



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) Grants.

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. The CDRLF serves as a source of financial support in the form of loans and technical assistance grants that better enable 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 is to assist LICUs in providing basic financial services to their members to stimulate economic activities in their communities. The CDRLF consists of Congressional appropriations that are administered by the NCUA. Through the CDRLF, the NCUA provides financial support in the form of awards to LICUs. These funds help improve and expand the availability of financial services to these members.

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 in Letters to Credit Unions, press releases, and/or on the NCUA website.

1. Funding Initiatives

The list of potential funding initiatives available during 2020 includes the following:

- i. COVID-19 Emergency Support;
- ii. Digital Services and Cybersecurity;

- iii. Training;
- iv. Minority Depository Institution (MDI) Mentoring; and
- v. Underserved Outreach.

2. Authority and Regulations

- i. *Authority*: 12 U.S.C. 1772c-1, 1756, 1757(5)(D), and (7)(I), 1766, 1782, 1784, 1785 and 1786;
- ii. *Regulations*: The regulation governing the CDRLF is found at 12 C.F.R. Part 705. In general, this regulation is used by the NCUA to govern the CDRLF and set forth the program requirements. Additional regulations related to the low-income designation are found at 12 C.F.R. Parts 701.34 and 741.204. For the purposes of this NOFO, an “Applicant” is a Participating Credit Union that submits a complete application to the NCUA under the CDRLF. 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.

B. AWARD INFORMATION

Approximately \$1.5 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. *COVID-19 Emergency Support*: The COVID-19 Emergency Support initiative is intended to help credit unions assist members experiencing economic hardships due to the coronavirus, particularly members that are most impacted by the situation. Funds may be used to address the financial needs of impacted members, to help credit unions respond to the unexpected and unforeseen challenges of COVID-19, and to alleviate the impact of the crisis on the credit union and its community. Due to the severity of the situation, the NCUA may relax some of the administrative and programmatic requirements for Applicants under this initiative.
- ii. *Digital Services and Cybersecurity*: The Digital Services and Cybersecurity 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 their 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 strengthen

cybersecurity in order to benefit the members. This initiative is not intended to fund continuous projects or cover costs associated with normal maintenance of digital services or cybersecurity.

- 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 within a credit union's field of membership. This initiative focuses on providing quality financial products and services to underserved population segments such as minority groups, youth & millennials, veterans, and immigrants. The NCUA's priority areas for 2020 Underserved Outreach grants will allow credit unions to fund projects that benefit individuals returning to the community following incarceration, promote first-time homeownership, and improve the access of financial products and services to people with disabilities. 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.
- v. MDI Mentoring: The MDI Mentoring initiative is intended to encourage mentoring relationships between LICUs (mentors) and small LICU MDIs (mentees). This initiative was designed to encourage strong and experienced low-income designated credit unions to provide guidance to small low-income designated MDI credit unions to increase their ability to thrive and serve low-income and underserved populations. No more than five awards are expected to be made under this NOFO.

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. COVID-19 Emergency Support – \$10,000
- ii. Digital Services and Cybersecurity – \$7,000
- iii. Training – \$4,000
- iv. MDI Mentoring – \$25,000
- v. Underserved Outreach – \$25,000

C. ELIGIBILITY INFORMATION

1. Eligible Applicants

This NOFO is open to credit unions that meet the eligibility requirements defined in 12 C.F.R. Part 705. A credit union must have a low-income designation obtained in accordance with 12 CFR § 701.34 or 741.204 in order to participate in the CDRLF.

- 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 C.F.R. § 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. An active SAM account status and CAGE number is required to apply for a CDRLF award. Credit unions that have an existing registration with SAM must recertify and maintain an active status annually. The SAM registration and recertification process is **FREE**. First-time SAM users can register by following the instructions in the [Quick Start Guide for New Registrations](#). Existing users can recertify or renew their SAM account status by following the instructions in the [Quick Start Guide for Renewing Registrations](#). 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 C.F.R. § 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 Participating Credit Union under the CDRLF 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

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 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 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 found on NCUA's website.

3. Submission Dates and Times

- i. COVID-19 Emergency Support: The NCUA will accept applications beginning March 27, 2020, at 9:00 a.m. eastern time (ET) for this initiative. Applications must be submitted by May 22, 2020, at 11:59 p.m. ET.
- ii. All Other Initiatives: The NCUA will accept applications beginning May 1, 2020, at 9:00 a.m. eastern time (ET). Applications must be submitted by June 30, 2020, at 11:59 p.m. ET. Late applications will not be considered.

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. Application Review

The purpose of the application review is to determine whether an application satisfies the criteria set forth for each particular funding initiative. The NCUA will evaluate each application 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 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. NCUA 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. Reimbursement Process

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 related to the CDRLF, email the NCUA's Office of Credit Union Resources and Expansion at 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 March 26, 2020.

Gerard Poliquin,
Secretary of the Board.

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