Non-material change to CDFI Certification Application, OMB 1559-0028 CDFI Form 0005 to support electronic data submission of recertified CDFIs

The CDFI Fund is seeking a non-material change to its CDFI Certification Application OMB 1559-0028 CDFI Form 0005 to support its effort to recertify all CDFIs with an expiring certification. This PRA issue was triggered by an administrative decision by Main Treasury in light of OIG draft recommendations to the CDFI Fund that administrative extensions of existing CDFI certifications past the three-year period should be recertified.

It should be emphasized that there are no proposed material changes in the data collection itself; only the timing of the data collection would change. In 2011 when the new CDFI certification PRA number was renewed, the estimated number of applicants was 300 for each year of the three-year data collection period, for grand total of 900. Because of delays in implementing the recertification effort in 2012, the CDFI Fund has not launched its planned recertification cycle— in part because of the ongoing audit. Thus, the new Treasury policy initiative to recertify all eligible CDFIs in FY 2013 would attempt to recertify, at most, all 900 CDFIs in one year rather than over three years. In essence the total data collection burden remains the same but the time period is compressed into one year.

To accomplish this goal we will adopt an electronic spreadsheet form for the CDFI Certification Application to replace the currently paper-based application process without changing any of the existing application content. The CDFI Fund expects that the applicants and the CDFI Fund can realize efficiency gains from an electronic process as drop down menus replace fill-in tables on paper forms, and tabs replace different sections of the application. Moreover submission and record-keeping processes should improve, as well as eliminating manual data entry errors by applicants and CDFI Fund staff. The net effect of these efficiencies on reducing the applicants' burden is difficult to estimate at this time but no doubt will be real and significant.

Another reason why the CDFI Fund is requesting a non-material change to the existing PRA is that The CDFI Fund must align the recertification process with the latest CDFI award round to ensure that all applicants and prospective awardees have been recertified. In order to ensure that these two processes synch up, we need to expedite the PRA review so that we make an announcement about the recertification process by January 31st at the latest.

Finally as we noted, the CDFI Fund intends to initiate an annual certification report sometime in 2014 so we will be applying later this year for a separate PRA for this data collection which is intended to obviate the need for recertification in the future.