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# Inclusiv Network Town Hall Series: S05E06

August 13, 2024

# Today's Agenda

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- **Welcoming Remarks**
- **CCIA Update**  
Hannah Kramer, Inclusiv
- **Policy Update**  
Alexis Iwanisziw, Inclusiv
- **CDFI Certification Update**  
Estelle Eustache, Inclusiv  
Terry Ratigan, Inclusiv
- **Upcoming Events**
- **Audience Discussion**

Visit [inclusiv.org](https://inclusiv.org) for Updated Resources



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## Greenhouse Gas Reduction Fund Roundup

Find out how Inclusiv is helping member credit unions understand GGRF



Check Out Our  
2023 Annual  
Report!



[Click Here](#)

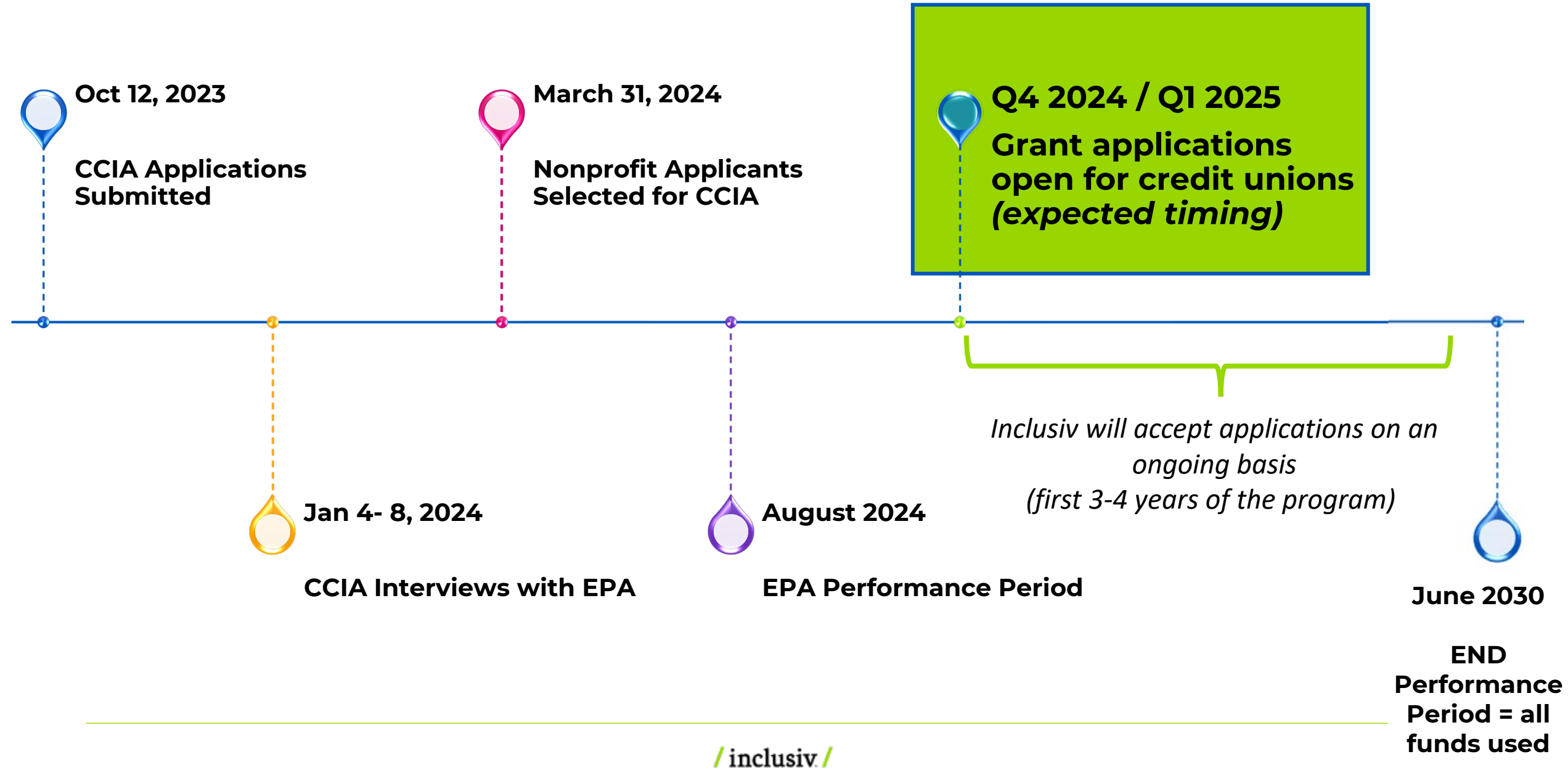
# Welcome!

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# CCIA Update

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# Inclusiv's CCIA Program Timeline



# What Does Inclusiv's CCIA Grant Mean for Credit Unions?

Inclusiv will provide grants to 300-400 credit unions over six years, CUs must use CCIA grants to:

1. Create new or grow existing green loan products for CCIA priority green project categories
2. Use grants to provide financial assistance (affordable/subsidized loans) to qualified projects
3. Use grants to build capacity for green loan programs
4. 100% of funds must support Low-Income and Disadvantaged Communities (LIDACs)



# Inclusiv's CCIA Grant Application Process for Credit Unions

**We are all in this together!**

**Inclusiv will support credit unions throughout this program to ensure your success.**

**We designed our program to be measured by CU success so that our interests are aligned.**

**CUs will have program performance and compliance requirement, and we'll support you to make sure you can succeed.**

# Inclusiv's CCIA Grant Application Process for Credit Unions

## **Stage 1: Inclusiv will offer training and technical assistance to help CUs build green loan programs.**

- CUs under \$100mm can apply for upfront grants to cover staff time for trainings
- CUs over \$100mm reviewed on a case-by-case basis for these grants

## **Stage 2: Dedicated staff will provide step-by-step, direct support to guide CUs to prepare grant applications**

- CUs are not required to hire consultants to prepare their applications
- Inclusiv expects to accept CU grant applications during first 3-4 years of the program (or until all grants are committed)

## **Stage 3: Roughly every 8-10 weeks, all grant applications that have been submitted will be reviewed by independent committees.**

## **Stage 4: Grant decisions will be made:**

- CU financial performance will be reviewed
- CU green lending plan will be reviewed
- CUs can review their financials now, make sure ready to take on CCIA work. If not financially ready now, Inclusiv's other programs are here to support you and help you to get ready.

## **Stage 5: CUs selected for grants will receive**

- CCIA program orientation and onboarding;
- dedicated Inclusiv staff point of contact for guidance and support;
- technical support for compliance and reporting;
- training and access to Inclusiv's LIDAC tracking software platform for lending; and
- additional support over multiple years to ensure that CUs succeed in the program

# Now is NOT the Time to Hire Outside Consultants

- We know there are consultants reaching out to credit unions offering grantwriting and other services/expertise to support CU CCIA applications.
- However, we **do not** recommend you invest any money right now in hiring these consultants.
- Why not?
  - **Inclusiv will provide application assistance to grant applicants and programmatic support to grant recipients at no cost to credit unions.** All credit union CCIA grant applications will be reviewed and approved by an outside grants committee, which allows Inclusiv to support credit unions going through our application process without a conflict of interest.
  - **Inclusiv designed its CCIA program and grant support to build the permanent internal capacity of our participating credit unions, without needing to rely on external consultants.** As part of our application process and program design, there is an opportunity to receive grants to support staff time in going through our green lending trainings, developing an Inclusiv CCIA application, and managing the program (if approved for funding).
  - **No outside consultant will know enough right now to be an effective partner.** Inclusiv and EPA are still in the process of finalizing our CCIA program and the specifics of our application process. Until we finalize our program design, consultants will be operating with little direction or insight into what will lead to a successful Inclusiv CCIA application.

# Inclusiv is Hitting the Road to Share Details of its CCIA Program – Join us!

Host Organization	Inclusiv Speaking Date	Event Name	Location	Registration Link
Inclusiv	8/19/24	NW Green Lending Workshop	Vancouver, WA	<a href="#">Event Registration</a> (registration ends on Thursday, 8/15)
Puerto Rico College of Certified Public Accountants (CPA)	8/26/24	XXIV Foro Cooperativas de Ahorro y Crédito del Colegio de Contadores Públicos Autorizados (CPA)	San Juan, PR	<a href="#">Event Registration</a>
Puerto Rico PR Small Business & Technology Development Centers PR SBTDC & SBA	8/29/24	SBA Lender Match: 504 and Green Loans	San Juan, PR	No registration required
National Association of Latino Credit Unions & Professionals (NLCUP)	9/15/24	2024 NLCUP Conference	San Antonio, TX	<a href="#">Event Registration</a>
Iowa CU League	9/19/24	2024 Iowa Annual Convention	Des Moines, IA	<a href="#">Event Registration</a>

# Inclusiv is Hitting the Road to Share Details of its CCIA Program – Join us Cont.!

Host Organization	Inclusiv Speaking Date	Event Name	Location	Registration Link
Indiana CU League	10/04/24	Annual Meeting and Convention	Indianapolis, IN	Not yet available
Illinois CU League (ICUL)	10/03/24	94th ICUL Annual Convention	Chicago, IL	<a href="#">Event Registration</a>
Inclusiv	10/10/24	Hispanic Heritage Month Webinar: Clean Energy Initiatives for Hispanic/Latino Communities	Virtual	Not yet available
CEO CTO Forum	10/15/24	2024 CEO & CTO Forum	San Diego, CA	Not yet available
Public Corporation for the Supervision and Insurance of Cooperatives (COSSEC)	11/01/24	COSSEC Annual Meeting	San Juan, PR	Not yet available
Credit Union Association of New Mexico (CUANM)	11/18/24	CUANM CEO Roundtable	Albuquerque, NM	Not yet available

# Policy Update

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# CDFI Policy Update

- Inclusiv is working collaboratively with the CDFI Fund to address certification issues.
- CDFI Fund FY25 Budget Update:
  - The Senate Appropriations Committee would allocate \$354 million for the CDFI Fund in FY25 (up \$30 million from the prior year).
  - The House would reduce the Fund's budget to \$277 million.
  - Unlikely the final budget will be set until after the election.

**It's August Recess! It's a great time to meet with your members of Congress locally to talk about your CU's impact and why CDFI certification and grants are important to your work.**

# CDFI Talking Points

- CDFI credit unions direct at least 60% of their lending to economically distressed people and communities. There are more than 500 CDFI credit unions serving more than 21 million members, and they have \$228 billion in active loans outstanding, including mortgages, affordable auto loans, lending to local small businesses and more.
- The CDFI Fund provides grants to these high-impact financial institutions, helping CDFI credit unions deepen their impact. Funding of at least \$354 million for the Fund in FY25 is critical to continue this important work and ensure CDFI credit unions can access the funding needed to help their communities thrive.



# CDFI Policy Resources

- CDFI Credit Union Impact Profiles, available: <https://inclusiv.org/2024-inclusiv-state-profiles/>
- Treasury's *2023 Investing for Impact Report*, on ECIP's impact is available: <https://home.treasury.gov/system/files/136/ECIP-2023-Report-Final-07.12.24.pdf>

# CDFI Certification Update

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# / CDFI Certification for Credit Unions / Disclaimer

- Inclusiv is a certified Community Development Financial Institution (CDFI) and advocate for community development credit unions
- Inclusiv is not the CDFI Fund; our information and recommendations are based on our deep analysis of CDFI Fund requirements and knowledge of credit union structures and operations
- Official guidance and application materials are available from the CDFI Fund at [www.cdfifund.gov](http://www.cdfifund.gov)



# / CDFI Certification for Credit Unions /

- We will cover
  - ✓ Who is this for?
  - ✓ The Basics
  - ✓ The Application



# / CDFI Certification for Credit Unions / Who is this for?

- This Town Hall is intended for credit unions that are:
  - ✓ CDFI Certified
  - ✓ CDFI Eligible
  - ✓ CDFI Curious





# / CDFI Certification for Credit Unions / Who is this for?

- ✓ CDFI Certified
  - Currently certified by the CDFI Fund
  - Must begin recertification within 180 days after end of current fiscal year (as listed in AMIS)
  
- ✓ CDFI Eligible
  - Not currently certified by the CDFI Fund
  - May begin certification application at any time
  
- ✓ CDFI Curious



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- ✓ CDFI Curious
  - Not currently certified by the CDFI Fund
  - Should verify eligibility before beginning application





# / CDFI Certification for Credit Unions / Who is this for?

✓ CDFI Certified

✓ CDFI Eligible

✓ CDFI Curious

## Reminders...

- All credit unions that apply for certification will use the exact same application and process
  - The CDFI Fund has indicated that it may take up to 12 months to process certification applications
- All credit unions are eligible to apply for Technical Assistance (TA) grants from the CDFI Fund regardless of certification status



# / CDFI Certification for Credit Unions / Who is this for?

✓ CDFI Certified

✓ CDFI Eligible

✓ CDFI Curious

## Reminders...

- **Current CDFIs** will remain certified throughout the application process
  - Must continue to meet all reporting requirements
- While all credit unions can apply for TA grants, only **Certified CDFIs** can apply for Financial Assistance and other capital grants



# / CDFI Certification for Credit Unions / Who is this for?

✓ CDFI Certified

✓ CDFI Eligible

✓ CDFI Curious

## Reminders...

- **Time is on your side** – there is no benefit in rushing to apply early
  - CDFI Fund still making adjustments to process
  - New certifications will not be approved before next funding rounds
  - Prep time can be used to ensure full understanding of opportunities and obligations of CDFI certification



# / CDFI Certification for Credit Unions /

- We will cover
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# / CDFI Certification for Credit Unions / The Basics

- In 1994 the Community Development Financial Institution (CDFI) Fund was established within the US Treasury Department by an act of Congress
- The CDFI Fund certifies financial institutions as “CDFIs” if they meet seven specific criteria that show a predominant and intentional focus on serving low-income, economically distressed and historically underserved communities.



# / CDFI Certification for Credit Unions / The Basics

- In 1994 the Community Development Financial Institution (CDFI) Fund was established within the US Treasury Department by an act of Congress
- The CDFI Fund certifies financial institutions as “CDFIs” if they meet seven specific criteria that show a predominant and intentional focus on serving low-income, economically distressed and historically underserved communities.



# / CDFI Certification for Credit Unions / The Basics

## predominant and intentional

CDFI Certification requires

- ✓ **Opportunity** to predominantly serve targeted communities
- ✓ **Response** to that opportunity through predominant delivery of financial products and services in targeted communities



# / CDFI Certification for Credit Unions / The Basics

## Response

High concentrations of –

- Low-Income individuals & families
- Economically distressed communities
- Black, Hispanic, Native and other financially disadvantaged populations

High CDFI Opportunity

Opportunity





# / CDFI Certification for Credit Unions / The Basics

Response

Low concentrations of targeted populations and communities

Low CDFI Opportunity

High CDFI Opportunity



# / CDFI Certification for Credit Unions / The Basics

High Response

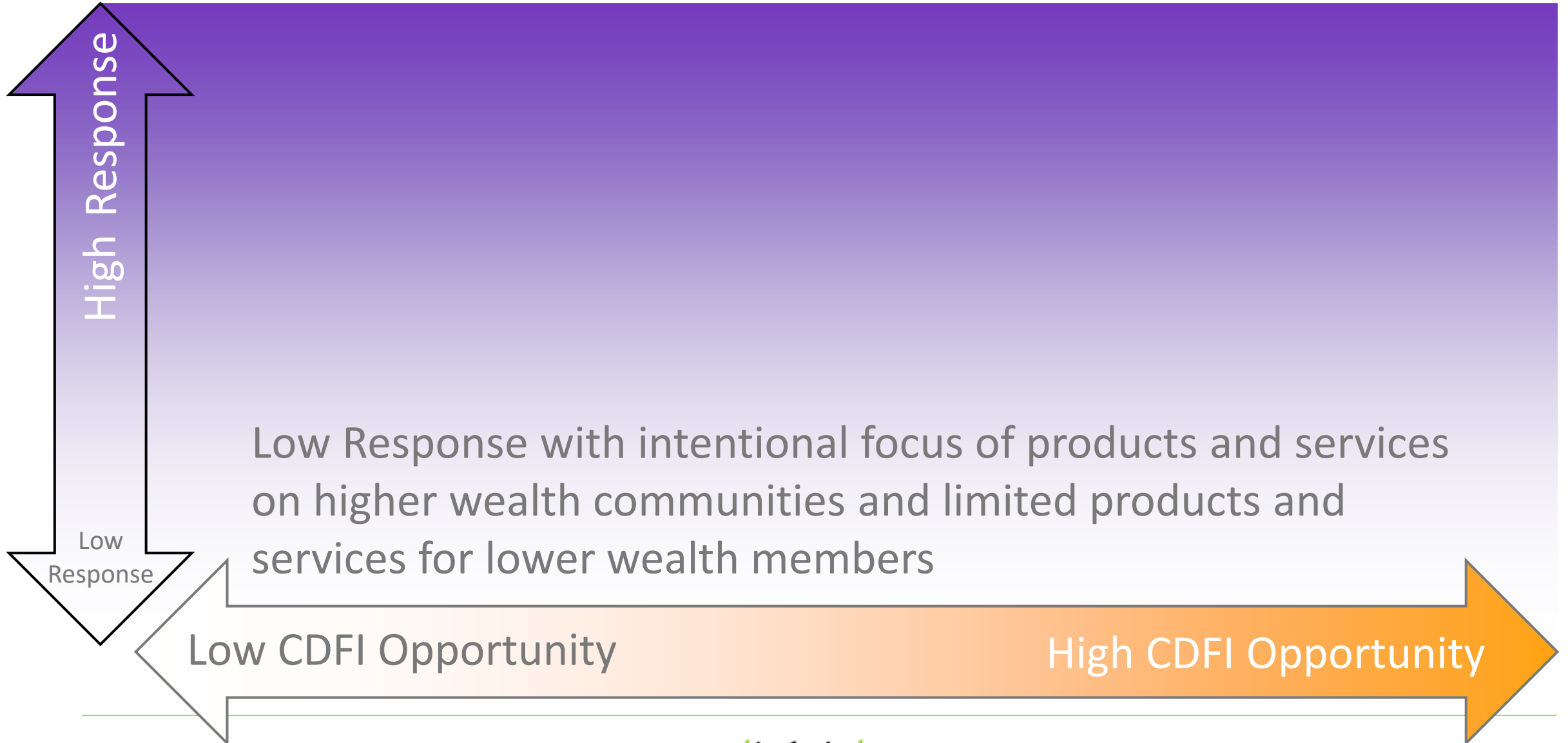
High Response with intentional delivery of responsible products and services to communities that are most overlooked and underserved by mainstream financial institutions

Low CDFI Opportunity

High CDFI Opportunity



# / CDFI Certification for Credit Unions / The Basics



Low Response with intentional focus of products and services on higher wealth communities and limited products and services for lower wealth members

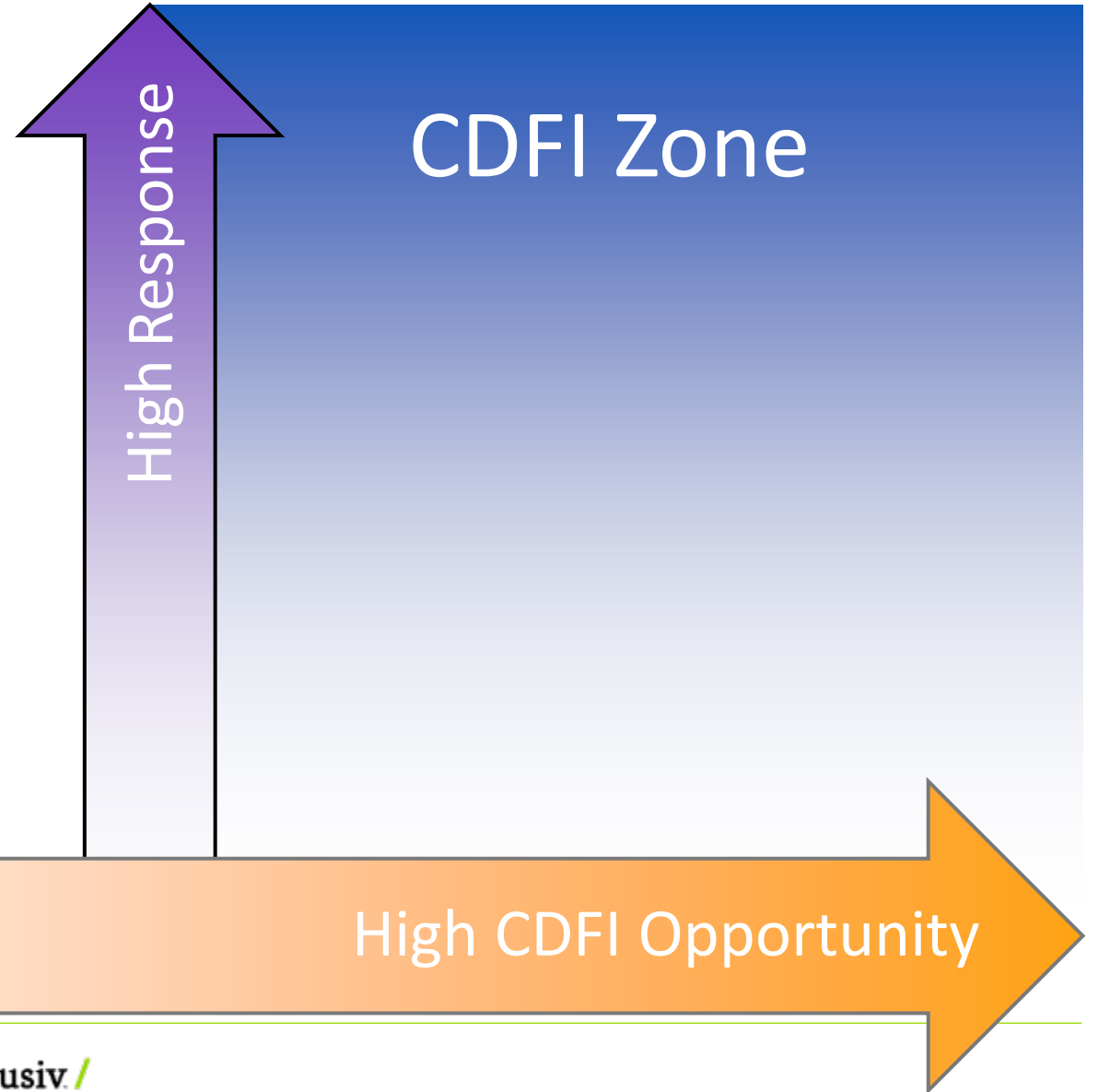
Low CDFI Opportunity

High CDFI Opportunity



# / CDFI Certification for Credit Unions / The Basics

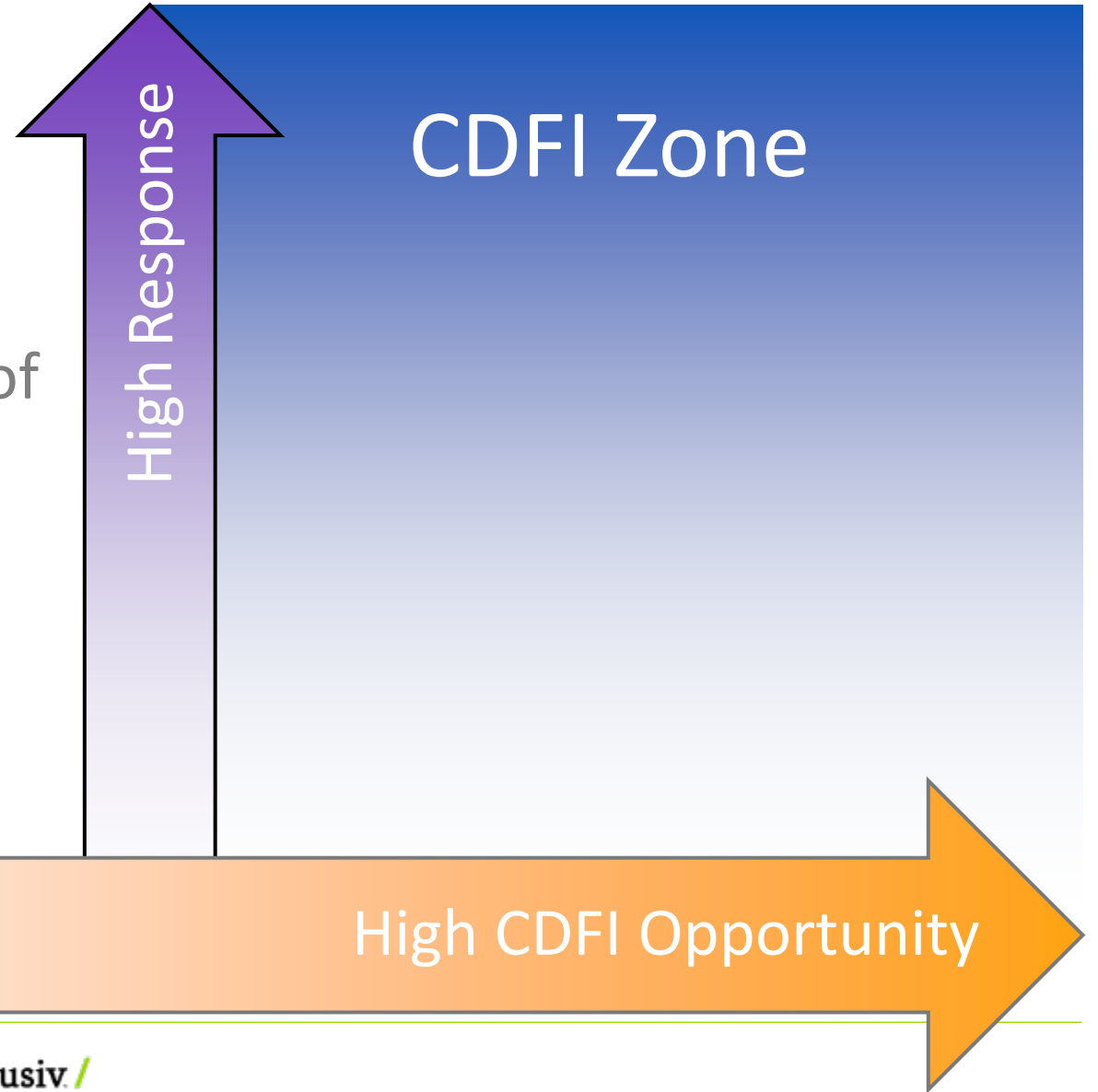
Credit unions that predominantly deliver financial products and services in the “CDFI Zone” are prime candidates for CDFI Certification





# / CDFI Certification for Credit Unions / The Basics

Public data on credit union locations, products and services indicates that approximately 15% of credit unions are likely eligible for certification

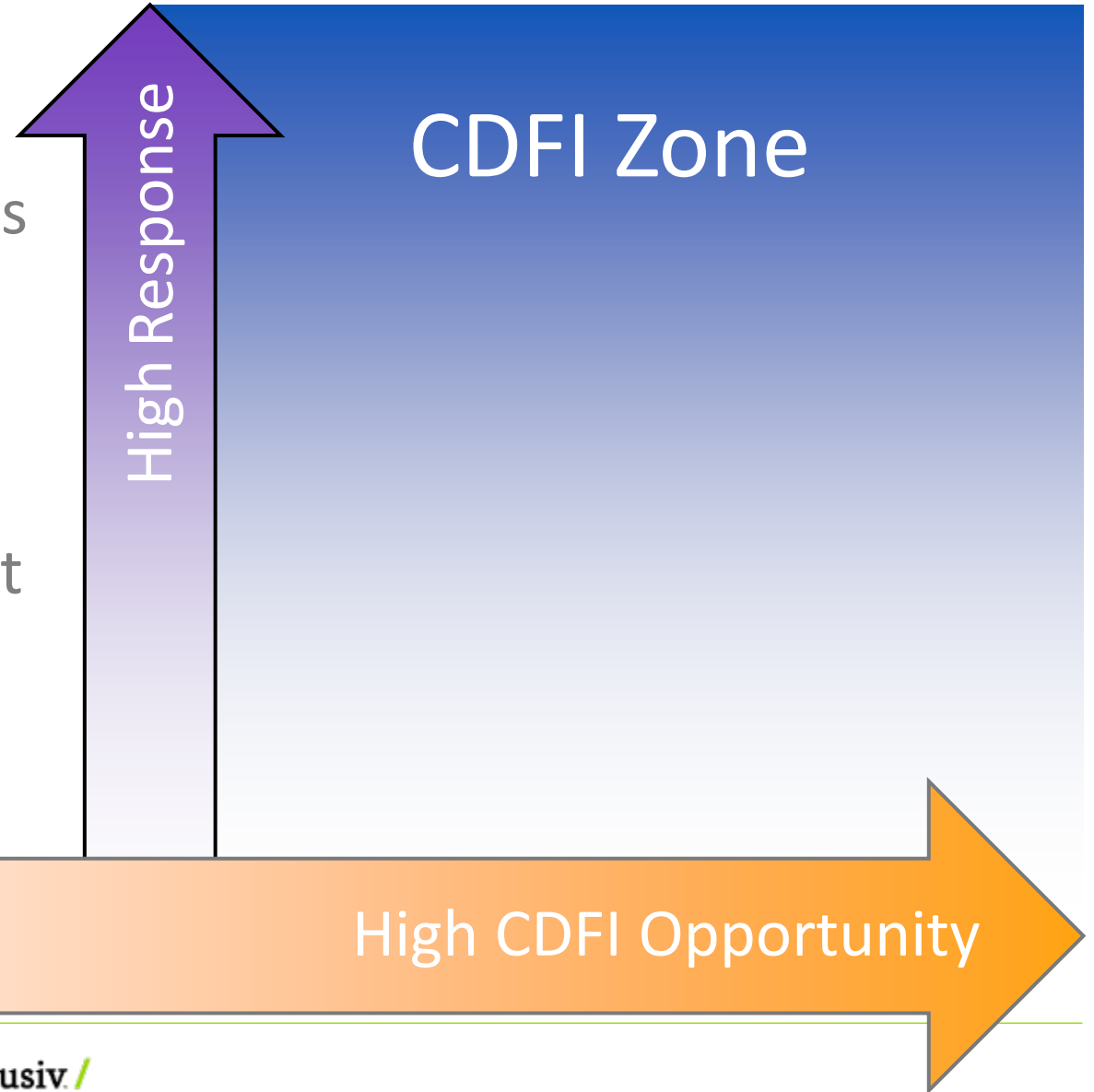




# / CDFI Certification for Credit Unions / The Basics

Eligibility of individual credit unions can be assessed through rigorous target market analysis of loan transaction data

- CDFI data analytics are a benefit of Inclusiv membership





# / CDFI Certification for Credit Unions /

- We will cover
  - ✓ Who is this for?
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# / CDFI Certification for Credit Unions / The Application

## Seven Tests for CDFI Certification

### 3 Automatic for Credit Unions

- ✓ Legal Entity Test
- ✓ Financing Entity Test
- ✓ Non-Gov't Entity Test

### Four Key Tests for Credit Unions

- ✓ Target Market Test
- ✓ Primary Mission Test
- ✓ Accountability Test
- ✓ Development Services Test





# / CDFI Certification for Credit Unions / The Application


## Four Key Tests for Credit Unions

- ✓ Target Market Test → Rigorous analysis of loan data
- ✓ Primary Mission Test
- ✓ Accountability Test
- ✓ Development Services Test



# / CDFI Certification for Credit Unions / The Application


## Four Key Tests for Credit Unions

- ✓ Target Market Test
  - Rigorous analysis of loan data
- ✓ Primary Mission Test 
  - Board-approved documents
  - Responsible financing practices
- ✓ Accountability Test
- ✓ Development Services Test



# / CDFI Certification for Credit Unions / The Application


## Four Key Tests for Credit Unions

- ✓ **Target Market Test**
  - Rigorous analysis of loan data
  
- ✓ **Primary Mission Test**
  - Board-approved documents
  - Responsible financing practices
  
- ✓ **Accountability Test** 
  - **Governing Board Representation**
  - **Community Advisory Board (rec'd)**
  
- ✓ **Development Services Test**



# / CDFI Certification for Credit Unions / The Application

## Four Key Tests for Credit Unions

- ✓ **Target Market Test**
  - Rigorous analysis of loan data
  
- ✓ **Primary Mission Test**
  - Board-approved documents
  - Responsible financing practices
  
- ✓ **Accountability Test**
  - Governing Board Representation
  - Community Advisory Board (rec'd)
  
- ✓ **Development Services Test**  **At least one eligible service that builds capacity of members**



# / CDFI Certification for Credit Unions / The Application

## Four Key Tests for Credit Unions

- ✓ **Target Market Test**
  - Rigorous analysis of loan data
- ✓ **Primary Mission Test**
  - Board-approved documents
  - Responsible financing practices
- ✓ **Accountability Test**
  - Governing Board Representation
  - Community Advisory Board (rec'd)
- ✓ **Development Services Test**
  - At least one eligible service that builds capacity of members

Eligible credit unions should be able to satisfy all key requirements in the new certification application



# / CDFI Certification for Credit Unions / The Application

## Four Key Tests for Credit Unions

- ✓ Target Market Test
- ✓ Primary Mission Test
- ✓ Accountability Test
- ✓ Development Services Test

The CDFI Fund is making some technical changes to the TLR and considering modifications approved Target Market Verification Methodologies



# / CDFI Certification for Credit Unions / The Application

- We hope to see the CDFI Fund implement technical fixes and policy modifications by Q1 of 2025
- Current CDFIs with 12/31 FYE dates in AMIS will need to submit their TLRs for Target Market Verification in the first two quarters of 2025
- CDFI-Eligible credit unions may apply at any time

# Inclusiv's CDFI Support Services

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# Inclusiv Resources

# / Inclusiv / CDFI Learning Opportunities

## **CDFI Learning Center (Coming Soon!)**

- Build your knowledge on the ins and outs of CDFI certification through our CDFI Learning Center!
- Course will include:
  - CDFI guidance materials
  - CDFI training documents
  - Quizzes to test knowledge
  - Peer network

## **CDFI Open Office Hours**

Want to learn more about CDFI certification? Do you have questions that need answers? If this sounds like you, join our weekly Open Office Hours! Every Wednesday, you can connect with a team of experts via webinar alongside your peers, to learn more about what it takes and what it means to be a certified CDFI.

Register [Here!](#)

# / Inclusiv / CDFI Certification Test Webinars

There are seven requirements for CDFI certification, four of which require action from applicants. Inclusiv has hosted deep dive webinars on each of these four requirements.

- Community Development Primary Mission Statement
  - ↳ Inclusiv: 2024 CDFI Certification Deeper Dive on Primary Mission Test
  
- Provides Developmental Services
  - ↳ Inclusiv: 2024 CDFI Certification Deeper Dive on Developmental Services
  
- Accountability to CDFI Target Markets
  - ↳ Inclusiv: 2024 CDFI Certification Deeper Dive on Accountability Test
  
- Primarily services CDFI Target Markets
  - ↳ Inclusiv: 2024 CDFI Certification Deeper Dive on Target Markets

For more info, please contact Estelle Eustache at [eeustache@inclusiv.org](mailto:eeustache@inclusiv.org)

# Capacity Builders

# / Inclusiv / Financial Inclusion Data Analytics Platform (FIDAP)

## **What's FIDAP?:**

Our financial data analytics platform provides users with robust data analysis tools through an intuitive interface, making complex financial insights accessible to everyone. It supports seamless data uploads, performs comprehensive analyses, and generates detailed, actionable reports, empowering users to make informed financial decisions with ease.

## **FIDAP Will Be Able To:**

- Preform Target Market Assessment reporting for Investment Areas (IA) and Low-Income Targeted Populations (LITP)\*
- ACR reporting
- Membership composition reports
- Abbreviated Transaction Level Reports for the launch of certification application
- TLR reports for CDFI program (TA/FA) grant reporting compliance
- Much More!

# / Inclusiv / Financial Inclusion Data Analytics Platform (FIDAP)

## What to Expect:

### *August 2024*

- FIDAP FAQ
- FIDAP Sign-Up Form

### *September 2024*

- FIDAP Training Webinars
- Launch of FIDAP

# Upcoming Events

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# Upcoming Events

**/ inclusiv /** CU ops & compliance



## Inclusiv/CU Ops & Compliance Office Hours

An opportunity to discuss your Operations and Compliance questions with Inclusiv's experts.

Every third Tuesday of the month, 1pm – 3pm ET

To register:

<https://us02web.zoom.us/meeting/register/tZUlf-yuqj4pH9VUuRW0YIP3X1DpONR0AaKe>



# Upcoming Events



## Inclusiv CDFI Certification Office Hours

Wednesday afternoons at 3pm ET

To register for the series:

<https://us02web.zoom.us/meeting/register/tZUkceyuqzwwGtbpPQq4RidF3cH1ZwaJPqJy#/registration>

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# Upcoming Events



## Inclusiv Network Town Hall series

Tuesday, September 10<sup>th</sup>, 2024 at 1:15pm ET

To register for the series:

[https://us02web.zoom.us/webinar/register/WN\\_2jb18kqaQmWk3dGudEaxjA](https://us02web.zoom.us/webinar/register/WN_2jb18kqaQmWk3dGudEaxjA)

# Audience Discussion

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# *Thank you!*

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