

CDFI Program Technical Assistance (TA) Application Narrative Template

Instructions for Completing the TA Application Narrative

Overview: This application contains three sections: Section I is comprised of the Statement of Certification Qualifications for Uncertified, Certifiable, and Sponsoring Entity Applicants; Section II contains Narrative questions related to the business plan for all Applicants; and Section III contains budget detail and justification information for all Applicants.

Approach: Applicants must answer each of the Narrative questions using clear, concise, factually-based text, while adhering to the stated character maximums. Applicants are encouraged to discuss their organization's unique situation within the framework of each question being asked. Applicants should be prepared to discuss their previous activities as well as provide an explanation of future plans.

Narrative questions should address the information requested, as well as cross-reference and explain any pertinent information cited in any secondary data sources, reports, statistics, or other sources. Be sure to use the most recent data and information available.

While this application requests information related to the Applicant's ability to become certified, this application **does not** serve as a substitute for the CDFI Fund's Certification Application.

Character Limits: Each question in the TA Application Narrative has character limits.

Awards Management Information System (AMIS): An entity seeking to apply for a Technical Assistance Award must submit a CDFI or NACA Program Funding Application, to the CDFI Fund, in AMIS.

OMB No. 1559-0021

Paperwork Reduction Act Notice

This submission requirements package is provided to Applicants for awards under the CDFI Program. The estimated average burden associated with this collection of information is 50 hours per respondent, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Department of the Treasury, Community Development Financial Institutions Fund, 1500 Pennsylvania Avenue NW, Washington, DC 20220

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SECTION I

Statement of Certification Qualifications – Emerging CDFIs, Certifiable CDFIs, and Sponsor Entities Applicants Only

The goal of this section is to ensure that the Applicant has the ability to become a certified CDFI. The below five questions are derived from the seven certification criteria.

If the Applicant is a Sponsoring Entity – Applicants must demonstrate that the entity it proposes to create will be able to meet the CDFI certification requirements within four years of receiving a Technical Assistance grant. Sponsoring Entity Applicants must answer the questions based on the goals of the proposed Emerging CDFI.

1. PRIMARY MISSION (PM) 3,000 Characters

A CDFI shall have a primary mission of promoting community development.

- Provide a narrative describing how the Applicant’s primary mission is consistent with the CDFI Certification definition of promoting community development – be sure to include, (1) a discussion of how the Applicant’s activities and Financial Products and Financial Services support the Applicant’s primary mission; and (2) a brief profile of the Applicant’s customers/clients.

2. FINANCING ENTITY (FE) 3,000 Characters

A CDFI shall be an entity whose predominant business activity is the provision, in arms-length transactions, of Financial Products, Development Services, and/or other similar financing.

- Describe how your organizational structure (employees and significant volunteer positions) supports Financial Product and Development Services activities.
- Discuss the Applicant’s lending track record and current pipeline.
- Explain how the Applicant utilizes consultants or Affiliate staff to provide the above-stated activities.

3. TARGET MARKET (TM) 2,000 Characters

A CDFI may be found to serve a Target Market by virtue of serving one or more Investment Areas and/or Targeted Populations.

Types of Target Markets can be the following:

- Investment Area (IA)
- Low-Income Targeted Population (LITP)
- Other Targeted Population (OTP)
- Provide a brief description of the entire Target Market (including geographic areas and populations) currently served by the Applicant. Discuss the major needs and challenges

of the Target Market and describe how becoming a certified CDFI will increase the organization's capacity to address the identified needs and challenges.

4. ACCOUNTABILITY (AC) 2,000 Characters

A CDFI must maintain accountability to residents of its Investment Area(s) or Targeted Population(s) through representation on its governing board or otherwise.

- Provide a brief description of how the Applicant intends to maintain accountability to the Target Market.

5. DEVELOPMENT SERVICES (DS) 2,000 Characters

A CDFI directly, through an Affiliate, or through a contract with another provider, shall provide Development Services in conjunction with its Financial Products.

- Provide a brief description of how the Applicant intends to provide Development Services in conjunction with its Financial Products.

SECTION II

Organization Overview – All Applicants

1. Discuss the Applicant's strategic goals for the next five years to ensure continued viability and serve the needs of the Applicant's Target Market. - **3,000 Characters**
2. **For Sponsoring Entities Only:** Explain the Applicant's plan to create an Emerging CDFI no later than the end of the first year of the period of performance, which must be certified as a CDFI within four years of the award. **3,000 Characters**
3. **For Certified CDFIs Only:** Provide a brief description of the entire Target Market (for NACA include tribal lands, reservations, geographic areas and populations) currently served by the Applicant. Discuss the major needs and challenges of the Applicant's Target Market and how the Applicant meets the needs of its Target Market. **3,000 Characters**
4. **For Certified CDFIs Only:** Provide examples of the Applicant's record of success serving its Target Market. -For NACA Applicants, address successes serving Native Communities. **3,000 Characters**

Management and Staff

5. Discuss the expertise of key staff and management who are responsible for implementing the Applicant's strategic plans. What are the qualifications of these staff members and

how do they impact each pertinent TA activity that will build organizational capacity to achieve the Applicant's strategic goals listed in Question 1. **2,500 Characters**

Community Coordination

- 6a.** Explain how the Applicant works or will work with other organizations to provide comprehensive services to the Applicant's Target Market. **1,000 Characters**
- 6b.** Explain how the Applicant plans to use private and public financial support to meet strategic goals. **1,000 Characters**

Financial Performance

- 7.** Discuss the Applicant's financial health (including portfolio management) and sustainability (in the context of a going concern). For regulated CDFIs, discuss any regulatory constraints affecting the Applicant's performance. **2,000 Characters**

Organizational Impact

- 8.** Discuss organizational progress made toward the Applicant's strategic goals listed in Question 1. If the Applicant is a prior TA Award Recipient, discuss the use of the previous TA award(s) and the impact the award(s) had on the organization achieving its strategic goals. **2,500 Characters**
- 9.** Identify and describe the financial and programmatic risks associated with the Applicant's financial and lending activity projections. Explain how the Applicant will mitigate the identified risks. **2,500 Characters**

SECTION III

Use of Funds – All Applicants

Applicant must justify their funding request by assigning an amount to one or more of the budget categories below. When justifying the funding request for each category, the Applicant must include how the requested activities will build the Applicant's capacity in the following aspects:

- **Emerging CDFI and Certifiable CDFI:** achieve certification for the Applicant;
- **Sponsoring Entities:** create and certify a new CDFI; or
- **Certified CDFIs:** build the capacity of the Applicant to expand operations, offer new products or services, or increase the volume of current business.

Applicants must indicate the dollar value of each budget category that will directly relate to achieving the Applicant's goals.

Use of Funds	Amount	Justification
Personnel and Fringe		500 characters
Travel		500 characters
Training		500 characters
Professional Services		500 characters
Equipment		500 characters
Supplies		500 characters

Appendix- Award Management Information System (AMIS) Inputs for all Technical Assistance Applicants

In AMIS, Technical Assistance Applicants will complete the following charts for 3 historic years, the current year, and 3 projected years:

ASSETS
Cash and Cash Equivalents (\$)
Unrestricted Cash and Cash Equivalents (\$)
Total Investments (\$)
Current Gross Loans Receivables (\$)
Total Commitments (\$)
Total Current Assets (\$)
Noncurrent Gross Loans Receivables (\$)
Loan Loss Reserves (Cash) (\$)/Allowance for Loan and Lease Losses (Cash) (\$)
Loan Loss Reserves (Accrual) (\$)/Allowance for Loan and Lease Losses (Accrual) (\$)
Total Outstanding Equity Investment Portfolio (\$)
Net Unrealized Loss (Gains) (\$)
Total Gross Loan Receivables and/or Equity Investment Portfolio (\$)
Total Net Loans Receivables and/or Equity Investment Portfolio (\$)
Total Off-Balance Sheet Assets for Financing (\$)
Cash on Deposit (Credit Unions Only, \$)
Short Term Investments (Credit Unions Only, \$)
Total Loans and Leases (Credit Unions Only, \$)
Less: Allowance for Loans and Lease Losses (Credit Unions Only, \$)
Short-term Investments (Banks Only, \$)
Long Term Investments (Banks Only, \$)
Total Loans and Leases, Net of Unearned Income (Banks Only, \$)
Less: Allowance for Loans and Lease Losses (Banks Only, \$)
Average Assets (Banks Only, \$)
Earning Assets (Banks Only, \$)
Long Term Assets (Banks Only, \$)
Total Assets (\$)
LIABILITIES
Current Liabilities (\$)
Total Notes Payable (\$)
Total Adjusted Notes Payable (\$)/ Financing Debt
Non-Current Liabilities Due (Debt & Equity) (\$)
Senior Debt (\$)
Subordinated Debt/EQ2 (\$)
Total Off-Balance Sheet Liabilities (\$)
Total Borrowings (Credit Unions Only, \$)
Accrued Dividends & Interest Payable in Shares and Deposits (Credit Unions Only, \$)
Accounts Payable and Other Liabilities (Credit Unions Only, \$)
Interest-bearing Deposits (Banks Only, \$)
Total Deposits (Banks Only, \$)

Total Notes Payable (Banks Only, \$)
Non-Core Liabilities (Banks Only, \$)
Other Liabilities (Banks Only, \$)
Total Liabilities (\$)
SHARES/DEPOSITS (Credit Unions Only)
Total Member Deposits (\$)
Total Non-Member Deposits (\$)
Total Shares and Deposits (\$)
NET ASSETS
Total Net Assets Available for Financing (\$)/ Equity/ Net Worth
Unrestricted Net Assets (\$)
Temporarily Restricted Net Assets (\$)
Permanently Restricted Net Assets (\$)
Total Net Assets or Equity (\$)
Change in Net Assets (\$)
Undivided Earnings (Credit Unions Only, \$)
Regular Reserves (Credit Unions Only, \$)
Appropriation for Non-Conforming Investments (State-chartered Credit Unions Only, \$)
Other Reserves (Credit Unions Only, \$)
Uninsured Secondary Capital (Credit Unions Only, \$)
Net Income (Unless this amount is already included in the Undivided Earnings) (Credit Unions Only, \$)
Total Net Worth (Credit Unions Only, \$)
Perpetual Preferred Stock (Banks Only, \$)
Common Stock (Banks Only, \$)
Surplus (Banks Only, \$)
Undivided Profits (Banks Only, \$)
Tier 1 Core Capital (Banks Only, \$)
Tier 2 Capital (Banks Only, \$)
Total Equity Capital (Banks Only, \$)/ Equity (Capital Category)
INCOME
Total Interest Income (\$)
Fee Income (\$)
Total Earned Revenue (\$)
Total Grants and Contributions (\$)
Total Income (\$)
Total Non-Interest Income (Credit Unions Only, \$)
Net Income (Credit Unions Only, \$)
Total Non-Interest Income (Banks Only, \$)
Income Before Taxes and Extraordinary Items and Other Adjustments (Banks Only, \$)
Net Income (Banks Only, \$)
EXPENSES
Total Interest Expense (\$)

Total Pre-tax Operating Expense (\$)
Provision for Loan Loss Reserve (Bad Debt) Expense (Accrual) (\$)
Total Expenses (\$)
Provision for Loan and Lease Losses (Credit Unions Only, \$)
Total Non-Interest Expense (Credit Unions Only, \$)
Provision for Loan and Lease Losses (Banks Only, \$)
Total Non-Interest Expense (Banks Only, \$)
LOAN PORTFOLIO
Total On-Balance Sheet Loans Closed (#, \$)
Total On-Balance Sheet Disbursements Made (#, \$)
Total On-Balance Sheet Outstanding Loan Portfolio (Gross)(Annual Data) (#, \$)/Total Loan Portfolio
Off-Balance Sheet Loans Closed (#, \$)
Total Off-Balance Sheet Loans Managed (#, \$)
CURRENT LOAN PORTFOLIO
Total On-Balance Sheet Outstanding Loan Portfolio (Gross)(Annual with Quarterly Detail)(#, \$)/Total Loan Portfolio
Total Loans Charged-Off (#, \$ Charge-offs
Restructured Loans (#, \$)
Recoveries (#, \$)
Total Delinquent Loans (90+ days) (#, \$)/ Loans 90 or more days past due
Total Loans Delinquent 31 to 60 days (#, \$)
Total Loans Delinquent 61 to 90 days (#, \$)
EQUITY INVESTMENT PORTFOLIO VALUATION
Total Number of Equity Investments and Combined Value of Investments (#, \$)/Total Equity Investments
Equity Investments Exited During the Year (#, \$)
Equity Investments Written-off During the Year (#, \$)
Unrealized Gains (Losses) (#, \$)
Realized Gains (Losses) (#, \$)
Target Rate of Return (%)
Actual Rate of Return (%)
ACTIVITIES LEVEL
Product Category/Sub-Category
Total On-Balance Sheet Lending/Equity Activities (Do not include Development Service or Financial Service activities)
IMPACTS
Category & Methodology

Jobs Created or Retained
Housing Units Developed/Rehabilitated
Square feet of Real Estate Developed/Rehabilitated
First-Time Homeowners
First-Time Account Holders
First-Time Business Owners
Foreclosures Prevented
Enter Other Impact
Enter Other Impact
Enter Other Impact
MEMBERSHIP (CREDIT UNIONS ONLY)
Category
Total Members (#, %)
Total Field of Membership (#, %)
NEW DATA POINTS FOR APPLICATION
Financing Capital Available
Financing Capital Detail
Total Financing Capital
Non-performing Assets
Current Assets (Short-Term Assets)
Current Liabilities (Short-Term Liabilities)
Nonaccrual Loans
Other Real Estate Owned (OREO)
Cash Restricted for Operations
Operating Revenue
Operating Expenses
Non-cash expenses
Government Grants
Total Full Time Equivalent Turnover

Loans/Financing/Loan Guarantees/Financial Services Currently Offered		
Line of Business	\$ Portfolio Outstanding / Disbursements	Product Description
<input type="checkbox"/> Business Loans		
<input type="checkbox"/> Commercial Real Estate Loans		
<input type="checkbox"/> Education Facilities		
<input type="checkbox"/> Commercial		
<input type="checkbox"/> Community Facilities		
<input type="checkbox"/> Health Care Facilities		
<input type="checkbox"/> Consumer Loans		
<input type="checkbox"/> Intermediary Loans		
<input type="checkbox"/> Microfinance Loans		
<input type="checkbox"/> Residential Real Estate Loans		
<input type="checkbox"/> *Consumer Financial Services (Regulated Institutions Only)*		
<input type="checkbox"/> *Commercial Financial Services (Regulated Institutions Only)*		
<input type="checkbox"/> Other (Please Describe):		

Development Services Currently Offered (Table Directly from OMB- Approved Annual Cert
<input checked="" type="checkbox"/> Business Technical Assistance
<input checked="" type="checkbox"/> Credit Counseling
<input checked="" type="checkbox"/> Financial Education
<input checked="" type="checkbox"/> Homeownership Counseling and Technical Assistance
<input checked="" type="checkbox"/> Real Estate Technical Assistance

Current Activity Levels Chart
(Table Taken from FY 17-19 Application)

	Historic Yr 1	Historic Yr 2	Historic Yr 3	Current Yr
	\$	\$	\$	\$
Commercial Facilities				
Small Business				
Microenterprise				
Affordable Housing				
Community Facilities				
Consumer Financial Products				
Consumer Financial Services				
Intermediary Lending to Non-profits and CDFIs				
*Total				

Key Staff

Name	Title	Years of Experience	Years with Applicant	Role in implementing strategic goals
<i>Applicants will enter up to seven key staff members</i>				<i>[Provide a brief (500 character paragraph) description of this individual's capacity, skills, and experience - especially as it relates to his or her role in implementing the applicant's strategic goals.]</i>

Board Members

Name	Title	Years of Experience	Years on Board	Accountability to the Target Market(s)
<i>Applicants will enter up to five board</i>				<i>[Provide a brief (500 character paragraph) description of this individual's capacity,</i>

<i>members</i>				<i>skills, and experience.]</i>
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Committees			
Name	Number of Board Members	Number of Key Staff Members	How this committee relates to the performance of the CDFI
<i>Applicants will enter up to five committees</i>			<i>[Provide a brief (500 character paragraph) description of this Committee's purpose and how it relates to the performance of the CDFI.]</i>

Projected Activity Levels Chart (Table Taken from FY 17-19 Application)				
	2018	2019	2020	2021
	\$	\$	\$	\$
Commercial Facilities				
Small Business				
Microenterprise				
Affordable Housing				
Community Facilities				
Consumer Financial Products				
Consumer Financial Services				
Intermediary Lending to Non-profits and CDFIs				
*Total				