Community Development Financial Institutions Fund, Department of the Treasury

Supporting Statement – Part A

Disability Funds-Financial Assistance (DF-FA) Application

OMB Control Number 1559-0048

**A. Justification**

1. Circumstances necessitating collection of information

Pursuant to the Riegle Community Development Banking and Financial Institutions Act of 1994, as amended (12 USC 4701 et seq.), the CDFI Program provides financial and technical assistance to selected applicants and Community Development Financial Institutions (CDFIs) 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 Consolidated Appropriations Act of 2017 (P.L. 115-31) provided the CDFI Fund up to $3 million to provide “technical and financial assistance to CDFIs that fund projects to help individuals with disabilities.” The CDFI Fund created the Disability Funds-Financial Assistance (DF-FA) Application in response to this Congressional directive.

The Consolidated Appropriations Act of 2018 (P.L. 115-141) provided an additional $3 million for the CDFI Fund to further its investment in CDFIs that serve individuals with disabilities. The approval of the DF-FA Application is necessary in order to continue use of this application in accordance with potential future Congressional directives via the CDFI Fund’s annual appropriations.

2. Method of collection and use of data

The CDFI Fund will collect data once per funding round by means of the DF-FA Application. Applicants must complete and upload the application through a CDFI Fund-managed web-based application portal with the exception of Standard Form 424 (SF-424). The SF-424 must be submitted through Grants.gov. The CDFI Fund uses the data collected to select eligible applicants that are the most highly qualified and to determine the applicable award amounts.

3. Use of Information Technology

The CDFI Fund only accepts electronic applications unless an applicant receives advance written permission from the CDFI Fund to submit in another format. All application materials must be submitted in the CDFI Fund-managed web-based portal.

4. Efforts to identify duplication

The CDFI Fund conducted a review and that no similar data is gathered or maintained by the CDFI Fund or are available from other sources known to the CDFI Fund.

5. Impact on small entities

This collection of information is not expected to have significant impact on small entities. However, the CDFI Fund will minimize the burden on all entities that complete information collections approved under this OMB Control Number by sampling, asking for readily available information, and using short, easy-to-complete information collection instruments.

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

If Congress continues to direct the CDFI Fund, via annual appropriations, to provide awards to CDFIs that fund projects to help individuals with disabilities, the CDFI Fund must receive the information requested in the application form in order to make funding decisions.

7. Circumstances requiring special information collection

Not applicable.

8. Consultation with Persons outside the Agency

Pursuant to the notice and request for comments published in the Federal Register on May 25, 2018, at 83 FR 24391, the CDFI Fund received comments on or before July 24, 2018 from two (2) organizations responding to the solicitation for a total of six (6) comments. Please see Appendix A for how the CDFI Fund addressed the comments.

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 information supplied in the DF-FA Application. Access to data submitted in response to this information collection will be limited to CDFI Fund staff and, if applicable, designated contractors who are subject to all Federal regulations and have completed annual privacy and cybersecurity training.

11. Justification of sensitive questions.

No questions of a sensitive nature will be asked through this information collection. No personally identifiable information will be collected.

12. Estimate of the hour burden of information collection.

The burden estimate is based on approximately 30 private sector applicants completing the DF-FA Application in 12 hours for a total of 360 hours. Only private sector (for-profit and non-profit) applicants can apply for DF-FA. Therefore, the monetized burden hours estimate is based on private sector hourly rate costs.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Affected Pubic** | **# Respondents** | **# Responses Per Respondent** | **Total Annual Responses** | **Hours Per Response** | **Total Hours** | **Time Value (per hour)** | **Monetized Burden Hours**  |
| Private Sector | 30 | 1 | 30 | 12 | 360 | $58.54[[1]](#footnote-2) | $21,074 |

13. Estimate of total annual cost burden to respondents

Per the table in Question 12, the average annual cost burden to respondents is $21,074. No purchase of equipment or services will need to be made by respondents for this information collection other than as required as part of customary and usual business practices.

14. Estimate of annualized cost to the Government

Annual costs to the Government consist of the staff time associated with implementing information collections, reviewing information, and reporting results. It is not possible to accurately estimate the annualized cost to the Government of staff time due to variations in staff size, grades, and level of effort over the course of a given year.

15. Any program changes or adjustments

This submission was initially approved under an Emergency ICR. No changes were made to the application as a result of the public comment period. Therefore, there is no change in burden.

16. Plans for information tabulation and publication

At the conclusion of the award round, the CDFI Fund publishes an award book on its website which provides the following information for organizations selected to receive awards: organization name, city and state of headquarters, and award amount. Additionally, the CDFI Fund is required to provide a report to Congress, as specified in the Consolidated Appropriations Act of 2017, not later than the end of fiscal year 2019 that details the number of awards, amount of each award, and anticipated projects funded, as well as findings and recommendations related to the efficacy of award efforts and impacts on the disability community.

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**

| **Comment Date** | **Commenter's Name** | **Position** | **Organization** | **Topic** | **Comment** | **Recommended Action** |
| --- | --- | --- | --- | --- | --- | --- |
| 6/1/2018 | Stacy S. Augustine | President/CEO | CU Strategic Planning | Credit Union/Regulated CDFIs | Difficulty identifying disabled consumers. Because disability is a protected class, lenders serving a target market other than a narrow market focused exclusively on consumers with disabilities are unlikely to track the disability status of a loan applicant. This application obstacle may ultimately be difficult to overcome. During the course of instructions on the application, we appreciated staff’s instructions to applicants acknowledging that applicants may need to use estimates, so long as the estimates are transparently described in the narrative to the application. | No action to be taken. Per Congressional directive, the CDFI Fund must direct DF-FA funds to CDFIs that fund projects that help individuals with disabilities. |
| 6/1/2018 | Stacy S. Augustine | President/CEO | CU Strategic Planning | Credit Union/Regulated CDFIs | The narrow focus of the DF-FA application on services provided only with the primary purpose of benefiting individuals with disabilities. A credit union focused on providing services to its members will encounter inherent difficulty in being asked to only identify financial products, financial services and development services provided with the primary purpose of benefiting individuals with disabilities. For example, a nonprofit chartered for the purpose of providing adaptive devices can readily identify loans for those devices and can probably attribute one hundred percent of its lending to this purpose. A credit union serving a disabled community may have a specialized loan just for adaptive devices, but it is far more likely that its regular loan products will be adapted for this use. Example: a disabled individual might take out a home equity line of credit to build a wheel chair ramp. Typically this type of loan, secured by the borrower’s home, will be at a lower cost than an unsecured loan. And yet, under the DF-FA instructions, loans of this type wouldn’t be included in the applicant’s historic lending numbers. | The DF-FA application guidance does not require specialized loan products for individuals with disabilities. CDFI/NACA Programs will further clarify this issue in future guidance materials.  |
| 7/19/2018 | Susan Tachau | Chair | Disability CDFI Coalition (DCC) | Application | The DCC wanted to applaud the CDFI Fund’s approach to the DF-FA Application Process for FY2018. The consensus from DCC Members is the application materials were easy to understand, complete and submit. The four narrative boxes and three charts required straightforward responses. | No action to be taken |
| 7/19/2018 | Susan Tachau | Chair | Disability CDFI Coalition | Post-Award Reporting | Utilize the CDFI Fund’s Awards Management Information System (AMIS) for the mandatory reporting fields. To date, AMIS has proven to be the most efficient method of gathering a CDFI’s Reporting Requirements “under one roof.” The migration of the ILR and TLR from CIIS to AMIS is a perfect example of this streamlining and we recommend that the same system be utilized for DF-FA Awards. | CDFI/NACA Programs will forward reporting feedback to the CDFI Fund’s Certification, Compliance Monitoring, and Evaluation unit for consideration. |
| 7/19/2018 | Susan Tachau | Chair | Disability CDFI Coalition | Post-Award Reporting | The DF-FA Application included three tables which asked for the impact of Financial Products, Financial Services and Development Services provided to people with disabilities. Maintaining reports under the same categories will provide CDFIs a simple way to respond to an annual request for information which most, if not all, already report to either Opportunity Finance Network (OFN), Aeris, investors/supporters or the general public on websites/mailings. | CDFI/NACA Programs will forward reporting feedback to the CDFI Fund’s Certification, Compliance Monitoring, and Evaluation unit for consideration. |
| 7/19/2018 | Susan Tachau | Chair | Disability CDFI Coalition | Post-Award Reporting | Consider the following Optional Reporting: In addition to the mandatory reporting for DF-FA Awardees, DCC Members are eager to “tell their story” and suggested the following:(1) Provide space for CDFIs to include optional data, including:Number of Student Seats createdUnduplicated Patients Served #Very Low Income Households BenefitedLow Income Households BenefitedModerate Income Households BenefitedNumber of Veterans BenefitedNumber of Affordable Housing Units Created/PreservedNumber of Housing Units with Other Services Provided CreatedNumber of Jobs CreatedPercentage of these Jobs which have a Living WageSquare Feet of Health Care Facilities Created/PreservedNumber of Assistive Technology Devices PurchasedNumber of Individuals with Disabilities Able to Live IndependentlyNumber of Individuals with Disabilities Able to Go to Work or School (through the purchase of Assistive Technology)(2) Provide space for CDFIs to include optional information, including:Provide an ability to submit a Narrative on an impact storyProvide an ability to submit a Narrative on leveraging resources:Among CDFIsABLE AccountsAlternative Financing ProgramsCommunication among State and local resources | CDFI/NACA Programs will forward reporting feedback to the CDFI Fund’s Certification, Compliance Monitoring, and Evaluation unit for consideration. |

1. The hourly rate is based on the national estimate for the median hourly wage for Financial Managers according the Bureau of Labor Statistics ([*https://www.bls.gov/oes/current/oes113031.htm*](https://www.bls.gov/oes/current/oes113031.htm)) [↑](#footnote-ref-2)