

Utah Financial Services Foundation Criteria and Application

Background

The Utah Financial Services Foundation was organized by certain financial institutions to assist in the contribution of monetary and other resources towards community development projects and activities in compliance with CRA requirements.

UAFS Foundation Purpose

The members of the Utah Association of Financial Services (UAFS) are fully committed to the principals of the Community Reinvestment Act (CRA) and have created a foundation to provide funding for non-profit organizations who meet the definition of Community Development under CRA.

Efforts that revitalize or stabilize low income communities meet the credit needs of a community or promote economic development including:

- Affordable housing for low or moderate-income individuals
 - Home construction or renovation
 - Community facilities construction or renovation
 - Homeownership education
- Economic development promotion through financing small businesses
 - Small business or micro-enterprise loans
 - Small business investment companies that promote economic development by financing small businesses
 - Activities that revitalize or stabilize low or moderate-income geographies
 - Job training programs, after-school programs
 - Financial literacy

UAFS Foundation Criteria

Any awards or distribution of monies, or allocation of other resources from the Foundation or members, must satisfy the criteria established by the Foundation. The goals and objectives of the foundation are detailed above. Further, the Foundation will review all proposals and applications with review and consideration as to satisfaction of the CRA requirements enforced by the Federal Deposit Insurance Corporation (FDIC) and other regulators.

Applicants are advised the following dynamics of awards by the Foundation, pursuant to CRA considerations:

1. The Community Reinvestment Act is a specific requirement by Congress for financial institutions to "servant convenience in need to the communities in which they are chartered to do business"

2. UAFS members undertake every effort to comply with the CRA requirements, as enforced by the Federal Reserve, Office of the Comptroller of the Currency, FDIC, Office of The pursuit Thrift Supervision and state regulators.
3. Regulators perform audits and examinations upon institutions to ensure compliance, especially in regards to the performance of lending, investment, and service to the community.
4. For CRA purposes, community development is affordable housing for low or moderate income individuals, community services for low income individuals, activities that promote economic development by financing small businesses or small farms, activities that revitalize or stabilize low to moderate income geographies or underserved rural/disaster areas. [Please note low income is less than 50% of the area median income, moderate income is income between 50-80% of the area median income]
5. Financial institutions are evaluated regarding their investing activities to small businesses, small farms, and community development.
6. Financial institutions are evaluated regarding the record of helping residents in their assessment area meet credit needs.
7. Financial institutions are evaluated as to the record of helping to meet the credit needs in their assessment area in delivering banking services and/or the extent of community development services.
8. Because of the CRA requirements, UAFS Foundation emphasizes assistance to those projects, activities and needs that are focused on lower and moderate income individuals/families and where the primary purpose is community development. Applicants that demonstrate assistance to low and moderate income individuals/families with financial services, financial literacy, or assistance with economic stabilization are especially encouraged.

Distribution of monies/other resources to successful applicants will further the goals and objectives of the Foundation as outlined in the Articles and further the tax exempt purposes of the Foundation.

UAFS Foundation Community Services

The foundation welcomes requests to provide volunteers for CRA eligible activities. For example:

- Serving of a board of directors for an organization the promotes community development for low and moderate income individuals
- Providing financial literacy training, homebuyer counseling or financial planning assistance

Contractual Relationship

Upon notification by the UAFS Foundation that an applicant has been designated to receive funds from the Foundation, applicants will be notified of the requirement to enter into an agreement with the Foundation prior to the dispersal of the funds or other items. A copy of the proposed agreement is attached.

Application Process

Provide the following information, in writing, and signed by appropriate officials and representatives of the applicant:

1. Full name of and address of organization
2. Contact name
3. Website address of organization
4. Description, history and mission of the organization
5. 501(c)3 status and written documentation
6. Amount requested
7. Purpose of request, and how request satisfies criterion provided by Foundation
8. Time line for project
9. The direct impact the amount requested will have on the project or activity identified
10. Project budget for requests over \$10,000
11. Audited financial statements for requests over \$10,000
12. List of board of directors and staff

Send information to:

UAFS CRA Committee
60 S. 600 E., #150
Salt Lake City, UT 84109

Grant Limitations

The UAFS Foundation funds only not-for-profit organizations as defined by section 501(c)3 of the IRS of the IRS tax code. We do not fund the following types of organizations, activities or purposes:

- Programs outside of Utah, Nevada or California
- Individuals
- Fraternal organizations
- Athletic teams
- Parent-teacher associations
- Advertising
- Programs designed to promote religious or political doctrines
- Organizations that discriminate on the basis of race, sex, sexual orientation, age or religion
- Political organizations or campaigns

Review and Award Process

Within 90 days from submission of the application, the Foundation board shall review the application and all accompanying documents. The Foundation reserves the right to request additional information from the applicant. The Foundation may select a committee or other board members to review the application and make recommendations to the Board.

The board, or a subcommittee thereof, shall review every application to insure compliance and federal completion of the requirements listed in this document. The board and/or subcommittee shall review the application to determine potential satisfaction of the objectives detailed above, satisfaction of any CRA requirements and other purposes that the Foundation may require at the time of review. Further, the Foundation will then determine the amount of funding, the timing of funding, and additional considerations. The Board will also review the financial status of the Foundation prior to final determination of an award of monies.

Applicants will be notified in writing as to the final decision by the board upon completion of this process.