



# Bank Enterprise Award Program

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FY 2023 Application Webinar

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COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND  
www.cdfifund.gov

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# 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.
- 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 reporting period (referred to as the Baseline Period) to the next reporting period (referred to as the Assessment Period).

# Program Overview



**Since 1996, the CDFI Fund has granted over \$572 million in BEA Program Awards over 26 rounds.**

- From FY 2016 through FY 2021, more than 90% of BEA Program Award Recipients were FDIC-Insured depository institutions defined as Small or Intermediate Banks based on Federal Financial Institutions Examinations Council's (FFIEC) Community Reinvestment Act (CRA) asset size thresholds.
- During the same time period BEA Program Award Recipients:
  - Increased their investments, lending, and technical assistance to Certified CDFIs by \$280.8 million;
  - Increased their lending and direct investment in distressed communities by more than \$3.2 billion; and
  - Increased the provision of financial services in distressed communities by \$257 million

# 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 2023 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

# Program Overview – BEA Qualified Activities, Cont'd



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

# Program Overview – BEA Distressed Communities



- BEA Distressed Communities are census tracts that meet each of the following requirements<sup>1</sup>:
- Distress Requirements:
  - At least 30% of the Eligible Residents have incomes that are less than the national poverty level; and
  - Unemployment rate is at least 1.5 times greater than the national average.
  - Geographic requirements:
    - A total population of not less than 4,000 if any portion of the area is located within a Metropolitan Statistical Area (MSA) with a population of 50,000 or greater; or
    - A population of not less than 1,000 if no portion of the area is located within a MSA with a population of 50,000 or greater ; or

# 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.



# Program Overview – Formula for Estimated Award Amounts Calculation



Priority	\$ Increase in Qualified Activities		Multiply By	Award % CDFIs <u>or</u> non-CDFIs	Multiply by	Asset Size Priority Factor		Equals	Estimated Award Amount
1st	CDFI Related Activities	Equity	X	18%	X	N/A		=	\$
		Support		18% <u>or</u> 6%				=	\$
2nd	Distressed Community Financing Activities	Commercial	X	9% <u>or</u> 3%	X	Small	5	=	\$
		Consumer		18% <u>or</u> 6%		Intermediate	3		
						Large	1	=	\$
3rd	Service Activities		X	9% <u>or</u> 3%	X	Small	5	=	\$
						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 required to indicate the minimum and maximum percentage of the BEA Program Award 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.

# Application Process -Baseline & Assessment Periods



## FY 2023 BEA Program Application Round:

- Approximately \$70 million in available funding.
- Baseline Period
  - January 1, 2020 through June 30, 2021
- Assessment Period
  - July 1, 2021 through December 31, 2022
- BEA Program Grant Application Package consists of:
  - Part 1: Grants.gov
  - Part 2: BEA Program Electronic Application in AMIS

# Application Process - Eligibility



## Applicants:

- Must be FDIC-insured as of the first day of the Baseline Period, January 1, 2020, and maintain its FDIC-insured status at the time of the Application to be eligible for consideration for a FY 2023 BEA Program Award.
- Cannot be a Holding Company.

## Certified CDFI Applicants:

- For the FY 2023 funding round, an eligible Certified CDFI Applicant is an Insured Depository Institution that is certified as of the publication date of this NOFA in the Federal Register, or has submitted a Certification Application by September 30, 2022 and maintains or receives its status as a Certified CDFI at the time BEA Program Awards are announced. Certified CDFI Applicants receive a higher Award percent for most sub-categories and activity types reported.

## CDFI Partners:

- Must have been Certified as a CDFI when the investment or support was received during the applicable Assessment Period (7/1/2021 – 12/31/2022); and
- Must be Integrally Involved in a BEA Distressed Community (if CDFI Support Activities were received).

# Application Process



## A Complete FY 2023 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 **May 2, 2023, 11:59 pm ET.**
    - Applicant information (UEI, EIN, etc.) submitted via Grants.gov should match the Applicant information in AMIS and not reflect the information of a depository holding company, Subsidiary, or Affiliate.

# Application Process- Electronic Application



- **Part II. BEA Program Electronic Application in AMIS:**
  - Submit a BEA Program Electronic Application in AMIS by **June 1, 2023, 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 **May 30, 2023, 5:00pm ET.**
    - Attach required supporting documentation for Qualified Activities.

# Application Process- AMIS



## 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 2023 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>

# Application Process – 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.
- Individual's personal address and other PII **should be** redacted for legal documents for commercial loans.
- Addresses indicating the physical location of the activity financed, investment, or service provided should **NOT** be redacted.
- Signatures of legal executed documents (loan agreements, promissory notes, etc.), should **NOT** be redacted.
- **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.



# Updates



- **Expanded Baseline and Assessment Period:**
  - For the FY 2023 BEA Program Funding round, the Baseline and Assessment periods will be 18 months. The CDFI Fund expects to return to annual Assessment Periods in future funding rounds.
- **New Application Format:**
  - The CDFI Fund updated the BEA Program Application. While the look and feel is different, no programmatic changes have been made. The new Application template also features the ability for Applicants to electronically bulk upload transactions via a .CSV file.

# Updates, Cont'd



## BEA Program Eligibility Data

- FY 2023 will be a transition period for utilizing updated BEA Program Eligibility Data.
- FY 2023 BEA Program Applicants may use the legacy 2011-2015 or the updated 2016-2020 American Community Survey (ACS) BEA Program Eligibility Data provided by the CDFI Fund, in order to determine whether Qualified Activities occurred in Distressed Communities during the Baseline Period and Assessment Period.
- Both sets of data, updated and legacy, are available in the CDFI Information Mapping System (CIMS) and in spreadsheet form on the CDFI Fund's website.
- Future Applicants are advised that a full transition to the updated BEA Eligibility Data will take place during the FY 2024 BEA Program funding round.

# Updates, Cont'd



- **Persistent Poverty Counties (PPCs)**

- BEA Award Recipients who elect to meet their PPC commitments by providing transactions in the CDFI Related Activities category, should ensure the Certified CDFI is physically located in a PPC.
- Per the FY 2023 NOFA, PPCs eligibility is determined by utilizing the 2016-2020 ACS data.
- 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. PPC designation may also be found in CIMS.

# Updates, Cont'd



## Applicant Eligibility

- A BEA Program Applicant may not receive a FY 2023 BEA Program Award if the BEA Program Applicant received an award from the CDFI Fund under the CDFI Program within the 12-month period prior to the Federal Award Date of the FY 2023 BEA Program Award Agreement, or ever received an award under the CDFI Program or federal program for the same activities during the same period for which it is seeking a FY 2023 BEA Program Award.

## Obtain a Unique Entity Identifier (UEI)

- An Applicant should ensure the accuracy and uniformity of its EIN and UEI number across its SAM.gov, Grants.gov, and AMIS accounts.

## Eliminate Subsequent Payment Option

- Applicants may only received awards based on disbursements through the end of the Application period. Applicants will not be able to request a subsequent payment.

# 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	202-653-0423	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.

# 2023 BEA Program-Important Dates



Activity	Date
Application and NOFA Released	March 31, 2023
Part 1 – Grants.gov SF-424 Mandatory Deadline (11:59pm ET)	May 2, 2023
Last day for BEA Program Help Desk Questions (5:00pm ET)	May 30, 2023
Last day to Register a user and organization in AMIS (5:00 pm. ET).	May 2, 2023
Last day to enter, edit or delete BEA transactions in AMIS (5:00pm. ET).	May 30, 2023
Last day for IT Help Desk Questions (5:00pm EST)	June 1, 2023
Part 2 – BEA Program Electronic Application in AMIS Deadline (5:00pm EST)	June 1, 2023

# Questions



**... for participating in today's webinar!**

**We will now open the line for questions.**