

Supporting Statement for Paperwork Reduction Act Submissions
Department of the Treasury
Community Development Financial Institutions Fund (CDFI Fund)
Community Development Entity (CDE) Certification Application
OMB Control Number 1559-0014

A. Justification

1. Circumstances necessitating collection of information

Pursuant to 12 U.S.C 4701 et seq. the Community Development Financial Institutions Fund (the CDFI Fund) administers the New Markets Tax Credit Program (NMTC Program). The CDFI Fund's mission is to expand economic opportunity for underserved people and communities by supporting the growth and capacity of a national network of community development lenders, investors, and financial service providers. In order to qualify for a NMTC Program allocation award from the CDFI Fund, an applicant must be certified by the CDFI Fund as a Community Development Entity (CDE). The CDE Certification Application is used to determine whether an entity seeking CDE certification meets the CDFI Fund's requirements for such certification.

2. Method of collection and use of data

The CDE Certification Application collects information from entities seeking CDE certification. The data collected via the CDE Certification Application will be used by the CDFI Fund to evaluate whether an entity may be certified as a CDE.

3. Use of Information Technology

The CDFI Fund collects the CDE Certification Application electronically in the Awards Management Information System (AMIS), a business system that supports all CDFI Fund programs through each phase of the programs' life cycles. This includes requirements and processes related to: certification, program awards and allocations, compliance, data analysis and reporting.

4. Efforts to identify duplication

Similar information is not available from other sources. The CDE Certification Application does not duplicate any other CDFI Fund or Federal program information-gathering tool.

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

Since CDE certification is a prerequisite for receiving NMTC Program allocation awards from the CDFI Fund, the CDE Certification Application is a critical part of the NMTC Program. Moreover, once certified, an entity's certification lasts indefinitely or until it ceases to meet the requirements for CDE certification.

7. Circumstances requiring special information collection

Any confidential business information submitted by applicants is safeguarded through the CDFI Fund’s records management procedures and information technology security protocols.

8. Solicitation of comments on information collection

Comments on the CDE Certification Application were solicited via notice in the Federal Register on March 15, 2023 (88 FR 15853).

The CDFI Fund received 17 relevant individual public comments from three organizations in response to this request. (See Appendix A)

Comments generally fell into number classifications: (a) general clarifications, questions, and concerns (b) concerns related to the burden on applicants to provide data requested related to Information Collection Review, and (c) recommendations for improving the data entry process into the CDFI Fund managed web-based application system, Awards Management Information System (AMIS).

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 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 personally identifiable information (PII) is collected.

12. Estimate of the hour burden of information collection.

The total hour burden of this information collection is 300 respondents x 1 response x 4 hours per respondent = 1,200 hours per year. Once certified as a CDE, an entity’s certification lasts indefinitely provided the entity continues to meet the certification requirements.

# Respondents	Annual Frequency per Response	Hours Per Response	Total Hours
300	1	4	1,200

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 labor burden described in item number 12. No purchases of equipment or services are necessary for this information collection. Labor costs are estimated below.

Affected Public	Number of Respondents	Number of Responses Per	Total Annual	Hours Per	Total Hours	Time Value	Monetized Burden
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		Respondent	Responses	Response		(per Hour)	Hours
Private Sector	290	1	290	4	1,160	\$47.97	\$55,645
State, Local and Tribal Governments	10	1	10	4	40	\$47.97	\$1,919
Total	300	2	300	8	1,200	\$95.94	\$57,564

14. Estimate of annualized cost to the Government

The cost to the Federal government is the CDFI Fund staff time required to review certification applications submitted by applicants. The estimates of annualized cost to the Federal government based on a methodology that estimated the time and loaded labor rate for the CDFI Fund staff by GS level for the lifecycle of the collection. The estimated total cost is \$190,098.00.

Expense Category	Cost
CDFI Fund Staff	\$190,098
Total	\$190,098

Specifically, the CDFI Fund used actual hours by grade/step level of the application life cycle from pre-application preparation, application collection, and application review. The staff wage rate was based on the actual GS/step level and then multiplied by 1.63 to capture the value of non-wage compensation. The average fully loaded cost per hour was based on a standard 2,000 full time equivalent (FTE) hours per year.

CDFI Fund Staff Cost Calculation					
Grade Level	GS-12	GS-13	GS-14	GS-15	Total
Total Hours by Grade	600	800	0	400	1,800
Avg. FTE Fully Loaded Cost/Hour (See calculation below)	\$78	\$116	\$0	\$127	\$321
Total Cost by Grade (Total Hours * Fully Loaded Cost/Hour)	\$46,831	\$92,508	\$0	\$50,758	\$190,098
Calculation of FTE Fully Loaded Cost/Hour					
Actual FTE Annual Salary*	\$95,769	\$141,884	-	\$155,700	
Avg. FTE Fully Loaded	\$156,103	\$231,271	-	\$253,791	

Cost/Year using 1.63x multiplier					
Standard FTE Hours per year	2,000	2,000	0	2,000	
Avg. FTE Fully Loaded Cost/Hour	\$78	\$116	\$0	\$127	

**Reflects actual salary for FTE*

15. Any program changes or adjustments

There are no changes to the burden previously approved by OMB. This request seeks reinstatement of the approval for this request, which was temporarily discontinued for administrative reasons while public comment was sought on the application.

16. Plans for information tabulation and publication

Confidential or proprietary information collected through this information collection will not be published.

17. Reasons for not displaying expiration date of OMB approval

Display of the expiration date may lead to confusion among respondents who may have identical forms with a different expiration dates in their possession or lead them believe that this date represents a due date or sunset date. We request a non-display of the OMB expiration date.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

Not applicable.