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Community Development Financial Institutions Fund
U.S. Department of the Treasury
1500 Pennsylvania Ave. NW., Washington, DC 20220
Via email: CDFIhelp@cfdi.treas.gov

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Dear Greg:

Opportunity Finance Network appreciates the opportunity to comment on the Community Investment Impact System (CIIS). We commend the attention the Fund has given to updating its technology and systems, including those it uses for data collection and management. The letter OFN submitted on the CDFI Fund's data collection strategies in 2010, the last time the CDFI Fund reviewed its data collection instruments, lays out principles that form the basis of OFN's recommendations. A copy of that letter is attached. The core principles that the CDFI Fund should use in its data collection—to collect high-quality data and minimize burdens on CDFIs—remain the same.

Though the principles remain the same, the landscape has changed significantly. In the last three years, new federal partners have looked to certified CDFIs as strategies to deploy capital into underserved communities. In the public sector, CDFIs are higher-profile than ever, with an increasing number of federal and state investors seeking information about the industry. This interest makes the CDFI Fund's role as a source of high-quality data from the largest portion of the CDFI industry even more critical.

Concurrent with heightened interest in channeling capital through the industry, an increasing number of entities are requesting data from CDFIs: the federal agencies that have new opportunities for them to participate; the CDFI Assessment and Ratings System (CARS ®) data warehouse, for rated CDFIs; and the forthcoming the small-business data collection mandated by the Dodd-Frank Act. These tools have different objectives and uses, but they will all be most useful if the information they collect is consistent. In addition to its role as a primary data collector, the CDFI Fund should lead and contribute to any other federal department's effort to collect information from CDFIs, encouraging agencies to use existing sources of information where possible.

In 2010, we noted that "Many CDFIs do not lend directly to individuals, and do not have demographic information on end-users easily available. They likely cannot or will not want to require their borrowers to collect this information. In addition, CDFIs engage in significant pre-development lending; it is often impossible to obtain accurate demographic information on the end-users at the time the loan is committed." OFN's role as a CDFI intermediary—an additional step removed from the end beneficiary—makes this situation even more challenging. We



encourage the Fund to find ways, in its data collection and elsewhere, to address the role of intermediary CDFIs.

Thank you for your consideration of our comments. We look forward to continuing to work with the CDFI Fund on efforts to ensure high-quality data collection.

Sincerely,

Mark Pinsky
President and CEO