

million cap is available on the Fund's Web site at <http://www.cdfifund.gov>;

(b) the Fund will not consider an application submitted by an applicant that is a previous Fund awardee under any Fund program or component of the CDFI Program if the applicant has failed to meet its reporting requirements, set forth in the previously executed assistance or award agreement(s), as of the date an application for funding under this NOFA is received by the CDFI Fund; and

(c) the Fund will not consider an application submitted by an applicant that is a previous Fund awardee under any Fund program or component of the CDFI Program that has a balance of undisbursed funds under said previous award, as of the date an application for funding under this NOFA is received by the CDFI Fund. Accordingly, applicants that are previous awardees are advised to:

(i) submit all required reports by the deadlines specified in the assistance or award agreements governing said prior awards and to comply with all requirements found therein, and

(ii) contact the appropriate Program Operations representative of the Fund to ensure that actions are underway for the disbursement of any outstanding balance of said prior award.

## II. Types of Assistance

An applicant may only submit an application for a TA grant under this NOFA. The Fund reserves the right, in its sole discretion, to provide a TA grant for uses other than that which is requested by an applicant.

Applicants for TA grants under this NOFA shall describe the type(s) of TA requested, when the TA will be acquired, the provider(s) of the TA, the cost of the TA, and a narrative description of how the TA will enhance their community development impact by creating a CDFI. Eligible types of TA grant uses include, but are not limited to, the following:

- (1) Acquiring consulting services;
- (2) Paying staff salary for the limited purposes of completing tasks and/or fulfilling functions that are otherwise eligible TA grant uses under this NOFA;
- (3) Acquiring/enhancing technology items; and
- (4) Acquiring training for staff or management (under Category I only).

The Fund will generally not consider requests for TA grants under this NOFA for expenses that, in the determination of the Fund, are deemed to be ongoing operating expenses rather than non-recurring expenses. The Fund will consider requests for the use of TA to pay for staff salary only when the

applicant demonstrates to the satisfaction of the Fund that:

(a) The staff salary relates directly to building the applicant's capacity to serve its target market;

(b) The proposed staff time to be paid for by the TA grant will be used for a non-recurring activity or the staff salary will build the applicant's capacity to achieve its objectives as set forth in its application;

(c) The proposed activity would otherwise be contracted to a consultant or not be undertaken; and

(d) The staff person assigned to the proposed task has the competence to successfully complete the activity. Further guidance on the limited uses of TA grants for staff salary expenditures is available on the Fund's Web site at <http://www.cdfifund.gov>.

## III. Application Packet

Applicants under this NOFA must submit all materials described in the applicable application. An application must include a valid and current Employer Identification Number, issued by the Internal Revenue Service, or the application will be rejected as incomplete and returned to the sender.

## IV. Evaluation

For purposes of this NACD Program NOFA, the Fund will evaluate applications through a merit-based, qualitative application process, in the order in which they are submitted, until such point as all appropriated funds allocated for this NOFA are obligated or May 31, 2004, whichever occurs first. Applications submitted after that point will not be considered for funding; said applications will be rejected and returned to the sender.

All applications will be reviewed for eligibility and completeness. If determined to be eligible and complete, the Fund will conduct the substantive review of each application in accordance with the criteria and procedures described in the interim regulations, this NOFA and the application. In the first part of the substantive review, the Fund will evaluate each application on a 100-point scale, comprising the four criteria categories set forth below, and assign numeric scores. Applicants whose applications are assigned 60 points or more will be considered for TA awards.

(1) *Market Need and CDFI Strategy*: including a review of the applicant's understanding of the market context, the prospective customers, the extent of economic distress within the likely Investment Area(s) or the extent of need within the likely Targeted Population(s), the extent of need for the proposed

CDFI, the level of support from the Target Market, and the appropriateness of the proposed products and services to meet the needs in the market of the proposed CDFI, appropriateness of the proposed organizational structure. For any entity that has already received an award from the Fund, the applicant also will be evaluated on the extent to which it proposes to create greater community development impact than to be achieved through the prior award and its track record in meeting previous performance goals and other Assistance Agreement requirements (maximum 25 points; minimum of 12 points required to be considered for an award);

(2) *Management*: including a review of the applicant's current and proposed management team, governing board, and key staff, its policies and procedures for financial management, and its track record in underwriting and portfolio management, if applicable, and its ability to create the proposed CDFI and to successfully use the requested TA. For any applicant that has received one or more prior awards through the CDFI Program, the Fund will consider the extent to which the applicant has submitted required reports in a timely manner and otherwise complied with the Fund's requirements (maximum 25 points; minimum of 12 points required to be considered for an award);

(3) *Financial Health and Resources*: including a review of the applicant's financial strength, its liquidity, and the likelihood of obtaining resources to initiate and sustain operations of the proposed CDFI, and a clear indication that the proposed CDFI will not be fiscally dependent on the Fund (maximum 10 points; minimum of 5 points required to be considered for an award);

(4) *Community Development Performance and Effective Use of TA*: including the projected level of activity within the Target Market of the proposed CDFI; the extent to which the applicant needs the Fund's assistance to achieve the objectives set forth in its application; and the likelihood that the Fund's assistance will enhance the applicant's ability to effectively serve its Target Market by creating a CDFI and achieve community development impact (maximum 40 points; minimum of 20 points required to be considered for an award).

Fund reviewers will evaluate and score each application and make recommendations for funding to the Fund's selecting official. As part of the substantive review process, applicants may receive a telephone interview or an on-site visit by Fund reviewers for the purpose of obtaining, clarifying, or