Affiliations Application: CDFIs Financial Ratios Overview

Historically, the CDFI Fund established industry specific Minimum Prudent Standards (MPS) to calculate ratios for the assessment of the entities that apply for CDFI and Native American CDFI Assistance (NACA) Program awards. As the CDFI Fund moved to using the CAMEL Rating Analysis, many certified CDFIs continue to incorporate these financial and operational ratios in assessing their performance. As part of the Affiliations Application Part 2, CDFI organizations are asked to provide the CAMEL Ratios as noted below. The data is requested either to be directly inputted into the application or through document upload.

Financial Ratio	**Calculation Instruction**
Annual Net Loan Loss Ratio	["Charge-offs ($)" – "Recoveries ($)"] ÷ ["Total Equity Investments Portfolio ($)" + "Total On-Balance Sheet Loan Portfolio ($)"]
Delinquency Ratio	["Loans Delinquent 61 to 90 days ($)" + "Loans 90 Days (or more) Past Due ($)"] ÷ ["Total Equity Investments Portfolio ($)" + "Total On-Balance Sheet Loan Portfolio ($)"]
Loan Loss Reserve Ratio	"Allowance for Loan and Lease Losses ($)" ÷ ["Total Equity Investments Portfolio ($)" + "Total On-Balance Sheet Loan Portfolio ($)"]
Portfolio at Risk Ratio	["Loans 90 Days (or more) Past Due ($)" + "Other Real Estate Owned (OREO) ($)" + "Troubled Debt Restructuring ($)"] ÷ ["Total Equity Investments Portfolio ($)" + "Total On-Balance Sheet Loan Portfolio ($)"]
Change in Portfolio at Risk Ratio	["PAR" – "PAR (Prior)"] ÷ "PAR (Prior)"
Net Asset Ratio	"Total Net Assets or Equity ($)" ÷ "Total Assets ($)"
Change in Net Asset Ratio	["Net Asset Ratio" – "Net Asset Ratio (Prior)"] ÷ "Net Asset Ratio (Prior)"
Total Assets	"Total Assets ($)"
Change in Total Assets	["Total Assets" – "Total Assets (Prior)"] ÷Total Assets (Prior)
Unrestricted Net Asset Ratio	"Unrestricted Net Assets ($)" ÷ "Total Assets ($)"
Income Ratio	"Total Revenue ($)" ÷ "Total Expenses ($)
Interest Coverage Ratio	"Interest Revenue ($)" ÷ "Interest Expense ($)"
Interest Coverage Ratio II	["Operating Revenue ($)" – "Operating Expenses ($)" – "Interest Expense ($)"] ÷ "Interest Expense ($)"
Change in Net Income	["Net Income" – "Net Income (Prior)"] ÷ "Net Income (Prior)"
Reliance on Government Funding Ratio	"Government Grants ($)" ÷ "Total Revenue ($)"
Self Sufficiency Ratio	"Earned Revenue ($)" ÷ "Operating Expenses ($)"
Change in Self Sufficiency Ratio	["Self-Sufficiency Ratio" – "Self-Sufficiency Ratio (Prior)"] ÷ "Self-Sufficiency Ratio (Prior)"
Financing Capital Liquidity Ratio	"Available Financing Capital ($)" ÷ "Commitments ($)"
Current Ratio	"Current Assets ($)" ÷ "Total Current Liabilities ($)"
Deployment Ratio	["Total Equity Investments Portfolio ($)" + "Total On-Balance Sheet Loan Portfolio ($)"] ÷ "Total Financing Capital ($)"
Change in Deployment Ratio	"Deployment Ratio - Deployment Ratio (Prior)" ÷ "Deployment Ratio (Prior)"
Operating Cash Ratio	["Unrestricted Cash & Cash Equivalents ($)" + "Cash Restricted for Operations ($)"] ÷ ["Total Expenses ($)" – "Non-cash Expenses ($)"]
Operating Cash Ratio II	["Unrestricted Cash & Cash Equivalents ($)" + "Cash Restricted for Operations ($)"] ÷ "Operating Expenses ($)"