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NCUA Media Release

Matz Encourages CDFI Fund Applications

September 25, 2009, Alexandria, VA – Noting the announcement of the Fiscal Year 2010 Community Development Financial Institution (CDFI) Program funding round, National Credit Union Administration (NCUA) Chairman Debbie Matz today encouraged broader credit union participation in the program as a way to expand service to low-income consumers. The application period commenced yesterday and closes November 18, 2009.

Noting the announcement of the Fiscal Year 2010 Community Development Financial Institution (CDFI) Program funding round, National Credit Union Administration (NCUA) Chairman Debbie Matz today encouraged broader credit union participation in the program as a way to expand service to low-income consumers. The application period commenced yesterday and closes November 18, 2009.

“CDFI funding is a practical, proven and successful way in which credit unions can enhance their overall outreach efforts in distressed communities. Consumers across the income spectrum benefit when credit union service is made more accessible, and CDFI has been a reliable partner for many credit unions in making this a reality. I strongly encourage credit unions to apply to this worthwhile program,” stated Matz.

An overview of CDFI Fund programs follows:

What is the CDFI Fund?

The Community Development Financial Institutions Fund (CDFI Fund) was created in by Congress in 1994 and administered by the U.S. Treasury Department. Its mission is to “expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States”.

What does the CDFI Fund do?

The CDFI Fund certifies and invests in financial institutions that provide financial products and services primarily to low-income communities and/or to low-income people. Through its programs, the CDFI Fund supports institutions that seek to encourage wealth-building through strategies such as business development, homeownership, providing basic banking services to underserved communities, and financial literacy. It does this by providing monetary awards through the CDFI Program, the Bank Enterprise Awards, and the Native American CDFI Assistance (NACA) Program,. Additionally, the CDFI Fund provides tax credits through the New Markets Tax Credit Program. Since created, the CDFI Fund reports it has awarded \$864 million to community development organizations and financial institutions.

What is the benefit for my credit union?

Under the CDFI Program, credit unions may apply for up to \$100,000 in “Technical Assistance” (TA) grant funding to build internal capacity (e.g., staff training, consultant services, technology upgrades) or to achieve CDFI certification. Certified CDFI credit unions may apply for up to \$2 million in “Financial Assistance” (FA) for capitalization funds to support their overall business plan (e.g., expand to a new service area, implement a new loan program).

For further information please refer to the CDFI Fund website at: <http://www.cdfifund.gov>.

What other resources does NCUA have to assist my credit union?

The NCUA’s The Resource Connection website [click here](#) includes additional resources available to credit unions including training announcements, funding opportunities, and profiles of successful credit union business practices.

See details at http://cdfifund.gov/news_events/CDFI-2009-49-FY-2010-Funding-Round-for-CDFI-Program.asp.

Application deadline is Wednesday, November 18, 2009.

FY 2010 Webinar Application Workshops:
Monday, September 28, 2009 at 2:00 p.m. Eastern Time

CDFI is sponsoring five in person application on-site workshops at:

October 13, 2009 Minneapolis, MN - 1:00 – 4:30 p.m. CT

October 15, 2009 Los Angeles, CA - 1:00 p.m. – 4:30 p.m. PT

October 19, 2009 Washington, DC - 1:00 p.m. – 4:30 p.m. ET

October 21, 2009 Atlanta, GA - 1:00 p.m. – 4:30 p.m. CT

October 23, 2009 New Orleans, LA - 1:00 p.m. – 4:30 p.m. ET

The National Credit Union Administration is the independent federal agency that regulates charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, also operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 90 million account holders in all federal credit unions and the majority of state-chartered credit unions.