

CERTIFICATION, COMPLIANCE MONITORING AND EVALUATION

ANNUAL CERTIFICATION REPORT

CDFI FUND ANNUAL
CERTIFICATION AND DATA
COLLECTION REPORT (ACR)
GLOSSARY

UPDATED DECEMBER 2020

WWW.CDFIFUND.GOV/CDFICERT



OMB Approval No. 1559-0046

Freedom of Information Act (FOIA) Statement:

The CDFI Fund does not publish proprietary or confidential information submitted by CDFI's as a general practice. However, any information submitted by CDFI's in the Annual Certification and Data Collection Report (ACR) or other reports made in connection with ACR (e.g., ACR Summary Report) is subject to the Freedom of Information Act (FOIA) (5 U.S.C. 552) and other federal laws and regulations. In general, FOIA makes federal agency records available to the public, unless the information requested is exempt from disclosure. Trade secrets and commercial or financial information submitted by CDFI's may be exempt from disclosure pursuant to the FOIA. CDFI's should consult their legal counsel for further guidance on this matter.

The CDFI Fund reserves the right to publish responses to select questions provided during the reporting process. This information may include, but may not be limited to organization name, date certified, financial institution type, organization's address and organization's website.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

The terms in this Glossary are streamlined definitions that, in general, apply across all types of financial institutions except where noted. These definitions should be used as a guide to users for how to complete the Annual Certification and Data Collection Report (ACR). Please refer to the appropriate program-specific guidance documents for more detailed definitions. If you have any questions, please contact the CDFI Fund's Help desk at 202-622-6355 or email cdfihelp@cdfi.treas.gov.

Term	Definition
Accountability	In general, an organization's ability to support the interests of the residents of its Investment Area(s) or Targeted Population(s) through representation on its governing board or advisory board.
Allowance for Loan and Lease Losses (ALLL) (i.e., loan loss reserves)	Account value for unidentified Loan, inclusive of depository loss reserve as of the reporting period end. This appears as a contra Asset on the balance sheet.
American Indian or Alaska Native (living in Alaska)	A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
Arm's Length Transaction	A financing transaction (such as a Loan or Equity Investment) made with a third party that is not an Affiliate of the Financing Entity. See 12 CFR § 1805.104.
Asset	Anything having commercial or exchange value that is owned by a business, institution, or individual.
Average Assets	The average amount of Assets held during the reporting period.
Average Assets - Banks and Thrifts	A year-to-date average of the total assets reported in the Report of Condition Schedule RC-K. For the first quarter of the year, the average assets from Call Schedule RC-K first quarter will appear; at the end-of-year, assets for all four quarters would be averaged.
Average Assets - Insured Credit Unions	Total assets for the current period plus total assets for the prior year end, divided by 2.
Authorized Representative	An officer, or other individual, who has been designated by the CDFI's board of directors, or otherwise possesses the authority, to sign for and make representations on behalf of the CDFI.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Balance Sheet	A quantitative summary of an organization's financial condition at a specific point in time, including assets, liabilities, and net worth. The first part of a balance sheet shows all the productive assets a company owns, and the second part shows all the financing methods (such as liabilities and shareholders' equity). Also called statement of financial condition or statement of financial position.
Bank Holding Company (or Savings and Loan Holding Company)	As defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)), any company which has Control over any Bank or any other Bank Holding Company (12 U.S.C. 1841). A Savings and Loan Holding Company is any company that directly or indirectly controls a savings association or that controls any other Savings and Loan Holding Company (12 U.S.C. 1467(a)). As defined in the Bank Holding Company Act of 1956, such companies must register with the Board of Governors of the Federal Reserve System and hence are called registered bank holding companies.
Bank or Thrift	Generally, an insured depository institution which is a bank or savings association, the deposits of which are insured by the Federal Deposit Insurance Corporation pursuant to 12 U.S.C. 1811 et seq. Its primary focus is taking deposits and originating loans, such as home mortgages.
Business	A loan/investment "Purpose" option. Financing to for-profit and nonprofit businesses with more than five employees or in an amount greater than \$35,000 for the purpose of expansion, working capital, equipment purchase or rental, or commercial real estate development or improvement.
(Operating) Business Financing	Financing provided when the Predominant business activity (i.e., activity that generates more than 50 percent of the business' Gross Income) does not include the development (including construction of new facilities and rehabilitation/ enhancement of existing facilities), management, or leasing of real estate.
Business Technical Assistance	Assisting borrowers with business plan development including developing record keeping accounting systems, understanding critical expenses, applying for licenses or permits, accessing government and corporate procurement processes, and/or other related services.
Call Reports	The quarterly report of condition that must be prepared by every National Bank, State Member Bank and insured Nonmember Bank, per the Federal Financial Institutions Examination Council (or FFIEC) . The Federal Deposit Insurance Corporation (FDIC) collects, corrects, updates and stores Call Report data as a widely used source of timely and accurate financial data regarding a Bank's financial condition and the results of its operations.
Capital	Assets that can be used for lending and Equity Investments that have not already been committed, disbursed, or restricted for other purposes.
Cash and Cash Equivalents	The value of Assets that are cash or can be readily converted into cash within 3 months such as money market holdings, short-term government bonds or Treasury bills, marketable securities and commercial paper.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Cash on Deposit	All money, cash and cash equivalents placed with another financial institution.
Cash on Hand	Money in the form of cash that a business has at a particular time. Specifically, all money, cash and Cash Equivalents in the organization's cash registers or premises, as opposed to cash in the Bank.
Charge-Off (or Write-off)	The dollar amount of a receivable, primarily a Loan, that has been determined to be a loss or non-recoverable during the repayment cycle and that has been taken off the balance sheet as a loss, i.e. a write-off. The two terms are interchangeable. Charge offs appear as an expense on the company's income statement, thus reducing net income.
Charter School Financing	Financing provided for the purpose of acquisition, construction, renovation, and maintenance or improvement of charter schools.
Certifiable CDFI	An entity that meets all of the requirements for CDFI certification at the time of its submission of a Financial Assistance or Technical Assistance application, but whose pending Certification Application has not yet been approved by the CDFI Fund.
Certification Status	An entity's CDFI certification standing with the CDFI Fund. An institution may be an Emerging CDFI, Certifiable CDFI, or a Certified CDFI.
Certified CDFI	An entity that meets the CDFI Fund's certification requirements.
Certified Investment Area	The geographic Target Market that a CDFI has declared in its certification application and that has been approved by the CDFI Fund.
Collateral	Asset pledged to a lender until a Loan is repaid. If the Borrower defaults, the lender has the legal right to seize the Collateral and sell it to pay off the Loan.
Commercial Real Estate	Real property with intended commercial use and improved by office, retail, industrial or community facilities.
Commercial Real Estate Finance	Financing provided for the purpose of the acquisition or rehabilitation of a building, or the acquisition, construction and/or development of property located for commercial purposes.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Community Development Financial Institution (CDFI)	In general, CDFIs are community-based, specialized financial institutions that serve Low-Income people and/or work in economically distressed communities, often working in market niches that may be underserved by traditional financial institutions. An entity currently meeting the eligibility requirements described in 12 C.F.R. Part 1805.200. A CDFI is a financial institution that provides credit and financial services to underserved markets and populations. CDFIs include community development banks, community development credit unions, community development loan funds, community development venture capital funds, microenterprise development loan funds, community development corporations, among others.
Community Development Financial Services	A range of financial services that promote and support economic development, education, community organizing, and real estate development to Low-Income or impoverished neighborhoods. Examples include (but are not limited to) checking and savings accounts, certified checks, ATM machines, deposit taking, remittances, safe deposit box services, and other similar services.
Community Facilities Finance	Financing provided for the purpose of acquisition, construction, renovation, and/or maintenance or improvement of facilities where health care, childcare, educational, cultural, or social services are provided.
Community Facility	A facility in which health care, childcare, educational, cultural or social services are provided (12 CFR § 1805.104(k)).
Consumer	A loan/investment 'Purpose' option. Categorizes a loan/investment for health, education, emergency, credit repair, debt consolidation, and consumer purposes. To the extent possible, personal loans for business purposes should be identified as business or real estate loans, and personal loans for home improvement or repair should be identified as housing loans.
Consumer Finance	The division of retail banking that deals with lending money to individuals or families where the proceeds are used for consumer purposes, versus business or Investment.
Consumer Loans	Personal (secured or unsecured) loans to one or more individuals for health, education, emergency, credit repair, debt consolidation, and consumer purposes. To the extent possible, personal loans for business purposes should be identified as business or real estate loans, and personal loans for home improvement or repair should be identified as housing loans. Excludes mortgages and home equity lines of credit. See Residential Real Estate.
Contribution (Capital Category)	A transfer of money or property to, or for the use of, a qualified charitable organization under the Internal Revenue Code (e.g., section 501(c)(3), 501(c)(4)), without expectation of repayment.
Credit	The ability to obtain goods or services before payment, based on the trust that payment will be made in the future.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Credit Counseling	Counseling that covers topics such as establishing, maintaining, and repairing credit, appropriate use of credit cards, and reading and interpreting credit reports. Includes, among others, financial evaluation, options for avoiding bankruptcy and getting out of debt, creating a household budget, the types of bankruptcy and the consequences of filing bankruptcy, the role of the bankruptcy trustee, what to look for in an attorney to handle the process, when one can expect a discharge of debts; and credit after filing for bankruptcy.
Credit Union	A not-for profit, cooperative, tax-exempt financial institution that is owned and controlled by its members and operated for the purpose of promoting thrift, providing credit at reasonable rates, and providing other Financial Services to its members.
Credit Union Member	Number of credit union members not number of accounts. Credit union membership varies by the organization. Historically, membership was limited to those individuals working in the same industry or for the same employer or living in the same community. In to be a member, an individual must have an account at the credit union. A member may have multiple accounts.
Current Assets	The value of all Assets that are reasonably expected to be converted into Cash within 12 months in the normal course of business and that face no restrictions which would prevent an organization from doing so.
Current Liabilities	The value of Debts, obligations, or Payables due within 12 months.
Days Delinquent	Difference between the reporting date and the borrower's payment due date following the last full payment received.
Debt	A liability or obligations in the form of bonds, promissory notes, or mortgages, owed and required to be paid by a specified date (maturity).
Delinquencies	Loans with any portion of payments 90 or more days past due.
Deposit (Capital Category)	Funds placed in a depository institution by individuals or organizations, typically earning interest and insured by governmental agencies.
Depository Institution Holding Company (DIHC)	Generally, a bank holding company or savings and loan holding company that owns or has controlling interest in one or more Bank, as more specifically defined in the statutes and regulations that govern the appropriate Federal banking agency. A Bank Holding Company or a Savings and Loan Holding Company as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)(1)).

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Development Services	Activities that promote community development and are integral to the CDFI's provision of Financial Products and Financial Services. Such services shall prepare or assist current or potential borrowers or investees to utilize the Financial Products and Financial Services of the CDFI. Such services include, for example: financial or credit counseling to individuals for the purpose of facilitating home ownership, promoting self-employment, or enhancing consumer financial management skills; or technical assistance to Borrowers or investees for the purpose of enhancing business planning, marketing, management, and financial management skills.
Development Services Staff	Individuals for whom a portion of their work time is dedicated to the provision of development services. These staff may also have a management role.
Earned Income	Income generated by Assets and activities, excluding Grants and Contributions. Interest income, loan fees and other program income, excluding all grants and contributions.
Economic Development Services	Services that support the development and retention of jobs and the start-up and growth of businesses through (i) loans, equity investments and other similar financing to for-profit small businesses, microenterprises, and commercial real estate other than community facilities, (ii) related development services, and (iii) community organization support.
Eligible Market	Eligible Market is defined as (i) a geographic area meeting the requirements set forth in 12 CFR 1805.201(b)(3)(ii), or (ii) individuals that are Low-Income, African American, Hispanic, Native American, Native Hawaiians residing in Hawaii, Alaska Natives residing in Alaska, or Other Pacific Islanders residing in American Samoa, Guam or the Northern Mariana Islands.
Emerging CDFI	A financial institution which provides credit and financial services to underserved markets and populations that does not yet meet all of the CDFI Fund's certification requirements, but actively shows an intention to seek CDFI certification.
Equity (Capital Category)	The amount of balance sheet funds contributed by owners (the stockholders) plus Retained Earnings (or losses).
Equity Equivalent Investment or EQ2	A loan to a CDFI that meets the following characteristics: (1) At the end of the initial term, the loan must have a definite rolling maturity date that is automatically extended on an annual bases if the CDFI borrower continues to be financially sound and carry out a community development mission. (2) Periodic payments of interest and/principal may only be made out of the CDFI borrower's available cash flow after satisfying all other obligations. (3) Failure to pay principal or interest (except at maturity) will not automatically result in a default of the loan agreement. (4) The loan must be subordinated to all other debt except for the equity-equivalent like loans.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Equity Investment	An Arms-Length Investment with a third party such as a stock purchase, a purchase of partnership interest, a purchase of a limited liability company membership interest, a Loan made on such terms that it has sufficient characteristics of Equity, a purchase of secondary Capital, among others. Investments that support or enhance activities that serve an Investment Area or Targeted Population(s) and must be made through arms-length transactions with a third party that does not have a relationship with the Applicant as an Affiliate. An Equity Investment may include a stock purchase, a purchase of a partnership interest, a purchase of a limited liability company membership interest, a loan made on such terms that it has sufficient characteristics of equity (and is considered as such by the Fund); or any other investment deemed to be an Equity Investment by the Fund. See 12 CFR § 1805.104(st).
Expenses	A decrease in Equity during the accounting period in the form of outflows or depletions of Assets or the incurrence of Liabilities that result in decreases in Equity, other than those relating to distributions to Equity participants.
Fee Income	Income generated from fees collected for services that are associated with an organization's mission.
Fee Income From Lending Portfolio and Retail Financial Services	Income generated from fees charged for originating and managing loans, including any late fees.
Financial Education	Education that covers such topics as household budgeting, strategies for saving, benefits of saving, retirement accounts, and Investments.
Financial Products	Loans, Equity Investments, and similar financing activities (as determined by the CDFI Fund), including the purchase of loans originated (from certified CDFIs?) and the provision of loan guarantees.
Financial Services	Checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit-taking, safe deposit box services, and/or other similar services.
Financing-Related Activities	Activities that support the Applicant's provision of Financial Products, including: 1) Pre-development grants, provided that, in the sole determination of the Fund, they are offered to the Applicant's borrowers or potential borrowers in order to enhance such borrower's or potential borrower's ability to use the Applicant's lending or investment products; and 2) The provision of loan packaging, provided that, in the sole determination of the Fund, the Applicant is financing more than a nominal portion of the loan that is being packaged for another lender.
Financing Debt	Amount of money outstanding that is associated with financing activities (e.g., Loans and Equity Investments).

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Financing Entity	An entity whose predominant business activity is the provision, in Arms-Length Transactions, of Financial Products, Development Services, and/or other similar financing (as determined by the CDFI Fund). Such entity may be a: 1) Depository Institution Holding Company; 2) Insured Depository Institution or State Insured Credit Union; or 3) An organization which is deemed by the Fund to have such a predominant business activity as a result of analysis of its financial statements, organizing documents, and any other information required to be submitted as part of its application, use of personnel and total assets. See 12 CFR § 1805.201(b)(2).
Financial Staff	Individuals for whom a portion of their work time is dedicated to the provision of financial products and/or services. These staff may also have a management role.
Full Time Equivalents (FTEs)	An employee that works at least a 35-hour workweek. In calculating the number of full-time equivalents, part-time employees should be aggregated to full-time equivalents. For example, two part-time employees that each work 17.5 hours/week should be aggregated to count as one full-time equivalent. The measure includes volunteers who fill regular staff positions and excludes temporary staff and professional services conducted outside of the office by third parties such as accounting, bookkeeping, and legal counsel.
Government Grants (Capital Category)	Financial assistance without the expectation of repayment provided by a local or state or federal government to carry out a public purpose authorized by law, not including subsidies, Loans, Loan Guarantees, or insurance.
Gross Income	An organization's Revenue minus cost of goods or services sold.
Gross Revenue	Revenue minus cost of goods sold.
Guarantee	An agreement to compensate the holder of a loan, all or a portion of the principal balance in the case of default by the borrower. Includes guarantees of letters of credit provided to enhance the credit worthiness of a borrower receiving a loan from a third-party lender.
Healthcare Facility Financing	Financing provided for the purpose of acquisition, construction, renovation, and maintenance and/or improvement of healthcare facilities.
Homeownership Counseling	Assisting borrowers, who are new or existing homeowners, make informed decisions related to budgeting, selecting a home, types of mortgage insurance, homeowner tax benefits, Equity build up, home maintenance, energy conservation, and foreclosure prevention.
Housing Technical Assistance	Assisting borrower to determine financial feasibility of the housing property (such as cash flow projections asset management, and identifying additional financing from public and private sources); Site reviews (such as environmental assessments, pre-condition surveys for rehabilitation, and evaluation of project location); and Construction management (such as ensuring construction standards, building codes and understanding restrictions).
Income	Money that an individual or business receives in exchange for providing a good or service or through investing Capital.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Income and Expense Statement	A report of all revenues and expenses pertaining to a specific time period.
Indian Reservation	Any geographic area that meets the requirements of section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)), and shall include land held by incorporated Native groups, regional corporations, and village corporations, as defined in and pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1602); public domain Indian allotments; and former Indian reservations in the State of Oklahoma.
Indian Tribe (Also, American Indian Tribe)	Indian Tribe, band, pueblo, nation or other organized group or community, including Alaska Native Village or regional or village corporation, (as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et se.). Each such Indian Tribe must be recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.
Insured Credit Union	Any credit union, the member accounts of which are insured by the National Credit Union Share Insurance Fund. Please see State-regulated credit unions for those credit unions insured only on the state level.
Insured Depository Institution (IDI)	Any bank or thrift, the deposits of which are insured by the Federal Deposit Insurance Corporation. See 12 CFR § 1805.104(cc).
Interest-bearing Deposits	An deposit of money with a financial institution that pays interest on the deposit
Interest Earned on Cash & Marketable Securities	Includes all interest earned on cash and marketable securities and considered as earned income in calculating the self-sufficiency ratio.
Interest Expense	The payments of interest related to Notes Payable that a CDFI makes to its lenders.
Interest Income Earned on Loan and/or Investment Portfolio	Includes interest earned on loans outstanding and dividends on community development equity investments.
Interest Payments from Loans or Investments	Includes interest or dividends earned on the CDFI's outstanding loans and/or Equity Investments.
Interest Income	Gross Revenue generated by interest-earning Assets.
Intermediary Financing	Financing that is provided to a financial institution that in turn provides financing to other financial institution(s).

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Investment	The use of Capital to create more Capital.
Investment Area	As described at 12 C.F.R. §1805.201(b)(3), a Geographic Unit or contiguous Geographic Units that: 1. Is entirely located within the geographic boundaries of the United States and either: 2. Meets at least one of the criteria of economic distress as defined under 12 CFR §1805.201(b)(3)(ii)(D) and has significant unmet needs for Loans, Equity Investments, or Financial Services, as described under 12 CFR §1805.201(b)(3)(iii)(E); or 3. Encompasses or is located wholly within an Empowerment Zone or Enterprise Community designated under section 1391 of the Internal Revenue Code of 1986. See 12 CFR § 1805.104(cc).
Leadership Turnover	Departure, replacement or change among an organization's formal executive and managerial leadership positions.
Legal Entity	An organization that is duly formed and in good standing under the laws of the state in which it is incorporated or established.
Liability	The debts and obligations of an organization that represent a creditor's claim on its assets.
Line of Credit	A commitment, to make loans to a particular borrower up to a specified maximum during a specified period, which may include disbursements and repayments on a revolving basis.
Loan	A type of Debt in which a lender transfers funds to a borrower with the expectation of repayment over time.
Loan Approved	Total dollar amount of loans for which the CDFI has given initial approval or a contingent commitment, and the CDFI has reserved cash, cash equivalents, or other assets to fund at a future date.
Loan Closed	A loan is counted as closed when a legally binding note has been signed by the borrower in favor of the CDFI.
Loan Disbursed	Total dollar amount of loans disbursed in connection with a legally binding note signed by the borrower in favor of the CDFI.
Loans/Investments Originated	A loan or investment is counted as originated when a legally binding note has been signed by the borrower in favor of the lender.
Loan Fund	A legal entity, not regulated by a state or Federal agency, whose predominant business activity is the provision of Loans.
Loan Guarantee	In general, a promise by a party to assume a Debt obligation of a borrower, if the borrower defaults.
Loan Portfolio	Total outstanding Loans, Loan Guarantees and Equity Investments held by an organization.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Loan Losses	Amount of a loan that the Lender deems uncollectible from its borrower and is charged off or written off. Losses are reported after default, foreclosure, and liquidation and are the net of any recovered assets. If any amount is reclaimed in the current fiscal year on loans/investments that are written off in previous years, that amount is subtracted from the amount written off in the current fiscal year.
Loan Loss Provision	The Loan Loss Provision should appear as an expense item on any active lending institution's Statement of Activities (Income and Expense Statement). It is a non-cash expense that gets reflected as a change in the Loan Loss Reserve (LLR) account on the Balance Sheet. The Loan Loss Provision captures Loan Loss Reserve adjustments resulting from the following 1) Loans written off (decreases LLR), 2) new loans made (increases LLR), and 3) loans paid in part or full (decreases LLR). While it is a non-cash expense, it is treated as a direct operating expense when the provision is made, usually annually.
Loan Loss Reserves (LLR)	Funds set aside in the form of cash reserves or through accounting-based accrual reserves that serve as a cushion to protect an organization against future losses. Loan Loss Reserves typically show up as a contra asset on a balance sheet. Loan Loss Reserves are not the expense listed on the income/expense statement.
Loans Outstanding	The loans for which principal is outstanding as of the last day of the fiscal year. These loans may have originated during the fiscal year or in a previous year. This includes any loans that have been restructured, but not those loans that have been written off.
Low-Income	An income, adjusted for family size, of not more than: for metropolitan areas, 80 percent of the area median family Income; and for non-metropolitan areas, the greater of: (i) 80 percent of the area median family Income; or (ii) 80 percent of the statewide non-metropolitan area median family Income. See 12 CFR § 1805.104(ee).
Material Event	An occurrence that affects an organization's strategic direction, mission, or business operation and, thereby, its status as a certified CDF and/or its compliance with the terms and conditions of its assistance agreement.
Microenterprise	A type of small business, often unregistered with five or fewer employees and requiring seed capital of not more than \$35,000. Microenterprises typically have little to no access to the commercial banking sector. They often lack collateral, steady employment and a verifiable credit history and therefore, cannot meet the most minimal qualifications to gain access to traditional credit.
Microfinance Loan	A Loan having a total obligation that is less than \$50,000 towards a business purpose such as expansion, working capital, equipment purchase or rental, or commercial real estate development or improvement.
Multifamily Housing	Multi-family Housing, as defined in 12 C.F.R. 1807.104, means residential properties consisting of five or more dwelling units, such as a condominium unit, cooperative unit, apartment, or townhouse.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
National Credit Union Administration Form 5300	The National Credit Union Administration (NCUA) requires credit unions to complete a 5300 Call Report on a quarterly basis. The data is used to assess a credit union's financial health and compare it to peer credit unions.
Native American	A person having origins in any of the original peoples of North America and South America (including Central America) and who maintains tribal affiliations or community attachment.
Native Community	Any Native American, Alaska Native or Native Hawaiian populations or Native American areas defined as Federally-designated reservations, Hawaiian homelands, Alaska Native Villages, and U.S. Census Bureau-designated Tribal Statistical Areas.
Native CDFI	A community development financial institution (CDFI) that has certified to the CDFI Fund that at least 50 percent of its activities are directed to benefit one or more Native Communities.
Native Hawaiian (living in Hawaii)	A person having origins in any of the original peoples of Hawaii.
Net Assets	Total Assets less Total Liabilities as reported in an organization's balance sheet or statement of financial condition where Assets are classified into three mutually exclusive classes according to the existence or absence of externally imposed restrictions (i.e., Permanently Restricted Net Assets, Temporarily Restricted Net Assets, and Unrestricted Net Assets). Net Assets is applicable to non-profit organizations and indicates the extent to which Total Assets exceed Total Liabilities. For-profit organizations refer to this as shareholder's equity or in other equivalent terms.
Net Worth	For a for-profit organization, it is the total dollar value of its Shareholders Equity and is comprised of the sum of common stock, paid-in capital and Retained Earnings. For an Insured Credit Union, it is the total dollar value of its equity and is comprised of undivided earnings, regular reserves, appropriation for non-conforming investments (state-chartered credit unions only), Other Reserves (appropriations of undivided earnings and unsecured Secondary Capital (Low-Income Designated Credit Unions only). Net Worth is also commonly known as Total Equity.
Nonaccrual Loans	A non-performing Loan that is not generating the stated interest rate because of nonpayment by the borrower, typically due to financial difficulties.
Nondepository Financial Institutions	Includes all financial institutions that are not banks, thrifts, or credit unions, including mutual funds, insurance companies, and finance companies.
Non-Governmental Entity	An organization that is not an agency or instrumentality of the United States, or any state or political subdivision thereof.
Non-performing Assets	Total Assets that are 90 days or more past due and Loans on nonaccrual exclusive of Charge-Offs, including Other Real Estate Owned (OREO) and Troubled Debt Restructuring (TDR).

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Non-Regulated Entities	Financial institutions that are not supervised and subject to regulation by federal or state governmental entities such as the Office of the Comptroller of the Currency (OCC), Federal Deposit Insurance Corporation (FDIC), Federal Reserve, Office of Thrift Supervision (OTS), and National Credit Union Administration (NCUA). Examples of non-regulated entities include revolving loan funds, venture capital funds, and other such non-depository institutions.
Non-traditional Forms of Collateral	Assets used to secure a loan that are not typically accepted by mainstream financial institutions. Whereas most financial institutions will accept cars, equipment, liens, and receivables to secure loans, non-traditional forms of collateral require more sophisticated valuation techniques and due diligence to ensure that the collateral being offered is acceptable. Examples may include rare items such as antiques and collectibles. For microfinance institutions, “social capital” has been used as a non-traditional form of capital in the form of “lending circles” or social groups.
Operating Expenses	Expenses related to everyday business operations, such as interest Expense, staff salaries, professional fees, depreciation, and Provision for Loan Losses, among others.
Operating Revenue	Income generated by Assets and activities, including Grants and Contributions.
Other Pacific Islander	A person having origins in any of the original peoples of Guam, Samoa or the Northern Mariana Islands that are identified as having Polynesian, Micronesian, or Melanesian origins.
Other Real Estate Owned (OREO)	In general, real estate, including capitalized and operating leases, that is acquired through any means, in full or partial satisfaction of a Debt previously contracted. It consists of real property held for reasons other than to conduct a financial institution’s regular business.
Other Targeted Population	An identifiable group(s) of individuals in the Applicant’s Target Market for which there exists a strong basis in evidence that they lack of access to loans, Equity Investments and/or Financial Services. Such a Targeted Population may comprise persons who have historically been denied access to loans or Equity Investments due to factors such as gender, race, ethnicity, national origin, and creed, among others.
Outstanding Equity Investment Portfolio	The total dollar amount of Equity Investments held by an organization in portfolio companies in which it owns stock or other forms of ownership interest. Total Outstanding Equity Investment Portfolio should reflect the valuation of the organization’s interests after making adjustments for any investment gains or losses.
Payables	Money owed to a third party that is not yet paid.
Permanently Restricted Net Assets	Excess or deficiency of Assets compared to Liabilities, which are subject to externally imposed, permanent restrictions.
Predominance	Relative majority of an organization’s business activities and staff time.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Primary Line of Business	The business activity in which the organization devotes the most resources and staff time.
Primary Mission	An organization's business objectives and purposefully directed activities as stated in board-approved documents.
Provision for Loan Losses	An Expense recorded in order to maintain the Allowance for Loan and Lease Losses account in the corresponding reporting period. Funds set aside in the form of cash reserves or through accounting-based accrual reserves that serve as a cushion to protect an organization against future losses. (see also Loan Loss Reserve)
Real Estate Financing	Financing provided for the purpose of the development (including construction of new facilities and rehabilitation/enhancement of existing facilities), acquisition, management or leasing of real estate by a business.
Real Estate Technical Assistance	Assisting borrowers to determine financial feasibility of commercial property acquisition or expansion, site reviews, and/or construction management. Assisting borrowers to determine financial feasibility of commercial property acquisition or expansion (such as cash flow projections asset management and identifying additional financing from public and private sources); site reviews (such as environmental assessments and evaluation of project location); and construction management (such as ensuring construction standards, building codes and understanding restrictions).
Recoveries	Amounts received in the corresponding reporting period in satisfaction of Loans and leases previously Charged-Off.
Residential Real Estate Finance	Financing provided for the purpose of acquisition, construction, renovation, and/or maintenance or improvement of single family housing (which includes properties with 1 to 4 residential units). Financing related to rental housing, purchasing (e.g., mortgages), rehabilitating and/or improving single, or multi-family homes.
Restricted Cash and Cash Equivalents	The value of Assets earmarked for a specific purpose and therefore not available for immediate and general use.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Retained Earnings (Capital Category)	<p>Profits that are neither paid out in cash dividends to stockholders nor used to increase other Equity accounts.</p> <p>1. In the case of a for-profit, Retained Earnings that may be used for matching an Equity Investment shall consist of: (a) the increase in Retained Earnings (excluding the after-tax value to an Applicant of any grants and other donated assets) that has occurred over the Applicant's most recent fiscal year; or (b) the annual average of such increases that have occurred over the Applicant's three most recent fiscal years.</p> <p>2. In the case of a nonprofit Applicant (other than an Insured Credit Union), Retained Earnings that can be used for Matching Funds purposes for a grant shall consist of: (a) the increase in an Applicant's Net Assets (excluding the amount of any grants and value of other donated assets) that has occurred over the Applicant's most recent fiscal year; or (b) the annual average of such increases that has occurred over the Applicant's three most recent fiscal years.</p> <p>3. In the case of an Insured Credit Union Applicant, Retained Earnings that may be used for Matching Funds purposes for a grant shall consist of: (a) the increase in retained earnings that have occurred over the Applicant's most recent fiscal year; the annual average of such increases that have occurred over the Applicant's three most recent fiscal years; or (b) the entire retained earnings</p>
Revenue	Funds obtained by an organization, including earned income, grants, and contributions. Does not include in-kind contributions.
Secondary Capital, Uninsured (Credit Unions Only)	An uninsured secondary capital account or other form of non-share account as defined by the appropriate Federal regulating agency.
Secondary Line of Business	The business activity in which the organization devotes the second most resources and staff time.
Single-Family Housing	Single-family housing, as defined in 12 C.F.R. 1807.104, means a one- to four-Family residence, a condominium unit, a cooperative unit, a combination of manufactured housing and lot, or a manufactured housing lot.
Small Business Financing	Financing to a for-profit or non-profit enterprise in an amount greater than \$50,000 for the purpose of expansion, working capital, equipment purchase or rental, or commercial real estate development or improvement.
State-regulated Credit Union	Any credit union that is chartered by a state, and is regularly examined by such state for safety and soundness and whose member accounts are insured by an agency of the state or by a private entity as may be approved by the state's credit union authority.
Sufficient Capital	The amount of Assets required to continue financing activities for at least 3 months.
Target Market	The market in which the applicant or CDFI provides its primary services and functions. This may be an Investment Area(s) and/or a Targeted Population(s). See 12 CFR § 1805.104(II).

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Targeted Population	Individuals, or an identifiable group of individuals, including Native groups, who are Low-Income persons or otherwise lack adequate access to Financial Products and/or Financial Services in the Applicant's Target Market.
Temporarily Restricted Net Assets	Excess or deficiency of Assets compared to Liabilities, which are subject to externally imposed restrictions that are not permanently restricted Net Assets.
Thrift	Thrifts are savings and loans associations. Thrifts also refer to credit unions and mutual savings banks that provide a variety savings and loans services.
Tier 1 Capital	In general, this term is used by financial institution regulators to compute an organization's Capital adequacy and may include common Equity, noncumulative perpetual preferred stock, minority interests in consolidated subsidiaries, less goodwill and other ineligible, intangible Assets. It is the core measure of a bank's financial strength.
Total Assets	The sum of current and long-term assets owned by a company, individual or other entity.
Total Deposits	The total dollar amount of deposit liability accounts held by a Bank or Thrift that is a Federal Deposit Insurance Corporation insured Bank or Thrift.
Total Equity	For a for-profit organization, it is the total dollar value of its Shareholders Equity and is comprised of the sum of common stock, paid-in capital and Retained Earnings. For an Insured Credit Union, it is the total dollar value of its equity and is comprised of undivided earnings, regular reserves, appropriation for non-conforming investments (state-chartered credit unions only), Other Reserves (appropriations of undivided earnings and unsecured Secondary Capital (Low-Income Designated Credit Unions only). Total equity is also commonly known as net worth.
Total Equity Capital Available for Financing	A nonprofit organization's Net Assets that are permanently or temporarily restricted for lending or Equity Investment activities, and Net Assets that are unrestricted, that may be used, or are being used (e.g., loans receivable) to support lending or Equity Investment activities. If an organization owns its office building and equipment or has other non-financing assets, these assets should not be included in Total Equity Capital Available for Financing. Total Equity Capital Available for Financing shall exclude all sources of debt capital.
Total Expenses	The total value of Expenses incurred including total operating expenses plus non-operating expenses such as pass-through grants, taxes, etc. Does not include losses on fixed assets and idle funds (accounted for in total revenue).
Total Financing Capital	The total amount of capital a financing institution has available for lending purposes.
Total Interest Expenses	The total amount reported by an organization or individual as an expense for borrowed money. Interest is calculated as a percentage of the amount of debt for each period of time.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Total Interest Income	A financial measure for banks, calculated by the amount of money the bank receives from interest on assets (commercial loans, personal mortgages, etc). This figure can also be calculated for other corporations, simply by adding up the amount of interest earned from assets.
Total Investment Portfolio	The gross value of all Investments included in the financing portfolio.
Total Liabilities	An organization's total legal debts or obligations that arise during the course of business operations, so both short-term and long-term. Liabilities include loans, accounts payable, mortgages, deferred revenues and accrued expenses.
Total Loan Portfolio	The gross value of Loans receivable included in the financing portfolio.
Total Loans	The total volume of loans a financing entity has on its balance sheet.
Total Net Worth	The amount by which assets exceed liabilities. This term can be applied to companies and individuals.
Total Operating Expenses	The total for the category of expenditures that a business incurs as a result of performing its normal business operations.
Total Operating Income	The amount of profit realized from a business's operations after taking out operating expenses, such as cost of goods sold, wages, or depreciation. Operating income takes the gross income (revenue minus COGS) and subtracts other operating expenses and then removes depreciation. Operating income is typically a synonym for earnings before interest and taxes (EBIT) and is also commonly referred to as "operating profit" or "recurring profit."
Total Outstanding Equity Investment Portfolio	The total dollar amount of Equity Investments held by an organization in portfolio companies in which it owns stock or other forms of ownership interest. Total Outstanding Equity Investment Portfolio should reflect the valuation of the organization's interests after making adjustments for any investment gains or losses.
Total Outstanding Loan Portfolio	Gross loans receivable as reported in an organization's statement of financial condition or balance sheet. Gross loans receivable are the principal amount of loans receivable held by an organization that represents the amount still owed to the organization by its borrowers without giving effect to any allowance for the collectability thereof (i.e. before loan loss reserves are calculated).
Total Revenue	The total amount of receipts that is brought into an organization by its business activities. Total revenue is typically calculated by multiplying the price at which goods or services are sold by the number of units or amount sold.
Transaction	A transaction includes Loans, Equity Investments, Loan purchases, Loan Guarantees, and similar financing activities. Excludes checking, savings accounts, check cashing, money orders, certified checks, automated teller machines, deposit-taking, safe deposit box services, and/or other similar services.
Tribal Government	The federally or state-recognized governing body (including tribal council) of a Native American tribe or Alaska Native village, as applicable.

CDFI Fund Annual Certification and Data Collection Report (ACR) Glossary

Term	Definition
Troubled Debt Restructuring (TDR)	A Loan or other Debt instrument, restructured for economic or legal reasons, in which a lender grants a concession to the borrower.
Unrestricted Cash and Cash Equivalents	The value of unencumbered Assets that are cash or can be converted into cash within 3 months.
Unrestricted Net Assets	Net Assets derived from unrestricted funds or funds released from restrictions during the fiscal year.
Venture Capital Fund	An organization that predominantly invests funds in businesses, typically in the form of either Equity Investments or subordinated debt with equity features such as a revenue participation or warrants, and generally seeks to participate in the upside returns of such businesses, via such Equity Investments or equity features in an effort to at least partially offset the risk investments.
Very Low-income	An annual income, adjusted for family size, of not more than: for metropolitan areas, 60 percent of the area median family income; and for non-metropolitan areas, the greater of: (i) 60 percent of the area median family income; or (ii) 60 percent of the statewide non-metropolitan area median family income.
Write-off	A reduction in the value of an asset or earnings by the amount of an expense or loss. Companies and individuals are able to write off certain expenses that are required to run the business, or have been incurred in the operation of the business and detract from retained revenues. See Charge-off.