



FY 2022 CDFI Program & NACA Program Technical Assistance (TA) Application Webinar Workshop

Presented By

CDFI Program & NACA Program Team
February 22, 2022

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

www.cdfifund.gov

Agenda



CDFI Fund Overview and FY 2022 CDFI & NACA Programs Overview

Preparing your Application

Completing the Narrative Responses and Application Data

Overview of Matching Funds and Supplemental Information

Application Review Selection, Process, and Reminders

Note: Capitalized terms not defined herein shall have the meaning specified in the applicable CDFI Program or NACA Program Notice of Funds Availability (together, NOFAs).

Topics We Won't Be Covering Today...



- Reasons why your organization was unsuccessful in prior award rounds.
- Instructions on how to enter data into an Application in the CDFI Fund's Award Management Information System (AMIS).
- Matching Funds questions specific only to your organization (for FA Applicants only).

CDFI Fund Overview



OUR MISSION

The CDFI Fund's mission is to expand economic opportunity for underserved people and communities by supporting the growth and capacity of a national network of community development lenders, investors, and financial service providers.

CDFI Fund Overview



OUR VISION

The vision of the CDFI Fund is an America in which all people and communities have access to the investment capital and financial services they need to prosper.

CDFI Fund Overview



- The CDFI Fund accomplishes its mission by investing in and supporting CDFIs, Community Development Entities (CDEs), and other community development organizations through the:
 - CDFI Program and Native American CDFI Assistance (NACA) Program
 - Bank Enterprise Award (BEA) Program
 - New Markets Tax Credit (NMTC) Program
 - CDFI Bond Guarantee Program (BGP)
 - Capital Magnet Fund (CMF)
 - Small Dollar Loan Program (SDLP)
 - Economic Mobility Corps (EMC)
 - CDFI Rapid Response Program (CDFI RRP)

CDFI Fund Overview



CDFI Program and NACA Program Purpose:

- To promote economic revitalization and community development through investment in and assistance to CDFIs.
- To build the capacity of for-profit and non-profit community based lending organizations to serve rural and urban low-income people, and communities across the nation that lack adequate access to affordable financial products and services.



Photo credit: Native Nations Institute

CDFI Fund Overview



Types of Certified CDFIs:

- Loan Funds
- Credit Unions (including State-Insured Credit Unions)
- Banks and Depository Institution Holding Companies
- Venture Capital Funds

CDFI Program & NACA Program: Types of Awards



- Financial Assistance (FA), which includes:
 - Base Financial Assistance (Base-FA)
 - *May also include the following as a supplement to the Base-FA*:*
 - Persistent Poverty Counties – Financial Assistance (PPC-FA)
 - Disability Funds – Financial Assistance (DF-FA)
 - Healthy Food Financing Initiative – Financial Assistance (HFFI-FA)
- Technical Assistance (TA)

*The PPC-FA, DF-FA, and HFFI-FA Applications will be evaluated independently from the Base-FA Application, and will not affect the Base-FA Application evaluation or Base-FA award amount. See the applicable FY 2022 Notice of Funds Availability (NOFA) for more information.

FY 2022 CDFI Program: Technical Assistance



CDFI Program Technical Assistance (TA)

Eligibility	<ul style="list-style-type: none"> • Emerging CDFIs and Certified CDFIs. Certified CDFIs must meet the SECA eligibility criteria in Table 8 of the FY 2022 CDFI Program Notice of Funds Availability (NOFA) in order to apply for a TA award.
Matching Funds	<ul style="list-style-type: none"> • Matching Funds are not required for TA Applicants.
Award Amount	<ul style="list-style-type: none"> • Up to \$125,000 for capacity building activities and to achieve CDFI certification. • Minimum award amount: \$10,000. • Estimated FY 2022 Average award Size: \$125,000.
Form of Awards	<ul style="list-style-type: none"> • All TA awards are provided in the form of a grant.
Eligible Activities	<ul style="list-style-type: none"> • CDFI Program TA awards must be expended for activities in the following seven categories: (i) Compensation – Personal Services; (ii) Compensation – fringe benefits; (iii) Professional Services Costs; (iv) Travel Costs; (v) Training and Education Costs; (vi) Equipment; and (vii) Supplies.
Reporting Period	<ul style="list-style-type: none"> • Two (2) years for Certified CDFI Recipients and three (3) years for uncertified CDFI Recipients (as specified in each Recipient’s Assistance Agreement).
Limitations on Awards	<ul style="list-style-type: none"> • Applicants may apply for either FA or for TA under the CDFI Program, but not for both. • Emerging CDFIs are eligible to receive up to three TA awards prior to obtaining CDFI certification. • The CDFI Fund is prohibited from obligating more than \$5 million in CDFI and NACA Program awards (excluding DF-FA and HFFI-FA), in the aggregate, to any one organization and its Subsidiaries and Affiliates during any three-year period. This \$5 million cap will be calculated to include funding received during the FY 2020, FY 2021, and FY 2022 Funding Rounds.

FY 2022 NACA Program: Technical Assistance



NACA Program Technical Assistance (TA)

Eligibility	<ul style="list-style-type: none">• Emerging CDFIs, Certified CDFIs, and Sponsoring Entities.• TA Applicants must demonstrate that the Certified, Emerging CDFI, or the CDFI to be created by a Sponsoring Entity will primarily serve one or more Native Communities.
Matching Funds	<ul style="list-style-type: none">• Matching Funds are not required for TA Applicants.
Award Amount	<ul style="list-style-type: none">• Up to \$150,000 for capacity building activities and to achieve CDFI certification.• Minimum award amount: \$10,000.• Estimated FY 2022 Average award Size: \$147,000.
Form of Awards	<ul style="list-style-type: none">• All TA awards are provided in the form of a grant.
Eligible Activities	<ul style="list-style-type: none">• NACA Program TA awards must be expended for activities in the following eight categories: (i) Compensation – personal services; (ii) Compensation – fringe benefits; (iii) Professional Services Costs; (iv) Travel Costs; (v) Training and Education Costs; (vi) Equipment; (vii) Supplies; and (viii) Incorporation Costs (Sponsoring Entities only).

FY 2022 NACA Program: Technical Assistance



NACA Program Technical Assistance (TA)

Reporting Period	<ul style="list-style-type: none">• Two (2) years for Certified CDFI Recipients, three (3) years for uncertified CDFI Recipients, and four (4) years for Sponsoring Entity Recipients (as specified in each Recipient’s Assistance Agreement).
Limitations on Awards	<ul style="list-style-type: none">• Applicants may apply for either FA or for TA under the NACA Program, but not both.• NACA-eligible Applicants who apply under and are selected for a TA award under both the CDFI Program and NACA Program will receive a TA Award under the NACA Program.• Emerging CDFIs are eligible to receive up to three TA awards prior to obtaining CDFI certification.• A Sponsoring Entity may only apply for an award if (i) it does not have an active prior award or (ii) the certification goal in its active award’s Assistance Agreement has been satisfied and it proposes to create another CDFI that will serve one or more Native Communities.• The CDFI Fund is prohibited from obligating more than \$5 million in CDFI and NACA Program awards (excluding DF-FA and HFFI-FA), in the aggregate, to any one organization and its Subsidiaries and Affiliates during any three-year period. This \$5 million cap will be calculated to include funding received during the FY 2020, FY 2021, and FY 2022 Funding Rounds.

CDFI Program & NACA Program: Certification Categories



Certification Categories:

- Certified CDFIs
- Emerging CDFIs
- Sponsoring Entities (NACA Program Only)

Note: Please refer to Table 5 of the CDFI Program and/or NACA Program NOFA for the definitions of these Applicant types.

Certified CDFIs



- A **Certified** CDFI is an entity that the CDFI Fund has officially notified that it meets all CDFI Certification requirements.

The CDFI Fund will consider an Application submitted by an Applicant that has pending noncompliance issues with its Annual Certification Report if the CDFI Fund has not yet made a final compliance determination.

Emerging CDFIs (CDFI TA and NACA TA Only)



- An Emerging CDFI is a uncertified entity that demonstrates to the CDFI Fund in its Application that it has an acceptable plan to meet certification requirements by the end of its Period of Performance, or another date that the CDFI Fund selects.
- An Emerging CDFI that has prior award(s) will be held to the CDFI certification Performance Goals and Measure(s) stated in its prior Assistance Agreement(s).
- Emerging CDFIs may only apply for TA awards; they are not eligible to apply for FA awards.
- An Emerging CDFI selected to receive a TA grant will be required to become a Certified CDFI by the date specified in the Assistance Agreement.

Sponsoring Entities (NACA TA only)



- **Sponsoring Entities** include any legal organization that **primarily serves a Native Community** with “primary” meaning, at least 50% of its activities are directed toward the Native Community.
- An organization that receives a TA award as a Sponsoring Entity will be required to create a separate legal organization that will become a Certified CDFI serving Native Communities.
- Sponsoring Entities may **only** apply for a NACA Program TA award; they are not eligible to apply for FA awards.
- Each Sponsoring Entity selected to receive a TA grant will be required to create a CDFI and ensure that this newly created CDFI becomes certified by the dates specified in the Assistance Agreement.

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Framing the Application Process



- Applicants should review all Application Materials on the “Step 2: Application Process” page of the CDFI Program and/or Native Initiatives websites as the material becomes available.

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Required AMIS Components – TA Applicants



Application Component	Applicant Type
Funding Application Detail – General and administrative information	All TA Applicants
Narrative Responses: <ul style="list-style-type: none"> • Section I – Demonstration of Certification Qualifications (uncertified Applicants only) • Section II – Business Strategy (all Applicants) 	All TA Applicants
Application Financial Data: <ul style="list-style-type: none"> • Three Historic Fiscal Years • Current Fiscal Year • Three Projected Fiscal Years 	All TA Applicants
Additional Components: <ul style="list-style-type: none"> • Other Data and Charts included in AMIS 	All TA Applicants

Required Attachments to the Application



Application Documents	Applicant Type
Key Staff Resumes (PDF or Word Document)	All Applicants
Organizational Chart (PDF)	All Applicants
<p>Completed, final Audited Financial Statements for the Applicant’s Three Most Recent Historic Fiscal Years (PDF). <i>Note: financial statements should only be for the CDFI Applicant itself. If Applicant’s financial statements are consolidated with other entities, also attach the unconsolidated versions or note where in the audit the unconsolidated financials are located.</i></p>	<p>FA Applicants and TA Applicants, if available: Loan Funds, Venture Capital Funds, and other non-Regulated Institutions</p>
<p>Management Letters for the Applicant’s Most Recent Historic Fiscal Year (PDF) See Table 10 of the NOFA for description</p>	<p>FA Applicants: Loan Funds, Venture Capital Funds, and other non-Regulated Institutions</p> <p>TA Applicants, if Audited Financial Statements are available: Loan Funds, Venture Capital Funds, and other non-Regulated Institutions</p>

Required Attachments to the Application



Application Documents	Applicant Type
Statement(s) in Lieu of Management Letter for Applicant's Most Recent Historic Fiscal Year using the template provided in AMIS Application (required only if Management Letters are not available for Audited Financial Statements) (AMIS)	<p>FA Applicants: Loan Funds, Venture Capital Funds, and other non-Regulated Institutions</p> <p>TA Applicants, if Audited Financial Statements ARE available but the Management Letters are NOT available: Loan funds, Venture Capital Funds, and other non-Regulated Institutions</p>
Unaudited Financial Statements for Applicant's Three Most Recent Historic Fiscal Years (required if available, and only if Audited Financial Statements are not available) (PDF)	FA and TA Applicants, if available: Loan funds, Venture Capital Funds, and other non-Regulated Institutions
Current Year to Date – December 31, 2021 Unaudited Financial Statements (PDF)	FA and TA Applicants: Loan funds, Venture Capital Funds, and other non-Regulated Institutions
Community Partnership Agreement	FA Applicants, if applicable

TA Narrative: Section I



- Questions in Section I are required for uncertified Applicants **only**, including:
 - Emerging CDFIs; and
 - Sponsoring Entities (NACA only).
- Uncertified TA Applicants must describe how they currently meet and/or intend to meet **five** of the CDFI Fund's seven CDFI certification requirements within the required timeframe:
 - Primary Mission
 - Financing Entity
 - Target Market
 - Accountability
 - Development Services

TA Narrative: Section II



- **All TA Applicants** must describe their business strategy in their responses to the Section II narrative questions. Specifically, Applicants will:
 - Provide an organization overview;
 - Describe their management and staff;
 - Describe their community coordination plan;
 - Discuss their financial performance; and
 - Discuss their organizational impact.
- Organizations applying as a **Sponsoring Entity** should review the “Tips” in the FY 2022 TA Application Guidance. Applicable narrative questions have a corresponding “Tip” providing specific guidance as to how Sponsoring Entities should respond.

TA Application: Use of Award



- Applicants must use a TA award in the following Eligible Activity Categories:
 - Compensation – Personal Services
 - Compensation – Fringe Benefits
 - Professional Service Costs
 - Travel Costs
 - Training and Education Costs
 - Equipment
 - Supplies
 - Incorporation Costs (*Sponsoring Entities only*)

TA Application: Use of Award



- With the exception of Depository Institution Holding Company Applicants, CDFI Program TA awards may not be used to support the activities of, or otherwise be passed through, transferred, or co-awarded to, third-party entities, whether Affiliates, Subsidiaries, or others, unless done pursuant to a merger or acquisition or similar transaction, and with the CDFI Fund's prior written consent.
- A NACA Program Sponsoring Entity award Recipient must create, as a legal entity, the Emerging CDFI no later than the end of the first year of the Period of Performance, whereupon the Sponsoring Entity must request the CDFI Fund to amend the Assistance Agreement and add the Emerging CDFI as a co-Recipient thereto, with the Sponsoring Entity, thereby transferring any and all remaining balances and/or assets derived from the TA award to the Emerging CDFI.

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Application Submission



- The CDFI Fund has a two-step process that requires the submission of Application documents on separate deadlines and different online systems.
 - Step 1: **On or before March 14, 2022 at 11:59 p.m.** ET, the Applicant must create an AMIS account, submit its SF-424 via Grants.gov, and enter its EIN and DUNS numbers in its AMIS account. If the Applicant is eligible for SECA FA but wishes to apply for more than \$700,000, they must submit a Service Request in AMIS by this date.
 - Step 2: The Applicant must submit a complete CDFI Program or NACA Program FA or TA Application in AMIS, including all Required Application Documents, **on or before April 12, 2022 at 11:59 p.m. ET.**

TA Application: Evaluation Process



- All steps of the TA Application Evaluation Process will be conducted by CDFI Fund staff.
- Step 1: Eligibility Review
 - Eligibility requirements are detailed in the FY 2022 CDFI Program and NACA Program NOFA (refer to Tables 5, 6, and 7).
- Step 2: Compliance Risk Evaluation
 - The CDFI Fund conducts a Compliance Risk Evaluation using a tool developed by the CDFI Fund called the Application Assessment Tool (AAT) and, in some cases, additional review by CDFI Fund staff.
 - To produce a Total Compliance Composite Score, the AAT uses responses provided in the Application as well as the Applicant's reporting history, reporting capacity, and performance risk with respect to the CDFI Fund's PG&Ms.
 - Applications with a Total Compliance Composite Score of 1, 2, or 3 for the Compliance Risk Evaluation will move on to Step 3. Applicants that score a 4 or 5 will be further evaluated by CDFI Fund Staff.

TA Application: Evaluation Process



- Step 3: Business Plan Review
 - Section I Review for uncertified CDFIs and Sponsoring Entities
 - Emerging CDFI and Sponsoring Entity Applicants must achieve a rating of Low Risk or Medium Risk in Section I of the TA Business Plan Review in order to progress to Section II of the TA Business Plan Review.
 - Section II Review for All Applicants
 - All Applicants must receive a rating of Low Risk or Medium Risk in Section II of the TA Business Plan Review to be considered for an award.
- Step 4: Final Award Decision
 - Ensures adherence to the CDFI Program's policies and procedures as well as applicable Federal regulations and other due diligence.

TA Application: Evaluation Process



- An Applicant that is a Certified CDFI will be evaluated on the demonstrated need for TA funding to build the CDFI's capacity, further the Applicant's strategic goals, and achieve impact within the Applicant's Target Market.
- Emerging CDFIs or Sponsoring Entities will be evaluated on their demonstrated capability and plan to achieve CDFI certification within three years (or 4 for Sponsoring Entities), or if prior awardees, their progress toward achieving their certification performance goal and measure stated in their prior Assistance Agreements.

Award Payments for All Applicants



- Each Applicant must request the initial payment amount in AMIS it reasonably expects to expend within the first 12 months after the award announcement.
- Initial payment amounts will be based upon the initial payment amount entered in the Application.

Award Payments for All Applicants



- All Applicants receiving a TA Award will likewise be required, in their respective PG&Ms, to expend:
 - 90% of the initial payment amount within the first 12 months of the PoP
 - 100% of the entire award by the end of the PoP

Award Payments for All Applicants



- An Applicant must state its requested award amount in AMIS. An Applicant that does not include this amount will not be allowed to submit an Application.

Reminder of Important Deadlines



Description	Deadline	Time Eastern Time (ET)	Submission Method
Last day to create AMIS Account (New Applicants)	March 14, 2022	11:59 p.m. ET	AMIS
Last day to enter EIN and DUNS numbers in AMIS (all Applicants)	March 14, 2022	11:59 p.m. ET	AMIS
Last day to submit SF-424 (Application for Federal Assistance)	March 14, 2022	11:59 p.m. ET	Electronically via Grants.gov
Last day for SECA-eligible Applicants who wish to request FA Awards greater than \$700,000 to do so (FA, SECA-eligible Applicants ONLY)	March 14, 2022	11:59 p.m. ET	Service Request via AMIS
Last day to contact CDFI Program or NACA Program staff	April 8, 2022	5:00 p.m. ET	Service Request via AMIS (fastest) CDFI Fund Helpdesk: 202-653-0421
Last day to contact AMIS-IT Help Desk (regarding AMIS technical problems only)	April 12, 2022	5:00 p.m. ET	Service Request via AMIS (fastest), 202-653-0422, or AMIS@cdfi.treas.gov
Last day to submit CDFI Program or NACA Program Application for FA <u>or</u> TA	April 12, 2022	11:59 p.m. ET	AMIS

Contact Information for Applicants



- **CDFI/NACA Program and Application Support:**

Please Submit an AMIS Service Request or e-mail cdfihelp@cdfi.treas.gov.

- **Certification or Compliance Monitoring and Evaluation Support:**

Submit an AMIS Service Request or e-mail ccme@cdfi.treas.gov.

- **Awards Management Information System (AMIS) Support:**

Submit an AMIS Service Request or e-mail AMIS@cdfi.treas.gov.

- **Grants.gov support:**

E-mail support@grants.gov or call 1-800-518-4726.

- **SAM.gov:**

Visit www.fsd.gov or call 1-866-606-8220.

Application Materials



- Additional information and all Application Materials for the FY 2022 CDFI Program can be found on the CDFI Fund's website here:
<https://www.cdfifund.gov/programs-training/Programs/cdfi-program/Pages/apply-step.aspx#step2>
- Additional information and all Application Materials for the FY 2022 NACA Program Application can be found on the CDFI Fund's website here:
<https://www.cdfifund.gov/programs-training/Programs/native-initiatives/Pages/apply-step.aspx#step2>

Note: Additional Application Materials will be added to the CDFI Fund's website on a rolling basis. Application Materials may be updated from time to time.

Questions and Answers



...for participating in today's workshop!