



DEPARTMENT OF THE TREASURY
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND
601 THIRTEENTH STREET, NW, SUITE 200 SOUTH
WASHINGTON, DC 20005

Supporting Statement
Community Development Financial Institutions Capacity Building Initiative
OMB Approval Number Pending

A. Justification

1. Circumstances necessitating collection of information

Pursuant to the Community Development Banking and Financial Institutions Act of 1994 (the Act), as amended (12 USC 4701 et seq.), the Community Development Financial Institutions (CDFI) Fund provides training and technical assistance to Community Development Financial Institutions (CDFIs) and similar entities, in order to enhance their ability to make loans and investments and provide services for the benefit of designated investment areas and targeted populations. The information collected will be used to identify specific topics for training and technical assistance and develop course content which is tailored to the needs and capacity levels of recipients. The requested information is necessary to support effective use of Federal resources.

2. Method of collection and use of data

The CDFI Fund plans to conduct multiple data collections in support of its Capacity Building Initiative. The CDFI Fund will manage the data collections, either directly or through third-party contractors. Under the Capacity Building Initiative, the CDFI Fund contracts with third-party service providers for specific series of capacity building support. For example, the CDFI Fund recently released a competitive task order that focuses on CDFI capacity to expand small business lending.

The structure of the Capacity Building Initiative prevents the CDFI Fund from determining in advance the details of specific individual collections. The technical approach for each task order is determined in collaboration between the CDFI Fund and the firm that wins the contract. Specific deliverables and course content is outlined broadly in the technical proposal, but await further refinement until the early stages of each contract. For example, the small business procurement mentioned above, the CDFI Fund expects the contractor to conduct an "industry scan" to determine which sectors CDFIs typically lend to (i.e. services, medical, manufacturing, etc.) and their level of experience with each sector. Training course content would be developed to match the existing competency levels of program participants. The contractor might conduct additional information collections to further refine and adjust its course content based on the results of initial trainings. Finally, data collection will be undertaken to determine the effectiveness of the training and technical assistance provided, and to refine future task orders. The CDFI Fund does not intend to use the findings gathered

through the data collection to change policies directly related to the CDFI Program's financial and technical assistance awards programs.

3. Use of Information Technology

Data collection will be conducted in a manner to minimize burden and facilitate analysis. Data collection is expected to take place via online surveys, survey forms submitted electronically to the CDFI Fund, in-person and remote focus groups, phone questionnaires, or similar methods.

4. Efforts to identify duplication

The CDFI Fund requests information from applicants which is not publically available and is not available from the CDFI Fund's existing data sources.

5. Impact on small entities

This application is not expected to have significant impact on small entities.

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

The CDFI Fund will not be able to provide meaningful effective training and technical assistance without the collection of data. The impact on the Capacity Building Initiative will be significant and may result in inadequate use of federal funds.

7. Circumstances requiring special information collection

The CDFI Fund requires the data collected to help identify specific topics for training and technical assistance and to develop course content which is tailored to the needs and capacity levels of recipients. The requested information is necessary to support effective use of federal resources.

8. Solicitation of comments on information collection

In accordance with the Paperwork Reduction Act of 1995, the CDFI Fund published a notice in the Federal Register regarding the proposed collection. The notice was published on March 22, 2011 with comments from the public due on May 23, 2011. No comments from the public were received.

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 applicable Federal regulations with respect to confidentiality of information supplied in this data collection.

11. Justification of sensitive questions.

No entity is required to respond to questions of a sensitive nature as part of this data collection.

12. Estimate of the hour burden of information collection.

The hour estimate is based on past experience with the delivery of similar instruments. The estimated total burden for all data collections is about 9,000 hours. This estimate assumes a total of 1,000 respondents, responding to 9 different data collection instruments over a 3-year period, with each instrument requiring one hour.

13. Estimate of total annual cost burden to respondents

It is not expected that this information collection will have a cost burden to respondents other than the hour burden described in item number 12. No purchases of equipment or services will need to be made by respondents for the sole purpose of completing any data collection.

14. Estimate of annualized cost to the Government

The primary costs to the government are the development and analysis of the collection instruments.

15. Any program changes or adjustments

Not Applicable. This is the first information collection under the Capacity Building Initiative.

16. Plans for information tabulation and publication

The information collected through the data collection instruments is not intended to be published as collected. If the CDFI Fund determines there is value in publishing some version of the data, the CDFI Fund will insure that sensitive data is not released.

17. Reasons for not displaying expiration date of OMB approval

The CDFI Fund intends to display the expiration date of the OMB approval on all associated data collection instruments.

18. Explanation of exceptions to certification statement

Not applicable.

Collections of Information Employing Statistical Methods

Not applicable.

Attachment A – Federal Register, Notice and request for comments document