applications: Any application submission missing the items listed below will be considered incomplete and immediately rejected from consideration for an award. Documents that *must* be submitted are:

- Completed SF 424
- EIN
- Completed CBP and Workbook

myCDFI Fund Account Submission Requirement:

All Applicants must register User and Organization accounts in myCDFIFund, the CDFI Fund's Internet-based interface. An Applicant must be registered as both a User and an Organization in myCDFIFund as of the applicable application deadline in order to be considered to have submitted a complete application. As myCDFIFund is the CDFI Fund's primary means of communication with Applicants and Awardees, organizations must make sure that they update the contact information in their myCDFIFund accounts before the applicable application deadline. For more information on myCDFIFund, please see the "Frequently Asked Questions" link posted at <https://www.cdfifund.gov/myCDFI/Help/Help.asp>.

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.

The CDFI 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 IRS documentation as evidence the Applicant itself (i.e., not its parent or Affiliate) has been assigned its own unique EIN
- 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

- Applicant Type Questionnaire
- Environmental & Legal Certifications
- Certification of Material Events Form

TIP: Do not wait until the last minute to obtain a DUNS or EIN documentation. The CDFI 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 CDFI 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 CDFI Fund will respond to questions and provide support concerning CDFI certification and NACA funding, related to this NOFA between the hours of 9:00 a.m. and 5:00 p.m. ET, through two (2) business days before an application is due. The CDFI Fund will not respond to phone calls or e-mail inquiries received after 5:00 p.m. ET on said date, until after the Application deadline.

The CDFI Certification Application and other information regarding Native CDFI certification may be obtained from the CDFI Fund's website at <http://www.cdfifund.gov>.

Table 3 – CDFI Fund Contact List (Not toll-free phone numbers)			
Office	Phone Number	Email Address	Type of Question
Main Office:	(202) 622-8662 (202) 622-7754 (fax)	www.cdfifund.gov	General Fund inquires.
Program Support:	(202) 622-6355 Press (5) for NI team	cdfihelp@cdfi.treas.gov	Inquiries regarding the application or your CBP
Certification, Compliance and Monitoring Support	(202) 622-6330 (202) 622-7754 (fax)	ccme@cdfi.treas.gov	Questions about the status of compliance of prior awards, including outstanding reports
IT Support	(202) 622-2455	ithelpdesk@cdfi.treas.gov	Registering and creating accounts on myCDFIFund inquiries
Legal Support	If you have any questions or matters that you believe require response by the CDFI Fund's Office of Legal Counsel, please refer to the document titled "How to Request a Legal Review," found on the CDFI Fund's web site at www.cdfifund.gov .		

APPLICATION CHECKLIST

Table 4 – Application Checklist			
Application Component	Prepare In...	Submit via...	TA Only Applicants vs. FA Applicants
Standard Form (SF) 424	PDF	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants
Documentation of EIN	PDF	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants: <ul style="list-style-type: none"> Documentation from the IRS of unique EIN.
Signature Page	myCDFIFund	myCDFIFund	Both TA Only Applicants and FA Applicants: <ul style="list-style-type: none"> Complete and submit form online.
Environmental Review Form 501 (c)(4) Certification Assurances and Certifications	MS Word	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants: <ul style="list-style-type: none"> Environmental Review Form and the 501(c)(4) Certification (if applicable): <ul style="list-style-type: none"> Complete MS Word Templates. Assurances and Certifications: Electronic Signature on the SF 424 certifies this form – it is not necessary to submit a separate copy.
Applicant Type Questionnaire	MS Word	Grants.gov upload under Attachments	FA Applicants: <ul style="list-style-type: none"> FA Applicants must already be certified or submit a certification application as indicated in the NOFA and in Table 2 TA Only Applicants: <ul style="list-style-type: none"> If not certified as a Native CDFI: Complete in MS Word.
Comprehensive Business Plan (Narrative)	MS Word	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants: <ul style="list-style-type: none"> Complete MS Word template.
Application Charts	MS Excel	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants: <ul style="list-style-type: none"> Complete all applicable charts in the Excel Workbook.
Matching Funds Documentation	PDF	Grants.gov upload under Attachments	FA Applicants Only: <ul style="list-style-type: none"> Provide an electronic copy of Match Fund documentation. Provide all documentation as a single attachment. Be sure to label the attachment “Matching Funds.”
Financial Statements	PDF	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants
Organizational Chart & Resumes	PDF	Grants.gov upload under Attachments	Both TA Only Applicants and FA Applicants

PART I:

COMPREHENSIVE BUSINESS PLAN

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 the CDFI Fund's website 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 CDFI 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. The CDFI 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. CDFI Funding applications must be single-spaced and use a 12-point font with 1 inch margins.

Table 5 - 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	Five (5) pages
Management	Eight (8) pages
Financial Health & Viability	Six (6) pages
Technical Assistance Plan (TAP)	Four (4) pages
Total Narrative (with TAP/without TAP)	Forty (40) pages w. TAP Thirty-six (36) pages without TAP

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 the CDFI Fund's website.

- The completed Excel Workbook and completed MS Word CBP template will be submitted electronically through Grants.gov.
- Do not submit additional materials that are not specifically requested in this Application. The CDFI 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, TA Proposal (if applicable), and five key sections, each of which includes several subcomponents. The maximum points available for each section are as follows:

Comprehensive Business Plan (CBP) Sections	All NACA Applicants
Executive Summary	Not Scored
Market Analysis	25 points
Business Strategy	25 points
Community Development Performance and Effective Use	20 points
Management	20 points
Financial Health and Viability	10 points
Technical Assistance Proposal	Not Scored

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.

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.

EXECUTIVE SUMMARY

No Points - must be no more than one (1) page

Narrative

- 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 FA, if requested, 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 and TA, if applicable.
 - An Emerging Native CDFI should also discuss plans to become certified as a Native CDFI, particularly focusing on its plans to begin its financing activities, and to begin providing Development Services.
 - A Sponsoring Entity should discuss its plan to create an Emerging Native CDFI, particularly focusing on its efforts to incorporate a separate legal entity and projected timeline for developing it into a Native CDFI.
- Complete an Applicant Profile providing the following information (a sample template is provided):
 - Organization name
 - Certification status – "certified," "certifiable," "emerging" CDFI, or "sponsoring entity"
 - 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).

Template 1 - Sample Profile for FA Applicant:

The [Applicant] is a non-profit [type of organization] and certified Native CDFI established in [year established] that provides microloans and small business development services to the [Applicant target market] in [Application location]. They will use their FY 2011 Financial Assistance award to increase lending in their Target Market.

Template 2 - Sample Profile for Sponsoring Entity Applicant:

The [Applicant sponsoring entity] is a sponsoring entity in the process of creating a Native CDFI that will provide small business lending and financial services to the [Applicants target market]. They will use their FY 2011 Technical Assistance award to establish the Native CDFI as a standalone organization.

Template 3 - Sample Profile Template for TA-only Applicant:

[The Applicant] a non-profit microloan fund and emerging Native CDFI established in [year established] that provides microloans and small business development services to [target market] and surrounding communities in [Target market location]. They will use their FY 2011 Technical Assistance award to establish the Native CDFI as a standalone organization.

TIP: If an Applicant is seeking TA Only, it must generally answer the same questions as an Applicant seeking FA. However, the CDFI Fund expects that the response from the TA Only Applicant will be shorter (e.g., 1-2 paragraphs versus 1-2 pages) and have less detail than for an FA Applicant. Please contact the Program staff at the CDFI Fund for further clarification.

MARKET ANALYSIS

25 points must be no more than seven (7) pages

The CDFI 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

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) and 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 Native 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, if applicable, justify requested TA activities that will help.**
 - 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.
 - If there are requested TA activities that will help to address the Market Analysis deficiencies, reference those items from the TA Budget Chart and explain how the requested TA will address the deficiencies or strengthen the Applicant's capacity in the area of Market Analysis.
 - **Sample Market Analysis TA Response:** Smithtown Loan Fund's (SLF) Market Analysis needs improvement in understanding the size and diversity of its potential customer base. We have addressed this weakness developing a Statement of Work for a potential contractor to help conduct

research to answer these questions. SLF has also requested the following TA use which will help implement the market analysis improvements: The \$25,000 Contractual entry in the TA Budget Chart will allow us to hire a Contractor to conduct the research needed to understand the size and diversity (population and geographic) of our market. This data is critical for our success in serving our Target Market.

BUSINESS STRATEGY

25 points must be no more than nine (9) pages

The CDFI 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

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 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.). **For each product/service: identify the dollar range, interest rate, fees, and terms.**
- 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.
- If a Type 3 Applicant (Sponsoring Entity) has an existing loan portfolio, then discuss plans to transfer the portfolio to the future Native CDFI.
- 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 product/service: 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?
- 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, if applicable, justify requested TA activities that will help.**
- 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.
 - If there are requested TA activities that will help to address the Business Strategy deficiencies, reference those items from the TA Budget Chart and explain how the requested TA will address the deficiencies or strengthen the Applicant's capacity in the area of Business Strategy.
 - **Sample Business Strategy TA Response:** Smithtown Loan Fund's (SLF) Business Strategy capacity needs improvement in the marketing and outreach area. We have addressed this weakness by developing a position description for a new "Community Partnership Coordinator." SLF has requested the following TA use which will help us address this Business Strategy weakness: The \$40,000 Personnel – Salary and \$12,000 Personnel – Fringe Benefits entries will allow us to hire this new position and thereby create the types of collaborations and partnerships needed to effectively promote our products and services within our defined Target Market.

COMMUNITY DEVELOPMENT PERFORMANCE AND EFFECTIVE USE

20 points must be no more than five (5) pages

The CDFI 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 CDFI 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

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.
 - If a Type 3 (Sponsoring Entity) discuss the prior track record of serving its Native Community, its record of success in serving the targeted Native Community, and how it will use an award from the CDFI Fund to expand its operations into creating a Native CDFI.
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 (Chart D). 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 CDFI 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 CDFI Fund's limited resources.

- Describe in detail how the Applicant will use the CDFI 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 Native 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 CDFI 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 FY 2004-2010*, discuss the extent to which the Applicant has been successful in meeting performance goals and reporting requirements. Additionally, please include the following information:

- 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

- 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 award period? If not, why?
 - ~ Is the Awardee requesting TA funds in this Application for activities previously funded by a TA Award? If yes, identify the activities and state the reasons why another award is warranted?
- If a previous TA award was to assist the Awardee in becoming a certified Native CDFI, but this objective was not achieved, explain why. If the Applicant is again requesting TA Funds to assist in achieving Native CDFI certification, explain why the additional assistance is needed and how the Applicant will achieve certification.

12. Address areas needing improvement and, if applicable, justify requested TA activities that will help.

- 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.
- If there are requested TA activities that will help to address the CD Performance and Effective Use deficiencies, reference those items from the TA Budget Chart and explain how the requested TA will address the deficiencies or strengthen the Applicant’s capacity in the area of CD Performance and Effective Use.
- **Sample CD Performance and Effective Use TA Response:** Smithtown Loan Fund’s (SLF) CD Performance and Effective Use capacity needs improvement in data collection, operations, and reporting on our outcomes and successes. We have addressed this weakness by conducting a data assessment to identify our information technology needs to collect, manage, and report on our loan portfolio and community development outcomes. SLF has also requested the following TA uses which will help us implement the data collection and CD Performance and Effective Use capacity improvements: The \$20,000 Equipment entry in the TA Budget Chart will help us purchase XYZ software and the \$5,000 Contractual cost entry will allow us to hire a Contractor to compile and consolidate our current data and systems into the new software system. Both of these TA requests will support our ability to collect and report data about our products, services, and impacts. This data is critical for our success in serving our Target Market.

MANAGEMENT

20 points must be no more than eight (8) pages

The CDFI 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

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 governing board of the Native CDFI is not yet in place, provide a narrative description of the timeline and plans for identifying and training the Native CDFI's governing board.
- 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.
- A Type 3 Applicant (Sponsoring Entity) should discuss members of the Native CDFI development team (e.g. staff, consultants, contractors, etc.)

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.
- **FA Applicants Only:** 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.
- **FA Applicants Only:** 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.
- **FA Applicants Only:** 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, if applicable, justify requested TA activities that will help.

- 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.
- If there are requested TA activities that will help to address the Management deficiencies, reference those items from the TA Budget Chart and explain how the requested TA will address the deficiencies or strengthen the Applicant's capacity in the area of Management.
- **Sample Management TA Response:** Smithtown Loan Fund's (SLF) Management capacity needs improvement in data collection, operations, and reporting on our outcomes and successes, which are the same areas as discussed in our Community Development Performance and Effective Use section in question 15 above.

FINANCIAL HEALTH AND VIABILITY

10 points must be no more than six (6) pages

The CDFI 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 CDFI Fund and its capitalization strategy; and (iv) portfolio performance including loan delinquency, loan losses, and loan loss reserves.

Financial Ratio Minimum Prudent Standards (MPS)			
Measure	Non-Regulated CDFIs	Insured Credit Unions	IDIs / DIHCs
Capital 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 Native CDFI's total assets unencumbered by debt.	Net Asset Ratio $\geq 15\%$ Net Assets divided by Total Assets	Net Worth Ratio $\geq 5\%$ Net Worth divided by Total Assets	Tier 1 Leverage Capital $\geq 7\%$
Asset-Liability Management Is the structure of the Applicant's debt appropriate for its financial products?	Current Ratio = 1.25: 1 Current assets divided by current liabilities.	Narrative Only	Narrative Only
Deployment Measures how much of the Applicant's available funds are lent out or invested.	Deployment Ratio $\geq 50\%$	Narrative Only	Net Loans & Leases To Deposits $>50\%$
Self-Sufficiency Measures the percentage of operating costs a Native CDFI can cover with earned revenue.	Self-Sufficiency Ratio = $\geq 40\%$ (non-profit) $\geq 70\%$ (for-profit)	Narrative Only	Narrative Only
Operating Liquidity 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.	Operating Liquidity Ratio ≥ 0 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
Earnings Measures whether the Applicant is earning sufficient revenue to cover its expenses.	Net Income $\geq \\$0$ Gross Revenues (including grants or other contributions) less Total Expenses. For-profit Applicants should deduct total pre-tax expenses from Total Revenue.	Return on Assets $\geq 0.75\%$ See return on average assets under Earnings Heading under FPR Ratios Document	Pre-Tax Net Operating Income/Average Assets $> 0.65\%$

(i) **TIP:** Failure to meet any of the historic and/or projected MPS does not necessarily preclude the Applicant from receiving a Financial Assistance and/or Technical 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).
- 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:

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 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 CDFI Fund’s minimum prudent standard.
- For all ratios, including those where the CDFI 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 and/or TA 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 and/or TA will help the Applicant increase its earning potential. The CDFI Fund expects CDFIs to sustain positive net revenue each year but recognizes the nature of CDFI funding sources makes that difficult. The CDFI 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:

- 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.

Institution Type	Portfolio-at-Risk (PAR)	Loan Loss Reserves (LLR) Or Provision for Losses
Non-Regulated Entities (Loan Funds)	≤ 15.00%	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
Insured Credit Unions	Delinquent Loans/Total Loans ≤ 3.5%	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%	Loans & Leases Allowance/Total Loans & Leases ≥ 0.5% PAR

24. Equity Investor Financial Health: (if applicable)

- Describe the terms of the Equity Investments made by the Applicant.
- Explain the CDFI Fund's life cycle and where the Applicant is in that life cycle.
- Describe the CDFI 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, if applicable, justify requested TA activities that will help.

- 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.
- If there are requested TA activities that will help to address the financial health and viability deficiencies, reference those items from the TA Budget Chart and explain how the requested TA will address the deficiencies or strengthen the Applicant's capacity in the area of financial health and viability.
- **Sample Financial Health and Viability TA Response:** Smithtown Loan Fund's (SLF) Financial Health and Viability needs improvement in that our capital or net asset ratio does not meet the CDFI Fund's minimum prudent standard, nor does it meet our internal expectations. We are requesting the following TA Use to strengthen this weakness: The \$5,000 Professional Service Cost will allow us to hire a Contractor to help us develop a comprehensive capitalization strategy and plan. The plan will outline the five key markets we should be approaching to build our capital base and the related products and services which will most likely appeal to those markets. The capitalization strategy will serve as the base for building our capital structure which is crucial to continuing our service to our Target Market.

TECHNICAL ASSISTANCE PROPOSAL (TAP)

Requirements for Applying for Technical Assistance

Any Applicant applying for a Technical Assistance (TA) grant, either alone or in conjunction with a Financial Assistance (FA) award must complete a Technical Assistance Proposal (TAP), which consists of (1) the TA Request Budget (Chart C), and (2) a detailed narrative explanation and justification for each requested use as part of its Application. The TAP supports the overall TA grant request and is the Applicant's narrative explanation and justification for each item of TA requested. The CDFI Fund will evaluate the TAP to determine the eligibility and appropriateness of the requested uses of TA.

The narrative must include the following information:

- A brief overall summary of how the requested TA grant will address the organizational improvements needed to achieve the objectives of the CBP.
- A distinct narrative for each requested TA item entered on the TA Budget (Chart C). Each description must include:
 - A detailed description of the requested TA item,
 - A detailed description of how the TA item will improve the Applicant's capacity to serve its Target Market and/or become a certified Native CDFI and, therefore, achieve the objectives of the CBP,
 - An explanation of how the Applicant calculated each activity, and
 - A timeline including when the activity/purchase will be initiated and completed (note: TA item cannot be expensed prior to Notice of Award – approximately Spring 2011).
- If the Applicant has received the requested TA item in the past, a description of how the item further builds the capacity of the applicant is necessary. The CDFI Fund will not provide funding for the same activities funded through prior awards without a compelling justification.

TIP How to submit: The TAP narrative is inserted in the 'TAP field' located in the box of the downloadable Comprehensive Business Plan MS Word template available from the CDFI Fund's website. The TAP narrative provides comprehensive details and justifications for each TA item request and for the overall TA grant request.

Please note the following when writing the TAP and the CBP:

- Generally, all TA grants must be used and activities completed within 24 months of receipt as indicated in the Awardee's Assistance Agreement.
- TA grants cannot be expensed prior to the execution of a Notice of Award (approximately Spring 2011).
- The CDFI Fund will evaluate the TAP for the eligibility and appropriateness of the requested TA grant. The CDFI Fund will not provide funding for construction costs.
- If the Applicant identifies a capacity-building need related to any section of the CBP (e.g., if the Applicant requires a market need analysis or a community development impact tracking/reporting system), the CDFI Fund will assess its plan to use the TA request to address such need. The Applicant's plan should be clearly detailed in the TAP narrative and corresponding section of the CBP.
- If the Applicant is not a Certified Native CDFI and requests a TA grant to address certification requirements, it must explain how the TA will assist the Applicant in meeting the certification requirement.

The CDFI Fund will assess the reasonableness of the plan to become certified by December 31, 2013, taking into account the requested TA.

TAP Calculation Methodology and Justification

A: Personnel and Fringe Benefits

- The narrative justification must describe how the activities that the identified staff person is expected to carry out within the covered timeframe will build the Applicant's capacity to serve its Target Market or become certified as a Native CDFI.
- For example, the justification for a request to cover a year's salary of a lending officer should explain the capacity improvements expected at the end of that year, i.e., quantified increase in lending, development of new lending products, etc.
- The narrative must list each position by name and title/position of employee. The narrative must clearly identify each staff person's annual salary rate and the percentage that will be covered by the TA grant (e.g., 50% of the loan officer's annual salary for two years).
- Applicants may only request fringe benefits for personnel listed and the portion covered must correspond to the portion of salary requested for the same time period (e.g., 50% of staff person's time for two years). Provide the organization's fringe rate and clearly calculate the portion of fringe costs be covered by the TA grant.

B: Training

- The narrative must describe each specific training, the purpose and content, and board/staff expected to participate. The narrative should include the costs of tuition, fees, training materials, and textbooks. Travel, subsistence, and salary for staff attending the training should be requested under Budget Category A and D (Personnel and Travel), as appropriate.
- Costs for attending meetings/events/conferences without specific training content are not eligible under the TA Program.
- In the following cases, Training costs should be listed under specific Cost Categories: Procuring a trainer for in-house training should be requested under Category E (Professional Services). Costs associated with the staff time for providing training to the Applicant's customers and volunteers should be requested under Budget Category A and B (Personnel). Travel associated with training activities must be requested separately in Category D (Travel). Training content must be standardized and specific to the needs of the organization (i.e., financial management training for finance staff, loan-underwriting training for lending staff, etc.).

C: Travel

- Allowable travel-related expenses include air or train fare, lodging, mileage, rental cars, taxi and subsistence (e.g., meals) for staff, consultants, or board members.
- Travel expenses must be reasonable and consistent with the Applicant's designated travel policies. Applicants must designate their travel policy in Chart C.
- Applicants that have indicated on Chart C that they will apply Federal travel policies must follow appropriate GSA rates; the Federal rates can be found online at www.gsa.gov.
- Travel expenses associated with any requested training must be included in this category.
- Travel expenses must be itemized by purpose in the TA Budget chart. For example clarify the amount of Travel expense for Outreach, Training, or Consultants, etc.

D: Professional Services

- This Cost Category includes items generally understood as Consultants and Contractors.

- The narrative must include the vendor name, if known, a detailed discussion of the product or services to be provided, rate of compensation, and estimated time required.
- The rate of compensation for Professional Services covered by a TA grant varies. Services that are obtained outside of a competitive-bid process (i.e., sole-sourced) cannot exceed the daily or hourly rate equivalent to the ES-4 federal salary. Current rates can be found at the Office of Personnel Management (OPM) website (www.opm.gov). Services obtained through a competitive bid process may exceed this rate. Applicants must designate their procurement policy in Chart C.
- Requested services should be non-recurring – i.e., distinct projects resulting in a delivered product (e.g., a report), product specific, and closely linked to the achievement of the Applicant's CBP.
- All other expenses related to delivery of Professional Services, such as travel, should be requested in the relevant cost category.
- Examples of Professional Services include:
 - ~ Hiring a consultant to develop lending policies and procedures.
 - ~ Hiring a consultant to develop a market analysis with recommendations for expansion.
 - ~ Hiring a contractor to evaluate existing or new financial products or training services.
 - ~ Hiring a contractor to deliver training to potential borrowers.

E: Materials, Supplies, and Equipment

- The narrative should explain how the requested items will be used to build the Applicant's capacity to serve its Target market or to become certified as a Native CDFI.
- Generally, supplies include any materials that are expended or consumed over time. Items requested under supplies must have a value of less than \$5,000 per unit. The costs of developing materials should be requested either under Budget Category A or F (Personnel or Contractual Costs), as appropriate.
- The narrative description must include details on the type of materials or supplies and per unit cost.
- For purposes of this Application, Equipment includes computer hardware, computer software, related peripherals, and office equipment. The narrative should explain how the requested items will be used to build the Applicant's capacity to serve its Target Market or to become certified as a Native CDFI.
- Non-expendable, tangible property having a useful life of more than two years and/or an acquisition cost of \$5,000 or more per unit are considered Equipment.
- List each specific item that is to be purchased with the TA grant. When appropriate, list the unit cost multiplied by the number of units to be purchased. Peripheral costs less than \$250 should be added into the cost of the main item to be purchased (such as the computer or copier).

F: Other Expenses

- Specific costs not associated with the categories A-G should be listed here. An Applicant may request a TA grant to cover direct expenses, such as administrative support, janitorial, security, rent, reproduction, telephone service, internet service, subscriptions, and utilities. The Applicant must demonstrate that other direct expenses listed in OMB Circular A-122 will enhance its capacity to serve its Target Market and/or to become certified as a Native CDFI. Indirect Costs associated with Personnel costs from category A should be included here. Such activities are subject to approval by the CDFI Fund.
- List each specific item that is to be purchased with the TA grant. When appropriate, list the unit cost multiplied by the number of units to be purchased.

Areas Needing Improvement and TA Request Questions in CBP

TA grants are provided to support the Applicant's capacity to achieve the strategies outlined in the Comprehensive Business Plan, including certification. Therefore, in addition to the TAP narrative and TA Budget

Chart, Applicants should link each of the TA item requests to some component of the CBP, explaining how the TA will support capacity building for that section. This will be done in the final questions for each CBP section labeled "Address areas needing improvement and, if applicable, justify TA Use requests that will help." All Applicants must respond to these questions, whether it is requesting TA or not. Their response should include three key components:

- Acknowledge and discuss areas needing improvement or definitively state that no improvements are needed in that CBP component.
- Reference and justify requested TA item(s) from Chart C that will support improvement and strengthen its capacity in that component
- Explain how the areas of improvement are being addressed in ways other than through the requested TA grant.

Note – Do not repeat the justification for each TA request for each CBP question response. If certain TA requests will improve the capacity of more than one CBP section, simply reference the item stating that the detailed justification can be found in the previous CBP TA question.

COMMUNITY PARTNER

No Points - must be no more than one (1) page

Narrative

The CDFI 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 Native 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.

APPLICATION CHARTS

- The Request Form is the first worksheet found in the Excel Workbook. It must be completed in its entirety.
- All Application charts are available – and must be submitted – as an Excel file through Grants.gov.
- Applicants will complete each chart and save the completed Workbook.
- Applicants must upload the completed Excel workbook into the online interface via Grants.gov by the application deadline.
- Applicant should print and retain a hard copy of all charts submitted for future reference. Applicant should NOT submit hard copies to BPD.
- **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."

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 CDFI 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 CDFI Fund's website, www.cdfifund.gov.

<p>Business Products: 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 identify the type of borrower to whom the product is targeted, and the type of investment made.</p>	
Activity Option	Description
Business - Equity Investments	Equity Investments made to support for-profit entities. Intermediaries should use this category for equity investments made to for-profit CDFIs.
Business Loans - Community Organizations	Loans supporting non-profit or not-for-profit entities. Intermediaries should use this category for loans and EQ2 investments made to non-profit CDFIs.
Business Loans - Non-Micro	Loans supporting non-microenterprise, for-profit entities.
Business Loans – Microenterprise	Loans supporting microenterprise, for-profit entities.
Consumer Loans	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).
Home Purchase – 1st Mortgage	Non-subordinated loans supporting the purchase of a primary residence.
Home Purchase - Subordinate	Subordinated loans supporting the purchase of a primary residence and is not in first position. This includes down-payment assistance loans.
Home Improvement	Loans for the renovation or other improvement of an owner-occupied home, regardless of lien position.
<p>Real Estate Products: 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.</p>	
Real Estate-Commercial	Loans/equity investments that support commercial for-profit entities. Select this option for mixed-use real estate combining both commercial and residential use.
Real Estate-AHD	Loans/equity investments that support that support affordable housing development (AHD).
Real Estate-Community Facilities	Loans/equity investments that support community facilities .
Savings/Checking/Share/Draft Accounts	Deposit accounts offered by regulated financial institutions.
Other	Select this category for any grant programs or other financing not identified above.

PART II:

APPLICANT TYPE QUESTIONNAIRE

<p>1. Are 50% or more of the Applicant's activities directed toward a Native Community (i.e., Indian Reservation, Alaska Native Village, or Hawaiian Home Land; or Native American, Alaska Native, or Native Hawaiian individuals, families, or businesses)?</p> <p>If YES, then attach a narrative describing how the Applicant verifies that its activities are so targeted. (Suggested length: up to ½ page). Proceed to Question 2.</p> <p>If NO, then the Applicant is not eligible to apply for the NACA Program.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Is the Applicant a Certified Native CDFI?</p> <p>If YES, then Applicant is Type 1 (Certified Native CDFI) and is eligible to apply for TA and FA. Required eligibility materials: signed Certification of Material Events form. Applicant may stop questionnaire here.</p> <p>If NO, then proceed to Question 3 to determine Applicant type.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Does the Applicant currently meet all the certification tests and:</p> <p><input type="checkbox"/> Did Applicant submit a CDFI Certification Application by the date required in the NOFA and application; or</p> <p><input type="checkbox"/> Does it have a CDFI Certification Application pending with the CDFI Fund?</p> <p>If YES to either, then Applicant is Type 1 (Certifiable Native CDFI) and is eligible to apply for TA and FA. Required eligibility materials: signed Certification of Material Events form. Applicant may stop questionnaire here.</p> <p>If NO, then proceed to Question 4 to determine Applicant type.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>4. Is the Applicant in existence legally (incorporated or chartered) and planning to seek certification for itself within a reasonable timeframe (generally within two years of receiving an award)?</p> <p>If YES, then Applicant is Type 2 (Emerging Native CDFI) and is eligible to apply for TA only. Applicant may stop questionnaire here.</p> <p>If NO, then proceed to Question 5 to determine Applicant type.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>5. Does the Applicant plan to form a separate legal entity within two years of receiving an award that will primarily serve a Native Community and that will become certified within three years of receiving the award?</p> <p>If YES, then Applicant is Type 3 (Sponsoring Entity) and is eligible to apply for TA only. Applicant may stop questionnaire here.</p> <p>If NO, then Applicant is not eligible to apply for the NACA Program.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

PART III:

MATCHING FUNDS

WHO MUST COMPLETE THIS SECTION:

- ALL FA APPLICANTS

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

- Failure to submit required matching funds.

THINGS TO NOTE:

- TA Grants do not require matching funds.

MATCHING FUNDS (FA APPLICANTS ONLY)

The Administration's proposed FY 2011 appropriation for the NACA Program includes a waiver of the matching funds requirements set forth in paragraphs 1 through 4 below. However, as of the publication date of this NOFA, the appropriation for the FY 2011 Funding Round has not yet been enacted into law. The CDFI Fund encourages Applicants to include matching funds documentation as instructed in the Application; if the matching funds waiver is enacted, the CDFI Fund will not review matching funds documentation. An Applicant that does not include matching funds documentation in its Application runs the risk of being determined to be ineligible for funding under the FY 2011 Funding Round if said matching funds waiver is not enacted.

- **Opportunity to provide Matching Funds documentation at a later date:** If the Matching Funds requirement is **not** waived, Applicants that have not included Matching Funds documentation will be provided a **30-day window** to submit the documentation. The CDFI Fund will provide additional information about this process if and when it opens the 30-day window. Applicants who do not supply Matching Funds documentation run the risk of being determined ineligible for funding under the FY 2011 Funding Round if the Matching Funds waiver is not enacted.
- **Matching Funds Window:** Matching Funds In-Hand (received), or Firmly Committed, on or after January 1, 2009 and on or before March 14, 2012, will be considered when determining Matching Funds eligibility.
- **Applicants that do not obtain the projected Matching Funds:** The CDFI Fund reserves the right to: (1) rescind all or a portion of a FA award and re-allocate the rescinded award amount to other qualified Applicant(s) if an Applicant fails to obtain the required Matching Funds In-Hand by March 14, 2012 (with documentation of such receipt to be received by the CDFI Fund not later than March 31, 2012); or (2) to grant an extension of such Matching Funds deadline, if the CDFI Fund deems it appropriate.
- **Comparable Form:** Matching Funds must be at least comparable in form and value to the FA award provided by the CDFI Fund. For example, if an Applicant seeks a FA grant from the CDFI Fund, the

Applicant must obtain Matching Funds through grants from non-Federal sources that are at least equal to the amount requested from the CDFI Fund. For loans or Deposits, the terms will be matched by the CDFI Fund to the extent possible and in the sole discretion of the CDFI Fund. Thus, if a 10-year loan at 2% interest, with interest only payments is requested from the CDFI Fund, the Applicant must match the request with a loan with the same terms. If several loans with different terms and rates are used as Matching Funds for a loan, the CDFI Fund will calculate a blended term and rate of the loan portion of the CDFI Fund's FA award.

- **Non-Federal Source**: Matching Funds must come from sources other than the Federal government and, regardless of the source, consist of non-Federal funds. Community Development Block Grant Program and other funds provided pursuant to the Housing and Community Development Act of 1974, as amended, are considered Federal government funds and cannot be used as Matching Funds.
- **Previously Used Matching Funds**: Funds used by an Applicant as Matching Funds for a prior award under the CDFI/NACA Programs or under another Federal grant or award program cannot be used to satisfy the Matching Funds requirement for this FA request. If an Applicant seeks to use as Matching Funds, monies received from an organization that was a prior Awardee under the CDFI/NACA Programs, the CDFI Fund will deem such funds to be Federal funds, unless the funding entity establishes, to the reasonable satisfaction of the CDFI Fund, that such funds do not consist, in whole or in part, of CDFI/NACA Program funds or other Federal funds. An Applicant using Matching Funds from an Affiliate entity must be able to demonstrate that the Affiliate entity received the same amount from an eligible, non-Affiliate source within the eligible Matching Funds window, described above.

Matching Funds Data Chart

The Matching Funds Data Chart captures information, as of the submission date of the Application, on Matching Funds In-Hand, Firmly Committed, and To Be Raised. The Matching Funds Data Chart is Chart A in the Application Charts Excel Workbook. Before completing the chart, it is highly recommended that the Applicant:

- Carefully read the chart instructions below and the Sample Completed Chart.
- Read the Matching Funds guidance available on the Fund's website at www.cdfifund.gov.
- Gather all documentation so that dates, amounts, and other data are readily available.

All FA Applicants must complete the chart.

Required Documentation

- Matching Funds In-Hand**: For each Matching Funds In-Hand transaction provide copies of executed documentation evidencing both the form of Matching Funds and that the Matching Funds were disbursed.

Acceptable documentation of the form of Matching Funds is as follows:

- ✓ **Grant**:
 - **Grants \$50,000 or greater**: Applicants are required to submit supporting documentation for grants greater than or equal to \$50,000, this includes signed copies of grant transmittal letters; grant agreements; a letter from the match source indicating the grant amount and the purpose of the grant.
 - **Grants less than \$50,000**: For each grant contribution less than \$50,000, the Applicant should list the grant source, amount, date, and source contact data in the Matching Funds Data Chart A.
 - **Small Grant Contributions \$5,000 or less**: If an Applicant has identified several small grant contributions (each \$5,000 or less) as Matching Funds, record the total sum of these small contributions as a single entry in the Matching Funds Data Chart A. Type "Small Contributions" in the "Name of

Source" column. Applicants must also provide a separate list with the donors/contributors names, date, and amount for each individual donor/contributor.

- ✓ **Loan:** signed copies of promissory notes, loan agreements.
- ✓ **Equity Investment:** signed copies of stock certificates, subscription agreements and private placement memoranda.
- ✓ **Deposit/Shares:** signed copies of certificates of deposit or share certificates.
- ✓ **Secondary Capital:** signed copies of secondary capital agreement and the Disclosure and Acknowledgement Statement.
- ✓ **Retained Earnings:** see special section below describing using Retained Earnings as match.

Acceptable evidence that the Matching Funds were disbursed to the Applicant includes:

- (1) a copy of the check;
- (2) a copy of wire transfer transaction; or
- (3) other disbursement document deemed acceptable by the CDFI Fund.

- Matching Funds Firmly Committed:** For each source of Matching Funds Firmly Committed, provide written documentation evidencing that the Applicant has entered into or received a legally binding commitment from the Matching Funds source that the Matching Funds have been committed, and are to be disbursed to the Applicant (such as a loan agreement, promissory note, or grant agreement). Matching Funds Firmly Committed documents must be in writing, signed and dated by the funder, indicate that the Matching Funds are for the Applicant, correspond in form to the FA requested (i.e., grant for grant, loan for loan), and provide a date by which the Matching Funds will be disbursed to the Applicant. Commitments may be contingent upon receipt of a Fund FA award, and other contingencies deemed reasonable by the Fund, in its sole discretion.
- To Be Raised:** Submit letters of interest from potential funders or documentation demonstrating the likelihood of raising Matching Funds by March 14, 2012.

TIP: Applicant should observe the following in organizing Matching Funds documents:

- All Matching Funds documentation must now be submitted electronically, through myCDFI Fund Account. You may need to scan your original documents and upload the scanned files.
- All Matching Funds should be submitted as a single attachment.
- The Matching Funds documentation should be clearly labeled as “Match Doc” or a similar file name.
- A cover sheet should be provided, listing each Matching Funds source, date, and amount
- All Matching Funds documentation should be separated by source with page breaks/dividers and numbered in accordance with the cover sheet
- Matching Funds letters and agreements should be attached to related disbursement checks or wire transfer documentation.
- Matching Funds with multiple disbursements should be identified with a notation such as: “Disbursement 3 of 4, original letter or agreement dated June 13, 2007.”
- Applicants are only required to submit grant letters and checks for grants greater than or equal to \$50,000.
- For each grant contribution less than \$50,000, the Applicant should list the grant source, amount, date, and source contact data in Matching Funds Data Chart A.
- A list should be provided of small grants (\$5,000 or less), which includes the grantor name, date, and amount.

Using Retained Earnings to Satisfy Matching Funds Requirement

An Applicant may use its Retained Earnings to match a request for a grant from the CDFI Fund. An Applicant that proposes to meet all or a portion of its Matching Funds requirements by committing available earnings retained from its operations shall be subject to the restrictions described in this section. Retained Earnings shall be calculated as directed by the CDFI Fund in the NOFA, Application, and/or related guidance materials. Retained Earnings accumulated after the end of the Applicant’s most recent fiscal year ending prior to the appropriate Application deadline may not be used as Matching Funds.

If using Retained Earnings as Matching Funds, the Applicant must complete the Retained Earnings Chart appropriate for its organization type. The Matching Funds Retained Earnings Calculators are labeled as worksheets B1, B2, and B3 in the Excel Charts Workbook. In addition, the Applicant must list Retained Earnings as a Matching Funds source in Chart A. Enter “Retained Earnings” in the “Name of Source” column and select “Grant” from the drop down list under the “Type” column.

Eligible Retained Earnings for All Applicants Other Than ICUs. For an Applicant other than an Insured Credit Union (ICU), Retained Earnings that may be used for Matching Funds purposes shall consist of:

- The increase in Retained Earnings (meaning, operating income minus operating expenses less any dividend payments) that has occurred over the Applicant's most recent fiscal year (e.g., Retained Earnings at the end of FY 2007 less Retained Earnings at the end of FY 2006); or
 - The annual average of such increases that occurred over the Applicant's three most recent fiscal years.
- Chart for a For-Profit Applicant: Complete Chart B1 or B3, as appropriate, using the Applicant's unconsolidated audited Financial Statements.
- Chart for a Non-Profit Applicant (other than an ICU): Complete Chart B1 using the Applicant's Financial Statements.

Eligible Retained Earnings for ICU Applicants. In the case of an Applicant that is an ICU (including a State-Insured Credit Union), Retained Earnings that may be used for Matching Funds purposes shall consist of:

- Option 1: The increase in Retained Earnings that has occurred over the Applicant's most recent fiscal year;
- Option 2: The annual average of such increases that has occurred over the Applicant's three most recent fiscal years; or
- Option 3: The entire Retained Earnings that have been accumulated since the inception of the Applicant, provided that the Applicant increases its Member and/or Non-Member Shares or total loans outstanding by an amount that is equal to the amount of Retained Earnings that is committed as Matching Funds by the end of the Awardee's second performance period, as set forth in its Assistance Agreement.

Please note that the CDFI Fund will assess the likelihood of this increase during its review process. An award will not be obligated to any applicant that has not demonstrated that they have increased shares or loans by at least 25% of the requested FA award amount between December 31, 2007 and December 31, 2008 as demonstrated by its corresponding NCUA report.

- Chart for an ICU Applicant: Complete Chart B2 using the Applicant's NCUA 5300 Call Report.

If using Option 3, complete the chart, including the narrative explaining the Applicant's methodology for increasing its total shares or loans. The CDFI Fund will verify the amounts entered in the data portion of the chart using the Applicant's NCUA 5300 Call Report. If the Applicant is chosen to receive an award, the CDFI Fund will confirm the projected increase in Total Member And/Or Non-Member Shares or total loans using the Applicant's NCUA 5300 Call Report for the appropriate fiscal year. The baseline level of member/nonmember shares or loans outstanding will be calculated as of December 31, 2008.

Instructions for filling out the Matching Funds Data Chart

The Applicant will identify the Matching Funds by entering one Matching Fund transaction on each row. One transaction is any payment or expected payment. Therefore, if one grant is being distributed in three different installments, the chart should include three different rows – one corresponding to each payment date. If Retained Earnings are being proposed as a source, the Retained Earnings Calculator must be completed and submitted with the Excel Workbook linked to the Application. Follow the instructions below for information on what to enter in each column.

- Name of Source: Name or other identifier for each unique match source.
- Type: Select an option from the dropdown list in the table. See more information about each type (Loan, Grant, etc.) in the Matching Funds Q&A document.
- Amount [3 columns]: Enter the amount under the column corresponding to the status of the match: In-Hand, Committed, or To Be Raised.

- ❑ **Date:** Enter a date corresponding to the status of the match as follows: In-Hand = Final Disbursement Date; Committed = Date on Commitment Letter; To Be Raised = Expected Date of Final Disbursement. All dates must be on or after January 1, 2008, and on or before March 14, 2012.
- ❑ **Comments & Contact Data:** If the Matching Funds are from a state and/or local government agency, the Applicant is required to provide the contact name, title, and phone number of the Matching Funds source in the Comments/Contact column. Use same column for any additional comments relevant to the Matching Funds.

SAMPLE CHART TO BE COMPLETED IN ONLINE APPLICATION

A: Matching Funds Data Chart						
Name of Source	Type	Amount In-Hand	Amount Committed	Amount to be Raised	Date	Comments & Contact Data
Small Contributions: Fall Fundraiser	Grant	50,000			9/12/2007	123 donations, each less than \$1,000.
ABC Foundation	Grant	100,000			8/7/2007	ACH transfer, payment #1 of 2 on \$1.5 million commitment.
ABC Foundation	Grant		1,400,000		12/31/2007	ACH transfer, payment #2 of 2 on \$1.5 million commitment.
VLL Foundation	Grant			90,000	10/1/2009	
Small Contributions : Spring Fundraiser	Grant			154,689	4/1/2009	
Mars Foundation	Grant		10,000		12/31/2007	
McKay Foundation	Loan		50,000		12/1/2007	
Nat'l CU Foundation	Secondary Capital	50,000			8/1/2008	
Baltimore County Gov't	Grant	85,000			12/20/2007	John Doe, Director; 401-222-2222.
Bank One	Deposits/Shares	1,000,000			4/12/2007	
Retained Earnings	Grant	50,000			12/31/2007	See Matching Funds Calculator
Totals		1,335,000	1,460,000	244,689		

PART IV: ENVIRONMENTAL AND LEGAL CERTIFICATIONS

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 CDFI 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 CDFI 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
<p>As stated in 12 CFR 1815.105, if the CDFI 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:</p> <ol style="list-style-type: none"> 1. The Applicant supplying to the CDFI Fund all information necessary for the CDFI Fund to perform or have performed any required environmental review; 2. The Applicant not using any CDFI Fund Financial Assistance to perform any of the proposed actions in the Application requiring an environmental review until approval is received from the CDFI Fund; and 3. The outcome of the required environmental review. <p>In addition, as stated in 12 CFR 1815.106, if the CDFI 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 CDFI Fund Financial Assistance for any action that is not a categorical exclusion.</p>

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 to 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 ¹ a Covered Executive Branch Official ² 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 ³ 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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.

¹ "Contacted" means any oral or written communication including an electronic communication.

² "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 O-7 or above; or (f) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character.

³ "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.

PART V:

ADDITIONAL INFORMATION

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 CDFI 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 CDFI Fund will determine whether it was submitted by the deadline and is complete. If the Application is determined to be complete, the CDFI 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 CDFI 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 CDFI Fund through any CDFI Fund program, after the readers establish the base score, the CDFI Fund will deduct points for:

- The Applicant's noncompliance with any active award or award that terminated in calendar year 2009 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 CDFI Fund during the Applicant's two complete fiscal years prior to the Application deadline, generally FY 2008 and FY 2009;
- The Applicant's failure to make timely loan payments to the CDFI 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 2007, FY 2008, or FY 2009 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 CDFI 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 CDFI Fund in its evaluation process. Such requests must be responded to within the time parameters set by the CDFI 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 CDFI Fund will rank Applications by their scores, from highest to lowest. The CDFI Fund will make its final award selections based on the rank order of Applicants by their scores and the amount of funds available. In addition, the CDFI Fund may consider the institutional and geographic diversity of Applicants when making its funding decisions.

Awardee Notification

For the FY 2011 NACA funding round, the CDFI Fund will notify Applicants selected to receive an award by Spring 2012. The CDFI 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 CDFI 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. All application decisions are communicated through emails established in the myCDFIFund accounts. Because 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 CDFI Fund's main email addresses (cdfihelp@cdfi.treas.gov, grantsmanagement@cdfi.treas.gov, cme@cdfi.treas.gov) are listed as acceptable sources. Otherwise, the award notification email may never be received.

Organizations Not Selected for Funding

The CDFI Fund generally rejects or declines an Application at one of three phases. First, at the Application deadline phase, the CDFI Fund will reject an Application if it is received late. Second, at the completeness and eligibility review phase, the CDFI Fund will reject an Application received on time – if it is found to be incomplete or ineligible. The CDFI 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 CDFI 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 CDFI Fund will notify an Applicant declined for substantive reasons via email shortly after awards are announced (usually by late Spring 2012).

Award Closing and Reporting

Upon notification, all Awardees must print, sign, and return the Notice of Award. Within several months, the CDFI Fund will contact the Awardee to begin the closing process, which includes entering into an Assistance Agreement. FA Awardees and Sponsoring Entities will enter into a three-year Assistance Agreement and TA Awardees will enter into a two-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 CDFI Fund will authorize the award disbursement. The CDFI Fund disburses FA awards based on the Matching Funds documentation in hand at the time of award closing. The CDFI Fund disburses TA awards in one lump sum upon closing.

The CDFI 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 CDFI Fund may require, including transaction level data. The CDFI 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 FY 2011 NACA Program NOFA contains additional information not contained in this Combined 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.