

**National Credit Union Administration
Community Development Revolving Loan Fund
Budget Request Justification: Fiscal Year 2025**

I. Summary of the Request

The President’s budget request to Congress includes \$4 million for the Community Development Revolving Loan Fund (CDRLF) grants program, an increase of \$500,000 over the enacted 2023 CDRLF appropriation. These additional funds will allow the NCUA to expand the number and amount of grants to credit unions that serve low-income and minority communities.

The NCUA continues to receive more grant requests from credit unions than there are available grant funds. In the 2023 CDRLF grant round, 288 eligible credit unions submitted 316 applications for a total of \$10,281,066. The NCUA awarded a total of \$3,546,200¹ in the grant round. Of that amount, \$3,146,200 was awarded as technical assistance grants to 142 credit unions, and \$400,000 was awarded in pilot program grants to four credit unions.

II. Detailed Resource Table

Community Development Revolving Loan Fund: Grants Program (budget authority in thousands of dollars)					
	FY 2023 Actual BA	FY 2024 Request BA	FY 2025 Agency Request BA	FY 2025 Agency Request less FY 2024 Request	
				BA	% Change
1100 Appropriations.....	3,500	4,000	4,000	---	0%

III. Object Classification

Community Development Revolving Loan Fund: Grants Program (obligations in thousands of dollars)					
	FY 2023 Actual Obligations ¹	FY 2024 Request Est. Obligations	FY 2025 Agency Request Est. Obligations	FY 2025 Agency Request less FY 2024 Request	
				Obligations	% Change
41.0 Direct Obligations:					
Grants, Subsidies, and Contributions....	3,097	4,000	4,000	---	0%

¹ Actual obligations as of 9/30/2023. An additional \$400,000 was obligated in October 2023.

IV. Proposed Appropriations Language

For the CDRLF program as authorized by 42 U.S.C. 9812, 9822, and 9910, [\$3,500,000] \$4,000,000 shall be available until September 30, [2024] 2026, for technical assistance to low-income-designated credit unions: Provided, that credit unions designated solely as minority depository institutions shall be eligible to apply for and receive such technical assistance.

(Financial Services and General Government Appropriations Act, 2023.)

¹ \$3,097,000 of 2023 funds were awarded prior to 9/30/23, \$400,000 of 2023 funds were awarded in October 2023, and \$49,200 of 2022 funds were awarded.

V. CDRLF Program Summary, Components, and Funding Structure

Program Summary

Grants and loans supported by the NCUA's CDRLF appropriation have a significant, positive impact on credit unions, their members, and their communities. Credit unions use these funds to build capacity and to improve and expand services and member outreach, all of which serve to advance equity and promote greater opportunity through expanded access to safe, fair, and affordable financial products and services.

Federal credit unions have been required to have the low-income designation under NCUA regulations to be eligible for CDRLF grants and loans. A state-chartered credit union must have the equivalent low-income designation from its respective state supervisory authority and the NCUA's concurrence.

In the fiscal year 2023 Appropriations Act, Congress made discretionary appropriated CDRLF grant funds available to minority depository institution (MDI) credit unions. The NCUA recommends continuing the provision included in the 2023 appropriation that ensures credit unions designated solely as MDIs are also eligible to apply for and receive CDRLF grants.

The pool of eligible credit unions is large. As of the end of the fourth quarter of 2023, 2,483 federally insured, low-income-designated credit unions—more than half of all federally insured credit unions—served more than 73.5 million members throughout the United States, Puerto Rico, Guam, the U.S. Virgin Islands, and military bases worldwide. At the same time, 492 credit unions serving 6.5 million members were designated as MDIs; 393 of them were also designated as low-income credit unions.

The NCUA received 316 applications from 288 eligible credit unions for its 2023 CDRLF grant round. Of the total applications submitted for the 2023 grant round, 285 were from low-income credit unions and three were from MDI-only designated credit unions. Of the total of \$3,546,200 the NCUA awarded to 142 low-income-designated credit unions, \$1,444,800 was awarded to 42 low-income-designated MDIs.

Program Components

Grants

The NCUA's CDRLF program has three parts: technical assistance grants, urgent need grants, and low-interest loans.

Technical assistance grants generally are awarded each year to support initiatives approved by the NCUA Board. Historically, these grant awards range from \$5,000 to \$100,000. The NCUA awards technical assistance grants focused on several initiatives: Training, Underserved Outreach, Digital Services and Cybersecurity, MDI Capacity Building, and Consumer Financial Protection. In 2023, the NCUA introduced two pilot initiatives: Impact Through Innovation and Small Credit Union Partnership. These pilots were initiated using a share of the 2023 grant appropriation, as discussed further below.

The Training initiative supports credit unions seeking to provide further educational opportunities for governance leaders, management, and staff. Training topics may include instruction in accounting, lending, and leadership. In addition, credit unions are encouraged to develop continuity and succession plans, and grant funds may be used for these purposes. In 2023, 12 awards for a total of \$59,600 were made to credit unions as part of this initiative.

The Underserved Outreach initiative supports credit unions with implementing innovative outreach strategies to help close the wealth gap in underserved communities and for minority, veteran, and immigrant populations. The initiative allows credit unions to implement or expand outreach efforts to members and the community, build financial education programs, and improve their financial products or services. In 2023, 26 awards for a total of \$1,265,000 were made to credit unions as part of this initiative.

The Digital Services and Cybersecurity initiative is one of the CDRLF's most sought after grants and aims to increase access to safe and secure digital financial products and services to low-income and underserved communities. Applicants can request funding for equipment needed to improve their employees' remote work posture or to implement new financial products and services that provide members access to the credit union without physical access to a branch. To address the growing threat of cyberattacks, applicants can use grant funds to purchase new equipment to improve cybersecurity, conduct vulnerability testing and risk assessments to lower the likelihood and potential impact of attacks on their networks and systems, and shift operations from in-house systems to cloud-based providers that offer enhanced cybersecurity as well as more robust back-up and disaster preparedness capabilities. In 2023, 79 awards for a total of \$725,900 were made to credit unions as part of this initiative.

As noted above, for the 2023 grant round, Congress made MDI-designated credit unions eligible to participate in the grant program in addition to credit unions with low-income designations. The MDI Capacity Building initiative provides larger awards to MDIs for comprehensive capacity-building activities, including training, mentoring, the implementation of new products and services, compliance with audit and regulatory recommendations, resource expansion, and outreach. This allows MDI credit unions to undertake a range of the many activities required to grow and meet the unique needs of their members. In 2023, 23 awards for a total of \$1,079,200 were made to MDI credit unions as part of this initiative.

The Consumer Financial Protection initiative provides resources to help credit unions better understand and comply with consumer financial protection laws and regulations. Under this initiative, credit unions can obtain resources, such as consultants, to train staff on consumer financial protection laws and regulations. In 2023, two awards for a total of \$16,500 were made to credit unions as part of this initiative.

The NCUA uses pilot grant initiatives to encourage new, exploratory, and developmental projects. These pilots help determine feasibility of new projects through small-scale trials. Two such pilots using 2023 appropriations support credit unions undertaking innovative approaches to serving low-income and underserved populations. These projects will take place over multiple years and will be funded in part with future congressional appropriations, subject to availability of funds and acceptable grantee performance. The 2023 pilot initiatives were:

- Impact Through Innovation, encouraging credit unions to meet challenges affecting underserved communities in new ways; and

- Small Credit Union Partnership, allowing small credit unions to pool resources to help achieve growth objectives.

The focus areas of the Impact Through Innovation initiative are banking deserts, areas lacking financial services that credit unions can serve; affordable housing to address the ability for low- and moderate-income individuals and families to secure housing; reaching people who do not have formal credit histories to assist in building their credit scores and provide access to safe, fair and affordable financial products and services; and partnering with fintech companies. In October 2023, four awards for a total of \$400,000 were made to credit unions as part of this initiative.

The Small Credit Union Partnership initiative was created to encourage small credit unions to band together to leverage resources and build their capacity to serve underserved communities. Many small credit unions do not have the resources to implement new products or have the requisite staff for areas like compliance, mortgage lending, and online banking. This initiative was aimed at allowing a group of small credit unions to apply under one project with one credit union serving as the leader and awardee to implement a shared resource, with the idea that the pilot would provide a replicable model that other small credit unions may use in the future. In 2023, only one application was received, but that application did not meet the eligibility requirements for the initiative. No awards were made to credit unions as part of this initiative.

Urgent need grants are available throughout the year to assist eligible credit unions that experience sudden and unexpected losses that curtail services, most commonly as the result of a natural disaster. The maximum urgent need grant is \$7,500.

Urgent need grants are funded by interest income earned from the CDRLF loan program, not from the annual congressional appropriation, so they are not part of this funding request.

Loans

Low-interest CDRLF loans likewise are available year-round, also for NCUA Board-approved initiatives. Loans require an application from the borrowing credit union as well as agreement with repayment terms. Typically, loan amounts range from \$250,000 to \$500,000. They can be used for activities such as new product development, supporting partnerships with community service organizations, or other organizational needs.

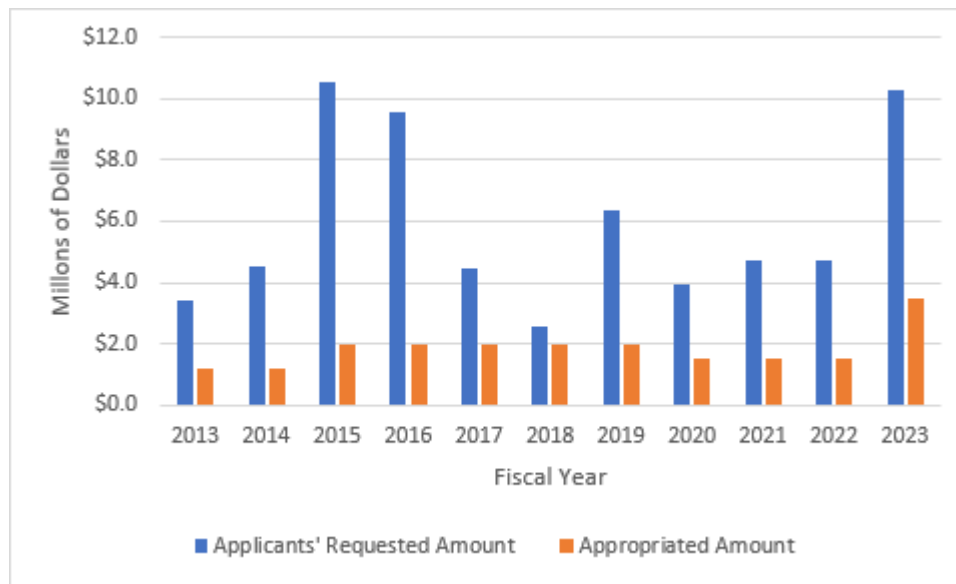
The CDRLF loan program is not funded from the annual congressional appropriation, but from principal payments on existing loans, so it is not part of this funding request.

Funding Structure

Since 2001, CDRLF technical assistance grants have been funded from annual congressional appropriations, which have varied in size from year-to-year. As noted above, the NCUA repurposes CDRLF loan principal payments to fund new loans, and loan interest payments are repurposed to fund urgent need grants.

As shown in Figure 1, the amount of technical assistance grant funding requested by credit unions far exceeds the amount appropriated for the awards and the awards approved.

Figure 1 – CRDLF grant awards and applicants’ requested amounts 2013–2023



For the 2023 grant round, 288 eligible credit unions submitted 316 technical assistance grant applications for a total of \$10,281,066, nearly three times the CDRLF’s \$3.5 million appropriation. Three initiatives drew the largest number of applications: Digital Services and Cybersecurity (124 applications), Underserved Outreach (84 applications), and MDI Capacity Building (49 applications). The following table compares the grant requests and awards by initiative area:

Initiative	Applications Received	Total Requested	Number of Awards	Total Awarded
Training	23	\$114,500	12	\$59,600
Underserved Outreach	84	\$4,013,415	26	\$1,265,000
Digital Services and Cybersecurity	124	\$1,152,504	79	\$725,900
MDI Capacity Building	49	\$2,354,147	23	\$1,079,200
Consumer Financial Protection	10	\$96,500	2	\$16,500
Impact Through Innovation	25	\$2,500,000	4	\$400,000
Small Credit Union Partnership	1	\$50,000	0	\$0
Total	316	\$10,281,066	146	\$3,546,200

Although there is no cost-matching requirement for CRDLF grant awards, it should be noted that credit unions’ grant requests cover only a portion of their anticipated project expenses. Examples from the last three years include:

- The NCUA's 2023 CDRLF appropriation was \$3.5 million. The NCUA estimates that credit unions that received 2023 grants will have execution costs of \$4.9 million, with \$3.5 million funded by the grant awards and the \$1.4 million balance paid from credit unions' own resources. The estimated cost of the credit unions' planned projects was slightly more than \$17.5 million, so the grants awarded covered approximately 20 percent of total requested project costs. The agency used the increased 2023 appropriation to introduce new initiatives to increase consumer financial protection and to build the capacity of MDI credit unions. In addition, the NCUA expanded available funding for credit union staff training and development, digital services and cybersecurity projects, and outreach projects to underserved communities. Two pilot initiatives introduced in 2023 provided credit unions with larger awards to fund projects over multiple years.
- The NCUA's 2022 CDRLF appropriation was \$1.545 million. The agency offered grants in four categories with the largest grant capped at \$50,000. The agency received 220 CDRLF grant applications requesting more than \$4.75 million. The estimated cost of the credit unions' planned projects was slightly more than \$9 million. The grants awarded covered less than 17 percent of total requested project costs.
- The NCUA's 2021 CDRLF appropriation was \$1.5 million. The agency offered grants in three categories, with the largest grant capped at \$50,000. The agency received 283 CDRLF grant applications, requesting a total of more than \$4.7 million. The estimated cost of the credit unions' planned projects was slightly more than \$8 million. The grants awarded covered less than 20 percent of total requested project costs.
- In 2020, the NCUA's CDRLF appropriation was \$1.5 million. The agency offered a variety of assistance related to the impact of the COVID-19 pandemic. The COVID-19 pandemic grants were capped at \$10,000. The NCUA received 421 grant applications requesting a total of \$4 million, compared to estimated total project costs of slightly more than \$11 million. The grants awarded covered less than 15 percent of total requested project costs.

The total requests for CDRLF technical assistance grants that support credit unions and the programs and services they offer to their members continues to increase annually, demonstrating the importance of additional funding to meet the demand and support of these credit unions. Due to credit unions' non-profit structure, where most of the earnings are used to increase institutional capital, it is difficult for low-income designated credit unions to have enough funds to implement larger projects. Therefore, funding from the CDRLF technical assistance grants is crucial in assisting credit unions in their growth and outreach strategies to serve low-income and underserved communities.

VI. How Credit Unions Put CDRLF Grants to Work

The following are recent examples of programs awarded funds from the CDRLF Grant Program. Because the 2023 grants were awarded in September and October, those funded programs are only just beginning.

- A small credit union used a Digital Services and Cybersecurity award to expand mobile and home banking services to members, such as remote mobile deposit capture, digital online loan payments, and in-process digital account opening and lending. These services allow the

credit union to compete with larger banks and credit unions. This project led to a 17 percent increase in member enrollment in mobile banking.

- Another credit union used the grant to provide staff with training in lending and a review of its lending policy. These activities helped the credit union improve its loan programs to better meet the needs of members with challenged credit by providing credit building and auto loans. These efforts increased membership at the credit union, and the credit union staff were able to provide financial counseling to new borrowers.
- To reach the Spanish-speaking community, one credit union used the grant funds to implement Spanish language versions of critical consumer disclosures, membership disclosures and applications, as well as loan documents. In addition, Spanish language options were added to existing ATMs, and the credit union bolstered its bilingual marketing capabilities by including Spanish language versions of electronic communications and promotions.
- Another credit union will reach out to previously incarcerated individuals, a group that faces many challenges securing affordable housing and transportation, finding employment, managing finances, accessing financial services, protecting their personal information, and recognizing fraudulent and predatory practices. The credit union will use the grant funds to provide financial literacy training, deploy a mobile branch, and partner with community groups to provide financial products and services to an underserved community.
- A small MDI credit union serving an historically Black university partnered with another credit union to provide mentoring and guidance. The mentoring project will help the awardee become successful by providing core financial products to members, expanding services, and increasing profitability.
- A credit union implemented several online banking features, such as secure loan applications, e-signature functionality, and electronic transaction tracking for members. These new capabilities allow the credit union to deploy financial products and services to its members, leading to loan growth and increased financial access in underserved neighborhoods. The award also provided the credit union with equipment to ensure secure remote access abilities, giving staff more flexibility and ensuring continuity of operations.

Additional examples from prior years include:

- A credit union created a marketing program that resulted in membership growth, particularly in low-income, majority-minority communities. The credit union made a strong effort to build awareness about financial services to first- and second-generation Hispanic households. Membership growth in the targeted areas proved to be faster than overall growth, providing more opportunity to access financial services, such as lending and other products.
- A credit union started a financial education and coaching program to help members who were having difficulty managing their finances. In one instance, the credit union was able to step in when a member was on the verge of losing an apartment and living in her car. Her coach subsequently worked with her to establish a plan for stabilizing her finances.

- Another credit union developed outreach into rural, low-income, underserved communities to help members obtain credit they might have been refused otherwise. In one case, a member was able to purchase a home; in another, the member was able to start a coffee shop. In each instance, the only other financial services available would have made obtaining their needed credit too difficult and expensive. As a result, the credit union has surpassed its original goals for membership and loan growth.
- A credit union partnered with a substance treatment, counseling, and training program to help people in recovery begin to control their finances and build credit. In a year, 13 individuals graduated from the program, and five became credit union members.
- Another credit union is providing extensive training for its lending staff, then partnering with local domestic violence shelters and neighborhood community centers to reach underserved members in their communities and help women in need rebuild their credit. The credit union is providing financial counseling and loans to help participants rebuild their credit and get started towards achieving financial freedom. In addition to the loan, the credit union is working with the participants throughout the duration of the program to ensure they understand the importance of credit, budgeting, and saving. These activities are increasing the credit union's membership and helping to support a struggling part of their community.

VII. Opportunities Additional Funding Could Create

As illustrated in Figure 1, CDRLF funding requests over the last decade have far exceeded the NCUA's capacity to serve credit unions, their members, and their communities with this program. The NCUA's Office of the Chief Economist performed research into underserved communities, which will help guide the agency's expanded efforts to assist credit unions reaching into those communities. We know from this research that communities in the South and Southwest, as well as majority and predominately Black and Hispanic communities, are more likely to face various challenges.

With expanded resources, the CRDLF can support credit unions in these areas and to create or expand outreach programs to better serve these populations. A larger CDRLF appropriation will support more grants, provide funding for a broader array of initiatives, and make larger grants to individual credit unions possible, which will help them defray a larger portion of overall project costs. A larger CDRLF appropriation will also allow the NCUA to help credit unions implement more ambitious projects to reach underserved areas and provide long-term solutions for their communities. The NCUA anticipates investing in the underserved, low- and moderate-income communities in the following ways with the additional funding:

- Offering grants that support small and MDI credit union growth and stability. Projects may include offering grants to improve back-office support such as accounting, compliance, and other services or offering grants that support mentorship or internships that can enhance skills and capacity of the credit union. The NCUA estimates approximately \$1 million will support this initiative.
- Providing credit unions with grants to assist with staff development, technology improvements, and cybersecurity costs such as computers, online banking platforms, and

marketing materials. The NCUA estimates approximately \$1 million will support these projects.

- Providing grants larger than prior year awards—in the range of \$50,000 to \$100,000 per recipient—to support credit union efforts to expand into low-income and rural areas, building on existing initiatives by supporting the opening of branch installations, the implementation of computer online banking platforms, and introducing new services. The NCUA estimates approximately \$2 million will be used for this initiative.

In addition, the NCUA will continue to work to maximize the program's reach through the following efforts:

- Providing grants to credit unions with fewer resources that have not yet received support from the NCUA. In 2023, we provided 64 grant awards totaling \$1,588,700 to credit unions who had never previously utilized our program (roughly 50 percent of grant funds awarded).
- Leveraging partnerships to support larger projects that expand the reach of grant funds in the communities and markets credit unions serve. In 2023, we provided \$3,546,200 in grants to support more than \$4.9 million in project costs.

VIII. Plans for Measuring Program Results

In the 2023 CDRLF grant application, the NCUA requested that credit unions select specific performance metrics related to the grant program or project. The performance metrics will provide a baseline measurement and target goal so that the credit union and the NCUA can evaluate the impact of the grant award on the community served. Options for performance metrics included:

- Members served,
- Membership growth,
- Loan growth,
- Asset growth, and
- Other metrics specific to the project.

In conjunction with a tranche of larger grant awards, the NCUA will enhance the data and information collected about the outcomes grantees achieve. Projects funded by larger grant awards may take longer than 1 year to complete, and partial reimbursements may be provided to recipients after completing project milestones, rather than at the project conclusion. Using metrics to evaluate the success and impact of the project or program will become a standard practice in the grant process. The NCUA will collect information to support the impact of the grants, both on the credit union and its member community. With the grant programs envisioned above, the NCUA Office of Credit Union Resources and Expansion will broaden its data collection activities to include the following impact measurements:

- The number of new credit unions served;
- The number of credit union members added, particularly the number of low-income members;
- Amount of private funds leveraged using NCUA grant funds;

- Overall growth trends in low-income-designated and MDI credit union assets and loans;
- Share and loan growth among low-income and underserved members;
- Number of branches or ATMs opened, particularly in underserved areas, and service activity at those facilities;
- Growth in the number of members receiving financial literacy, first-time homebuyer, or other education services;
- Results from satisfaction surveys of new members overall and of members receiving education services;
- New account and loan activity resulting from financial education programs;
- Number of internships offered, along with demographic information about the credit unions and the individuals serving in the internships; and
- Growth in, and activity of, community partnerships.

In addition, the NCUA is developing 24 robust outcome-based performance measures (eight for the CDRLF grant program, eight for the CDRLF loan program, and eight for the urgent need grant program) and standards used to support and promote the NCUA's CDRLF loan and grant (technical and urgent need grants) programs into the foreseeable future. These performance measures must measure the overall success of the grant and loan recipients in relation to our programs (technical grants, CDRLF loans, and urgent need grants).

The proposed performance measures will be broad enough to capture the scope of the programs as well as detailed enough to determine current programmatic trends, including identifying what is and is not working for each program. Grant applicants are expected to describe the performance measures. Grantees are expected to provide the necessary data on how those measures were met.

IX. Conclusion

The fiscal year 2025 request of \$4 million will make a difference in the lives of credit union members in underserved communities. The increased funding in CDRLF grants will allow credit unions to better address the needs of their communities via larger grant awards and targeted new initiatives.

APPENDIX A

Historic CDRLF Grant Awards by Initiative

2023 Appropriation: \$3,500,000				Additional funding includes deobligated amounts from 2022 awards	
Initiative	Applications Received	Amount Requested	Number of Awards	Obligated Amount	Average Award Amount
Training	23	\$114,500	12	\$59,600	\$4,967
Underserved Outreach	84	\$4,013,415	26	\$1,265,000	\$486,538
Digital Services and Cybersecurity	124	\$1,152,504	79	\$725,900	\$9,189
MDI Capacity Building	49	\$2,354,147	23	\$1,079,200	\$46,922
Consumer Financial Protection	10	\$96,500	2	\$16,500	\$8,250
Impact Through Innovation	25	\$2,500,000	4	\$400,000	\$100,000
Small Credit Union Partnership	1	\$50,000	0	\$0	\$0
Total	316	\$10,281,066	146	\$3,546,200	N/A

2022 Appropriation: \$1,545,000				Additional funding includes deobligated amounts from 2021 awards	
Initiative	Applications Received	Requested Amount	Number of Awards	Obligated Amount	Average Award Amount
Digital Services & Cybersecurity	110	\$1,026,207	52	\$484,165	\$9,310
Underserved Outreach	79	\$3,513,966	21	\$943,488	\$44,928
Small LICU Mentoring	3	\$75,000	3	\$75,000	\$25,000
Training	28	\$135,772	14	\$64,510	\$4,608
Total	220	\$4,750,945	90	\$1,567,163	N/A

2021 Appropriation: \$1,500,000				Additional funding includes deobligated amounts from 2020 awards	
Initiative	Applications Received	Requested Amount	Number of Awards	Obligated Amount	Average Award Amount
Digital Services & Cybersecurity	205	\$1,380,910	83	\$529,517	\$6,380
Underserved Outreach	73	\$3,231,156	22	\$1,006,190	\$45,736
MDI Mentoring	5	\$125,000	4	\$100,000	\$25,000
Total	283	\$4,737,066	109	\$1,635,707	N/A

2020 Appropriation: \$1,500,000				Additional funding includes deobligated amounts from 2019 awards	
Initiative	Number of Applications	Requested Amount	Number of Awards	Obligated Amount	Average Award Amount
COVID-19 Emergency Fund	417	\$3,921,423	153	\$1,486,025	\$9,713
MDI Mentoring	4	\$100,000	3	\$75,000	\$25,000
Total	421	\$4,021,423	156	\$1,561,025	N/A

2019 Appropriation: \$2,000,000					
Initiative	Number of Applications	Requested Amount	Number of Awards	Obligated Amount	Average Award Amount
Digital Services & Security	85	\$647,713	73	\$550,613	\$7,543
Counselor Certification	37	\$173,525	35	\$161,925	\$4,626
Training	51	\$244,575	47	\$222,369	\$4,731
MDI Mentoring	5	\$104,375	3	\$74,875	\$24,958
Underserved Outreach	66	\$5,293,942	11	\$972,742	\$88,431
Total	244	\$6,464,130	169	\$1,982,524	N/A

Initiative Descriptions – Examples of NCUA Technical Assistance Grant Initiatives

Initiative Name	Description
MDI Capacity Building	The MDI Capacity Building initiative supports and helps preserve MDI institutions as required under the Section 308 of Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended. The MDI Capacity Building initiative provides larger awards to MDIs for comprehensive capacity-building activities—including training, mentoring, the implementation of new products and services—compliance with audit and regulatory insight, resource expansion, and outreach. This initiative allows MDI credit unions to undertake the many activities required to grow and meet the unique needs of their members.
Consumer Financial Protection	The Consumer Financial Protection initiative ensures credit unions have the resources and expertise to protect credit union members and consumers, raise awareness of potential frauds, and facilitate access to safe, fair, and affordable financial services. Many credit unions have limited expertise to ensure compliance with consumer financial protection laws and regulations. Under this initiative, credit unions can obtain additional resources, such as consultants, to train staff on consumer financial protection laws and regulations.
Digital Services and Cyber Security	The Digital Services and Cybersecurity initiative provides financial assistance to low-income-designated credit unions to support enhanced protection of the credit union and its members against cyberattack, increase the access of low-income and underserved communities to safe and secure digital financial products and services, and acquire equipment needed to improve their remote work posture or implement new financial products and services that provide members access to the credit union without physical access to a credit union facility.
Training	The Training initiative focuses on helping credit unions develop the skills and talents of employees through specialized management programs and advanced training courses. The goal of this initiative is to enhance the operational knowledge of credit union employees and support staff professional development.
MDI/Small LICU Mentoring	The Mentoring initiative aims to encourage strong and experienced credit unions to provide guidance to small credit unions to increase their ability to thrive and serve low-income and underserved populations. This grant may be used for eligible expenses associated with facilitating a new mentorship relationship. Funding approval will be based on the applicant's ability to demonstrate a well-developed plan for the mentoring assistance it would receive from a mentor credit union.

APPENDIX B

Historic Number of CDRLF Grant Awards for Underserved Outreach initiative

2023 Grant Round

Category	# Awards	\$ Awarded
New or Expanded Financial Education Programs	11	\$544,500
New or Expanded Financial Products or Services	13	\$618,500
New or Expanded Outreach Efforts	19	\$915,000
Total*	43	\$2,078,000

* Note: 2023 underserved outreach grants were awarded to 26 unique recipient credit unions; 13 recipients proposed and received funding for projects that covered more than one eligible activity.

2022 Grant Round

Category	# Awards	\$ Awarded
New or Expanded Financial Education Programs	7	\$304,320
New or Expanded Financial Products or Services	10	\$396,488
New or Expanded Outreach Efforts	12	\$597,000
Total*	29	\$1,297,808

* Note: 2022 underserved outreach grants were awarded to 21 unique recipient credit unions; 6 recipients proposed and received funding for projects that covered more than one eligible activity.

2021 Grant Round

Category	# Awards	\$ Awarded
1. New or Expanded Financial Education Programs	12	\$537,740
2. New or Expanded Financial Products or Services	12	\$570,950
3. New or Expanded Outreach Efforts	14	\$648,450
Total*	38	\$1,757,140

* Note: 2021 underserved outreach grants were awarded to 22 unique recipient credit unions; 16 recipients proposed and received funding for projects that covered more than one eligible activity.

2019 Grant Round

Category	# Awards	\$ Awarded
1. Develop and implement an innovative outreach program that increases access to financial services.	3	\$201,042
2. Develop and implement a new product/program tailored to underserved groups.	5	\$471,700
3. Develop partnerships with other organizations to assist needs of low-wealth persons and homes.	3	\$300,000
Total	11	\$972,742

2018 Grant Round

Category	# Awards	\$ Awarded
1. Develop and implement an innovative outreach program that increases access to financial services.	9	\$157,020

2. Develop and implement a new product/program tailored to underserved groups.	1	\$20,000
3. Develop partnerships with other organizations to assist needs of low-wealth persons and homes.	10	\$190,450
4. Provide small business or workforce training to underserved persons starting/growing a business.	2	\$30,100
Total	22	\$397,570