



COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

UNITED STATES DEPARTMENT OF THE TREASURY

CDFI Fund • 601 Thirteenth Street, NW • Suite 200, South • Washington, DC 20005 • (202) 622-8662

EXPANDING NATIVE OPPORTUNITY: NATIVE AMERICAN CDFI ASSISTANCE PROGRAM FY 2006 APPLICATION

OMB No. 1559-0025

CDFI- 0009

Paperwork Reduction Act Notice

This submission requirements package is provided to Applicants for awards under the Native American CDFI Assistance 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, 601 Thirteenth Street, N.W., Suite 200-South, Washington, DC 20005.

All materials are available on the CDFI Fund Website: www.cdfifund.gov.

Catalog of Federal Domestic Assistance Number:

21.021

INTRODUCTION

CDFI FUND – MISSION AND PROGRAMS

The mission of the Community Development Financial Institutions Fund (the Fund) of the U.S. Department of the Treasury is to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States. It achieves its mission by directly investing and supporting Community Development Financial Institutions (CDFIs), Community Development Entities (CDEs), and other financial institutions through the following programs:

- CDFI Program.
- Bank Enterprise Award (BEA) Program.
- New Markets Tax Credit (NMTC) Program.
- Initiatives for Expanding Native Opportunity.

Information on the Fund's programs can be found on the Fund's website at www.cdfifund.gov.

NOTE Capitalized terms (other than titles) are defined in the Notice of Funds Availability (NOFA) for the FY 2006 round, the CDFI Program Regulations, or the Program Glossary, which are available on the Fund's website at www.cdfifund.gov. Certain terms used throughout the Application have meanings unique to the NACA Program. An Applicant should become familiar with these meanings by consulting the NOFA, regulations, and glossary.

LEGISLATIVE BACKGROUND

The Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. §§ 4701 *et seq.*) (the Act) authorizes the Fund to promote economic revitalization and community development through investment in and assistance to CDFIs through the CDFI Program. In addition, the Consolidated Appropriations Resolution for fiscal year (FY) 2006 (Pub. Law No. 109-77) authorizes the Fund to provide financial and technical assistance, training, and outreach to benefit Native American, Alaska Native and Native Hawaiian people and communities (hereafter referred to as Native Communities), with such benefit being provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, Tribes, tribal entities, and other suitable providers.

THE FUND'S INITIATIVES FOR EXPANDING NATIVE OPPORTUNITY

Pursuant to the Act, in 2001, the Fund completed and published the Native American Lending Study (the Study), which identified significant barriers to lending and investment in Native Communities throughout the country and strategies for overcoming those barriers. One of the barriers identified by the Study is that there are few CDFIs and other financial institutions serving Native Communities. Since CDFIs are important tools for developing self-sustaining economies in many underserved communities, the Fund seeks to assist Native Communities to create CDFIs that will Primarily Serve Native communities as well as to strengthen CDFIs already primarily serving those communities. Primarily Serves is defined as 50% or more of an Applicant's activities being directed to a Native Community. A Native CDFI is defined as a CDFI that Primarily Serves a Native Community.

The Fund's Initiatives for Expanding Native Opportunity (formerly called the Native Initiatives) consist of two principle efforts: (1) direct funding through the Native American CDFI Assistance (NACA) Program; and (2) training and technical assistance through the Native Community Financing Initiative and the Native IDA (Individual Development Account) Initiative.

- NACA Program: Through the NACA Program, the Fund provides (i) Financial Assistance (FA) and/or Technical Assistance (TA) awards to Native CDFIs and entities that can be certified as Native CDFIs at time of Application; and (ii) TA awards to entities that propose to become Native CDFIs within two years; and (iii) TA awards to “Sponsoring Entities” (e.g., Native organizations, Tribal organizations) that propose to create separate legal entities that will become Native CDFIs within three years.
- Native Communities Financing Initiative (the Training Program): The Fund has contracted with the National Community Capital Association (NCCA) and its subcontractor, the First Nations Oweesta Corporation (Oweesta), to provide two training courses for Native organizations and Native communities in developing CDFIs. Participants are eligible to receive follow-up TA from NCCA and Oweesta. The Fund strongly encourages organizations interested in becoming or creating a Native CDFI to participate in this program. For more information, see the Native Initiatives/Expanding Native Opportunity page of the Fund’s website: www.cdfifund.gov.
- Native IDA Initiative: The Fund has contracted with the Corporation for Enterprise Development (CFED) and its subcontractors, Oweesta and the First Nations Development Institute to offer a comprehensive training and TA program to help Native organizations and Native Communities design, implement, and sustain IDAs. The Native IDA Initiative combines 3-day training institutes with ongoing customized follow-up TA to participants.

FY 2006 NACA Program

Through the FY 2006 NACA Program Application, an Applicant may request an award for FA, TA, or both FA and TA.

FINANCIAL ASSISTANCE

The Fund provides an FA award in the form of grants, loans, deposits and Insured Credit Union (ICU) shares, equity investments, and Secondary Capital Accounts. The form of the award is based on the form of match the Applicant demonstrates it has available. The Fund will match the size and form of the FA from a non-federal source. For example, an Applicant that receives a 10-year loan for \$200,000 at 2% interest per year will receive a 10-year loan for \$200,000 at 2% per year from the Fund if it is approved for an FA award of at least \$200,000. **FA funds are only available to Certified Native CDFIs.** The maximum size of an FA award depends on the amount of eligible, in-hand Matching Funds and the Applicant’s demonstrated capacity to deploy the Award. The Fund expects to make FA Awards of no more than \$500,000 (including TA), although it will consider well-justified FA requests of up to \$1 million, if funds are available.

TECHNICAL ASSISTANCE

The Fund provides a TA award in the form of a grant to a Native CDFIs, an entity proposing to become a Native CDFI, or a Sponsoring Entity (defined below) proposing to create a Native CDFI. The Fund evaluates TA requests in the context of whether the requested products or services will build the Applicant’s capacity to address the community development and capital access needs of its Target Market(s) through its own activities or by creating or becoming a Native CDFI. A TA award does not require Matching Funds. The Fund generally supports expenses for distinct projects or technology enhancements. The Fund will also consider requests for recurring activities (referred to as operating expenses) where there is a clear link to building the Applicant’s capacity.

The Fund generally will not make TA awards over \$150,000 – including no more than \$100,000 for operating expenses. Nor will the Fund generally make awards over the amount requested by the Applicant. Therefore, an Applicant should consider organizational needs and projected costs carefully in developing the TA request. An Applicant must provide information regarding the expected cost, timing, and provider of the products or services to be funded by the TA, and a narrative description of how the acquired Financial Products, Development Services, and/or Financial Services will enhance its capacity to

serve its Target Market and/or to become certified as a Native CDFI or to create a Native CDFI, if applicable. To be considered for a TA award, an Applicant must submit a request for items falling into one or more of the four categories described below:

1. **Consulting Services.** An Applicant may request a TA grant to acquire external expertise that will increase its capacity to serve and benefit its Target Market or to become or create a Native CDFI. Requested services should be non-recurring, product specific, and closely linked to the achievement of the Applicant's Comprehensive Business Plan (CBP) – Section III of this application . (Recurring consulting services should be requested under the Operating Expenses category.) Examples of consulting service requests include:
 - Developing lending policies and procedures or a market analysis.
 - Evaluating existing or new investment products and training services.
 - Providing recommendations regarding information technology improvements.
2. **Technology.** An Applicant may request TA to acquire new technology or enhance existing technology to serve its Target Market better, including upgrading its capacity to collect, electronically track, and report community development impact data. Technology includes computer hardware, computer software, and office equipment. Training related to the use of acquired Technology should be included in this category rather than under Training. Use of a consultant for technology related services other than for installation (such as creation of a website or recommendations for purchasing hardware) should be included under Consulting Services. Examples of eligible Technology uses include:
 - Acquiring and installing a local area network and related peripherals.
 - Acquiring and installing a new photocopier.
 - Expanding or upgrading portfolio management software.
3. **Training.** An Applicant may request a TA grant to acquire external training for its staff, volunteers, or Governing Board members. The objective of requested Training should be to increase the effectiveness of existing and future administrative operations and programs by developing its human capital. Costs associated with training the Applicant's customers and volunteers are not eligible Training activities. Such activities may be eligible under Operating Expenses. An Applicant should include the cost of the Training event as well as associated travel expenses. Examples of eligible Training activities include:
 - Staff training in loan underwriting or in the provision of Development Services.
 - Staff training in how to provide homebuyer education classes.
 - New Governing Board member training in CDFI oversight and operations.Travel costs associated with attending the training can be included under this category. Travel expenditures related to training must be reasonable and consistent with the Applicant's own travel policies. Training may be provided on site or obtained off site.
4. **Operating Expenses.** An Applicant may request a TA grant to cover Operating Expenses – specifically, any expense allowable under OMB Circular A-87 where the Applicant can demonstrate that the activity will enhance its capacity to serve its Target Market and/or to become certified as a Native CDFI. An Applicant seeking a TA grant in this category must clearly link the activity to the achievement of a capacity building objective. An Applicant may request TA for staff salary only if it can demonstrate that it has qualified staff available to complete the activity. Examples of eligible operating expenses include:
 - Covering the salary and benefits for a new loan officer or other critical position.
 - Funding an expansion or relocation of the Applicant's office space.
 - Hiring a consultant to provide Development Services on behalf of the Applicant.

APPLICANT ELIGIBILITY FACTORS

There are several factors that determine whether an organization is eligible to apply under the FY 2006 funding round. The information below explains these factors and which type of funding (FA vs. TA) an organization is eligible to apply for based on its certification and compliance status.

Legal Entity

At the time an entity submits its Application, it must be a duly organized and validly existing legal entity under the laws of the applicable jurisdiction (including a Tribal jurisdiction), in which it is incorporated or otherwise established.

Certification Status

Eligible Applicants consist of three types of entities. An Applicant's type affects its eligibility for FA. While an Applicant should identify the type that best fits its situation, the Fund reserves the right to re-categorize an Applicant that chooses the incorrect type.

Type 1 Applicant: Certified or Certifiable Native CDFI.

- Certified Native CDFI: Any Certified Native CDFI whose certification has not expired and that has not been notified by the Fund that its certification has been terminated. A Certified Native CDFI Applicant must include a Certification of Material Event Form (see page 24) with its NACA application.
- Certifiable Native CDFI: A Certifiable Native CDFI is an entity that Primarily Serves a Native Community and from which the Fund receives a complete CDFI Certification Application – prior to or simultaneous with its NACA Application – evidencing that the Applicant meets all requirements to be certified as a Native CDFI.
 - A Certifiable Native CDFI may submit a complete CDFI Certification Application prior to the NACA Application deadline by following the instructions contained in the CDFI Certification Application. If an Applicant chooses to submit a CDFI Certification Application with its NACA Application, it should follow the instructions below. An Applicant may obtain the CDFI Certification Application through the Fund's website at www.cdfifund.gov.
 - The Fund may conditionally selected a Certifiable Native CDFI for an FA Award (as evidenced through the Notice of Award); however, the Fund will not enter into an Assistance Agreement or disburse any FA unless and until the Fund has certified the Applicant as a Native CDFI. If the Fund is unable to certify the Applicant as a Native CDFI based on the submitted CDFI Certification Application, the Fund, in its sole discretion, may terminate the Notice of Award and cancel the award commitment.

A Type 1 Applicant is eligible to receive FA, TA, or both FA and TA.

Type 2 Applicant: Emerging Native CDFI.

- Any entity that Primarily Serves a Native Community and demonstrates in its NACA Program Application, to the satisfaction of the Fund, that it has a reasonable plan to achieve CDFI certification within a reasonable timeframe, generally two years of receiving an award. An Emerging Native CDFI must submit a complete Emerging Native CDFI Eligibility Questionnaire in its NACA Application.
 - If the Fund selects an Emerging Native CDFI to receive a TA grant, it must, pursuant to its Assistance Agreement, work toward CDFI certification by a date certain (to be determined at closing).

A Type 2 Applicant is eligible to receive TA only. A Type 2 Applicant is ineligible to receive FA.

Type 3 Applicant: Sponsoring Entity.

- For purposes of this Application, a Sponsoring Entity is an entity that proposes to create a separate legal entity that will become certified as a Native CDFI. Each Sponsoring Entity that is selected to receive a TA grant will be required, pursuant to its Assistance Agreement with the Fund, to create a legal entity by a date certain (to be determined at closing) that will, in turn, seek CDFI certification within a reasonable time frame.
 - A Sponsoring Entity may include any of the following: (a) a Tribe, Tribal entity, Alaska Native Village, Village Corporation, Regional Corporation, Non-Profit Regional Corporation/ Association, or Inter-Tribal or Inter-Village organization; (b) an organization whose primary mission is to serve a Native Community including, but not limited to an Urban Indian Center, Tribally Controlled Community College, community development corporation (CDC), training or educational organization, or Chamber of Commerce, and that Primarily Serves a Native Community.

A Type 3 Applicant is eligible to receive TA only. A Type 3 Applicant is ineligible to receive FA.

Required Eligibility Materials

Required eligibility materials depend on the Applicant’s certification status (Certified, Certifiable, Emerging, or Sponsoring Entity) and whether it is seeking FA. Failure to submit the required eligibility materials may result in the Fund finding the Application incomplete and rejected without further review. The required eligibility materials for different Applicant types are as follows:

Applicant Type	Required Eligibility Materials
Certified Native CDFI Eligible for FA and/or TA	<ul style="list-style-type: none"> • Certification of Material Event Form. <ul style="list-style-type: none"> – Page 24 of this Application. – Submit as part of complete NACA Application by March 1, 2006.
Certifiable Native CDFI Eligible for FA and/or TA	<ul style="list-style-type: none"> • If seeking FA with or without TA: <u>CDFI Certification Application</u>. <ul style="list-style-type: none"> – Available on the Fund’s website at www.cdfifund.gov. – If seeking FA: submit to the Fund by March 1, 2006. • If seeking TA only: submit either a CDFI Certification Application or an Emerging Native CDFI Eligibility Questionnaire. <ul style="list-style-type: none"> – Emerging Native CDFI Eligibility Questionnaire: page 25 of this Application. – Submit as part of complete NACA Application by March 1, 2006.
Emerging Native CDFI Eligible for TA Only	<ul style="list-style-type: none"> • Emerging Native CDFI Eligibility Questionnaire. <ul style="list-style-type: none"> – Page 25 of this Application. – Submit as part of complete NACA Application by March 1, 2006.
Sponsoring Entities Eligible for TA Only	<ul style="list-style-type: none"> • Applicant Eligibility Questionnaire. <ul style="list-style-type: none"> – Submit as part of complete NACA Application by March 1, 2006.

Entities with CDFI Certification Applications Currently Pending with the Fund: An Applicant seeking TA (either solely or with FA) that has a CDFI Certification Application pending with the Fund – but has not received notification that it has been certified – does not need to submit the Emerging Native CDFI Eligibility Questionnaire. If such Applicant is not certified as a Native CDFI based on the pending CDFI Certification Application, the Fund will use the information in the Certification Applicant to determine if the Applicant qualifies as an Emerging Native CDFI and is therefore eligible to be considered for the TA portion of the Application.

TIP The difference between a Certifiable Native CDFI and an Emerging Native CDFI:

- A Certifiable Native CDFI meets all six certification requirements at the time it submits the CDFI Certification Application.
- An Emerging Native CDFI, on the other hand, does not meet all six certification requirements at time of Application.

The difference between the CDFI Certification Application and the Emerging Native CDFI Eligibility Questionnaire:

- The CDFI Certification Application is used to demonstrate that an Applicant currently meets all six of the certification requirements.
- The Emerging Native CDFI Eligibility Questionnaire is used to demonstrate that the Applicant has a reasonable plan to become a Certified Native CDFI within a reasonable time frame.

Affiliates

For purposes of the NACA Program, Affiliate is defined as "any legal entity that Controls, is Controlled by, or is under common Control with, another legal entity." "Control is defined as: "(i) ownership, control or power to vote 25 percent or more of the outstanding shares of any class of Voting Securities of any company, directly or indirectly or acting through one or more other persons; (ii) control in any manner over the election of a majority of the directors, trustees or general partners (or individuals exercising similar functions) of any company; or (iii) the power to exercise, directly or indirectly, a controlling influence over the management, credit, or investment decisions or policies of any company." [12 CFR § 1805.104(p).]

TIP If the Chairperson of a Tribe or the Tribal Council can appoint or remove any members of the board of directors of a separately incorporated Native CDFI, the Fund would consider the Tribe an Affiliate of the Applicant – and it should be listed as such on the Signature Page.

PRIOR AWARDEES

Success (or failure) in a prior funding round is not indicative of success (or failure) under this NACA Program Application. However, previous compliance and timeliness of reporting does play a factor – and (in certain instances) can make you ineligible for consideration for an award. Prior CDFI Fund awardees are eligible to apply under this NACA Program Application, but with some limitations:

- **\$5 Million Funding Cap.** The Fund is generally prohibited from obligating more than \$5 million in assistance, in the aggregate, to any one organization and its Affiliates during any three-year period. For the purposes of this funding round, the period extends back three years from the date that the Fund would sign a Notice of Award issued to an Awardee under this NOFA. Thus, in applying this criterion in determining eligibility for this funding round, the Fund will count any assistance with a Notice of Award dated between July 31, 2003 and July 31, 2006 (the anticipated date that the Fund would sign the Notice of Award under the FY 2006 funding round).
- **Failure to Meet Reporting Requirements.** The Fund will not consider an Application if the Applicant, or an entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund) is a prior Fund Awardee or Allocatee under any Fund program and is not current on the reporting requirements set forth in a previously executed Assistance, Allocation or Award Agreement(s), as of the Application deadline. The Fund only acknowledges the receipt of reports that are complete. As such, incomplete reports or reports that are lacking required elements are not recognized as having been received.

- **Pending Resolution of Noncompliance.** If an Applicant is a prior Awardee or Allocatee under any Fund program and if: (i) it has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous Assistance, Allocation or Award Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous Assistance, Allocation or Award Agreement, the Fund will consider the Application submitted to this funding round pending full resolution, in the sole determination of the Fund, of the noncompliance. Further, if another entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund), is a prior Fund Awardee or Allocatee and if such entity: (i) has submitted complete and timely reports to the Fund that demonstrate noncompliance with a previous Assistance, Allocation or Award Agreement; and (ii) the Fund has yet to make a final determination as to whether the entity is in default of its previous assistance, allocation, or award agreement, the Fund will consider the Application submitted to this funding round pending full resolution, in the sole determination of the Fund, of the noncompliance.
- **Default Status.** The Fund will not consider an Application submitted by an Applicant that is a prior Fund Awardee or Allocatee under any Fund program if, as of the applicable Application deadline of this Application, the Fund has made a final determination that such Applicant is in default of a previously executed Assistance, Allocation or Award Agreement(s). Further, an entity is not eligible to apply for an award if, as of the applicable Application deadline, the Fund has made a final determination that another entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund) is a prior Fund Awardee or Allocatee under any Fund program and has been determined by the Fund to be in default of a previously executed Assistance, Allocation or Award Agreement(s).
- **Termination in Default.** An entity is not eligible to apply for an Award pursuant to this NOFA if it is a prior Fund Awardee or allocatee under any Fund program if (i) the Fund made a final determination that said entity's prior Award or allocation terminated in default of a previously executed Assistance, Allocation, or Award Agreement; and (ii) the final reporting period end date for the applicable terminated Assistance, Allocation, or Award Agreement falls in Calendar Year 2005. Further, an entity is not eligible to apply for an Award pursuant to this NOFA if: (i) the Fund made a final determination that another entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund), is a prior Fund Awardee or allocatee under any Fund program whose Award or allocation terminated in default of a previously executed Assistance, Allocation or Award Agreement; and (ii) the final reporting period end date for the applicable terminated Assistance, Allocation, or Award Agreement falls in Calendar Year 2005.
- **Undisbursed Balances.** The Fund will not consider an Application submitted by an Applicant that is a prior Fund Awardee under any Fund program if the Applicant has a balance of undisbursed funds under said prior award(s), as of the Application deadline. Further, an entity is not eligible to apply for an award if another entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund), is a prior Fund Awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the Application deadline. In a case where another entity that Controls the Applicant, is Controlled by the Applicant or shares common management officials with the Applicant (as determined by the Fund), is a prior Fund Awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the Application deadline, the Fund will include the combined awards of the Applicant and such Affiliated entities when calculating the amount of undisbursed funds. See NOFA for details on how undisbursed funds are calculated.
- **Exception for Applicants impacted by Hurricane Katrina.** Please note that the provisions above for "Failure to Meet Reporting Requirements" and "Undisbursed Balances" do not apply to an Applicant that has an office located in, or that provides a significant volume of services or financing to residents of and/or businesses located in, a county that is within a major disaster area as declared by the FEMA as a result of Hurricanes Katrina or Rita.

TIP Any Applicant that is a prior Fund Awardee or Allocatee should:

- Comply with all requirements specified in Assistance, Allocation, and/or Award Agreement(s).
- Ensure that all required reports are submitted by the deadlines specified in the Assistance, Allocation, and/or Award Agreement(s) governing said prior awards.
- Contact the Fund to ensure that all necessary actions are underway for the disbursement or deobligation of any outstanding balance of said prior award(s). All outstanding reports, disbursement, or compliance questions should be directed to the Grants Manager or the CME unit.
- Ensure that outstanding Matching Funds on a prior Award are in-hand and a complete disbursement request is submitted to the Fund's Grants Manager at least 10 business days before the Application deadline.

APPLICATION SUBMISSION REQUIREMENTS

Deadline

An Application must be received by the Bureau of Public Debt (BPD) at the address specified on page 9 by **5:00 p.m.** Eastern Time (ET) on **March 1, 2006**. Applications received by BPD after 5:00 p.m. ET on March 1, 2006 will be rejected and returned to the sender.

Applicants should allow *at least 3 business days* for delivery by a private shipping provider to BPD and *at least 5 business days* for first class mail delivery. *Saturday and Sunday do not count as business days.*

Application Materials

The NACA Program Application consists of three major sections:

Section I: Signature Page; Organizational Characteristics; Environmental & Federal Certifications

- Signature Page (required for Every Applicant).
- Organizational Characteristics (required for Every Applicant).
- Environmental Review Form (required for Every Applicant).
- Assurances and Certifications (required for Every Applicant).
- 501(C)(4) Questionnaire (required for an Applicant that is a 501(c)(4)).
- Attachments: Documentation from the Internal Revenue Service (IRS) confirming the Applicant's Employer Identification Number (EIN) (required for Every Applicant).

Section II: Eligibility Questionnaire

- Part 1: Applicant Type (required for Every Applicant).
- Part 2: Prior Awardee Eligibility (required for a Prior Fund Awardee).
- Part 3: Certification of Material Events (required for a Certified Native CDFI).
- Part 4: Emerging Native CDFI Eligibility Questionnaire (required for a Emerging Native CDFI).

Section III: Comprehensive Business Plan (CBP)

- Narrative Responses to CBP Questions (required for Every Applicant).
- Application Charts (required for Every Applicant).
- Organizational Chart (required for Every Applicant).
- Management and Key Staff Resumes (required for Every Applicant).
- Financial Statements (required for an FA Applicant).
- Matching Funds Documentation (required for an FA Applicants).

The Native Initiatives page of the Fund's website (www.cdfifund.gov) contains the following Word and Excel templates:

- Signature Page (Word Template).
- Organizational Characteristics (Word Template).
- Environmental Review Form (Word Template).
- 501(C)(4) Questionnaire (Word Template).
- Eligibility Questionnaire Part 1: Applicant Type (Word Template).
- Eligibility Questionnaire Part 2: Prior Awardee Eligibility (Word Template).
- Eligibility Questionnaire Part 3: Certification of Material Events (Word Template).
- Eligibility Questionnaire Part 4: Emerging Native CDFI Eligibility Questionnaire (Word Template).
- Narrative Responses to CBP Questions (Word Template).
- Application Charts (Excel Template).

An Applicant will complete the above materials in the applicable template. An Applicant will provide its own copies for the EIN documentation from the IRS, Organizational Chart, copies of resumes, Financial Statements (for an FA Applicant), and Matching Funds documentation (for an FA Applicant).

Submitting The Application

An Applicant must send the following materials to the address below by 5:00 p.m. ET, March 1, 2006:

- One unbound original of all Application materials. Do not separate sections with tabs or staples.
- An Applicant applying for FA must submit four copies. An Applicant applying for TA only must submit three copies of all Application materials in three-ring binders (tabs and other methods of organizing the Application are appreciated).

Send the above materials to:

CDFI Fund Grants Manager
Attn: NACA Program
Bureau of Public Debt
200 Third Street
Parkersburg, WV 26101
(304) 480-6088

Applications will **not** be accepted at the Fund's offices in Washington, DC. Applications received in the Fund's Washington DC offices will be returned to the sender. Applications sent by facsimile or e-mail will not be accepted.

Submitting a CDFI Certification Application

A Certifiable Native CDFI that is seeking FA must submit a CDFI Certification Application prior to, or simultaneous with, the NACA Application.

- If submitting the CDFI Certification Application prior to the NACA Application:** follow the submission directions in the CDFI Certification Application. The CDFI Certification Application is available on the Fund's website www.cdfifund.gov.
- If submitting the CDFI Certification Application with the NACA Application:** include the complete CDFI Certification Application with all required attachments at the very front of each copy of the NACA Application. The Applicant should clearly distinguish the two applications with tabs or colored paper.

Ensuring that the Application Is Complete

Complete Versus Incomplete Applications: A complete Application is one that includes all required material described on the Application Checklist. Some items – if missing or incomplete – will result in the immediate rejection of the entire Application.

Five Things That Will Cause An Application To Be Rejected Immediately And Returned Without Being Reviewed:

1. **LATE ARRIVAL:** An Application received after **5:00 p.m. Eastern Time on March 1, 2006**, regardless of reason, **will not be considered for an award**, and returned.
2. **UNSIGNED:** Signature Page without a **signature of the Authorized Representative** (photocopies or faxed copies of this form are acceptable).
3. **NO EIN:** The Applicant Information Form must include the Applicant's valid and current EIN, with a letter or other documentation from the IRS confirming the EIN.
4. **Missing CBP.** The CBP is the main component of the Application. Reviewers cannot complete their evaluation if it is missing.
5. **No Award Request.** The Fund cannot evaluate an award request if the Applicant fails to indicate the amount of TA and/or FA it is seeking.

The Fund will allow three business days for an Applicant to submit the following items if missing or incomplete:

- IRS Documentation of the Applicant's EIN.
 - Documentation that the Applicant itself – and not its parent or Affiliate – has its own unique EIN.
- Dun and Bradstreet Data Universal Numbering System (DUNS) Number.
 - To obtain this number, call 1-866-705-5711 or visit www.DNB.com.
- Emerging Native CDFI Eligibility Questionnaire.
- Environmental & Legal Certifications.
- Certification of Material Events.

TIP Do not wait until the last minute to obtain a DUNS number or EIN documentation. If either the DUNS number or EIN documentation is missing from the initial submission of the Application materials, the three days allowed by the Fund to submit these items may not be sufficient time to obtain them. It is always better to ensure that the initial Application submission contains all required items and documentation.

Organizing The Application

Applicants are strongly encouraged to clearly distinguish the different sections and any attachments to the Application. In the unbound "original" copy of the Application, the Fund suggests using colored paper to separate sections. (The Fund asks Applicants not to use tabs or staples because this version is used to make any copies, if necessary.) In the "copies," the Fund suggests using tabs to separate sections and any attachments. These three (for a TA only Application) or four (for an FA Applicant) copies of the Application become the working copies used by staff and reviewers.

The Applicant should reference the required attachments (i.e., Financial Statements, organizational chart, resumes, Matching Funds documentation) in the relevant portion of the Application. The Fund requests that any supplemental information be kept to a minimum and clearly identified in the Application. Note: It is not necessary to include copies of the instruction pages of this Application in your submission, only the pages that require information from the Applicant.

APPLICATION REVIEW AND AWARDEE SELECTION PROCESS

Application Review, Scoring, and Selection

- **Completeness and Eligibility Review:** After an Application is submitted, the Fund will determine whether it was submitted by the deadline and is complete. If the Application is determined to be complete, the Fund will then determine whether it meets the basic eligibility requirements described above. If the Application is found to be eligible, it will receive a two-part substantive review in accordance with the criteria and procedures described in the NOFA and this Application.
- **Phase-1 Review:** The Fund will evaluate the Application on a 100-point scale with certain points assigned for each of the five sections. A TA only Application is reviewed and scored by a single reviewer while an Application for FA is reviewed and scored initially by a team of three readers.
- **Compliance Review:** In the case of an Applicant that has a prior Award through any Fund program, after the three initial readers establish the base score, the Fund will deduct points for:
 - The Applicant’s noncompliance with any active Award or Award that terminated in Calendar Year 2005 in meeting its performance goals, financial soundness covenants (if applicable), reporting deadlines, and other requirements set forth in any Assistance Agreement during the Applicant’s two complete fiscal years prior to the Application deadline (generally FY 2004 and FY 2005).
 - The Applicant’s failure to make timely loan payments to the Fund during the Applicant’s two complete fiscal years prior to the Application deadline (if applicable).
 - Performance on any prior Assistance Agreement as part of the overall assessment of the Applicant’s ability to carry out its CBP.
- **Follow-Up or Phase 2 Review:** After the compliance scoring, an Application will receive a Follow-Up Review (including an assessment of available Matching Funds) performed by a single reviewer (typically a Fund staff person). The Follow-Up Review is also referred to as the Phase-2 Review. An Applicant must receive a minimum score in each evaluation criteria to move forward for the follow-up review. The purpose of the Follow-Up Review is to determine the appropriate award amount based on the first phase readers’ comments, score, and available Matching Funds. (For a TA only Applicant, the compliance scoring actually happens after the follow-up review.)
 - As part of the Follow-Up Review, the Fund may contact the Applicant by telephone, e-mail, or through an on-site visit for the purpose of obtaining clarifying or confirming information to assist the Fund in its evaluation process. The Applicant should respond to any requests for additional information within the time parameters set by the Fund.
- **Application Ranking and Awardee Selection:** After the Follow-Up Review, the Fund will rank all Applicants by their scores, from highest to lowest, based on each Applicant’s score in each of the five criteria categories added together. The Fund selects Awardees from the top of the ranking list until it runs out of available funds. The Fund ranks TA only Applicants separately from Applicants for FA.

Awardee Notification

For the FY 2006 round, the Fund anticipates notifying an Applicant selected to receive an award by late September 2006. The Fund notifies an Applicant of award decisions (positive or negative) via e-mail to the designated Authorized Representative. If selected for an award, an Applicant must go to its myCDFIFund account to download and print a Notice of Award (which contains the general terms and conditions underlying the Fund's provision of assistance, including signing an Assistance Agreement). Only the Applicant's Account Administrator can access the Notice of Award. Because an Applicant will be notified via e-mail, it is essential that it provide a current e-mail address on the Signature Page. If an Applicant's e-mail system has a spam blocker function, please ensure that the Fund's main e-mail addresses (cdfihelp@cdfi.treas.gov, grantsmanagement@cdfi.treas.gov, cme@cdfi.treas.gov) are listed as acceptable sources. Otherwise, the notification e-mail may never be received.

Organizations Not Selected for Funding

The Fund generally declines an Application at one of three phases. First, at the Application deadline, the Fund will decline an Application if it is received late. Second, at the completeness and eligibility review phase, the Fund will reject an Application received on time – if it is found to be incomplete or ineligible. The Fund will notify an Applicant declined for either of these reasons via email usually within a month of the Application deadline. Third, at the Application review phase, the Fund may decline an Applicant for substantive reasons (i.e., low position on the ranking list relative to available funds or a low score resulting from a poorly presented CBP). The Fund will notify an Applicant declined for substantive reasons via email after awards are announced (usually by late September).

Award Closing

Upon notification, all Awardees must print, sign, and return the Notice of Award. Within several months, the Fund will contact the Awardee to begin the closing process, which includes entering into an Assistance Agreement. FA Awardees and Sponsoring Entities will enter into a 3-year Assistance Agreement and TA Awardees will enter into a 2-year Assistance Agreement. The Assistance Agreement is a contract that outlines the terms of the award including expectations for the Awardee to provide reports and remain in compliance. Once the Assistance Agreement has been signed, the Fund will authorize the award disbursement. The Fund disburses FA awards based on the Matching Funds documentation in-hand at the time of award closing. FA Awardees that do not have full Matching Funds in-hand at the time of closing may receive multiple disbursements. The Fund disburses TA awards in one lump sum upon closing.

Awardee Reporting

The Fund collects information, on at least an annual basis, from an Awardee during the applicable reporting period (two years for a TA Awardee and three years for an FA Awardee). Reporting requirements vary by type of Awardee and size of award. Every Awardee is required to submit annual reports related to, among other matters, its compliance with the performance goals and measures in narrative form and via an on-line Institution Level Report. An FA Awardee is required to report transaction level data annually via an on-line Transaction Level Report. An Awardee that is not a Sponsoring Entity (i.e., an Emerging Native CDFI or a Certified Native CDFI) is also required to (1) report annually on its financial soundness covenants and CAMEL ratings (as applicable) as set forth in the Assistance Agreement; and (2) submit audited or reviewed financial statements; and (3) submit such other information as the Fund may require. Any Awardee receiving or expending more than \$500,000 of funds from any and all Federal sources, including the Fund is required to submit an A-133 audit. An Awardee that is exempt from this requirement must make this fact known annually as well. The Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after due notice to the Awardee.

Contacting the CDFI Fund

The Fund will respond to questions between the hours of 9:00 a.m. and 5:00 p.m. ET, through February 27, 2006. The Fund will not respond to inquiries received after 5:00 p.m. ET on February 27, 2006, until after the March 1, 2006 deadline.

NOTE: These are not toll-free numbers.

Main Office:	202-622-8662 202-622-7754 (fax)	www.cdfifund.gov	General inquiries; phone numbers for individual Fund staff; access to myCDFIFund and program webpage.
Program Support:	202-622-6355	cdfihelp@cdfi.treas.gov	CBP questions, how to complete tables, certification.
Grants Management Support	202-622-8226 202-622-9625 (fax)	grantsmanagement@cdfi.treas.gov	Application deadlines; Application submission requirements; completing the Signature Page; Questions regarding EIN Documentation, DUNS, disbursements, and Notices of Awards.
Compliance and Monitoring Support	202-622-8226 202-622-9625 (fax)	cme@cdfi.treas.gov	Status of compliance with other awards including outstanding reports.
IT Support	202-622-2455	ithelpdesk@cdfi.treas.gov	Registering and creating accounts on myCDFIFund.
Legal Support	If you have questions or matters that you believe require response by the Fund's Office of Legal Counsel, please refer to the document titled "How to Request a Legal Review" on the Fund's web site at www.cdfifund.gov .		

SECTION I: SIGNATURE PAGE, ORGANIZATIONAL CHARACTERISTICS, ENVIRONMENTAL AND LEGAL CERTIFICATIONS

Who Must Complete This Section?

- ALL APPLICANTS

Is There Anything In This Section That Will Cause My Application To Be Rejected Immediately If I Miss It?

- Not signing the Authorized Representative signature line on the signature Page.
- Not including an EIN.

Things To Note:

- A DUNS number is required for every Applicant seeking any Federal assistance – including an award from the Fund. To obtain this number, call 1-866-705-5711 or visit www.DNB.com. The Fund’s website also includes additional guidance on obtaining a DUNS.
- Remember to list your Affiliates. A definition of Affiliate can be found in the Eligibility section.
- An Applicant with a 501(c)(4) designation must complete the “501(c)(4) Questionnaire.” 501(c)(4) organizations that engaged in lobbying activities on or after January 1, 1996 are ineligible for an award.

Signature Page

Your Application WILL BE REJECTED if this page does not contain the signature of the identified Authorized Representative or does not include an EIN

Applicant Information		
Applicant Organization Name		
Applicant Mailing Address Provide physical address for overnight deliveries. Provide nine-digit zip code.		Congressional District (Applicant's main office)
Employer Identification Number (EIN) ←REQUIRED	DUNS Number ←REQUIRED	
*Remember to attach documentation from IRS confirming EIN		
Corporate Existence		
Is the Applicant duly organized and validly existing under the laws of the jurisdiction in which it was formed or otherwise established? <input type="checkbox"/> Yes <input type="checkbox"/> No (if no, the entity is ineligible for funding.)		
Authorized Representative Information		
Authorized Representative (Name and Title)	Telephone Number	Fax Number
	E-mail Address	
Authorized Representative Mailing Address Provide physical address for overnight deliveries (if different from mailing address). Provide nine-digit zip code.		
Contact Person Information (<input type="checkbox"/> check if same as Authorized Representative)		
Contact Person (Name and Title)	Telephone Number	Fax Number
	E-mail Address	
Contact Person Mailing Address Provide physical address for overnight deliveries (if different from mailing address). Provide nine-digit zip code.		
Applicant Certification		
To the best of my knowledge and belief, all information in this Application is true and correct. The Application has been duly authorized by the governing body of the Applicant, and the Applicant certifies, attests to, and will comply with all Assurances and Certifications included with this Application if any assistance is awarded.		
Signature of Applicant's Authorized Representative ←REQUIRED	Date Signed:	
How many hours did it take you to complete this Application? _____ Hours		
Please complete this question; it is important for the Fund to collect this information for purposes of the Paperwork Reduction Act.		
Award Request		
Total Award Request:	Total FA Request:	Total TA Request:

Organizational Characteristics

Type of Entity <input type="checkbox"/> Loan Fund <input type="checkbox"/> Venture Capital Fund <input type="checkbox"/> Bank / Savings Association <input type="checkbox"/> Bank Holding Company <input type="checkbox"/> Credit Union <input type="checkbox"/> Alaska Native Regional Corporation <input type="checkbox"/> Tribal/ Alaska Native Village government		<input type="checkbox"/> Tribal Enterprise <input type="checkbox"/> Tribal Housing Authority <input type="checkbox"/> Community Development Corporation <input type="checkbox"/> Tribally Controlled Community College <input type="checkbox"/> Urban Indian Center or Cultural Center <input type="checkbox"/> Other (specify):	Applicant Tax Status <input type="checkbox"/> For-Profit <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)(4) <input type="checkbox"/> Tribal Charter <input type="checkbox"/> Other (specify): NOTE: Applicants with a 501(c)(4) designation must complete the "501(c)(4) Questionnaire." 501(c)(4) organizations that engaged in lobbying activities on or after January 1, 1996 are ineligible for an award.
Applicant's Date of Incorporation (month/day/year)		Most Recent Fiscal Year End (month & day)	
Geographic Market(s) (check all that apply) <input type="checkbox"/> Major urban (MSA with a population \geq 1 million) ___% <input type="checkbox"/> Minor urban (MSA with a population <1 million) ___% <input type="checkbox"/> Rural ___% 100 %		States Served (List all the states/jurisdictions the Applicant serves): <input type="checkbox"/> National <input type="checkbox"/> Regional:	
List Native Communities Served: (Tribe, Reservation, Village)		Race/Ethnicity of Client-base: American Indian _____ % Alaska Native _____ % Native Hawaiian _____ % Pacific Islander _____ % Hispanic or Latino _____ % Asian _____ % Black or African American _____ % White _____ % Uncategorized or Multiethnic Heritage _____ % 100 %	
Products and Services			
Indicate which of the following products the Applicant offers: <input type="checkbox"/> No- or Low-Cost Accounts. <input type="checkbox"/> Individual Development Accounts (IDAs). <input type="checkbox"/> Loans to refinance existing high cost or unaffordable debt. <input type="checkbox"/> Loans to build or repair credit. <input type="checkbox"/> Short-term unsecured personal loans.		If the Applicant is a bank or a credit union: indicate which of the following statements apply, if any: <input type="checkbox"/> Accepts Individual Tax Identification Numbers (ITIN) or other forms of alternate identification for opening accounts. <input type="checkbox"/> Offers check cashing for non-accountholders.	
Briefly describe any other flexible and affordable financial product/service that the Applicant offers which is specifically targeted to individuals without previous banking relationships:			
Affiliate Information			
Affiliate Name	EIN	Relationship to Applicant	Previous CDFI Fund Award? (Control Number, Amount)

Environmental Review Form

Applicant Name: _____

The Fund’s environmental review requirements are set forth in 12 CFR Part 1815. The Applicant should review such regulations carefully before completing this section. In order to assure compliance with those regulations and other requirements related to the environment, the Applicant shall provide the following information:

	YES	NO
1. Are there any actions proposed in the Application that do not constitute a “categorical exclusion” as defined in 12 CFR 1815.110? If YES, would any of these actions normally require an environmental impact statement (see 12 CFR 1815.108)?	_____	_____
2. Are there any activities proposed in the Application that involve:		
(a) Historical or archeological sites listed on the National Register of Historic Places or that may be eligible for such listing?	_____	_____
(b) Wilderness areas designated or proposed under the Wilderness Act?	_____	_____
(c) Wild or scenic rivers proposed or listed under the Wild and Scenic Rivers Act?	_____	_____
(d) Critical habitats of endangered or threatened species?	_____	_____
(e) Natural landmarks listed on the National Registry of Natural Landmarks?	_____	_____
(f) Coastal barrier resource systems?	_____	_____
(g) Coastal Zone Management Areas?	_____	_____
(h) Sole Source Aquifer Recharge Areas designated by EPA?	_____	_____
(i) Wetlands?	_____	_____
(j) Flood plains?	_____	_____
(k) Prime and unique farmland?	_____	_____
(l) Properties listed or under consideration for listing on the Environmental Protection Agency’s List of Violating Facilities?	_____	_____

If YES to any of the above questions, attach a detailed description of each action, clearly identifying the category in which the action falls.

NOTIFICATION

As stated in 12 CFR 1815.105, if the Fund determines that the Application proposes actions which require an environmental assessment or an environmental impact statement, any approval and funding of the Application will be contingent upon:

1. The Applicant supplying to the Fund all information necessary for the Fund to perform or have performed any required environmental review;
2. The Applicant not using any Fund Financial Assistance to perform any of the proposed actions in the Application requiring an environmental review until approval is received from the Fund; and
3. The outcome of the required environmental review.

In addition, as stated in 12 CFR 1815.106, if the Fund determines that an Application, or any part thereof, is not sufficiently definite to perform a meaningful environmental review prior to approval of the Application, final approval and funding of the Application shall require supplemental environmental review prior to the taking of any action directly using Fund Financial Assistance for any action that is not a categorical exclusion.

Assurances And Certifications

Signing the Signature Page certifies that the Applicant will comply with the Assurances and Certifications listed below if an award is made. Certain of these Assurances and Certifications may not be applicable to the Applicant. An Applicant may not modify any of the Assurances and Certifications.

A. Standard Form 424B: Assurances -- Non-Construction Programs

As the duly authorized representative of the Applicant, I certify that the Applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this Application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work (activities in Application) within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specifies in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L.88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C.1681-1683, 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C.794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C.6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L.91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C.3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which Application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statutes which may apply to the Application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C.1501-1508 & 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L.91-190) and Executive Order 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451et seq.); (f) conformity of Federal actions to State Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of

- drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L.93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L.93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

B. Additional Certifications

1. In addition to the assurances and certifications provided by the Applicant pursuant to OMB Standard Form 424B, the Applicant hereby assures and certifies that:
19. It is duly organized and validly existing under the laws of the jurisdiction in which it was incorporated or otherwise established, and is (or within 30 days will be) authorized to do business in any jurisdiction in which it proposes to undertake activities specified in this Application;
20. Its Board of Directors (or similar governing body) has by proper resolution or similar action authorized the filing of this Application, including all understandings and assurances contained herein, and directed and authorized the person identified as the authorized representative of the Applicant to act in connection with this Application and to provide such additional information as may be required;
21. It will comply with all applicable requirements of the Community Development Banking and Financial Institutions Act of 1994 (the Act) [12 U.S.C. 4701 et seq.], regulations implementing the Act and all other applicable Department of the Treasury regulations and implementing procedures (and any regulations or procedures which are later promulgated to supplement or replace them);
22. It will comply, as applicable and appropriate, with the requirements of OMB Circulars (e.g., A-110 and A-133) and any regulations and circulars which are later promulgated to supplement or replace them, including standards for fund control and accountability;
23. It has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of this Application or any related document, correspondence or communication. (The Applicant and its authorized representative should be aware that, under 18 U.S.C. 1001, whoever knowingly and willfully makes or uses such document or writing shall be fined or imprisoned for not more than five years, or both); and
24. The information in this Application, and in these assurances and certifications in support of the Application, is true and correct to the best of the Applicant's knowledge and belief and the filing of this Application has been duly authorized.

C. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions: Instructions for Certification

1. By signing and submitting this Application, the prospective primary participant (the Applicant) is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in the denial of participation in this covered transaction. The prospective Applicant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Fund's determination whether to enter into this transaction (approval and funding of the Application). However, failure of the Applicant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. This certification is a material representation of fact upon which reliance is placed when the Fund determines to enter into this transaction. If it is later determined that the Applicant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.
 4. The Applicant shall provide immediate written notice to the Fund if at any time the Applicant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
 5. The terms "covered transactions," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal", and "voluntarily excluded," as used in this clause (certification), have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the Fund for assistance in obtaining a copy of those regulations (31 CFR part 19).
 6. The Applicant agrees by submitting this Application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Fund.
 7. The Applicant further agrees by submitting this Application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction" to be provided by the Fund without modification in all lower tier covered transactions and all solicitations for lower tier covered transactions (see 31 CFR part 19, Appendix B).
 8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
 9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
 10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.
- D. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions**
1. The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this Application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this Application had one or more public transactions (Federal, State or local) terminated for cause or default.
 2. Where the Applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to this proposal.
- E. Certification Regarding Drug-Free Workplace Requirements**
1. The Applicant certifies that it will provide a drug-free workplace by:
 - (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
 - (b) establishing a drug-free awareness program to inform employees about:
 - (i) the dangers of drug abuse in the workplace;
 - (ii) the Applicant's policy of maintaining a drug-free workplace;
 - (iii) any available drug counseling, rehabilitation, and employee assistance program;
- (ii) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace making it a requirement that each employee to be engaged in the performance of the award be given a copy of the statement required by subparagraph (a);
 - (c) notifying the employee in the statement required by subparagraph (a) that, as a condition of employment in such grant, the employee will:
 - (i) abide by the terms of the statement; and
 - (ii) notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
 - (d) notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such conviction;
 - (e) taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
 - (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
 - (iii) making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs (a), (b), (c), (d), (e), and (f).
3. The Applicant may insert in the space provided below the site(s) for the performance of work (activities carried out by the Applicant) to be done in connection with the award (Place of Performance (Street Address, City, County, State and zip Code)):
- Not Applicable
- F. Certification Regarding Lobbying**
1. The Applicant certifies, to the best of its knowledge and belief, that:
 - (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Application, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
 - (c) The Applicant shall require that the language of this certification be included in the award documents for all subawards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
 2. This certification is a material representation of fact upon which reliance is placed when this transaction is made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

501(C)(4) Questionnaire

This questionnaire is necessary for the Fund to determine whether an Applicant with a 501(c)(4) designation from the IRS is eligible to receive an award from the Fund (see 12 C.F.R. § 1805.200(a)(3)). Please read all definitions before responding to the questions and continue to refer to such definitions in responding to this questionnaire. If the answer to any question is yes, please describe in detail the facts and circumstances, subject matter, date(s), names and titles of all individuals and their employers and their organizations on a separate sheet(s) of paper. The Fund reserves the right to seek follow-up responses from an Applicant. Failure to complete this questionnaire and, if applicable, respond timely to follow-up questions, will delay the Fund's processing of the Application, and may result in the disqualification of the Application from further consideration. After submitting responses to this questionnaire, the Applicant is under a continuing obligation to: (1) supplement its responses upon a change in circumstances; and (2) revise or modify its responses within 10 business days of having actual or constructive knowledge that the responses previously submitted and certified are no longer complete, accurate, or true. You may call the Fund's Office of Legal Counsel at (202) 622-8662 if you have any questions about this form.

Scope: The scope of this questionnaire is limited to activities on or after January 1, 1996.

Questions

1. Has any officer, employee, director, partner, proprietor, or board member contacted ¹ a Covered Executive Branch Official ² with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has any officer, employee, director, partner, proprietor, or board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration or a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Executive Branch Official including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 1-4?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Has any officer employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Legislative Branch Official ³ including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 6-9?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Signature

Signing the Signature Page certifies that the answers to this Questionnaire and the written explanations attached thereto are true, accurate, and complete to the best of its information, knowledge, and belief and that, since January 1, 1996, the Applicant has not engaged in Lobbying Activities as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

¹ "Contacted" means any oral or written communication including an electronic communication.

² "Covered executive branch official" means: (a) the President; (b) the Vice President; (c) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President; (d) any officer or employee serving in an Executive Level I-V position, a "Schedule C" position, or any official in a Senior Executive Service position; (e) any member of the uniformed services serving at grade 0-7 or above; or (f) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character.

³ "Covered legislative branch official" means: (a) a member of Congress; (b) an elected officer of either House of Congress; and (c) any employee of the House or Senate, including employees of Members, committees, leadership and working groups or caucuses organized to provide legislative services or other assistance to Members of Congress.

SECTION II: ELIGIBILITY QUESTIONNAIRE

- The Eligibility Questionnaire consists of four parts:
 - Part 1: Applicant Type.
 - Part 2: Prior Awardee Eligibility.
 - Part 3: Certification of Material Events.
 - Part 4: Emerging Native CDFI Eligibility Questionnaire.
- Part I will help an Applicant determine its Applicant type. The Applicant type determines the type of funding the Applicant can request and the required eligibility and Application materials. It is important to complete this part of the questionnaire completely and accurately. Please refer to the Eligibility Section in the Instruction for definitions of the different Applicant types.
- Part II is designed to help a prior Awardee (whether it received funds from the CDFI Fund itself or through an Affiliate) ensure that it is in compliance and is eligible to apply. Please refer to the Prior Awardee section in the Instructions for definitions of Prior Awardee.

Who Must Complete This Section?

- Part 1: Applicant Type: Every Applicant.
- Part 2: Prior Awardee Eligibility: A Prior Awardee.
- Part 3: Certification of Material Events: Type 1 Applicant (Certified Native CDFI).
- Part 4: Emerging Native CDFI Eligibility Questionnaire: Type 2 Applicant (Emerging Native CDFI).
 - A Type 2 Applicant (Emerging Native CDFI) should complete Part 4 if it is not planning on submitting a CDFI Certification Application.

Is there anything that will cause my Application to be rejected immediately if I miss it?

- The Fund will allow an Applicant two days to submit any of these required forms if the Applicant inadvertently fails to include them in the Application.

Things To Note:

- If the Fund cannot certify the Applicant based on a review of the CDFI Certification Application, it will be ineligible for an FA award, but eligible for TA (if requested) – provided there is sufficient evidence that the Applicant could be certified within a reasonable timeframe, generally within two years of receiving an award.
- An Applicant that is not certified at the time it receives an award under the FY 2006 NACA Program (other than a Sponsoring Entity) must submit a CDFI Certification Application and be certified within a reasonable timeframe – generally within two years of receiving an award. The Fund will establish the exact date by which an Awardee should become certified as part of closing the award and establishing performance goals.
- A Type 3 Applicant (Sponsoring Entity) that receives an award under the FY 2006 NACA Program must create a separate legal entity that will submit a CDFI Certification Application within a reasonable timeframe – generally within three years of receiving an award. The Fund will establish the exact date by which an Awardee achieves these objectives as part of closing the award and establishing performance goals.
- Questions about an Applicant's ability to be certified or its status as a prior Awardee should be directed to the Native Initiatives staff at 202-622-6355.

Part 1: Applicant Type

- ALL APPLICANTS MUST COMPLETE THIS PART -

Questions for All Applicants:	
<p>1. Are 50% or more of the Applicant's activities directed toward a Native Community (i.e., Indian Reservation, Alaska Native Village, or Hawaiian Home Land; or Native American, Alaska Native, or Native Hawaiian individuals, families, or businesses)?</p> <p>If YES, attach a narrative describing how the Applicant verifies that its activities are so targeted. (Suggested length: up to ½ page.) → Proceed to Question 2</p> <p>If NO, the Applicant is ineligible to apply for the 2006 NACA Program.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Is the Applicant a Certified Native CDFI?</p> <p>If YES, the Applicant is Type 1 Applicant (Certified Native CDFI) and is eligible to apply for TA and FA. → Proceed to Section IV, CBP.</p> <p>~ Required Eligibility Materials: Signed Certification of Material Events.</p> <p>If NO, → proceed to Question 3</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Does the Applicant currently meet all six certification tests and:</p> <p><input type="checkbox"/> Is it applying for certification with this Application, or</p> <p><input type="checkbox"/> Does it have a CDFI Certification Application pending with the Fund (Submitted on: _____).</p> <p>If YES to either of the above questions, the Applicant is Type 1 Applicant (Certifiable Native CDFI) and is eligible to apply for both TA and FA. → Proceed to Section IV, CBP.</p> <p>~ Required Eligibility Materials: CDFI Certification Application</p> <p>If NO, → proceed to Question 4</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>4. Is the Applicant in existence legally (incorporated or chartered) and planning to seek certification for itself within a reasonable timeframe (generally within two years of receiving an award)?</p> <p>If YES, the Applicant is Type 2 Applicant (Emerging Native CDFI) and is eligible to apply for TA - and is ineligible to receive FA. → Proceed to Part 3 of the questionnaire.</p> <p>~ Required Eligibility Materials: Emerging Native CDFI Eligibility Questionnaire.</p> <p>If NO, → proceed to Question 5</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>5. Does the Applicant plan to form a separate legal entity that will Primarily Serve a Native Community and become certified within a reasonable timeframe (generally within three years of receiving an award) and?</p> <p>If YES, the Applicant is a Type 3 Applicant (Sponsoring Entity) and is eligible to apply for TA. → Proceed to Section IV, CBP.</p> <p>~ Required Eligibility Materials: Part 1 of the Eligibility Questionnaire.</p> <p>If NO to Questions 1 - 5, the organization is ineligible to apply to the NACA Program.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Part 2: Prior Awardee Eligibility

- ALL PRIOR AWARDEES SHOULD COMPLETE THIS QUESTIONNAIRE AT LEAST ONE MONTH PRIOR TO THE APPLICATION DUE DATE -

FY 2002 Awards: NACTA	
<p>1. Did the Applicant or any Affiliates receive a NACTA Award in 2002 – an award number beginning 021NA00xxxx?</p> <p>– All of the NACTA Awards reporting due dates have passed, though a number of Awardees have outstanding reports.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
FY 2003 Awards: NATA and NACD	
<p>2. Did the Applicant or any Affiliates receive a NATA or NACD Award in FY2003 – an award number beginning 031NT00xxxx or 031NC00xxxx?</p> <p>– If YES, the following reporting requirements are applicable:</p> <ul style="list-style-type: none"> ~ Annual Report – due six months after each fiscal year end within the performance period. ~ Annual Financial Report (Audited or Reviewed Financial Statements): due six months after each fiscal year end within the performance period. A-133 audits (if applicable) are due nine months after fiscal year end. ~ A NATA Awardee has a 2-year performance period. A NACD Awardee has a 3-year performance period. 	<input type="checkbox"/> Yes <input type="checkbox"/> No
FY 2004 Awards: NATA, NACD, or NACA	
<p>3. Did the Applicant or any Affiliates receive a NATA, NACD, or NACA Award in FY2004 – an award number beginning 041NT00xxxx; 041NC00xxxx; or 041NA00xxxx?</p> <p>– If YES, the following reporting requirements are applicable:</p> <ul style="list-style-type: none"> ~ Annual Report – due six months after each fiscal year end within the performance period. ~ Annual Financial Report (Audited or Reviewed Financial Statements): due six months after each fiscal year end within the performance period. A-133 audits (if applicable) are due nine months after fiscal year end. ~ A NATA Awardee and a NACA TA Only Awardee have 2-year performance periods. A NACD Awardee and a NACA FA Awardee have 3-year performance periods. 	<input type="checkbox"/> Yes <input type="checkbox"/> No
FY 2005 Awards: NACA	
<p>4. Did the Applicant or any Affiliates receive a NACA Award in FY2005 – an award number beginning 051NA00xxxx?</p> <p>– If Yes: FY 2005 NACA Awardees will all have reports due after the NACA Application deadline.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

IMPORTANT: If you answered **YES** to questions 1, 2 or 3 above, please contact the Fund's CME unit at 202-622-8226 or CME@cdfi.treas.gov to verify that all required reports have been received and if you have any reports due prior to the Application date and/or prior to the disbursement of a 2005 award.

Part 3: Certification of Material Events

Organization Name: _____

EIN #: _____

Certification Control # (if available): _____

Definition:

A "Material Event" is an occurrence that affects an organization's strategic direction, mission, or business operation and, thereby, its status as a certified Community Development Entity (CDE) and/or Community Development Financial Institution (CDFI), and/or its compliance with the terms and conditions of its assistance/allocation agreement. All terms in italics are defined in the CDFI Fund's Glossary, which is available on the CDFI Fund's website at: www.cdfifund.gov.

Instructions:

A Certified Native CDFI or an entity with an application for CDFI Certification Application pending with the Fund must complete and submit this form to the Fund in order to report Material Events or to certify that no Material Events have occurred that affect the Applicant's status as a certified Native CDFI. Any Applicant to the FY 2006 round of the NACA Program that is (1) a Certified Native CDFI; or (2) a Certifiable Native CDFI with a CDFI Certification Application pending must submit a completed and signed Certification of Material Events form to the Fund in conjunction with its NACA Application – even if they have not incurred a Material Event. The Certification must be signed by the Applicant's Authorized Representative. See the **Frequently Asked Questions (FAQ): Material Event Occurrence and Reporting** document available on the Fund's website for additional guidance.

Check the appropriate box based on the Applicant's situation as of the date this form is signed:

- I certify that no Material Events have occurred in my organization since the date of its most recent certification/re-CDFI Certification Application that may affect its status as a Certified Native CDFI.
- A Material Event(s) has (have) occurred in the above-named organization since the date of its most recent certification/re-CDFI Certification Application, that may affect its status as a Certified Native CDFI. I certify that the events listed below constitute all of such Material Events (attach additional pages if needed).

Date of Material Event: _____

Explanation of Material Event:

To the best of my knowledge and belief, all information contained in this certification statement is true and correct. My signature indicates authorization on behalf of the organization's governing body.

Authorized Representative Signature: _____

Date: _____ Title: _____

Part 4: Emerging Native CDFI Eligibility Questionnaire

INSTRUCTIONS

A Type 2 Applicant (Emerging Native CDFI) must submit the Emerging Native CDFI Eligibility Questionnaire. A Type 1 Applicant (Certifiable Native CDFI) seeking TA only may either submit the Emerging Native CDFI Eligibility Questionnaire or a CDFI Certification Application. The Applicant will use a Word template (available on the Native Initiatives page of the Fund's website) to address each certification requirement. The narrative must demonstrate that the Applicant currently meets or has a viable plan to meet (including any requested TA) each certification requirement within two years. The Fund will use the information provided to assess the reasonableness of the plan to become certified – taking into account any requested TA. For example, if the Applicant does not meet the Financing Entity requirement because it has yet to start lending, it might describe how it will use TA to hire a consultant to develop underwriting policies and procedures to support its ability to start lending.

The Fund will not consider attachments other than the Governing Board list requested in the Accountability section. Do not submit copies of annual reports, articles of incorporation, or other documents to support this eligibility section, as they will not be reviewed.

CDFI CERTIFICATION REQUIREMENTS

To be certified as a CDFI, an Applicant must be a legal entity and meet the following certification requirements:

1. Has a Primary Mission of promoting community development;
2. Is a Financing Entity;
3. Serves principally one or more Target Markets;
4. Provides Development Services in conjunction with its financing activities;
5. Maintains Accountability to its defined Target Market; and
6. Is a Non-Governmental Entity, and is not controlled by one or more governmental entities.

CDFI Certification Eligibility Checklist: An Applicant may use the checklist below to identify which certification requirements it currently meets or has a plan to meet within two years of receiving an award. If the Applicant cannot answer affirmatively in either column, it is considered ineligible and should not proceed with the Application.

CDFI Certification Eligibility Checklist	Currently Meets	Will Meet within two years
Primary Mission: The Applicant's activities are purposefully directed toward improving the social or economic conditions of underserved people or residents of distressed communities.		
Financing Entity: The Applicant's predominant business activity is the provision, in arms-length transactions, of Financial Products, Development Services, and/or other similar financing.		
Target Market: The Applicant has identified and serves an eligible Target Market. At least 60% of the Applicant's activities are provided to its designated Target Market(s).		
Development Services: The Applicant provides Development Services (e.g., training to customers) in conjunction with its Financial Products.		
Accountability: The Applicant maintains accountability to its Target Market through representation on its Governing Board or otherwise.		
Non-Government Entity: The Applicant is not an agency or instrumentality of the United States, or any State or political subdivision thereof. The Applicant demonstrates that it is not Controlled by any governmental entity.		

Special Requirement for Insured Depository Institutions, Depository Institution Holding Companies, and Affiliates

Insured Depository Institutions (IDIs), Depository Institution Holding Companies (DIHCs), and Subsidiaries or Affiliates of IDIs or DIHCs must demonstrate that they individually and collectively with any Affiliates and Subsidiaries meet each of the six certification requirements.

Primary Mission Requirement

The Applicant must have a primary mission of promoting community development. The Fund will consider whether the activities of the Applicant are purposefully directed toward improving the social and/or economic conditions of underserved people and/or residents of economically distressed communities. Generally, the Fund will consider an entity to meet the Primary Mission requirement if its mission or purpose specifically reference "distressed communities," "low-income" individuals, "underserved" individuals, or similar statement that clearly indicates that the organization Primarily Serves distressed or underserved communities and/or populations.

Does Not Meet the Primary Mission Requirement

If the Applicant's organizational documents do not reference a primary mission of community development, provide a narrative describing the Applicant's plan (including any requested TA) and timeframe for meeting this requirement. Make sure that the timeline addresses whether the Governing Board or other body has approved any changes or amendments to an entity's organizing documents.

Meets the Primary Mission Requirement

Provide a narrative summarizing the Applicant's primary purpose or mission as stated in its signed, Governing Board-approved incorporating documents, bylaws, annual reports, or other organizational documents. Identify the exact document(s) and date of filing, if applicable, of the document(s) cited.

- Example: ABC Loan Fund's Articles of Incorporation were filed with the State of Delaware on 9/2/98. The articles include a "Purpose" section that states "The Corporation's purpose is to provide micro loans to low-income residents of Delaware." That same mission is included on our marketing materials and most recent annual report.

Special Requirement for ICUs.

The Fund recognizes that many ICUs lack the types of documents described above -- but have been designated by the National Credit Union Administration (NCUA) as serving Low-Income populations. Therefore, the Fund will consider an Applicant with a Low-Income Credit Union designation conferred by the NCUA in 1990 or later to have meet the Primary Mission requirement.

Financing Entity Requirement

The Applicant's predominant business activity must be the provision, in Arms-Length Transactions, of Financial Products, Development Services, and/or other similar financing. IDIs, DIHCs and Insured Credit Unions automatically meet the Financing Entity requirement. Non-Regulated Applicants must demonstrate four things to meet the Financing Entity requirement:

- The Applicant uses its own funds to provide Financial Products to non-Affiliated entities;
- The majority or predominance of its assets are dedicated to Financial Products, Development Services, and/or other similar financing;
- The majority or predominance of its staff time is dedicated to Financial Products, Development Services, and/or other similar financing; and
- The Applicant maintains sufficient capital to continue financing activities for at least three months

Does Not Meet the Financing Entity Requirement

Provide a narrative explaining the Applicant's plan (including any requested TA) to meet each requirement by two years. Describe the specific requirement(s) the Applicant currently does not meet, specific actions to be taken, and a projected time line for completion.

- Example: Our 2004 Financial Statements show less than 50% of assets are dedicated to financing activities. We plan to raise \$500,000 in loan capital by May 2006. This infusion of cash would increase our total eligible assets to meet the 50% rule. Our staff resources are also currently predominantly dedicated to our real estate activities, not our financing activities. We expect to transfer the real estate assets and activities to our subsidiary within the next six months. We would then have 100% of staff time dedicated to Financial Products and Development Services.

Meets the Financing Entity Requirement

IDIs, DIHCs, and ICUs will automatically be considered to meet this requirement if they identify themselves as such. Other Applicants must provide brief statements addressing the four areas below:

1. Providing Financing to Non-Affiliated Parties. Provide a brief statement explaining which line items on the Applicant's most recent balance sheet reflect its Financial Products. Include a description of the item, the dollar amount, the number of transactions, and the customer profile. Explain any affiliation between the Applicant and the recipients of its Financial Products.
 - Example: Our microenterprise loans are reflected on our 12/31/03 balance sheet as "Loans Outstanding." This is currently our sole Financial Product. The \$450,000 line item represents 240 loans made to individual entrepreneurs who have no affiliation with the Applicant.
2. Assets Dedicated to Financing Activity. Using the Applicant's most recent Financial Statements, state the percent of Total Assets that: (1) represents Financial Products, (2) is dedicated to the provision of Development Services, and (3) is dedicated to the provision of other similar financing (if any). List balance sheet items where such assets are reported. Explain how each listed item meets the Financing Activity criteria. For example:

Balance Sheet Line Item	Total Amount	Eligible Amount	Eligible %	Eligibility Note
Cash/Cash Equivalents	\$80,000	\$20,000	25%	Total cash (\$80,000) less three months operating reserves (\$60,000) can be used for lending.
Loans Outstanding	\$500,000	\$350,000	70%	\$500,000 consists of loans to small businesses (\$350,000 / 70%) and loans to subsidiaries (\$150,000 / 30%), which are not eligible.
Computers, Equipment	\$100,000	\$70,000	70%	Assumes that computers and other equipment are used for lending activity in the same proportion as reflected in our portfolio.
Total Eligible Assets	\$680,000	\$440,000	65%	Eligible assets equal 65% (\$440,000) of total assets (\$680,000) appearing on our FY2004 balance sheet.

3. **Staff Dedicated to CDFI Financing Activity.** List staff and describe their responsibilities related to providing Financial Products, Development Services, and other financing. If the Applicant does not have its own staff or relies on consultants to supplement its staff resources, list these individuals in the table, identify them as non-staff, and explain their relationship (e.g., Affiliate staff or consultant). Include the percentage of staff time devoted to providing activities for the Applicant. For example:

Name and Title	CDFI Activity	Job Description and Time Commitment
John Daniels, Executive Director	Financing and DS	Spends 50% of staff time on non-financing activity and 50% on financing activity including oversight, management and fundraising.
John Doe, Loan Manager	Financing	Spends 100% of time on financing including Financial Product development and marketing, supervising loan officers, and underwriting and closing loans.
Jane Smith, Business Development Manager	DS	Spends 50% of staff time on non-financing activity and 50% on DS as follows: financial counseling to clients and teaching small business workshops.
Ann Lee, John Taylor, Susan Jones	Financing	Three staff spend 100% of time on financing activity marketing loan products, underwriting and closing loans.
Andrew Johnson	N / A	Spends 100% of his staff time on the organization's non-financing activity: real estate development.
Of the seven full-time staff listed above, five full-time equivalents or 71% are dedicated to the Applicant's financing entity related activity.		

4. **Sufficient Capital.** To demonstrate that the Applicant maintains adequate funds to support its financing activities for at least three months (one quarter), state the average three-month number and dollar amount of financing transactions provided by the Applicant based on its historic activity. State the amount of liquid assets available for financing activities based on the Applicant's most recent Financial Statement. Liquid assets include cash and cash equivalents appearing on the balance sheet or amounts available to draw from a line of credit. For example:

The following entries from our balance sheet make up our liquid assets:	
Cash and cash equivalents:	\$20,000
Money Market Accounts:	\$60,000
Total Liquid Assets:	\$70,000
<i>In FY2003 our loan closings averaged \$50,000 per quarter and our operating expenses averaged \$40,000 per quarter. Based on these FY2003 figures, we needed \$90,000 in liquid funds to cover both financing and operating expenses for the first three months of FY2004. While the balance sheet assets were \$20,000 short of our needs, we do have ready access to additional funds. In November 2003 we partnered with ABC Bank to establish an \$800,000 line of credit. This line of credit is restricted to CDFI eligible financing activity.</i>	

Target Market Requirement

The Applicant must principally serve an eligible Target Market. An entity must designate an eligible Target Market and demonstrate that it directs at least 60% of its activities to that Target Market. An eligible Target Market may consist of a combination of one or more eligible Investment Areas, Low-Income Targeted Populations, or Other Targeted Populations.

Does Not Meet the Target Market Requirement

Provide a narrative explaining the strategy (including any requested TA) for meeting the Target Market requirement within two years by identifying each Target Market the Applicant plans to designate. Also, describe the strategy for directing at least 60% of its activities to the qualifying Target Market within two years. Include a timeline and specific action items.

Meets the Target Market Requirement

For each designated Target Market address the following:

- Investment Areas: Use the Fund's online mapping system (CIMS) to identify eligible Investment Areas. Provide a narrative description of the identified Investment Areas. Please save these Investment Areas to the Applicant's myCDFIFund account as the Fund may ask to verify this information.
 - ~ Example: ABC Loan Fund serves a Target Market made up of 55 Investment Areas in New York City.
- Low-Income Targeted Population (LITP): Identify geographic service area from which the LITP is drawn (i.e., city, county, or state).
 - ~ Example: ABC Loan Fund's Target Market consists of an LITP in Johnson County, Georgia.
- Other Targeted Population (OTP): Identify each designated OTP and geographic service area from which the OTP is drawn (i.e., city, county, or state). Describe how the designated OTP lacks access to credit or capital in the designated geographic service area because of reasons unrelated to their investment or credit-worthiness. Applicants may reference recent (within five years) studies, surveys, etc. conducted by non-affiliated entities as long as the study, survey, etc. was performed for the designated OTP in the designated service area.
 - This description is not required for the following OTPs: African-Americans (Blacks), Alaska Natives residing in Alaska, Hispanics (Latinos), Native Americans, Native Hawaiians residing in Hawaii, Other Pacific Islanders residing in the Pacific Islands.
 - ~ Example: ABC Loan Fund is serving a Target Market consisting of women living in Ohio. A June 2004 study by the Ohio Women's Business Center described how only 20% of female loan Applicants with qualifying credit scores were approved for business loans at traditional lending institutions while 50% of their male counterparts, with the same or similar credit scores, were approved for business loans.
- Using the most recently completed fiscal year of the activity, identify the percentage of the Applicant's Financial Products, Financial Services, and Development Services provided to each component of the identified Target Market.
 - ~ Example: ABC Loan Fund made 100 loans in FY2004, 70 of those were to Low-Income women borrowers, and therefore 70% of our activity was provided to our Target Market.

Development Services Requirement

The Applicant must provide Development Services in conjunction with its Financial Products. Development Services are training or TA that help to prepare borrowers/investees for a CDFI's Financial Products, and may include: individual credit counseling; homebuyer education classes; business mentoring services; or construction financing advisory services. Development Services may be provided by the CDFI directly, through an Affiliate, or through a contract with another provider.

Does Not Meet the Development Services Requirement

Provide a narrative explaining the strategy (including any requested TA) for meeting the Development Services requirement within two years . Include a timeline and specific action items.

Meets the Development Services Requirement

Describe the Development Services that the Applicant provides. Explain the relationship between the Development Services and the Financial Products the Applicant provides (e.g., are borrowers required to receive Development Services prior to receiving the Applicant's loans?).

- Example: Our monthly class called "Getting a Loan for Your Business" educates participants about the underwriting process used by banks and by ABC Loan Fund. Attendees who submit a loan application receive ten hours of individual credit counseling ending in a written plan for meeting our financial soundness criteria.

Accountability Requirement

An Applicant must be accountable to its Target Market. An Applicant can demonstrate accountability through membership composition of its Governing Board or through other methods, such as advisory boards, focus groups, and community meetings. If the Applicant's Target Market consists of multiple segments (i.e., LITP, OTP, and Investment Areas), it must demonstrate that it maintains accountability to each segment. For example, if an Applicant designated as its Target Market an Investment Area consisting of a county in New York and an OTP of Hispanics drawn from the entire state, the Applicant must demonstrate accountability to both the Investment Area and an OTP of Hispanics. An individual board member may represent more than one segment of a Target Market.

Does Not Meet the Accountability Requirement

Provide a narrative explaining the strategy (including any requested TA) for meeting the Accountability requirement within two years . Include a timeline and specific action items.

Meets the Accountability Requirement

- Governing or Advisory Board. State whether accountability is met through a Governing or an advisory board. List the members who represent the Target Market. For each member, identify the Target Market represented and explain how he/she is: (a) a member of the Target Market (e.g., resident of the Investment Area, or a member of the LITP or OTP); **and/or** (b) a staff or board member of an organization serving the Target Market.
 - ✓ Example: ABC Loan Fund's Governing Board has six members, two of whom are Low-Income residents of the LITP service area. Another director is the President of Jobs for Georgia, a nonprofit that trains Low-Income workers within the LITP service area for entry-level jobs.
- Other Method of Accountability. If Accountability is not met through a Governing or advisory Board, identify what method(s) the Applicant uses to maintain accountability (e.g., focus groups, community meetings, and customer survey) and explain how this method provides for representation from the Target Market. Also explain the frequency with which the Applicant collects information through this method(s) and how such information is used by the Governing Board to affect the Financial Products, Financial Services, Development Services, and the Applicant's other activities.
 - Example: ABC Loan Fund is a member of the Neighborhood Advisory Council for each community in our Target Market. Through these councils, we attend meetings with our LITP community members no less than quarterly. After each meeting, management makes a presentation and makes recommendations to the board based on the input of residents at the Neighborhood Advisory Council meetings.

Non-Government Entity Requirement

An Applicant meets this requirement by demonstrating that it is not Controlled by any governmental entity (i.e., an agency or instrumentality of the United States, or any State or political subdivision thereof). A Tribal government is not considered an agency or instrumentality of the United States or any State or any political subdivision thereof. Thus, an entity that is operated or controlled by a Tribal government may meet this test.

Does Not Meet the Non-Government Entity Requirement

If the Applicant does not currently meet the requirements for this section, provide a narrative explaining the strategy (including any requested TA) for meeting the Non-Government Entity requirement within the required time. Include a timeline and specific action items.

Meets the Non-Government Entity Requirement

Provide a narrative describing the nature of any relationship the Applicant has with any Federal, State, or municipal government entity. Explain any factors that mitigate the government control that may be suggested or assumed by those relationships.

- Example: Our bylaws require that one of the 12 seats on our Governing Board be filled by a representative from the county office of economic development, and that the remaining board seats are filled by four neighborhood residents and seven community organizations. Therefore the decision-making for the organization is not concentrated with any government entity or representative.

Address and explain any of the situations appearing in the bulleted list below.

- Do one or more government entities or officials control the election or appointment of a majority of the members of the Governing Board of the Applicant?
- Do the articles of incorporation or bylaws of the Applicant require that a certain number of the Applicant's Governing Board members be government employees or elected or appointed government officials?
- Do one or more government entities select or have veto power over the selection of the executive director, chief executive officer, or comparable official of the Applicant?
- Do one or more government entities control or have veto power over the financing decisions of the Applicant?
- Is the majority of the Applicant's Governing Board members elected or appointed government officials?
- Does any government entity provide more than 50% of the Applicant's operating budget or financing capital?
- If the Applicant organization is controlled by another entity, is that entity controlled by one or more government entities?

SECTION III: COMPREHENSIVE BUSINESS PLAN

Who Must Complete This Section?

- ALL APPLICANTS

Is There Anything In This Section That Will Cause My Application To Be Rejected If I Miss It?

- Failure to include this section (complete with responses) in your Application will cause your Application to be automatically rejected and returned to you.

Things To Note:

- Be sure to pay close attention to the tips as well as the different questions.
- All Application charts are available as an Excel file on the Native Initiatives page of the Fund's website.
- The CBP questions are available as a Word file (on the Native Initiative page of the Fund's website) that an Applicant may use as a template for completing the CBP questions. If the Applicant chooses not to use the Word template to complete the CBP, please provide the narrative as separate attachment with the Question numbers clearly identified.

GENERAL GUIDANCE

The key component of the Application is the Comprehensive Business Plan (CBP) describing the Applicant's strategy for creating demonstrable community development impact through the deployment of capital within its Target Markets. The CBP includes an Executive Summary, TA Proposal (if applicable), and five key sections, each of which includes several subcomponents. Each section has a maximum number of points. Applications must receive at least 50% of the maximum points to be considered for funding. The points for each section are as follows:

SCORING	Maximum Points
Executive Summary	Not Scored
Market Analysis	25 points
Business Strategy	25 points
Community Development Performance and Effective Use	20 points
Management	20 points
Financial Health and Viability	10 points
Technical Assistance Proposal	Not Scored

CHARTS AND ATTACHMENTS

Matching Funds, TA Proposal, and four of the CPB sections require an Applicant to complete at least one chart. Some sections require additional attachments. An Excel file with all the required charts is available on the Native Initiatives page of the Fund's website. Attachments and charts related to each section are detailed within their section of the CBP.

TIP

- In completing the CBP questions, to the extent the Applicant lacks one of the elements or is a start up, identify the weakness and explain the plan to address the deficiencies, including requesting TA. The Fund will assess identified weaknesses with respect to the plan to address the deficiencies including any requests for TA.
- Each narrative will include a suggested length. The suggestion is intended to give you, the author a sense of the level of detail the Fund seeks. There is no minimum or maximum page length and no penalty for providing more or less information. However, do keep in mind that Fund readers will have only three to four hours to read and write up their evaluation of your Application.
- If you attach your narratives as separate pages, please include the question as a courtesy to the Fund reader.
- Please complete your charts in the Excel file located on the Native Initiatives page of the Fund's website.

In the narrative response to each of the questions below, respond as appropriate for the Applicant Type.

- A Type 1 Applicant (Certified or Certifiable Native CDFI) and a Type 2 Applicant (Emerging Native CDFI): Discuss the Applicant's current or proposed Financial Products, Development Services, and/or Financial Services.
- A Type 3 Applicant (Sponsoring Entity): Discuss the proposed Financial Products, Development Services, and/or Financial Services that the Applicant expects the future Native CDFI to offer.

EXECUTIVE SUMMARY

No Points (Suggested length: 1 page)

Charts and Attachments

Award Request

Narrative

Type 1 Applicant (Certified or Certifiable Native CDFI)

Type 2 Applicant (Emerging Native CDFI)

Provide a brief description of the Applicant and a summary of the CBP. The description should include: (1) the Applicant's Target Market(s); (2) why a Native CDFI is needed in the Applicant's Target Market(s); (3) the need and demand the Applicant seeks to address with the Native CDFI and this CBP; and (4) the Applicant's major activities and track record of success in carrying out these activities.

A Type 2 Applicant (Emerging Native CDFI) should also discuss its plans to become certified as a Native CDFI, particularly focusing on plans to begin financing and providing Development Services to its customers or clients.

Type 3 Applicant (Sponsoring Entity)

Provide a brief description of the Applicant and a summary of the CBP. The description should include: (1) experience (if any) providing the type and volume of financing products the projected Native CDFI will offer; (2) the Applicant's role in creating the proposed Native CDFI; (3) the mission, proposed structure (bank, credit union, loan fund, etc.), key activities, and Target Market to be served by the Native CDFI to be established by the Applicant; and (4) projected timeline for developing that Native CDFI. Tribal and Village governments should also describe their community development activities.

Market Analysis

Maximum 25 points

The Fund will evaluate: (i) the extent and nature of the economic distress within the designated Target Market including the Applicant's understanding of its current and prospective customers; and (ii) the extent of demand for the Applicant's Financial Products, Development Services, and Financial Services within the designated Target Market.

Narrative

1. **Describe the Applicant's current or proposed Target Market. A Type 3 Applicant (Sponsoring Entity) should describe the Target Market that will be served by the Native CDFI that it proposes to create. (Suggested length: up to 1 page.)**
 - What is the Applicant's Target Market: Other Targeted Population, Low-Income Targeted Population, and/or Investment Area?
 - Discuss the extent of economic distress within the Target Market. Discuss any market opportunities, factors, or trends that may influence the Applicant's ability to deliver its Financial Products, Development Services, and/or Financial Services to its Target Market.
 - Discuss any market opportunities, factors or trends that may influence the Applicant's ability to deliver its products and services to its *Target Market*. Provide quantitative and qualitative data on the Target Market (e.g., population, population shifts, business environment, number of small businesses, largest employers). Illustrate the Applicant's understanding of its current and prospective customers by discussing the context of such data.
- TIP** To the extent the Applicant does not have quantitative data, provide specific examples and anecdotal evidence to describe your Target Market. For example, what other financial institutions exist in the community? How do they serve or not serve your population? Why? How does or will the Applicant fill a gap?
2. **Describe the Applicant's community development and economic development activities. (Suggested length: up to 1 page.)**
 - Discuss the Applicant's community development and economic development activities focusing on those specifically provided to clients in the designated *Target Market*.
 - Relate the knowledge gained through these activities to you're the Applicant's understanding of the need for financial services within the *Target Market*.
 3. **Describe the need for a Native CDFI by providing a sense of the financial marketplace in the Target Market. Identify sources of support for the Native CDFI. (Suggested length: up to 1 page)**
 - Identify and discuss other sources of Financial Products, Development Services, and/or Financial Services in the Target Market (including state or local programs, banks, credit unions, other CDFIs, payday lenders, check cashers, pawnshops, rent-to-own merchants, car dealers, etc.).
 4. **FA APPLICANTS: Discuss and quantify the extent of the demand for the Applicant's Financial Products, Development Services, and/or Financial Services within the Target Market. (Suggested length: up to 1 page.)**
 - Explain how the Applicant ascertained that there was demand for the Financial Products, Development Services, and/or Financial Services. Discussion should put the level of demand in the context of the broader market and include indicators of demand such as number of inquiries per month and/or the number of Target Market members turned away by other sources.

Business Strategy

Maximum 25 Points

The Fund will evaluate the Applicant's business strategy for addressing market demand and creating community development impact through: (i) its Financial Products, Development Services, and/or Financial Services; (ii) its marketing, outreach, and delivery strategy; and (iii) the extent, quality and nature of coordination with other similar providers of Financial Products, Development Services, and/or Financial Services, government agencies, and other key community development entities within the Target Market.

Charts and Attachments

- Chart C: Activities Level Chart

Narrative

5. Describe the Applicant's current or proposed Financial Products, Development Services, and/or Financial Services. (Suggested length: 1 - 2 pages.)
- List each of the Applicant's current or proposed Financial Products, Development Services, and/or Financial Services. For each product, identify the dollar range, interest rate, and terms (if known), and describe Applicant's/the Native CDFI's customer profile.
 - Discuss how the design or proposed design of each Financial Product, Development Service, or Financial Service is appropriate for the Target Market (e.g. flexible underwriting criteria, nontraditional forms of collateral, low down payment requirements, closing costs assistance, etc.).
 - Discuss how Development Services are linked to the Financial Products and/or Financial Services discussed above. Describe the Applicant's plans for pre-and post-loan support. For Development Services: indicate whether the Applicant provides or will provide the Development Services directly or through an Affiliate or other organization.
 - Discuss how the Applicant's current or proposed Financial Products, Development Services, and/or Financial Services compare to other Financial Products, Development Services, and/or Financial Services available within the Target Market.
 - A Type 3 Applicant (Sponsoring Entity) with an existing loan portfolio should discuss plans to transfer the portfolio to the future Native CDFI.
 - **FA APPLICANTS:** An Applicant that currently provides Financial Products, Development Services, and/or Financial Services should discuss efforts to develop, test, and adapt its Financial Products, Development Services, and/or Financial Services in response to customer needs, demand, and market opportunities.

TIP Throughout the application there are questions that pertain only to FA applicants or only to TA applicants. Most often questions for FA Applicants are additional questions required of applicants requesting FA, for example, the final bullet of the question above is an additional question required only of applicants requesting FA.

6. **APPLICANTS THAT ARE ACTIVELY FINANCING: Discuss the activities listed on the Activities Level Chart. (Suggested length: ½ page.)**
- Discuss the extent to which the Applicant will increase the volume and/or quality of financing activities (or begin financing activities), offer new Financial Products, Development Services, and/or Financial Services, and/or expand to serve a new Target Market.
 - Explain how all projected figures were calculated.
7. **Describe the Applicant’s marketing, outreach, and delivery strategy. (Suggested length: 1 page.)**
- Describe the Applicant’s strategy to deliver and build demand for its or its Native CDFI’s current or proposed Financial Products, Development Services, and/or Financial Services to the Target Market.
 - Discuss how the Applicant or its Native CDFI will sustain its delivery mechanisms.
 - Discuss the extent of community support in the designated Target Market for the Applicant (or the Native CDFI it is creating) and its activities.
8. **TYPE 2 APPLICANTS (EMERGING NATIVE CDFI’s):** Discuss how the Applicant plans to build its capacity as a Native CDFI. **TYPE 3 APPLICANTS (SPONSORING ENTITIES):** Discuss the Applicant’s plans to build its capacity to create a Native CDFI. **(Suggested length: 1 page.)**
- Provide a timeline for achieving the major objectives of the CBP that addresses the following:
 - ~ Incorporate Native CDFI (for Sponsoring Entities).
 - ~ Appoint or Elect Governing Board.
 - ~ Define Staffing Needs.
 - ~ Hire First Staff Person / Hire Executive Director (or equivalent).
 - ~ Develop and Approve Lending Policies and Procedures.
 - ~ Begin Providing Development Services (TA and training) to Potential Borrowers.
 - ~ Disburse First Loan.
 - ~ Receive Native CDFI Certification.
 - Discuss plans and strategies for achieving the milestones.
9. **FA APPLICANTS: Discuss the Applicant’s collaboration, coordination, and partnerships. (Suggested length: ½ page.)**
- To the extent not already discussed in a previous question, discuss the Applicant’s collaboration, coordination, and partnerships with other providers of Financial Products, Development Services, and/or Financial Services (e.g., banks, credit unions, loan funds, CDFIs); Local, State and Tribal government agencies; and other relevant public and private entities (Affiliates, community organizations, universities, etc.). Illustrate how coordinating enables the Applicant to better serve its Target Market.
 - Discuss the extent to which the Applicant’s activities are consistent with existing economic, community, or housing plans adopted by or applicable to the designated Target Market.
 - Discuss the Applicant’s strategy for leveraging assistance from the Fund with support from private sector financial resources and other government programs.

Community Development Performance and Effective Use

Maximum 20 points.

The Fund will evaluate (i) the Applicant's vision for its Target Market, specific outcomes or impacts for measuring progress towards achieving this vision, and the extent to which this award will allow it to achieve them; (ii) the Applicant's track record in providing Financial Products, Financial Services, and Development Services to the Target Market; (iii) the extent to which proposed activities will benefit the Target Market; and (iv) the likelihood of achieving the impact projections, including the extent to which the activities proposed in the CBP will expand economic opportunities or promote community development within the designated Target Market by promoting homeownership, affordable housing development, job creation or retention, the provision of affordable financial services, and other community development objectives.

Charts and Attachments

- Chart A: Award Request
- Chart B: TA Request
- Chart C: Activities Level
- Chart D: Community Development Impact

Narrative

10. Track Record: Describe the Applicant's track record in providing Financial Products, Development Services, and/or Financial Services. (Suggested length: 1 – 2 pages.)

- Discuss the Applicant's past activities focusing on those specifically provided to clients in the designated Target Market. As appropriate, utilize historic data from the Chart C: Activities Level Chart to support the discussion. A Type 3 Applicant (Sponsoring Entity) should describe its track record (if any) in providing Financial Products, Development Services, and/or Financial Services as it relates to its ability to create a Native CDFI to serve the Target Market.

11. Impact Measurement: Describe the Applicant's long-term vision for its Target Market(s), its community development objectives, and how progress toward those objectives is or will be measured. The Applicant's vision should be consistent with – and build from – the described community development impacts. (Suggested length: 1 page.)

- **TA ONLY APPLICANTS:** Describe how a TA grant will allow the Applicant to realize its long-term vision for its Target Market(s).
- **FA APPLICANTS:** Discuss strategies for working towards greater organizational self-sufficiency and for achieving the long-term vision for the Target Market. NOTE: FA Applicants that are also requesting TA, should answer this bullet and do not need to answer the bullet above. All applicants should respond to the bullet below.
- Describe key data the Applicant uses to measure impact over time and how that data is captured. Describe the strategy, procedures, and systems in place (or that will be developed) that will allow the Applicant to track the impacts listed in the Chart D: Community Development Impact Chart.

TIP In the response to Question 11, the Fund is looking for clearly defined, specific outcomes or impacts that the Applicant seeks to achieve over the next five years. For example, as a result of the Applicant's activities, it may successfully increase homeownership opportunities for Low Income residents of the Target Market. In structuring this discussion, keep in mind that outcomes are ultimate goals. Benchmarks or outputs are interim activities or products that lead to the ultimate achievement of your goals.

12. PRIOR AWARDEES: If the Applicant or an Affiliate has received an award under any of the Fund's programs, describe how the previous award(s) were used (including how much of the award has been deployed or spent). (Suggested length: 2 pages.)

- Include the name of the entity that received the Award(s) and relationship to the Applicant. If available: please provide any award control numbers.
- Explain the need for additional Fund dollars over and above the prior award. Describe the additional benefits that would accrue to its capacity or to the Target Market if the Applicant receives another award from the Fund, such as plans for expansion of staff, market, or products. The Fund will not provide funding for the same activities funded in prior awards.
- If previous award was to become a Certified Native CDFI – and this objective was not achieved: why was the previous TA insufficient to become certified? How would additional TA allow the Applicant to accomplish this objective?
- Discuss the extent to which the Applicant or Affiliate (as applicable) has been successful in meeting previous performance goals and reporting requirements.

13. FA APPLICANTS: Justification for FA Award Request. Describe the Applicant's plan for using the FA requested. (Suggested length: 2 pages.)

- Discuss the degree to which the FA requested will create leverage in terms of funding or other resource (e.g., the Tribe's willingness and ability to contribute in-kind support of a staff person).
- Address how the FA requested fits into the Applicant's capitalization plan.

TA PROPOSAL: Complete if Requesting a TA Award

14. Provide a summary of the organizational improvements needed to achieve the objectives of the CBP – including becoming certified (Type 2 Applicant) or creating a certified Native CDFI (Type 3 Applicant).

- Provide a summary description of the requested goods and/or services. For certain activities, it may help to include a timeline of when the various TA activities will be completed to show how the Applicant will deploy the TA award. Generally, all TA funds awarded must be used within 24 months of receipt.
- Describe the Applicant's plan for using the requested TA to build its capacity. Discuss whether the TA award will promote the most viable Native CDFI to serve the Target Market.
- **TYPE 2 APPLICANTS (EMERGING NATIVE CDFI)**: explain how the requested TA will assist the Applicant in meeting the six certification requirements described in Section II within two years. Discuss how obtaining a TA award will affect the time frame for obtaining certification.
- **TYPE 3 APPLICANTS (SPONSORING ENTITIES)**: explain how the requested TA will help the entity created by the Applicant meet the six certification tests within three years. Discuss the requested TA will affect the time frame for establishing the Native CDFI and becoming certified.

- If the Applicant identifies a capacity-building need related to any section of the CBP (e.g., if the Applicant requires a market need analysis or a community development impact tracking or reporting system), the Fund will assess its plan to use the TA grant to address said needs.
- If the Applicant requests a TA grant for recurring activities, it must clearly describe the benefit that would accrue to its capacity or to its Target Market (such as plans for expansion of staff, market, or products) as a result of the TA award.

Management and Underwriting

Maximum Points: 20

The Fund will evaluate the Applicant's organizational capacity to achieve the objectives set forth in its CBP as well as its ability to use its award successfully and maintain compliance with its Assistance Agreement through an evaluation of: (i) the capacity, skills, size and experience of the Applicant's current or proposed Governing Board, management team, and key staff; and (ii) the Applicant's management controls and risk mitigation strategies including policies and procedures for portfolio underwriting and review, financial management, risk management, management information systems.

Charts and Attachments

- Organizational Chart
 - Chart should illustrate all positions as of the date of the Application including (i) Governing Board; (ii) management; (iii) all staff including shared or donated staff from other organizations or Affiliates; and (iii) volunteers and consultants who are an integral part of the Applicant's operations. Show reporting relationships for all positions.
- Up-to-date resumes of Key Board Members (chairpersons of the Governing Board, advisory board (if applicable), and key committees), Management Team, and Key Staff.

Narrative

15. Describe the capacity, skills, size and experience of the Applicant's current and/or proposed Governing Board. (Suggested length: 1 page to 2 pages)

- List the members of the Applicant's/the Native CDFI's Governing Board, advisory board, and any key committees that are an integral part of the Applicant's current operations (e.g., loan/investment committee, audit committee) or plans to create a Native CDFI. If the governing board of the Native CDFI is not yet in place, provide a narrative description of the timeline and plans for developing the Native CDFI's governing board.
- For each member, provide a brief (one paragraph) description of that individual's capacity, skills, and experience – especially as it relates to his or her position on the board or committee.
- Provide the current or proposed number of governing board members and the percentage of members that are members of the home Tribe or are Native, as appropriate.
- If the Applicant has or proposes to create an Advisory Board that is separate from the Governing Board, describe its current or proposed role in advising policies and mission.

TIP An Applicant will score well in this section if it can demonstrate that it has or has plans to develop a governing board with a diverse set of skills and connections, including: professionals in the community development field (e.g., an expert on affordable housing), someone with a traditional financing background (e.g., local bankers), and someone who understand the Target Market (e.g., community residents, Tribal Council members).

16. Describe the capacity, skills, and experience of the Applicant's current and/or proposed management team and key staff. (Suggested length: 2 - 4 pages.)

- For each member of the management team and any key staff who are integral to implementing the CBP (e.g., loan officers or marketing professional) provide a brief (1-2 paragraph) description of: (i) the position held by the individual including role and responsibilities; (ii) the individual's capacity, skills, and experience as it relates to his or her position; and (iii) the individual's role in carrying out the CBP. A Type 3 Applicant (Sponsoring Entity) should discuss members of the Native CDFI development team (e.g., loaned staff, consultants, volunteers).
- For any vacancies or new positions, describe the status of filling the position and the strategy for doing so, as well as the expected date of filling the position (including timeframe). A Type 2 Applicant (Emerging Native CDFI) should discuss plans to hire additional staff needed to move the organization toward becoming certified.

17. FA APPLICANTS: Describe the Applicant's policies and procedures.

- Describe the Applicant's **underwriting policies and procedures**. The description should address:
 - ~ Whether the Applicant has written, board-approved policies in place and the date the policy was most recently approved or updated by the Governing Board.
 - ~ The underwriting process and review criteria for each Financial Product; the roles and responsibilities for due diligence, initial recommendation, setting the interest rate, determining the risk level, and making the final loan decision; and the methodology for Write-Off/Charge-Offs of unrecoverable loans. Explain if Applicant does not Write-Off/Charge-Off loans delinquent greater than 120 days.
- Describe the Applicant's **portfolio monitoring policies and procedures**. The description should address:
 - ~ Whether the Applicant has written, board-approved policies in place and the date the policy was most recently approved or updated by the Governing Board.
 - ~ The Applicant's methodology for portfolio review, including frequency of review (e.g., monthly, quarterly, semi-annual, annual), the role of management, staff, Governing Board, and/or committee members; the types of reports that borrowers or investees are required to submit; and how the Applicant addresses delinquencies and defaults in its portfolio.
- Describe the Applicant's **financial and risk management policies and procedures**. The description should address:
 - ~ Whether the Applicant has written, board-approved policies in place and the date the policy was most recently approved or updated by the Governing Board.
 - ~ Management of financial accounts;
 - ~ System for tracking and reporting on use of funds from public and private sources; and
 - ~ Process for producing internal and audited Financial Statements.
- If the Applicant is requesting an award for a new product, explain if policies and procedures have been developed or the timeframe for doing so.
- If Applicant provides Equity Investments:
 - ~ Address how the Applicant determines performance and financial benchmarks with investees.
 - ~ Address how the Applicant would be alerted if the investee is experiencing financial and/or managerial difficulties.
 - ~ Describe the Applicant's role in company management and board decisions.
 - ~ Describe the types of corrective actions/enforcement/activities that will be taken if benchmarks are not met.

18. **TA ONLY APPLICANTS**: Discuss whether the Applicant has policies and procedures in place for underwriting, portfolio monitoring, financial and risk management. If not, note whether it is requesting TA to help it develop such policies.
19. Discuss the extent to which the Applicant has in place the systems and procedures to ensure ongoing compliance with of a CDFI Fund Assistance Agreement, focusing on the ability to:
- Submit reports in a timely manner based on the applicable reporting periods; and
 - Report electronically through the Community Investment Impact System (CIIS) on its financial management, institutional level, and transaction level data required to meet the Fund's annual reporting requirements.
 - To the extent the Applicant lacks a system or procedure, explain the strategy for acquiring and implementing the appropriate information systems and technology.
 - **TYPE 3 APPLICANTS (SPONSORING ENTITIES)**: Discuss your own organization's systems for complying with Federal grant programs and discuss your expectations for development of compliance and reporting systems for the Native CDFI that you are proposing to create.

Financial Health and Viability

Maximum Points: 10

The Fund will evaluate the Applicant's: (i) audited or otherwise prepared Financial Statements; (ii) safety and soundness, including an analysis of the Applicant's financial services industry ratios (capital, liquidity, deployment and self-sufficiency) and ability to sustain positive net revenue; (iii) projected financial health, including its ability to raise operating support from sources other than the Fund and its capitalization strategy; and (iv) portfolio performance including loan delinquency, loan losses, and loan loss reserves. If an Applicant does not have 100 percent of the required matching funds in-hand (versus committed), the Applicant must demonstrate to the satisfaction of the Fund that it will raise the outstanding balance of matching funds within the time table set forth above. The Fund will evaluate the Applicant's ability to create or sustain a financially safe and strong CDFI. how this is done will vary by Applicant type.

The FY 2006 NACA Program Application includes two Financial Health and Viability sections: one for Applicants seeking TA Only and another one for Applicants seeking FA - either alone or in conjunction with TA.

- An Applicant requesting TA Only will complete the Financial Health and Viability section starting on this page.
- An Applicant requesting FA - either alone or in conjunction with TA - will complete the Financial Health and Viability section starting on Page 44.

Charts and Attachments: TA Only Applicants

- Chart E: Portfolio Quality Track Record: Complete this chart if the Applicant has a loan portfolio.
- Chart G: Projected Resources.
- Chart I: Equity Investment Portfolio Valuation: Complete this chart if the Applicant has an investment portfolio.

Narrative: TA Only Applicants

20. TYPE 1 OR TYPE 2 APPLICANTS. Describe the Applicant's financial position relative to Capital, Assets, Earnings, and Liquidity. (Suggested length: 1 page.)

- Discuss the following historic and projected figures: Net Asset Ratio, Total Assets, Total Loans Outstanding, Deployment, Net Income, Portfolio-at-Risk (PAR), Loan Loss Reserves.
- The narrative should address any weaknesses in the Applicant's financial performance (e.g., low capital, low deployment, negative or decreasing earnings, low operating liquidity, or high PAR).
- **TYPE 3 APPLICANTS (SPONSORING ENTITIES)**: no response required.

21. Funds Available for Financing. Discuss efforts to raise financing capital, including the extent of past support from prospective funders and the strategy for approaching all funding sources going forward (both past and new sources). (Suggested length: 1 page.)

22. Other Resources. Describe other resources that you can draw on in support of the current or proposed Native CDFI (e.g., donated staff time, office space, volunteers, or shared databases of potential clients). (Suggested length: 1/2 page.)

FINANCIAL HEALTH AND VIABILITY: FA APPLICANTS

Charts and Attachments: FA Applicants

- Chart F: Loan Portfolio Quality Complete this chart if the Applicant has a loan portfolio.
- Chart H: Financial Health & Viability (Part 1: Financial Data Input. Part 2: Financial Ratios.)
- Chart I: Equity Investment Portfolio Valuation: Complete this chart if the Applicant has an investment portfolio.
- Chart J: Matching Funds
- Submit Financial Statements for the Applicant's two most recently completed fiscal years (or as many years as are available if the Applicant has been in operation less than two years).
 - Non-Regulated Applicants: Submit audited or reviewed Financial Statements. If audited or reviewed Financial Statements are not available, submit internally generated balance sheets (statements of financial position) and Income and Expense Statements (statements of activities), and respond to question 26, below.
 - Applicants with Affiliate(s): If the audited Financial Statements of the Applicant are consolidated with its Affiliate(s) and do not include separate schedules of the Applicant's financial position and Income and Expense Statements, submit a separate set of internally generated Financial Statements for the Applicant.
 - ICUs, IDIs, and DIHCs: Submit Financial Statements for the last two completed fiscal years that have been reviewed by the Applicant's Federal regulatory agency (e.g., NCUA Form 5300, or Uniform Bank Performance Report). Submit Financial Performance Ratios (FPR) prepared by the Applicant's Federal regulatory agency for the last two completed fiscal years.

Narrative: FA Applicants

- 23. Describe the type of Financial Statements included with the Application: audited, reviewed, or internally prepared.**
- If applicable, explain why anything less than the most recent two years of audited Financial Statements were not included. If applicable, explain measures being taken to address any negative findings reported in the audits.
- 24. Provide key assumptions underlying the projections for the three years (FY 2006-FY 2008) identified in the Chart H: Financial Health & Viability Chart. Address the following:**
- Explain the basis for any change in outstanding financing during the projected years. For example, is this based on a percent increase, if so what percentage. If not based on a percent increase, what data was used to identify the projection pattern.
 - Identify new Financial Products, Development Services, and/or Financial Services impacting the outstanding financing figure for the three projected years. These should match the Financial Products, Development Services, and/or Financial Services on the Chart C: Activities Level Chart.
 - Describe the figures used to determine expenses, i.e., assumptions about new hires, new offices/branches, etc.
 - Does the Applicant have sufficient financing capital to meet the current and projected level of demand for its Financial Products and/or Financial Services?

Financial Ratio Minimum Prudent Standards (MPS)			
Measure	Non-Regulated CDFIs	Insured Credit Unions	IDIs / DIHCs
Capital Measures the underlying financial strength of an Awardee and whether it has sufficient cushion of assets to cover unexpected losses. The capital ratio identifies the percentage of the Native CDFI's total assets unencumbered by debt.	Net Asset Ratio $\geq 15\%$ Net Assets divided by Total Assets	Net Worth Ratio $\geq 5\%$ Net Worth divided by Total Assets	Tier 1 Leverage Capital $\geq 7\%$
Deployment Measures how much of the Applicant's available funds are lent out or invested.	Deployment Ratio $\geq 50\%$	Deployment Ratio $\geq 50\%$ Total Loans divided by Total Shares	Total Loans/Total Deposits $\geq 50\%$
Self-Sufficiency Measures the percentage of operating costs a Native CDFI can cover with earned revenue.	Self-Sufficiency Ratio = $\geq 40\%$ (non-profit) $\geq 70\%$ (for-profit)	N/A	N/A
Operating Liquidity Measures whether the Applicant has sufficient cash to cover at least 3 months of operating expenses. The operating ratio reports the availability of cash to cover short-term operating expenses.	Operating Liquidity Ratio ≥ 0 Cash, Cash Equivalents, and Marketable Securities that are not restricted in a manner that prevents their use in satisfying obligations represented by operating expenses DIVIDED BY 25% of total operating expenses for the four most recently completed quarters.	N/A	N/A
Earnings Measures whether the Applicant is earning sufficient revenue to cover its expenses. The Fund expects Native CDFIs to sustain positive net revenue each year, but recognizes the nature of Native CDFI funding sources makes that difficult. The Fund's MPS is therefore based on a 3-year time frame.	Net Income $\geq \\$0$ Gross Revenues (including grants or other contributions) less Total Expenses. For-profit Applicants should deduct total pre-tax expenses from Total Revenue.	Return on Assets $\geq 0.75\%$ See return on average assets under Earnings Heading under FPR Ratios Document	Pre-Tax Net Operating Income/Average Assets $>0.65\%$

25. For each Financial Ratio:

- State the Applicant's ratio result as calculated on the Chart H: Financial Health & Viability and whether that result meets the Fund's MPS. If a ratio does not meet the MPS, provide the following:
 - ~ Explain the organization's expectation or goal for this ratio and how those expectations were developed and documented.
 - ~ Explain why the Applicant is financially sound although it does not meet the MPS. Include specific information relative to that ratio. For example, a capital ratio statement may address the Sources and terms of the debt that might mitigate the organization's financial risk, i.e., (20 different EQ2 investments, the earliest of which is due to roll over in 2020); **OR**
 - ~ Explain how the requested FA and/or TA will help increase the Applicant's ratio.
 - ~ For regulated Applicants, discuss any regulatory constraints or agreements affecting the MPS.

TIP Consider the following in developing the explanation for any missed MPS:

- Capital Ratio: Explain why the Applicant's debts exceed 80% of its total assets and how the organization protects itself from financial risks related to this debt level.
- Self-Sufficiency Ratio: Describe the Applicant's strategy and timeline for increasing total earned income and/or decreasing expenses. Explain any inflexible impediments to self-sufficiency and why they are considered inflexible (e.g., product mix or market served discussions.)
- Operating Liquidity Ratio: Address the factors affecting the Applicant's ability to meet its liabilities with off-balance sheet resources or other strategies.
- Earnings: Explain any unusual losses, plans for preventing such losses in the future, strategy for increasing earnings, and how requested FA or TA will help the Applicant's earning potential.

26. Portfolio Management Ratios. The chart below defines the MPS for the three portfolio management ratios: Portfolio-at-Risk and Loan Loss Reserves (Provision for Losses).

Institution Type	Portfolio-at-Risk (PAR) Ratio	Loan Loss Reserves (LLR) or Provision for Losses
Non-Regulated Entities (Loan Funds)	$\leq 15.00\%$	Loan Loss Reserves are expected to be no less than half the actual Portfolio-at-risk and no more than one and a half times the actual portfolio at risk: $.5 \text{ PAR} \leq \text{LLR} \leq 1.5 \text{ PAR}$
Insured Credit Unions	Delinquent Loans/Total Loans $\leq 3.5\%$	Comparing FY03 and FY04, Applicant's dollar amount of provision for loan losses changed by at least the same percent and direction as the change in the dollar amount of delinquent loans.
IDIs / DIHCs	Non current Loans & Leases/Total Loans & Leases $\leq 2.0\%$	Loans & Leases Allowance/Total Loans & Leases $\geq 0.5\% \text{ PAR}$

- The Applicant will complete the Loan Portfolio Quality Chart (Chart G) and compare its 3-year average historical ratios to the MPS above.
- For each portfolio management ratio, provide a narrative addressing the following:
 - ~ State whether the Applicant met the MPS.
 - ~ Explain the Applicant's expectation or goal for the ratio and how it was developed.
 - ~ If the Applicant failed to meet a MPS, explain why it believes it has reasonable risk management despite not meeting the MPS or describe the steps being taken to address this failure.

27. Equity Investor Financial Health [applicable only for Venture Capital Funds]

- Complete the Chart I: Equity Investment Portfolio Valuation and briefly answer the following questions:
 - ~ Describe the terms of the Equity Investments made by the Applicant.
 - ~ Explain the Fund's life cycle and where the Applicant is in that life cycle.
 - ~ Describe the Fund's status in meeting both capitalization and investment goals compared to the original plans.
- Provide a summary of investments including total number, breakout by investment type (i.e., pure equity vs. equity-like), and investment age.

28. Funds Available for Financing. Discuss efforts to raise financing capital, including the extent of past support from prospective funders and the strategy for approaching all funding sources going forward (both past and new sources). (Suggested length: 1 page.)

Matching Funds (FA Applicants Only)

Matching Funds are required for all FA awards. In accordance with the NOFA, the Fund will not consider for FA funding any Applicant that demonstrates no Matching Funds in-hand or committed as of the Application deadline. Matching Funds are not required for TA grants.

- **Matching Funds Window:** Matching Funds In-Hand (received), or Firmly Committed, on or after January 1, 2004, and on or before March 15, 2007, will be considered when determining Matching Funds eligibility.
- **Applicants that do not obtain the projected Matching Funds:** The Fund reserves the right to: (1) rescind all or a portion of a FA award and re-allocate the rescinded award amount to other qualified Applicant(s) if an Applicant fails to obtain the required Matching Funds In-Hand by March 15, 2007 (with documentation of such receipt to be received by the CDFI Fund not later than March 30, 2007); or (2) to grant an extension of such Matching Funds deadline, if the Fund deems it appropriate.
- **Comparable Form:** Matching Funds must be at least comparable in form and value to the FA award provided by the Fund. For example, if an Applicant seeks a FA grant from the Fund, the Applicant must obtain Matching Funds through grants from non-Federal sources that are at least equal to the amount requested from the Fund. For loans or Deposits, the terms will be matched by the Fund to the extent possible and in the sole discretion of the Fund. Thus, if a 10-year loan at 2% interest, with interest only payments is requested from the Fund, the Applicant must match the request with a loan with the same terms. If several loans with different terms and rates are used as Matching Funds for a loan, the Fund will calculate a blended term and rate of the loan portion of the Fund's FA award.
- **Non-Federal Source:** Matching Funds must come from sources other than the Federal government and, regardless of the source, consist of non-Federal funds. Community Development Block Grant Program and other funds provided pursuant to the Housing and Community Development Act of 1974, as amended, are considered Federal government funds and cannot be used as Matching Funds.
- **Previously Used Matching Funds:** Funds used by an Applicant as Matching Funds for a prior award under the CDFI Program or NACA Program or under another Federal grant or award program cannot be used to satisfy the Matching Funds requirement for this FA request. If an Applicant seeks to use as Matching Funds, monies received from an organization that was a prior Awardee under the CDFI Program or NACA Program, the Fund will deem such funds to be Federal funds, unless the funding entity establishes, to the reasonable satisfaction of the Fund, that such funds do not consist, in whole or in part, of CDFI Program or NACA Program funds or other Federal funds. An Applicant using Matching Funds from an Affiliate must be able to demonstrate that the Affiliate received the same amount from an eligible, non-Affiliate source within the eligible Matching Funds window, described above.

Chart J: Matching Funds

Chart J: Matching Funds captures information, as of the submission date of the Application, on Matching Funds In-Hand, Firmly Committed, and To Be Raised. Chart J: Matching Funds is Chart J in the Application Charts Excel Workbook. Before completing the chart, it is highly recommended that the Applicant:

- Carefully read the chart instructions below and the Sample Completed Chart.
- Read the Matching Funds guidance available on the Fund's website at www.cdfifund.gov.
- Gather all documentation so that dates, amounts, and other data are readily available.

Any Applicant seeking FA must complete the chart.

Required Documentation

- ❑ **Matching Funds In-Hand:** For each Matching Funds In-Hand transaction provide a copy of executed documentation evidencing (i) the form of Matching Funds and (ii) that the Matching Funds were disbursed. Acceptable documentation of the form of Matching Funds is as follows:
- Grant: grant transmittal letters; grant agreements; a letter from the match source indicating the grant amount and the purpose of the grant. Signed copy required.
 - Loan: promissory notes, loan agreements. Signed copy required.
 - Equity Investment: stock certificates, subscription agreements and private placement memoranda. Signed copy required.
 - Deposit/Shares: certificates of deposit or share certificates.
 - Secondary Capital: secondary capital agreement and the Disclosure and Acknowledgement Statement. Signed copy required.
 - Retained Earnings: see special section below describing using Retained Earnings as match.
- Acceptable evidence that the Matching Funds were disbursed to the Applicant includes: (1) a copy of the check; (2) a copy of wire transfer transaction; or (3) other disbursement document deemed acceptable by the Fund.
- ❑ **Matching Funds Firmly Committed:** For each source of Matching Funds Firmly Committed, provide written documentation evidencing that the Applicant has entered into or received a legally binding commitment from the Matching Funds source that the Matching Funds have been committed, and are to be disbursed to the Applicant (such as a loan agreement, promissory note, or grant agreement). Matching Funds Firmly Committed documents must be in writing, signed and dated by the funder, indicate that the Matching Funds are for the Applicant, correspond in form to the FA requested (i.e., grant for grant, loan for loan), and provide a date by which the Matching Funds will be disbursed to the Applicant. All commitments must indicate that Matching Funds are to be disbursed by March 15, 2007. Commitments may be contingent upon receipt of a Fund FA award, and other contingencies deemed reasonable by the Fund, in its sole discretion.
- ❑ **To Be Raised:** Submit letters of interest from potential funders or documentation demonstrating the likelihood of raising Matching Funds by March 15, 2007.
- ❑ **Small Contributions:** If an Applicant has identified more than five small contributions (under \$1,000) as Matching Funds, create a list with the name and amount of each donor/contributor. In Chart J: Matching Funds, record the total sum of these small contributions as a single entry. Select “Small Contributions” in the “Source of Matching Funds” column. Submit the list and copies of disbursement documents (checks, cover letters and pledge forms). At a minimum, the Fund needs a copy of the check from each individual to find the funds eligible.

TIP If the Applicant has a large number of Matching Funds documents, please separate the documentation for each source with either tabs or colored paper, and number each page.

Using Retained Earnings To Satisfy Matching Funds Requirement

An Applicant may use its Retained Earnings to match a request for a grant from the Fund. An Applicant that proposes to meet all or a portion of its Matching Funds requirements by committing available earnings retained from its operations shall be subject to the restrictions described in this section. Retained Earnings shall be calculated as directed by the Fund in the applicable NOFA, Application, and/or related guidance materials. Retained Earnings accumulated after the end of the Applicant’s most recent fiscal year ending prior to the appropriate Application deadline may not be used as Matching Funds.

If using Retained Earnings as Matching Funds, the Applicant must complete the Chart K: Retained Earnings appropriate for its organization type based on the following information. The Matching Funds Retained Earnings Calculators are under Chart K in the Application Charts Excel Workbook.

Eligible Retained Earnings for All Applicants Other Than ICUs. For an Applicant other than an ICU, Retained Earnings that may be used for Matching Funds purposes shall consist of:

- The increase in retained earnings (meaning, operating income minus operating expenses less any dividend payments) that has occurred over the Applicant's most recent fiscal year (e.g., retained earnings at the end of FY 2003 less retained earnings at the end of FY 2002); or
- The annual average of such increases that occurred over the Applicant's three most recent fiscal years.
- Chart for a For-Profit Applicant:** Complete Chart K1 or K3, as appropriate, using the Applicant's unconsolidated audited Financial Statements. The Fund will verify amounts documented in the table using the unconsolidated audited Financial Statements.
- Chart for a Non-Profit Applicant (other than an ICU):** Complete Chart K1 using the Applicant's Financial Statements.

Eligible Retained Earnings for ICU Applicants. In the case of an Applicant that is an ICU (including a State-Insured Credit Union), Retained Earnings that may be used for Matching Funds purposes shall consist of:

- Option 1: The increase in Retained Earnings that has occurred over the Applicant's most recent fiscal year;
- Option 2: The annual average of such increases that has occurred over the Applicant's three most recent fiscal years; or
- Option 3: The entire Retained Earnings that have been accumulated since the inception of the Applicant, provided that the Applicant increases its Member and/or Non-Member Shares or total loans outstanding by an amount that is equal to the amount of Retained Earnings that is committed as Matching Funds by the end of the Awardee's second performance period, as set forth in its Assistance Agreement.
- Chart for an ICU Applicant:** Complete Chart K2 using the Applicant's NCUA 5300 Call Report.

If using Option 3, complete the chart, including the narrative explaining the Applicant's methodology for increasing its total shares or loans. The Fund will verify the amounts entered in the data portion of the chart using the Applicant's NCUA 5300 Call Report. If the Applicant is chosen to receive an award, the Fund will confirm the projected increase in Total Member And/Or Non-Member Shares or total loans using the Applicant's NCUA 5300 Call Report for the appropriate fiscal year. The baseline level of member/nonmember shares or loans outstanding will be calculated as of the Applicant's most recent fiscal year end prior to Application submission.

Instructions for filling out Chart J: Matching Funds

The Applicant will identify the Matching Funds by entering one Matching Fund transaction on each row. One transaction is any payment or expected payment. Therefore if one grant is being distributed in three different installments the chart should include three different rows – one corresponding to each payment date. If Retained Earnings are being proposed as a source, the Retained Earnings Calculator must be completed and submitted with the Excel Workbook linked to the Application. Follow the instructions below for information on what to enter in each column.

- Name of Source: Name or other identifier for each unique match source.
- Type: Select an option from the dropdown list in the table. See more information about each type (Loan, Grant, etc.) in the Matching Funds Q&A document.
- Amount [3 columns]: Enter the amount under the column corresponding to the status of the match: In-Hand, Committed, or To Be Raised.
- Date: Enter a date corresponding to the status of the match as follows: In-Hand = Final Disbursement Date; Committed = Date on Commitment Letter; To Be Raised = Expected Date of Final Disbursement. All dates must be on or after January 1, 2004, and on or before March 15, 2007.
- Comments & Contact Data: If the Matching Funds are from a state and/or local government agency, the Applicant is required to provide the contact name, title, and phone number of the Matching Funds source in the Comments/Contact column. Use same column for any additional comments relevant to the Matching Funds.

The Fund does not expect to make FA Awards over \$500,000 (including TA Request), Operating Grants of more than \$100,000, and TA Requests of \$150,000 (including Operations), though it will entertain well justified FA requests up to \$1 million, if funds are available.

Chart A: AWARD REQUEST (All Applicants)

Instructions: All Applicants must complete this chart. Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund's website.

Total Award Request (TA + FA): (max: \$500,000)		\$
FA Request:		\$
Grants		
Loans		
Equity Like Loans		
Equity Investments		
Deposit/Credit Union Shares		
Secondary Capital		
TA Request: (max: \$150,000)		\$
Consulting	\$	
Technology	\$	
Training	\$	
Operating (max: \$100,000)	\$	

Chart B: TA Request Summary: Instructions

Enter one row for each item, or similar group of items, for which TA funds are being requested. Each major project to be completed or item to be purchased should be entered on a separate row. Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Follow these guidelines for completing the chart.

- **Use Category:** Select one of the four options from a drop down menu. More details about TA categories can be found on page 5 of this Application.
- **Provider/Vendor:** Enter the name of the company or person from whom services or products will be purchased. If Operating Expense is for staff salary, name the staff person and provide title.
- **Brief Description:** Enter up to a 15 words to describe the products or service for which funds would be used. Keep this description brief, as the detailed justification will be included in the TA narrative. For services, use language that clarifies the product that will result from the service, for example, for the Consultant category entries might be “Write draft loan policies and procedures.”
- **# Hours/Items/Minimum Trainees:** Depending on the description, the # column will reflect one of the following: (1) Consulting or other Projects - # hours expected to reach completion; (2) Technology - # technology items; (3) Training - minimum # of people who will be trained with the requested dollars.
- **\$ Request:** Total TA dollars requested to be used for this line item.
- **Initial Expense Date:** Enter the earliest expected date that costs will be incurred. The earliest date that TA funds can be expensed is the date on the Notice of Award. For the FY 2006 funding round Applicants should assume that date to be September 1, 2006.

Chart B: TA Request Summary (TA Applicants ONLY)					
Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website.					
Use Category	Provider/Vendor	Brief Description	# Hours or Minimum # Trainees	\$ Request	Initial Expense Date

Chart C. Activities Level (All Applicants)

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Report actual figures for the Applicant’s three most recently completed fiscal years. Report projections for projected activity for the current fiscal year and the next three fiscal years. For each Financial Product, Development Service, Financial Service, and impact measure, select each activity from the drop down options available in the first column. Report on the activity as follows:

- Total # and % of Total to TM: Under the # sign enter the total number of transactions closed (or customers served in the case of Development and Financial Services). Under the % enter percent of those total transactions or customers that would be credited to the Applicant's Target Market.
- Total \$ and % of Total to TM: Under the \$ sign indicate the total dollar amount of transactions (as applicable) closed for that year. Under the % enter percentage of total \$ amount that can be credited to the Applicant's Target Market.

If the Applicant is a start-up financial institution or a Sponsoring Entity, enter information on its parent or its own activities (if it has applicable activities), or N/A if it has not yet started to provide financing or Development Services.

If you are reporting on your parent organization’s activities please CHECK ONE:

The Activities reported below are the Applicant’s: _____ are the Applicant’s parent: _____

Activity	Historic Activity			Projected Activity			
	Last FY End-2	Last FY End-1	Last FY End	Current FY End	Current FY End + 1	Current FY End + 2	Current FY End + 3
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %
	# %	# %	# %	# %	# %	# %	# %
	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %

Chart D: Community Development Impact (FA Applicants ONLY)

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Use this chart to identify up to five (5) primary community development impacts related to the financing and service activities identified on Chart C: Activities Level. Follow same rules for reporting on the impacts. Again, you'll select impacts from the options in the dropdown menu. For each impact identify total # and % of total to Target Market. Note that these figures may not be appropriate for all impacts. Identify impact but leave figures blank if so. Explain any "Other" entry in the appropriate CBP question #10 narrative response.

Note: If the Applicant is a start-up enter information on its parent or its own activities (if it has applicable activities), or N/A if it has not yet started to provide financing or Development Services.

Impact Measure	Historic Activity						Projected Activity							
	Last FY End-2		Last FY End-1		Last FY End		Current FY End		Current FY End + 1		Current FY End + 2		Current FY End + 3	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%

Chart E: Portfolio Quality Track Record (TA Only Applicants: With Loan Portfolio)

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Complete as of either the Applicant’s (1) last fiscal year end, or (2) month ending prior to the date of Application:

A.	\$ Amount of loans more than 90 days delinquent:	\$
B.	\$ Value of total loans outstanding:	\$
C.	Divide (a) by (b) =	%
D.	Loan volume in the last year (or last year)	\$
E.	Number of loans in the last year (or last year)	\$

Chart F: Loan Portfolio Quality (FA Applicants ONLY)

Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. NOTE: Insured Credit Unions and Insured Depository Institutions are required to complete this chart.

Loan Portfolio Aging Schedule			Current FY To Date* End of Period: _____		End of FY: _____		End of FY: _____		End of FY: _____	
a. Total Portfolio Outstanding:										
Non-Regulated Institutions	Insured Credit Union	Insured Depository Institution	Number	Principal Outstanding	Number	Principal Outstanding	Number	Principal Outstanding	Number	Principal Outstanding
b. 31 to 60 days	2 to 6 months	30 to 89 days								
c. 61 to 90 days	6 to 12 months	90+ days								
d. 90+ days	12+ months	Total non-accrual loans								
e. Gross Loans Receivable (or Total Loans) with payments past due (sum of b to d)										
f. Total Portfolio-at-Risk or Delinquency Ratio (e divided by a)										
Loan Loss History			Current FY To Date End of Period: _____		End of FY: _____		End of FY: _____		End of FY: _____	
g. Total Outstanding Loan Portfolio										
h. Net Write-Offs or Net Charge-Offs										
I. Annual Net Loan Loss Ratio (h/g)										
j. Loan Loss Reserve (cash reserves)										
k. Loan Loss Reserve (accrual)										
l. Loan Loss Reserve Ratio (j + k divided by g)										

Chart H: Financial Health & Viability (FA Applicants ONLY)

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Report actual figures for completed fiscal years 2003, 2004, and 2005 (if available). Report projections for fiscal years 2005 (if actuals not yet available), 2006, 2007, 2008, and 2009. Projections should include Matching Funds. Chart H: Financial Health and Viability summarizes both the historic and projected financial performance of the applicant. Refer to the CDFI Fund Glossary for definitions of terms.

Check if using audited or internal Financial Statements for completed fiscal years.		FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
<input type="checkbox"/>	Audited							
<input type="checkbox"/>	Internal							
Assets								
a	Total cash and cash equivalents							
b	Unrestricted cash and cash equivalents							
c	Total Commitments (includes Loans Closed and not disbursed, and committed loans)							
d	Total Outstanding Loan Portfolio and/or Total Outstanding Equity Investment Portfolio							
f	Total Assets							
Liabilities								
g	Total Adjusted Notes Payable (non-regulated non-profit only)							
h	Total Member Shares (Insured Credit Unions only)							
i	Total Non-Member Shares (Insured Credit Unions only)							
j	Total Deposits (Banks or Thrifts only)							
k	Total Available of Undrawn Lines of Credit							
l	Total Liabilities							
Equity								
m	Net Assets (non-regulated non-profits)							
n	Net Capital (Insured Credit Unions)							
o	Net Worth (non-regulated for profits)							
p	Total Tier 1 capital (banks & thrifts)							
q	Total Equity Capital Available for Financing							
Income and Expenses								
r	Total Earned Income (non-regulated non-profits or for-profits or Insured Credit Unions)							
s	Total grants and contributions							
t	Total pre-tax expenses or Total Expenses							

Chart H: Key Financial Trends and Ratios (FA Applicants ONLY)

Please print this chart from the Excel file located on the Native Initiatives page of the Fund’s website.

Part 2: MPS Ratios	Last FY End-2	Last FY End-1	Last FY End	3-Year Historic Ratios	Current FY End	Current FY End + 1	Current FY End + 2	Current FY End + 3	3-Year Projected Ratios
Net Asset Ratio									
Deployment Ratio									
Net Income									
Self-Sufficiency Ratio									
Operating Liquidity Ratio									

Chart I: Equity Investment Portfolio Valuation

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the [Native Initiatives page of the Fund's website](#). Enter information on your *Equity Investment* portfolio as of the last day of your organization's fiscal year for the last three years (if applicable), and the current year to date. Follow-on investments into the same company should be counted as unique investments.

Investment Portfolio Measures	End of FY 2002		End of FY 2003		End of FY 2004		Current Year to Date: FY 2005	
	Number	Dollars gained (lost)	Number	Dollars gained (lost)	Number	Dollars gained (lost)	Number	Dollars gained (lost)
a Average holding period (# of months) of all investments in portfolio								
b Equity Investments exited during the year		\$ -		\$ -		\$ -		\$ -
c Equity Investments written-off during the year		\$ -		\$ -		\$ -		\$ -
d Unrealized Gains (losses)								
e Realized Gains (losses)		\$ -		\$ -		\$ -		\$ -
f Projected Rate of Return Since Inception								
g Actual Rate of Return Since Inception								

Chart J: Matching Funds

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Review those carefully and have Matching Funds documents available when completing this chart. Remember the following important points:

- 1) Fill in only one "Amount" column for each row. The date entry should correspond to the amount column and match status as explained in the Application instructions.
- 2) If the Matching Funds are from a state and/or local government agency, Applicants must provide the contact name, title, and phone number of the Matching Funds source in the far right column. Use same column for any additional comments relevant to the Matching Funds entry.
- 3) The appropriate Retained Earnings calculator (charts K1, K2, or K3) must be completed if the Applicant includes a Retained Earnings entry in this chart.
- 4) If additional rows are needed insert them in the middle of the table so that the "Total" formulas are automatically updated.

Name of Source	Type	Amount In-Hand	Amount Committed	Amount to be Raised	Date	Comments & Contact Data

Chart K1: Retained Earnings Calculator #1**Retained Earnings Calculator for Non-Regulated CDFIs (Both For-Profit and Non-Profit)**

Retained Earnings Definition Updated: Section 1805.504 of the CDFI Fund Interim rule updated the Retained Earnings definition for CDFI Program applications. The revision was made to ensure that for-profit and nonprofit entities were treated the same. In addition, that section was revised to clarify what the Fund means by retained earnings: specifically, an entity's operating income minus operating expenses less any dividend payments. The specific definition from the rule now reads:

In the case of an Applicant that is **not** an Insured Credit Union or a State-Insured Credit Union, retained earnings that may be used for matching funds purposes shall consist of:

- (i) The increase in retained earnings (meaning, operating income minus operating expenses less any dividend payments) that has occurred over the Applicant's most recent fiscal year (e.g., retained earnings at the end of fiscal year 2003 less retained earnings at the end of fiscal year 2002); **or**
- (ii) The annual average of such increases that has occurred over the Applicant's three most recent fiscal years.

Instructions for completing the Calculator: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund's website. Complete the table using line items from the Applicant's "Statement of Activities" or equivalent financial report for the last three fiscal years. A positive result in either of the bottom two rows of the table can be proposed as a Retained Earnings Match. The Fund will verify the table entries against the financial statements provided with the application.

Financial Statement Data	Most Recent FYEnd-2	Most Recent FYEnd-1	Most Recent FYEnd
Total Operating Income/Revenue			
[Less] Total Operating Expenses			
[Less] Dividends Paid Out (For-profit CDFIs only)			
= Change in Net Assets	0	0	0
Either Result Below Can Be Used for FY 2006 Application			
Retained Earnings Increase from Most Recent FY		\$0	
Three Year Average Retained Earnings Increase		\$0	

Chart K2: Retained Earnings Calculator #2

Retained Earnings Calculator for Credit Union CDFIs

Instructions: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund’s website. Only those Applicants who are Insured Credit Unions seeking to use Retained Earnings as Matching Funds need to complete this Chart.

Step 1: Determine whether the Applicant will designate (a) the increase in Retained Earnings over the Applicant's most recently completed fiscal year; (b) the annual average increase in Retained Earnings over the Applicant's three most recently completed fiscal years; or (c) Retained Earnings accumulated since its inception.

Step 2: Fill out the applicable sections. For choice (a), fill in only column "Increase over Last Fiscal Year (FY)." For choice (b), fill in the three left columns, 1 column for each of the last three fiscal years. For choice (c), fill in only the column "Since Inception."

Step 3: For Insured Credit Unions using choice (c), the Applicant must ALSO increase its Member and/or Non-Member Shares or total loans outstanding by an amount that is equal to the amount of Retained Earnings that is committed as Matching Funds by the end of the Awardee’s second performance period, as set forth in its Assistance Agreement. For example, if Retained Earnings since inception is equal to \$50,000 and the Applicant designates the entire amount as match, the Applicant must raise its Total Member/Nonmember Shares or loans outstanding by \$50,000. Applicants using Retained Earnings under choice (c) must include a narrative in the box below discussing its strategy for raising the required shares or loans.

	Call Report and other Financial Data	Since Inception	Last FY -2 Years Data	Last FY -1 Year Data	Increase Over Last Fiscal Year (FY)
a	Undivided earnings				
b	Regular Reserves				
c	Other Reserves				
d	Subtotal	0	0	0	0
e	Reserves dedicated to losses				
f	Value of grants and donated assets placed in Retained Earnings				
g	Value of Retained Earnings used to match a Federal grant or previous Fund award				
h	Subtotal	0	0	0	0
i	Available Retained Earnings	0	0	0	\$0
j	Designated Retained Earnings since inception (must be equal to or less than i)				
k	Annual average Retained Earnings				\$0

Narrative in support of Option C: If using option C -- in box below explain strategy for raising the required shares or loans.

Replace text here with applicant's strategy for raising required shares.

Chart K3: Retained Earnings Calculator #3**Retained Earnings Calculator for Bank and Thrift CDFIs**

Retained Earnings Definition Updated: Section 1805.504 of the CDFI Fund Interim rule updated the Retained Earnings definition for CDFI Program applications. The revision was made to ensure that for-profit and nonprofit entities were treated the same. In addition, that section was revised to clarify what the Fund means by retained earnings: specifically, an entity's operating income minus operating expenses less any dividend payments. The specific definition from the rule now reads:

In the case of an Applicant that is **not** an Insured Credit Union or a State-Insured Credit Union, retained earnings that may be used for matching funds purposes shall consist of:

- (i) The increase in retained earnings (meaning, operating income minus operating expenses less any dividend payments) that has occurred over the Applicant's most recent fiscal year (e.g., retained earnings at the end of fiscal year 2003 less retained earnings at the end of fiscal year 2002); **or**
- (ii) The annual average of such increases that has occurred over the Applicant's three most recent fiscal years.

Instructions for completing the Calculator: Please complete this chart and follow the detailed instructions in the Excel file located on the Native Initiatives page of the Fund's website. Complete the chart using line items from the Applicant's Call Reports from the last three fiscal years. A positive result in either of the bottom two rows of the table can be proposed as a Retained Earnings Match. The Fund will verify the table entries against the Call Reports available online at the FFIEC website.

Call Report Data Make sure to add zeroes to figures from Call Report Entries if necessary.	Most Recent FYEnd-2	Most Recent FYEnd-1	Most Recent FYEnd
Retained earnings (Schedule RC, line 26a)			
Accumulated other comprehensive income (Schedule RC, line 26b):			
[Subtract] Other non-interest income (Schedule RI, line 5l)			
Retained earnings for purposes of CDFI Program matching funds calculation	0	0	0
Either Result Below Can Be Used for FY 2006 Application			
Retained Earnings Increase from Most Recent Fiscal Year		0	
Three Year Average Retained Earnings Increase		0	