

NCUA LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION
1775 Duke Street, Alexandria, VA 22314

DATE: March 2012 **LETTER No.:** 12-CU-04
TO: Federally Insured Credit Unions
SUBJ: NCUA Grants Available for Low-Income Credit Unions
ENCL: [2012 Grant Guidelines for Low-Income Credit Unions](#)

Dear Board of Directors:

I am pleased to announce that NCUA is making \$1.3 million available to credit unions eligible to apply for grants. That's right: NCUA is providing money to credit unions!

This grant money was appropriated by Congress through the Community Development Revolving Loan Fund (CDRLF). Congress created the CDRLF to support low-income designated credit unions serving low-income communities.

If your credit union has a low-income designation, you can apply for grants up to \$25,000 combined for the following initiatives:

Financial Literacy & Education in School Branches
New Product/Service Development
Staff, Official & Board Member Training
Student & Job Creation Internship
Volunteer Income Tax Assistance

You will find many examples of projects you could fund with these grants in the attached 2012 Grant Guidelines.

The deadline to apply for any of the above grants is June 29.

In addition, an **Urgent Needs Initiative** will continue to be available at all times during the year. **If your credit union is affected by a natural disaster or other unexpected adverse event, you may apply for up to \$7,500 to cover expenses incurred due to urgent needs.**

We have streamlined our entire grant program to make it easier for you to access. The most significant changes include:

- A fully automated, online funding application;
- A single application for all funding initiatives; and,
- The ability to bundle reimbursement requests for multiple initiatives.

These changes are intended to ease your ability to submit requests for funding and reimbursement. And since we will be able to process your requests more efficiently, your wait time to receive money will be reduced.

I strongly encourage you to consider applying for a grant.

If your credit union is not low-income designated, you can check your eligibility by reviewing the criteria in Part 701.34 of the NCUA Rules and Regulations. For a narrated presentation, you can click the following website link and scroll to Low Income Designation: <http://www.ncua.gov/Resources/CUs/Dev/Pages/Underserved.aspx>.

If your credit union is state-chartered, you must have the equivalent low-income designation from your state supervisory authority and concurrence from NCUA.

Further information is available from your regional office, the Office of Small Credit Union Initiatives, and on our website at www.ncua.gov.

Sincerely,

/s/
Debbie Matz
Chairman

Attachment