

Supporting Statement
Community Development Financial Institutions Program
CDFI and NACA Program American Recovery and Reinvestment Act Awardee
Quarterly Institutional Level Report
OMB Approval Number

A. Justification

1. Circumstances necessitating collection of information

The CDFI Fund is requiring American Recovery and Reinvestment Act (ARRA) awardees to complete, on a quarterly basis, a much shorter version of the CDFI Fund's Institutional Level Report (ILR), which awardees currently report through the Community Investment Impact System (CIIS). The Quarterly Institutional Level Report (QILR) will help the CDFI Fund meet its own ARRA agency reporting requirements as per OMB guidance (see especially Section 3, M-09-15 *Updated Implementation Guidance for the American Recovery and Reinvestment Act of 2009*). Such quarterly reports will also enable the CDFI Fund to standardize the data that ARRA Awardees will be reporting separately to the CDFI Fund and www.FederalReporting.gov. As a result, the CDFI Fund will be able to assure the quality of information that awardees must provide to the ARRA's federal reporting portal. In addition, by cross checking the data received through the QILR and ARRA's data collection system the CDFI Fund will be able to monitor compliance with ARRA requirements. The QILR provides qualitative and quantitative information on the Awardee's compliance with its performance goals, its financial health, and the timeline in which the CDFI Fund's financial and technical assistance was used.

2. Method of collection and use of data

The CDFI Fund will collect the QILR data through the CDFI Fund's existing Community Investment Impact Systems (CIIS) by using an abbreviated version of the Institutional Level Report (ILR) for performance and compliance reporting by financial assistance and technical assistance ARRA awardees of the CDFI and NACA programs. The CDFI Fund currently requires CDFI program and NACA awardees to submit an annual report once a year. Section 1512 (f) of the ARRA requires Awardee reporting to begin 180 days after enactment and that reports must be submitted by Awardees 10 days after the end of each calendar quarter. This results in an initial statutory reporting deadline of October 10, 2009, with quarterly reports due 10 days after the end of each calendar quarter thereafter. The QILR report data will be used to determine an Awardee's compliance with the terms of its assistance or allocation agreement and to assure the quality of the data that recipients will report to www.FederalReporting.gov

3. Use of Information Technology

The QILR will be submitted via the web through CIIS and remaining reporting documents (quarterly unaudited financial statements which will be required one-quarter after the QILR) may be submitted by the Awardee either via e-mail or fax.

4. Efforts to identify duplication

All of the information requested is required in order to assess the data quality of recipient reporting to www.FederalReporting.gov and to evaluate Awardee or Allocatee compliance with the CDFI Fund's assistance and allocation agreements and does not duplicate other information collections.

5. Impact on small entities

This collection of information is not expected to have a significant impact on small entities since the data requirements are significantly less than the standard annual Institutional Level Report (ILR), consisting of only 20 of the usual 177 questions. Small entities that become Fund Allocatees or Awardees must demonstrate significant management and technical reporting capacity to be selected for an award.

In addition, the Fund has made two distinct efforts to minimize the reporting burden on all CDFIs and NACAs, regardless of size: (i) the QILR has eliminated the most burdensome questions in the annual ILR (the investment capital table, and the summary income and expense tables) (ii) the Fund retained only those questions which directly relate to validating data quality for ARRA reporting.

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

The Fund cannot determine awardees compliance with ARRA reporting requirements and the Fund's assistance and allocation agreements, nor can it measure awardees performance, or perform program evaluation without this quarterly collection of data.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

The CDFI Fund is seeking emergency clearance and will not seek public comments since the questions within the QILR are a subset of questions in the existing ILR instrument already cleared under OMB 1559-0027 (which is scheduled to expire 7/31/2010).

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 supplied in the annual report.

11. Justification of sensitive questions.

Virtually all of the data collected will be based on questions that awardees must supply to www.FederalReporting.gov and are therefore not considered of a sensitive nature. These questions are included in the QILR submitted through CIIS. See attached *FY 2009 CDFI and NACA Programs American Recovery and Reinvestment Act CIIS Quarterly Institution Level Report Instructions* document that lists the protections on page 5, in the section "Certify the Quarterly ILR."

12. Estimate of the hour burden of information collection.

The total hour burden of this information collection is estimated at 6,527 hours for CDFI and NACA program reports from all Awardees.

13. Estimate of total annual cost burden to respondents

In addition to the time burden described in number 12, costs may include purchase of new or upgraded software, information technology consultants to complete the online portions of the QILR through CIIS. Once the start-up investments have been made, there should be no additional quarterly costs associated with this data collection.

14. Estimate of annualized cost to the Government

The costs to the Government are those related to the staffing of the CDFI Fund's Compliance Monitoring and Evaluation Unit and Financial Strategies and Research Unit, and the annual maintenance and data collection costs for the QILR submitted through CIIS are expected to average \$370,000. A contract will be awarded for programming and loading the QILR onto the existing CIIS system and the Fund is anticipating awarding this contract by August 15, 2009.

15. Any program changes or adjustments

This submission to OMB is a new one but based on the previously authorized Annual Report OMB # 1559-0006 and CDFI Annual Survey OMB # 1559-0027.

16. Plans for information tabulation and publication

Confidential and proprietary information collection through the quarterly report will not be published.

17. Reasons for not displaying expiration date of OMB approval

Not applicable.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

This section is not applicable.