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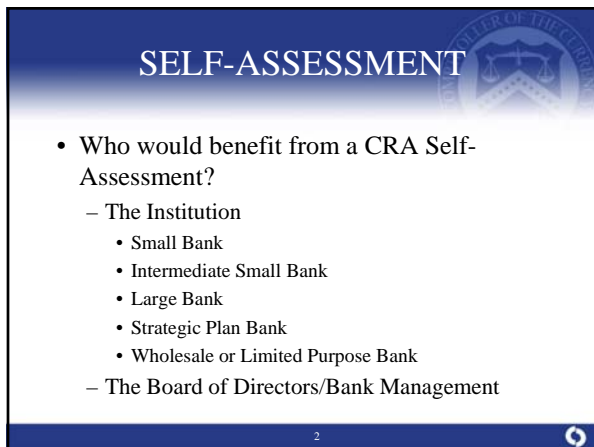
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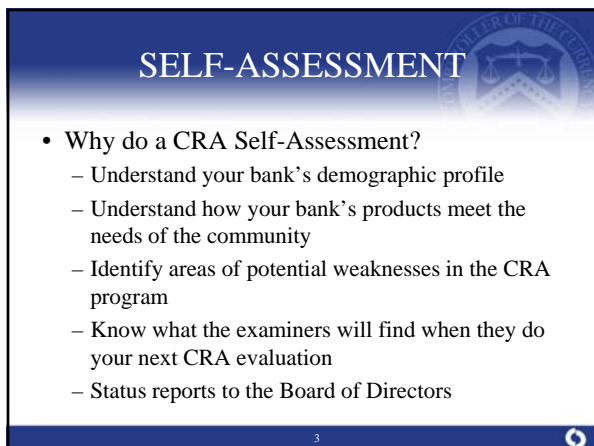
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## SELF-ASSESSMENT

- What areas should be reviewed
  - Assessment Area configuration/legality
    - Draw a MAP!!
    - Include branch locations
    - Review marketing techniques
  - HMDA data/CRA data accuracy
    - Can't accurately analyze your performance by using flawed data

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## SELF-ASSESSMENT

- Performance Context
  - Develop demographic profile
  - Consider talking to community groups or other community contacts about area needs
  - Determine if there is a need to develop products/services to meet needs
  - Review Performance Evaluations for other similarly situated institutions

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## SELF-ASSESSMENT

- Performance Context (continued)
  - Determine if your customer profile changed
  - Determine if your business strategy changed
  - Identify any constraints that may affect overall CRA performance
  - Identify any other factors that may affect performance

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## SELF-ASSESSMENT

- Lending Test
  - Volume of mortgage lending
    - Volume of mortgage lending to LMI borrowers
    - Volume of mortgage lending in LMI census tracts (CTs)
  - Volume of business lending
    - Volume of business lending to businesses with gross annual revenues of \$1 million or less
    - Volume of business lending to businesses in LMI CTs
  - Volume of farm lending (if applicable)

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## SELF-ASSESSMENT

- Lending Test (continued)
  - Aggregate industry data
  - In-out ratios
  - Loan-to-Deposit ratios
  - Market share/rank of HMDA and CRA lending
  - Identify any gaps in performance. Reasonable or need a plan to address gaps? Marketing?
  - Review loan products and compare to needs as determined in Performance Context review

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## SELF-ASSESSMENT

- Community Development
  - Community Development (CD) Test
    - Combination of CD Lending, Investments, Services
  - Qualified Investments
  - Community Development Services
- Identify opportunities for CD activity within your assessment area
  - Document responsiveness to community needs
  - Innovative products

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**AVOID CRA PITFALLS**

- Public File
- Lobby Notices
- Know your evaluation cycle and type
- Review areas outside your assessment area
- Draw a map! Consider branch locations
- Determine weight of assessment areas
- Determine weight of products

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**AVOID CRA PITFALLS**

- Track performance by assessment area
- Consider marketing techniques
  - Fair lending compliance critical to CRA performance
- CRA performance also affected by violations of other illegal credit practices (UDAP, Reg Z, etc.)

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**AVOID CRA PITFALLS**

- Your Performance Context is dynamic
- Don't wait until the evaluation to determine CD activity
  - Develop ongoing tracking process
- If you identify weaknesses, develop a plan to address it

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## AVOID CRA PITFALLS

- Make sure your Self-Assessment is realistic
- Be prepared with all request information
- Be available during the evaluation process to answer any questions that may arise.

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## AVOID CRA PITFALLS

- Communicate with your examiners!
- Establish ongoing dialog throughout the evaluation process and between evaluations
- Be organized and detailed in your information to examiners
- You won't get credit for things the evaluation team is not aware of.

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 Comptroller of the Currency  
Administrator of National Banks  
US Department of the Treasury

# Questions?

## Sheila Steck

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