The following list presents the definitions, verification and validation informations for each performance measure that supports the bureau's annual performance plan. Based on verification and validation, each measure is rated as having either: "Reasonable Accuracy" (judged to be sufficiently accurate for program management and performance reporting purposes) or as "Questionable or Unknown Accuracy" (judged to have insufficient accuracy for program management and performance reporting purposes). In general, Treasury considers its performance measure data quality to be reasonably accurate.

Community Development Financial Institutions Fund

FY 2005

Budget Activity: Bank Enterprise Award Program

Performance Measure: Administrative costs per number of Bank Enterprise Award (BEA) Applications processed ($) (E)

Definition:

The fixed and variable cost per application for Bank Enterprise Award (BEA) applications.

How Data is Captured:

The Fund will analyze the cost of materials as well as staff time and contractor's time to determine the total cost per application.

How Data is Verified and Validated to Make Certain it is Accurate:

The Fund will conduct an analysis of the total cost of processing a single BEA application. The analysis will include both fixed and variable costs for the project.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Performance Measure: Increase in community development activities over prior year for all BEA program applicants ($ in millions) (Oe)

Definition:

This measures the Bank Enterprise Award (BEA) applicants' increase in qualified community development activites over prior year.

How Data is Captured:

Each BEA Program applicant is required to submit an application containing a Report of Transactions. The BEA Program Unit administers the BEA application. All reports are submitted electronically and the data is stored in the Fund's databases.

How Data is Verified and Validated to Make Certain it is Accurate:

The data is self-reported by applicants during the application process.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Budget Activity: Community Development Financial Institutions Program

Performance Measure: Administrative costs per Financial Assistance (FA) application processed (E)

Definition:

The cost per application for Financial Assistance (FA) applications.

How Data is Captured:

The Fund will analyze the cost of materials as well as staff time and contractor's time to determine the total fixed and variable cost per application.

How Data is Verified and Validated to Make Certain it is Accurate:

The Fund will conduct an analysis of the total cost of processing a single FA application. The analysis will include both fixed and variable costs for the project.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Performance Measure: Dollars of private and non-CDFI Fund investments that CDFIs are able to leverage
                         because of their CDFI Fund Financial Assistance. (in millions) (Oe)

Definition:

This measure represents the dollars of private and non-CDFI Fund investments that CDFIs are able to leverage because of their CDFI Fund Financial Assistance (FA) award. For CDFIs, leverage is defined as the one-to-one non-federal match (as required by the FA program), plus funds the CDFI is able to leverage with CDFI Fund FA grant and equity dollars, plus dollars that the awardees' borrowers leverage for projects. (Project leverage example - Of the total financing needed for a housing development is $5 million and the awardee lends $1 million, while other investors lend the remaining $4 million, then the $4 million is the project leverage).

How Data is Captured:

FA award disbursements are made once CDFIs provide documentation showing that they have received or been committed matching funds. Disbursements of FA are tracked by the Financial Manager and are used as the proxy for matching funds raised. The CDFI Program annual Institution Level Report captures the leverage ratio for FA grants and equity dollars, as well as project level leverage.

How Data is Verified and Validated to Make Certain it is Accurate:

CDFI awardees' one-to-one match is equal to the amount disbursed to awardees. The FA grant and equity dollar leverage ratio is taken from the awardees' financial statements. (In most cases, the financial statements have been audited.) Project level leverage is reported by the awardee and is not verifiable by the Fund.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Performance Measure: Number of full-time equivalent jobs created or maintained in underserved
                         communities by businesses financed by CDFI Program Awardees and New Markets Tax
                         Credit (NMTC) Allocatees (Oe)

Definition:

An employee that works at least a 35-hour workweek is considered a full-time equivalent (FTE). In calculating the number of FTEs, part-time employees are combined into FTEs. For example, two part-time employees that each work 17.5 hours per week are combined to count as one FTE.
Jobs maintained are jobs at the business at the time the loan or investment is made. Jobs created are new jobs created after the loan or investment is made. Jobs created and maintained serve as an important indicator of the economic vitality of underserved areas. Underserved communities are those that qualify as CDFI Program Target Markets (which include a specific geography called an Investment Area or a specific community of people with demonstrated lack of access to credit, equity, or financial services called a Low-Income Targeted Population or an Other Targeted Population). Underserved communities are also those that qualify as New Markets Tax Credit (NMTC) Low Income Communities.

How Data is Captured:

Each awardee and allocatee collects and tracks job data in its own management information system(s). The information is self-reported by awardees and allocatees. Many organizations track the number of jobs projected to be created. A smaller number collect annual information on actual number of jobs created. Some do not collect the data and respond "don't know." Each CDFI Financial Assistance awardee and NMTC Allocatee is required to complete a Transaction Level Report. CDFI awardees report FTE data in the Institution Level Report or Transaction Level Report, while NMTC Allocatees report FTE data in the Transaction Level Report only.

How Data is Verified and Validated to Make Certain it is Accurate:

The Fund will collect FTE through the annual Institution Level and Transaction Level Reports. Data provided is compared to the awardees' and allocatees' actual financial statements for accuracy and "reasonableness" as defined by the Fund. Awardees and allocatees are contacted regarding any discrepancies.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Budget Activity: Native Initiatives

Performance Measure: Administrative costs per number of Native American CDFI Assistance (NACA) applications processed ($)(E)

Definition:

The Fund will determine the total cost associated with Native American CDFI Assistance (NACA) applications based on fixed and variable costs.

How Data is Captured:

The Fund will capture this information through budget documentation.

How Data is Verified and Validated to Make Certain it is Accurate:

The Fund will determine the total cost of a single NACA application based on material costs as well as the amount staff and contractor time per application.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Performance Measure: Annual percentage increase in the total assets of Native CDFIs (%) (Oe)

Definition:

Measure the percent change in total assets that Native CDFIs report from one year to the next. The Fund will calculate: [Total Assets in Current Year - Total Assets in Previous Year] / [Total Assets in Previous Year]

How Data is Captured:

The Native CDFIs financial data is captured through the annual Institution Level Report.

How Data is Verified and Validated to Make Certain it is Accurate:

Native CDFIs report their total assets to the Fund in their Institution Level Report. The Fund verifies the total assets reported against the organization's submitted balance sheet. Organizations are contacted regarding any discrepancies in the data reported. The Fund compares the total assets of CDFIs from year-to-year.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Budget Activity: New Markets Tax Credit Program

Performance Measure: Administrative costs per number of New Markets Tax Credit (NMTC) applications processed ($) (E)

Definition:

The cost per application for New Markets Tax Credit (NMTC) applications.

How Data is Captured:

The Fund will analyze the cost of materials as well as staff time and contractor's time to determine the total fixed and variable cost per application.

How Data is Verified and Validated to Make Certain it is Accurate:

The Fund will conduct an analysis of the total cost of processing a single NMTC application. The analysis will include both fixed and variable costs for the project.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Performance Measure: Amount of investments in low-income communities that Community Development
                         Entitites (CDEs) have made with capital raised through their New Markets Tax Credit
                         (NMTC) tax credit allocations ($ in billions) (Oe)

Definition:

Amount of investments in Low Income Communities that Community Development Entitites have made with capital raised through their New Markets Tax Credits (NMTC)allocations. The Fund will report NMTC Qualified Low-Income Community Investments (QLICIs) that are supported by NMTC Qualified Equity Investments (QEIs).

How Data is Captured:

The Fund will capture the data in the CDEs' annual Institution Level and Transaction Level Reports.

How Data is Verified and Validated to Make Certain it is Accurate:

CDEs will attract private sector equity in the form of QEIs. CDEs will have 12 months to invest these QEIs in QLICIs. The CDEs will self-report QLICIs in their annual Transaction Level Report. The Fund uses these reports for research, reporting, and compliance. The Fund is confident that CDEs will accurately report, as the consequence of misinformation may be recapture of the New Markets Tax Credits.

Data Accuracy:

Reasonable

Data Frequency:

Annually

Key: Oe - Outcome Measure, E - Efficiency Measure, Ot - Output/Workload Measure