

Supporting Statement for the Financial Education and Counseling Pilot Program of the  
Community Development Financial Institutions Fund  
FY 2009 Financial Education and Counseling Pilot Program Application Form

A. Justification

1. Circumstances necessitating collection of information

In FY 2009, the Community Development Financial Institutions (CDFI) Fund will implement a Financial Education and Counseling (FEC) Pilot Program to provide financial assistance awards to eligible organizations to provide a range of financial education and counseling services to prospective homebuyers. Applicants submit an application form and are evaluated in accordance with requirements stated in the Notice of Funding Availability (NOFA). This is the first and only year the program is anticipated to be administered.

2. Method of collection and use of data

Data will be collected by the CDFI Fund in the form of an application form submitted by institutions wishing to be considered for a FEC award. The CDFI Fund will use submitted information to select five institutions to receive FEC awards. There will no application process or awards made after this pilot funding round.

3. Use of Information Technology

The CDFI Fund has a web-based data collection system for applicants to submit the required application and eligibility forms.

4. Efforts to identify duplication

Application materials were shared with members of the Financial Literacy and Education Commission (FLEC), an inter-agency collaboration consisting of twenty (20) Federal agencies.

5. Impact on small entities

This collection of information is not expected to have significant impact on small entities. During the development of the application, the Fund consulted with other Federal agencies – specifically, agencies that work with financial education providers – to determine what information small entities would be able to provide to the Fund. In doing this, the Fund was able to develop an application form with minimal potential burden on small entities.

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

The Fund cannot meet its statutory requirement to make award decisions without using an application form; this is anticipated to be a one-time collection for the FY 2009 funding round. Elements specified in the program's authorizing statute limit the amount to which the application burden can be reduced below the current level.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

The FEC Pilot Program will be administered only once as part of the FY 2009 funding round. Due to the timing constraints related to administering the program late in the fiscal year, the Fund opted to not collect public comments. However, the application was vetted and cleared by appropriate offices at the U.S. Department of Treasury and members of the FLEC. Those comments are reflected in the final application. There were no significant comments on the potential burden.

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 estimate at 3,000 with an estimated 40 hours for the application per respondent. The Fund anticipates 75 respondents to the application (this is a Fund estimate based on other program participation).

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, review and score the applications, determine award amounts, and report the results.

15. Any program changes or adjustments

Not applicable. This is the first and only year of the program.

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. Information disseminated includes OMB number.

18. Explanation of exception to certification statement

Not applicable.