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## COIN CDFI Certification Application Guidelines

### Purpose

COIN evaluates CDFI applications on an ongoing basis. CDFIs are mission-driven community organizations, separate from government control, dedicated to providing financial products and services to low-income communities underserved by traditional financial markets.

### COIN CDFI Certification Minimum Criteria:

- 1) is a private financial institution; and
- 2) is located in California; and
- 3) has community development as its primary mission; and
- 4) lends or invests in urban, rural, or reservation-based communities within California.

### What to Include in Your New COIN CDFI Application

An applicant shall file a completed application, on paper, using the current form provided by COIN:

- 1) General applicant information summary.
  - (A) Name of the applicant.
  - (B) Telephone number, fax number, business address, mailing address, and e-mail address of applicant's chief executive officer.
  - (C) Applicant's mission statement establishing that community development is the applicant's primary mission, and brief description of the types of programs provided by the applicant (e.g.: lending or investment in urban, rural, or reservation-based communities within California).
  - (D) Applicant's geographic service area, describing particularly areas served in California.
  - (E) Organizational historical and background information, including services historically provided.
  - (F) Legal organization of applicant (e.g.: incorporated private financial institution, 501(c)(3) not-for-profit corporation).
  - (G) Taxpayer identification number, if available.
  - (H) U.S. Department of Treasury CDFI certification letter and status, if applicable.
  - (I) U.S. Department of Treasury Community Development Entity (CDE) certification letter and status under the New Markets Tax Credit Program, if available.
- 2) Applicant CDFI information.
  - (A) Applicant shall describe how the applicant satisfies the criteria for certification; and
  - (B) Applicant shall state whether, within five (5) years from the application date, it will change its operations or business plan such that it will no longer satisfy the certification criteria.
- 3) Supporting documents and other Information.
  - (A) Cover letter stating how the applicant satisfies the statutory criteria.
  - (B) Narrative explanation of how the applicant implements its mission statement.

- (C) Formation documents for the applicant, including Articles of Incorporation and Bylaws.
- (D) Organizational chart.
- (E) List of Board of Directors membership and resumes for all board members.
- (F) List of corporate officers (or organizational equivalent) and officer duties, and resumes for all corporate officers.
- (G) Description of the process for making major decisions regarding operations, investments, expenditures and loans, including identification of the decision-makers and their roles.
- (H) Most recent annual report.
- (I) Audited financial statements for preceding three years and unaudited financial statements for the most recently concluded quarter.
- (J) Marketing materials for the applicant, if any.
- (K) California Statement of Domestic Nonprofit Corporation, if applicable.
- (L) Internal Revenue Code Section 501(c)(3) or 501(c)(4) determination letter, if applicable.
- (M) Regulatory charter, if the applicant is a financial institution subject to state or federal regulation.
- (N) Bank or credit union ratings by regulator.
- (O) CARS™ (CDFI Assessment and Ratings System) rating, if available.
- (P) Other documents deemed relevant by the applicant.

#### CDFI Renewal

Certification will be renewed annually pending a satisfactory review by COIN. Documents required:

- 1) Cover letter, clearly stating how the applicant meets each of the four minimum requirements.
- 2) Mission statement.
- 3) Organizational chart.
- 4) Board of Directors membership list.
- 5) Annual report.
- 6) Audited financial statements for the most recently concluded year, if available.
- 7) Unaudited financial statements for the most recent quarter.

#### Recertification: recertification period

Recertification will occur triennially pending prior satisfactory annual reviews by COIN.

- (A) At least 30 days prior to expiration of certification, a certified CDFI may submit a new application for certification. Provided that the certified CDFI has timely filed under this subdivision, its certification will remain in effect during review of the renewal application.
- (B) COIN may establish a recertification period during which all certified CDFIs shall submit a new application for certification. Any recertification period shall be subject to the conditions set forth:
  - 1) At least ninety (90) days before applications are due as part of a recertification period, COIN shall publish on its website the final date when certification applications will be accepted.
  - 2) No CDFI shall be required to apply for recertification prior to 24 months after its most recent certification.
  - 3) If a certified CDFI fails to timely apply for recertification pursuant to this section, its certification will expire.
  - 4) Upon good cause and sufficient notice, COIN may modify the periods in this section.

## Application Cover Letter

- 1) Applications shall contain an original signed statement by the applicant's chief executive officer attesting that all contents of the application and supporting documents are true and complete to the best of the signer's knowledge, and acknowledging all of the following:
  - (A) That the program may change due to statutory, regulatory, or judicial actions.
  - (B) That the applicant has obtained the necessary corporate authorizations and that its charter or foundational documents allow it to apply for certification and participation in the COIN program.
  - (C) That certified CDFIs shall be private institutions, the board composition of which may not exceed 49% public officials.
  - (D) That certification is non-transferrable.
  - (E) That a certified CDFI that is bought, sold, merged, or otherwise has a change in control shall submit a new application.
  - (F) That certification may be terminated.
  - (G) That information submitted to COIN is subject to disclosure under the California Public Records Act.
- 2) An applicant may not change or supplement an application after an application deadline without COIN's prior consent, which may only be granted for good cause shown.
- 3) COIN may reject an application for any of the reasons listed below:
  - (A) The application is received after a deadline for filing applications. Applicants shall retain evidence of timely application-submittal, and may be requested to provide proof of filing.
  - (B) The application does not contain all information and documents required.
  - (C) The applicant has failed to provide information requested by COIN.
  - (D) The applicant does not meet the requirements for certification.
  - (E) The applicant is subject to the grounds for denial.

To apply, please submit application to:

California Organized Investment Network  
California Department of Insurance  
300 S. Spring Street, 11<sup>th</sup> Floor  
Los Angeles, CA 90013