

CDFI Fund

Community Investment Impact System (CIIS) Frequently Asked Questions (FAQs)

6/30/2004

1. What is CIIS?

The Community Investment Impact System (CIIS) is the CDFI Fund's new web-based data collection system. CIIS collects two types of reports from CDFIs and CDEs: an Institution Level Report (sometimes referred to as the annual survey) and a Transaction Level Report. CDFIs and CDEs can access CIIS through their myCDFIFund account.

2. Which CDFIs and CDEs are required to submit data through CIIS?

CDFIs

2002 and Earlier Funding Round Awardees: CDFI awardees that are required by their assistance agreement to submit an Annual Financial Report in a given year must submit an Institution Level Report for the same year through CIIS. Some assistance agreements refer to the Institution Level Report as the Annual Report, Impact Report, or Accomplishments Report. Although 2002 and earlier funding round awardees are NOT required to submit a Transaction Level Report, the Fund welcomes and encourages such submissions.

2003 and Future Funding Round Awardees: CDFIs that received a 2003 financial assistance award through either the Financial Assistance (FA) component or the Native American CDFI Assistance (NACA) program, or that receive future financial assistance awards will be required to submit an Institution Level Report and a Transaction Level Report annually in accordance with their assistance agreements. CDFIs that received a 2003 Technical Assistance (TA) or Native American Technical Assistance award or that receive future technical assistance awards through the TA component or the NACA program will be required to submit an Institution Level Report annually in accordance with their assistance agreements.

Other CDFIs: CDFIs that are certified by the Fund but have not received an award are NOT required to submit an Institution Level Report or a Transaction Level Report. However, they may submit these reports voluntarily.

CDEs

CDE allocatees that issued one or more QEIs by the last day of their reporting period are required to submit an Institution Level Report. The reporting period is specified in each allocatee's allocation agreement. Allocatees that made loans and/or investments in CDEs or QALICBs by the last day of their fiscal year are required to submit a Transaction Level Report. Allocatees that purchased loans from a CDE and/or provided financial counseling or other services will report this information via the Institution Level Report.

Other CDEs are not required to report.

3. When are reports due?

CDFIs

2002 and Earlier Funding Round Awardees do not have the CIIS submission due date specified in their assistance agreements. They will be notified of the report due date sixty days prior to that date.

2003 and Future Funding Round Awardees are required by their assistance agreements to submit their reports within 180 days of the awardees' fiscal year end date. These awardees will begin reporting to the Fund no earlier than 180 days after their 2004 fiscal year end.

CDEs

All allocatees, that have issued QEIs and/or made QLICs are required to submit their reports within 180 days of the reporting period end. The reporting period is usually the allocatee's fiscal year end date. See the Fund's May 2004 New Markets Tax Credit Allocation Agreement Q&A Document for examples of when the reporting period end is the last day of a sub-allocatee's fiscal year.

4. For purposes of the CIIS submission what is the Fund's definition of fiscal year 2003?

Any fiscal year that ends in calendar year 2003. For example, a fiscal year that runs from April 1, 2002 through March 31st, 2003 is a FY 2003.

5. Which loans/investments do CDFIs/CDEs have to report on each year?

CDFIs that submit Transaction Level Reports are required to submit their entire loan/investment portfolio as of their reporting period end date. The transmission should include loans/investments that were funded by the Fund as well as those that were funded by other sources.

CDEs that submit Transaction Level Reports must include all QLICs in CDEs and QALICBs that were funded by QEIs and that were outstanding as of their reporting period end date. This includes QLICs made by sub-allocatees. For those allocatees engaging in CDE investments, if the end QLIC made by the final CDE includes a QALICB, the allocatee (or sub-allocatee, if applicable) must report within its transaction level data, the transaction level details of that QALICB. Thus, the primary CDE must trace the equity investments through each CDE and report the details of the end QALICB in its transaction level data in CIIS.

6. What happens if a CDFI/CDE does not collect all of the information requested in the reports?

The Fund requires CDFIs and CDEs to respond to every question in the reports. Although the Fund encourages CDFIs and CDEs to collect all of the requested data, CIIS does provide a "Don't Know" option for many questions.

The Fund is aware that many CDFIs and CDEs do not collect all of the data points requested in the Transaction Level Report. In the Transaction Level Report Instructions, the Fund has identified "Mandatory" data points that are required for awardees and allocatees to meet their compliance requirements. Although the Fund encourages organizations to respond to most, if not all, of the data points, submissions will be accepted as long as the Mandatory fields are complete.

Over time, the Fund expects CDFIs and CDEs to improve their data collection efforts through upgrades and revised intake forms.

For both the Institution Level Report and the Transaction Level Report, organizations should check the instructions as well as their assistance agreement and/or allocation agreement to determine whether the responses will be used for compliance purposes. Organizations that do not provide compliance-related data may be deemed "Non-compliant" with their reporting requirement even if the reports were accepted by CIIS. The Fund may impose sanctions on awardees/allocatees who fail to comply with their reporting requirements. Sanctions, which are outlined in the assistance/allocation agreements, include but are not limited to a return of funds, debarment from future allocation and/or funding rounds, deobligation of undisbursed funds, and/or termination or reallocation of any unused allocations.

7. How will the Fund protect the privacy of CDFI/CDE borrowers and investees?

In an effort to ensure that CIIS provides the protections that are required by law, the Fund will not collect any CDFI/CDE borrower/investee names, social security numbers or taxpayer identification numbers. In addition to meeting the requirements of federal law, the Fund believes that this will alleviate many of the privacy concerns expressed by CDFIs and CDEs. CIIS currently collects borrower street address. Borrower or investee location is a critical data point for the Fund because it enables us to identify which CDFI/CDE loans and investments were made in economically distressed areas. . The Fund will not release borrower/investee street address data to the public.

8. Should a CDFI or CDE inform its customers that it may share customer information with the CDFI Fund?

CDFIs and CDEs should inform borrowers and investees that if the CDFIs and CDEs are recipients of CDFI Fund funding or an allocation, some of their personal and financial information may be shared with the CDFI Fund for program regulation purposes.

9. What does a CDFI or CDE need to know about the Fair Credit Reporting Act?

A CDFI or CDE's provision of borrower credit scores to the Fund is governed in part by the Fair Credit Reporting Act (15 USC 1681, et seq.), which, in relevant part, requires borrowers' written consent for such credit information distribution. You should review the FCRA and any related regulations and other guidance, promulgated by the Federal Trade Commission (FTC) to ensure compliance.

10. What does a CDFI or CDE need to know about the Equal Credit Opportunity Act (ECOA) and Regulation B?

The organization's provision of data to the Fund may be governed in part by the Equal Credit Opportunity Act (ECOA), which, in relevant part, relates to the collection of race and ethnicity data. Organizations should review the ECOA, Regulation B, and any related regulations and other guidance, promulgated by the Federal Reserve Board to ensure compliance. Non-regulated financial institutions should also consult with the Federal Trade Commission regarding ECOA compliance.

11. Is software available to assist CDFIs and CDEs with the electronic submission of transaction level data?

CDFIs and CDEs may use any software to track and submit transaction level data. Existing systems may need to be upgraded to create fields for all of the data points, and to create the XML schema that generates a Transaction Level Report submission in a form that can be easily uploaded to CIIS. In addition, the Fund is providing loan monitoring software vendors the technical information they need to upgrade their off-the-shelf systems to enable CDFIs and CDEs to track and electronically submit all of the data. See Vendor Testing Opportunities on the CIIS link on the Fund's home page (<http://www.cdfifund.gov/ciis/>) for the names of vendors that are currently testing and their testing schedules. To the extent that vendors take advantage of this business opportunity, CDFIs and CDEs may be able to purchase off-the-shelf system upgrades that will give them the capacity to store CIIS data and upload it to CIIS as easily as they attach a file to an email. The same technical information can be used by CDFIs and CDEs with customized systems.

12. How can CDFIs and CDEs prepare to meet the Fund's data collection requirements?

Awardees and allocatees can review the documents on the Fund's CIIS web page. The Fund's web documents include report formats, instructions, glossary, and information about submitting transaction level data.

13. What kind of technical support will the Fund provide if I need assistance with CIIS?

The Fund has contracted EF Kearney to manage CIIS and the CIIS Help Desk. Questions related to CIIS should be directed to (703) 373-1516 or ciishelp@kearneyco.com.

14. Who do I contact if I have a compliance related question?

You may contact the Fund's Grants Management and Compliance Unit at (202) 622-8226 or gmc@cdfi.treas.gov if you have any compliance related questions or questions regarding reporting requirements.

15. Who do I contact if I am an allocatee and I have questions on the IRS Compliance Questions in the CDE Survey?

The IRS has designated a new contact person: Errol Foschini at errol.foschini@irs.gov or (845) 561-8560 x 251.

16. Where should I send my financial statements?

Since CIIS only collects the Institution and Transaction Level reports, you should submit your financial statements by fax to (202) 622-3569 or by mail to

GMC Manager
CDFI Fund
601 13th St., NW

Suite 200 South
Washington, DC 20005