



December 17, 2025

Via Electronic Submission

Ms. Alexandria Smith
Acting Director
Community Development Financial Institutions Fund
U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

RE: Opportunities to Streamline CDFI Recertification Process

Dear Ms. Smith:

The undersigned organizations appreciate the CDFI Fund's September announcement of the option to submit application deadline extension requests up to December 31, 2025. This is an important accommodation in the context of major, ongoing changes to the certification application materials, guidance, and review process. We understand the CDFI Fund staff is dedicated to the careful and thoughtful review process for certification and recognize that there are many new and challenging components to the new applications. The ability for CDFIs and the Fund to work together to navigate these new procedures is critical to ensuring the integrity and transparency of this important process. Thank you!

With this letter, we are requesting an opportunity to meet with you and your team to explore how you can exercise your fullest discretion for applicants denied certification on technical or nonmaterial grounds, and to implement processes that will allow for cures within the AMIS system without requiring a full re-submission. We want to work with you to reduce staff time for both the Fund and CDFI applicants and move toward easier and smoother approval processes.

During the most recent application window, many applicants that submitted applications with minor technical deficiencies or that required simple clarifications have been denied recertification and required to resubmit their applications in full. Many deficiencies could have been "cured" in an efficient, timely manner without the burden of resubmission on applicants and CDFI Fund staff via the CDFI Fund's AMIS system. With a more streamlined process of notification of technical issues and the opportunity to submit necessary amended documents, we can help the CDFI Fund to reduce the workflow burden significantly and ensure that your team is not starting back at square one with each new resubmitted application.

In the past, the Fund allowed applicants to submit technical fixes or clarifications before a final decision to deny certification. In these cases, the CDFI Fund contacted applicants to inform them of deficiencies that did not cross a certain threshold of materiality. In response, applicants re-submitted documentation, directed staff to the location of “missing” documents that had been uploaded (perhaps partially, or incorrectly) or clarified the applicability of other materials as appropriate.

Although the CDFI Fund has sometimes requested clarification and follow-up from applicants in the most recent application window, this has not been done consistently. By ensuring all recertification applicants have the same opportunity to offer clarifications, point Fund staff to relevant information submitted, or otherwise make updates to address minor technical deficiencies, the Fund will significantly streamline the recertification process. No recertification application should be denied on the basis of nonmaterial technical deficiencies or other minor issues without offering the CDFI an opportunity to cure.

Confusion has especially compounded risk for CDFIs seeking recertification. For many CDFIs, retaining certification represents a critical element of compliance not just for access to CDFI Fund administered programs, but also CDFIs’ ability to attract and retain capital, deposits and other resources from both public and private sources. For example, many private entities view CDFI certification as a “gold standard” for supporting mission-driven finance through investments or technical assistance. Compliance with Treasury’s own investment (in the form of equity and subordinated debt) via the Emergency Capital Investment Program (ECIP) includes requiring depository CDFIs to “use their reasonable best efforts” to maintain their certification, and CDFI status is a precondition for many loans, grants, deposits and services provided by traditional banks incentivized by Community Reinvestment Act (CRA) compliance. In these examples, the consequences for noncompliance with requirements to maintain certification can be existential.

To address these existential concerns, we recommend, both for CDFIs that have already been denied recertification and CDFIs still in the recertification process that may be later denied recertification, that the Fund implement a cure period of up to one-year during which time a denied CDFI may maintain certification but not apply for new awards until its corrected application is submitted and approved. This would permit CDFIs to address any deficiencies and submit any needed Section 0 requests before submitting an updated recertification application.

We recognize the new certification standards and processes have placed additional burdens on CDFI Fund staff as much as on CDFI applicants. We are committed to the ongoing success of the Fund staff as essential to the ongoing success of the overall program. In an effort to corral our own input into a single consistent, useful stream of recommendations, we propose an in-person meeting with you and your team.

The opportunity to cure technical or nonmaterial deficiencies promptly is essential because the stakes for losing certification are so consequential and not proportionate to the technical issues themselves. On behalf of low- and moderate-income communities served by CDFIs across the nation, we respectfully urge the CDFI Fund to review its internal processes to ensure that clarity and consistency are the hallmarks of the certification process.

Thank you for your consideration of these recommendations. If you are open to scheduling a meeting or have any questions, please contact Brian Blake, Chief Public Policy Officer, CDBA, at 646-283-7929 or blakeb@pcgloanfund.org to coordinate with our collective organizations.

Sincerely,

CDFI Coalition
www.cdfi.org

Community Development Bankers Association
www.cdbanks.org

Inclusiv
www.inclusiv.org

National Association of Affordable Housing Lenders
www.naahl.org

National Neighborhood Works Association
www.nnwa.us

Native CDFI Network
www.nativecdfi.net

Opportunity Finance Network
www.ofn.org

Oweesta Corporation
www.oweesta.org

Partners for Rural Transformation
www.ruraltransformation.org

Rochdale Capital
www.rochdalecapital.org