

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 must score at least 10 points for each of criteria 1, 2, and 3; and at least 20 points for criteria 4. 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 its market context, its current and prospective customers, the extent of economic distress within the designated Investment Area(s) or the extent of need within the designated Targeted Population(s), the extent of need for the CDFI, the level of support for the Target Market, and the appropriateness of the proposed products, services and delivery strategy to meet the needs in the market. 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 20 points);

(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 and ability to achieve the objectives set forth in its application 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 20 points);

(3) *Financial Health and Resources*: including a review of the applicant's financial strength, its liquidity, and the likelihood of obtaining resources to sustain operations, and a clear indication that the CDFI will not be fiscally dependent on the Fund (maximum 20 points); and

(4) *Community Development Performance and Effective Use of TA*: including the projected level of activity within the Target Market; the extent to which the proposed activities are expected to promote homeownership, affordable housing development, economic development, provision of

affordable financial services, and other community development objectives; 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 and achieve community development impact (maximum 40 points).

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 confirming information. During the review process, the applicant may be required to submit additional information about its application in order to assist the Fund in its final evaluation process. Such requests must be responded to within the time parameters set by the Fund.

In the case of an applicant that has previously received funding from the Fund under the Bank Enterprise Award (BEA) Program, CDFI Program or the Native American CDFI Technical Assistance (NACTA) Program, the Fund will consider, as appropriate:

(a) The applicant's level of success and extent of compliance in meeting its performance goals, financial soundness covenants (if applicable), reporting requirements and other requirements set forth in the assistance or award agreement(s) with the Fund;

(b) The benefits that will be created with new Fund assistance over and above benefits created by previous Fund assistance; and

(c) The extent and effectiveness to which the applicant has used previous assistance from the Fund.

The Fund's selecting official will make a final funding determination based on the applicant's file, reviewer scores and recommendations, and the amount of funds available. In the case of regulated CDFIs, the selecting official will also take into consideration the views of the appropriate Federal banking agencies.

Each applicant will be informed of the Fund's award decision either through a Notice of Award if selected for an award (see Notice of Award section, below) or a declination letter, if not selected for an award, which may be for reasons of application incompleteness, ineligibility or substantive issues. Any applicant that is not selected for an award due to application incompleteness or ineligibility, and that believes that such decision was made in error, may appeal

said decision by notifying the Fund's Awards Manager in writing or by e-mail (at [cdfighelp@cdfi.treas.gov](mailto:cdfighelp@cdfi.treas.gov), Attention: Awards Manager); such appeals must be received by the Fund within five business days of the date of the declination letter. Such appeal requests will be reviewed by the Fund's Deputy Director for Management and the Deputy Director for Policy and Programs, as appropriate, whose decision will be final. All applicants that are not selected for awards based on substantive issues, will be given the opportunity to request feedback on the strengths and weaknesses of their applications. This feedback will be provided in a format and within a timeframe to be determined by the Fund, based on available resources.

The Fund reserves the right to change these evaluation procedures if the Fund deems it appropriate; if said procedural changes materially affect the Fund's award decisions, the Fund will provide information regarding the procedural changes through the Fund's Web site.

## VI. Notice of Award

The Fund will signify its selection of an applicant as an awardee by delivering a signed Notice of Award to the applicant. The Notice of Award will contain the general terms and conditions underlying the Fund's provision of assistance including, but not limited to, the requirement that an awardee and the Fund enter into an Assistance Agreement. The applicant must execute the Notice of Award and return it to the Fund. By executing a Notice of Award, the awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, information comes to the attention of the Fund that either adversely affects the awardee's eligibility for an award, or adversely affects the Fund's evaluation of the awardee's application, or indicates fraud or mismanagement on the part of the awardee, the Fund may, in its discretion and without advance notice to the awardee, terminate the Notice of Award or take such other actions as it deems appropriate. Moreover, by executing a Notice of Award, an awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, the Fund determines that the awardee is not in compliance with the terms of any previous Assistance Agreement entered into with the Fund, the Fund may, in its discretion and without advance notice to the awardee, either terminate the Notice of Award or take such other actions as it deems appropriate. The Fund reserves the right, in its sole discretion, to rescind its award if the