



FY 2024 Small Dollar Loan Program Recipient Training Webinar

**Overview of the FY 2024 Small Dollar Loan Program
Assistance Agreement and Compliance Requirements**

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

www.cdfifund.gov

Agenda



Assistance Agreement Overview

Performance Goals & Measures

Authorized Technical Assistance Award Activities

Key Considerations on Prohibited Practices and Eligible Uses

Next Steps and Timeline

Assistance Agreement is Your Contract



- The Assistance Agreement is a binding legal contract.
- By signing the Assistance Agreement, you agree to its terms and conditions and the requirements as outlined in the FY 2024 Small Dollar Loan Program (SDL Program) Notice of Funds Availability (NOFA).
- The specific Performance Goals in the Assistance Agreement are adjusted based on your Award amount, rather than what was proposed in your Application.
- **Caution:** Do not assume everything proposed in your Application is permissible under the SDL Program rules. Not sure? Please ask us for guidance!
- **Notice:** This presentation is NOT a substitute for reviewing the Assistance Agreement.

Structure of the Assistance Agreement



The Assistance Agreement includes the following components:

Signature Page: Award amount, Award Type, signatures and the Effective Date (when executed), and other award information.

Schedule 1:

1-A. Annual Reports

1-B. Annual Report Submission Deadlines

1-C. Performance Goals

Schedule 2: General Award Terms and Conditions

Schedule 3: Certificate of Good Standing

Signature Page



- The Signature Page contains important information regarding the SDL Program Award and Recipient.
- Prior to digitally signing the Assistance Agreement, please ensure all information in the Signature Page is accurate.
- Key areas to review, but are not limited to:
 - Recipient Name
 - Address
 - Unique Entity Identifier (UEI) & Employer Identification Number (EIN)
 - Entity & Recipient Type
 - Depository Institution Holding Company/Bank Holding Company
 - Final Award Amount, Award Type(s), & Payment Schedule
- **Notice:** If the Signature Page contains any errors, please submit a Service Request through the Recipient's AMIS account with all required documentation.

Annual Reporting Requirements (Schedule 1-A)



Report	Description
<p>Single Audit Report (Non-profit Recipient, if applicable)</p>	<p>A Non-profit Recipient must complete an annual Single Audit pursuant to the Uniform Requirements (2 CFR 200.500) if it expends \$750,000 or more in Federal awards in its fiscal year. If a Single Audit is required, it must be submitted electronically to the Federal Audit Clearinghouse (FAC) per the schedule in Section 1-B of the Assistance Agreement.</p>
<p>Financial Statement Audit Report (Non-profit Recipients including Insured Credit Unions and State-Insured Credit Unions)</p>	<p>A Non-profit Recipient (including Insured Credit Unions and State-Insured Credit Unions) must submit a Financial Statement Audit (FSA) report in AMIS, along with the Recipient’s statement of financial condition audited or reviewed by an independent certified public accountant, if any are prepared.</p> <p>Under no circumstances should this be construed as the CDFI Fund requiring the Recipient to conduct or arrange for additional audits not otherwise required under Uniform Requirements or otherwise prepared at the request of the Recipient or parties other than the CDFI Fund.</p>
<p>Financial Statement Audit Report (For-profit Recipients)</p>	<p>For-profit Recipients must submit an FSA report in AMIS, along with the Recipient’s statement of financial condition audited or reviewed by an independent certified public accountant.</p>

Annual Reporting Requirements (Schedule 1-A) (Continued)



Report	Description
Financial Statement Audit Report (Regulated Institutions)	<p>If the Recipient is a Regulated Institution, it must submit an FSA report in AMIS. The Recipient may include their statement of financial condition audited or reviewed by an independent certified public accountant, if such is prepared, or indicate such information has been provided to its regulator within the FSA Report.</p>
Federal Financial Report/OMB Standard Form 425 (SF-425)	<p>Recipients must submit the SF-425 Federal Financial Report to disclose how much of the SDL Program Award funds were expended during the federal government’s fiscal year of October 1 through September 30.</p>
Performance Progress Report (PPR)	<p>A Recipient must submit the Performance Progress Report to the CDFI Fund. A Recipient will report on its progress toward meeting its Performance Goals and Measures.</p> <p>If the Recipient is a Depository Institution Holding Company (DIHC) that deploys all or a portion of its Financial Assistance through its Subsidiary Insured Depository Institution, that Subsidiary Insured Depository Institution must also submit a Performance Progress Report.</p>
Uses of Award Report	<p>A Recipient must submit the Uses of Award Report to the CDFI Fund. This report will enable a Recipient to report it used its Award for eligible uses, as stated in the Assistance Agreement.</p> <p>If the Recipient is a Depository Institution Holding Company (DIHC) that deploys all or a portion of its Financial Assistance through its Subsidiary Insured Depository Institution, that Subsidiary Insured Depository Institution must also submit a Performance Progress Report.</p>

Annual Report Submission Deadlines (Schedule 1-B)



Report	Due
Single Audit Report	Within nine (9) months after the end of each year of the Period of Performance
Financial Statements Audit Report	Within six (6) months after the end of each year of the Period of Performance
Federal Financial Report / OMB SF-425	Due October 15 th for each Federal Fiscal Year Ending on September 30 th
Performance Progress Report	Within three (3) months after the end of each year of the Period of Performance
Uses of Award Report	Within three (3) months after the end of each year of the Period of Performance

Reports are submitted through AMIS with the exception of the Single Audit Report. The Single Audit Report is submitted through the Federal Audit Clearinghouse (www.fac.gov) or AMIS.

Period of Performance & Performance Reports (Schedule 1-B continued)



- Each SDL Program Assistance Agreement has a three-year Period of Performance (PoP), during which the Recipient must meet their Performance Goals and Measures (PG&Ms).
- The PoP for each SDL Program Award begins with the date the CDFI Fund announces the SDL Program Recipients.
- The PoP includes the Recipient's three full consecutive fiscal years after the date of the Award announcement.

Period of Performance & Performance Reports (Schedule 1-B continued)



- Performance Reports are due within 90 days of each PoP's Fiscal Year End (FYE).
- Performance Reports include Performance Progress Report, Uses of Award Report, Annual Certification and Data Collection Report.

Period of Performance	Start Date	End Date	Due Date
Year 1 of Period of Performance	Award Announcement Date	Year 1 Fiscal Year End	Within three (3) months of Year 1 Fiscal Year End
Year 2 of Period of Performance	Year 2 Fiscal Year Beginning	Year 2 Fiscal Year End	Within three (3) months of Year 2 Fiscal Year End
Year 3 of Period of Performance	Year 3 Fiscal Year Beginning	Year 3 Fiscal Year End	Within three (3) months of Year 3 Fiscal Year End

Federal Financial Report / SF-425 (Schedule 1-B continued)



- The SF-425 is due on October 15th for each Federal Fiscal Year Ending on September 30th.

Federal Fiscal Year Start Date	Federal Fiscal Year End Date	SF-425 Due Date
10/1/2023	9/30/2024	10/15/2024
10/1/2024	9/30/2025	10/15/2025
10/1/2025	9/30/2026	10/15/2026
10/1/2026	9/30/2027	10/15/2027
10/1/2027	9/30/2028	10/15/2028

General Award Terms & Conditions (Schedule 2)



- Schedule 2 contains important information concerning the SDL Program Award's general terms and conditions.
- Areas addressed in the terms and conditions include, but are not limited to:
 - Definitions
 - Award Closing & Payments
 - Recipient Representations & Warranties
 - Recipient Covenants & Agreements
 - Events of Noncompliance & Remedies

Certificate of Good Standing Submission Procedure (Schedule 3)



See Schedule 3 of the Assistance Agreement for requirements for Certificates of Good Standing.

- Certificates should be dated within 180 days of when the Assistance Agreement is executed by the CDFI Fund.
- Regulated institutions are not required to upload a Certificate of Good Standing.

How to Submit the Certificate of Good Standing (if applicable):

1. Obtain an electronic copy of the Certificate of Good Standing;
2. In AMIS, navigate to the organization's 2024 SDL Program Award record (e.g., AWD-XXXXXXX); and
3. Upload the Certificate of Good Standing in the "Notes & Attachments" section and click on "Save".

Failure to submit your Certificate of Good Standing on time may delay closing or result in the rescission of your award.

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Performance Goals



- Performance Goals (PGs) are performance benchmarks a Recipient must meet to remain in compliance with the Assistance Agreement.
- In addition to the achieving all PGs, compliance is also dependent upon timely report submissions and, if applicable, an unqualified audit opinion and an absence of material weakness findings in the Single Audit.

Performance Goals



- Performance Goals are based on:
 - Award Type (Loan Loss Reserve (LLR) only, Technical Assistance (TA) only, or a Combination of LLR and TA)
 - Whether your organization is launching a new SDL program or expanding an existing program
 - Projections provided in your Application
 - Final Award amount

Performance Goal 1



Applicable only to Recipients with a TA Award:

- **1-1: New Small Dollar Loan programs:**

	% of TA Award to be Expended	Dollar Amount (\$)
Period of Performance Year 1	50% of the TA Award	\$XXXX
Period of Performance End Date	100% of TA Award	\$XXXX

- **1-2: Existing Small Dollar Loan programs**

	% of TA Award to be Expended	Dollar Amount (\$)
Period of Performance Year 1	75% of the TA Award	\$XXXX
Period of Performance End Date	100% of TA Award	\$XXXX

Performance Goal 2



Applicable to all FY 2024 SDL Program Recipients:

- Based on three-year projections provided in Table 2b of the Application and then adjusted based on the final Award Amount.
- Recipients need to meet or exceed the dollar amount of Loans made (\$) as outlined in the Assistance Agreement.
- Dollar amounts displayed below are cumulative.

	Dollar Amount (\$) of Small Dollar Loans Made
Period of Performance Year 1	\$XXXX
Period of Performance Year 2	\$XXXX
Period of Performance Year 3	\$XXXX

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Eligible Technical Assistance Award Activities



- Eligible TA Award Activities are:
 - Compensation (Personal Services)
 - Professional Services
 - Travel
 - Training and Education Costs
 - Equipment
 - Supplies
 - Development Services
- Further guidance related to allowable uses of Eligible TA Award Activities and amounts is found in Section 3.2 of the Assistance Agreement

Eligible TA Award Activities



Activity	Description
Compensation	All remuneration, paid currently or accrued, for services of Recipient's employees during the Period of Performance under the SDL Program Assistance awarded.
Training and Education	The costs of training and education provided by the Recipient for employees' development in accordance with section 200.473 of the Uniform Requirements.
Travel	Costs of transportation, lodging, subsistence, and related items incurred by the Recipient's employees who are on travel status on business related to the SDL Program award in accordance with section 200.475 of the Uniform Requirements.

Eligible TA Award Activities (Continued)



Activity	Description
Professional Services	Funds used to pay for professional and consultant services who are not officers or employees of the Recipient. Payment for a consultant's services may not exceed the daily equivalent of the current maximum rate paid to an Executive Schedule Level IV Federal employee.
Equipment	Tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Items costing less than \$5,000 may be included if the Recipient's capitalization policy recognizes these as capital assets. Non-expendable items include, among other items, computer hardware, computer software, related peripherals, and office equipment. The Recipient must comply, as applicable, with the Buy American Act of 1933 with respect to the purchase of Equipment.
Development Services	Activities undertaken by the Recipient to prepare or assist current or potential borrowers to use the Recipient's Small Dollar Loan program. For example, such activities include financial education, including credit counseling.
Supplies	Tangible personal property other than Equipment. A computing device is a Supply if the acquisition cost is less than the lesser of the capitalization level established by the Recipient for financial statement purposes or \$5,000, regardless of the length of its useful life.

Application vs. Authorized Award Activities



- Even though a Recipient may have discussed certain activities in its Application, those activities are not necessarily authorized by your Assistance Agreement.
- The Recipient is responsible for ensuring activities performed with SDL Program Award are allowable per the terms of the Assistance Agreement.

General Award Terms and Conditions



- Recipients may not use SDL Program Award to undertake any of the prohibited activities set forth in the SDL Program Assistance Agreement.
- The CDFI Fund reserves the right to require the Recipient to repay all or a portion of the Award if the Recipient expends funds for an unallowable activity.

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Key Considerations and Eligible Uses



- All loans supported by your SDL Program Award must meet the following parameters:
 - made in an amount that does not exceed \$2,500;
 - must be repaid in installments;
 - have no prepayment penalty;
 - have payments that are reported to at least one of the consumer reporting agencies that compiles and maintain files on consumers on a nationwide basis; and
 - are underwritten with standards that consider the consumer’s ability to repay.
- Your SDL Program Award cannot be used to make loans directly to consumers.

Prohibited Practices



- High-rate loans
- Coerced automated loan payments
- Excessive refinancing
- Loan insurance or credit card add-ons
- Security interests in household goods, vehicles, or deposit accounts
Exception: loans with a savings account component or credit builder loans
- Excessive late fees on missed loan payments
- Abusive overdraft practices
- Aggressive debt collection practices
- Forced arbitration clause, class action ban, and other bans on legal remedies.

By executing the Assistance Agreement, you are attesting no loans supported by the SDL Program Award contain any of the above practices or features. Refer to Section 3.8(d) of the Assistance Agreement for more details.

Eligible Uses of Award - Capital



- The capital deployed for small dollar loans must be the Recipient's own funds, **NOT** from other CDFI Fund Awards, such as:
 - Community Development Financial Institutions Program (CDFI Program – Financial Assistance)
 - Bank Enterprise Award Program (BEA Program)
 - CDFI Rapid Response Program (CDFI RRP)
 - CDFI Equitable Recovery Program (CDFI ERP)
 - Other CDFI Fund programs Awards

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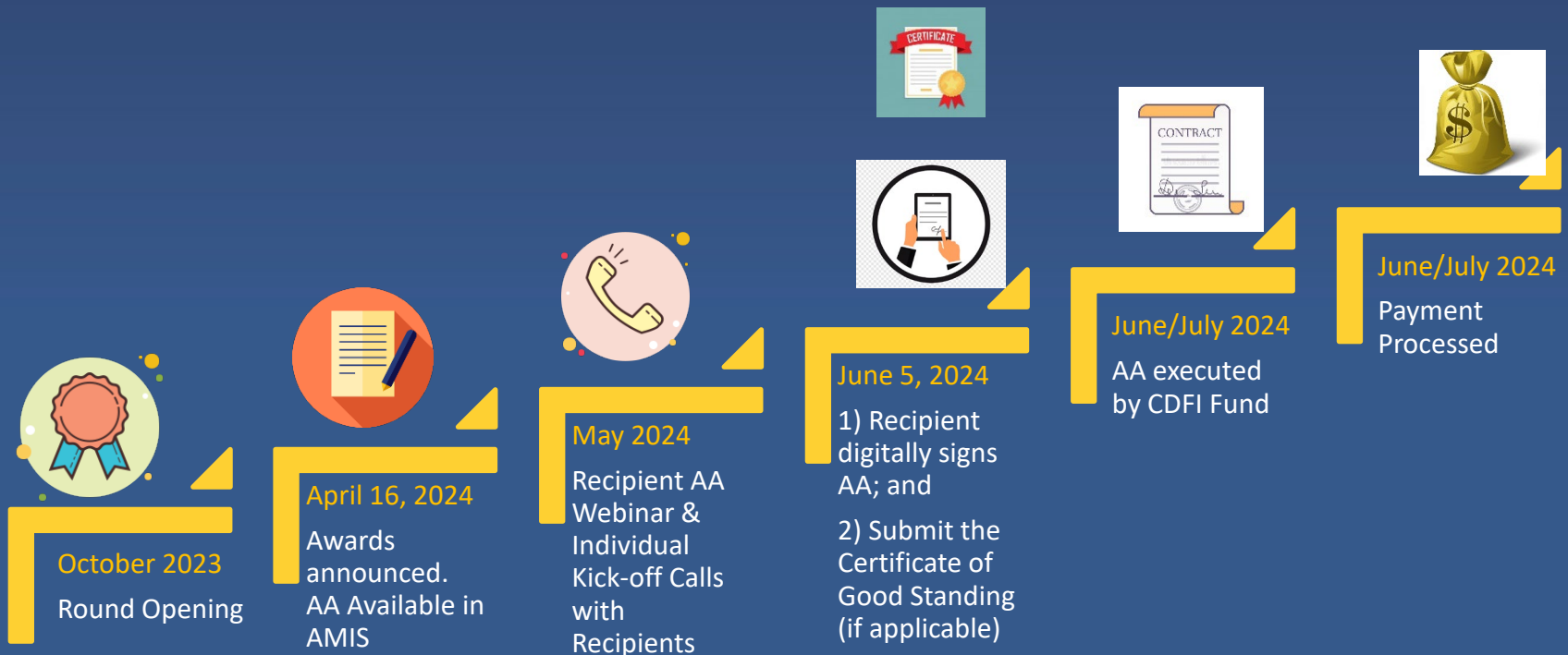
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Award Closing Timeline (Estimated)



Assistance Agreement Notification



- An e-mail notification is sent when the Assistance Agreement is available in each Recipient's AMIS account.
 - The Award Transmittal Document was e-mailed to the Authorized Representative and Point(s) of Contact listed in the Recipient's FY 2024 SDL Program Application, as well as those listed as Authorized Representatives in a Recipient's Organization Profile.
 - The e-mail contains detailed instructions regarding the award closing process, including digitally signing the Agreement and next steps.
- **Note:** The Award Transmittal Document listed above contain all instructions regarding the award closing process. Ensure the instructions are reviewed and followed closely to prevent any potential issues and errors.

SDL Program Payment



Payment Amount

- SDL Program Award payments will be listed on the first page of the Assistance Agreement.
- LLR Award Recipients will receive 100% of their Award amounts following execution of the Assistance Agreement.
- TA Award Recipients may receive their Award payments in full or as an initial payment. The initial payment will be listed in the Assistance Agreement and is based on the initial TA Award payment the Recipient listed in its Application.
 - If a TA Award Recipient needs to request a change the initial payment amount, the Recipient must submit a Service Request via AMIS to request the change.

All Payments

- Awards will be paid after conditions in Section 3.4 of the Assistance Agreement have been met.
- Recipients with prior CDFI Fund awards/allocations will be assessed for compliance and certification requirements to receive Payment.

Next Steps

- Please ensure the Awardee's SAM account is "Active" and up-to-date. Otherwise, this may cause delays in processing payments.

Subsequent Payment Requests



- If the entire amount of SDL Program Assistance is not paid at the initial Closing, the Recipient will be required submit a Subsequent Payment Request per the Assistance Agreement.
- All Subsequent Payment Requests must be submitted within twelve (12) months, but no earlier than six (6) months, of the Federal Award Date.
 - If the Recipient does not request Payment of all the SDL Program Assistance by said date, the CDFI Fund may terminate its obligation to pay the funds.
- The CDFI Fund shall not make a Subsequent Payment until the Recipient has expended at least ninety percent (90%) of the initial Payment into SDL Program Assistance.
- Subsequent Payment Requests must be submitted via the Recipient's AMIS Account and include a copy of the Certificate of Good Standing (COGS).
- Recipients will be limited to one (1) Subsequent Payment.

Requesting Changes to an Assistance Agreement



Recipients may not request modifications to their Assistance Agreement unless it's for one of the following reasons:

- 1) Update the TA Initial Payment Amount; or
- 2) Correct an error on the Signature Page.

Signing the Assistance Agreement



- Read SAM Attestation and click “SAM Attestation Signed” checkbox

System for Award Management (SAM) Verification

SAM Attestation

By selecting this checkbox I confirm that within the past 14 days I have verified that my organization's System for Award Management (SAM) account is active and the bank account information in SAM is up to date. I acknowledge that I am responsible for the accuracy of the banking information in my organization's SAM account and understand that receipt of an award payment will be significantly delayed if the bank account information in SAM is incorrect.

SAM Attestation Signed

- Read “Agreement Authorized Representative Signature” page.
- The Authorized Representative must click the “Auth. Rep Signature” checkbox.
- Click “Save”.

Agreement Authorized Representative Signature

Signature Attestation

By selecting the checked box, I hereby consent to conducting this transaction by electronic means, and I hereby agree that I have executed an electronic process that constitutes, and delivers to the CDFI Fund, my electronic signature; I hereby agree that this electronic signature shall be treated as an original signature for the purpose of having signed the Agreement that is currently uploaded in the CDFI Fund's Award Management Information System (AMIS), and as evidence that the Recipient agrees to and is bound by all the covenants, conditions, and agreements therein contained, just the same as a pen-and-paper signature; I hereby consent and agree to affixing a representation of this electronic signature to the signature page of the Agreement as further evidence that the Recipient agrees to and is bound by all the covenants, conditions, and agreements therein contained; I hereby certify that I am the Authorized Representative of the Recipient and am duly authorized by the Recipient to execute and deliver the Agreement on behalf of the Recipient; I hereby acknowledge that all information contained in this Agreement and any attachments or supplements thereto will be subject to disclosure pursuant to the Freedom of Information Act (FOIA) 5 USC 552, et seq.; I hereby certify that all of the information that the Recipient has provided in this Agreement is true, correct, and complete; I hereby certify that the execution and submission of this Agreement has been duly authorized by the governing body of the Recipient; and I hereby certify that I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties (U.S. Code, title 218, Section 1001).

Auth. Rep Signature

Authorized Representative Signature

Auth. Rep Signature Title

Date

Cancel Save

Contact Info & Support



Help and Resources

- **AMIS User Guide:** A step-by-step AMIS User Guide can be found on the AMIS homepage at <https://amis.cdfifund.gov/s/AMISHome>

For the best service, the CDFI Fund recommends submitting a Service Request in AMIS. Select “BEA/SDLP” and clearly indicate the issue in the subject line.

Type of Question	Telephone	Email
Award Support	202-653-0421	SDLP@cdfi.treas.gov
AMIS Support	202-653-0422	AMIS@cdfi.treas.gov

Questions and Answers



...for participating in today's webinar!