

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

COMMUNITY DEVELOPMENT
INSTITUTIONS FUND



Supporting Statement
Community Development Financial Institutions Fund (CDFI Fund)
Uses of Award Report Form, 1559-0032

A. Justification

1. Circumstances necessitating collection of information

The Community Development Financial Institutions Fund (CDFI Fund) administers the Bank Enterprise Award Program (BEA Program), the Community Development Financial Institutions Program (CDFI Program), and the Native American CDFI Assistance Program (NACA Program). The Uses of Award Report Form is used by Award Recipients of the BEA, CDFI, and NACA Programs to report to the CDFI Fund, on the uses of their award funds per their Award/Assistance Agreements.

The BEA Program provides incentives to insured depository institutions that demonstrate increased investments in Community Development Financial Institutions (CDFIs), or in their own lending, investing, or service-related activities in the most economically distressed communities. Applicants submit an application and are evaluated in accordance with statutory and regulatory requirements (see 12 C.F.R. § 1806), which are set forth in the annual Notice of Funds Availability (NOFA). The CDFI Fund requires BEA Program Award Recipients to use BEA Program awards for BEA Program Eligible Activities, as defined under the BEA Program regulations. Award Recipients are required to report to the CDFI Fund how the award funds were used, per their Award Agreement.

The CDFI Program is authorized by the Riegle Community Development Banking and Financial Institutions Act of 1994 (Pub. L. 103–325, 12 U.S.C. 4701 *et seq.*). The CDFI Program uses federal resources to invest in and build the capacity of CDFIs to serve low-income people and communities lacking adequate access to affordable financial products and services. The CDFI Fund created the Native Initiatives, which includes the NACA Program, to further support the creation and expansion of Native CDFIs. Through the CDFI Program and NACA Program, the CDFI Fund provides: (1) Financial Assistance (FA) awards to CDFIs and Native CDFIs that have Comprehensive Business Plans for creating demonstrable community development impact through the deployment of credit, capital, and financial services within Target Markets and/or Eligible Markets¹; and (2) Technical Assistance (TA) grants to CDFIs and Native CDFIs and entities proposing to become CDFIs or Native CDFIs in order to build their capacity to better address the community development and capital access needs of their existing or proposed Target Markets and/or to become certified CDFIs. CDFI Program applicants submit applications

¹ Eligible Market is defined as (i) a geographic area meeting the requirements set forth in 12 CFR 1805.201(b)(3)(ii), or (ii) individuals that are Low-Income, African American, Hispanic, Native American, Native Hawaiians residing in Hawaii, Alaska Natives residing in Alaska, or Other Pacific Islanders residing in American Samoa, Guam or the Northern Mariana Islands.

and are evaluated in accordance with statutory and regulatory requirements (see 12 C.F.R. § 1805), which are set forth in an annual NOFA. NACA Program applicants submit applications and are evaluated in accordance with requirements that are set forth in an annual NOFA. Recipients with FA or TA awards are required to report to the CDFI Fund on the uses of those funds per their Assistance Agreements.

2. Method of collection and use of data

The Uses of Award Form data is collected electronically and is mandatory from entities that received a BEA Program, CDFI Program, or NACA Program award. The data collected is used by the CDFI Fund to monitor the expenditures of the BEA Program award, FA award or TA award. Data is collected by the CDFI Fund from organizations who receive awards. Award Recipients are required to complete and electronically submit a Uses of Award Report Form.

3. Use of Information Technology

The CDFI Fund has a web-based data collection system, known as the Awards Management Information System (AMIS), for Recipients to submit required data and reports. BEA Program, CDFI Program, and NACA Program Award Recipients have individual AMIS accounts, which allow them to access, save and submit documents, including the Uses of Award Report Form, to the CDFI Fund.

4. Efforts to identify duplication

The CDFI Fund does not request information available from other Federal agencies, namely, financial institution regulatory agencies.

5. Impact on small entities

This collection of information is not expected to have significant impact on small entities.

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

The CDFI Fund cannot monitor usage of BEA Program, CDFI Program, or NACA Program awards without the collection of this data.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

Comments on the BEA Program, CDFI Program, and NACA Program reporting requirement were solicited in the *Federal Register* on October 17, 2019, at 84 FR 55678. There were no comments received by the CDFI Fund.

9. Provision of payment to respondents

No payment or gift 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 information collection. No personally identifiable information is collected.

12. Estimate of the hour of burden of information collection

The frequency of response for both programs is one time per reporting period per Award Recipient and the time to complete the report is one hour. The total hour burden of this information collection for both programs is 470 hours. Of these hours, BEA Program respondent hour burden is estimated at 120 hours and CDFI Program respondent hour burden is estimated at 350 hours.

13. Estimate 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. The CDFI Fund estimates cost burden for BEA respondents to be \$5,712.00 and CDFI/NACA respondents to be \$16,660.00 for a total estimated cost burden of \$22,372.00. This is based on an estimated hour burden of 470 and a fully-loaded wage rate for the financial sector from the Bureau of Labor Statistics of \$68.54 an hour². The CDFI Fund notes that no purchases of equipment or services are required in order to complete the application.

14. Estimate of annualized cost to the federal government

The cost to the federal government is the CDFI Fund staff time required to review data submitted for compliance and evaluation purposes and collect follow-up information from Award Recipients. The estimate of annualized cost to the federal government is \$163,007. The federal employee labor costs reflect loaded rates by GS level and based on an estimated 1,800 labor hours.

15. Any program changes or adjustments

There is no significant content change to the form; however, the format was revised to: (1) include a system-generated validation data point to capture Persistent Poverty County investments made by BEA Program Recipients; and (2) display a table that describes and easily identifies which data points are collected for each program (BEA, CDFI, and NACA Programs). The revised form is also consistent with the format of other CDFI Fund compliance reporting forms. There is an increase in the number of respondents due to an adjustment in agency estimates, based on current data.

16. Plans for information tabulation and publication

Confidential or proprietary information collected through the Uses of Award Form 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 Uses of Award Form.

18. Explanation of exception to certification statement

Not applicable.

19. Collections of Information Employing Statistical Methods

Not applicable.

² Wage rate from Bureau of Labor Statistics wage data for financial activities is \$47.60 for June 2019. The fully-loaded wage rate of \$68.54 includes the benefit factor of 1.44 for Private Industry. Link to Bureau of Labor Statistics wage data report: <https://www.bls.gov/news.release/eccec.t04.htm>

