

Getting Acquainted with Your FY 2021 Financial Assistance Award Assistance Agreement

Community Development Financial Institutions (CDFI) Program and Native American CDFI Assistance (NACA) Program

Presentation Purpose



- The purpose of this presentation is to help FY 2021 CDFI and NACA Program Recipients understand the requirements, terms, and conditions of the Assistance Agreement for their Financial Assistance (FA) award.
- References to FA awards in this presentation include both CDFI and NACA Program Recipients, unless otherwise stated.
- This information is for educational purposes only.

Presentation Objectives



- Describe the Assistance Agreement and its purpose.
- Show what the Assistance Agreement looks like.
- Explain what the Assistance Agreement contains.
- Provide instructions on what to do with your Assistance Agreement.
- Provide information about modifying or amending your Assistance Agreement.

Presentation Topics



Assistance Agreement Overview

 Assistance Agreement Availability

Assistance Agreement Components

Other Important Assistance Agreement Information

Authorized Financial Assistance Activities

Making Changes to an Assistance Agreement

Loan Documents and Standard Loan Product



- The Assistance Agreement is a legally binding contract between the CDFI Fund and the Recipient.
- The terms of the Assistance Agreement are based on the Recipient's institution type, award type, information submitted in the application, and other factors, such as matching funds.
- All CDFI and NACA Program Award Recipients must execute an Assistance Agreement prior to receiving their initial payment.



- The Assistance Agreement contains the following key components:
 - Annual Reporting requirements and associated deadlines;
 - Performance Goals & Measures (PG&Ms);
 - Authorized Activities for award funds;
 - General Award Terms and Conditions;
 - Promissory Note and Loan Terms (for awards in the form of loans only); and
 - Schedules for other forms of award, as applicable (based on matching funds).

- CDFI FUND
- Recipients should read the entire Assistance Agreement.
 - Recipients with awards from multiple funding rounds should read each agreement closely, as terms and conditions change from year to year.
 - Recipients must adhere to reporting requirements, PG&Ms, and associated deadlines.
- Recipients should keep a copy of their Assistance Agreement on file.
 - A copy of the Assistance Agreement may be found in your organization's 2021 FA award record, which is stored in the CDFI Fund Awards Management Information System (AMIS).
- Recipients should create a calendar reminder with due dates for reports. You may use the reporting schedule in AMIS to find the report due dates.



- The Assistance Agreement must be signed by an Authorized Representative listed and active in the Recipient's AMIS account.
- The Authorized Representative must have the legal authority to enter into the Assistance Agreement and the Title must reflect a leadership position with the authority to sign on behalf of the Recipient's organization.
- Consultants <u>cannot</u> sign the Assistance Agreement on behalf of the Recipient's organization.



Recognized Authorized Rep. Signatory Titles	Authorized Rep. Titles Requiring Follow-up
Any C-Suite position	Assistant/Executive Assistant
Chief Executive Officer	Secretary/Receptionist
Chief Financial Officer	Loan Officer
Chief Operating Officer	Community Development Officer
President/Vice President	• Intern
Partner (Venture Capital Funds)	Analyst
 Compliance Manager/Supervisor or any 	Board Member
Manager/Supervisor related position	Associate Treasurer
 Senior Accountant or any senior-level title 	Associate Director
• Director	Secretary
Board Officer	Comptroller
Board Chair	Controller
• Chairman	Staff Accountant
Chairperson	Consultant – Not allowed to sign on behalf of
Vice Chair (Vice Chairman, Vice Chairperson)	an organization.
• Treasurer	
Board Secretary	
• Manager	
• Or any similar titles that reflect the incumbent authority	
within the organization	



- The CDFI Fund urges Recipients to review the Assistance Agreement very carefully before signing the document as the CDFI Fund expects Recipients to fulfill <u>all</u> terms and conditions and meet deadlines therein.
- The CDFI Fund will contact the Authorized Representative if additional information regarding the Assistance Agreement is needed.



- Throughout the Period of Performance of the Assistance Agreement, Recipients are required to report on their progress toward meeting the PG&M benchmarks.
 - Recipients that meet all terms and conditions of the Assistance Agreement are considered to be compliant.
 - Recipients that fail to meet the terms and conditions of the Assistance Agreement are considered to be noncompliant.



- FA Objectives PG&Ms:
 - PG&Ms are determined by the FA Objective(s) selected by Recipients in their application.
 - The benchmark amount of the selected PG&M is determined by projected activity provided by the Recipient in its application.
 - The CDFI Fund implemented a floor, based on the Recipient's historic activity levels and/or its award size, for most PG&Ms to ensure a minimum amount of activities are achieved.





- All activities must be in an Eligible Market(s) and/or the Applicant's approved Target Market to satisfy the PG&Ms.
- Eligible Market is defined to mean (i) a geographic area meeting the requirements set forth in 12 C.F.R. § 1805.201(b)(3)(ii), or (ii) individuals that are Low-Income, African American, Hispanic, Native American, Native Hawaiian residing in Hawaii, Alaska Native residing in Alaska, or Other Pacific Islanders residing in American Samoa, Guam or the Northern Mariana Islands.

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Assistance Agreement Notification



- An e-mail notification is sent when the Assistance Agreement is available in each Recipient's AMIS account.
 - The e-mail will be sent to the Authorized Representative and Point(s) of Contact listed in the Recipient's FY 2021 FA Application as well as those listed as active Authorized Representatives in a Recipient's Organization Profile.
 - The e-mail will contain three attachments the Transmittal Letter, Instructions for Accessing and Signing the Assistance Agreements in AMIS, and Certificate of Good Standing Instructions – that provide detailed instructions regarding the award closing process.

Assistance Agreement Notification



- The Assistance Agreement will be available in the Notes & Attachments section of the Recipient's award record in AMIS.
- Recipients of PPC-FA, DF-FA, and/or HFFI-FA will receive only one Assistance Agreement that will cover each of the applicable awards.
- To ensure you receive e-mail communications, <u>AMIS@cdfi.treas.gov</u> should be listed as a safe sender by your e-mail system.

Assistance Agreement Process

CDFI FUND

• This slide highlights the steps to finalize the Assistance Agreement (AA) and receive award payment.

Step 1: Recipient receives email notification that the AA is available in AMIS



Step 2: Recipient reviews and signs the AA, submits required documents

Step 3: Compliance review is completed for prior Recipients

Step 6: Recipient receives initial payment Step 5: Recipient receives email notification that countersigned AA cover page is available in AMIS

Step 4: Program Manager countersigns AA, payment processing begins

Assistance Agreement Timeline



- The following Recipients can expect to receive their Assistance Agreements first:
 - SECA and NACA FA Recipients; and
 - Core FA Recipients that provided 100% in-hand matching funds.
- Core FA Recipients that did not have 100% in-hand matching funds at the time of award will receive their Assistance Agreements after submitting an updated matching funds workbook that demonstrates they have in-hand matching funds totaling their award amount.

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Assistance Agreement Components



- This section discusses key components to the Assistance Agreement, such as:
 - Annual Reporting Requirements;
 - PG&Ms; and
 - Screenshots of relevant and frequently referenced pages and Schedules.
- Note: Screenshots are provided to familiarize and orient Recipients with the Assistance Agreement. Please note that your customized Assistance Agreement may differ in format and content.

Assistance Agreement Cover Page

	PMENT FINANCIAL INSTITUTIONS FUND	
ASSISTA	NCE AGREEMENT	
Recipient:	CDFI Fund Award Number: HFFI-FA No.: DUNS Number: Employer Identification Number:	(1) CDFI Fund Award Number can be found in the upper right corner of the Cover Page.
Address: Applicable Program: CFDA Number: Date of Applicable NOFA: 2/19/2021	Announcement Date (Period of Pe Date): xx/xx/2021	(1a) Recipients of HFFI-FA will <mark>rfo</mark> have a second Award Number.
By signing this Assistance Agreement and in consideration set forth, the parties hereto, by their respective Authorize Assistance hereunder shall be administered pursuant to the	ed Representatives, agree to the following: (i) th	
Schedule 2, and made a material part hereof; and (ii) the a terms, conditions, requirements, certifications and repres attached hereto and constitute a material part hereof. In into this Assistance Agreement.	sentations set forth in all such additional	(2) Announcement Date is located ▲ here. It is the Period of Performance
Community Development Financial Institutions Fund By:	{{AWARD_ORGANIZATION_NAME}}	Start Date and Beginning of Year 1 of the Period of Performance Schedule (found in Schedule 1-C).
Digitally Signed by on Authorized Representative: Title: Federal Award Date*	Digitally Signed by on Authorized Representative: Title:	
Date:		

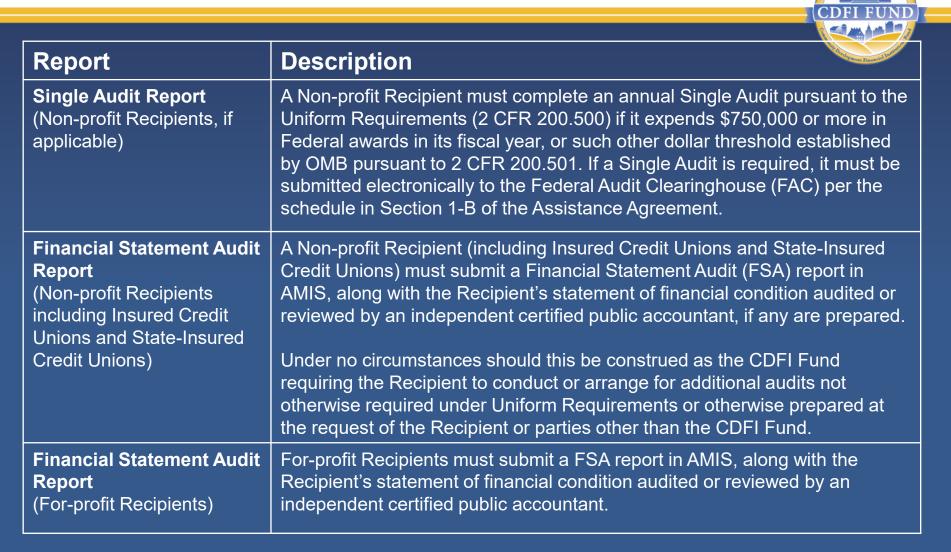
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Assistance Agreement Cover Page FA Details



Recipient Information								
Entity Type: [Regulated	d/Non-regulated/Sp	onsoring Entity]						
Depository Institution	Holding Company/	Bank Holding Com	pany: [Y/N]				1	
Subsidiary Insured Dep	ository Institution (if applicable):	Subsidiary Insu	ured Deposit	ory Institution I	Employer		
			Identification I	Number (if a	oplicable):			Amount of Award (including
								PPC-FA, DF-FA, and HFFI-
								FA)
Financial Assistance	-							
Award Type	Base Financial	Persistent Pover	· .	lity Funds	HFFI Financia	Ase (HFFI-		
	Assistance	Counties Financia			FA)			
	(Base-FA)	Assistance (PPC-I	-	ance (DF-				
			FA)		4			
Award Amount	\$	\$	\$		Ş			
Matching Funds:					Not Applicabl	e		
[Applicable or Not								
Applicable]								
Award Type	Initial	Form of Award						
	Payments	Grant	Loan		Equity	Total		
Base-FA, DF-FA, and	\$							
PPC-FA								
HFFI-FA	\$							
* The Federal Aw	vard Date shall be the	dato CDFI Fun	d's signature block	above.				
			_					
			<u> </u>				Ar	nount and Form of Award
		Initial Payr	ment(s)				(in	cluding PPC-FA, DF-FA, and
		initial Fayl	nem(s)					FI-FA):

Annual Reporting Requirements (Schedule 1-A)



Annual Reporting Requirements (Schedule 1-A) (Continued)



Report	Description
Financial Statement Audit Report (Regulated Institutions)	If the Recipient is a Regulated Institution, it must submit a FSA report in AMIS. The Recipient may include their statement of financial condition audited or reviewed by an independent certified public accountant, if any are prepared, or indicate that such information has been provided to its regulator within the FSA report.
Transaction Level Report (TLR)	The Recipient must submit a TLR to the CDFI Fund.
	If the Recipient is a Depository Institution Holding Company (DIHC) that deploys all or a portion of its Financial Assistance through its Subsidiary Insured Depository Institution, that Subsidiary Insured Depository Institution must also submit a TLR. Furthermore, if the DIHC itself deploys any portion of the Financial Assistance, the DIHC must submit a TLR.
Shareholders Report	If the Assistance is in the form of an Equity Investment, the Recipient must submit shareholder information to the CDFI Fund showing the class, series, and number of shares and valuation of capital stock held or to be held by each shareholder. The Shareholder Report must be submitted for as long as the CDFI Fund is an equity holder.

Annual Reporting Requirements (Schedule 1-A) (Continued)



Report	Description
Performance Progress Report (PPR)	A Recipient must submit the Performance Progress Report to the CDFI Fund.
	If the Recipient is a DIHC that deploys all or a portion of its Financial Assistance through its Subsidiary Insured Depository Institution, that Subsidiary Insured Depository Institution must also submit a Performance Progress Report. Furthermore, if the DIHC itself deploys any portion of the Financial Assistance, the DIHC must submit a Performance Progress Report.
Uses of Award Report	A Recipient must submit the Uses of Award Report to the CDFI Fund. If the Recipient is a DIHC that deploys all or a portion of its Financial
	Assistance through its Subsidiary Insured Depository Institution, that Subsidiary Insured Depository Institution must also submit a Uses of Award Report. Furthermore, if the DIHC itself deploys any portion of the Financial Assistance, the DIHC must submit a Uses of Award Report.
Annual Certification Report (ACR)	Recipient must submit the Annual Certification Report to the CDFI Fund.

Annual Report Submission Deadlines (Schedule 1-B)

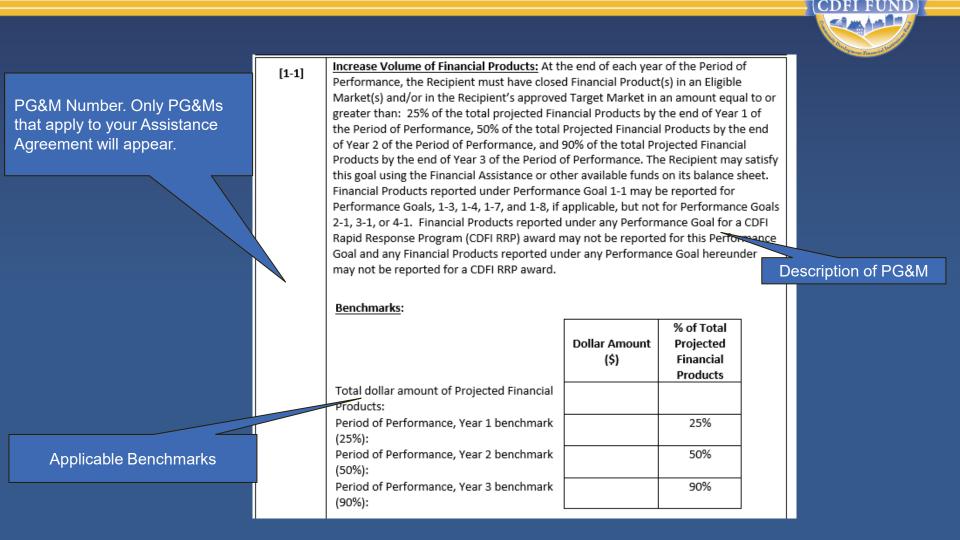


Report	Due
Single Audit Report	Nine (9) months after the end of each year of the Period of Performance
Financial Statements Audit Report	Six (6) months after the end of each year of the Period of Performance
Transaction Level Report (TLR)	Six (6) months after the end of each year of the Period of Performance
Shareholders Report	Six (6) months after the end of each year of the Period of Performance
Performance Progress Report (PPR)	Three (3) months after the end of each year of the Period of Performance
Uses of Award Report	Three (3) months after the end of each year of the Period of Performance

Performance Goals & Measures (Schedule 1-C)

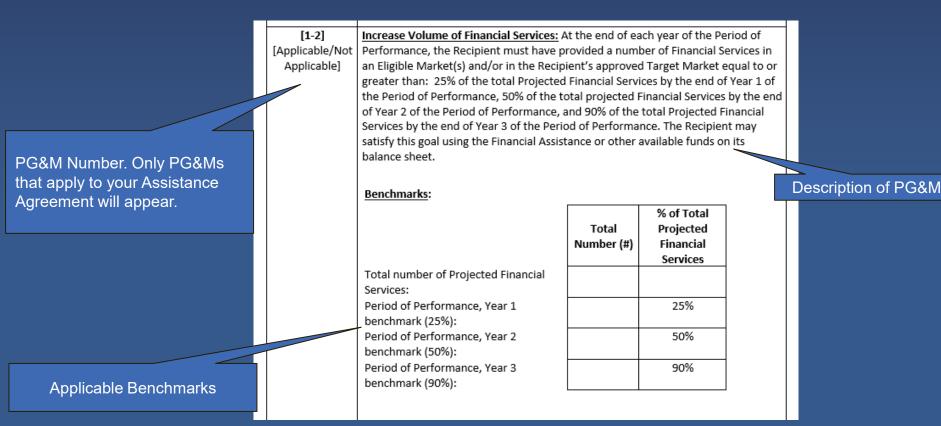


- PG&Ms are performance benchmarks that a Recipient must meet in order to remain in compliance with the Assistance Agreement.
- Note: In addition to the PG&Ms, compliance is also dependent upon timely report submissions and, if applicable, an unqualified audit opinion and an absence of material weakness findings in the Single Audit.



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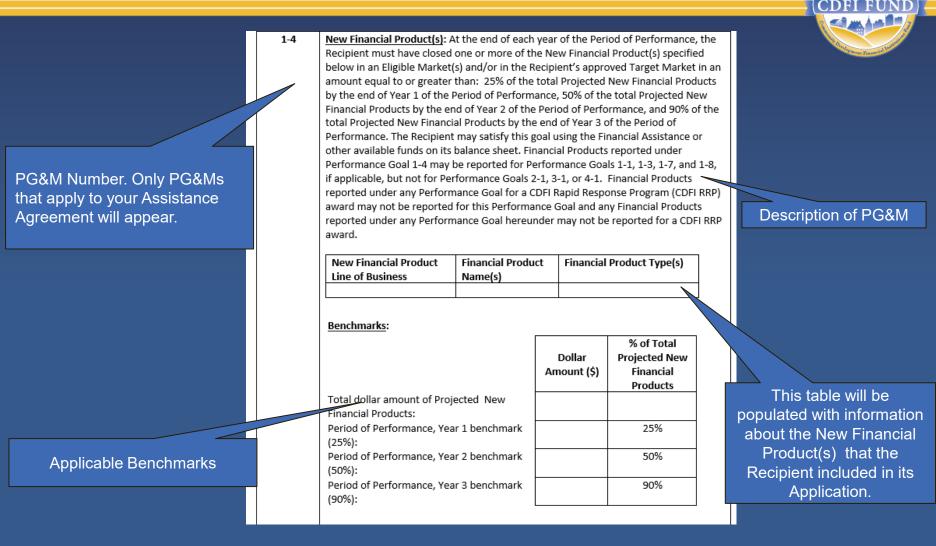




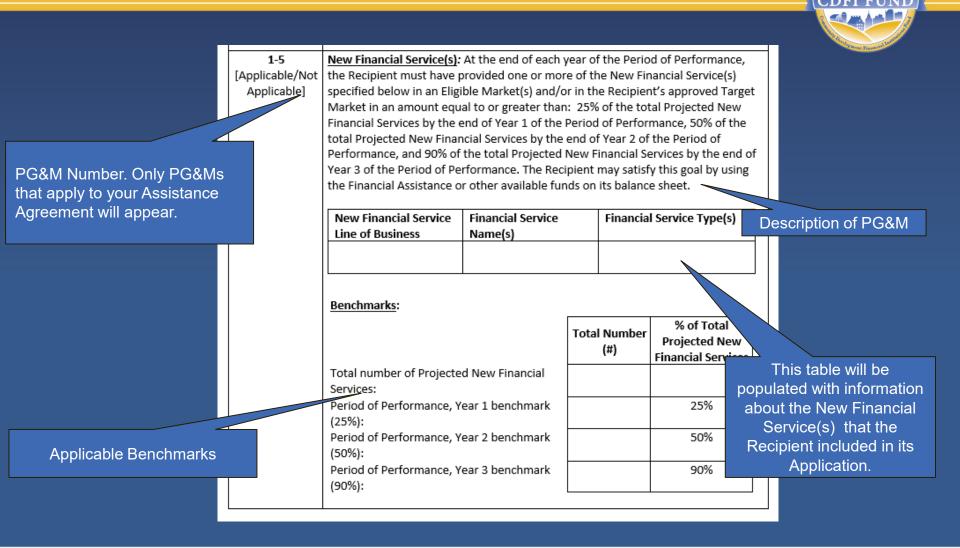
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND



[1-3] New Geographic Area(s): At the end of each year of the Period of Performance, the Recipient must have closed Financial Products in an Eligible Market(s) in one or more of the New Geographic Area(s) specified below by State and/or County FIPS Code in an amount equal to or greater than: 25% of the total Projected Financial Products by the end of Year 1 of the Period of Performance, 50% of the total Projected Financial Products by the end of Year 2 of the Period of Performance, and 90% of the total Projected Financial Products by the end of Year 3 of the Period of Performance. For this goal, Financial Products do not need to be closed in the Recipient's approved Target Market but must be in an Eligible Market. The Recipient may satisfy this goal PG&M Number. Only PG&Ms using the Financial Assistance or other available funds on its balance sheet. Financial that apply to your Assistance Products reported under Performance Goal 1-3 may be reported for Performance Agreement will appear. Goals 1-1, 1-4, 1-7, and 1-8, if applicable, but not for Performance Goals 2-1, 3-1, or 4-**Description of PG&M** 1. Financial Products reported under any Performance Goal for a CDFI Rapid Response Program (CDFI RRP) award may not be reported for this Performance Goal and any Financial Products reported under any Performance Goal hereunder may not be reported for a CDFI RRP award. State State FIPS State or County County FIPS (if Abbreviation applicable) Benchmarks: % of Total Dollar Projected Amount (\$) Financial Products This table will be Total dollar amount of Projected Financial Products: populated with New Period of Performance, Year 1 benchmark 25% Geographic Area(s) and (25%): Period of Performance, Year 2 benchmark 50% corresponding FIPS (50%): Applicable Benchmarks codes. Period of Performance, Year 3 benchmark 90% (90%):

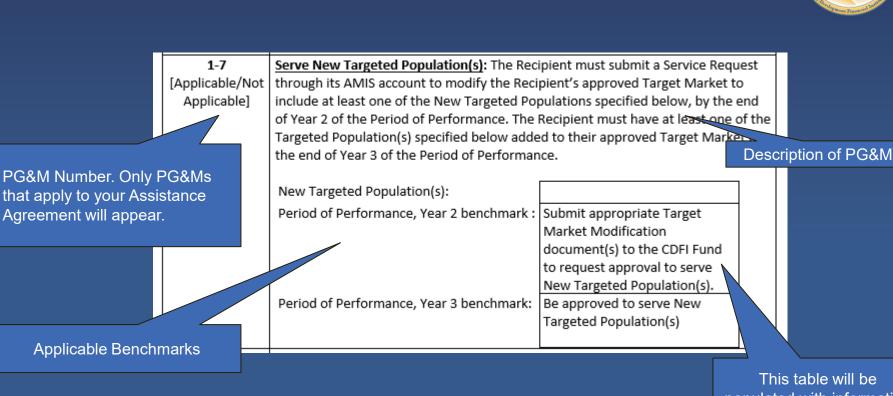


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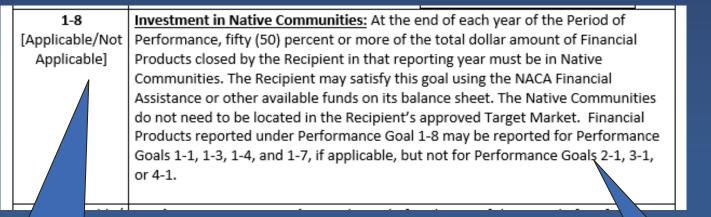
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					Distance First Land	
PG&M Number. Only PG&I that apply to your Assistance		<u>New Development Service(s)</u> : At the e Performance, the Recipient must have Development Service(s) specified below Recipient's approved Target Market in a the total New Development Services pr Performance and 90% of the total New of Year 3 of the Period of Performance. the Financial Assistance or other available	provided one or more o w in an Eligible Market(s an amount equal to or g ovided by the end of Ye Development Services The Recipient may satis	of the New s) and/or in the greater than: 50% ear 2 of the Period provided by the en sfy this goal using	of nd	
Agreement will appear.		New Development Service Type	Development Service	evelopment Service Names(s) Description of		
Applicable Benchmark	KS IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	Benchmarks: Total Projected Clients Served by New Development Services: Period of Performance, Year 2 benchm (50%): Period of Performance, Year 3 benchm (90%):		% of Total New Projected Development Services 50% 90%	This table will be populated with information about the New Development Service(s) that the Recipient included in its Application.	



This table will be populated with information about the New Targeted Population(s) that the Recipient included in its Application.





PG&M Number. Only PG&Ms that apply to your Assistance Agreement will appear.

Description of PG&M

2-1

(PPC) in an amount equal to or greater than: 5% of the total PPC Financial Assistance (exclusive of Base-FA, DF-FA, or HFFI-FA) by the end of Year 1 of the Period of Performance, 50% of the total PPC-FA(exclusive of Base-FA, DF-FA, or HFFI-FA) by the end of Year 2 of the Period of Performance, and 100% of the total PPC Financial Assistance (exclusive of Base-FA, DF-FA, or HFFI-FA) by the end of Year 3 of the Period of Performance. The Recipient may satisfy this goal using the PPC Financial Assistance or other available funds on its balance sheet. The PPC does not need to be locate the Recipient's approved Target Market but must be in an Eligible Market. Financial Products reported for Performance Goal 2-1 may not be reported for any other Performance Goal. Financial Products reported under any Performance Goal for a CDFI Rapid Response Program (CDFI RRP) award may not be reported for this Performance Goal and any Financial Products reported under any Performance Goal hereunder may not be reported for a CDFI RRP award.

Persistent Poverty Counties: At the end of each year of the Period of Performance,

the Recipient must have closed Financial Products in Persistent Poverty Counties

	Dollar Amount (\$)	% To PPC	
Total dollar amount of PPC-FA:		N/A	
Period of Performance, Year 1 benchmark (5%):		5%	
Period of Performance, Year 2 benchmark (50%):		50%	l F
Period of Performance, Year 3 benchmark (100%):		100%	

Note that Financial Products Reported for PG&M 2-1 may not be reported for any other PG&M.

Description of PG&M

Applicable Benchmarks

PG&M Number. Only PG&Ms

that apply to your Assistance

Agreement will appear.

Sample Performance Goals & Measures (Schedule 1-C): PG&M 3-1

3-1



PG&M Number. Only PG&Ms that apply to your Assistance Agreement will appear.

Note that there are two separate sets of Benchmarks included in PG&M 3-1. HFFI-FA Deployment of Resources: (A) At the end of each year of the Period of Performance, the Recipient must have closed Financial Products for HFFI Activities in its approved Target Market in an amount equal to or greater than: 33% of the total HFFI-FA (exclusive of Base-FA, DF-FA, or PPC-FA) by the end of Year 1 of the Period of Performance, 66% of the total HFFI Financial Assistance (exclusive of Base-FA, DF-FA, or PPC-FA) by the end of Year 2 of the Period of Performance, and 100% of the total HFFI Financial Assistance (exclusive of Base-FA, DF-FA, or PPC-FA) by the end of Year 3 of the Period of Performance. The Recipient may satisfy this goal using the HFFI Financial Assistance or other available funds on its balance sheet. Financial Products reported for Performance Goal 3-1(A) may also be reported for Performance Goal 3-1(B) if eligible as Financial Products supporting Healthy Food Retail Outlets in Food Deserts, but may not be reported under any other Performance Goal. Financial Products reported under any Performance Goal for a CDFI Rapid Response Program (CDFI RRP) award may not be reported for this Performance Goal and any Financial Products reported under any Performance Goal hereunder may not be reported for a CDFI RRP award.

Eligible HFFI Activities require that the majority of the HFFI-supported loan or investment must be devoted to offering a range of Healthy Food choices, which may include, among other activities, investments supporting an existing retail store or wholesale operation upgrading to offer an expanded range of Healthy Food choices, or supporting a non-profit organization that expands the availability of Healthy Foods in underserved areas.

	Dollar Amount for HFFI Activities in the Target Market (\$)	% To Target Market
Total dollar amount of HFFI-FA:		N/A
Period of Performance, Year 1 benchmark (33%):		33%
Period of Performance, Year 2 benchmark (66%):		66%
Period of Performance, Year 3 benchmark (100%):		100%

Description of PG&M

Sample Performance Goals & Measures (Schedule 1-C): PG&M 3-1



reported for Performance Goal 3-1(B) may also be reported for Performance Goal 3-1(A) if eligible as Financial Products for HFFI Activities in the Target Market, but may not be reported under any other Performance Goal.

Period of Performance, Year 1 benchmark (25%): Period of Performance, Year 2 benchmark (50%): Period of Performance, Year 3 benchmark (75%):

Dollar Amount To	% to Healthy
Healthy Food Retail	Food Retail
Outlets in Food Deserts	Outlets in
(\$)	Food Deserts
	25%
	50%
	75%

Eligible financing activities to Healthy Food Retail Outlets require that the majority of the HFFI-supported loan or investment must be devoted to offering a range of Healthy Food choices, which may include, among other activities, investments supporting an existing retail store upgrading to offer an expanded range of Healthy Food choices.

Note that there are two separate sets of Benchmarks included in PG&M 3-1.

Sample Performance Goals & Measures (Schedule 1-C): PG&M 4-1



PG&M Number. Only PG&Ms that apply to your Assistance Agreement will appear. He for the sector of th

4-1

reported under Performance Goal 4-1 may not be reported under any other Performance Goal. Financial Products reported under any Performance Goal for Description of PG&M CDFI Rapid Response Program (CDFI RRP) award may not be reported for this Performance Goal and any Financial Products reported under any Performance Goal hereunder may not be reported for a CDFI RRP award.

must have closed Financial Products that benefit individuals with disabilities in an amount equal to: 5% of the total DF-FA (exclusive of Base-FA, PPC-FA, or HFFI-FA) by

Total dollar amount of
, DF-FA:
Period of Performance,
Year 1 benchmark (5%):
Period of Performance,
Year 2 benchmark (50%):
Period of Performance,
Year 3 benchmark (85%):

	Dollar Amount (\$)	% To Benefit Individuals	
		with Disabilities	
		N/A	
,		5%	
:			
,		50%	
6):			
,		85%	
6):			

Applicable Benchmarks

Sample Performance Goals & Measures (Schedule 1-C): PG&M 5-1

	-				
5-1 [Applicable	Deployment of the Financial Assistance Award: At the end of the first year of the			the	
to all FA	Period of Performance and at the Period of Performance End Date, the Recipient				
Recipients]	must expend the Financial Assistance (Base-FA, and, as applicable, HFFI-FA, DF-FA,				
	and/or PPC-FA) for Authorized Financial Assistance Activities pursuant to Section				
	3.7 of Schedule 2 (General Award Terms and Conditions) in an Eligible Market(s)				
	and/or in the Recipient's approved Target Market in an amount equal to or greater				
	than the amounts specified below:				
	Description of PG&M				
		% of Total FA Award	Dollar Amount of FA Award to be expended (\$)	d	
	Period of Performance, Year 1	90% of Initial FA Payment	\$XXXX		
	Period of Performance End Date	100% of Total FA Award	\$XXXX		

Applicable Benchmarks

PG&M 5-1 includes Base-FA, HFFI-FA, DF-FA, and PPC-FA.

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General Award Terms and Conditions (Schedule 2): Receiving Payments



- To receive award payments, Recipients must:
 - Electronically sign the Assistance Agreement and upload all required documentation into AMIS (e.g. Certificate of Good Standing).
 - The Certificate of Good Standing must be from the Secretary of State for the Recipient's state of formation dated within 180 days prior to the Federal Award Date of the Assistance Agreement.
 - Provide In-Hand Matching Funds documentation for 100% of FA award amount (Core FA Recipients only).
 - Maintain compliance with terms and conditions of any prior award from the CDFI Fund.
 - Maintain accurate banking information in the System for Award Management (SAM). <u>SAM information must be updated every six (6) months at</u> <u>www.fsd.gov or 1-866-606-8220.</u>
 - If the entire amount of the award is not disbursed in the initial payment, Recipients must submit a Subsequent Payment Request at least 30 days prior to the end of the Period of Performance.

General Award Terms and Conditions (Schedule 2): Matching Funds



- Core FA Recipients are responsible for ensuring that Matching Funds used for the FY 2021 award meet the following criteria:
 - Have not been used by the Recipient to satisfy a legal requirement under another Federal grant or award program;
 - Are considered non-federal in nature;
 - Have documentation to prove receipt of funds and eligibility; and
 - Adhere to the guidance published by the CDFI Fund.

Depository Institution Holding Company (DIHC) Recipients



- DIHC Recipients that deploy a FA award through a Subsidiary CDFI Insured Depository Institution, must use the award funds to capitalize the Subsidiary CDFI Insured Depository Institution to carry out Authorized FA Activities.
- The name and Employer Identification Number (EIN) of the Subsidiary CDFI Insured Depository Institution that will carry out the award activities will be included in the Assistance Agreement.

Depository Institution Holding Company (DIHC) Recipients Cont'd

- The DIHC Recipient must ensure that the transfer of funds to the Subsidiary CDFI Insured Depository Institution meets the requirements described in section 200.331 of the Uniform Requirements.
- DIHC Recipients should consult their regulators to determine if a FA award that a DIHC passes through to a Subsidiary CDFI may be considered Tier 1 capital.

Material Events



- You must advise the CDFI Fund of certain Material Events that occur during the Period of Performance of your Assistance Agreement.
 - If a Material Event occurs, your organization must notify the CDFI Fund by submitting a Material Event Form via a Service Request initiated in your organization's AMIS account.
 - The form must be submitted within 30 days of the occurrence of a material event.
 - Please review section 5.8 of the General Terms and Conditions of your Assistance Agreement for additional information.

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General Award Terms and Conditions (Schedule 2): Authorized Activities



- Award funds can be spent on the following Authorized Activities outlined in Schedule 2 of the Assistance Agreement:
 - Financial Products, Financial Services, Development Services, Loan Loss Reserves, Capital Reserves.
 - 15% of total award can be used on Direct Administrative Expenses related to the above activities.
- All FA Eligible Activities must be in an Eligible Market(s) and/or the Applicant's approved Target Market.
- The CDFI Fund reserves the right to require the Recipient to repay all or a portion of the award if the Recipient expends funds for an ineligible activity.

General Award Terms and Conditions (Schedule 2): Authorized Activities



- Direct Administrative Expenses are Direct Costs, as described in section 200.413 of the Uniform Requirements, which are incurred by the Recipient to carry out the Financial Assistance Project. Such costs must be able to be specifically identified with the Project and not also recovered as Indirect Costs.
 - For example, the salary for a loan officer is a Direct Administrative Expense for Financial Products; the salary expense is proportional to the loan officer's workload of providing Financial Products.

General Award Terms and Conditions (Schedule 2)



- Indirect Costs as described in section 200.56 of the Uniform Requirements are **not allowable**.
 - Costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a specific sponsored project.
 - Indirect costs typically include salaries of staff not directly tied to the provision of Financial Products, depreciation expenses, interest to pay off debt, equipment and capital improvement, and maintenance expenses.
 - For example, the salary for maintenance staff in the building where loans are provided is an indirect expense, and not allowable.
- Recipients may <u>not</u> use any Assistance received for the prohibited activities set forth in 2 CFR 200.216, Prohibition on certain telecommunications and video surveillance services and equipment.

Authorized Activity Questions



- If you want to spend award funds on something that does not fit into the previously mentioned Authorized Activities categories, or if you are unsure, please consult the Uniform Requirements, Part 200. (2 CFR 200).
 - Cost principles are found in Subpart E.
 - Contact the CDFI Fund before expending funds if you have questions (contact information is available at the end of the presentation).
 - Recipients are responsible for funds expended on unallowable activities.

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Other Important Assistance Agreement Information

Authorized Financial Assistance Activities

Making Changes to an Assistance Agreement

Loan Documents and Standard Loan Product

Making Changes to an Assistance Agreement



- Before an Assistance Agreement has been executed, Recipients have the opportunity to request a modification to their Assistance Agreement.
 - Modifications must be requested by submitting a Service Request and completing the Request Change form in AMIS.
- In accordance with Section 7.9 of Schedule 2 of the Assistance Agreement, a Recipient may request an Amendment after their Assistance Agreement has been executed.
 - Amendments requests must be submitted via a Service Request in AMIS.
- The CDFI Fund will approve modification and/or amendment requests on a limited basis at its own discretion. Recipients should <u>not</u> assume that all modification and/or amendment requests that are submitted will be approved.

Making Changes to an Assistance Agreement



- The following can be done without an amendment:
 - Transferring funds between Authorized Activities.
 - Changing the name of the organization by submitting a Service Request in AMIS with supporting documentation attached.

Presentation Topics



Assistance Agreement Overview

Assistance Agreement Availability

Assistance Agreement Components

Other Important Assistance Agreement Information

Authorized Financial Assistance Activities

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Loan Documents and Standard Loan Product

Loan Documents

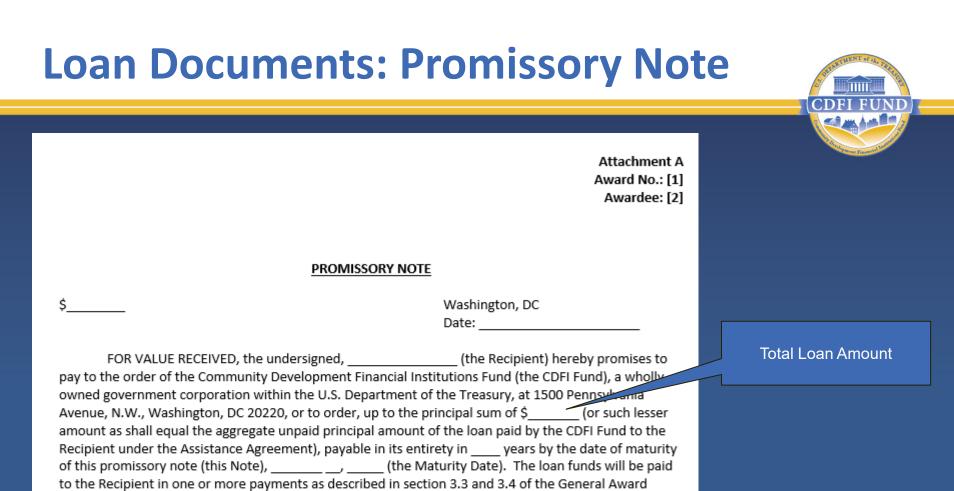


- Core FA Recipients that submit loans as a source of matching funds will receive award funds in the form of the Standard Loan Product.
- Based on the loan amount submitted, a Recipient will receive a standard loan with an interest rate of 0.66% with a thirteen year term.
- The loan is interest-only for the first ten years and will fully amortize for the last three years of the term.

Loan Documents



- For Core FA Recipients with loan-component awards, a Promissory Note will be included in the Assistance Agreement package as Attachment A and a Loan Repayment Schedule will be included as Attachment B:
 - The promissory note sets the principal, interest rate, and term of the loan, and is a legal agreement between the Recipient and the CDFI Fund stating that the Recipient agrees to repay.



(12) 30-day months and for the actual number of days elapsed in any partial month. Beginning in year

The Recipient further promises to pay interest at the rate of (%)

per annum, accruing daily from the date hereof on the unpaid principal balance from time to time outstanding on this Note. Interest shall be payable semi-annually in arrears on the last day of June and December of each year until the Maturity Date, beginning on the first June or December after payment of the loan funds. Interest shall be computed on the basis of a year of 360 days comprised of twelve

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Terms and Conditions (Schedule 2 of the Assistance Agreement).

FY 2021 Standard Loan Product



Term Sheet

Amount	Based on approved Matching Funds
Rate	0.66% fixed rate
Term	Thirteen (13) years
Principal	Principal amortized payments due in years eleven through thirteen
Interest Payments	Semi-annual
Collateral Requirements	None
Lender Position	Senior

Additional Presentations



- Continue to monitor the CDFI Program and Native Initiatives sections of <u>www.cdfifund.gov</u> in order to access additional guidance and webinars regarding the FY 2021 CDFI and NACA Program Assistance Agreements.
- These materials will be posted to the <u>Step 4: Closing and</u> <u>Disbursement</u> page of both the CDFI Program and Native Initiatives sites.

Contact Information



 For questions regarding general terms and conditions of an award, reporting requirements, or allowable uses of funds, please submit a Service Request in AMIS.





This concludes the presentation.

Thank you for participating!