



Depository Institutions Initiatives

Bank Enterprise Award Program

May 9, 2024

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

www.cdfifund.gov

Table of Contents



Program Overview



Application Process



Application Overview and Updates



Questions

Program Overview



- The Bank Enterprise Award Program (BEA Program) is a performance-based grant program that provides monetary awards to FDIC-insured depository institutions (i.e., banks and thrifts).
- Banks must demonstrate an increase in their investments in mission-driven lenders known as Community Development Financial Institutions (CDFIs), or in their own lending, investing, or service activities in the most distressed communities.
- The Fiscal Year (FY) 2024 BEA Program Application Round has up to \$40 million in available funding.



Program Overview – continued



- Unlike other CDFI Fund programs, BEA Program Awards are retrospective.
- Awards are calculated as a percentage of the Applicant's demonstrated increase in BEA Qualified Activities from one annual reporting period to another (i.e., Baseline and Assessment Period).
- Increases in Qualified Activities from the Baseline to the Assessment Period positively impact the Applicant's potential BEA Program Award.



Program Overview - Impact



- Since 1996, the CDFI Fund's BEA Program has granted nearly \$598 million over the course of 27 rounds.
- From FY 2016 to FY 2023, more than 90% of BEA Program Award Recipients were FDIC-Insured depository institutions defined as **Small** or **Intermediate** Banks based on Federal Financial Institutions Examinations Council Community Reinvestment Act (CRA) Asset Size Thresholds.
- During this same period, BEA Program Recipients:
 - Increased investments, lending and technical assistance to Certified CDFIs by \$340 million;
 - Increased lending and direct investment in distressed communities by more than \$4.1 billion; and
 - Increased financial services in distressed communities by \$258 million.



Program Overview - Eligibility Requirements



All Applicants:

- Must be FDIC-insured as of the first day of the Baseline Period, January 1, 2022, and maintain an FDIC-insured status at the time of Application submission.
- Cannot be a Bank Holding Company.

Certified CDFI Applicants:

- An eligible Certified-CDFI Applicant is an Insured Depository Institution that is one of the following: 1) is certified as a CDFI as of December 31, 2023 (end of the Assessment Period) and remains certified at the time BEA Program Awards are announced; OR 2) has submitted a CDFI Certification Application by **May 28, 2024** and receives its status as a Certified CDFI by the time BEA Program Awards are announced.

CDFI Partners:

- An eligible CDFI Partner must have been a Certified CDFI when the investment or support was received during the Assessment Period (1/1/2023 – 12/31/2023); and
- An eligible CDFI Partner that receives CDFI Support Activities from an Applicant must be Integrally Involved in a Distressed Community during the Assessment Period.

Program Overview - Qualified Activities



- **CDFI-Related Activities:** Providing support to Certified CDFI Partners.
 - ***CDFI-Equity:*** Providing equity investments, grants and equity-like loans.
 - ***CDFI Support:*** Providing loans, deposits, and/or technical assistance to Certified CDFIs.
- **Distressed Community Financing Activities (DCFA):** Providing direct lending/investment in the form of consumer/commercial loans in distressed communities.
 - ***Consumer:*** Providing affordable home mortgages, home improvement loans, education loans, and small dollar consumer loans.
 - ***Commercial:*** Providing affordable housing development loans or investments, commercial real estate development loans or investments, or small business loans.
- **Service Activities:** Providing residents of distressed communities access to financial products/services, such as new branches, new automated teller machines, checking accounts, savings accounts, check cashing, financial counseling, or Individual Development Accounts.

Program Overview - Distressed Communities Requirements



- BEA Distressed Communities are census tracts that meet the following Distress and Geographic requirements:
 - **Distress Requirements:**
 - At least 30% of the Eligible Residents have incomes that are less than the national poverty level; and
 - Unemployment rate is at least 1.5 times greater than the national average.
 - **Geographic requirements:**
 - A total population of not less than 4,000 if any portion of the census tract is located within a Metropolitan Statistical Area (MSA) with a population of 50,000 or greater; or
 - A population of not less than 1,000 if no portion of the area is located within a MSA with a population of 50,000 or greater; or
 - Located entirely within an Indian Reservation.

Program Overview - Funding & Prioritization



BEA Program Awards are calculated and prioritized as follows:

- **Qualified Activity Category**: CDFI Related Activities are awarded first, followed by Distressed Community Financing Activities, then Service Activities*.
- **CDFI Status**: Certified CDFIs are prioritized over non-CDFIs in each BEA Qualified Activity Category. Awards to Certified CDFIs are also calculated using a higher award percentage for most BEA Qualified Activities.
- **CRA Asset Size**: Small Banks receive a priority factor of 5, followed by Intermediate-Small Banks which receive a priority factor of 3, then Large Banks which receive a priority factor of 1.

**The CDFI Fund has the discretion to cap the total dollars awarded in the Distressed Community Financing Activities category to award Applicants with eligible transactions in the Service Activities category.*



Program Overview – Award Calculation Formula



Priority	\$ Increase in Qualified Activities		Multiply By	Award % CDFIs <u>or</u> non-CDFIs	Multiply by	Asset Size Priority Factor		Equals	Estimated Award Amount
1st	CDFI Related Activities	Equity	X	18%	X	N/A		=	\$
		Support		18% <u>or</u> 6%				=	\$
2nd	Distressed Community Financing Activities	Commercial	X	9% <u>or</u> 3%	X	Small	5	=	\$
		Consumer		18% <u>or</u> 6%		Intermediate	3		
						Large	1	=	\$
3rd	Service Activities		X	9% <u>or</u> 3%	X	Small	5	=	\$
						Intermediate	3		
						Large	1		

Program Overview – Award Usage



- Applicants are required to indicate the percentage of the BEA Program Award the Applicant commits to investing in Persistent Poverty Counties (PPC).
- Awards must be reinvested in BEA Eligible Activities within a performance period of approximately one year.
- All Award Recipients are required to report the actual use of the Award proceeds to the CDFI Fund.
- Reports are due 90 days from the end of the Period of Performance as specified in the Award Agreement.



Application Process - Getting Ready



- Obtain an Employer Identification Number (EIN) and Unique Entity Identifier (UEI) number.
- Register and/or update your accounts in the following systems:
 1. System for Awards Management (SAM.gov)
 2. Grants.gov
 3. Award Management Information System (AMIS)

*The CDFI Fund **does not** maintain Grants.gov or SAM.gov, so please visit their websites if you have any questions related to these systems.*

Application Process - EIN and UEI Number



- An Applicant should ensure the accuracy and uniformity of its EIN and UEI numbers across its SAM.gov, Grants.gov, and AMIS accounts.
- The CDFI Fund reserves the right to reject an Application if the EIN and UEI number in an Applicant's AMIS account do not match the EIN and UEI number in its SAM.gov and Grants.gov accounts.
- The CDFI Fund will reject an Application submitted with the EIN or UEI of a parent or Affiliate organization.
- New SAM.gov users should register as soon as possible. Existing users should ensure their account is active and up-to-date.

Application Process – Submission Steps



The CDFI Fund has a two-step process to fully submit the Application.

- **Step 1:** Submit the *Standard Form-424* (SF-424) through Grants.gov.
 - Applicants will not be able to submit their BEA Program Application without submitting the SF-424 by the deadline.
 - All Applicants must first have an active SAM account to submit the SF-424 via Grants.gov.
- **Step 2:** Complete the *BEA Program Application* through AMIS.
 - The BEA Program Application will ask for information about the organization and award use, such as the asset size, Baseline Period Activities, Persistent Poverty County commitment, transaction data, supporting documentation, etc. Applicants must attach the SF-424 and Title VI Worksheet in the AMIS Application.

Application Process – Title VI Compliance Worksheet



- All BEA Program Applicants are required to submit the Title VI Compliance Worksheet once per calendar year to assist the CDFI Fund in determining whether Applicants are compliant with the Treasury regulations implementing Title VI of the Civil Rights Act (Title VI), set forth in 31 CFR Part 22.
- Title VI of the Civil Rights Act prohibits discrimination based on race, color, or national origin in programs or activities receiving federal financial assistance from the Department of the Treasury.
- The Title VI Compliance Worksheet is submitted via AMIS on an annual basis. For more information: [https://www.cdfifund.gov/sites/cdfi/files/2023-11/CDFI Fund CR ComplianceWorksheet final.pdf](https://www.cdfifund.gov/sites/cdfi/files/2023-11/CDFI_Fund_CR_ComplianceWorksheet_final.pdf)
- The User Guide and other guidance materials for the Title VI Compliance Worksheet can be found here: <https://www.cdfifund.gov/about/non-discrimination>

Application Overview - Baseline & Assessment Periods



- Baseline Period

- January 1, 2022 to December 31, 2022

- Assessment Period

- January 1, 2023 to December 31, 2023

Application Overview – Personally Identifiable Information



- **Personally Identifiable Information (PII)**

- PII refers to information that can be used to distinguish or trace an individual's identity, either alone or when combined with other information (name of the individual, address, SSN, date of birth, driver's license or state identification number, passport number, and Alien Registration Number, etc.) that is linked or linkable to the individual.
- The CDFI Fund does not collect, and will not accept, PII in AMIS or supporting documentation.
- Individual's personal address and other PII **should be** redacted in legal documents for commercial loans.
- Addresses indicating the physical location of the activity financed, investment, or service provided should **NOT** be redacted.
- Signatures of legal executed documents (loan agreements, promissory notes, etc.), should **NOT** be redacted.
- **Applicants must redact all PII on supporting documentation prior to submitting their Applications.** If the CDFI Fund discovers PII during the review of a transaction in AMIS, the supporting documentation will be deleted from the Application and the CDFI Fund will deem the transaction ineligible.

Please see the FAQs for examples of PII and what is appropriate/not appropriate to redact.

BEA Program Updates



- New Title VI Compliance Worksheet requirement to successfully submit the Application.
- FY 2024 BEA Program Applicants must use the 2016-2020 American Community Survey (ACS) Distressed Communities Eligibility data provided by the CDFI Fund to determine if Qualified Activities occurred in Distressed Communities during the Baseline Period and Assessment Period.
- Added a new CSV field titled **Business Type** when uploading certain DCFA transactions.
- The deadline to submit transactions is now the same as the Application deadline. Applicants are still encouraged to submit transactions early.
- Revised the Application's Tables to only require Baseline and Assessment Period data related to the estimated award amount.
- Minimum Award Size per the NOFA is now \$10,000.

Important Dates



Activity	Date
Application and NOFA Released	April 26, 2024
Last day to Register a user and organization in AMIS (11:59 pm. ET).	May 28, 2024
Grants.gov SF-424 Mandatory Deadline (11:59pm ET)	May 28, 2024
Last day for BEA Program, Office of Certification, Policy and Evaluation and Office of Compliance Monitoring and Evaluation Questions (5:00pm ET)	June 21, 2024
Last day for IT Help Desk Questions (5:00pm EST)	June 25, 2024
Last day to submit Title VI Compliance Worksheet submitted in AMIS for Applicants (11:59pm ET)	June 25, 2024
Part 2 – BEA Program Electronic Application in AMIS Deadline (11:59pm EST)	June 25, 2024

Contact Information



Department	Phone	Electronic Contact Method	Description
BEA Program	202-653-0421 (option 3)	Submit a Service Request in AMIS (preferred) or email bea@cdfi.treas.gov	Questions regarding the SDL Program, Program Application or related materials.
Office of Compliance Monitoring and Evaluation (OCME)	202-653-0423	Submit a Service Request in AMIS (preferred) or email ccme@cdfi.treas.gov	Questions related to CDFI compliance.
Office of Certification Policy and Evaluation (OCPE)	202-653-0423	Submit a Service Request in AMIS (preferred) or email ocpecert@cdfi.treas.gov	Questions related to CDFI Certification.
IT Support (AMIS)	202-653-0422	Submit a Service Request in AMIS (preferred) or email AMIS@cdfi.treas.gov	Questions related to registering or creating an account in AMIS.
Grants.gov	800-518-4726	support@grants.gov	Questions related to the SF-424 submission process.
SAM.gov (Federal Service Desk)	866-606-8220	SAM.gov	Questions related to registering an organization in order to apply for Federal grants via Grants.gov.

Questions



... for participating in today's webinar!

We will now open the line for questions.