



FY 2018 CDFI Program and NACA Program Assistance Agreements Frequently Asked Questions (FAQs)

November 8, 2018

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. My organization received an FY 2018 CDFI Program or NACA Program Award. Should I have received my Assistance Agreement? If not, what is the status of my organization's Assistance Agreement?*

The CDFI Fund is notifying most recipients over the next several weeks that their Assistance Agreements are available. The following recipients should receive an e-mail providing notice that your FY 2018 Assistance Agreement is available for review: CDFI Program Core Financial Assistance (FA) Recipients with 100 percent in-hand matching funds at the time of award, CDFI Program SECA FA Recipients, NACA Program FA Recipients, and CDFI and NACA Program TA Recipients. E-mail notifications will be sent to individuals listed as the Authorized Representative and Point of Contact in the FY 2018 Application. If your organization is within the listed categories above, and you did not receive an e-mail notification that your FY 2018 Assistance Agreement is available for review by **November 30, 2018**, please submit a Service Request through AMIS.

CDFI Program Core FA Recipients that did not have 100 percent in-hand matching funds at the time of award should not have received their FY 2018 Assistance Agreements. These recipients will receive their FY 2018 Assistance Agreements after submitting an updated matching funds workbook that demonstrates they have in-hand matching funds totaling their award amount. An email notification was sent on October 15, 2018, with detailed instructions to CDFI Program Core FA recipients with outstanding matching funds.

Recipients that have not received their Assistance Agreement as of the date of this document will be held to an updated timeline for executing their Assistance Agreements. More information will be transmitted to the applicable Recipients in the transmittal letter accompanying your FY 2018 Assistance Agreement.



2. I seem to be missing my FY 2018 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 2018 Award Transmittal Letters were sent via e-mail to individuals listed as the Authorized Representative and Point of Contact in the FY 2018 Application. If your organization should have received the FY 2018 Award Transmittal letter but your Authorized Representative did not, or if you cannot locate the Transmittal Letter, please inform the CDFI Fund by submitting a Service Request in AMIS **as soon as possible**.

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. Please see the FA Objectives Case Studies document for more detailed information and examples on how the various FA Objective PG&Ms are calculated. 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 and for more detailed information on the requirements of each FA Objective PG&M.

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

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.

Next, the CDFI Fund determined the floor of the PG&M. The floor for this PG&M is the sum of the three years of historic Financial Products closed (measured in dollars) in the Recipient's "Historic Years of the Application Activity Levels Chart" in the "Application Financial Data Related List" in the Recipient's Application in AMIS plus the amount of the Award.

Recipients with this PG&M in the FY 2018 Assistance Agreement which also have a FY 2017 award with this FA Objective PG&M must exceed the amount they are being held to in their FY 2017 Assistance Agreement for the two overlapping years of projected activity.

If the sum of a Recipient's three years of projected Financial Products closed exceeded the amount of the floor, the projected Financial Products closed amount was used as the benchmark for the PG&M.

If the sum of a Recipient's three years of projected Financial Products closed did not exceed the amount of the floor, the floor, as calculated above, was used as the benchmark for the PG&M.



However, as noted in the FY 2018 application materials, Recipients could have selected the FA Objective “Increase Volume of Products and Services” (which corresponds to PG&Ms 1-1 and 1-2) if they believed that their CDFI had experienced net growth that merited an increase in volume that may not be reflective of their annual loan activity (i.e., their three year projected activity is not greater than their cumulative historic year three years of activity, plus the award amount), and provided a detailed justification in their narrative response. In cases where the recipient provided a satisfactory justification for net growth, the projected activity provided in the application was used as the PG&M rather than the floor. If a valid reason for net growth was not provided, the floor was used as the benchmark for the PG&M.

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

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.

Next, 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 three years in the “Historic Years of the Application Activity Levels Chart” from the Recipient’s Application.

If the sum of a Recipient’s three years of projected Financial Services provided exceeded the amount of the floor, the projected Financial Services provided amount was used as the benchmark for the PG&M.

If the sum of a Recipient’s three years of projected Financial Services provided did not exceed the amount of the floor, the floor, as calculated above, was used as the benchmark for the PG&M.

However, as noted in the FY 2018 application materials, Recipients could have selected the FA Objective “Increase Volume of Products and Services” (which corresponds to PG&Ms 1-1 and 1-2) if they believed that their CDFI had experienced net growth that merited an increase in volume that may not be reflective of their annual activity (i.e., their three year projected activity is not greater than their cumulative historic year three years of activity), and provided a detailed justification in their narrative response. In cases where the recipient provided a satisfactory justification for net growth, the projected activity provided in the application was used as the PG&M rather than the floor. If a valid reason for net growth was not provided, the floor was used as the benchmark for the PG&M.

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



The CDFI Fund used the Projected Loan/Equity dollar (i.e. projected Financial Products closed) 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 was summed up into one PG&M.

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

If the sum of a Recipient’s Projected Loan/Equity from each New Geographic Area was greater than the amount of the floor, that amount became the benchmark for the PG&M.

If the sum of a Recipient’s Projected Loan/Equity from each New Geographic Area was less than the amount of the floor, the floor was used as the benchmark for the PG&M. The PG&M in the Assistance Agreement for this FA Objective will include the New Geographic Area(s), specified by State and/or County FIPS code(s), selected by the Recipient in the application. Recipients must close Financial Products in an Eligible Market(s) in one or more of the New Geographic Area(s) listed in the Assistance Agreement.

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

The CDFI Fund used the Projected Financial Products closed 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.

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

If the sum of a Recipient’s Projected Loan/Equity from each New Financial Product was greater than the amount of the floor, that amount became the benchmark for the PG&M.

If the sum of a Recipient’s Projected Loan/Equity from each New Financial Product was less than the amount of the floor, the floor was used as the benchmark for the PG&M.

The PG&M for this FA Objective includes the New Financial Product(s) Line of Business along with corresponding Financial Product Name(s) and Financial Product Type(s) selected by the Recipient in its application. The New Financial Product must be specified in the Assistance Agreement in order for the Financial Product to be counted toward the “New Financial Product” PG&M benchmark.

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



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.

This PG&M does not have a floor.

The PG&M for this FA Objective will also include the New Financial Service(s) Line of Business along with corresponding Financial Service Name(s) and Financial Service Type(s) selected by the Recipient in its application. The New Financial Service must be specified in the Assistance Agreement in order for the Financial Service to be counted toward the “New Financial Service” PG&M benchmark.

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

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 was summed up into one PG&M.

This PG&M does not have a floor.

The PG&M for this FA Objective will also include the New Development Service(s) along with the corresponding Development Service Name(s) selected by the Recipient in its application. The New Development Service must be specified in the Assistance Agreement in order for the Development Service to be counted toward the “New Development Service” PG&M benchmark.

- **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 were combined into one PG&M.

PG&M 1-7 requires a Recipient to become approved 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 being approved 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



was only approved to serve one of the New Targeted Populations selected, 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. I did not receive a FY 2018 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.

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

FY 2018 CDFI and NACA Program FA and Technical Assistance (TA) Award Recipients should sign their Assistance Agreements by **Friday, January 11, 2019**, unless otherwise instructed.

7. 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, December 14, 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. Once you have submitted a Service Request, you must also complete the Request Change form in your FY 2018 Award Record. The CDFI Fund will not consider any revision requests submitted after December 14, 2018.

8. When can I expect to receive my first payment of proceeds from my FY 2018 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 your FY 2018 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.