

Tracking Forms for CRA Credit

Susquehanna Bank (\$1.1 billion), Baltimore, Md., has earned accolades and top ratings from examiners for its exemplary CRA activities. One reason: The bank carefully documents its activities with the following forms developed by compliance director Dan Higham. The CRA officer then gathers information from bank employees and fills out forms using canned phrases to eliminate mistakes and maximize CRA credit.

Before examiners arrive, the CRA officer compiles a **CRA Corporate Booklet** with separate chapters for each test category, including a chapter index in the form of a spreadsheet listing all activities alphabetically. A support file with copies of checks, correspondence, board minutes and mission statements backs up each activity. "The overall presentation exudes organization and planned management of the process," Higham says. Just the way the examiners like it.

INVESTMENT TEST QUALIFIED INVESTMENT(S) — ORGANIZATION/PROJECT: [name]

BACKGROUND: [describe mission of the organization/investment, targeted communities and/or populations]

REASON(S) PROJECT FALLS WITHIN INVESTMENT TEST CRITERIA:

- The Bank invested \$_____ in the organization on _____;
- These funds are being utilized to help create a homeownership opportunity for a low/moderate-income family [located in a low/moderate-income census tract (census tract no. ____)];
- [The organization's primary purpose is to assist low/moderate-income people with homeownership opportunities/provide job training and counseling for low/moderate-income people];
- [The mortgage backed security represents a qualified investment under the regulations as the underlying ___ loans are comprised entirely of low- and moderate-income borrowers, ___ of which are secured by homes located in the _____ MSA with an aggregate loan balance of \$_____];
- [The investment in a fund that purchases low-income housing tax credits represents a qualified investment under the regulations. The Fund's sole objective is to provide affordable housing opportunities and social services to low- and moderate-income people. The Bank funded a call under its investor promissory notes of \$_____ on _____, and has a remaining committed investment obligation of \$_____, that will be funded over the next ___ years.]

SERVICE TEST COMMUNITY DEVELOPMENT SERVICES — ORGANIZATION/PROJECT: [name]

BACKGROUND: [describe mission of the organization, targeted communities and/or populations]

REASON(S) PROJECT FALLS WITHIN COMMUNITY DEVELOPMENT GUIDELINES:

- The _____ primary purpose is community development;
- The Bank's _____ for _____ was elected to the organization's board of directors in _____ of _____ and will [serve on its _____ Committee] provid[e]ing technical assistance to the organization; or provided credit counseling/financial literacy training on _____; or provided training on business plans and financial statements on _____].

LENDING TEST LOAN NAME: [Insert Name] LOCATION: [Insert Address] LOAN AMOUNT(S): \$_____

BACKGROUND: [Describe relevant characteristics of the developer such as track record of developing LMI projects]

REASON LOAN MEETS COMMUNITY DEVELOPMENT CRITERIA:

- The primary purpose of the loan is to provide affordable housing;
- ___ of the ___ units will be reserved for residents who do not exceed 50% of _____ County median income, with the remaining _____ units being limited to individuals whose income does not exceed 60% of the average median income;
- The Federal Home Loan Bank of Atlanta's Affordable Housing Program will subsidize the advance to the Bank at a rate of ____%. The Bank will then pass through a ____% rate to the Borrower; and
- The loan is secured by multi-family real property.
- [The property is located in a low/moderate-income census tract (C.T. No. ____);]
- [The property is located in a designated "distressed community" under the Community Development Financial Institution Fund's Bank Enterprise Award Program. Therefore, the financing of this property helped to revitalize and stabilize the community in which it is located;]
- [the borrower is a 501 (c)(3) non-profit corporation that provides training, technical support and micro-loans to low income women to foster entrepreneurship.]