

Organizational Checklist for Native CDFIs

1 Mission/strategy

- Do you have a board-approved mission statement that provides for lending to American Indian, Alaska Native, or Native Hawaiian communities?
- 1.1 Do you have a strategic plan?
If yes, was it adopted in the past three years?
If yes, does it include an annual work plan that supports your strategic goals and objectives?
- If yes, does it establish milestones that your CDFI seeks to achieve?
If yes, is the implementation of your strategic plan and related annual work plan tied to your staff's performance evaluations?
If yes, does your strategic plan envision expanding into any new lines of business?

2 Board governance

- 2.1 Are all of your board positions filled, as defined by your bylaws?
Do you provide new board members with an orientation to help them understand their roles and responsibilities?
- 2.2 Do more than 50% of your board members demonstrate and understand the role of a CDFI?
- 2.3 Does your board meet at least once per quarter?
- 2.4 Does your board reach a quorum for the majority of your board meetings?
Does your board chair communicate at least monthly with your executive director?
- 2.5 Does your board include community leaders from your target market?
- 2.6 Does your board have the appropriate level of CDFI expertise, e.g., in finance, lending, community development, fundraising, etc. to provide oversight, conduct due diligence, and provide constructive input on the development and implementation of products and services?
Does your board provide oversight for your CDFI's strategic direction rather than managing day-to-day operations?
- 2.7 Does your board provide oversight for your CDFI's strategic direction rather than managing day-to-day operations?
- 2.8 Does your board provide oversight for your CDFI's strategic direction rather than managing day-to-day operations?
- 2.9 Does your board provide oversight for your CDFI's strategic direction rather than managing day-to-day operations?

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- 2.1 Do your board members understand that they cannot exercise political influence over your CDFI's operations?

3 Leadership

- 3.1 Does your executive team have the capacity and expertise to effectively manage your CDFI's operations?

- 3.3 Does your executive team have peer learning and professional development opportunities to expand their capacity to manage your CDFI?

- 3.4 Has your board adopted a succession plan?

If yes, does the succession plan govern long-term, anticipated transitions of executive leadership?

If yes, does the succession plan govern transitions for unanticipated executive level vacancies?

4 Human Resources

- 4.1 Do you have an employee handbook and human resources policies and procedures in place?

- 4.2 Are all of your approved staff positions filled?

Are less than 25% of staff positions are vacant?

- 4.4 Do you have a human resources plan to address future staffing and training needs?

- 4.5 Have you had two or fewer executive directors in the past five years?

- 4.6 Is your personnel cross-trained to serve temporary roles?

- 4.7 Are your employees mission-oriented and capable of meeting the day-to-day operational needs of the organization?

- 4.8 Do you have a performance evaluation process with a timeline for performance reviews?

Do you offer employee benefits? (e.g. retirement plan, health insurance, life insurance, paid vacation, education reimbursement?)

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4.9 Do you provide professional development opportunities for employees?

5 Financial

- 5.2 Do you have a finance manager (either on staff or as a contracted consultant)?
- 5.3 Do you have a basic financial management operating system, e.g., QuickBooks, etc.?
- 5.4 Do you have accounting and internal controls to manage separate accounts?
- 5.5 Do you have audited financial statements?
- 5.6 Has your board adopted a capitalization plan to guide your resource development efforts and program sustainability?
- 5.7 Do you have sufficient lending capital to service your loan pipeline?
- 5.8 Have you diversified your funding base beyond the CDFI Fund?
- 5.9 Do you have adequate capital to cover your operating budget for one to two years?
- 5.10 Have you accessed debt as a source of capital?
- Are you implementing strategies to generate revenue through earned income, e.g., interest, loan fees, fee for service, etc.?

6 Operations

- 6.1 Do you have a board-approved policies and procedures manual?
- 6.2 Do you have a Management Information System (MIS) to capture and track data?
- 6.3 If yes, does your staff actively use the MIS system?
- 6.4 Do you have a process for tracking your community impact?
- 6.5 Do you have an evaluation program to measure the success of your programming?
- 6.6 Do you have a marketing plan to reach your potential clients?
- 6.7 Do you have marketing materials that describe your loan products and services?

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- 6.8 Do you have a website that lists your loan products and services?
- 6.9 Do you use social media, e.g. Facebook, Twitter, etc.?
- 6.10 Do you use a Customer Relationship Management (CRM) tool?
Do you have written documents that summarize your accomplishments and
- 6.11 success stories?
- 6.12 Do you publish an annual report?

7 Products/services

- Have you conducted a market study to show the need and demand for your
- 7.1 products and services?
- 7.2 If yes, has it been completed in the last three years?
Do you have dedicated lending staff?
- If yes, are they adequately trained in each of the elements of lending such as
- 7.3 preparing borrowers, underwriting, loan packaging, and closing?
Do you have board-adopted loan policies in place?
- 7.4 If yes, do you use the loan policies?
Do you have an active, functioning loan committee that meets at least
- 7.5 quarterly?
- 7.6 Do you service your loans?
Do you have an early intervention process for clients who fall behind on
- 7.7 their payments?
- 7.8 Are you a federal guaranteed lender? (e.g. SBA, HUD, BIA)
- 7.9 Do you have a strategy to improve your loan deployment rate?
Have you considered providing additional loan products in the last 12
- 7.10 months?
- 7.11 Are you meeting more than 50% of the capital needs of your target market?
- 7.12 Have you ever done a participation loan with a bank or other lender?
Are you providing adequate development services to support your business
- 7.13 model and loan product offerings?
Does your staff have the training and capacity to effectively deliver the
- 7.14 needed development services?

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7.20 Please explain:

Do you evaluate your development services to determine their effectiveness?

8 Community relations/partnerships

Do you have a positive working relationship with your tribal or community

8.1 leadership?

8.2 Is your tribal or community leadership supportive of your work?

Do you have strong partnerships in your target market that help you carry out your work?

8.3

Do you have systems in place, e.g., MOUs, scheduled communication, etc.,

8.4 to ensure that partnerships run smoothly?

8.5 Have your existing partnerships been successful and mutually beneficial?

Are members of your target market community aware of and supportive of

8.6 your work?

8.7 Do you have a positive reputation in your target market?

Do community organizations reach out to you to include you in their

8.8 efforts?