



## **NATIONAL CREDIT UNION ADMINISTRATION**

### **Community Development Revolving Loan Fund Access for Credit Unions**

**ACTION:** Notice of Funding Opportunity

**FUNDING OPPORTUNITY TITLE:** Community Development Revolving Loan Fund (CDRLF) Grant Program

**CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER:** 44.002

**SUMMARY:** The National Credit Union Administration (NCUA) is issuing this Notice of Funding Opportunity (NOFO) to announce the availability of technical assistance grants (awards) for low-income designated credit unions (LICUs) through the CDRLF program. The CDRLF program serves as a source of financial support in the form of awards that better enables LICUs to support the communities in which they operate. All grant awards made under this NOFO are subject to funds availability and are at the NCUA's discretion.

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#### **A. PROGRAM DESCRIPTION**

The purpose of the CDRLF program is to assist LICUs in providing basic financial services to their members to stimulate economic activities in their communities. Through the CDRLF program, the NCUA provides financial support in the form of awards to LICUs serving predominantly low-income members. These funds help improve and expand the availability of financial services to these members.

The CDRLF program consists of Congressional appropriations that are administered by the NCUA. CDRLF awards may be used for various projects that support the efforts of credit unions providing basic financial and related services to residents in their communities; enhancing their capacity to better serve their members and the communities in which they operate, and strengthening the national system of cooperative credit.

The NCUA will consider requests for various funding initiatives. More detailed information about the purpose of each initiative, amount of funds available, funding priorities, permissible uses of funds, funding limits, deadlines and other pertinent details will be defined in the Grant Round Guidelines. In addition, the NCUA may periodically publish information regarding the CDRLF program in official Letters to Credit Unions, press releases, and/or on the NCUA website.

## 1. Funding Initiatives

The list of potential funding initiatives available during 2019 includes the following:

- i. Counselor Certification (new);
- ii. Digital Services and Security;
- iii. Pilot Program (new);
- iv. Training; and
- v. Underserved Outreach.

## 2. Authority and Regulations

- i. Authority: 12 U.S.C. 1756, 1757(5)(D), and (7)(I), 1766, 1782, 1784, 1785 and 1786; 12 CFR Part 705.
- ii. Regulations: The regulation governing the CDRLF program is found at 12 CFR Part 705. In general, this regulation is used by the NCUA to govern the CDRLF program and set forth the program requirements. Additional regulations related to the CDRLF program are found at 12 CFR Parts 701 and 741. For the purposes of this NOFO, an Applicant is a Qualifying Credit Union that submits a complete Application to the NCUA under the CDRLF program. The NCUA encourages Applicants to review the regulations, this NOFO, the Grant Round Guidelines, and other program materials for a complete understanding of the program. Capitalized terms in this NOFO are defined in the authorizing statutes, regulations, and program materials.

## B. FEDERAL AWARD INFORMATION

Approximately \$2 million in awards will be available through this NOFO. The NCUA reserves the right to: (i) award more or less than the amounts cited above; (ii) fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFO; and (iii) reallocate funds from the amount that is anticipated to be available under this NOFO to other programs, particularly if the NCUA determines that the number of awards made under this NOFO is fewer than projected. General information about the purpose of each funding initiative and the maximum award amount is provided below.

### 1. Purpose of Funding Initiatives

- i. Counselor Certification: The Counselor Certification initiative is designed to provide credit union staff with a certified set of skills and knowledge that improves the financial health of members, as well as the credit union. With a certified financial or housing counselor on staff, credit unions are more equipped to implement solutions that help members yield healthy financial behaviors and make better decisions. The objective of this initiative is to help credit unions serve its membership by obtaining a certification in financial and/or housing counseling, and use the certification to build partnerships that expand the credit union's capacity to fully serve the underserved communities.
- ii. Digital Services and Security: The Digital Services and Security initiative helps

credit unions implement the infrastructure to build a digital relationship with their members and safeguard credit union information from cybersecurity threats. Access to digital financial services will improve the ability of credit unions to serve underserved communities. It is crucial for credit unions to expand financial products and services for members through digital channels. Ensuring that the appropriate processes are in place to continually safeguard the credit union's digital assets and activities is equally important. The objective of this initiative is to help credit unions establish a new digital service or security that will ultimately benefit the members. This initiative is not intended to fund continuous projects or cover costs associated with normal maintenance of digital services.

- iii. Training: The Training initiative focuses on helping credit unions develop the skills and talents of employees through specialized management programs and advanced training courses. The goal of this initiative is to enhance the operational knowledge of credit union employees and support staff professional development.
- iv. Underserved Outreach: The Underserved Outreach initiative is designed to help credit unions implement innovative outreach strategies that will improve the financial well-being of individuals living in underserved areas. This initiative focuses on providing quality financial products and services to underserved population segments such as minority groups, youth & millennials, veterans, and immigrants. The goal of this initiative is for credit unions to employ outreach strategies that produce positive growth outcomes for the credit union and improve the financial health of individuals in underserved communities.
- v. Pilot Program: The Pilot Program initiative is designed to test new and innovative funding ideas that can help credit unions fulfill the CDRLF program's objectives. This initiative will explore the feasibility of new funding initiatives prior to full-scale development and deployment through small scale trials. The objective is to determine whether an initiative is appropriate, configurable, and ready for full-scale deployment. The specific details regarding the Pilot Program initiative are in the development stage and will not be finalized at the time this NOFO is published. However, the NCUA will make this information available on its website and the CFDA Assistance Listings when it is available.

## **2. Maximum Award Amount**

The maximum amount for a CDRLF award is determined by the type of funding initiative. There is no minimum amount for CDRLF awards. The maximum award amount for each funding initiative is provided below.

- i. Counselor Certification – \$5,000
- ii. Digital Services and Security – \$8,000
- iii. Training – \$5,000
- iv. Underserved Outreach – \$100,000
- v. Pilot Program – To be determined

## **C. ELIGIBILITY INFORMATION**

**1. Eligible Applicants**

This NOFO is open to credit unions that meet the eligibility requirements defined in 12 CFR Part 705. A credit union must have a low-income designation, or equivalent in the case of a Qualifying State-chartered Credit Union, in order to participate in the CDRLF program. Requirements for obtaining the designation are defined in 12 CFR § 701.34.

i. *Non-Federally Insured Applicants*: Each Applicant that is a non-federally insured, state-chartered credit union must submit additional application materials. These additional materials are more fully described in 12 CFR § 705.7(b)(3) and in the Application.

a. Non-federally insured, state-chartered credit unions must agree to be examined by the NCUA. The specific terms and covenants pertaining to this condition will be provided in the award agreement of the Participating Credit Union.

**2. Data Universal Numbering System (DUNS) Number**

The Data Universal Numbering System (DUNS) number is a unique nine-character number used to identify your organization. The federal government uses the DUNS number to track how federal money is allocated. Registering for a DUNS number is FREE. Applicants can obtain a DUNS number by visiting the Dun & Bradstreet (D&B) website or calling 1-866-705-5711. The NCUA will not consider an Application that does not include a valid DUNS number issued by Dun and Bradstreet (D&B). Such an Application will be deemed incomplete and will be declined.

**3. Employer Identification Number**

Each Application must include a valid and current Employer Identification Number (EIN) issued by the U.S. Internal Revenue Service (IRS). The NCUA will not consider an Application that does not include a valid and current EIN. Such an Application will be deemed incomplete and will be declined. Information on how to obtain an EIN may be found on the IRS's website.

**4. System for Award Management**

All Applicants are required by federal law to have an active registration with the federal government's System for Award Management (SAM) prior to applying for funding. SAM is a web-based, government-wide application 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. The SAM registration process is FREE. Applicants can register by visiting the SAM website. An active SAM account status and CAGE number is required to apply for the NCUA's CDRLF program. Applicants that have an existing registration with SAM must recertify and maintain an active status annually. The SAM recertification process is FREE. The NCUA will not consider an Applicant that does not have an active SAM status. Such an Application will be deemed incomplete and will be declined.

## **5. Other Eligibility Requirements**

- i. Financial Viability: Applicants must meet the underwriting standards established by the NCUA, including those pertaining to financial viability, as set forth in the application and defined in 12 CFR § 705.7(c).
- ii. Compliance with Past Agreements: In evaluating funding requests under this NOFO, the NCUA will consider an Applicant's record of compliance with past agreements. The NCUA, in its sole discretion, will determine whether to consider an Application from an Applicant with a past record of noncompliance, including any deobligation (i.e. removal of unused awards) of funds.
  - a. If an Applicant is in default of a previously executed agreement with the NCUA, the NCUA will not consider an Application for funding under this NOFO.
  - b. If an Applicant is a prior Awardee under the CDRLF program and has unused awards as of the date of Application, the NCUA may request a narrative from the Applicant that addresses the reason for its record of noncompliance. The NCUA, in its sole discretion, will determine whether the reason is sufficient to proceed with the review of the Application.

## **D. APPLICATION AND SUBMISSION INFORMATION**

### **1. Application Form**

Under this NOFO, all Applications must be submitted online in the NCUA's web-based application system, CyberGrants, in order to be considered. Applications must be submitted online at <https://www.cybergrants.com/ncua/applications>. The application form and related documents are also located on the NCUA's website at <https://www.ncua.gov/services/Pages/resources-expansion/grants-loans.aspx>.

### **2. Minimum Application Content**

A complete Application will consist of similar components for each CDRLF funding initiative. At a minimum, each initiative requires a narrative response that describes the Applicant's proposed use of the CDRLF award. The NCUA reserves the right to waive this requirement for any funding initiatives with a defined list of allowable project activities. The NCUA will identify the funding initiatives that do not require a narrative response in the Grant Round Guidelines. Other application contents that are specific to a particular funding initiative will be defined in the Grant Round Guidelines.

### **3. Submission Dates and Times**

The NCUA will accept Applications beginning June 2, 2019, at 9:00 a.m. eastern time (ET). Applications must be submitted by July 20, 2019, at 11:59 p.m. ET. Late Applications will not be considered. The submission dates and times in this NOFO apply to each funding initiative except for the Pilot Program. The submission dates and times for the Pilot Program will be announced in forthcoming guidance.

## **E. APPLICATION REVIEW INFORMATION**

**1. Eligibility and Completeness Review**

The NCUA will review each Application to determine whether it is complete and that the Applicant meets the eligibility requirements described in the Regulations, the Grant Round Guidelines, and in this NOFO. An incomplete Application or one that does not meet the eligibility requirements will be declined without further consideration.

**2. Evaluation Criteria**

Each funding initiative, due to its structure and impact, may have varying degrees of evaluation criteria assigned. The evaluation criteria for each funding initiative is fully described in the Grant Round Guidelines.

**3. Substantive Review**

The purpose of the substantive review is to determine whether an Application satisfies the criteria set forth for each particular funding initiative. The NCUA will evaluate each Application that receives a substantive review in accordance with the criteria and procedures described in the Grant Round Guidelines. The NCUA reserves the right to contact the Applicant during its review for the purpose of clarifying or confirming information contained in the Application. If so contacted, the Applicant must respond within the time specified by the NCUA or the NCUA, in its sole discretion, may decline the application without further consideration.

**4. Scoring and Funding Decision**

The NCUA will make its funding decision based on a uniform scoring system that establishes a ranking position for each Application. The Applications will be ranked according to the scoring criteria set forth for each funding initiative in the Grant Round Guidelines.

**F. FEDERAL AWARD ADMINISTRATION**

**1. Federal Award Notice**

The NCUA will notify each Applicant of its funding decision by email. In addition, the NCUA will announce the successful Applications through a press release that includes a list of the Awardees. Applicants that are approved for funding will also receive instructions on how to proceed with the post-award activities.

**2. Administrative and National Policy Requirements**

- i. *Award Agreement*: The specific terms and conditions will be established in the award agreement each Participating Credit Union must sign prior to formally accepting an award. Each Participating Credit Union under this NOFO must enter into an Agreement with the NCUA before the NCUA will disburse the award funds. The Agreement includes the terms and conditions of funding, including but not limited to the: (i) award amount; (ii) grant award details; (iii) roles and responsibilities; (iv) accounting treatment; (v) signature pages; and (vi) reporting requirements.

- ii. Failure to Sign Agreement: The NCUA, in its sole discretion, may rescind an award if the Applicant fails to sign and return the agreement or any other requested documentation, within the time specified by the NCUA.

### **3. Reporting**

Applicants that are approved for funding will be responsible for the complete and timely submission of the post-award activities. This includes, but it is not limited to, signing the award agreement and completing a reimbursement request. Successful Applicants must submit a reimbursement request in order to receive the awarded funds. The reimbursement requirements are different depending on the funding initiative. The NCUA will define the reimbursement requirements for each funding initiative in the Post-Award Guidelines.

The reimbursement request may require, all or a combination of, the following items: (i) evidence of expenses, (ii) project related documentation, (iii) a summary of project accomplishments and outcomes, or (iv) a certification form signed by a credit union official (e.g. CEO, manager, or Board Chairperson) authorized to request the reimbursement and make the certifications. The NCUA, in its sole discretion, may modify these requirements. In general, successful Applicants are required to submit the reimbursement request before the expiration date specified in the award agreement.

## **G. FEDERAL AWARDING AGENCY**

### **1. Methods of Contact**

Further information can be found at <https://www.ncua.gov/services/Pages/resources-expansion/grants-loans.aspx>. For questions email: National Credit Union Administration, Office of Credit Union Resources and Expansion at [CUREAPPS@ncua.gov](mailto:CUREAPPS@ncua.gov).

### **2. Information Technology Support**

People who have visual or mobility impairments that prevent them from using the NCUA's website should call (703) 518-6610 for guidance (this is not a toll free number).

By the National Credit Union Administration Board on April 9, 2019.

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Gerard Poliquin

Secretary of the Board

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