



**Community
Development
Financial
Institutions
Fund**

**CDFI Certification
Application**

PAPERWORK REDUCTION ACT NOTICE

CDFI - 0005

OMB Control Number: 1559-0028

This submission requirements package is provided to applicants for certification as Community Development Financial Institutions. Applicants are not required to respond to this collection of information unless it displays a currently valid OMB number. The estimated average burden associated with this collection of information is forty hours per applicant. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Program Operations Advisor, Department of the Treasury, Community Development Financial Institutions Fund, 601 13th Street, NW, Suite 200 South, Washington, DC 20005.

TABLE OF CONTENTS

INTRODUCTION 4

APPLICATION COMPLETION OVERVIEW 6

COMPLETENESS CHECKLIST COVER SHEET 7

CDFI CERTIFICATION CRITERIA – LEGAL ENTITY 8

CDFI CERTIFICATION CRITERIA – PRIMARY MISSION 9

CDFI CERTIFICATION CRITERIA – FINANCING ENTITY 10

CDFI CERTIFICATION CRITERIA – TARGET MARKET 11

CDFI CERTIFICATION CRITERIA – ACCOUNTABILITY 12

CDFI CERTIFICATION CRITERIA – DEVELOPMENT SERVICES 13

CDFI CERTIFICATION CRITERIA – NON-GOVERNMENT ENTITY 14

CDFI CERTIFICATION CRITERIA QUESTIONNAIRE 15

TABLES

- ASSET INFORMATION TABLE
- STAFF ALLOCATION TABLE
- TARGET MARKET TABLE
- DEVELOPMENT SERVICE TABLE
- ACCOUNTABILITY CHART

INTRODUCTION

CDFI FUND MISSION

The mission of the Community Development Financial Institutions Fund (the Fund) is to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States. The Fund achieves its purpose by promoting access to capital and local economic growth in the following ways: 1) through its CDFI Program by directly investing in Community Development Financial Institutions (CDFIs) that provide loans, investments, financial services and technical assistance to underserved populations and communities; 2) through its New Markets Tax Credit (NMTC) Program by providing an allocation of tax credits to Community Development Entities (CDEs) which enable them to attract investment from the private sector and reinvest these amounts in low-income communities; 3) through its Bank Enterprise Award (BEA) Program by providing a monetary incentive to banks to invest in distressed communities and in CDFIs; and 4) through its Native Initiatives, by taking action to provide financial assistance, technical assistance, and training to Native CDFIs and other Native entities proposing to become or create Native CDFIs.

WHAT IS A CDFI?

A Community Development Financial Institution (CDFI) is a specialized financial institution that works in market niches which are underserved by traditional financial institutions. CDFIs provide a unique range of financial products and services, such as mortgage financing for low-income and first-time homebuyers and not-for-profit developers, flexible underwriting and risk capital for needed community facilities, and technical assistance, commercial loans and investments to small start-up or expanding businesses in low-income areas. A CDFI must provide development services that support financial transactions, and show that it is directly accountable to its community or its customers. CDFIs include regulated institutions such as community development banks and credit unions, and non-regulated institutions such as loan funds, venture capital funds, and micro-enterprise loan funds.

CDFI CERTIFICATION DESIGNATION

CDFI certification is a designation conferred by the Fund that indicates that a financial institution provides financial products and services in defined underserved and economically distressed target markets. The CDFI certification period is three years from the date the Fund designates the CDFI.

In order to be certified as a CDFI a financial institution must be a legal entity and meet each of the following six certification criteria at the time a CDFI Certification Application is submitted to the Fund:

- Have a **primary mission** of promoting community development;
- Be a **financing entity**;
- Primarily serve one or more **target markets**;
- Provide **development services** in conjunction with its financing activities;
- Maintain **accountability** to its defined target market; and
- Be a **non-government entity** and not be under control of any government entity (tribal governments typically excluded).

CDFI certification does not constitute an opinion by the Fund as to the effectiveness or financial viability of the CDFI.

CDFI CERTIFICATION BENEFIT

CDFI certification is a requirement for accessing financial and technical assistance from the Fund through the CDFI Program and Native American CDFI Assistance Program (NACA) to support an organization's established community development financing programs. A certified CDFI can also partner with a FDIC-insured depository institution to seek a Bank Enterprise Award (BEA) from the Fund to support investments in the CDFI. CDFI certification may provide access to the New Markets Tax Credit Program by allowing the CDFI to become a Community Development Entity (CDE). CDFI certification may also enhance a financial institution's ability to raise funds from foundations and state and local governments.

EMERGING “START-UP” CDFIS

Organizations that are new to community development financing and do not meet the seven (7) certification criteria, should not complete this application, however; may be eligible for technical assistance through the CDFI and NACA Programs, and financial assistance through the NACA Program. Refer to the applicable Notice of Funds Availability and funding application for the eligibility requirements and details.

APPLYING FOR CDFI CERTIFICATION

A financial institution seeking certification as a CDFI must submit a completed CDFI Certification Application to the Fund. Organizations seeking funding from the Fund must submit a CDFI Certification Application according to the application deadline stated in the applicable Notice of Funding Availability (NOFA). Organizations that are not seeking funding from the Fund may submit a completed CDFI Certification Application to the Fund at such times as the Fund permits during the year. (Refer to the Fund’s website for updates on when such applications will be accepted).

DEPOSITORY HOLDING COMPANIES

A CDFI Certification Applicant that is a Depository Institution Holding Company may qualify as a CDFI only if the Applicant individually and collectively with its Affiliates meet each of the seven (7) certification criteria. An Applicant that is an Affiliate of a Depository Institution Holding Company may qualify as a CDFI only if the Applicant individually and collectively with the Depository Institution Holding Company and all of its Affiliates meet each of the seven (7) certification criteria. An Applicant that is a Subsidiary of an Insured Depository Institution may qualify as a CDFI only if the Applicant individually and collectively with the Insured Depository Institution and its Subsidiaries meets each of the seven (7) certification criteria.

NATIVE AMERICAN CDFIS

An organization that directs at least 50% of its activities to Native American Communities is eligible to be recognized by the Fund as a *Native American CDFI*. A Native CDFI is one that “Primarily Serves” a “Native Community.” Primarily Serves is defined as 50% or more of an Applicant’s activities being directed to a Native Community. “Native Community” is defined as “Native American, Alaska Native and Native Hawaiian people or communities.” In order to be certified as a Native CDFI, the organization must also meet the Target Market requirement. A Native CDFI may identify a Target Market consisting of an Other Targeted Population of Native Americans, and/or Investment Areas consisting of qualified census tracts located in Indian Reservations or Alaska Native villages, and/or a Low Income Targeted Population.

APPLICATION COMPLETION OVERVIEW

Note: Each CDFI Certification Applicant must have its own valid Employer Identification Number (EIN) and be a legal entity at the time it submits the CDFI Certification Application. Failure to include this information for any entity will result in the rejection of the entire application without a substantive review. Additionally, a Dun & Bradstreet Number is required in order to establish a “myCDFI” Account.

Additional Questions and Resources: For questions related to completing the CDFI Certification Application, contact members of the Fund’s Program staff by telephone at (202) 622-6355, by e-mail at cdfihelp@cdfi.treas.gov, or visit the Fund’s CDFI Certification page located at www.cdfifund.gov.

Application Completion Steps:

1. Carefully review the CDFI Revised Program Regulations, 12 CFR Parts 1805 and 1806, §1805.201 as published in the Federal Register, from the Fund’s CDFI Certification page located at www.cdfifund.gov.
2. Consult either the Glossary of Terms or the CDFI Program Regulations located on the Fund’s CDFI Certification page located at www.cdfifund.gov for clarification on all proper terms and phrases that are capitalized.
3. Review the CDFI Certification Criteria section of this CDFI Certification Application.
4. Create a (or access an existing) customized web portal “myCDFI” account for the Applicant located at the Fund’s homepage, www.cdfifund.gov. Review the Target Market Map Designation instructions located on the Fund’s CDFI Certification page located at www.cdfifund.gov to electronically designate and submit the organization’s Target Market.
5. Complete the electronic CDFI Signature Page from the organization’s “myCDFI” account. Submit a printed copy of the Signature Page, signed by the Authorized Representative, as the coversheet of this Certification Application.
6. Complete the CDFI Certification Questionnaire found on page 15 of this Certification Application. Failure to properly complete the questionnaire may result in the Fund’s rejection of the entire CDFI Certification Application without substantive review.
7. Provide the required documentation attachments, including legal entity establishment documents, IRS assignment of EIN, and additional required narrative documents as directed in the Completeness Checklist. Copy the documentation attachments double-sided (front and back) to minimize the Certification Application package size.
8. In order to minimize the size of the Certification Application package, **DO NOT** attach any of the instruction pages.
9. Mail one original and one copy of the Certification Application (Signature Page, Certification Questionnaire, and Documentation Attachments) to the address indicated below. Both the original and copy should be secured with a binder clip, without staples, tabbed dividers, or other forms of binding.
10. CDFI Certification Applications must be submitted to the Fund at the following address:

Attn: Grants Manager, CDFI Certification Application
CDFI Fund/Department of Treasury
601 13th Street, NW, Suite 200-South
Washington, D.C. 20005

Faxed or e-mailed CDFI Certification Applications will not be accepted.

COMPLETENESS CHECKLIST COVER SHEET

Complete this checklist and submit it as the CDFI Certification Application's cover page (behind the signed Signature Page). Copy all forms and attachments double-sided (front and back). The Fund may determine that the CDFI Certification Application is incomplete if any of the following forms and documentation attachments are not properly submitted.

CDFI Certification Applicant Organization Name:

Applicant Employer Identification Number:

Applicant Dun & Bradstreet Number

SIGNATURE PAGE

Complete the electronic CDFI Signature Page from the organization's "myCDFI" account. Submit a printed copy of the Signature Page, signed by the Authorized Representative, as the coversheet of this Certification Application.

QUESTIONNAIRE

CDFI Certification Criteria Questionnaire

TABLES

Asset Information Table

Staff Allocation Table

Target Market Table

Development Services Table

Accountability Table

DOCUMENTATION ATTACHMENTS

Legal Entity

Applicant's organizing documents filed with the appropriate state body of incorporation (dated/stamped).

Regulated financial institutions must submit: Charter C, insurance certificate, or other similar document issued by the Appropriate Federal Banking Agency or Appropriate State Agency.

If applicable, documents indicating the proportion of Voting Securities in the CDFI Certification Applicant held by Insured Depository Institutions and Depository Holding Companies.

Official IRS EIN assignment notification for the CDFI Certification Applicant.

Primary Mission

Organizational documents specifically referencing the Applicant's primary mission, or board-approved narrative stating how the Applicant meets primary mission certification criteria.

Financing Entity

Copy of audited financial statements (balance sheet, income statement, statement of cash flows) from most recently completed fiscal year. Note: regulated entities are exempt.

Financing Entity narrative statement (see Financing Entity Certification Criteria Section).

Target Market

Target Market map obtained from the Fund's CIMS mapping program – submit electronically only.

Target Market narrative statements (see Target Market Certification Criteria Section).

Accountability

Target market accountability narrative (see Accountability Certification Criteria Section).

Development Services

Development Services narrative statement (see Development Services Certification Criteria Section).

Non-Government Entity

Non-Government Entity narrative statement (see Non-Government Entity Certification Criteria Section).

CDFI CERTIFICATION CRITERIA – LEGAL ENTITY

REQUIREMENTS

As of the date its CDFI Certification Application is submitted (signed by Authorized Representative), the Applicant must be duly organized and validly exist under the laws of the state jurisdiction in which it is incorporated or established.

An organization that is not yet a legal entity or does not yet have a valid EIN cannot apply for CDFI certification. A regulated financial institution that does not have a charter issued by the Appropriate Federal Banking Agency or Appropriate State Agency cannot apply for CDFI certification. Such applications will be declined without substantive review for failure to meet the Legal Entity requirement.

FORMS

- None.

TABLES

- None.

DOCUMENTATION ATTACHMENTS

Establishment of Legal Entity Status:

- Attach a copy of the *Applicant's* organizing documents that have been signed, stamped and filed with the state, and all appropriate amendments thereto. The Fund will only accept one of the following:
 - Articles of Incorporation
 - Certificate of Incorporation
 - Organization Certificate
 - Regulatory Charter
- Regulated financial institutions must provide either a Certificate of Incorporation or Organization Certificate issued by the appropriate Federal Banking Agency or appropriate State Agency such as:
 - Federal Deposit Insurance Corporation
 - National Credit Union Administration
 - Office of the Comptroller of Currency
 - Office of Thrift Supervision
 - State regulatory agency

Official IRS EIN Notification

- Attach a copy of the CDFI Certification Applicant's official IRS notification regarding assignment of an EIN. The Fund will only accept the following EIN documentation:
 - Official letter from IRS providing EIN;
 - Confirmation fax from local IRS office with the organization's name and EIN; or
 - A printout of completed and submitted online SS-4 (with organization's EIN in upper right hand corner) from IRS' website, accompanied by a printout of the online confirmation of receipt of EIN from IRS' website.

Stock Issuance

- If the Applicant issues stock, attach a narrative and supporting stock certificate summary reports indicating the proportion of voting securities held by Insured Depository Institutions or Depository Institutions Holding Companies.

CDFI CERTIFICATION CRITERIA – PRIMARY MISSION

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that it has a primary mission of promoting community development by providing activities directed towards improving the social or economic conditions of underserved people or residents of distressed communities.

A CDFI Certification Applicant may meet the primary mission requirement by demonstrating that it has signed, board-approved incorporating documents, bylaws, annual reports or other board-approved organizational documents evidencing a specific mission of serving:

- Low income individuals;
- Individuals that lack adequate access to capital and/or financial services;
- Distressed communities; or
- Underserved people or communities.

Organization missions directed solely towards moderate income, handicapped, single sex, or minority populations must be corroborated by activities conducted in an eligible Target Market (see CDFI Certification Criteria – Target Market).

A CDFI Certification Applicant that is a Low-Income Credit Union as designated by the National Credit Union Administration (NCUA) is deemed to have a community development primary mission. Such financial institutions must submit a copy of its designation letter from the NCUA.

FORMS

- Complete CDFI Certification Criteria Questionnaire

TABLES

- None.

DOCUMENTATION ATTACHMENTS

- Organizational documents from the *CDFI Certification Applicant* that provide evidence of a primary mission of promoting community development. Such documentation includes, but is not limited to:
 - Signed and filed articles of incorporation or organization;
 - Bylaws;
 - Board resolution;
 - Annual report with a signed letter from the Board Chairperson;
 - Or similar board-approved documents.
- If the organizational documents do not specifically reference a primary mission of promoting community development, submit a board-approved, one-page narrative that specifically states how the organization's collective activities and products evidence the primary mission certification criteria.

The Fund will not accept pamphlets, brochures, printed articles or other marketing materials to demonstrate primary mission.

Do not submit multiple or duplicative documentation. Submit the minimum necessary to demonstrate that your organization promotes community development.

- Depository Institution Holding Companies (DIHCs) and either Subsidiaries or Affiliates of DIHCs must submit official documentation referencing each of the affiliate's or subsidiary's primary mission statements. The Primary Mission certification criteria must be met individually and collectively for each of the affiliates and subsidiaries.

CDFI CERTIFICATION CRITERIA – FINANCING ENTITY

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that its predominant business activity is the provision of Arms-Length Transactions, Financial Products and/or other similar financing, and Development Services. A non-regulated Certification Applicant must demonstrate that it:

- Has begun to use its own capital to provide Financial Products to non-affiliated entities;
- Engages in direct financing activity as reflected on its financial statements and/or executed notes.
- Dedicates a majority (more than 50%) or predominance of its assets to Financial Products, Development Services, and/or other financing;
- Dedicates a majority (more than 50%) or predominance of its staff-time to Financial Products, Development Services, and/or other financing;
- Maintains sufficient capital to continue financing activities for at least three months (one quarter).

A regulated Insured Depository Institution, Depository Institution Holding Company, and Insured Credit Union is presumed to meet the Financing Entity certification criteria by virtue of being chartered by an appropriate federal banking agency, which licenses such entities to provide financial products. The organization does not have to submit any forms or attachments to demonstrate this certification criteria.

FORMS

- Complete CDFI Certification Criteria Questionnaire.

TABLES (regulated financial institution exempt)

- Complete the Asset Information and Staff Allocation Tables.

DOCUMENTATION ATTACHMENTS

Non-regulated Financial Institution

A non-regulated CDFI Certification Applicant must submit the following:

- A copy of the organization's most recent audited year-end financial statements (balance sheet, income statement and statement of cashflows).
- Provide a copy of the organization's most recent year-to-date internal financial statements if it has not completed a fiscal year.
- A two-page (maximum) narrative statement addressing each of the following issues:
 - Identify which financial statement accounts (ex. Notes receivables) reflect Financial Product activities. Describe the account item, transaction dollar amount, number of transactions/loans and the customer profile.
 - Identify the percentage of each balance sheet asset (ex. Cash/Cash Equivalents, FF&E, etc) dedicated to Financial Products, Development Services, and other similar financing. Describe how each asset is used to support these activities.
 - Clearly state how each FTE position (including significant volunteer positions) supports Financial Product and Development Services activities. Explain how the organization utilizes consultants or Affiliate staff to provide the above-stated activities.
 - State the amount of liquid assets available for financing activity.

Regulated Financial Institution

A regulated CDFI Certification Applicant must submit the required documents from the Legal Entity Criteria section to demonstrate its federal banking charter. No other documentation attachments are required to demonstrate that it meet this certification criteria.

CDFI CERTIFICATION CRITERIA – TARGET MARKET

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that (1) it serves an eligible Target Market; and (2) that at least 60% of its activities are directed towards that Target Market. An organization may elect to serve more than one type of Target Market. It may have to designate more than one Target Market to demonstrate that a minimum of 60% of its activities are directed toward an eligible Target Market.

The Fund designates three (3) types of Target Markets:

Investment Area

An Investment Area is a geographic unit (State, Cnty, census tract, block group, Indian/Native areas), or contiguous geographic units entirely located within the United States geographic boundaries that:

- Has a population poverty rate of at least 20%; or
- Has an unemployment rate 1.5 times the national average; or
- For a metropolitan area has a median family income (MFI) at or below 80% of the greater of either the metropolitan or national metropolitan MFI; or
- For a non-metropolitan area has an MFI at or below 80% of the greater either the statewide or national non-metropolitan MFI; or
- Is wholly located within an Empowerment Zone or Enterprise Community.

Low-Income Targeted Population

A low-income targeted population for a geographic unit is comprised of individuals whose family income is:

- For metropolitan areas not more than 80% of the metropolitan area MFI; or
- For non-metropolitan areas, not more than the greater of 80% of either the area or statewide non-metropolitan MFI.

Other Targeted Population

Serving an Other Targeted Population requires providing financial products to an identifiable group of individuals that lack adequate access to capital and have historically been denied credit. The designated Other Targeted Populations are:

- African Americans
- Alaska Natives residing in Alaska
- Asian Americans
- Hispanics
- Native Americans
- Native Hawaiians residing in Hawaii
- Women
- Other Pacific Islanders residing in other Pacific Islands
- Other (reviewed and approved on a case-by-case basis)

FORMS

- Complete CDFI Certification Criteria Questionnaire

TABLES

- Complete the Target Market Table (reflecting activities to each Target Market).

DOCUMENTATION ATTACHMENTS

- Target Market designation submitted through the Applicant's myCDFIFund account (to be submitted electronically). Instructions are found in the CDFI certification section of the Fund's webpage.
- A narrative explanation (one-page max.) of how the Applicant verifies that its Financial Products and Services are directed toward eligible Target Markets (ex. Borrower survey, geocoding, etc).
- Investment Area designation - a (one-page max.) narrative statement describing the significant unmet capital or financial services needs within each identified Investment Area.
- Other Targeted Population designation (Asian Americans, Women, Other Pacific Islanders only) – a (one-page max.) narrative statement describing the significant unmet capital or financial services needs for each selected targeted population. The narrative must reference specific studies or surveys (within five years) for the immediate (not national) geographic population service area.
- For CDFI Certification Applicants serving other CDFIs (i.e., CDFI Intermediaries), provide a narrative explaining how the Applicant's Financial Products and Services serve one or more eligible Target Markets.

CDFI CERTIFICATION CRITERIA – ACCOUNTABILITY

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that it is accountable to its designated Target Market(s). A CDFI can demonstrate accountability through either its Governing Board, Advisory Board, conduct of focus group and/or community meetings or surveys within the Target Market.

Governing /Advisory Board

A CDFI can demonstrate accountability to its Target Market through its existing Governing Board or Advisory board, as long as the board members are representative of each Target Market designated by the Applicant.

A board member may be found representative of an eligible Target Market if he/she:

- Resides or owns a business in an eligible Investment Area; or
- Is an elected official of an eligible Investment Area or Targeted Population service area; or
- Works for an organization or government entity that primarily provides services to residents of an eligible Target Market; or
- Is a Low-income individual (LITP Target Market only); or
- Is a member of an eligible Other Targeted Population (related OTP Target Market only).

Other Methods

A CDFI can demonstrate accountability to its Target Market via other methods (e.g., focus groups, community meetings, etc.) if it demonstrates that these methods are incorporated into the Applicant's decision-making process.

FORMS

- Complete CDFI Certification Criteria Questionnaire.

TABLES

- Complete the Accountability/Non-Government Entity Table.

DOCUMENTATION ATTACHMENTS

- Advisory Board – provide a one-page narrative (maximum) that clearly states how often the advisory board meets, how members are selected, how members obtain input from the Target Market, and how such input is relayed to the CDFI's Governing Board to influence service provision decisions.
- Focus Group/Community Meetings – provide a one-page narrative (maximum) that clearly states how often and where the meetings are held, the meeting agenda topics, what type of attendee input is obtained, and how the input is relayed to the CDFI's Governing Board to influence service provision decisions.
- Customer Surveys – provide a one-page narrative (maximum) that clearly states how the survey instrument is developed, how the instrument is delivered to the Target Market, how the survey data is compiled and relayed to the CDFI's Governing Board to influence service provision decisions.

CDFI CERTIFICATION CRITERIA – DEVELOPMENT SERVICES

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that it provides Development Services in conjunction with the Financial Products it provides. Development Services are technical assistance or training activities that prepare borrowers to access the organization's Financial Products. Examples include credit and/or homebuyer counseling, business plan development, or business finances training.

There must be a clear and direct link between an organization's Development Services activities and its Financial Products. The Fund does not specify the percentage of total activities that must be dedicated to Development Services, but at least 50% of a CDFI Certification Applicant's total assets must be provided through a combination of Development Services and Financial Products activities and be directed to the designated Target Market(s).

An organization may provide Development Services through its own staff, an Affiliate's staff, or a contract with another non-affiliated provider, as long as the CDFI Certification Applicant is directing the provision of services.

FORMS

- CDFI Certification Criteria Questionnaire

TABLES

- Complete the Development Services Table.

DOCUMENTATION ATTACHMENTS

- Provide a one-page narrative (maximum) that: (1) briefly describes each Development Service; and (2) clearly describes the relationship between the Development Service and its link to a Financial Product provided by the Applicant.
- Provide a one-page narrative (maximum) that identifies and describes any contractual relationship the CDFI Certification Applicant has with another affiliate or non-affiliate entity to provide Development Services to the Applicant's Target Market. Specify how the Applicant maintains control over the provider's service provision.
- Attach a copy of the services contract/agreement for any non-Affiliate entity that provides Development Services on behalf of the CDFI Certification Applicant.

CDFI CERTIFICATION CRITERIA – NON-GOVERNMENT ENTITY

REQUIREMENTS

A CDFI Certification Applicant must demonstrate that it is not an agency or instrumentality of the United States, or any State or political subdivision, or that it is controlled by any governmental entity.

A CDFI must demonstrate that its Governing Board membership or executive management is not controlled by any government entity, or that it does not receive more than 50% of its operating budget or financing capital from a government entity.

FORMS

- Complete CDFI Certification Criteria Questionnaire.

TABLES

- Complete the Accountability and Non-Government Entity Chart

DOCUMENTATION ATTACHMENTS

- Provide a one-page narrative (maximum) that describes the nature of any contractual or financial relationship the CDFI Certification Applicant has with any Federal, State, or Local entity.
- For each “Yes” response to the Non-Government Entity criteria questions in the CDFI – Certification Criteria Questionnaire, provide a one-half page narrative (maximum) explaining the control circumstances.

CDFI CERTIFICATION CRITERIA QUESTIONNAIRE

<p>1. Primary Mission criteria: State the name of the Applicant's board-approved organizational document that specifically references a primary mission of promoting community development:</p> <p>See Primary Mission Documentation Attachment requirement.</p>	<p>2. Primary Mission criteria: Board-approved document (#1) execution date (month/year):</p>
<p>3. Financing Entity criteria: Is the Applicant a regulated (bank, credit union, holding company) financial institution?</p> <p>Yes. Proceed to question #4.</p> <p>No. Proceed to question #6.</p>	<p>4. Financing Entity criteria: Identify Applicant's Appropriate Federal Banking Agency or Appropriate State Agency:</p> <p><input type="checkbox"/> Federal Deposit Insurance Corporation</p> <p><input type="checkbox"/> National Credit Union Administration</p> <p><input type="checkbox"/> Office of the Comptroller of Currency</p> <p><input type="checkbox"/> Office of Thrift Supervision</p> <p><input type="checkbox"/> Other (please list):</p>
<p>5. Financing Entity criteria: Identify Applicant's Charter or Certificate number:</p> <p>See Legal Entity Documentation Attachment requirement.</p>	<p>6. Financing Entity criteria: Does the Applicant issue stock?</p> <p>Yes. See Legal Entity Documentation Attachment requirement.</p> <p>No. Proceed to question #7.</p>
<p>7. Financing Entity criteria: Indicate the total number of Financial Product transactions completed during the most recent completed fiscal year: See Financing Entity Documentation Attachment requirement.</p> <p>Loans provided or purchased (to non-Affiliate with own capital): # \$</p> <p>Equity investments provided or purchased (to non-Affiliate with own capital): # \$</p> <p>Loan purchases originated by non-Affiliate CDFI: # \$</p> <p>Eligible loan guarantees: # \$</p>	
<p>8. As of the date of this Application indicate the amount of capital available to disburse as loans or equity investments: \$</p>	
<p>9. As of the date of this Application indicate the amount of capital available to purchase loans from certified CDFIs: \$</p>	
<p>10. As of the date of this Application indicate the amount of capital available to guarantee loans as guarantee authority: \$</p>	
<p>11. Target Market criteria: Does the Applicant seek designation as a Native American CDFI?</p> <p>No. Proceed to question 12.</p> <p>Yes. Indicate the percentage of activities provided to a Native American Community during the most recent fiscal year:</p>	

CDFI CERTIFICATION CRITERIA QUESTIONNAIRE continued

<p>12. Target Market criteria: Identify the percentage of activities provided to the following populations during the most recent fiscal year (should total 100%):</p> <p>American Indian: Alaska Native: Asian American: African American: Hispanic: Native Hawaiian: Other Pacific Islander: Caucasian: Other:</p>	<p>13. Target Market criteria: Identify the percentage of services provided to the following ethnic and gender groups during the most recent fiscal year (should total 100%):</p> <p>Hispanic: Non-Hispanic: Male: Female:</p>								
<p>14. Development Services criteria: List the name of each Affiliate or Non-Affiliate that provides Development Services on behalf of the Applicant. See Development Services Documentation Attachment requirement.</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Affiliate/Non-Affiliate Name</th> <th style="width: 50%;">EIN</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		Affiliate/Non-Affiliate Name	EIN						
Affiliate/Non-Affiliate Name	EIN								
<p>15. Non-Government Entity criteria: For each "Yes" responses, see Non-Government Entity Documentation Attachment requirement.</p> <p>Yes No a. Does one or more government entities or officials control the election of appointment of a majority of the members of the Applicant's board of directors?</p> <p>Yes No b. Do the Applicant's articles of incorporation or bylaws require that a certain number of the Applicant's board members be government employees or elected/appointed government officials?</p> <p>Yes No c. Are the majority of the Applicant's board members themselves elected or government officials?</p> <p>Yes No d. Do one or more government entities select or have veto power over the selection of the Applicant's executive director, chief executive officer, or comparable official?</p> <p>Yes No e. Do one or more government entities control or have veto power of the Applicant's financing decisions?</p> <p>Yes No f. Does any government entity provide more than 50% of the Applicant's operating or capital budget?</p> <p>Yes No g. Does any government entity manage any aspect of the Applicant's operations?</p> <p>Yes No h. If the Applicant organization is controlled by another entity, is that entity controlled by one or more government entities?</p>									

ASSET INFORMATION TABLE

This page corresponds with the Financing Entity certification requirements.

1. Complete the table below using the Applicant's Financial Statements from its most recent completed fiscal year (audited, if available). Attach explanatory not clarifying how you used information from your organization's Financial Statements to derive the figures in all rows completed.
2. Before completing this table, be sure to review the definitions of Financial Products, Development Services, and Financial Related Activities provided in the glossary.
3. Print the excel worksheet from the website and submit it in your application. DO NOT submit an electronic file with your application.
4. Attach a copy of the Applicant's Financial Statements for its most recently completed fiscal year. If such Financial Statements are not yet audited, also attach a copy of the Applicant's most recent audited Financial Statements. If the Applicant's Financial Statements are consolidated, provide a separate statement reflecting the balance sheet and income statement of the Applicant organization only, and complete the Table based only on the Applicants activities.

Applicant Name:		Dollar Amount	% of Total Assets
As of (month/day/year):			
A.	Total Assets		100%
B.	Financial Products assets¹		
	Cash and Cash Equivalents		
	Loans Receivable and/or Equity Investments		
	Loans Purchased from CDFIs		
C.	Development Services assets²		
D.	Subtotal (rows B+C)		
E.	If row D ≤ 50% of Total Assets: Financing Related Activities assets³		
F.	Subtotal (rows D+E)		
G.	If row D ≤ 50% of Total Assets: All other assets (itemize additional assets below, add lines if needed)⁴		
	1.		
	2.		
	3.		
	4.		
H.	Outstanding Loan Guarantees (guarantee amount)		
I.	Total dollar amount of Financial Products expected to be made in three months		
J.	Total Amount of Net Assets		
	1. Unrestricted Capital available for Financial Products		100%
	2. Temporary Capital available for Financial Products		
	3. Permanently Restricted Capital available for Financial Products		
K.	Total Amount of Capital available for Financial Products		
L.	50% of Cash and Cash Equivalents		
	Subtotal (rows K+L)		

¹ Row B should include loans receivable and Equity Investments resulting from Arms-Length Transactions, loans purchased from certified CDFIs, as well as cash, cash equivalents, contracts receivable, grants receivable and other assets restricted by the source, or designated by an Applicant's Board or similar body for the provision of Financial Products. For CDFI Intermediaries, Financial Products may include grants and deposits into credit unions.

² Row C should include contracts or grants receivable for the provision of Development Services, and cash or cash equivalents restricted by the source, or designated by an Applicant's Board or similar body, for the provision of Development Services.

³ Row E only needs to be completed if row D comprises 50% or less of your organization's total assets. Estimate the total assets devoted to the provision of Financing Related Activities.

⁴ Row G only needs to be complete if row F comprises 50% or less of your organization's total assets. List each category of your organization's other assets separately on lines 1 through 4. These categories should be self-identified, and may include for example, real estate development assets, assets related to the provision of social services or fixed assets.

STAFF ALLOCATION TABLE

This page corresponds with the Financing Entity certification requirement.

1. Complete the Staff Allocation table based on the Applicant's current allocation of staff resources.
2. Print the Excel worksheet and submit it in your application. **DO NOT** submit an electronic file with your application.

Notes: For purposes of this table, the Fund defines one Full Time Equivalent (FTE) as one person working a 40-hour work week. In calculating the number of FTEs, an organization may aggregate the work hours of part-time employees. For example, if an organization has two part-time employees who each work 20 hours per week, they may be counted as one FTE.

An organization that has staff occupying multiple categories of activities identified in the table should allocate FTEs based on the estimated percentage of staff time an employee devotes to each category of activity.

An organization whose Board Members or other volunteers devote significant time to fulfilling an organization's day-to-day operational responsibilities may aggregate such time into the calculations of FTEs for the purpose of completing this table.

Applicant Name:			
	Category	FTEs	% of Total FTEs
A	Total Number of Full-Time Equivalent (FTE) Staff		
B	FTEs devoted to provision of Financial Products ¹		
C	FTEs devoted to Development Services		
D	Subtotal (rows B+C)	0	
E	If row D ≤ 50% of total FTEs devoted to Financing Related Activities		
F	Subtotal (rows D+E)	0	
G	If row F ≤ 50% of total FTEs: All other FTEs		
	1		
	2		
	3		
	4		
<ol style="list-style-type: none"> 1. Estimate the number of FTEs devoted to activities to the Applicant's Financial Products. These activities may include loan processing, underwriting, servicing, and related administrative activities. 2. Estimate FTEs devoted to Development Services that directly support the Applicant's Financial Products. 3. Row E only needs to be completed if row D comprises 50% or less of your organization's total number of FTEs. Estimate the number of FTEs devoted to the provision of Financing Related Activities. 4. Row G only needs to be completed if row F comprises 50% or less of your organization's total number of FTEs. List each category of other FTEs separately as indicated in lines 1-4. These categories should be self-identified and may include, for example, staff devoted to real estate development or management, staff devoted to the provision of social services, etc. 			

TARGET MARKET TABLE

This page corresponds with the Target Market certification requirements.

1. Complete the table below for the Applicant's most recently completed fiscal year. If the applicant has less than one full year of operations, you may also complete for the current year to date if different. Complete all columns and rows that are applicable. However, **DO NOT DOUBLE COUNT** transactions in more than one category (i.e., a borrower that is both an Investment Area resident and Low Income may only be reported in one category).
2. Print the excel worksheet from the website and submit it in your application. **DO NOT** submit an electronic file with your application.

Note: If an Applicant does not tract its activities as categories in this table, it may estimate the amount of activities directed to its Target Market. In such cases, the applicant must 1) identify the data by placing an "(E)" beside the entry and 2) explain in a narrative how the estimate was derived.

CDFI Applicant Control #		Applicant Name:											
Most Recent FYE													
FYE MO/YR _____ / _____													
	Total Activity		Activity in Investment Areas		Activity to Low-Income Targeted Population		Activity to Other Targeted Population		Total Target Market Activity		Total TM activity as % of Total Activity		
	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	
Loans													
<i>Equity Investments</i>													
<i>Eligible Loan Guarantees</i>													
<i>Loan Purchase from CDFIs</i>													
Deposit/Share Accounts (all kinds)													
Number of members (CU only)													
<i>Development Services clients</i>													
All other activities													
Current YTD (Use if Applicant has been in operation for less than one year)													
Period ending: MO/YR _____ / _____													
	Total Activity		Activity in Investment Areas		Activity to Low-Income Targeted Population		Activity to Other Targeted Population		Total Target Market Activity		Total TM activity as % of Total Activity		
	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	Number	Dollar	
Loans													
<i>Equity Investments</i>													
<i>Eligible Loan Guarantees</i>													
<i>Loan Purchase from CDFIs</i>													
Deposit/Share Accounts (all kinds)													
Number of members (CU only)													
<i>Development Services clients</i>													
All other activities													

Community Development
Financial Institutions Fund
CDFI Certification Application

ACCOUNTABILITY and Non-GOVERNMENT ENTITY TABLE

This page corresponds with the Accountability & Non-Government Entity certification requirement.

1. Complete the table on the following page by listing each member of the board of directors or advisory board or similar entity and indicating whether the member is representative of the Applicant's designated: Investment area (IA), Low-Income Targeted Population (LITP), and/or an Other Targeted Population (OTP). For each member listed as represented. For each OTP member, specify their race or gender as applicable. If a member is not representative of the designated Target Market(s), indicate "N/A". Information provided is for Internal Fund use only.
2. Complete a separate worksheet for the governing board and advisory board, if both exist, by making a copy of this form.
3. Print this worksheet and submit in your application. DO NOT submit an electronic file with your application.

Note: An individual may be accountable to more than one Target Market, for example, resident of an Investment Area, and work for an organization that primarily serves "low-income people."

Options for "How is the Board member representative of the **Target Market(s)** identified?"

<u>Investment Area</u>		<u>Low Income Targeted Population</u>		<u>Other-Targeted Populations</u>	
IA-1	Resident of Investment Area	LITP-1	Low-Income individual	OTP-1	African-American
IA-2	Own business located in Investment Area	LITP-2	Works for organization that primarily provides services to Low-Income people	OTP-2	Alaska Natives
IA-3	Elected official for Investment Area			OTP-3	Hispanic
IA-4	Works for organization that primarily provides services to <u>residents</u> of the Investment Area .			OTP-4	Native American
				OTP-5	Native Hawaiian
				OTP-6	Other Pacific Islander
				OTP-7	Other, specify

Community Development
Financial Institutions Fund
CDFI Certification Application

ACCOUNTABILITY and Non-GOVERNMENT ENTITY TABLE (Continued)

Applicant Name:						
This chart is for the (check one): <input type="checkbox"/> Governing Board <input type="checkbox"/> Advisory Board						
Name of Member	Target Market Representation: IA LITP OTP	Specify the Investment Area(s), If applicable	If OTP is designated as a Target Market(s), indicate which OTP the member represents (e.g., African American, Alaska Native, Hispanic, Native American, Native Hawaiian, Other Pacific Islander, or Other or N/A). If other, specify.	How are they representative? Provide Name/Title/Organization Name/Describe Organization. If applicable (i.e., Member that is a Board Member of a non-profit organization), specify how the organization provides services to Low-Income persons and/or families.	Government Official: Y - Yes N - No If Yes, Title	Government Agency Represented (no acronyms)
Examples:						
Jane Doe	IA	Census tract 0041 in State A	N/A	Ms. Doe owns a small business, a home health care service, located in census tract 41 in State A.	No	
Mary Brown	LITP	Sample City, State A	N/A	Ms. Brown is a Board Member of XYZ Company. XYZ Company makes residential mortgages to Low-Income persons in Charlotte, NC. To be considered for a residential mortgage from the Company, a borrower must provide income tax returns and demonstrate that it annual income is at or below 80% of AMI.	No	
Bill Ford	OTP	State A	Native American	Mr. Ford is a Native American resident in State A.	No	
Total number of Members: _____						
Total numbers of Members accountable to the Target Market _____						