



# COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

UNITED STATES DEPARTMENT OF THE TREASURY

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## FY 2007 NACA Program Funding Round Frequently Asked Questions

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### General Questions

#### **1. What are the biggest differences between the NACA and FA/TA application?**

- TA request limit: \$150,000 (of which \$100k can be for operating expenses).
- Certification deadline: the NOFA states that Applicants to the NACA Program that seek to become certified as CDFIs have until 1/30/07 to submit a Certification Application.
- Type of Applicants: Sponsoring Entities, an organization (typically a tribe) that is creating a new entity with plans to seek certification, are only allowed to apply to the NACA Program. A Sponsoring Entity can request TA to learn more about the industry and if a CDFI is right for their community.

#### **2. How does certification for Native applicants differ from other CDFIs?**

The biggest difference is in regard to the Non-Government Entity and Financing test. Control by a tribal government does not fail this test. However, if the CDFI is a Department of the tribal government, they will likely not meet the Financing Entity test (all of the tribe's assets will be figured into the 50% of funds that are required to be available for lending). It is common for tribal CDFIs to be created as tribal enterprises with some independence from tribal control.

## **Eligibility and NOFA Questions**

### **3. Where is the Certification Application?**

The 22-page CDFI Certification application is found on the Fund's website as a PDF document at [www.cdfifund.gov/docs/certification/CDFI/CDFIcertificationApplication.pdf](http://www.cdfifund.gov/docs/certification/CDFI/CDFIcertificationApplication.pdf). Certifiable applicants planning to request Financial Assistance must submit this completed application to the CDFI Fund so that it is received no later than 5pm ET on October 11, 2006.

### **4. How can I know if my Certification of Material Events form was received?**

For certified CDFI applicants, the Fund will compare funding applications received against the Certification of Material Event forms received. If the Fund did not receive your form for some reason, you will be notified by mid December and will have an opportunity to re-submit within two business days of receiving that notification.

### **5. What if I amended or want to amend my Certification Target Market?**

If You Have Submitted an Amended Target Market Request to the Fund: CDFIs were required to use the "Maps to Apps" process to identify electronically their Target Markets over the past year. This process allowed CDFIs to designate an amended Target Market. You should discuss this proposed amended Target Market in question 1 of the Comprehensive Business Plan (CBP).

If You Have Not Submitted an Amended Target Market Request to the Fund: If you did not submit a request to amend your Target Market during the "Maps to Apps" process, then you need to submit a request the next time the Fund is accepting such requests. The Fund has not yet determined the next time it will accept such requests, however, it will be prior to the due date of your first annual report should you receive an award. In the CBP, discuss the Target Market for which you will seek approval.

If you have not yet identified your Target Market using the Maps to Apps process, you should do so by the application deadline. In the CBP, discuss the Target Market that you identified through the Maps to Apps process.

### **6. What does "special consideration" mean for Hurricane Katrina/Rita affected areas?**

The Fund identifies Applicants serving areas or populations affected by Hurricanes Katrina and/or Rita based on the response to question 1 of the CBP. These applications will be scored by the same set of readers. Readers will be provided with guidance on how to consider the Katrina/Rita impact responses when scoring the Market Analysis section.

### **7. Can FA or TA Funds be used for new construction, e.g., building a new branch?**

Although federal regulations allow funding for new construction for some programs, the statute that created the NACA Program does not permit the Fund to provide TA or FA funds to finance new construction.

### **8. Can FA funds be used as match dollars for Individual Development Accounts?**

FA funds can be used for any eligible purpose that supports the Applicant's CBP. The Fund, however, generally seeks to provide FA for financing capital, loan loss reserves, capital reserves, or (to a limited

extent) operating expenses related to the provision of financial products, financial services, or Development Services. The Fund, however, recognizes that the flexibility of FA funds may make them more appropriate for activities for which other funding sources may be limited. No matter how Awardees spend their FA funds, however, they all are held to a deployment goal. Specifically, Awardees must demonstrate that they have deployed an amount equal to at least 85% of the FA in financial products, financial services, or Development Services over the three-year reporting period.

### **9. Is there a preference for In-Hand versus Committed matching funds?**

The CDFI Fund considers In-hand and Firmly Committed matching funds to be equivalent for purposes of selecting FA Awardees. Please refer to the NOFA for the percentage of In-Hand matching funds that is required for this funding round. Also, please note that, in order for the Fund to make a disbursement of award funds, the Awardee must have its matching funds In-Hand.

## **Application, Charts, and Attachments Questions**

### **10. What's the difference between the TAP and the narrative in requesting TA?**

A complete Technical Assistance Proposal (TAP) includes the following three components:

- (1) Completed TA narrative entered in the first box in the CBP MS Word template.
- (2) A completed Chart C – follow instructions and sample format on pages 31-38.
- (3) A justification of the requested TA items in the TA Request Narrative questions. Each requested use should be justified in the CBP section that will be most strengthened by the use.

### **11. Is there a new glossary for FY 2007?**

The [CDFI Fund Certification Glossary](#) found at the bottom of the CDFI Program page is still applicable. For Chart F1, the Financial Data Input Chart, additional notations are provided within the cell comments to explain individual line items. Scroll your cursor over the cell to read those comments.

## **Grants.gov and Other Submission Issues**

### **12. Why can't I find the SF-424 I filled out?**

The SF 424 is stored within the Grant Application Package document that you save to your computer. It is important to note the location of the document when you initially "Save" the Grant Application Package. That document is a PureEdge Viewer file which includes both the SF-424 and the identification of all the application material (Attachments) to be transmitted when you hit the submit button. See Steps 4 through 7 in the [Instruction Document](#).

### **13. Which NAICS code should I use for the SF-424 question?**

You can find the NAICs or SIC code for your business by using the search engine on the Census site at [www.census.gov](http://www.census.gov). Most financing activities fall within the 52XXXX category. In the search box enter "NAICS" then click on the link that reads "79 NAICS code for my business" to use the search feature.

### **14. How will I know that I have successfully submitted the application?**

When you are ready to submit the Application Package, you must be connected to the Internet and the person registered with grants.gov as your Authorized Organization Representative (AOR) must be logged into his or her grants.gov account. (If the AOR is not logged into your grants.gov account, but is

connected to the Internet, after you press the Submit button, you will be asked to log into your grants.gov account.) Upon successful submission, the AOR will receive an automated email confirming receipt of an Application package and stating that the package is being validated. It can take grants.gov several hours to generate this automated email. As this is the only way to know whether your package was submitted successfully, the Fund **strongly** encourages you to submit early. If you do not receive the grants.gov email within one hour of pressing the submit button, you may call the grants.gov Help Desk at 1-800-518-4726 to confirm that the package has been received. Once your package has been validated you will receive a second message notifying you that your application has been validated and sent to the CDFI Fund.

**15. Do I need a myCDFIFund account in addition to a Grants.gov account?**

Yes, the CDFI Fund will only accept applications from applicants that have successfully opened an organization account on myCDFIFund with the same EIN number as registered in their Grants.gov account. Go to [www.CDFIFund.gov](http://www.CDFIFund.gov) and click on "Log onto myCDFIFund" to access the system. Follow instructions in the "Help" tab to establish a new user and organization account.