

Department of the Treasury
Community Development Financial Institutions (CDFI) Fund

Certification of Material Events

Supporting Statement for Paperwork Reduction Act Submissions

A. Justification

1. Circumstances necessitating collection of information

Pursuant to 12 U.S.C 4701 et seq. the Community Development Financial Institutions Fund (the CDFI Fund) implements the Community Development Financial Institutions (CDFI) Program. The CDFI Fund's mission is to increase the capacity of financial institutions to provide capital, credit, and financial services in underserved markets. In order to qualify for a financial assistance, technical assistance, or tax credits award from the CDFI Fund an applicant must meet and maintain its Certification status. As an integral part of ensuring organizations continue to maintain its Certification status, the CDFI Fund has developed a Material Events Form.

The Material Events form is to be used by CDFI Fund Awardees, Allocatees, certified Community Development Entities (CDEs) and Community Development Financial Institutions (CDFIs), to report potential Material Events to the CDFI Fund. A "Material Event" is an occurrence that affects an organization's strategic direction, mission, or business operation and, thereby, its status as a certified CDE and/or CDFI, and/or its compliance with the terms and conditions of its allocation or assistance agreement.

2. Method of collection and use of data

This collection will capture information related to CDE/New Markets Tax Credit material events, as well as CDFI material events. The document will provide for a comprehensive list of potential material events, to inform CDEs and CDFIs of the events that need to be reported to the CDFI Fund and will require the CDE or CDFI to affirmatively indicate, through a series of specific questions, whether or not the event will have an impact on areas of operations that are of particular concern to the CDFI Fund. This information will enable the CDFI Fund to better manage the Material Events review process and monitor the effects of Material Events on certification or compliance status

3. Use of Information Technology

The Material Events Form is available to the public through the downloadable file on the CDFI Fund's web page. The form is collected via facsimile.

4. Efforts to identify duplication

Similar information is not available from other sources and it 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

Adhering to Certification and Compliance requirements is critical to obtaining and maintaining awards from the CDFI Fund. The information collected will enable the CDFI Fund to better manage the Material Events review process and monitor the effects of Material Events on certification or compliance status.

7. Circumstances requiring special information collection

Any confidential business information submitted by applicants is safeguarded through the CDFI Fund's records management procedures and information technology security protocols.

8. Solicitation of comments on information collection

Comments on the Material Events Form were solicited via notice in the Federal Register on September 21, 2009, (74 FR 48124). One comment was received and summarized below. The CDFI Fund has considered the comments with a view towards minimizing burdens on the applicant.

Comment/Author	CDFI Fund Response
(1) The Fund should clarify in the form and in any instructions that submission of a CME form is not required for all events that a CDFI might report to other investors (changes in key personnel, new programs, or similar changes), but rather only those that would have an effect on the CDFI's certification status [Opportunity Finance Network]	Comment rejected. The CDFI Fund's "Frequently Asked Questions (FAQ): Material Event Occurrence and Reporting" document provides clear and specific examples of material events.
(2) In one of the certification criteria, "Target Market," additional instruction about the "triggers" for submission of a CME form would be helpful [Opportunity Finance Network]	Comment rejected. The CDFI Fund's "Frequently Asked Questions (FAQ): Material Event Occurrence and Reporting" document provides clear and specific examples of material events.
(3) A CME form, submitted at the time of funding application and no more than annually, should serve to maintain a CDFI's certification status, rather than requiring periodic recertification. [Opportunity Finance Network]	Comment rejected. The CDFI Fund requires submission of the Material Events Form at the time of the event occurrence. The comment is related to the CDFI Recertification Process and is not relevant at this time.

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 the information provided in this collection of information. The CDFI Fund has provided no other assurances of confidentiality to respondents.

11. Justification of sensitive questions.

No questions of a sensitive nature are asked in this collection of information.

12. Estimate of the hour burden of information collection.

The total hour burden of this information collection is estimated at: 200 respondents annually (200 for material events) x 1 response annually x .25 hours per respondent = 50 hours. As noted above, an applicant will only need to submit a Certification of Material Events Form if a material event occurs or when applying for funding or award.

13. Estimate of total annual cost burden to respondents

It is not expected that this information collection will have a cost burden to respondents. No purchases of equipment or services are necessary for this information collection.

14. Estimate of annualized cost to the Government

The cost to the Government is the CDFI Fund staff time required to review the submitted Material Events Form.

15. Any program changes or adjustments

This is a request for review of an existing collection in use without an OMB number. It was discovered when revision where made to this form that the previous version was not submitted for clearance. CDFI/F is requesting OMB review and clearance at this time.

16. Plans for information tabulation and publication

Confidential or proprietary information collected through this information collection will not be published.

17. Reasons for not displaying expiration date of OMB approval

The CDFI Fund intends to display the expiration date of the OMB approval on the collections of information.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

Not applicable.