

**Community Development Financial Institutions Fund, Department of the Treasury**

**Supporting Statement  
Community Development Financial Institutions Bond Guarantee Program  
OMB Control Number 1559-0044**

**A. Justification**

1. Circumstances necessitating collection of information

The purpose of the Community Development Financial Institutions (CDFI) Bond Guarantee Program (BG Program) is to support CDFI lending by providing Guarantees for Bonds issued by Qualified Issuers as part of a Bond Issue for Eligible Community or Economic Development Purposes. Established by the Small Business Jobs Act of 2010 (Pub. L. 111–240; 12 U.S.C. 4713a), the BG Program provides CDFIs with a source of long-term capital and furthers the mission of the CDFI Fund to increase economic opportunity and promote community development investments for underserved populations and distressed communities in the United States. To date the BG Program has guaranteed \$2.965 billion in Bonds.

Through the BG Program, applicants apply to be approved as a Qualified Issuer (QI), using the Qualified Issuer Application (QI Application). Qualified Issuers may submit Guarantee Applications to be approved for a Guarantee under the BG Program. Applicants are required to provide financial and program related information and, subject to approval, will enter into agreements that require the collection of reports that will be used for credit underwriting, compliance monitoring, and program evaluation purposes. The application information is required in order for program management to evaluate an applicant's capacity to effectively execute its obligations under the Bond Documents.

In compliance with the Office of Management and Budget's (OMB) *Circular No. A-129: Policies for Federal Credit Programs and Non-Tax Receivables* (OMB Circular A-129), the BG Program collects all necessary information to manage the portfolio effectively and to track progress towards policy goals. The Department of the Treasury's authority to collect the requested information, as well as the specified data collection areas and parameters, are consistent with the annual and periodic financial reporting requirements for the BG Program as defined in 12 CFR 1808.619 of the Final Interim Rule. The information outlined in the reporting requirements is crucial for adequately managing and monitoring the BG Program's total portfolio of outstanding Bond Loans. In order to do so, the CDFI Fund proposed the use of four reports: the Financial Condition Monitoring (FCM) Report, the Pledged Loan Monitoring (PLM) Report, the Annual Assessment, and the Secondary Loan Commitment Form and Certification. The CDFI Fund also seeks to require Eligible CDFIs to complete the Tertiary Loan Monitoring (TLM) Report. The purpose of the TLM Report is to verify the amount of collateralization pledged against the secondary loans for approved CDFIs that use the CDFI-to-financing entity asset class. These five reports are in addition to the Qualified Issuer Application, Guarantee Application, and Secondary Loan Requirements Certification.

The Financial Condition Monitoring (FCM) Report adds significantly to the Department of the Treasury's review of Borrower's (known as Eligible CDFIs (ECDFIs) within the Program) financial health and supports the CDFI Fund in proactively managing portfolio risks and performance surrounding Bond Loan repayment. The FCM Report is collected quarterly, and it

allows the BG Program to monitor and compare ECDFIs' balance sheets, income statements and cash flows, and portfolio quality in a standard format. The FCM Report supports risk detection and mitigation, which are crucial activities for the long-term operation and viability of the BG Program.

The Pledged Loan Monitoring (PLM) Report adds significantly to the Department of the Treasury's review of the use of Bond Loan Proceeds in underserved communities and supports the CDFI Fund in proactively managing portfolio risks and performance surrounding Bond Loan collateral. The PLM Report is a monthly report submission, allowing the BG Program to monitor the terms, payment performance and value of the underlying collateral (e.g., pledged loan receivables) for the Bond Loans on essentially a real-time basis. The PLM Report supports risk detection and mitigation, which are crucial activities for the long-term operation and viability of the BG Program.

The Annual Assessment adds significantly to the Department of the Treasury's review of Qualified Issuer's and ECDFI Borrower's ongoing capacity to fulfill their programmatic roles and responsibilities including, but not limited to, maintaining their financial capacity and ensuring the integrity of their internal controls. The Annual Assessment is an annual submission, allowing the BG Program to monitor compliance with the Bond Guarantee Program Regulations and executed Bond Issuance documents. The Annual Assessment supports risk detection and mitigation, which are critical activities for the long-term operation and viability of the BG Program.

The BG Program Secondary Loan Commitment Form and Certification will enable the BG Program to monitor ECDFIs and their compliance with certain requirements of the Interim Rule, namely that ECDFIs and Secondary Borrowers must execute Secondary Loan documents (i) for 50 percent of the Bond Loan proceeds no later than 12 months after the Bond Issue Date (Year 1 Commitment Test), and (ii) for 100 percent of the Bond Loan proceeds no later than 24 months after the Bond Issue Date (Year 2 Commitment Test) per 12 CFR 1808.307(b). This information is essential to ensure compliance with programmatic requirements, mitigate risk, prevent Guarantees from being called and the Secretary of the Treasury from paying the obligation, and to protect taxpayer dollars.

The Tertiary Loan Monitoring (TLM) Report adds significantly to the Department of the Treasury's review of the use of Bond Loan Proceeds in underserved communities and supports the CDFI Fund in proactively managing portfolio risks and performance surrounding certain Bond Loan collateral. The TLM Report is either a quarterly or monthly report submission, allowing the BG Program to monitor the terms, payment performance and value of the underlying collateral (e.g., tertiary pledged loan receivables for those approved CDFIs that are using the CDFI-to-Financing Entity Asset Class) for the Secondary Loans on essentially a real-time basis. The TLM Report supports risk detection and mitigation, which are crucial activities for the long-term operation and viability of the BG Program.

## 2. Method of collection and use of data

### *Qualified Issuer (QI) Application and Guarantee Application*

The CDFI Fund collects the Qualified Issuer Application and Guarantee Application on annual basis upon the annual Congressional authorization to issue Guarantees for the BG Program. The BG Program staff uses all application materials to determine an applicant's organizational expertise, experience and capacity to adhere to the requirements of the BG Program.

### *Financial Condition Monitoring (FCM) Report*

ECDFIs submit the FCM Report to the BG Program's Master Servicer via the Master Servicer's web-based portal. Within the Master Servicer's web-based portal, the BG Program's Credit and Risk Management (CRM) staff analyze the FCM Report data for each ECDFI individually, within ECDFI asset

size categories, and across the entire BG Program portfolio. Specifically, the CRM unit assesses financial and portfolio quality trends to ensure that ECDFIs remain capable of repaying the outstanding Bond Loan principal.

#### *Pledged Loan Monitoring (PLM) Report*

QIs administering approved Bond Issues and ECDFIs submit the Pledged Loan Monitoring (PLM) Report, for each ECDFI, to the BG Program's Master Servicer via the Master Servicer's web-based portal. The Master Servicer hosts all PLM Reports for each ECDFI on their web-based portal for the duration of the Bond Loan. The PMLM staff analyze the PLM Report data for each ECDFI individually across fiscal year cohorts and across the entire BG Program portfolio. Specifically, PMLM assesses delinquency trends, ensures that loan-to-value ratios remain adequate for the underlying assets of the collateral, reviews loan receivable balances, and analyzes lending patterns geographically and across asset classes.

#### *Annual Assessment*

QIs administering approved Bond Issues and ECDFIs submit the Annual Assessment report to the BG Program's Master Servicer via the Master Servicer's web-based portal. The BG Program's Compliance Management and Monitoring (CMM) staff analyze the results of the Annual Assessment of the QIs and ECDFIs across fiscal year cohorts and across the entire BG Program portfolio. Specifically, CMM staff analyze each participant's financial strength, portfolio management and servicing capability, management and governance policies, systems and information technology, and internal controls.

#### *Secondary Loan Commitment Form and Certification of Secondary Loan Commitment Form*

QIs administering approved Bond Issues and ECDFIs will submit the Secondary Loan Commitment Form and the Certification of Secondary Loan Commitment Form to the BG Program's Master Servicer via the Master Servicer's web-based portal. The BG Program's CMM staff will review the submitted materials to conduct an assessment of the ECDFI's ability to pass the Year 1 or the Year 2 Commitment Test.

#### *Tertiary Loan Monitoring (TLM) Report*

QIs administering approved Bond Issues and ECDFIs submit the Tertiary Loan Monitoring (TLM) Report, for each ECDFI, to the BG Program's Master Servicer via the Master Servicer's web-based portal. The Master Servicer hosts all TLM Reports for each ECDFI on their web-based portal for the duration of the Bond Loan. Data from the TLM Report is used to monitor the performance of pledged collateral for secondary loans that are in the CDFI-to-Financing Entity Asset Class, to ensure that required over collateralization for the Bond Loan is being maintained by loans pledged in this asset class.

### 3. Use of Information Technology

The CDFI Fund eliminated paper submission of all reporting information being collected for the BG Program. The Qualified Issuer Application and the Guarantee Application are submitted via the web through the Awards Management Information System managed portal at [amis.cdfifund.gov](http://amis.cdfifund.gov). The following reports are submitted by the ECDFIs and QIs via the Master Servicer's web-based portal: the Financial Condition Monitoring (FCM) Report, the Pledge Loan Monitoring (PLM) Report, the Annual Assessment, the Secondary Loan Commitment Form and Certification, and the Tertiary Loan Monitoring (TLM) Report. The Master Servicer Trustee manages their web-based portal and hosts these reports on their portal for the duration of the Bond Loan. The CDFI Fund evaluated the burden on utilizing this information technology for the aforementioned reports and found it to be the most efficient means available for the ECDFIs, QIs, and the BG Program staff. Collecting these reports via the Master

Servicer's web-based portal permits the ECDFIs to minimize reporting burden by retaining previously populated information for static data points from previous reports and only updating those data fields that change on a periodic basis. The BG Program participants pay the Master Servicer on a monthly basis. The CDFI Fund does not have a contractual relationship with the Master Servicer and the CDFI Fund does not pay the Master Servicer to access this information.

#### 4. Efforts to identify duplication

All of the information requested in the Qualified Issuer (QI) Application and the Guarantee Application is required to evaluate an applicant's ability to adhere to the requirements of the BG Program. The BG Program staff conducted a review of the reporting forms of other programs administered by the CDFI Fund and other Federal agencies to identify and eliminate duplication where possible. The BG Program staff also evaluated the public comments on the following forms to identify ways to eliminate the duplication of data collection through the CDFI Fund's other information collection systems: the Financial Condition Monitoring (FCM) Report, the Pledge Loan Monitoring (PLM) Report, Tertiary Loan Monitoring (TLM) Report, the Annual Assessment, and the Secondary Loan Commitment Form and Certification. These forms are critical to assessing the ECDFIs and QIs compliance with the BG Program regulations and Bond and Bond Loan Documents.

#### 5. Impact on small entities

This collection of information is not expected to have a significant impact on small entities. The BG Program application process includes an extensive review of an organization's capacity to manage a number of requirements and responsibilities, including sufficient organizational capacity and experience to manage the reporting requirements outlined in the Bond Loan Agreement. Due to the fact that the BG Program application process includes an extensive review of each organization's capacity to comply with post-award requirements up-front, BG Program staff expects that all Program participants possess the staff and knowledge capacity to complete the FCM PLM, and TLM Reports and possess the organizational infrastructure to undergo the Annual Assessment and Secondary Loan Commitment Form and Certification tests.

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

The CDFI Fund will not be able to properly evaluate an applicant's and a borrower's ability to execute the BG Program's requirements without this collection of data. The borrower's monitoring reports (PLM, TLM, and FCM), Annual Assessment, and Secondary Loan Commitment Form and Certification test comply with the requirements of OMB Circular A-129 and the Final Interim Rule that governs the BG Program (12 C.F.R. 1808.307(b)). These reports, the Annual Assessment, and the Secondary Loan Commitment Form and Certification tests inform the CDFI Fund of changes in ECDFIs' financial conditions; effectively manage portfolio risk and credit, add significantly to the Department of the Treasury's review and outcome analysis on the current and proposed use of Bond Proceeds in underserved communities; and support the CDFI Fund in proactively managing regulatory compliance.

#### 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 December 9, 2024, at 89 FR 97705, the CDFI Fund received two comment letters. Tables 1 and 2 in Appendix 1 identify the commenters and comment summaries.

#### 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 Qualified Issuer (QI) Application, Guarantee Application, FCM, PLM, TLM, Annual Assessment, and the Secondary Loan Commitment Form and Certification. The Qualified Issuer and the Guarantee Applications are submitted through the CDFI Fund’s Award Management Information System (AMIS). Access to the submitted Qualified Issuer and the Guarantee Applications is restricted to the applicant and their designated representatives through an authenticated and secure applicant profile. Access to the Qualified Issuer and Guarantee Applications are limited to the BG Program staff who are subject to all Federal regulations and completed annual privacy and cybersecurity training.

The FCM, PLM, TLM, Annual Assessment, and the Secondary Loan Commitment Form and Certification are submitted to the Master Servicer via the Master Servicer’s web-based portal. The ECDFIs and QIs have a contractual relationship with the Master Servicer and receive services from the Master Servicer to maintain these reports. The Master Servicer hosts all these reports for each ECDFI and QI on its web-based portal for the duration of the Bond Loan. Access to the Master Servicer’s web-based portal to submit these aforementioned reports is restricted to the QIs, the ECDFIs, and designated representatives of the QIs and ECDFIs through an authenticated and secure QI and ECDFI profile. The BG Program staff is granted access to these reports. BG Program staff are subject to all Federal regulations and complete annual privacy and cybersecurity training.

11. Justification of sensitive questions.

No sensitive personally identifiable information (PII) is collected.

12. Estimate of the hour burden of information collection.

**Bond Guarantee Program Application Materials**

<b>Information Collection</b>	<b>No. Respondents</b>	<b>No. Responses Per Respondent</b>	<b>Annual Responses</b>	<b>Hours Per Response</b>	<b>Total Burden</b>
Qualified Issuer Application	5	1	5	80	400
Guarantee Application	15	1	15	80	1,200
<b>TOTALS</b>	<b>20</b>	<b>1</b>	<b>20</b>	<b>80</b>	<b>1,600</b>

**Financial Condition Monitoring (FCM) Report - Estimated Reporting Burden**

<b>Responsible Party</b>	<b>Number of Respondents</b>	<b>No. of Responses Per Respondent</b>	<b>Number of Annual Responses</b>	<b>Hours Per Response</b>	<b>Total Burden</b>
ECDFI	30	4	120	2	240
QI	10	4	40	1	40
<b>TOTALS</b>	<b>40</b>	<b>4</b>	<b>160</b>	<b>1.75</b>	<b>280</b>

**Pledged Loan Monitoring (PLM) Report - Estimated Reporting Burden**

<b>Responsible Party</b>	<b>Number of Respondents</b>	<b>No. of Responses Per Respondent</b>	<b>Number of Annual Responses</b>	<b>Hours Per Response</b>	<b>Total Burden</b>
ECDFI	30	12	360	2	720

QI	10	12	120	1	120
TOTALS	40	12	480	1.75	840

**Tertiary Loan Monitoring (TLM) Report - Estimated Reporting Burden**

Responsible Party	Number of Respondents	No. of Responses Per Respondent	Number of Annual Responses	Hours Per Response	Total Burden
ECDFI	10	12	120	2	240
QI	5	12	60	1	60
TOTALS	15	12	180	1.666	300

**Annual Assessment – Estimated Reporting Burden**

Responsible Party	Number of Respondents	No. of Responses Per Respondent	Number of Annual Responses	Hours Per Response	Total Burden
ECDFI	30	1	30	2	60
QI	10	1	10	2	20
TOTALS	40	1	40	2	80

**Secondary Loan Commitment Form and Certification – Estimated Reporting Burden**

Responsible Party	Number of Respondents	No. of Responses Per Respondent	Number of Annual Responses	Hours Per Response	Total Burden
ECDFI	30	1	30	4	120
QI	10	1	10	1	10
TOTALS	40	1	40	3.25	130

**All Forms – Estimated Reporting Burden**

Form	Number of Respondents	No. of Responses Per Respondent	Number of Annual Responses	Hours Per Response	No. of Hours Annually
Bond Guarantee Program Application Materials	20	1	20	80	1,600
Financial Condition Monitoring (FCM) Report	40	4	160	1.75	280
Pledged Loan Monitoring (PLM) Report	40	12	480	1.75	840
Tertiary Loan Monitoring	15	12	180	1.66	300

(TLM) Report					
Annual Assessment	40	1	40	2	80
Secondary Loan Commitment Form and Certification	40	1	40	3.25	130
<b>TOTAL</b>			920		3,230

**13. Estimate of total annual cost burden to respondents**

There are no additional capital, start-up or ongoing operational, or maintenance costs associated with the information collection for the Bond Guarantee Program. No purchases of equipment or services are necessary to complete the Bond Guarantee Program Application Materials, the Financial Condition Monitoring (FCM) Report, the Pledged Loan Monitoring (PLM) Report, the Tertiary Loan Monitoring (TLM) Report, the Annual Assessment, and the Secondary Loan Commitment Form and Certification.

The following are the estimated personnel costs associated with completing the Application Materials and FCM Report, PLM Report, TLM Report, Annual Assessment and Secondary Loan Commitment Form and Certification. The Time Values are based on amounts per the Bureau of Labor Statistics (BLS).

**Bond Guarantee Program Application Materials – Estimated Annualized Cost Burden**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	20	1	20	80	1,600	\$84.05 <sup>1</sup>	\$134,480
<b>Total</b>	20	1	20		1,600		\$134,480

**Financial Condition Monitoring (FCM) Report - Estimated Annualized Costs to Respondents**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	40	4	160	1.75	280	\$84.05 <sup>1</sup>	\$23,534
<b>Total</b>	40	4	160		280		\$23,534

**Pledged Loan Monitoring (PLM) Report - Estimated Annualized Costs to Respondents**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours

<sup>1</sup> Bureau of Labor Statistics, Mean Hourly Wage. May 2023, <http://www.bls.gov/oes/current/oes113031.htm>. Mean Hourly Wage was reported as \$84.05.

		<b>Respondent</b>				<b>Hour)</b>	<b>Hours</b>
Private Sector	40	12	480	1.75	840	\$54.30 <sup>2</sup>	\$46,612
Total	40	12	480		840		\$46,612

**Tertiary Loan Monitoring (TLM) Report - Estimated Annualized Costs to Respondents**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	15	12	180	1.666	300	\$54.30 <sup>3</sup>	\$16,290
Total	15	12	180		300		\$16,290

**Annual Assessment – Estimated Annualized Cost to Respondents**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	40	1	40	2	80	\$54.30 <sup>4</sup>	\$4,344
Total	40	1	40		80		\$4,344

**Secondary Loan Commitment Form and Certification – Estimated Annualized Cost to Respondents**

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	40	1	40	3.14	130	\$54.30 <sup>3</sup>	\$7,059
Total	40	1	40		130		\$7,059

**All Forms – Estimated Annualized Cost to Respondents**

Form	Total Annualized Cost
Bond Guarantee Program Application Materials	\$134,480
Financial Condition Monitoring (FCM) Report	\$23,534

<sup>2</sup> Bureau of Labor Statistics, Mean Hourly Wage, May 2023, <http://www.bls.gov/oes/current/oes132051.htm>. Mean Hourly Wage was reported as \$54.30.

<sup>3</sup> Bureau of Labor Statistics, Mean Hourly Wage, May 2023, <http://www.bls.gov/oes/current/oes132051.htm>. Mean Hourly Wage was reported as \$54.30.

<sup>4</sup> Bureau of Labor Statistics, Mean Hourly Wage, May 2023, <http://www.bls.gov/oes/current/oes132051.htm>. Mean Hourly Wage was reported as \$54.30.



Pledged Loan Monitoring (PLM) Report	\$46,612
Tertiary Loan Monitoring (TLM) Report	\$16,290
Annual Assessment	\$4,344
Secondary Loan Commitment Form and Certification	\$7,059
<b>TOTAL</b>	<b>\$232,319</b>

14. Estimate of annualized cost to the Government

The cost to the government is the CDFI Fund staff and contractor time required to develop the Application, review submitted Applications, collect follow-up information from Applicants, close the Bond Loan Agreements, and monitor the portfolio. 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 general scale (GS) level and cost of contractor services. The estimated total cost is \$5,034,282.

<b>Expense Category</b>	<b>Cost</b>
IT Contract	\$130,129
Underwriting and Portfolio Management Contracts	\$2,219,507
CDFI Fund Staff	\$2,684,646
<b>Total</b>	<b>\$5,034,282</b>

Specifically, the CDFI Fund estimated the hours by grade level for each step of the Application life cycle including the Application material preparation, Application review, Bond Loan Closing process, and monitoring the portfolio. The staff wage rate was based on Step 5 of the respective GS 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.

15. Any program changes or adjustments

The Bond Guarantee Program made revisions to the applications to enhance ease of use by applicants. The FCM report has been updated to allow for a single signature, to reduce administrative burdens. The TLM report has been updated to allow for appropriate asset classes as well as clarified the instructions. The Secondary Loan Commitment Test form has been updated to increase functionality and ease of use.

The total requested hours decreases by 6,643 hours due to agency discretion.

16. Plans for information tabulation and publication

No information will be published. In keeping with Federal regulations and laws, confidential and proprietary information collected through all Bond Guarantee Program materials associated with this Information Collection Request (ICR) will not be published.

17. Reasons for not displaying expiration date of OMB approval

Display of the OMB expiration date may cause confusion for the applicants and borrowers due to the different reporting timelines for information collections and long-term nature of the financial instrument. Therefore, the non-display of the OMB expiration date is requested.

18. Explanation of exceptions to certification statement

Not applicable.

**B. Collections of Information Employing Statistical Methods**

This section is not applicable.

**Appendix 1: The Bond Guarantee Program Secondary Loan Commitment Form and Certification Respondents and Comment Summary**

**Table 1: Secondary Loan Commitment Form and Certification Respondents**

No.	Organization Name	Organization Representative	Date Submitted
1	Community Reinvestment Fund  and  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	February 7 <sup>th</sup> , 2025
2	Community Reinvestment Fund  and  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	February 7 <sup>th</sup> , 2025

**Table 2: The Bond Guarantee Program Secondary Loan Commitment Form and Certification Comment Summary**

<b>Date of Comment Submission</b>	<b>Organization</b>	<b>Author / Position</b>	<b>Category</b>	<b>Author's Description</b>	<b>Author's Recommendation</b>	<b>BGP Response</b>
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Guarantee Application	Application Timing & Process Improvements: We request that the CDFI Fund establish a consistent application release date in January each year to ensure a more effective and efficient process.	Consistent release date in January.	BGP will take the suggested recommendation into consideration for future rounds.
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Guarantee Application	B-ID-9B-Pipeline (History): Currently, the ECDFI Application instructions lack sufficient guidance on the B-ID-9B Pipeline (History) template, making it difficult for applicants to navigate submission requirements.	Explicitly reference the B-ID-9B Excel workbook in the PDF Guarantee Application Instruction manual to ensure applicants understand this requirement and improve clarity and usability. Remove B-ID-9I-Cumulative Financing Transactions because this information is	Applicants, including from the Qualified Issuer Representatives, may reach out to the BG Program via <a href="mailto:bgp@cdfi.treas.gov">bgp@cdfi.treas.gov</a> with specific application questions if they have questions about the guidance. The BG Program has determined that the currently collected information is necessary for evaluating the Guarantee Application.

					already captured in B-ID-9B Pipeline (History).	
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Guarantee Application	9H-Loan Portfolio by Risk Rating and Loan Loss Reserve: Applicants must submit risk rating policies and procedures in an Excel format, which creates inefficiencies due to the significant amount of copying and pasting required. This impedes effective review by QIs and the CDFI Fund when assessing the credit quality of ECDFIs.	Allow PDF Submissions in addition to Excel, which would reduce the manual burden. Allowing CDFIs to submit their board-approved risk rating policy directly as a PDF would ensure clarity and minimize unnecessary reformatting efforts.	The BG Program will make the necessary change to enable PDF and Excel submissions for 9H-Loan Portfolio by Risk Rating and Loan Loss Reserve for the FY 2026 Application Round.
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Secondary Loan Requirements	The LTV requirements for real estate backed loans are currently at a max of 80%. This max fails to reflect market realities for certain high-performing secure asset classes. Loans in the Multifamily Affordable Housing (MFAH) Rental Housing asset class with Low-Income Housing Tax Credits (LIHTC) have a risk profile that justifies a max 90% LTV	Add Asset Class-Specific LTV Adjustment: Increase the LTV threshold from 80% to 90% for MFAH Rental Housing to reflect the risk profile of these secure asset classes. • Provide Asset Class Guidance: Include examples or thresholds for acceptable LTV adjustments in the certification	In accordance with the Secondary Loan Requirements, the required loan-to-value varies with the type of real estate and its position as Secondary Loan Collateral. The Loan-to-Value thresholds are long standing policy of the BG Program that were established in consultation with OMB. The BG Program will consider examples of the type of instructions that would provide further clarity.

				requirement.	instructions to ensure clarity and consistency.	
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	FCM Report	Participation Loans – Allow for Eligibility and Guidelines: Current guidance lacks clarity on the eligibility of participation loans as collateral for Secondary Loans. This omission creates inefficiencies and increases costs for ECDFIs. Participation loans are a common practice among CDFIs and banks and can simplify loan servicing compared to co-lending structures.	<ul style="list-style-type: none"> <li>• Define Participation Loan Eligibility</li> <li>• Streamline Loan Servicing for Participation Loans</li> <li>• Enable Collateral Substitutions for Participation Loans</li> </ul>	This recommendation regards policy for acceptance of proposed Secondary Loan Collateral and is unrelated to burden. BG Program suggests that the question be submitted through a current Qualified Issuer for consideration via an alternative forum.
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	FCM Report	Attestation & Reporting Requirements: The FCM requires two signatures to ensure ECDFI accountability, one signature from the ECDFI’s CEO/CFO and a second from a designated ECDFI officer. In addition, ECDFIs must submit quarterly financial attestations certifying the accuracy of submitted financials.	Eliminating this additional attestation reduces administrative burdens without compromising Fund portfolio management duties.	The FCM report will continue to require the CEO/CFO level signature; however, the BG Program has removed the requirement of a signature from a Designated Officer from the FCM Report.

				This additional attestation is redundant, as ECDFIs are already held accountable through their signed loan agreements and other BGP compliance requirements.		
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	FCM Report	Reporting Frequency for Performing ECDFIs: All ECDFIs, regardless of their performance history, are required to submit FCM reports and related financial documents quarterly. This approach does not account for the proven compliance records of ECDFIs.	We recommend that Performing ECDFIs, defined below, be allowed to submit FCM reports on a semi-annual basis instead of quarterly. Shifting to semi-annual reporting would cut down on administrative costs for both ECDFIs and the CDFI Fund, including time spent on data collection, verification, and submission. Newer participants or those flagged for risk-related concerns should continue to submit quarterly reports until they demonstrate a track record of performance with the BGP.	The BG Program will not consider this recommendation at this time and has determined it needs to continue to collect this data the currently frequency to effectively monitor risk under the program. (Bond Loan Agreement Section 5.1(f)).
2/7/2025	Community	Jennifer Novak,	PLM Report	In the PLM reports,	We recommend	Each monthly PLM is

	<p>Reinvestment Fund</p> <p>Opportunity Finance Network</p>	<p>Senior VP Community Reinvestment Fund</p> <p>Linnea Dockter, Director Community Reinvestment Fund</p> <p>Shakeyda Daniels, Senior VP Opportunity Finance Network</p>		<p>unnecessary fields create inefficiencies for ECDFIs.</p> <p>For example, many columns in the PLM require “NA” (Not Applicable) responses, specifically in sections related to co-borrower information or asset descriptions. These fields do not apply to any loans, making their inclusion unnecessary.</p>	<p>removing NA columns and redundant fields that do not apply to all loans, such as Secondary Co-Borrower Information (Lines 11k–11t) which are always unnecessary if there is no co-borrower.</p>	<p>downloaded in our internal IT system and any change in the number of columns would require updating the coding in our system. Currently, the CDFI Fund does not have any funds allocated for IT system changes. Also, these fields are optional so do not create any extra work for the entities that are required to complete the PLM Reports.</p>
2/7/2025	<p>Community Reinvestment Fund</p> <p>Opportunity Finance Network</p>	<p>Jennifer Novak, Senior VP Community Reinvestment Fund</p> <p>Linnea Dockter, Director Community Reinvestment Fund</p> <p>Shakeyda Daniels, Senior VP Opportunity Finance Network</p>	TLM Report	<p>Data Template Tab: The Collateral Type (Column Q) dropdown currently provides only three options: 1) Commercial Real Estate, 2) Multi-Family, and 3) Owner-Occupied Homes. However, Tertiary Loans may be pledged with any form of eligible collateral per the Secondary Loan Requirements.</p>	<p>We recommend:</p> <ul style="list-style-type: none"> <li>• Expand the Collateral Types Options: Update the dropdown options to include all eligible collateral types consistent with the Secondary Loan Requirements, such as: <ul style="list-style-type: none"> <li>o Real Estate</li> <li>o Leasehold Interests</li> <li>o Machinery, Equipment, and Movable</li> <li>o Cash and Cash Equivalent</li> <li>o Accounts Receivable</li> <li>o Letters of Credit</li> </ul> </li> </ul>	<p>The BG Program will rename the Collateral Type column (10a) as Asset Class column with the list of asset classes shown in a dropdown menu. This would not disrupt our internal IT system as the number of columns would stay the same.</p>



					<ul style="list-style-type: none"> <li>o Inventory</li> <li>o Fixtures</li> <li>o Contracted Revenue Streams</li> <li>o Principal Loss Collateral Provision</li> </ul>	
2/7/2025	<p>Community Reinvestment Fund</p> <p>Opportunity Finance Network</p>	<p>Jennifer Novak, Senior VP Community Reinvestment Fund</p> <p>Linnea Dockter, Director Community Reinvestment Fund</p> <p>Shakeyda Daniels, Senior VP Opportunity Finance Network</p>	TLM Report	The TLM template also lacks a dedicated column to indicate the asset class, which is necessary to determine eligibility, compliance, and track portfolio concentration in the Updated Capital Distribution Report.	Add Asset Class Column to explicitly identify asset type for each tertiary loan, aligning with the Fund’s eligibility criteria.	<ul style="list-style-type: none"> <li>• On the data template, we would add the Asset Class Column and include as drop down the following tertiary loan Asset Classes: CDFI to CDFI Charter Schools Commercial Real Estate Daycare Centers Healthcare Facilities Rental Housing Rural Infrastructure Owner-Occupied Homes Senior Living and Long-Term Care Small Business Not-for Profit Organizations</li> <li>• On the instruction tab of the TLM report we will replace the definition of the Collateral Type with the one for Asset Class.</li> </ul>
2/7/2025	<p>Community Reinvestment Fund</p> <p>Opportunity Finance Network</p>	<p>Jennifer Novak, Senior VP Community Reinvestment Fund</p> <p>Linnea Dockter, Director</p>	TLM Report	Instructions Tab 1	Data Template: Address Fields for Small Business Loans: <ul style="list-style-type: none"> <li>• Items H and I, Address 1, and Address 2: For small</li> </ul>	Items H and I, Address 1, and Address 2, we would change the instructions from Leave Blank to Leave blank for any loans that are made to individuals regardless of their asset class.

		Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network			business loans that are made to individuals, please clarify if address information should be left blank. The current guidance requires these fields to be blank for owner-occupied home mortgages.	
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	TLM Report	Instructions Tab 2	Loan Financing Structure Definitions: • Item AC, Loan Financing Structure Type: Provide additional details in the definitions for Origination, Refinance – Origination and Refinance – Acquisition to ensure ECDFIs understand the distinguishing differences for each option. The Loan Financing Structure Definition also applies to the PLM Report.	The BG Program will reach out to the submitters for additional information and consider revising form guidance as necessary.
2/7/2025	Community Reinvestment Fund	Jennifer Novak, Senior VP Community	TLM Report	Instructions Tab 3	Insert Calculated Field for Current LTV:	Due to internal IT system limitations, the TLM report cannot include calculations.

	Opportunity Finance Network	Reinvestment Fund Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network			<ul style="list-style-type: none"> <li>Item AN, Current LTV: The guidance states: “Enter Current Loan to Value of this loan.” We recommend defining this calculation as Column T divided by Column AM and formatting it as a calculated field.</li> </ul>	As a result, the recommendation is not feasible at this point.
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	TLM Report	Instructions Tab 4	<ul style="list-style-type: none"> <li>Items F and G, Address 1, and Address 2: For small business loans that are made to individuals, please clarify if address information should be left blank. The current guidance requires these fields to be blank for owner-occupied home mortgages.</li> </ul>	The CDFI Fund will revise the guidance to clarify how to complete these fields should be completed for loans to individuals.
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund	TLM Report	Instructions Tab 5	Reason for Loan Drop Drop-down: <ul style="list-style-type: none"> <li>Item K: Reason for Drop: We recommend making this a standard drop-down menu with the following categories: <ul style="list-style-type: none"> <li>o Paid off</li> </ul> </li> </ul>	This feature is already part of the TLM report.

		Shakeyda Daniels, Senior VP Opportunity Finance Network			o Non-performing o Other	
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	TLM Report	Instructions Tab 6	Secondary Loan OC Calculation: Programmed Link for Tertiary Loans Unpaid Principal Balances: • Item D7, Tertiary Loans Unpaid Principal Balances (a): The guidance currently states: “Enter the total sum of all current pledged tertiary loan balances from column T from the 'Data Template' tab.” We recommend a programmed link from the sum of unpaid balances from the ‘Data Template’ tab to Item D7, Tertiary Loans Unpaid Principal Balances (a), on the ‘Secondary Loans OC Calculation’ tab.	Due to our internal IT system limitations, the TLM report cannot include calculations and links among the different tabs. As a result, this recommendation is not feasible at this time.
2/7/2025	Community Reinvestment	Jennifer Novak, Senior VP	TLM Report	Instructions Tab 7	Reporting of Cash Held in Lieu of	The guidance currently states, " Enter the amount

	<p>Fund</p> <p>Opportunity Finance Network</p>	<p>Community Reinvestment Fund</p> <p>Linnea Dockter, Director Community Reinvestment Fund</p> <p>Shakeyda Daniels, Senior VP Opportunity Finance Network</p>			<p>Tertiary Loans:</p> <ul style="list-style-type: none"> <li>• Item D8, Cash held in lieu of Tertiary Loans (b): The guidance currently states, “Enter the amount from the 'Restricted Account' balance used to fulfill OC amount, if needed. If no funds were used to fulfill OC, then list as \$0.” We recommend reporting Item D8 in alignment with the Bond Loan Overcollateralization Test (OC Test), in which all Required Overcollateralization Account (ROCA) funds that are in the account at the reporting period end date are included in the Bond Loan OC Test calculation.</li> </ul>	<p>from the 'Restricted Account' as the it is important to specify that the ECDFI borrowers should not commingle the funds for the tertiary loans with the one used with the secondary loans. Each ECDFI that are required to submit their TLM report should keep a restricted cash account to comply with the required OC test at tertiary loan level.</p>
2/7/2025	<p>Community Reinvestment Fund</p> <p>Opportunity Finance Network</p>	<p>Jennifer Novak, Senior VP Community Reinvestment Fund</p> <p>Linnea Dockter, Director Community</p>	Annual Assessment Report	ECDFIs face unnecessary and significant administrative burdens and costs from annual assessments, despite having a proven record of compliance and	We recommend reducing the AAR frequency to a triennial (every three years) cycle for Performing ECDFIs to alleviate the administrative	The BG Program will take this recommendation into consideration at the appropriate time, but each current ECDFI has already agreed to submit Annual Assessments and Vendor Certifications through the

		Reinvestment Fund Shakeyda Daniels, Senior VP Opportunity Finance Network		financial strength. The benefit versus cost of this exercise needs to be assessed by the Fund.	burdens of the ECDFI without compromising oversight.	information covenants in the Bond Loan Agreement section 5.1(i).
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Annual Assessment Report	Standardize and Streamline AAR Submission & Template: The timing and format of AARs can be improved to reduce duplicative tasks.	<ul style="list-style-type: none"> <li>Align AAR timing and structure with the Fund’s review process to prevent redundant requests and reduce overlap with audit finalizations.</li> <li>Modify the AAR template to integrate commonly requested financial and portfolio metrics upfront, ensuring the Fund has necessary data without requiring separate inquiries.</li> </ul>	The BG Program will take this recommendation into consideration at the appropriate time, but each current ECDFI has already agreed to submit Annual Assessments and Vendor Certifications through the information covenants in the Bond Loan Agreement section 5.1(i).
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP	Secondary Loan Commitment Tests	Current structure lacks consistency with other BGP reporting templates, creating inefficiencies in submission and review.	Add Standardized Instructions: Include a detailed instructions tab within the Excel template to ensure uniform guidance for all users, replacing the need for separate email clarifications.	The BG Program will consolidate the Certification signature page and Instructions into tabs on the Excel spreadsheet to consolidate the documents into one submission for the Secondary Loan Commitment Test.

		Opportunity Finance Network				
2/7/2025	Community Reinvestment Fund  Opportunity Finance Network	Jennifer Novak, Senior VP Community Reinvestment Fund  Linnea Dockter, Director Community Reinvestment Fund  Shakeyda Daniels, Senior VP Opportunity Finance Network	Secondary Loan Commitment Tests	Current structure lacks consistency with other BGP reporting templates, creating inefficiencies in submission and review.	Consolidate Certification into the Template: Integrate the Secondary Loan Certification signature page directly within the Excel workbook, rather than as a standalone Word document.	The BG Program will consolidate the Certification signature page and Instructions into tabs on the Excel spreadsheet to consolidate the documents into one submission for the Secondary Loan Commitment Test.