



## FY 2017 CDFI Program and NACA Program Assistance Agreements Frequently Asked Questions (FAQs)

These Frequently Asked Questions are intended to help Community Development Financial Institutions Program (CDFI Program) and Native American CDFI Assistance Program (NACA Program) Recipients answer common questions that are received through the CDFI Program and NACA Program Help Desk and Awards Management Information System (AMIS) Service Requests.

*1. I have not received my Assistance Agreement yet. What is the status on my organization's draft Assistance Agreement?*

There are approximately 35 FY 2017 FA Award Recipients that submitted applications with errors that are currently preventing the CDFI Fund from properly calculating the Program Goals and Measures (PG&Ms) that will be included in their Assistance Agreements. The CDFI Fund will be reaching out to these Recipients to request the data necessary to correct these errors. The CDFI Fund will begin correcting these errors and generating Assistance Agreements for these organizations when they provide the requested information.

Further, there are a handful of FY 2017 TA Award Recipients that have had their Assistance Agreements delayed due to technical difficulties. The CDFI Fund is in the process of correcting these issues and will begin issuing Assistance Agreements to these TA Recipients in the near future.

Recipients that have not received their Assistance Agreement will be held to an updated timeline for executing their Assistance Agreements. More information will be transmitted to the affected Recipients in the transmittal letter.

*2. I seem to be missing my FY 2017 Award Transmittal Letter. To whom were the transmittal letters sent to? How can I access my organization's Transmittal Letter if I am missing it?*

The FY 2017 Award Transmittal Letters were sent via email to the Authorized Representative listed in the Recipients' FY 2017 Award Record in AMIS. If your Authorized Representative did not receive a Transmittal Letter, or if you cannot locate the Transmittal Letter, please inform the CDFI Fund by submitting a Service Request in AMIS by **Friday, March 16, 2018**.



**3. *How are the FA Objectives PG&Ms calculated in my Assistance Agreement? Why is the PG&M based on my activities levels higher than the projections I included in my application?***

The PG&Ms for the FA Objectives were calculated differently depending upon which FA Objective PG&M(s) were selected. The calculation for each FA Objective PG&M is described below. The PG&M may be higher than your activities levels if it does not meet the floor for that PG&M (described below). Note: The description below provides the total PG&M calculation; please see your Assistance Agreement for annual period of performance benchmarks.

- ***PG&Ms 1-1: Increase Volume of Financial Products***

First, the CDFI Fund summed the three years of projected Financial Products closed (measured in dollars) in the Recipient's "Projected Years of the Application Activity Levels Chart" in the "Application Financial Data Related List" in the Recipient's Application in AMIS.

Second, the CDFI Fund adjusted the projected activity due to any reduction in the awarded amount from the requested amount. If the Recipient did not receive its full award request, its PG&M was reduced proportionally. For example, if a Recipient had three years of projected activity of \$10 million in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50% of its request), its PG&M would be \$5 million (50 percent of the projected activity in the Application).

Third, the CDFI Fund determined the floor of the PG&M. The floor for this PG&M is the Recipient's "Current Year Activity Level" plus the amount of the Award.

If the reduction in the PG&M described above resulted in a PG&M that is less than the floor, then the PG&M would be the floor to ensure that there is an increase above the Recipient's Current Year of Activity. The PG&M in the Assistance Agreement is the greater of the adjusted PG&M or the PG&M floor.

- ***PG&M 1-2: Increase Volume of Financial Services***

First, the CDFI Fund summed the three years of projected Financial Services provided (measured in number of financial services provided) in the Recipient's "Projected Years of the Application Activity Levels Chart" in the "Application Financial Data Related List" in the Recipient's Application in AMIS.

Second, the CDFI Fund adjusted the projected activity due to any reduction in the awarded amount from the requested amount. If the Recipient did not receive its full award request, its PG&M was reduced proportionally. For example, if a Recipient had three years of projected activity of 100,000 in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50% of its request), its PG&M would be 50,000 (50 percent of the projected activity in the Application).



Third, the CDFI Fund determined the floor of the PG&M. The floor for this PG&M is the sum of the number of Financial Services for the first two years in the “Projected Years of the Application Activity Levels Chart” from the Recipient’s Application.

If the reduction in the PG&M described above resulted in a PG&M that is equal to or less than the applicant’s “Current Year Activity Level for Financial Services,” then the PG&M would be the floor to ensure there is an increase above the Recipient’s most Current Year of Activity. The PG&M in the Assistance Agreement is the greater of: adjusted PG&M or PG&M floor.

- **PG&M 1-3: New Geographic Area**

First, the CDFI Fund used the Projected Loan/Equity dollar amount from the “New Geographic Area FA Objective Related List” from the Recipient’s Application for the PG&M. If the Recipient selected more than one New Geographic Area, the Projected Loan/Equity amount from each New Geographic Area FA Objective were summed up into one PG&M.

Second, the CDFI Fund adjusted the projected loan/equity amount due to any reduction in the award amount from the requested amount. If the Recipient did not receive its full award request, its PG&M will be reduced proportionally. For example, if the Recipient projected loan/equity of \$10 million in the New Geographic Area in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50 percent of its request), its PG&M would be \$5 million (50 percent of the projection in the Application).

Third, the CDFI Fund determined the floor of the PG&M. The floor for this PG&M is the amount of the Award.

If the reduction in the PG&M described above resulted in a PG&M that is less than the floor, then the PG&M would be the floor to ensure that investment in the New Geographic Area is at least commensurate to the amount of the FA Award. The PG&M in the Assistance Agreement is the greater of: adjusted PG&M or PG&M floor.

- **PG&M 1-4: New Financial Product**

First, the CDFI Fund used the Projected Financial Products dollar amount from the “New Financial Product FA Objective Related List” from the Recipient’s Application for the PG&M. If the Recipient selected more than one New Financial Product, the Projected Loan/ Equity amounts from each New Financial Product FA Objective were summed up into one PG&M.

Second, the CDFI Fund adjusted the projected loan/equity amount due to any reduction in the award amount from the requested amount. If the Recipient did not receive its full award request, its PG&M will be reduced proportionally. For example, if the Recipient projected \$10 million in the New Financial Product FA Objective in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50 percent of its request), its PG&M would be \$5 million (50% of the projected amount in the Application).



Third, the CDFI Fund determined the floor of the PG&M. The floor for this PG&M is the amount of the Award.

If the reduction in the PG&M described above resulted in a PG&M that is less than the floor, then the PG&M would be the floor to ensure that investment in the New Financial Product is at least commensurate to the amount of the FA Award. The PG&M in the Assistance Agreement is the greater of: adjusted PG&M or PG&M floor.

- **PG&M 1-5: New Financial Service**

First, the CDFI Fund used the Projected Financial Services amount from the “New Financial Services FA Objective Related List” (measured in number of financial services provided) from the Recipient’s Application for the PG&M. If the Recipient selected more than one New Financial Service, the amounts from each New Financial Service FA Objective were summed up into one PG&M.

Second, the CDFI Fund adjusted the projected Financial Services provided amount due to any reduction in the award amount from the requested amount. If the Recipient did not receive its full award request, its PG&M will be reduced proportionally. For example, if the Recipient projected activity of 200,000 in the New Financial Services in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50 percent of its request), its PG&M would be 100,000 (50% of the projected amount in the Application).

This PG&M does not have a floor.

- **PG&M 1-6: New Development Services**

First, the CDFI Fund used the Projected Clients Served from the “New Development Service FA Objective Related List” from the Recipient’s Application for the PG&M. If the Recipient selected more than one New Development Service, the number of Projected Clients Served from each New Development Service FA Objective were summed up into one PG&M.

Second, the CDFI Fund adjusted the number of Clients Served due to any reduction in the award amount from the requested amount. If the Recipient did not receive its full award request, its PG&M will be reduced proportionally. For example, if the Recipient projected 1,000 Clients Served by the New Development Service in its Application and requested a \$2 million FA Award, but only received a \$1 million FA Award (50 percent of its request), its PG&M would be 500 (50% of the projection in the Application).

This PG&M does not have a floor.

- **PG&M 1-7: New Targeted Population**

The CDFI Fund used the Targeted Population from the “New Targeted Population FA Objective Related List” from the Recipient’s Application for the PG&M. If the Recipient selected more



than one New Targeted Population, the Targeted Populations from each Targeted Population FA Objective would be combined into one PG&M.

The PG&M for this FA Objective is to become certified to serve the New Targeted Population by the end of the Recipient's Period of Performance. Please see the Assistance Agreement for interim year benchmarks. The Recipient will satisfy the PG&M by becoming certified to serve one or all of the Targeted Populations selected in its Application. For example, if an Applicant selected two New Targeted Populations (e.g., OTP-Hispanic and OTP-African American), and only become certified to serve one of the New Targeted Populations selected (e.g., OTP-Hispanic) but not both, the Recipients would still meet this PG&M.

*4. How is the "floor" in the Assistance Agreement determined?*

Please see the response to Question 3 above describing how the floor is calculated for each PG&M.

*5. If I selected the FA Objective "Provide New Products and Services" is there a PG&M for each new Products & Services or a single PG&M that measures all new Products & Services activities?*

If the Recipient selected more than one New Financial Product, the Projected Loan/Equity amount from each New Financial Product FA Objective would be summed up into one PG&M.

*6. If I am applying for a FY 2018 Award and am successful, how will the FY 2018 award impact my FY 2017 Assistance Agreement if I have the same FA Objectives?*

If a FY 2017 Recipient receives a FY 2018 award and has the same FA Objectives in its FY 2018 Assistance Agreement, the PG&Ms in the FY 2017 Assistance Agreement will not be impacted. The Recipient will still be held to the same PG&Ms in the FY 2017 Assistance Agreement, regardless of the FY 2018 FA PG&Ms. However, please keep in mind that if a Recipient has a FY 2017 Award and receives a FY 2018 Award with the same FA Objectives, the PG&Ms in the FY 2018 Assistance Agreement may need to meet certain requirements that take into account the FY 2017 PG&Ms. Please review the FY 2018 application materials for more information.

*7. I did not receive a FY 2017 HFFI Award – why is there an HFFI table in my FA Assistance Agreement?*

Each FA Assistance Agreement is generated from a single template, which means that every FA Assistance Agreement will include an HFFI-FA Budget Table, regardless of whether or not a Recipient received an HFFI-FA Award. If this table is blank, it means that it is not applicable to your CDFI.



**8. *By what date do I need to sign my Assistance Agreement?***

FY 2017 CDFI and NACA Program FA/TA Award Recipients should sign their Assistance Agreements by **Friday, April 6, 2018**, unless otherwise instructed.

**9. *I would like to request a revision to my Assistance Agreement. How do I do that? What if I have already signed my Assistance Agreement?***

You can submit a request to revise your organization's Assistance Agreement by submitting a Service Request via AMIS by **Friday, March 16, 2018**, even if you have already signed your Assistance Agreement (if your request is approved, you will need to re-sign your Assistance Agreement). The Service Request **must** include an explanation and justification for why your Assistance Agreement should be revised. The CDFI Fund will not consider any revision requests submitted after March 16, 2018.

**10. *When can I expect to receive my first payment of proceeds from my FY 2017 Award?***

After a Recipient signs the Assistance Agreement and uploads its Certificate of Good Standing, if applicable, the CDFI Fund will perform a compliance review. If there are no issues raised during the compliance review and the Recipient has not requested a revision, the CDFI/NACA Program Manager will sign the Assistance Agreement and generate an executed copy of the signed Assistance Agreement Cover Page, which will be located in the Award record in AMIS. Your organization should receive its initial payment approximately one week after the Assistance Agreement has been signed by the CDFI/NACA Program Manager.

**11: *On March 1, 2018, I received an e-mail from the CDFI Fund with the subject "Amendment of Schedule 3 of the Assistance Agreement." Does this amendment apply to my FY 2017 Assistance Agreement? If not, which Assistance Agreements does the amendment apply to?***

The e-mail you received on March 1, 2018, does not apply to your FY 2017 Assistance Agreement. It only applies to Assistance Agreements for FY 2015 and FY 2016 awards. Your organization should have received a second e-mail from the CDFI Fund clarifying which award(s) the amendment applies to. If you did not receive this e-mail, please reach out to your Certification, Compliance Monitoring and Evaluation (CCME) Portfolio Manager for more information.