

CDFI Fund

CDFI Program and NACA Program

American Recovery and Reinvestment Act of 2009

Reporting Outreach to Awardees

NOTE: Capitalized terms in Sections 1 and 2 (other than titles) are defined in the Notice of Funds Availability (NOFA) for the FY 2010 funding round, the CDFI Program Regulations, or the CDFI Fund Program Glossary, which may be downloaded from the Fund's website at www.cdfifund.gov. Certain terms used throughout the Reporting Outreach to Awardees have meanings unique to the CDFI Program. Awardees should make sure that they are familiar with these meanings by consulting the NOFA, regulations, and glossary.

SECTION 1: INTRODUCTION

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009, P.L. 111-5 (Recovery Act). The Recovery Act, in combination with other transparency and accountability laws and executive orders, stipulates that federal agencies must report to the public how funding provided through the Recovery Act is awarded and used. To comply with such stipulations, the Office of Management and Budget (OMB) issued guidance to federal agencies to clarify requirements and establish steps that must be followed by award recipients to facilitate Recovery Act accountability and transparency objectives.

Through the Recovery Act, the CDFI Fund had authority to make \$98 million in CDFI Program and NACA Program awards. On June 29, 2009, the CDFI Fund announced the selection of 59 CDFIs to receive Financial Assistance (FA) awards through the CDFI Program and, on July 1, 2009 the CDFI Fund announced the selection of 10 entities to receive FA and TA awards through the NACA Program. In accordance with the Assistance Agreements that govern their awards, these Awardees must comply with both Recovery Act and CDFI Fund reporting requirements.

OMB issued reporting and data quality guidance based on lessons learned during the first reporting period on December 18, 2009. In addition, OMB has made significant policy changes in its jobs reporting guidance. Accordingly, the CDFI Fund is issuing this document to help Recovery Act Awardees properly and accurately track and report their uses of award funds and accomplishments.

SECTION 2: QUARTERLY REPORTING REQUIREMENTS

Quarterly Recovery Act Reports: Section 1512 (f) of the Recovery Act requires that Awardee reporting must begin 180 days after enactment and that Recovery Act quarterly reports must be submitted by Awardees no later than 10 days after the end of each calendar quarter through the Recovery Act federal reporting portal, www.FederalReporting.gov. For CDFI and NACA Awardees, the initial Recovery Act reporting deadline was October 10, 2009 and quarterly reports are due no later than 10 days after the end of each calendar quarter thereafter. Awardees must notify the CDFI Fund Recovery Act Team listed below in writing before making changes to that quarter's FederalReporting.gov report after the reporting period closes on the 29th day.

Please see Sections 1-4 of OMB Guidance M-09-21 on general reporting requirements (http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf). For detailed guidance on jobs reporting, see Section 5 of OMB Guidance M-10-08 (http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf) which replaces Section 5 of M-09-21.

Quarterly Institution Level Reports: As set forth in the Assistance Agreement, the CDFI Fund requires Recovery Act Awardees to complete, on a quarterly basis, a much shorter version of the CDFI Fund's standard Institution Level Report (ILR), which Awardees currently report through the Community Investment Impact System (CIIS). Data from the Quarterly Institution Level Report (QILR) will help the CDFI Fund meet its own Recovery Act agency reporting requirements per OMB guidance. QILRs will also enable the CDFI Fund to standardize the data that Recovery Act Awardees report separately to the CDFI Fund and FederalReporting.gov. As a result, the CDFI Fund will be able to assure the quality of information that Awardees provide. In

addition, by cross checking the data received through the QILR and FederalReporting.gov, the CDFI Fund will be able to monitor compliance with Recovery Act requirements.

- The QILR will be submitted electronically through the CIIS, which the Awardee accesses through its myCDFIFund account.
- In addition to QILR reporting, Awardees must submit annual reports as stipulated in their Assistance Agreements.
- Please note that Awardees must report separately to CIIS and FederalReporting.gov.

Unaudited Financial Statements: Awardees are also required to submit Unaudited Financial Statements electronically through their respective myCDFIFund accounts.

- Awardees that are Insured Credit Unions, Insured Depository Institutions, or Depository Institution Holding Companies are not required to submit Unaudited Financial Statements; instead, the CDFI Fund will obtain the necessary financial information from publicly available sources.
- Awardees that are non-Depository Institutions and non-profit Depository Institutions are required to submit A-133 audits, if applicable, and annual audited financial statements to the CDFI Fund based on their Fiscal Year End (FYE).

Reporting Deadlines: Awardees must submit a QILR to the CDFI Fund and a report to FederalReporting.gov no later than 10 days after the end of each calendar quarter in accordance with their Assistance Agreements.

QUARTERLY REPORTING DEADLINES	
For every quarter ending on:	Deadline:
December 31	January 10
March 31	April 10
June 30	July 10
September 30	October 10

Quarterly reporting deadlines for the submission of Unaudited Financial Statements will be one quarter after the reporting deadline. The following table details the dates by which quarterly Unaudited Financial Statements are due to the CDFI Fund.

UNAUDITED FINANCIAL STATEMENTS DEADLINES	
For every quarter ending on:	Deadline:
September 30	January 10
December 31	April 10
March 31	July 10
June 30	October 10

Assistance Agreement Performance Goals and Measures: In addition, Awardees must comply with all Performance Goals and Measures set forth in their Assistance Agreements. Please note that Performance Goal 2 (Deployment of Resources) requires that at each "FYE of the Performance Period, the Awardee must have deployed FA to its Target Market in an amount equal to: 25% of the total FA by the end of year one of the Performance Period, 50% of the total Financial Assistance by the end of year two of the Performance Period, and 85% of the total Financial Assistance by the end of year three of the Performance Period."

SECTION 3: JOBS REPORTING

Issued on December 18, 2009, *Section 5 – Reporting on Jobs Creation Estimates by Recipients of Grants, Loans, and other forms of Federal Assistance* of OMB Guidance M-10-09 (http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf) replaces *Section 5 – Reporting on Jobs Creation Estimates by Recipients* of OMB M-09-21 (http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf). The updated guidance includes important changes in the manner in which job estimates are calculated and reported.

Previous guidance required recipients to make a subjective judgment on whether a given job would have existed were it not for the Recovery Act. The updated guidance seeks to eliminate this subjective assessment and defines jobs created or retained as those funded in the quarter by the Recovery Act.

- A job funded by the Recovery Act is one in which the wages or salaries are either paid for, or at some point reimbursed, with Recovery Act funding.
 - A job created is a new position created and filled, or an existing unfilled position that is filled, that is funded by the Recovery Act.
 - A job retained is an existing position that is now funded by the Recovery Act.
- Rather than reporting cumulative jobs across all quarters, recipients will now report jobs for the preceding quarter only (e.g. for the reporting period beginning January 1, 2010, jobs created or retained between October 1, 2009 and December 31, 2009)

Key information recipients will need to calculate job estimates:

- Jobs funded by the Recovery Act.
- Total hours in a full-time schedule for the quarter (e.g. a full-time schedule of 40 hours equates to 520 hours per quarter).
- For each job, the estimated hours worked and funded by the Recovery Act during the quarter. Consider the start date (percent of the quarter), hours in a weekly work schedule (percent of a full-time schedule), and portion of wages or salaries paid for with Recovery Act funding (percent funded).

FTEs Funded by the Recovery Act at Organizations

The estimate of the “Number of Jobs” created and retained by the Recovery Act should be expressed as “full-time equivalents” (FTE). In calculating an FTE funded by the Recovery Act, the number of actual hours worked in funded jobs is divided by the number of hours representing a full work schedule for the kind of job being estimated. These FTEs are then adjusted to count only the portion corresponding to the share of the job funded by Recovery Act funds. Alternatively, in cases where accounting systems track the billing of workers’ hours to Recovery Act and non-Recovery Act accounts, recipients may count the number of hours funded by the Recovery Act and divide by the number of hours in a full-time schedule.

The example below shows how Awardees should estimate the “Total FTEs Funded by the Recovery Act at the Organization” created and retained by summing the total hours worked by staff and consultants/contractors and funded by the Recovery Act during the quarter and then dividing by the total number of hours in a full-time schedule for staff and consultants/contractors funded by the Recovery Act during that quarter if actual counts of hours are not available. In the following example, one FTE is equal to 40 hours of work per week. (Please note that this example is not meant to indicate that 40 hours is the industry-wide work week standard.)

Example: FTEs Funded by the Recovery Act at the Organization

Person A: 1 Full-Time Administrative Assistant **B** an existing support position not funded by the Recovery Act
 Person B: 1 Full-Time Senior Loan Officer **B** an existing position now funded by the Recovery Act
 Person C: 1 Full-Time Loan Officer **B** a new position funded 50% by the Recovery Act
 Person D: 1 Part-Time Loan Officer **B** a new position funded by the Recovery Act, starting 1.5 months into the quarter
 Person E: 1 Full-Time Consultant **B** an existing position now funded by the Recovery Act
 Person F: 1 Part-Time Consultant **B** a new position funded by the Recovery Act

Employee	Funded by the Recovery Act?	Percent Funded by the Recovery Act	Percent of Hours Funded by Recovery Act	Total Hours in Quarter	Hours Funded by the Recovery Act		Recovery Act FTE			
Person A	No	0%	0%	520	$0\% * 0\% * 520 = 0$	$0 \div 520$	$= 0$	$= 0$	FTE	n/a
Person B	Yes	100%	100%	520	$100\% * 100\% * 520 = 520$	$520 \div 520$	$= 1.00$	$= 1.00$	FTE	Retained
Person C	Yes, 50%	50%	100%	520	$50\% * 100\% * 520 = 260$	$260 \div 520$	$= 0.50$	$= 0.50$	FTE	Created
Person D	Yes, 1.5 months	100%	25%	520	$100\% * 25\% * 520 = 130$	$130 \div 520$	$= 0.25$	$= 0.25$	FTE	Created
Person E	Yes	100%	100%	520	$100\% * 100\% * 520 = 520$	$520 \div 520$	$= 1.00$	$= 1.00$	FTE	Retained
Person F	Yes	100%	100%	520	$100\% * 100\% * 260 = 260$	$260 \div 520$	$= 0.50$	$= 0.50$	FTE	Created
					1,690	$1,690 \div 520$	$= 3.25$	$= 3.25$	FTEs	

FTEs at Businesses by Use of Funds

In addition to estimated jobs created and retained at the organization (i.e. the CDFI) OMB Guidance requires that Awardees must include in the “Number of Jobs” funded by the Recovery Act an estimate of jobs created and retained on projects and activities managed by their funding recipients. Tables II-15 and II-16 of the QILR collect information on jobs retained and created at the businesses, respectively, and provide rows for Awardees to capture data on three categories of jobs:

- 1) “FTEs Funded by the Recovery Act”
(e.g. lines of credit and working capital loans for operations for paying wages and salaries)
- 2) “FTEs Resulting from Use of Recovery Act Funds”
(e.g. capital investments and other lending that do not pay wages and salaries)
- 3) “FTEs Resulting from Leveraged Use of Recovery Act Funds”
(e.g. loan loss reserves and capital reserves that strengthen the balance sheet and support lending to meet the goal described in Assistance Agreement Performance Goals and Measures above)

Only “FTEs Funded by the Recovery Act” can be included as part of the Number of Jobs reported to FederalReporting.gov.

Since Awardees collect data on jobs created and retained at businesses at the time of origination, Awardees should estimate the FTEs funded by the Recovery Act using the method shown in the example above based on 1) information gathered about jobs created and retained at businesses and 2) the date of loan origination as a percentage of the days in the quarter (e.g. 66.3% of the hours funded by the Recovery Act would be considered if a loan originated on November 1, 2009 since 31 days of the 92-day quarter had already passed).

Recovery Act Funded FTEs in the QILR for Reporting to FederalReporting.gov

Once jobs created and retained at the organization and at businesses have been expressed as FTEs in the QILR, the Awardee has all of the data points needed to generate the “Number of Jobs” funded in the quarter by the Recovery Act for reporting in

FederalReporting.gov. To calculate this number, Awardees should sum the jobs created and retained at the organization *and* at the businesses as funded by the Recovery Act.

"Total FTEs Funded by the Recovery Act at the Organization" Retained	☞ QILR Tab, Organizational Information
"Total FTEs Funded by the Recovery Act at the Organization" Created	☞ QILR Tab, Organizational Information
Sum of "FTEs Funded by the Recovery Act at Businesses" Retained	☞ Table II-15
+ Sum of "FTEs Funded by the Recovery Act at Businesses" Created	☞ Table II-16
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"Number of Jobs"	☞ Report to FederalReporting.gov

Once the Awardee has calculated the "Number of Jobs", Awardees must provide a narrative description of the types of jobs created and retained in the "Description of Jobs Created" field in FederalReporting.gov. The description must match the "Number of Jobs" reported and may rely on job titles, broader labor categories, or the Awardee's existing practice for describing jobs as long as the terms used are widely understood and describe the general nature of the work.

OMB Guidance does not establish specific requirements for documentation or other written proof to support reported estimates on jobs created or retained; however, recipients should be prepared to justify their estimates. Awardees must use reasonable judgment in determining how best to estimate the jobs funded by the Recovery Act, including the appropriate sources of information used to generate such estimates.

SECTION 4: QUICK REFERENCE CARD

This Quick Reference Card sent to Awardees via email on December 22, 2009 provides key Recovery Act Award information needed to complete the report in FederalReporting.gov. In addition to providing basic information about the award, the Quick Reference Card includes essential codes and provides each Awardee with the Activity Code appropriate to the organization. (Banks, Credit Unions, Depository Institution Holding Companies, and Publicly Trade Companies should use the North American Industrial Classification System (NAICS) code provided. All other organizations should use the National Taxonomy of Exempt Entities (NTEE) code provided.)

In order to improve data quality and reduce inaccuracies in the reporting process, the information provided in the Quick Reference Card must be identical to the information reported on FederalReporting.gov. Awardees that demonstrate systemic or chronic reporting problems and/or otherwise fail to correct such problems as identified by the CDFI Fund will be considered non-compliant.

SECTION 5: ADDITIONAL RESOURCES

In addition to this document, Awardees should reference the following resources:

CDFI Fund Recovery Act Webpage – www.cdfifund.gov/Recovery

- Frequently Asked Questions
- QILR Instructions
- FederalReporting.gov Mock-Up

Quick Reference Card – provided via email to Awardees on December 22, 2009

FederalReporting.gov Website – www.FederalReporting.gov

OMB Guidance

- Sections 1-4 of OMB Guidance M-09-21 – http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf
- Section 5 of OMB Guidance M-10-08 – http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf

CONTACTING STAFF

CDFI Fund staff can be contacted at the following help desks from 9:00 a.m. – 5:00 p.m. (Eastern Time):

Community Investment Impact System (CIIS) Help Desk: 703-373-1516

CDFI IT Help Desk Number: 202-622-2455

Program Operations Help Desk: 202-622-6355

Compliance, Monitoring, and Evaluation (CME) Help Desk: 202-622-6330

The CDFI Fund Recovery Act Team may also be contacted using the information provided below:

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