

Supporting Statement for the CDFI Fund
Project Profile Web Form
New Collection

A. Justification

1. Circumstances necessitating collection of information

The project profiles submitted by certified Community Development Financial Institutions (CDFIs) and Community Development Entities (CDEs) will help to illustrate the importance and range of community development activities, as well as the capacity and level of financial sophistication of many of the CDFIs and CDEs operating in urban, rural and Native communities throughout the United States. Project profiles will tell the full story of the impact CDFIs and CDEs have on lower-income communities.

Toward that end, the CDFI Fund's Project Profile Web Form will facilitate the challenge confronting CDFIs and CDEs to effectively use data to communicate their accomplishments and to capture intangible social benefits, such as those that accrue to a neighborhood as residents become engaged in community planning activities, improve their financial literacy, and increase their access to employment opportunities through job training. By doing so, CDFIs and CDEs will position themselves to demonstrate the impact of their activities to those in the public and private sectors.

Tangently, the posting of project descriptions with accompanying photos via the Project Profile Web Form will greatly aid in the understanding of the various affected publics of the value of the CDFI Fund's monetary and tax-credit programs in fostering community revitalization.

2. Method of collection and use of data

On a purely voluntary basis, the data will be collected electronically by submission from those entities that have received an award from the CDFI Fund. The collected data will be used by the CDFI Fund for the purposes outlined under #1 above.

3. Use of Information Technology

Project profiles will be made available on the CDFI Fund's website, via a secure Internet portal that requires password entry. The CDFI Fund will only accept data using the electronic method set forth in the Project Profile Web Form. This will facilitate the collection of consistent data from all awardees, and will clearly articulate to awardees the data that is being requested for submission.

4. Efforts to identify duplication

The Project Profile Web Form does not duplicate any other CDFI Fund or Federal program information gathering tool.

5. Impact on small entities

This collection of information does not have a significant impact on small entities.

6. Consequences of less frequent collection and obstacles to burden reduction

The consequences to the CDFI Fund of less frequent collection will be fewer project profiles on the CDFI Fund’s website for the general public to view. There are no obstacles via a vis burden reduction as the submission of project profiles by awardees is on a purely volunteer basis.

7. Circumstances requiring special information collection

Information collection may occur more often than quarterly. *On a purely voluntary basis*, an awardee may elect to report information using the Project Profile Web Form on a per event basis. An event occurs when a CDFI uses capital obtained in connection with a financial award from the CDFI Fund or a CDE uses capital obtained in connection with an allocation of New Markets Tax Credits from the CDFI Fund. Because an awardee can use capital at any point in time during a calendar year, it is possible that certain awardees may provide, *on a purely voluntary basis*, information to the CDFI Fund more frequently than quarterly.

8. Solicitation of comments on information collection

Pursuant to the notice and request for comments published in the Federal Register on January 12, 2007. See 72 FR 1578. The CDFI Fund has received comments on the substantive content as well as the manner by which an applicant will report project profiles via the Project Profile Web Form. The CDFI Fund has considered these comments in the development of the Project Profile Web Form. The CDFI Fund has also considered these comments with a view towards minimizing burdens on awardees that voluntarily elect to submit project profiles. The three comment letters received are attached hereto, and are summarized below:

| Comment/Author | CDFI Fund Response |
|---|--|
| <p>(1) In addition to the existing data elements already outlined by the CDFI Fund, additional information should be collected about the: CDFI/CDE; project financing details; the geographic area and property description (if applicable); and benefits to borrower/benefits to community/economic impact</p> <p><i>[Robert Hanks, City of Los Angeles Community Dev Dept.]</i></p> | <p>Comment rejected. Only one respondent had issue with the existing data elements indicating that others did not view the submission of additional data elements as essential.</p> |
| <p>(2) The amount of time required to assemble the information has been greatly underestimated largely due to the forms and the system proposed for collection. Also, more space should be provided for project narratives and photographs to demonstrate the various types of projects being financed should be encouraged.</p> <p><i>[Deborah Addis, Consultant]</i></p> | <p>Comment rejected. The respondent’s critique of the forms and system proposed for collection did not take into consideration that the forms and systems have yet to be designed, in part, because the Fund was awaiting public responses to the PRA Notice. The respondent’s recommendation that the Fund collect information “through the use of automated forms” is, in fact, the Fund’s intention in proposing to develop a <i>Project Profile Web Form</i> (emphasis added).</p> |

Community Development Financial Institutions Fund, Department of the Treasury

| Comment/Author | CDFI Fund Response |
|--|---|
| <p>(3) Change “Benefits to Borrower” to “Benefits to Borrower or Investee”. Also, encourage (but not require) submission of photos to further illustrate a particular project. Allow an open-ended ½ page for supplemental comments about a project. Make all project information collected available in a searchable format on the Fund’s website.</p> <p><i>[Mark Pinsky, Opportunity Finance Network]</i></p> | <p>Comment Accepted. The respondent’s recommendations do not impose any additional burden on awardees electing to voluntarily submit project profiles. It is the Fund’s intention to eventually make all project information collected available in a searchable format on the Fund’s website similar to that used currently to report award information.</p> |

9. Provision of payment to respondents

No payments or gifts will be made to respondents.

10. Assurance of confidentiality

The CDFI Fund is subject to all Federal regulations with respect to confidentiality of information provided by applicants to any of the CDFI Fund’s programs. No other assurances of confidentiality have been provided.

11. Justification of sensitive questions.

No questions of a sensitive nature are asked in the Project Profile Web Form.

12. Estimate of the hour burden of information collection.

The total hour burden of this voluntary information collection is estimated at 2 ½ hours per respondent annually (estimate of one, 2 ½ hour-long data entry session per year per respondent). The CDFI Fund expects responses from 100 entities that received either financial awards pursuant to the CDFI Fund’s CDFI, Native Initiatives, or Bank Enterprise Award programs or an allocation of New Markets Tax Credits for a total of 250 annual burden hours for the voluntary data collection. Although it is anticipated the number of respondents will increase each year, the total hour burden per respondent should remain the same.

13. Estimate of total annual cost burden to respondents

There are no cost burdens to respondents to this collection of data. No purchase of equipment or services will need to be made by respondents for this voluntary collection of information.

14. Estimate of annualized cost to the Government

The cost to the Government is the CDFI Fund staff and contractor time required to maintain the electronic system and review the data submitted for evaluation and reporting purposes.

15. Any program changes or adjustments

This is a new data collection.

16. Plans for information tabulation and publication

Information collected through the Project Profile Web Form will be published on the CDFI Fund’s website.

17. Reasons for not displaying expiration date of OMB approval

Information disseminated post-OMB approval will include the OMB number.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

This section is not applicable.