

Supporting Statement for the Bank Enterprise Award (BEA) Program of the
Community Development Financial Institutions Fund
FY 2009 Uses of BEA Program Award Report and BEA Program Explanation of
Noncompliance Form

A. Justification

1. Circumstances necessitating collection of information

The Community Development Financial Institutions (CDFI) Fund implements a Bank Enterprise Award (BEA) Program that provides incentives to insured depository institutions to increase their support of CDFIs and their activities in economically distress communities. Applicants submit an application and are evaluated in accordance statutory and regulatory requirements (12 CFR 1806). Beginning in the FY 2009 funding round, the CDFI Fund will require BEA awards be used for future CDFI support and community development activities, as defined under the BEA Program regulations. Awardees will be required to report to the Fund how the award was deployed.

2. Method of collection and use of data

Data will be collected by the Fund from awardees with awards above a certain threshold (currently \$50,000). Awardees will be required to complete an electronic Institutional Level Report (ILR) and to electronically submit: 1) a Uses of BEA Program Award Report; and, 2) in the event of noncompliance, a BEA Program Explanation of Noncompliance form.

3. Use of Information Technology

The CDFI Fund has a web-based data collection system for awardees to submit required data and reports. The Community Investment Impact System (CIIS) enables awardees to submit their annual ILR to the CDFI Fund.

4. Efforts to identify duplication

The Fund does not request information available from other Federal agencies, namely, financial institution regulatory agencies.

5. Impact on small entities

This collection of information is not expected to have significant impact on small entities. The Fund requested public comment on the compliance requirement and did not receive any significant comments from small entities on the ILR reporting burden.

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

The Fund cannot fulfill the OMB mandate to require awardees to use their award for specific purposes without collecting materials from awardees.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

Comments on the reporting requirement this Program were solicited in the *Federal Register* on June 4, 2008 for a 30-day comment period; eight comments were received. Comments recommended the existing ILR and the use of a one-page use of award document to meet the compliance requirements. There were no significant comments on the burden of submitting such materials.

9. Provision of payment to respondents

No payment or gift will be made to respondents.

10. Assurance of confidentiality

The Fund is subject to all Federal regulations with respect to confidentiality of information supplied in the application process.

11. Justification of sensitive questions.

No questions of a sensitive nature are asked in the application.

12. Estimate of the hour of burden of information collection

The total hour burden of this information collection is estimated at 60 with an estimated 1.5 hours per awardee. The Fund anticipates 40 respondents, 77 percent of the awardees, will be required to submit the ILR and Use of Award documentation (based on the number of awardees in FY 2008 that received an award above \$50,000).

13. Estimate total annual cost burden to respondents

There are no cost burdens associated with the collection of this data. No purchases of equipment or services are necessary to complete this application.

14. Estimate of annualized cost to the Government

The cost to the Government is the Fund staff time required to develop the application, follow-up with respondents, tabulate the data, calculate award amounts, and report the results.

15. Any program changes or adjustments

The FY 2009 BEA Program updated all materials – regulations, Notice of Funds Availability and application – with language indicating that an applicant receiving an award over \$50,000 will be subject to new compliance and reporting requirements as part of the terms and conditions of the BEA Program Award Agreement.

16. Plans for information tabulation and publication

The information collected through this Application form will not be published.

17. Reasons for not displaying expiration date of OMB approval

Not applicable.

18. Explanation of exception to certification statement

Not applicable.