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Notification of a CRA Examination

- Call from the Examiner
- Entry/Request Letter
 - Date of evaluation
 - Evaluation period for community development activities
 - Evaluation period for HMDA and CRA data and other lending products reviewed
- Information & Document Request



Information/ Documents Requested

- Contacts for the examination – names & telephone #s
- Assessment Area
 - Map
 - Census Tracts, County, MSA
 - Any changes since last examination
- List of branches – addresses and geographies
 - Services offered at each branch
 - ATM locations and if they are deposit taking
- Branches opened or closed since previous examination and geographies



Information/ Documents Requested - Continued

- Any CRA Self Assessment or Analysis Performed by the Bank or Third Party
- Performance Context

“Performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution’s record of performance will be evaluated.”

CRA Regulation - Part ____,21(b)
CRA Q&A ____,21(b)-1

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Components of Performance Context

According to the regulation, the components of performance context are:

- Demographic & economic data
 - See next slide and handout for various sources
- The bank’s product offerings and business
 - Bank size
 - Bank history
 - Offices and locations
 - Bank’s business strategy
 - Bank affiliates

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Sources for Economic & Demographic Data

- FFIEC’s CRA & HMDA website
- FDIC’s website
- Federal Reserve’s websites, including each district
- OCC’s website
- Other National, State, and Local Government Websites:
 - SBA
 - HUD
 - FEMA
- Google search

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Components of Performance Context – Continued

- Institutional capacity and constraints
 - Impact of Risk Management examinations
 - Impact of Compliance examinations
 - Competition
 - Economy
- Information about lending, investment, and service opportunities in the bank's assessment areas
 - Institution Self-Assessments
 - Activities of Other Institutions in the Area
 - Community Contacts and Other Relevant Information

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Components of Performance Context – Continued

- The bank's past performance and the performance of similarly situated lenders
- The bank's public file and any written comments about the bank's CRA performance submitted to the bank or the regulatory agency
- Any information deemed relevant by the regulatory agency

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Information/ Documents Requested - Continued

- HMDA Data
- CRA Data
- Optional CRA and Other Loan Data
 - Consumer loans
 - Unfunded loan commitments
 - HELOCs not reported for HMDA
 - Etc.

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Information/ Documents Requested - Continued

- Affiliate Activities
- Special Loan Programs
- Flexible or Innovative Activities
- If you are a small bank, would you like qualified investments and services considered for an Outstanding rating?

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Information/ Documents Requested - Continued

- Community Development (CD) Activities (Loans, Qualified Investments, Services) since last evaluation
 - Segregated by years
 - Assessment area(s) that benefit from activity
 - Documentation/explanation on how each meets the CD definition
 - Qualified Investments counted at previous CRA evaluations that the bank still holds – BV
 - Donations made

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QUESTIONS



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