



CDFI Certification Accountability

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

www.cdfifund.gov

CDFI Certification Accountability



Riegle Community Development and Regulatory Improvement Act of 1994

A CDFI must “[maintain], through representation on its governing board or otherwise, accountability to residents of its investment area or targeted population.”

CDFI Certification Accountability



CDFI Certification Accountability Requirements

A Certified CDFI must:

- Demonstrate **Accountability** to its overall CDFI Certification Target Market via board membership on either a **governing** and/or **advisory board**.

Presentation Roadmap



Organization Board Standards

Methods of Board Accountability

Sources of Individual Accountability

CDFI Certification Resources

Presentation Roadmap



 **Organization Board Standards**

 **Methods of Board Accountability**

 **Sources of Individual Accountability**

 **CDFI Certification Resources**

Organization Board Standards



Board Types:

Governing

- Duly established as evidenced on governance document;
- Operating legally; *and*
- Minimum of three board members.

Advisory

- Provides input to governing leadership on strategic/policy matters;
- Board members appointed by governing leadership;
- Meets at least three times per year;
- Minimum of five board members; *and*
- Compliant with an advisory board policy.

Organization Board Standards



Advisory Board Policy Document

- # of board members;
- Meeting frequency;
- Scope of input on leadership;
- Feedback mechanisms;
- Board member selection process; *and*
- Process of review of markets & populations

Presentation Roadmap

A yellow curved line with four circles of varying sizes. The middle circle is solid yellow, while the others are outlines. The line starts at the top left, curves down and to the right, passing through the circles.

Organization Board Standards

Methods of Board Accountability

Sources of Individual Accountability

CDFI Certification Resources

Methods of Board Accountability



Options Governing Board Only

**Governing Board supplemented by
Advisory Board**

**Advisory Board supplemented by
Credit Union Membership**

Advisory Board Only

Methods of Board Accountability



Target Market
Component #1

Target Market
Component #2

**Overall CDFI
Certification
Target Market**

Target Market
Component #3

Target Market
Component #4

Methods of Accountability



Governing Board Only

- At least one governing board member is accountable to each proposed Target Market type, *and*
- At least 33% of the governing board is accountable to the overall proposed Target Market(s).

Methods of Accountability



Governing & Advisory Board

- At least 20% of the governing board members are accountable to the overall proposed Target Market;
- At least one advisory board member is accountable to each proposed Target Market type;
- At least 60% of the advisory board is accountable to the overall proposed Target Market(s);
- At least one governing board member is also a member of the advisory board; *and*
- The Applicant has adopted an advisory board policy.

Methods of Accountability



Advisory Board & Credit Union Membership

- At least 33% of the entity's credit union members are part of its overall CDFI Certification Target Market;
- At least one advisory board member is accountable to each proposed Target Market type;
- At least 60% of the advisory board is accountable to the overall proposed Target Market(s);
- At least one governing board member is also a member of the advisory board; *and*
- The Applicant has adopted an advisory board policy.

Methods of Accountability



Advisory Board Only

- Only eligible for **Holding Companies, Banks, & Entities without a Formal Governing Board**;
- At least one advisory board member is accountable to each proposed Target Market type;
- At least 80% of the advisory board is accountable to the overall proposed Target Market(s);
- At least one governing board member or partner/owner of the Applicant entity is also a member of the advisory board; and
- The Applicant has adopted an advisory board policy.

Presentation Roadmap

A yellow graphic element consisting of a curved line with four circles of varying sizes. The third circle from the top is solid yellow, while the others are hollow. This graphic is positioned to the left of the roadmap items.

Organization Board Standards

Methods of Board Accountability

Sources of Individual Accountability

CDFI Certification Resources

Sources of Individual Accountability



Individual Accountability

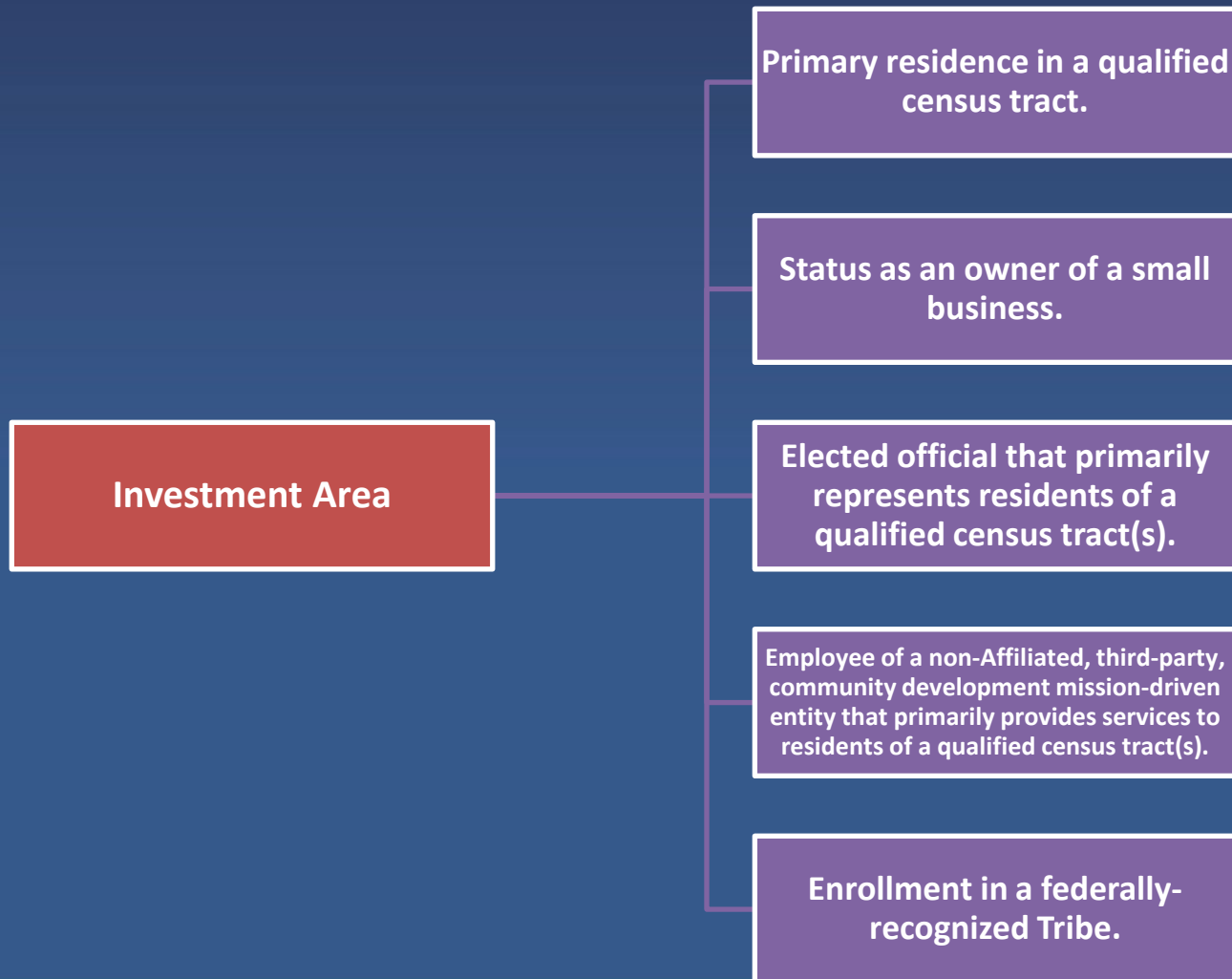
Individual accountability to a Target Market may be demonstrated through any of the following sources documented in the table on the *following slide*.

Sources of Individual Accountability

Individual Accountability (Continued)

Investment Area (IA)	Low-Income Targeted Populations (LITP)	Other Targeted Population (OTP)
Primary residence in a qualified census tract	Status as a Low-Income individual	Status as a member of the Targeted Population
Status as an owner of a small business primarily located in a qualified census tract(s) or owner of a small business that principally employs and/or principally provides goods or services to residents of the qualified census tracts of an IA	Paid direct employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to Low-Income people	Status as a staff member of a Certified CDFI (OTP-CDFI only)
Status as an elected official primarily representing residents of qualified census tracts		Status as a staff member of a non-Affiliated third party, community development mission-driven organization that primarily provides services to people with disabilities (OTP – Persons with Disability only)
Paid direct employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to residents of a qualified census tract(s).		Status as a family member of a person with disability (OTP – Persons with Disability only)
Enrollment in a federally-recognized Tribe (Applicants serving IAs located in Native geographies only)		

Sources of Individual Accountability



Sources of Individual Accountability



Investment Area

**Primary residence in a
qualified census tract.**

Organizations must:

- Present the board member's FIPS code.

Sources of Individual Accountability



Sources of Individual Accountability



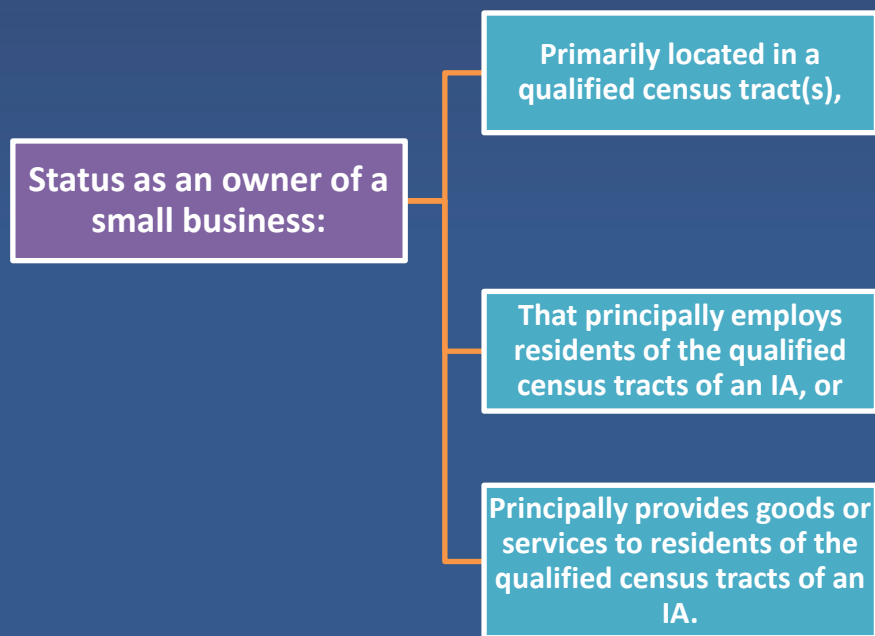
Investment Area

Status as an owner of a small business

Notes on IA Accountability via Small Business Ownership:

- Ownership stake must be at least 25%.
- Primarily located means at least 51% of the business' locations.
- Principally providing goods/services means at least 51% of the business' activity.
- Principally employing means at least 51% of the employees.

Sources of Individual Accountability



Organizations must:

- Create a CIMS map comprised of all of business locations.
- Provide an explanation of the process with data.
- Create a CIMS map of service areas.

Sources of Individual Accountability



Investment Area

Elected official that primarily represents residents of a qualified census tract(s).

Notes on IA Accountability via Elected Official:

- Primarily representing means at least 51% of the elected official's constituents.

Organizations must:

- Provide the name of office; &
- Create CIMS Map of jurisdiction.

Sources of Individual Accountability



Investment Area

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to residents of a qualified census tract(s).

Notes on IA Accountability via Employment:

- “Primarily serving” means at least 51% of the entity’s activity is directed in the needed way.
- Being community development mission-driven means having a community development mission or purpose.
- A paid, direct employee means someone who is an employee for payroll tax purposes. Volunteer or unpaid staff roles are not allowable

Sources of Individual Accountability



Investment Area

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to residents of a qualified census tract(s).

Organizations must:

- Provide the name of the board member's employer;
- State the employer's mission; *and*
- Describe how the employer determines it primarily serves residents of Investment Areas.

Sources of Individual Accountability



Investment Area

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to residents of a qualified census tract(s).

Employer Mission Statement: Is it Community Development driven? Either by

- Directly referencing serving the Investment Area, or
- Explicitly stating the organization's community development purpose.

Sources of Individual Accountability



Investment Area

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to residents of a qualified census tract(s).

Place of Employment Description:

Does it primarily focus its operations on residents of the qualified census tract within the Investment Area? Either by

- **Providing data;**
- **Providing information on process;**
- **Describing factors that were taken into consideration; or**
- **Identifying any service areas.**

Sources of Individual Accountability



**Investment
Area**

**Enrollment in a federally
recognized tribe.**

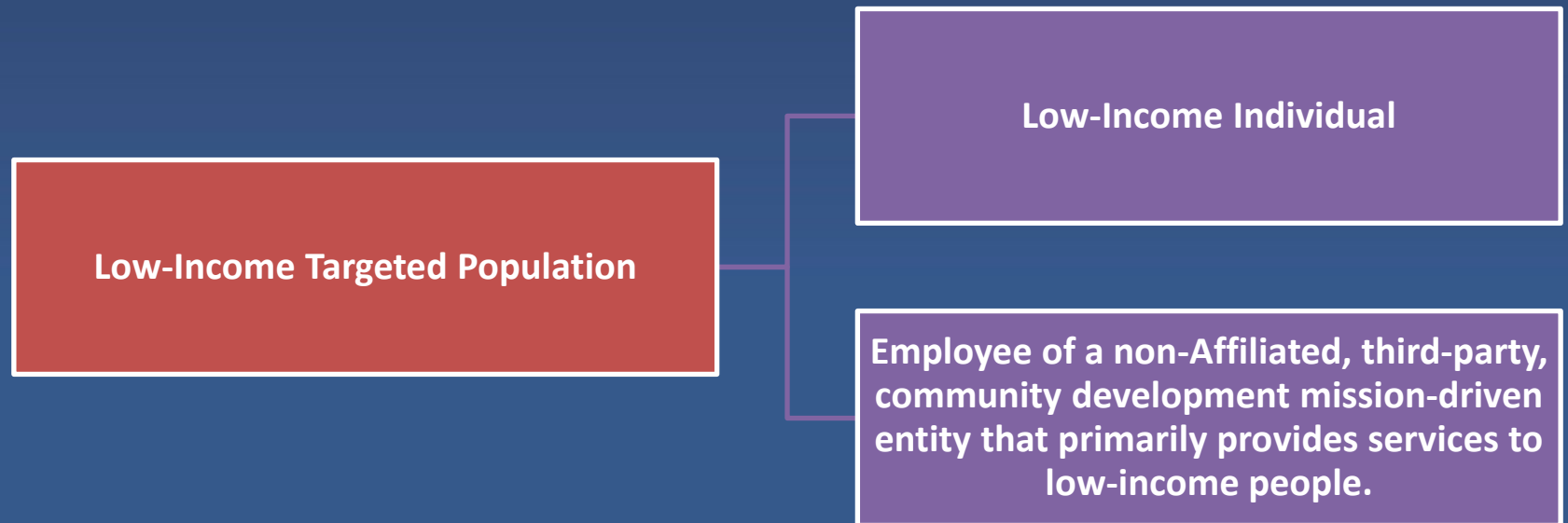
Notes on IA Accountability via Tribal Enrollment:

- Wholly contained within a Native Community geography (CIA).

Organizations must:

- Provide the name of a Federally recognized Tribe

Sources of Individual Accountability



Sources of Individual Accountability

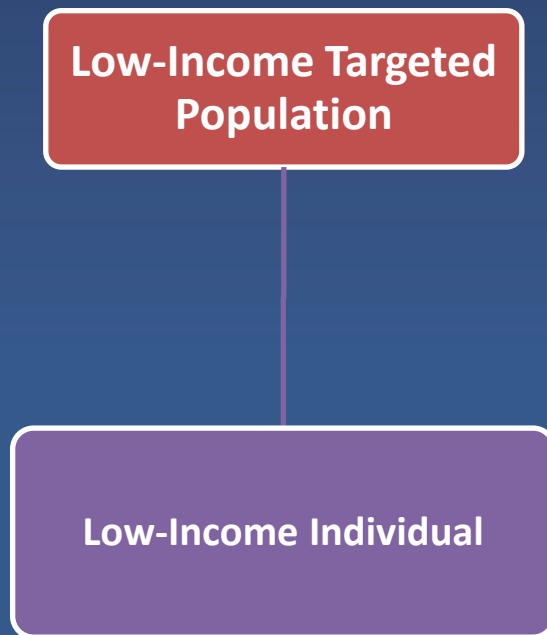


Notes on LITP Accountability:

- Board member's Low-Income status must be verified using a CDFI Fund-approved CDFI Certification Target Market Assessment Methodology.

Organizations must:

- Attest to board member being low-income.



Sources of Individual Accountability



Notes on LITP Accountability via Employment:

Low-Income Targeted Population

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to low-income people

- “Primarily serving” means at least 51% of the entity’s activity is directed in the needed way.
- Being community development mission-driven means having a community development mission or purpose.
- A paid, direct employee means someone who is an employee for payroll tax purposes. Volunteer or unpaid staff roles are not allowable

Sources of Individual Accountability



Organizations must:

- Provide the name of the board member's employer;
- State the employer's mission; *and*
- Describe how the employer determines it primarily serves low-income people.

Low-Income Targeted
Population

Employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to low-income people

Sources of Individual Accountability



Low-Income Targeted
Population

Employee of a non-
Affiliated, third-party,
community development
mission-driven entity that
primarily provides services
to low-income people

Employer Mission Statement: Is it
Community Development driven?
Either by:

- Directly referencing serving low-income people, *or*
- Explicitly stating the organization's community development purpose.

Sources of Individual Accountability



Low-Income Targeted
Population

Employee of a non-
Affiliated, third-party,
community development
mission-driven entity that
primarily provides services
to low-income people

Place of Employment Description:

Does it primarily focus its operations on low-income people? Either by

- **Providing data;**
- **Providing information on process; or**
- **Describing factors that were taken into consideration.**

Sources of Individual Accountability



Sources of Individual Accountability



Other Targeted Populations

Member of specific Other Targeted Population

Notes on OTP Accountability:

- Board member's status must be verified using a CDFI Fund-approved CDFI Certification Target Market Assessment Methodology.

Organizations must:

- Indicate the methodology used.

Sources of Individual Accountability



**Other Targeted
Populations – CDFIs**

**Employee of a non-
Affiliated Certified CDFI.**

Sources of Individual Accountability



Other Targeted Populations – CDFIs

Paid direct employee of a non-Affiliated Certified CDFI.

Notes on OTP-CDFI Accountability:

- A paid, direct employee means someone who is an employee for payroll tax purposes. Volunteer or unpaid staff roles are not allowable.

Organizations must:

- **Provide name of CDFI.**

Sources of Individual Accountability



Other Targeted Populations –
Persons with Disabilities

Person with a Disability.

Family member of a
person with a disability.

Paid direct employee of a
non-Affiliated, third-party,
community development
mission-driven entity that
primarily provides
services to people with
disabilities.

Sources of Individual Accountability



Other Targeted Populations –
Persons with Disabilities

Person with a Disability.

Notes on OTP-PWD Accountability:

- Board member's status must be verified using a CDFI Fund-approved CDFI Certification Target Market Assessment Methodology.

Organizations must:

- Indicate the methodology used.

Sources of Individual Accountability



Other Targeted Populations
– Persons with Disabilities

Family member of a
person with a disability.

Notes on OTP-PWD Accountability via Family:

- Family members include those related by blood (including half-siblings), adoption, or marriage.

Organizations must:

- Identify relationship of the board member to the person with a disability.

Sources of Individual Accountability



Notes on OTP-PWD Accountability via employment:

Other Targeted Populations – Persons with Disabilities

Paid direct employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to people with disabilities

- “Primarily serving” means at least 51% of the entity’s activity is directed in the needed way.
- Being community development mission-driven means having a community development mission or purpose.
- A paid, direct employee means someone who is an employee for payroll tax purposes. Volunteer or unpaid staff roles are not allowable.

Sources of Individual Accountability



Other Targeted Populations – Persons with Disabilities

Paid direct employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to people with disabilities

Employer Mission Statement: Is it Community Development driven?
Either by

- Directly referencing serving Persons with Disabilities, or
- Explicitly stating the organization's community development purpose.

Sources of Individual Accountability



Other Targeted Populations – Persons with Disabilities

Paid direct employee of a non-Affiliated, third-party, community development mission-driven entity that primarily provides services to people with disabilities

Place of Employment Description:

Does it primarily focus its operations on people with disabilities? Either by

- **Providing data;**
- **Providing information on process;**
or
- **Describing factors that were taken into consideration.**

Sources of Individual Accountability



Sources of Individual Accountability in Revised Application

- Removes geographic restrictions that previously limited board member eligibility, especially for those serving national Investment Areas;
- Allows board member accountability to be based on Target Market type, not geographic overlap;
- Enables Applicants with multiple Target Market components to meet Accountability standards collectively, rather than separately—reducing administrative burden.

Sources of Individual Accountability



Financial Interest Conflicts

- Board members with financial interests in the Applicant—such as employees, principals, or owners—cannot be designated as accountable board members.
- However, the updated application does allow:
 - **Board Compensation:** Board members who receive compensation for board service; and
 - **Active Financial Products:** Board members with active Financial Products with the Applicant with recusal policy

Sources of Individual Accountability:



CIMS Maps

Small Business

- Locations
 - Determine the FIPS code attributed to all the business locations;
 - Create a map including each relevant FIPS code.

Example:

Address 1 –

1700 1st NW, Washington DC
20001 → 11001003302

Address 2 –

6000 Greenbelt Rd, Greenbelt MD
20770 → 24033806713

Address 3 –

3750 Richmond HWY, Alexandria
VA 22305 → 51510201205

Sources of Individual Accountability:



CIMS Maps

The screenshot displays the CIMS Maps application interface. The top navigation bar includes tabs for DETAILS, LAYERS, LEGEND, and SELECTIONS. The SELECTIONS tab is active, showing a list of selected tracts. The map on the right shows the Washington, DC area with various tracts highlighted in yellow. The sidebar on the left contains the following information:

- Navigation icons: Information (i), Layers (stack of squares), Legend (list icon), and Selections (crown icon).
- DETAILS LAYERS LEGEND **SELECTIONS**
- ← Mitchell Oertel's Small Business Example
- 2020 CDFI Tract (3)
- 11001003302
- 24033806713
- 51510201205

Sources of Individual Accountability:



CIMS Maps

Small Business

- Locations
 - Determine the FIPS code attributed to all the business locations;
 - Create a map including each relevant FIPS code.
- Service Area
 - Create a map of the business's Service Area

Example:

Small business has a Service Area of the Greater DC Metro area.

Sources of Individual Accountability:



CIMS Maps

CDFI-CERT Application Processing

11001003302

DETAILS LAYERS LEGEND SELECTIONS

← Mitchell Oertel's Small Business Example

2020 CDFI Tract (458)

CANCEL SAVE

A map of the Washington, D.C. metropolitan area is displayed. The map shows various cities and suburbs, including North Bethesda, Silver Spring, Takoma Park, Arlington, Washington, Alexandria, and others. A large area in the center, covering parts of Silver Spring, Takoma Park, and Arlington, is highlighted in yellow, indicating the 2020 CDFI Tract (458). The map interface includes a search bar at the top with the ID 11001003302, a sidebar with tabs for DETAILS, LAYERS, LEGEND, and SELECTIONS, and a list of selections including "Mitchell Oertel's Small Business Example" and "2020 CDFI Tract (458)". At the bottom of the sidebar are "CANCEL" and "SAVE" buttons. The map itself has a navigation toolbar on the left with zoom in/out and pan controls.

Sources of Individual Accountability:



CIMS Maps

Small Business

- Locations
 - Determine the FIPS code attributed to all the business locations;
 - Create a map including each relevant FIPS code.
- Service Area
 - Create a map of the business's Service Area.

Elected Official

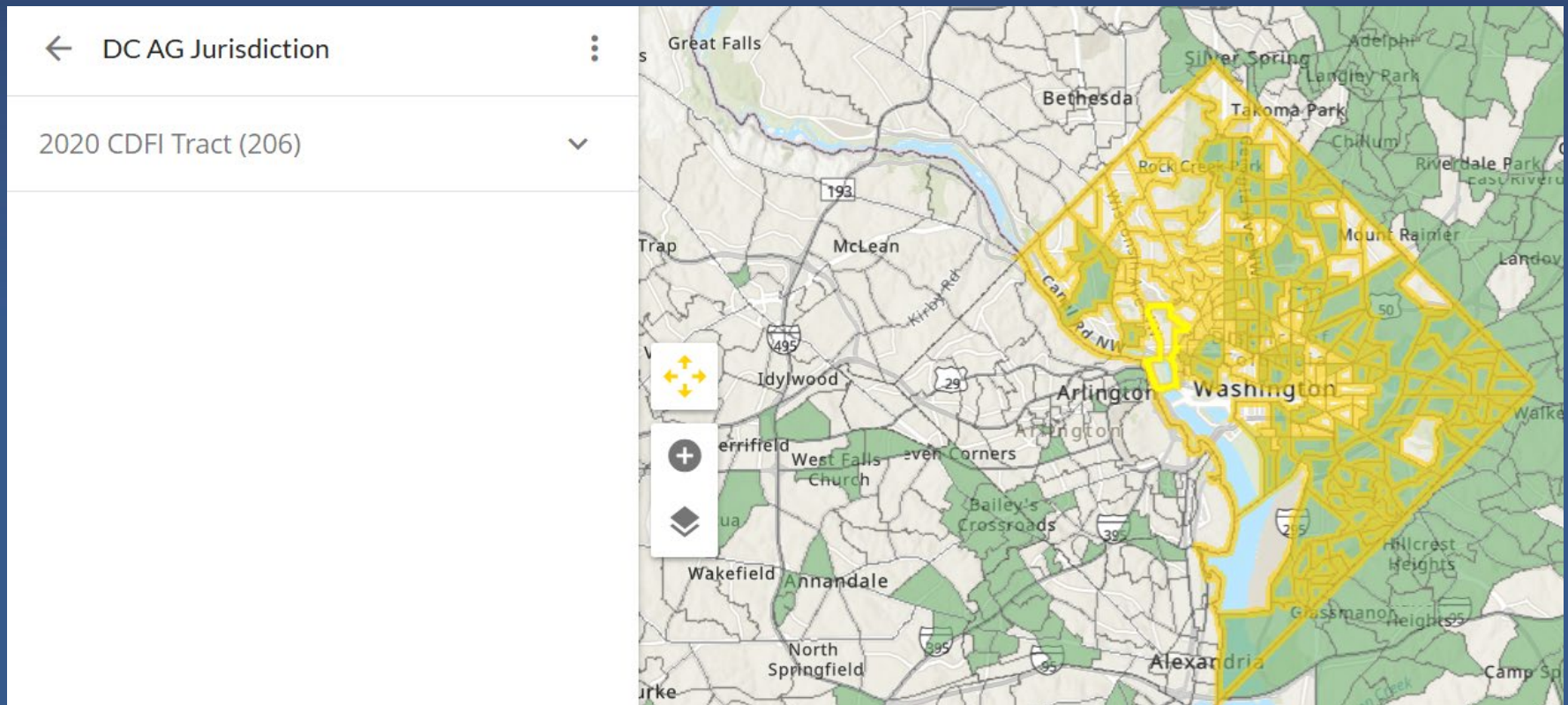
- Jurisdiction
 - Create a map of the official's jurisdiction.

Example: DC Attorney General

Sources of Individual Accountability:



CIMS Maps



Sources of Individual Accountability:



Community Development Mission-Driven Entity

Mission Examples:

- The provision of responsible Financial Products and Financial Services to Low-Income borrowers, Other Targeted Populations, and/or residents of and businesses located in economically distressed communities;
- Efforts to promote affordable housing, community-serving facilities, and economic development in economically distressed communities; and/or
- Supporting the provision of community services such as child care, education, health care, social services, or workforce development.

Sources of Individual Accountability:



Community Development Mission-Driven Entity

Description:

- Clearly identify the service area of the relevant entity;
- Specify the factors and information considered in making the determination;
- Include the data resulting from the assessment.

Sources of Individual Accountability:



Community Development Mission-Driven Entity

Description:

- Clearly identify the service area of the relevant entity;
- Specify the factors and information considered in making the determination;
- Include the data resulting from the assessment.

Sources of Individual Accountability:



LITP Determination Explanation

The board member's place of employment, [REDACTED] [REDACTED] plays a crucial role in supporting low-income Native people by fostering economic and financial independence. [REDACTED] assists individuals and communities by helping them build personal assets through financial and entrepreneurial education. The organization focuses on providing accessible resources, including creative lending products, to ensure that underserved Native populations have the capital needed to pursue economic opportunities. By promoting homeownership and supporting the development of small businesses, [REDACTED] directly impacts the financial stability of low-income Native individuals and families, enabling them to achieve long-term economic security and self-sufficiency. Through these efforts, the [REDACTED] empowers Native people to break cycles of poverty and create sustainable economic futures.



Sources of Individual Accountability:



Community Development Mission-Driven Entity

LITP Determination Explanation

We followed a 9-step process to determine that the board member's employer is specifically focused on serving distressed areas and focuses at least 51% of its operations on residents of qualified census tracts in our national Investment Area. This process includes accessing, reviewing and analyzing (1) a survey questionnaire completed by the board member, (2) the CDFI Fund's list of certified CFDIs, (3) the mission statement of the organization, (4) the organization's articles of incorporation, bylaws or similar organizing document, (5) the organization's website, and, to the extent available, (6) the organization's most recent annual report, (7) its most recent independent audit report, (8) its most recent Form 990, and (9) its charitynavigator.org rating.



Presentation Roadmap

A yellow line graphic that starts as a thin line, passes through three empty yellow circles, and ends as a thick solid circle.

Organization Board Standards

Methods of Board Accountability

Sources of Individual Accountability

CDFI Certification Resources



CDFI Certification Resources



Pre-Recorded Webinars

RECORDED WEBINARS

The following webinars are intended to be resources regarding the CDFI Certification Application. Please check back regularly for additional webinar updates.

Board Record Creation	Webinar Recording Presentation	October 21, 2024
Board Record Creation for Credit Unions	Webinar Recording Presentation	October 21, 2024
Board Record Creation for Collective Review	Webinar Recording Presentation	October 21, 2024
Presenting CDFI Certification Target Market and Accountability Information	Webinar Recording Presentation	October 21, 2024



CDFI Certification Resources



Contact Information

- CDFI Certification: Send an AMIS Service Request to Office of Certification Policy and Evaluation (OCPE)
- ACR or TLR: Send an email to cdfi-financialstrategiesandresearch@cdfi.treas.gov or AMIS Service Request to Financial Strategies and Research (FS&R) unit
- Detailed CDFI Certification Guidance Information: Check out <https://www.cdfifund.gov/programs-training/certification/cdfi/apply-step> for regularly updated information.



CDFI Certification Resources



CDFI Certification Webinar Schedule

Date	Time	Presentation Topic
August 24, 2025	3:00-4:15 PM ET	Target Markets
September 4, 2025	3:00-4:15 PM ET	General Q&A
September 18, 2025	3:00-4:15 PM ET	General Q&A



This concludes the presentation.

Thank you for participating!