



CRA for the Community Professional

A Leadership approach to CRA

Developing Your CRA Program:



Internal Roles and Structures



Keeping Staff Involved & Motivated



Developing the Right Partnerships



Taking Advantage of Resources





Selling Your CRA Program . . .





Sell CRA on it's Strengths . .

- 1. Regulatory Requirement**
- 2. Represents Good Business**
- 3. Highly Marketable**





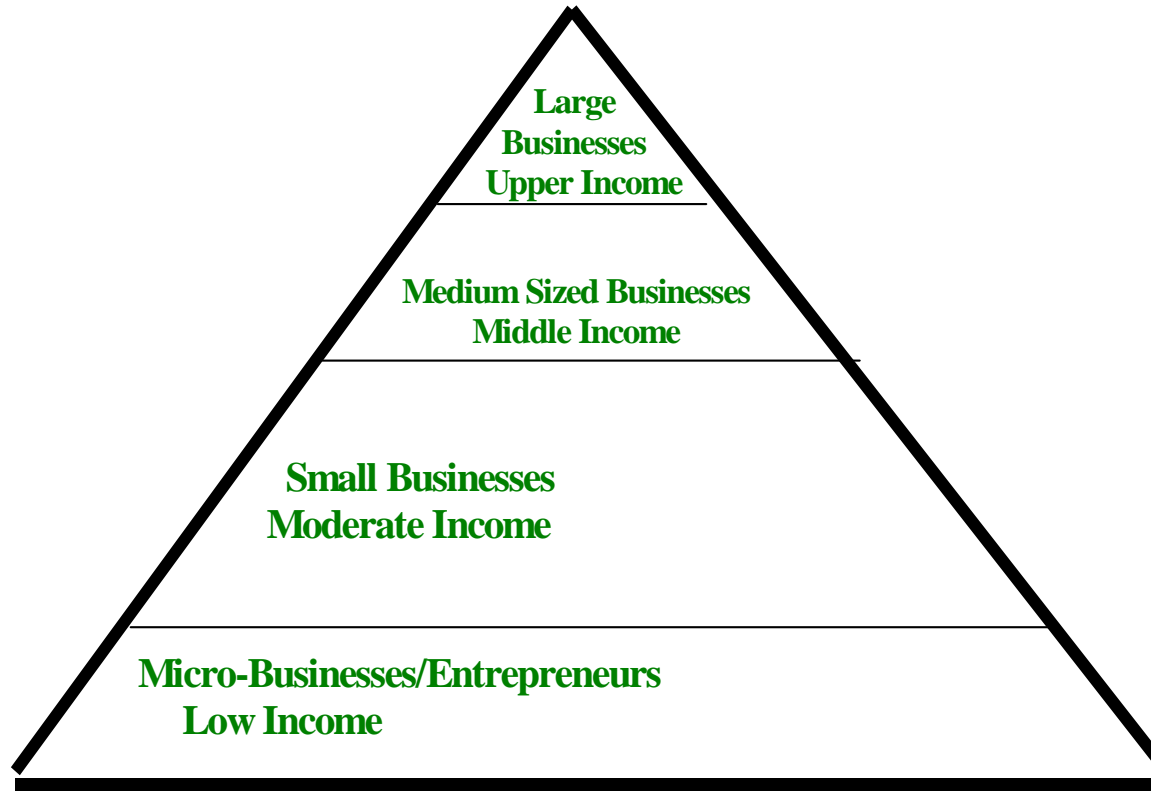
1. CRA is The Law

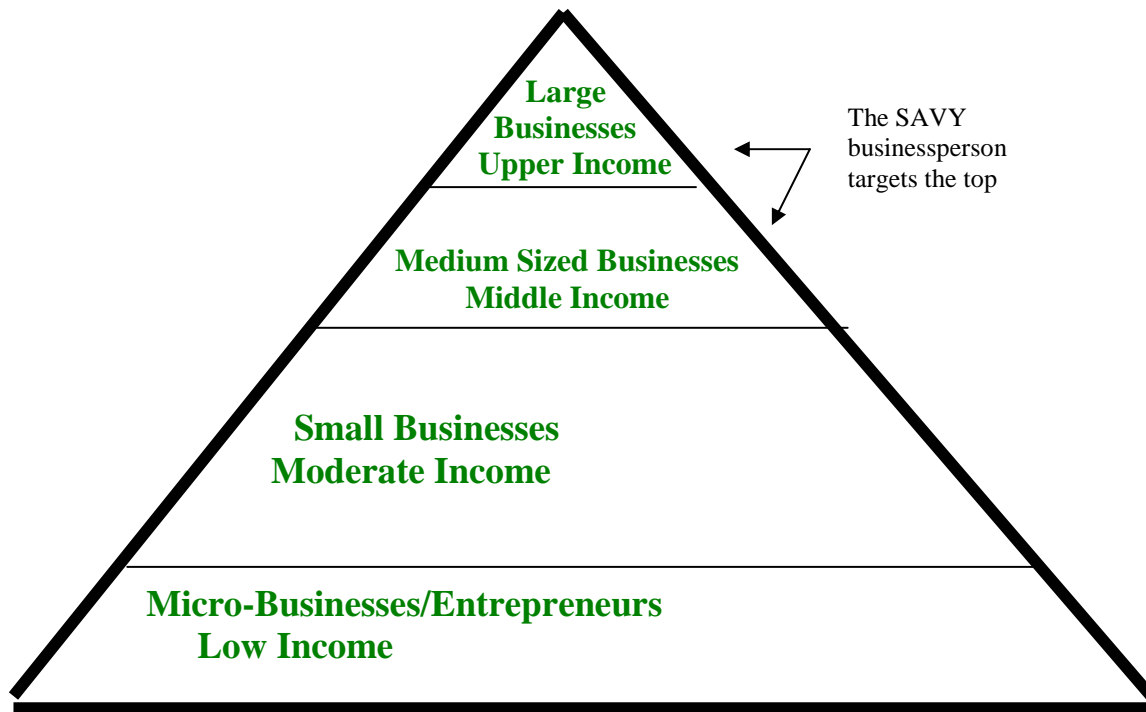
*Compliance isn't
tough to sell!*

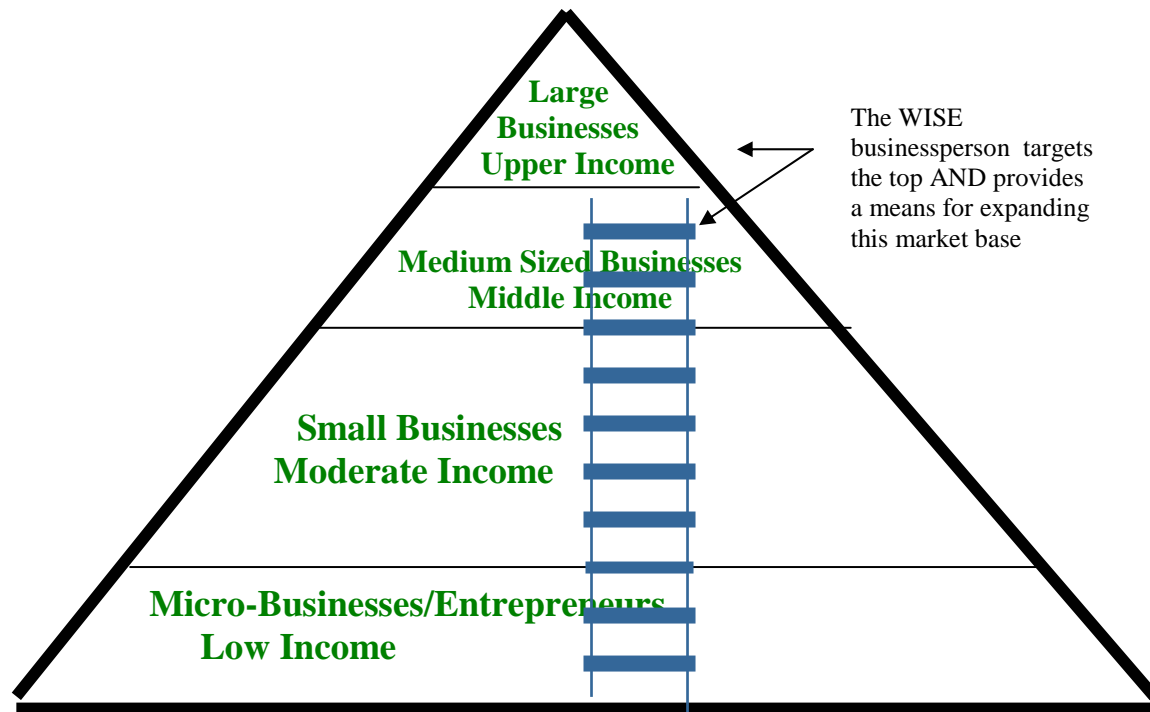


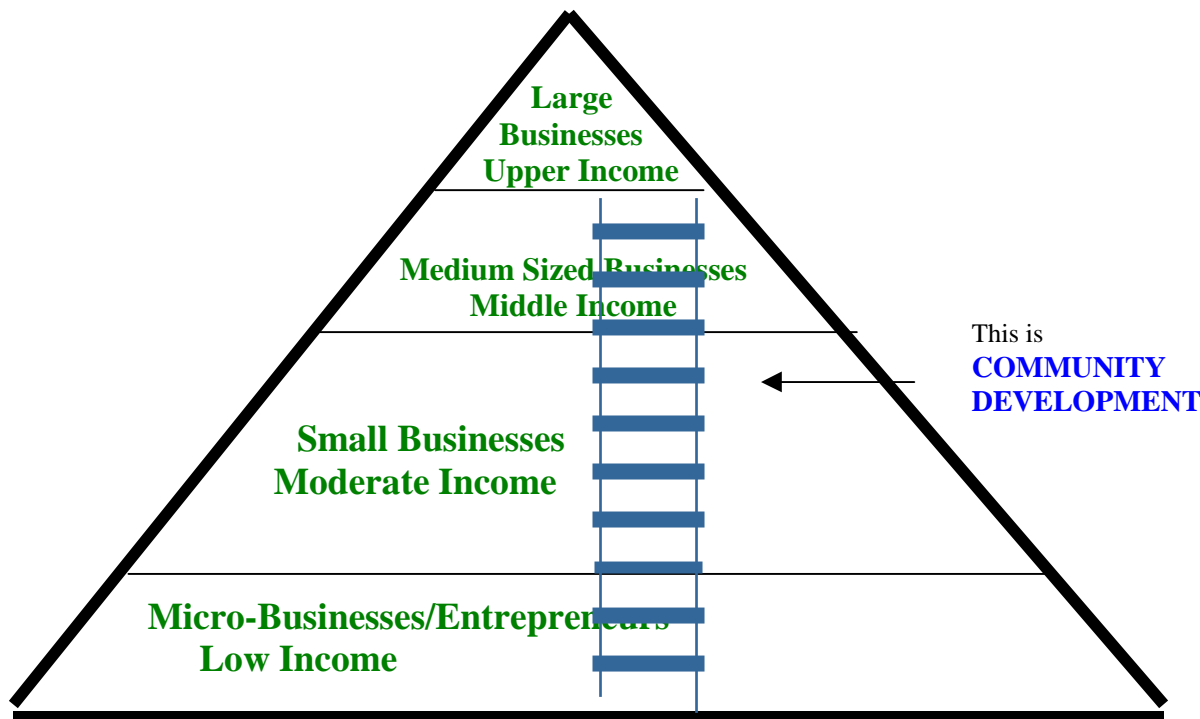


2. CRA as Good Business











CRA Redefined-

CRA simply regulates and measure how well we perform community development initiatives within our assessment areas for business development purposes.





3. CRA is Marketable

- **Bank's value added to the local economy**
- **Objective publicity you can't purchase**
- **Positive Bank image in the community**







Internal Roles and Structures





Internal Roles and Structures

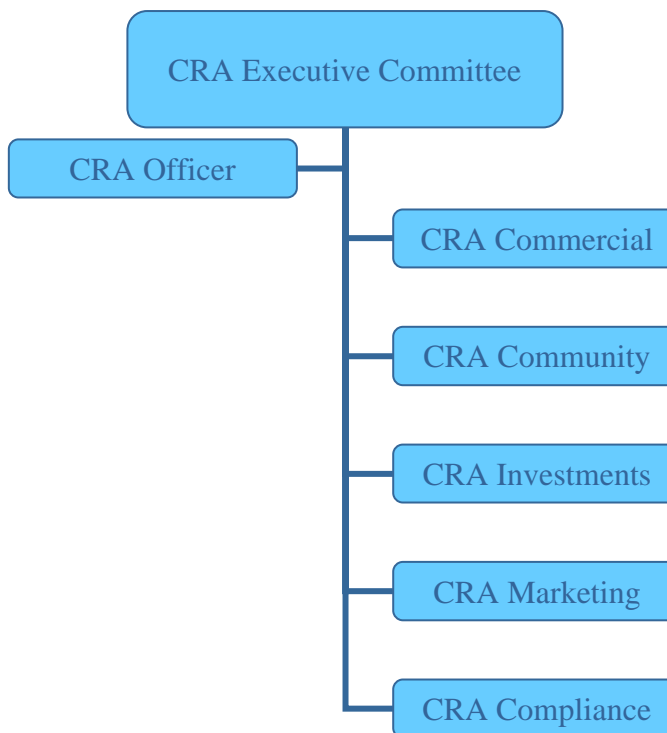
There are four critical groups to a successful CRA Program:

- 1. Executive Management/Board**
- 2. Division Managers**
- 3. Marketing Department**
- 4. Compliance Department**





Internal Roles and Structures





Executive Management/Board

Roles & Responsibilities to CRA Program:

- 1. CRA Plan Adoption – Includes Goals and Objectives**
- 2. Integration of CRA Goals into the Bank-wide Strategic Plan**
- 3. CRA Performance Monitoring through a periodic meeting(s)**





Division Managers

Roles & Responsibilities to CRA Program:

- 1. CRA Plan Development Including Tasks**
- 2. CRA Task Implementation**
- 3. CRA Reporting**
- 4. CRA Accountability**





Marketing Department

Roles & Responsibilities to CRA Program:

- 1. Public Awareness of Community Development Efforts**
- 2. Internal Awareness of CRA Performance**
- 3. Integral involvement in CRA Donations & Contributions**





Compliance Department

Roles & Responsibilities to CRA Program:

- 1. CRA Plan Development & Monitoring**
- 2. CRA Training**
- 3. CRA Data Integrity**





Committed!





Involving and Motivating Staff



Support Documents





Involving and Motivating Staff

There are four critical components:

- 1. Consistent Training**
- 2. Consistent Reporting**
- 3. Compensation and Recognition**
- 4. Accountability for Performance**





Consistent Training

Basic CRA Training Should Include:

- 1. CRA as part of New Employee Orientation**
- 2. Annual Computer Based or Video Training Requirements**
- 3. Bi-Annual Customized Training with Real Bank Project Examples**





Consistent Progress Reports

Keep Management/Employees Informed:

- 1. Monthly reports of quantifiable activities to committees**
- 2. Quarterly YTD reports of quantifiable activities to managers, committees and placed on shared networks**
- 3. Annual performance assessments & peer comparisons to management**





Recognize/Compensate Efforts

Highlight & Reward Employees:

- 1. Electronic Newsletter featuring an Outstanding CRA activity & officer**
- 2. Contribute donations to organizations on behalf of bank volunteers**
- 3. Reward with movie-tickets or other gift certificates for Outstanding CRA service**





Accountability for Performance

Hold Management/Employees Accountable:

- 1. Incorporating quantifiable goals into the respective business plans**
- 2. Including CRA responsibilities into employee job descriptions**
- 3. Factoring CRA performance or lack of in employee reviews/compensation**





Motivated!





Developing the Right Partners



Support Documents





Developing the Right Partners

There are three basic partner types:

1. **Community Partners**
2. **Industry Colleague/Partners**
3. **External Resource Partners**





Community Partners

Examples of Valuable Community Partners:

- 1. Small Business Development Centers**
- 2. Affordable Housing Corporations**
- 3. Government/Social Service Agencies**
- 4. Private Developers**
- 5. Economic Development Corporations**
- 6. Other Non-profit Agencies**





Industry & Colleague Partners

Examples of Valuable Partners:

- 1. Financial Intermediaries**
- 2. Other Banks & Financial Institutions**
- 3. Regulating Agencies**
- 4. Industry Groups & Associations**





External Resource Partners

Examples of Valuable Partners:

- 1. Federal Home Loan Bank**
- 2. Department of the Treasury**
- 3. USDA Rural Development**
- 4. Small Business Administration**
- 5. Federal Deposit Insurance Corporation**





Partnered!





Maximizing Resources



Support Documents





Maximizing Resources

Resources for the three basic needs:

- 1. Lending**
- 2. Investments**
- 3. Services**





Maximizing Lending

Best Practices to Maximize Loan Resources:

1. **Grant Matching**
2. **Loan Guarantees**
3. **Loan Subsidies**
4. **Bank Incentives**





Investment

Best Practices for Maximizing Investments:

- 1. Pre-Bond Issue Financing**
- 2. Investing Contingent to Other Match**
- 3. Use indirect “Revolving” Investments**





Services

Best Practices For Service Maximizing:

- 1. Support & host for the experts**
- 2. Apply “Train the Trainer” techniques**
- 3. Extend financial expertise and education in “production” form**
- 4. Add a business/account development component to all activities**





Leveraged!





The Bottom-line on CRA:

In Bankers terms: **CASH FLOW**

Your role in Community Development
should be:

- **Sustainable**
- **Profitable**
- **Marketable**

Make your role in Community Development
is your **BUSINESS STRATEGY**





Five Easy Steps to an Outstanding Performance

- 1. Get Commitment**
- 2. Motivate**
- 3. Select Great Partners**
- 4. Leverage Resources**
- 5. Market Success**





In Summary . . .

- *Incorporate CRA into everyday business practices--acting not only in compliance of the law, but in the spirit of the law, always maximizing your return.*





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