



# Bank Enterprise Award Program

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## FY 2021 Application Webinar

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# FY 2021 Application Webinar



Welcome to the FY 2021 Bank Enterprise Award Program (BEA Program) Application Webinar! As a reminder, participants will be muted until we open phone lines for questions at the end of the presentation.

# FY 2021 Application Webinar



## Webinar Agenda:

- BEA Program Staff & Contact Information
- BEA Program Overview
- FY 2021 BEA Program Application
- Questions

# Program Staff and Contact Information



## Program Staff:

- Tanya McInnis, Program Manager
- Julie Sandler, Senior Management and Program Analyst
- Joan Reid-Patrick, Policy and Program Officer

# BEA Program Staff and Contact Information



## Contact Information:

Department	Phone	Electronic Contact Method	Description
CDFI Fund	202-653-0300	<a href="http://www.CDFIFund.gov">www.CDFIFund.gov</a>	General inquiries; phone numbers for support; access to program web page.
BEA Program	202-653-0421	AMIS Service Request	Questions regarding the BEA Program, Program Application or related materials.
Certification Policy and Evaluation	Not Applicable	AMIS Service Request	Questions related to CDFI certification.
Compliance Monitoring and Evaluation	202-653-0423	AMIS Service Request	Questions related to compliance.
IT Support	202-653-0422	AMIS Service Request	Questions related to registering or creating an account in AMIS
Grants.gov	800-518-4726	<a href="mailto:support@grants.gov">support@grants.gov</a>	Questions related to the SF-424 submission process.
SAM.gov	866-606-8220	<a href="https://www.fsd.gov/fsd-gov/login.do">https://www.fsd.gov/fsd-gov/login.do</a>	Questions related to registering an organization in order to apply for Federal grants via Grants.gov.

# Program Overview



## The BEA Program is a Performance-Based Grant Program.

- Created through the Bank Enterprise Act of 1991 and subsequently through the Community Development Banking and Financial Institutions Act of 1994.
  - The first Notice of Funds Availability (NOFA) was published in 1995.
  - The first award round took place in 1996.
- Awards are given to **FDIC-insured federally regulated depository institutions** that successfully demonstrate increased investment in certified Community Development Financial Institutions (CDFIs) or in their own lending, investing, or service-related activities in eligible **BEA Distressed Communities**.
- **Awards are retrospective** with Award amounts calculated as a percentage of the demonstrated increase in BEA Qualified Activities from one annual reporting period, referred to as the Baseline Period, to the next annual reporting period, referred to as the Assessment Period.

# Program Overview



**Since 1996, the CDFI Fund has granted over \$546 million in BEA Program awards over 25 rounds.**

- Over the past three years:
  - More than 92% of BEA Program Award Recipients were FDIC-Insured depository institutions defined as Small or Intermediate-Small Banks based on Federal Financial Institutions Examinations Council Community Reinvestment Act (CRA) Asset Size Thresholds.
- During this same period, BEA Program Award Recipients:
  - Increased their investments, lending and TA to Certified CDFIs by \$156.8 million;
  - Increased their lending and direct investment in distressed communities by over \$1.34 billion; and
  - Increased the provision of financial services in distressed communities by \$58 million.

# Program Overview – FY 2020 Funding Round



In FY 2020, the CDFI Fund Awarded \$25.2 million in BEA Program Awards as follows:

Award Recipient Characteristics	Number of Award Recipients	Award Amount	Percentage of Award Dollars
<b>Certified CDFIs*</b>	121	\$24,007,271	95.4%
<b>Minority Depository Institutions*</b>	18	\$3,588,766	14.3%
<b>CRA Asset Size</b>			
<b>Small Banks (assets of less than \$326 million)</b>	73	\$13,319,935	52.9%
<b>Intermediate Banks (assets of at least \$326 million but less than \$1.305 billion)</b>	55	\$9,984,826	39.7%
<b>Large Banks (assets of \$1.305 billion or greater)</b>	10	\$1,865,484	7.4%

\* Some award recipients are both certified CDFIs and MDIs



# Program Overview – BEA Qualified Activities



- **CDFI-Related Activities:** Providing *CDFI Equity/ Equity Like Loans* and *CDFI Support Activities* to Certified CDFIs.
  - CDFI Equity/ Equity Like Loans include: Equity Investments, Equity-Like Loans, and Grants.
  - CDFI Support Activities include: Deposit Shares, Loans and Technical Assistance.
  - A Certified CDFI that receives CDFI-Related Activities from an Applicant is considered a CDFI Partner. CDFI Partners must be Integrally Involved in a BEA Distressed Community as defined in the FY 2020 NOFA and BEA Interim Rule.
- **Distressed Community Financing Activities:** Providing Consumer Loans or Commercial Loans and Investments to residents and businesses located in BEA Distressed Communities.
  - Consumer Loans include: Affordable Housing Loans, Education Loans, Home Improvement Loans and Small Dollar Consumer Loans.
  - Commercial Loans and Investments include: Affordable Housing Development Loans, Commercial Real Estate Loans, and Small Business Loans.

# Program Overview – BEA Qualified Activities, Cont'd



- **Service Activities:** Providing financial services such as Deposits (e.g., checking or savings accounts), Community Services (e.g. financial counseling), Financial Services (e.g., new branches/ATMs, check cashing), Targeted Financial Services (e.g., individual development accounts, youth savings accounts), and Targeted Retail Savings/ Investment Products (e.g., CD's, mutual funds) to the residents of BEA Distressed Communities.

# Program Overview – BEA Distressed Communities



**BEA Distressed Communities are census tracts that individually or collectively meet each of the following requirements:**

- Economic Requirement
  - At least 30% of population living in poverty; and
  - Unemployment rate at least 1.5 times the national unemployment rate.
  
- Geographic requirement:
  - A total population of at least 4,000, if near a Metropolitan Statistical Area (MSA) with a population of 50,000 or greater;
  - A population of at least 1,000 if no portion is located near a MSA; or
  - Located within an Indian Reservation.

# Program Overview – Funding & Prioritization



## BEA Program Awards are Calculated Formulaically and Prioritized as follows:

- Qualified Activity Category: CDFI Related Activities are awarded first, followed by Distressed Community Financing Activities, then Service Activities\*.
- CDFI Status: Certified CDFIs are prioritized over non-Certified CDFIs in each **BEA Qualified Activity** Category. Awards to Certified CDFIs are also calculated using a higher award percentage for most **BEA Qualified Activities**.
- CRA Asset Size: Small Banks receive a priority factor of 5, followed by Intermediate-Small Banks which receive a priority factor of 3, then Large Banks which receive a priority factor of 1.

*\*The CDFI Fund has the discretion to cap the total dollars awarded in the Distressed Community Financing Activities category in order to award Applicants with eligible transactions in the Service Activities category.*

# Program Overview – Formula for Estimated Award Amounts Calculation



Priority	Increase in Qualified Activities		Multiply by	Asset Size Priority Factor		Multiply by	Award % CDFIs	Award % non-CDFIs	Equals	Estimated Award Amount
1st	CDFI Related Activities	Equity	X	N/A		X	18%		=	\$
		Support					18%	6%	=	\$
2nd	Distressed Community Financing Activities	Commercial	X	Small	5	X	9%	3%	=	\$
				Intermediate	3		18%	6%	=	\$
		Consumer		Large	1		18%	6%	=	\$
3rd	Service Activities		X	Small	5	X	9%	3%	=	\$
				Intermediate	3					
				Large	1					

# Program Overview – Use of Award



- BEA Program Awards must be reinvested in additional BEA Eligible Activities within a performance period of approximately one year.
- BEA Program Applicants are required to indicate in their applications which BEA Qualified Activities they intend to use the award proceeds for, including whether they intend to use up to 15% for Direct Administrative Expenses.
- BEA Program Applicants are also required to indicate the minimum and maximum percentage of the BEA Program Award that the Applicant will commit to investing in **Persistent Poverty Counties**.
- All BEA Program Award Recipients are required to report on the actual use of the award proceeds to the CDFI Fund.
- Reports are due 90 days from the end of the Period of Performance as specified in the Award Agreement.

# FY 2021 BEA Program Application



## FY 2021 BEA Program Application Round:

- Approximately \$26 million in available appropriations.
- Baseline Period:
  - January 1, 2019 through December 31, 2019
- Assessment Period:
  - January 1, 2020 through December 31, 2020
- BEA Program Grant Application Package consists of:
  - Part 1: Grants.gov
  - Part 2: BEA Program Electronic Application in AMIS

# FY 2021 BEA Program Application - Eligibility



## Applicants:

- Must be FDIC insured as of the first day of the Baseline Period, January 1, 2019 and maintain its FDIC-insured status at the time of the Application to be eligible for consideration for a FY 2021 BEA Program Award.
- Cannot be a Holding Company.
- Can be Certified CDFIs or non-Certified CDFIs.
- Can apply to receive a BEA Program and CDFI Program Award, but cannot receive both a FY 2021 BEA Program Award and a FY 2021 CDFI Program Award.

## Certified CDFI Applicants:

- An Eligible Certified CDFI Applicant is an Insured Depository Institution that is certified or has submitted its Certification application by December 31, 2020; and was Certified as a CDFI as of the publication date of the FY 2021 BEA Program NOFA in the Federal Register, which was on October 14, 2021; and maintains its status as a Certified CDFI at the time BEA Program Awards are announced under this NOFA.

## CDFI Partners:

- Must have been certified as a CDFI when the investment or support was received during the applicable Assessment Period (1/12/2020 – 12/31/2020); and
- Must be Integrally Involved in a BEA Distressed Community (if CDFI Support Activities were received).



# FY 2021 BEA Program Application



## A Complete FY 2021 BEA Program Application Package Consists of the Following Two Parts:

- **Part I. Grants.gov:**
  - Submit a ‘validated’ SF-424 Mandatory/ Grants Application Package on Grants.gov by **November 12, 2021, 11:59 pm ET.**
    - Applicant information (e.g., DUNS, EIN, etc.) submitted via Grants.gov should match the Applicant information in AMIS and not reflect the information of a holding company, subsidiary or affiliate.

# FY 2021 BEA Program Application



- **Part II. BEA Program Electronic Application in AMIS:**
  - Submit a BEA Program Electronic Application in AMIS by **December 14, 2021, 5:00 pm ET.**
    - Attach the ‘validated’ SF-424 Mandatory/ Grants Application Package via the lookup function in AMIS.
    - Signed by the Authorized Representative.
  - Enter all BEA transactions by **December 10, 2021, 5:00pm ET.**
    - Attach required supporting documentation for Qualified Activities.

# FY 2021 BEA Program Application



## Awards Management Information System (AMIS)

- AMIS is the CDFI Fund's enterprise-wide business system and is the primary tool for the CDFI Fund to interface with Applicants and Award Recipients.
- An AMIS account is required to apply for a BEA Program Award and complete Part 2: BEA Program Electronic Application in AMIS.
  - Guidance on creating an AMIS account: (1) 'AMIS Quick Start Guide'; (2) 'Getting Started – Navigating AMIS' and (3) AMIS FAQs are available via the following link: <https://amis.cdfifund.gov/s/AMISHome>
- The BEA Program Electronic Application is currently available in AMIS.
  - The 'Training Manual: BEA Program Electronic Application Submission' for the FY 2021 BEA Program round is available on the AMIS Training page of the CDFI Fund's website and can be accessed using the following link: <https://www.cdfifund.gov/programs-training/programs/bank-enterprise-award/apply-step>

# FY 2021 BEA Program Application – FY 2021 Updates



## Applicant Eligibility

- A BEA Program Applicant may not receive a FY 2021 BEA Program award if the BEA Program Applicant has an application pending for assistance under the FY 2021 round of the CDFI Program, or was on the list of award recipients or awarded assistance from the CDFI Fund under the CDFI Program within the 12-month period prior to the Federal Award Date of the FY 2021 BEA Program Award Agreement, or ever received assistance under the CDFI Program for the same activities for which it is seeking a FY 2021 BEA Program Award.
- Applicants may apply for both a CDFI Program award and a BEA Program Award in FY 2021; however, receiving a FY 2021 CDFI Program award removes an Applicant from eligibility for a FY 2021 BEA Program Award.

## Eligibility Data (2011 – 2015 American Community Survey)

- FY 2021 BEA Program Applicants will be required to only use the 2011 – 2015 American Community Survey data in CIMS for Distressed Community census tract verification.

# FY 2021 BEA Program Application – FY 2021 Updates, Cont'd



- **Persistent Poverty Counties (PPCs)**

- The PPC Congressional Mandate language was updated to reflect final FY 2021 appropriations passed on December 27, 2020, the “Consolidated Appropriations Act, 2021” (Public Law Number 116-260).
- The Consolidated Appropriations Act includes as PPCs territories and possessions of the United States (US) based on the Island Areas Decennial Censuses or equivalent data of the Bureau of the Census.
- The CDFI Fund has updated the BEA Program Eligibility Data spreadsheet to reflect the BEA Qualified Distressed Community Determination for census tracts located in the US territories and possessions, and the overall PPC designation of these areas.
- For BEA Award Recipients that elect to meet their PPC commitments by providing a transaction in the CDFI Related Activities category, should ensure that the Certified CDFI is physically located in a PPC.

# FY 2021 BEA Program Application – FY 2021 Updates, Cont'd



- **FY 2021 Eligibility Data**

- FY 2021 BEA Program Applicants will not be required to enter the Census Tract 11-digit number for BEA Qualified Distressed Community and Service activities in AMIS. The Census Tract 11-digit number will automatically be generated when an address is entered on a BEA Transaction record.
  - This determination will be made within 24 hours of an Applicant's initial entry of such information and will be reflected in the Address Verification field in AMIS.
  - [https://www.cdfifund.gov/sites/cdfi/files/2021-10/FY2021\\_BEA\\_Program\\_Application\\_CIMS\\_Instructions.pdf](https://www.cdfifund.gov/sites/cdfi/files/2021-10/FY2021_BEA_Program_Application_CIMS_Instructions.pdf)

- **Paycheck Protection Program (PPP)**

- PPP loans that meet the definition of a Small Business Loan, as stated in the BEA Program Supplemental Guidance glossary, may be submitted with the FY 2021 BEA Program Application pending final review by the BEA Program Office.

## **Cap on Qualified Activity Amount**

- FY 2021 BEA Program Applicants must attach a Community Benefit Statement, which is a narrative statement that describes the community benefit of transactions over \$10 million for the CDFI Fund's consideration. The Community Benefit Statement must be included as an attachment in the Notes and Attachment section of the Application.

# FY 2021 BEA Program Application – Important Reminders and Clarifications



- **Personally Identifiable Information (PII)**

- The CDFI Fund does not collect and will not accept PII in AMIS or supporting documentation. PII refers to information that can be used to distinguish or trace an individual's identity, either alone (SSN) or when combined with other information (name of the individual, address, date of birth, driver's license or state identification number, passport number, and Alien Registration Number, etc.) that is linked or linkable to the individual.
- Addresses indicating the physical location of the activity financed, investment, or service provided should NOT be redacted.
- Signatures of legal executed documents (e.g., loan agreements, promissory notes, etc.), should NOT be redacted.
- Individual's personal address and other PII should be redacted for legal documents for commercial loans.
- Applicants must redact all PII on supporting documentation prior to submitting their Applications. If the CDFI Fund discovers PII during the review of a transaction in AMIS, the supporting documentation will be deleted from the application and the CDFI Fund will deem the transaction ineligible.

**Note:** Please see the Supplemental Guidance/ FAQ document for examples of PII and what is appropriate/ not appropriate to redact.

# FY 2021 BEA Program Application – Important Reminders and Clarifications, Cont'd



- Addresses entered **by users** in AMIS will be verified via CIMS geocoding within 24 hours. Reminder: The deadline to enter, edit or delete BEA transactions is **December 10, 2021 at 5:00pm ET**. Please allow ample time for this verification.
- The Recipient must comply, as applicable, with the Buy American Act of 1933, 41 U.S.C. 8301-8303, with respect to any Direct Administrative Expenses.



# FY 2021 BEA Program Application



## Important Dates:

Activity	Date
Application and NOFA Released	10/13/2021
Part 1 – Grants.gov SF-424 Mandatory Deadline (11:59pm ET)	11/12/2021
Last day for BEA Program Help Desk Questions (5:00pm ET)	12/10/2021
Last day to Register a user and organization in AMIS (5:00 pm. ET).	12/10/2021
<u>Last day to enter, edit or delete BEA transactions in AMIS (5:00pm. ET).</u>	
<u>Note: This includes census tract entry and address verification.</u>	12/10/2021
Last day for IT Help Desk Questions (5:00pm EST)	12/14/2021
Part 2 – BEA Program Electronic Application in AMIS Deadline (5:00pm EST)	12/14/2021

# FY 2021 BEA Application Webinar



**This concludes the FY 2021 BEA Program Application Webinar.  
Thank you for your participation. We will now open the line for  
questions.**