



CERTIFICATION OF MATERIAL EVENTS FORM

Frequently Asked Questions
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Frequently Asked Questions

Certification of Material Events Form

1. What is a Material Event?

A Material Event includes any change in an organization's condition that may affect an entity's ability to meet the terms and conditions of an Assistance, Award, Allocation, Bond Loan Agreement, Agreement to Guarantee, regulation, or law.

Material Events for entities with an award, allocation, or guarantee from the Community Development Financial Institutions Fund (CDFI Fund) are specified in the applicable Assistance, Award, Allocation, Bond Loan Agreement, or Agreement to Guarantee (hereinafter "Agreement") between the CDFI Fund and an Award Recipient/Allocatee/Borrower.

2. What are examples of Material Events?

The list below provides examples of common Material Events that must be reported to the CDFI Fund. Organizations should refer to their specific Agreements as these examples may not apply to all covered entities and is not exhaustive. If you have questions regarding a Material Event that is not listed in your Agreement, you may contact the CDFI Fund's Office of Compliance Monitoring and Evaluation (OCME) via an Awards Management Information System (AMIS) Service Request. If you have questions about a Material Event pertaining to your entity's Community Development Entity (CDE) Certification or Community Development Financial Institution (CDFI) Certification, please contact the Office of Certification Policy and Evaluation (OCPE) via an AMIS Service Request.

Cross Program Material Events

1. Any proceeding instituted against an entity with an Award, Allocation, Guarantee or Certification from the CDFI Fund (or in the case of the New Markets Tax Credit Program (NMTC Program), the Allocatee, its Affiliates, including the Controlling Entity) in, by or before any court, governmental or administrative body or agency (including any Federal bank regulatory agency), which proceeding or its outcome could reasonably be expected to have a material adverse effect upon the financial condition or business operations, assets or properties of the Recipient (or in the case of the NMTC Program, the Allocatee, its Affiliates, including the Controlling Entity) and in the case of the Bond Guarantee Program, Properties of the Borrower.
2. Any material, adverse change in the condition, financial, operations or otherwise, of an entity with an award, allocation, guarantee or certification from the CDFI Fund (or for NMTC Program, the Allocatee or Controlling Entity) that would impact that entity's ability to carry out the terms and conditions and authorized uses under the Agreement or to meet the requirements of its certification.

3. The occurrence of any Event of Noncompliance or Default, as that term is defined in an Agreement, or any event, which upon notice or lapse of time, or both, would constitute an Event of Noncompliance or Default.
4. A merger, consolidation or acquisition involving an entity with an award, allocation or guarantee from the CDFI Fund, or in the case of the NMTC Program, the Allocatee's Controlling Entity.
5. The replacement of any key management officials (e.g., the Executive Director, the Chief Financial Officer, the Board Chairperson or their equivalents) that had been named in the Assistance or Allocation Application or Guarantee Application.
6. Any substantial change in the business of an entity with an award, allocation or guarantee from the CDFI Fund.
7. Any event or change that would result in the Recipient or Allocatee no longer being certified as a CDFI or CDE, as applicable.
8. All violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 C.F.R. § 200.339 of the Uniform Administrative Requirements.
9. The loss by an entity with an award, allocation or guarantee from the CDFI Fund of its Insured Credit Union status as defined in 12 U.S.C. § 1752(7), if applicable.
10. The loss by an entity with an award, allocation or guarantee from the CDFI Fund of its Depository Institution Holding Company status under 12 U.S.C. § 1813(w)(1) or Insured Depository Institution status under 12 U.S.C. § 1813(c)(2), if applicable.
11. The existence of any noncompliance for an entity with an award, allocation or guarantee from the CDFI Fund with the terms and conditions of any loan or other credit agreement with a creditor other than the CDFI Fund.
12. Any proceeding instituted against an entity with an award, allocation or guarantee from the CDFI Fund in, by or before any court, governmental or administrative body or agency (including any Federal bank regulatory agency), which proceeding involves allegations of discrimination by that entity on the basis of including, but not limited to, race, color, national origin, disability, age, marital status, receipt of income from public assistance, religion, or sex.
13. Such other events that may be determined by the CDFI Fund, in its sole discretion, to be Material Events, and for which the CDFI Fund has issued related guidance.
14. The debarment, suspension, exclusion or disqualification, by the Department of the Treasury, or any other Federal department or agency, of any individual or entity (or principal thereof) that received any portion of the Assistance in a procurement or non-procurement transaction, as defined in 31 C.F.R. § 19.970.

Program Specific Material Events

Community Development Financial Institutions Program/Native American CDFI Assistance Program, CDFI Rapid Response Program, CDFI Equitable Recovery Program and Small Dollar Loan Program

15. A change in the Recipient's shareholders or organization that results in (i) the CDFI Fund's ownership of equity in the Recipient exceeding 50 percent and/or (ii) the CDFI Fund controlling the Recipient's operations.
16. Any adverse finding by the Appropriate Federal Banking Agency related to the Recipient.

Bank Enterprise Award Program

17. Prepayment, redemption, repurchase, or withdrawal of any Qualified Activities reported to the CDFI Fund in the Recipient's Application, specifically if: i.) Any Borrower of the Recipient prepays, in whole or in part, the principal amount of any loan carried out during the Assessment Period that the Recipient reported to the CDFI Fund in its Application; ii.) Any investee of the Recipient redeems or repurchases, in whole or in part, any Equity Investment or Project Investment which the Recipient reported to the CDFI Fund in its Application; or iii.) The Recipient withdraws, in whole or in part, any deposit that the Recipient reported to the CDFI Fund in its Application as a CDFI Support Activity; provided, however, the Recipient is not required to notify the CDFI Fund of any prepayment, redemption, or repurchase occurring more than two calendar years after the Federal Award Date of the Agreement; and provided, further, that the Recipient is not required to notify the CDFI Fund of any withdrawal which occurs more than three years after the date of the deposit. Such notice shall, at a minimum, identify each prepayment, redemption, repurchase or withdrawal and the dollar amount, the date of and the specific facts and circumstances surrounding each prepayment, redemption, repurchase, or withdrawal.

New Markets Tax Credit Program

18. The occurrence of any event that may be a recapture event pursuant to I.R.C. § 45D(g) and 26 C.F.R. § 1.45D-1(e)(2).
19. The Allocatee's Controlling Entity (as identified in the relevant Allocation Application) no longer meets the definition of a Controlling Entity as stipulated in the relevant Allocation Application/Allocation Agreement.
20. The occurrence of any event described in 31 C.F.R. § 19.350 (Debarment and Suspension).
21. The filing of any bankruptcy proceeding or the appointment of a conservator for an Allocatee or its Affiliates, including the Controlling Entity.
22. Any change to the Allocatee's responses to the Assurances and Certification section of the Allocation Application.

Capital Magnet Fund Program

23. Any event or change that would result in the Recipient losing its status as a Nonprofit Organization (if applicable).
24. Failure by the Recipient to have Committed all of its Capital Magnet Fund Award by the date set forth in Schedule 1 of the applicable Assistance Agreement.

Bond Guarantee Program

25. Any significant revisions in credit, risk management, or financial reporting policies and procedures of the Borrower.
26. Any direct financial obligation that is material to the Borrower under an off-balance sheet arrangement.
27. Any acquisition or disposition of a significant amount of assets by the Borrower.
28. Any assessment (other than assessments provided by an Appropriate Federal or State Banking Agency that are prohibited by applicable law or regulation from disclosure to the Department of the Treasury) of significant or material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Borrower's abilities to record, process, summarize, and report financial information.

29. Any fraud, whether or not material, that involves management or other employees of the Borrower who have a significant role in internal controls over financial reporting.
30. Any adverse audit opinions received by the Borrower or pronouncements of non-reliance on previously issued financial statements by the Borrower's board of directors or a committee of the board of directors.
31. Any changes in corporate governance, senior management, or leadership of the Borrower, including any Key Personnel. "Key Personnel" means any officer or senior staff person of the Borrower responsible for the day-to-day administration of the duties, responsibilities, and obligations of the Borrower under the Bond Loan Agreement.
32. Any organizational updates such as changes in Bylaws or Articles of Incorporation of the Borrower.
33. Any fact, circumstance, event, change, occurrence, condition, or development of which the Borrower is aware and which, individually, or in the aggregate, has had or would reasonably be expected to have a material adverse effect on an organization's strategic direction, mission, or business operation.

3. What form does an organization use to report Material Events?

To report a Material Event, please complete the Certification of Material Events Form (Material Events Form) via the AMIS Service Request portal. Guidance for using this new feature is available on the CDFI Fund's website.

For reference only, a hardcopy of the Material Events Form is available for download under any of the Program links on the CDFI Fund's website. Organizations must use the AMIS interface rather than the hardcopy to submit the Material Events Form.

4. Does a Material Event have to be reported?

A Material Event must be reported within 30 days of the occurrence or as stated in the Agreement(s) for the specific CDFI Fund Program. Failure to timely report a Material Event is considered a violation of the terms and conditions of the applicable agreement and may be deemed as an event of Default or Noncompliance.

If you are unsure whether something constitutes a Material Event, it is best to report the event and allow the CDFI Fund to make that determination. Upon receipt of the Material Events Form, the CDFI Fund will review the content and assess its impact on the submitting organization.

5. Who is authorized to sign the Material Events Form?

The Material Events Form must be signed by an organization's Authorized Representative or authorized designee registered in AMIS. Such an individual must have authorization on behalf of the organization's governing body.

6. Does a change to the market(s) an organization serves constitute a Material Event?

A change to the overall market(s) an organization serves need only be reported as a Material Event if it could affect the ability of an entity that has an award, allocation or guarantee from the CDFI Fund to maintain a CDFI/CDE Certification or status as a Nonprofit Organization required in connection with that particular financial assistance.

A change to an organization's overall market that affects its ability to maintain CDFI/CDE Certification or remain in compliance with a Financial Assistance award or NMTC Allocation may necessitate, a Target Market modification or Service Area Amendment to correct any issues. If an entity is a Certified CDFI, any change to the overall market(s) it serves that would affect its ability to maintain the CDFI Certification must also be reported in the next Annual Certification and Data Collection Report (ACR) submission.

Note: The CDFI Fund has paused the acceptance of new CDFI Certification Applications and Target Market Modifications Applications effective October 1, 2022. Certified CDFIs are required to report any changes in the timely submission of their ACR. [Additional information](#) about the proposed changes and the pause is available on the CDFI Fund's website. Guidance to submit CDFI Certification related application will be provided when the new application is available.

7. Does a change in governing board/advisory board trigger a Material Event?

A change in governing board/advisory board must be reported as a Material Event if it could affect the ability of an entity that has an award, allocation or guarantee from the CDFI Fund to maintain a CDFI/CDE Certification or status as a Nonprofit Organization required in connection with that particular financial assistance. This type of change must also be reported if it involves the replacement of a board member named as a key management official in an approved CDFI Fund Assistance Application or Allocation Application or Guarantee Application.

If an organization that has an award, allocation or guarantee from the CDFI Fund is required to maintain its status as a certified CDE or a Certified CDFI and the governing board/advisory board that has changed is used to demonstrate compliance with the CDE Certification Low Income Community (LIC) representation requirements and/or the CDFI Certification Accountability requirements, the following types of changes to that board should be reported to the CDFI Fund via a Material Events Form:

- A CDE Certification LIC representative or a CDFI Certification accountable board member changes or no longer has their source of LIC representation or CDFI Certification Accountability;

- A CDE LIC representative or CDFI Certification accountable board member leaves the board;
- There is an increase in the overall size of the board;
- An advisory board being used for CDFI Certification Accountability changes its role or functioning.

Note: If an entity is a Certified CDFI and the changed governing board and/or advisory board is relevant to the way the CDFI Certification Accountability requirements are being met, the change must also be identified through the next ACR submission. Guidance on how to submit changes to board information related to the CDFI Certification will be provided when materials reflecting the new CDFI Certification policies are available.

8. Will notification be provided once the Material Events Form is submitted?

The submission of the Material Events Form via AMIS will result in the automatic generation of an email confirming the CDFI Fund’s receipt of the form. The submitted Material Events Forms will be recorded and stored in AMIS. The CDFI Fund will review the information provided and may request additional clarification, via the AMIS Service Request. The CDFI Fund will notify the organization of its determination once the review is concluded or when the Service Request is formally closed – typically within 60 business days of the submission of the Material Events Form.

9. Can a Material Event also affect my organization’s compliance with an active CDFI Fund Award, Assistance, and/or Allocation Agreement?

A Material Event could affect an organization’s compliance with an Award, Assistance and/or Allocation Agreement. CDFI Fund staff will review the information submitted and contact the organization if any of the reported Material Events affect the organization’s compliance status, or if further action is required to ensure future compliance with all terms and conditions of an executed agreement.

10. Is a Material Events Form required if my organization’s name changes?

Yes – if an entity has an award, allocation or guarantee from the CDFI Fund it is required to submit a Material Events Form if its name changes. While a name change may not be material, the circumstances underlying the change could be material. For example, a name change that results from expanding services to a new market, a change in business strategy, or a merger/acquisition can have an impact on the organization’s ability to meet one or more Certification requirements.

When submitting a notification of a name change, the organization should provide a justification for the name change and submit documentation of the new name that links the new name to the name the CDFI Fund has on record. Documentation should contain the effective date of the change of name and may include, but is not limited to, copies of the amendment to the Articles of Incorporation, Articles of Association, Constitution, or other relevant organizational document(s), or proof of filing with the appropriate state/governing authority.

Organizations must also update any name change in the System for Award Management (SAM) to ensure it matches the AMIS record. SAM is an official website of the U.S. government that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract awards, grants, and electronic payment processes.

Note: If an entity is a Certified CDFI, the name change must also be reported in the next ACR submission.

11. Is a Material Events Form required if my organization's fiscal year end date changes?

Yes – if an entity has an award, allocation or guarantee from the CDFI Fund it is required to submit a Material Events Form if its fiscal year end date changed because the CDFI Fund uses an organization's fiscal year date to determine when certain reports are due. As such, a change in the fiscal year end date may require amendments to Assistance, Award, Allocation, Bond Loan Agreement, or Agreement to Guarantee to encapsulate any changes to the due date for associated reports.

Note: If an entity is a Certified CDFI, without an active award, allocation or guarantee from the CDFI Fund, the change in fiscal year must also be reported via a Service Request as it will affect ACR submission dates.

12. Is a Material Events Form required if my organization's Unique Entity Identifier (UEI) changes?

Yes – it is required that an organization submit a Material Events Form if its UEI changes. The organization must also attach documentation of the new UEI obtained from SAM.gov. An updated UEI is essential as it facilitates application submission and disbursement of awards.

13. For Capital Magnet Fund (CMF) Awards, if my organization fails to meet the required timelines to Commit Funds for Use in its Agreement is a Material Events Form submission needed?

Yes, failure by the Recipient to have Committed all of its CMF Award by the date set forth in Schedule 1 of the applicable Assistance Agreement is a Material Event. The CMF Award Recipient must submit a Material Events Form within 30 days of missing the deadline, and the failure to commit CMF funds by the Assistance Agreement deadline is deemed as an Event of Noncompliance.

The Material Events Form should give a detailed narrative outlining the circumstances of the situation and include a corrective action statement. In order to replace a project, the new project will require a new letter of Commitment. In addition, the replaced project's status in AMIS should be updated to "incomplete-terminated" for Rental projects, or "terminated-unit replaced" for Homeownership projects.

14. If a CMF Award Recipient needs to terminate a previously reported "Commitment" of CMF Award funds to a project, is a Material Events Form submission needed?

A Commitment can be terminated and there is no Material Event if a Commitment to a project is terminated:

1. Before the Commitment deadline listed in the Assistance Agreement,
2. Before the disbursement of CMF Award, and;
3. Before the CMF Award funds are committed to a replacement project.

If the Committed for use deadline has passed, a CMF Award has been disbursed to the project, or a Commitment has been made to an unreported replacement project, a Material Events Form must be submitted.

15. For CMF Awards, if my organization fails to place a Project into Service more than six months after Project Completion or Initial Occupancy occurs more than twelve months after Project Completion, is a Material Events Form required?

Yes – if a Project is not Placed into Service within 6-months of Project Completion or Initially Occupied with 12-months, this is an event of noncompliance and a Material Event. The Recipient must submit a Material Events Form to report the noncompliance within 30 days of the missed deadline.

16. For CMF Awards, is there another source of that details other reportable Material Events not explicitly mentioned in this document?

Additional guidance for common questions about implementation of a CMF, compliance with CMF Program rules and other situation that require the submission of a Material Events Form is available the "CMF Compliance Monitoring

Frequently Asked Questions for FY 2017 Awards and Later” [guidance](#) document.

17. How to contact the CDFI Fund’s Office of Compliance Monitoring and Evaluation

The CDFI Fund recommends the use of “Service Request” as the primary means of communication. Service Request allows users to make general inquiries and to request specific changes. Service Request also allows organizations to track submissions to the CDFI Fund and their resolutions.

In addition to Service Requests, CDFI Fund can also be contacted via the following:

Helpline: (202) 653-0423
Email: ccme@cdfi.treas.gov