Request for Approval under the "Generic Clearance for the Collection of Routine Customer Feedback" (OMB Control Number: 1559-0041)

TITLE OF INFORMATION COLLECTION: "Understanding CDFI Loan Funds current portfolio management and impact measurement practices".

PURPOSE: Understanding the current portfolio management and social impact measurement practices of 25 CDFIs that serve large numbers of customers and have a mix of business lines serving households (e.g. homeownership financing) and businesses (business financing).

DESCRIPTION OF RESPONDENTS: The 25 CDFIs will be those with the largest asset sizes and that have a similar mix of business lines serving households and businesses. The group will be roughly stratified in metro/non-metro and geographic distribution but it is not meant to be a random sample or to provide statistically significant results. Rather this is a qualitative data collection that will shed light on how higher capacity CDFIs currently manage their portfolios and how they measure social impacts related to their loans.

TYPE OF COLLECTION: (Check one)

[ ] Customer Comment Card/Complaint Form
[ ] Usability Testing (e.g., Website or Software
[ ] Focus Group
[ ] Customer Satisfaction Survey
[ ] Small Discussion Group
[X] Other: telephone

CERTIFICATION:

I certify the following to be true:
1. The collection is voluntary.
2. The collection is low-burden for respondents and low-cost for the Federal Government.
3. The collection is non-controversial and does not raise issues of concern to other federal agencies.
4. The results are not intended to be disseminated to the public.
5. Information gathered will not be used for the purpose of substantially informing influential policy decisions.
6. The collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the future.

Name: Greg Bischak, Program Manager FS&R, CDFI Fund

To assist review, please provide answers to the following question:

Personally Identifiable Information:
1. Is personally identifiable information (PII) collected? [ ] Yes [X] No
2. If Yes, will any information that is collected be included in records that are subject to the Privacy Act of 1974? [ ] Yes [ ] No
3. If Yes, has an up-to-date System of Records Notice (SORN) been published? [ ] Yes [ ] No

Gifts or Payments:
Is an incentive (e.g., money or reimbursement of expenses, token of appreciation) provided to participants? [ ] Yes [X] No

BURDEN HOURS

Category of Respondent	**No. of Respondents**	**Participation Time**	**Burden**
Large CDFIs	25	30-45 min.	~ 18.75 hrs.
Totals	25	30-45 min.	~ 18.75 hrs.

FEDERAL COST: The estimated ONE-TIME cost to the Federal government is $5,000.

If you are conducting a focus group, survey, or plan to employ statistical methods, please provide answers to the following questions:

The selection of your targeted respondents

1. Do you have a customer list or something similar that defines the universe of potential respondents and do you have a sampling plan for selecting from this universe?
[X] Yes [ ] No

If the answer is yes, please provide a description of both below (or attach the sampling plan)? If the answer is no, please provide a description of how you plan to identify your potential group of respondents and how you will select them?

> The 25 CDFIs will be those with the largest asset sizes (selected from the upper quintile by asset size) and that have a similar mix of business lines serving households and businesses. The group will be roughly stratified in metro/non-metro and geographic distribution but it is not meant to be a random sample or to provide statistically significant results; rather the survey will provide qualitative information on how high-capacity CDFIs manage data collection on portfolios and social impact measurement.

Administration of the Instrument

1. How will you collect the information? (Check all that apply)
   - [ ] Web-based or other forms of Social Media
   - [X] Telephone
   - [ ] In-person
   - [ ] Mail
   - [ ] Other, Explain
2. Will interviewers or facilitators be used? [X] Yes [ ] No

Please make sure that all instruments, instructions, and scripts are submitted with the request.

The 25 organizational representatives will be called to provide short answers to the following questions.

<u>Structured Interview Guide Script:</u>

Purpose: To understand CDFI practices for setting goals and documenting impacts.

Topics: This questionnaire will address:

- How CDFIs view their mission: financial return versus social impact.
- How CDFIs define and quantify their social impacts.
- Their reasons for examining social impacts.
- The type of data collected and the manner of data collection.

Section 1: Organizational Background

1. What is the primary type of lending done by your organization?
    - Homeownership
        - Purchase
        - rehab
    - Rental housing development
        - affordable
        - special needs
    - Non-housing real estate development
        - education
        - cultural
        - community
        - other
    - Business
        - micro
        - entrepreneur support
        - façade, infrastructure and business district development
    - Multiple types
2. How long has your organization been lending?
3. Does your organization provide technical assistance? What portion of the staff are dedicated to technical assistance provision?
    - homeownership counseling
    - financial fitness
    - business development
    - real estate development
    - entrepreneurship training
    - loan packaging
4. What products do you offer? What are the characteristics of your products?

Section 2: Mission, goals and impacts

5. What is the investment philosophy of the organization?

- Above market rate returns
- Market rate returns
- Below market, above principal
- Principal only
- Less than principal

6. How do you describe the goal of the organization’s impact investment activities?
   - Optimize financial returns with impact floor
   - Optimize impacts with financial floor
   - Balance financial returns and impact
7. How do you characterize the goal of your impact investment?
   - Have impact in a given geographic area, no population specified.
   - Focus impacts on a specific population, no geographic area.
     - Low-income
     - Minority
     - Female-headed, -owned
   - Have impact on specific place and population.
   - Focus impacts on a type regardless of population or location
     - Homeownership
     - Affordable housing
     - Business development
     - Community facilities
     - Other
   - Impacts are on specific type for identified population in target area.

Section 3: Measuring Impacts

8. What types of impacts do you measure?
9. What is the driver of that measurement effort?
   - Ensure sound practices are in place
   - Reporting to key stakeholders
   - Strengthen organization’s reputation
   - Better manage portfolio
   - Attract capital
   - Long-term success
   - Be recognized as leader in impact assessment
   - Increased transparency

10. Who drives the organization to seek impact information?
    - Board of directors
    - Staff
    - CDFI Fund
    - Bank investors
    - Foundation investors
    - Corporate investors
    - Other

11. Has anyone ever examined your impacts in any systematic way? Does the organization have any partnerships with universities, foundations or others that lead to examining impacts?

12. What barriers to impact measurement do you face?

- Insufficient value to organization to justify cost
- Limited knowledge/expertise about impact measurement
- Investors set reporting requirements, measurements
- Difficulty adopting standard measures

13. Familiarity with or use of impact measures:

- Impact Reporting and Investment Standards
- Success Measures
- Other

14. What areas of investment does the organization collect or track?

- Borrower credit score
- Mortgage performance (delinquency, default)
- Business performance (business health indicators)
- Business outcomes
    - Jobs created
    - Dollars invested/leveraged
    - Square footage
- Community facility impacts
    - People served
    - Dollars invested/leverage
    - Square footage
- Community impacts

15. How are the data kept? Is there a quality assurance component to the data collection?

16. Are you willing to share your data collection system with the research team?

Instructions for completing Request for Approval under the "Generic Clearance for the Collection of Routine Customer Feedback"

TITLE OF INFORMATION COLLECTION: Provide the name of the collection that is the subject of the request. (e.g. Comment card for soliciting feedback on xxxx)

PURPOSE: Provide a brief description of the purpose of this collection and how it will be used. If this is part of a larger study or effort, please include this in your explanation.

DESCRIPTION OF RESPONDENTS: Provide a brief description of the targeted group or groups for this collection of information. These groups must have experience with the program.

TYPE OF COLLECTION: Check one box. If you are requesting approval of other instruments under the generic, you must complete a form for each instrument.

CERTIFICATION: Please read the certification carefully. If you incorrectly certify, the collection will be returned as improperly submitted or it will be disapproved.

Personally Identifiable Information: Provide answers to the questions. Note: Agencies should only collect PII to the extent necessary, and they should only retain PII for the period of time that is necessary to achieve a specific objective.

Gifts or Payments: If you answer yes to the question, please describe the incentive and provide a justification for the amount.

BURDEN HOURS:
Category of Respondents: Identify who you expect the respondents to be in terms of the following categories: (1) Individuals or Households;(2) Private Sector; (3) State, local, or tribal governments; or (4) Federal Government. Only one type of respondent can be selected per row.
No. of Respondents: Provide an estimate of the Number of respondents.
Participation Time: Provide an estimate of the amount of time required for a respondent to participate (e.g. fill out a survey or participate in a focus group)
Burden: Provide the Annual burden hours: Multiply the Number of responses and the participation time and divide by 60.

FEDERAL COST: Provide an estimate of the annual cost to the Federal government.

If you are conducting a focus group, survey, or plan to employ statistical methods, please provide answers to the following questions:

The selection of your targeted respondents. Please provide a description of how you plan to identify your potential group of respondents and how you will select them. If the answer is yes, to the first question, you may provide the sampling plan in an attachment.

Administration of the Instrument: Identify how the information will be collected. More than one box may be checked. Indicate whether there will be interviewers (e.g. for surveys) or facilitators (e.g., for focus groups) used.

Submit all instruments, instructions, and scripts are submitted with the request.