

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 (Recovery Act) 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 Recovery Act agency reporting requirements per OMB Guidance M-09-21 and M-10-08. Such quarterly reports will also enable the CDFI Fund to standardize the data that Recovery Act awardees report 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 Recovery Act federal reporting portal. In addition, by cross checking the data received through the QILR and FederalReporting.gov, the CDFI Fund will be able to monitor compliance with Recovery Act 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 CIIS by using an abbreviated version of the ILR for performance and compliance reporting by financial assistance and technical assistance Recovery Act awardees of the CDFI and NACA programs. Currently, CDFI and NACA program awardees are required to submit reports to the CDFI Fund on an annual basis. Section 1512 (f) of the Recovery Act requires awardee reporting to begin 180 days after enactment and that quarterly reports must be submitted by awardees no later than 10 days after the end of each calendar quarter. This resulted 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 agreement and to assure the quality of the data that recipients will report to www.FederalReporting.gov.

In response to the OMB Terms of Clearance identified in the OMB Notice of Action issued on August 28, 2009, the information collection (QILR) does not utilize statistical methods.

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 via e-mail.

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 compliance with the CDFI Fund's assistance agreement and does not duplicate other information collection efforts.

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 ILR. The QILR consists of approximately 20 questions, whereas the ILR includes 177 questions. Small entities that become CDFI Fund awardees must demonstrate significant management and technical reporting capacity to be selected for an award.

In addition, the CDFI Fund has made two distinct efforts to minimize the reporting burden on all CDFIs and NACA program awardees, 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 CDFI Fund retained only those questions which directly relate to validating data quality for Recovery Act reporting.

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

The CDFI Fund cannot determine awardees compliance with Recovery Act reporting requirements and the CDFI Fund's assistance 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 permanent clearance for the QILR. Emergency clearance was granted on August 28, 2009 and is set to expire on February 28, 2010. Since this time the CDFI Fund has made minor revisions to the QILR in response to OMB Guidance (M-10-08) released on December 18, 2009. These changes to the QILR do not impact the reporting burden for CDFI and NACA program awardees. The CDFI Fund requested public comments regarding the burden associated with the information collected in the QILR. The request for public comments was published in the Federal Register on November 9, 2009. Comments were due to the CDFI Fund on January 8, 2010. The CDFI Fund did not receive comments. It should also be noted that the questions included in the QILR are a subset of the 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 were 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 in the QILR will be based on questions that awardees must also report to www.FederalReporting.gov and are therefore not considered to be sensitive in 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 for CDFI and NACA program reports from all awardees is estimated at 6,528 hours.

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 was awarded for programming and loading the QILR onto the existing CIIS system. The CDFI Fund awarded this contract on September 3, 2009.

15. Any program changes or adjustments

This submission is based on the emergency clearance granted by OMB on August 28, 2009 (set to expire on February 28, 2010). Since this time the CDFI Fund has made minor revisions to the QILR in response to OMB Guidance (M-10-08) released on December 18, 2009. The revisions to the QILR include the addition of an expenditure field to verify expenditure totals and underlying jobs numbers reported to FederalReporting.gov; the addition of pull down menus in Tables II-15, II-16, and III-17 to determine the appropriate jobs numbers to report to FederalReporting.gov; and changes to field headings to clarify whether or not information provided by awardees should be specific to the Recovery Act award. These changes to the QILR do not impact the reporting burden for CDFI and NACA program awardees. This submission is also based on the CDFI Fund’s previously cleared annual reporting instruments -- 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.

