

**THE COMMUNITY REINVESTMENT ACT**

**BANKS, THE CRA  
AND GETTING MORE  
EMPLOYEES INVOLVED**



The Federal Reserve's Community Reinvestment Act (CRA) of 1977 was created to not only provide lending opportunities for low and moderate-income (LMI) businesses and borrowers, but to also encourage banks to create robust volunteerism programs that contribute to communities on a personal level.

These create a deeper relationship between the bank and the community, and strengthen employees' relationships with their banks. With the popularity of workplace volunteer programs, the enforcement policies of the CRA, and the need for recruiting and retaining employee talent, overcoming the complexities of managing a growing volunteer program are more vital than ever.

### Fulfilling Your Community Reinvestment Act Credit

CRA Compliance is mandatory and monitored, as all financial institutions are subject to enforcement of the CRA. Regular performance evaluations are conducted to measure banks' efforts to satisfy CRA requirements. Regulators evaluate and grade financial institutions against many qualifying activities and contributions, with the goal being the extent to which a company makes products and services accessible to Low and Moderate Income (LMI) individuals.

To help ensure a high grade, many banks fulfill this CRA lending criteria through supporting community development services. This includes volunteering at events and for programs that support affordable housing and local small businesses. Additionally, it promotes engaging in activities that revitalize and promote growth in LMI communities.

### Why Banks Volunteer

Deeply involved in their communities, bank employees have always invested time, money and resources. Banks are historically great partners to the businesses and residents in their neighborhoods. And like other progressive employers, banks invest in volunteerism to drive employee engagement. With a rush of millennials in the workplace comes an even greater emphasis on creating engagement to lower hiring costs and increase retention.

### Putting Employee Volunteerism to Work

The Federal Reserve credits banks for volunteer hours that meet CRA criteria. That means there are twice as many reasons for banks to create or expand great volunteer programs that count towards CRA credit. Employee engagement is a commitment, passion, and loyalty towards a company. The more engaged an employee is, the more work they contribute. And engagement leads to higher productivity, increased employee retention, reduced absenteeism, even higher revenues. In fact, studies show firms with greater corporate responsibility reduce average turnover by 25% - 50%. It can reduce annual quit rates by 3% - 3.5%, saving 90% - 200% of an employee's annual salary for each retained position.

The outcomes include a return-on-investment and happier employees. Millennials drive much of the discussion, yet the benefit spans all ages.

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InvolveSoft helps teams volunteer in the community, find and match volunteer opportunities and share team experiences.

To learn more, contact us:

[www.involvesoft.com](http://www.involvesoft.com)

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Up to  
**50%**  
reduction in average  
employee turnover  
at organizations with  
robust corporate  
responsibility  
programs.  
(Comp Data)

**RETAIN EMPLOYEES**

**77%**

**of workers indicate a company's commitment to social issues is important when they decide where to work.**  
(Strandberg)

**INSPIRE LEADERSHIP**

**75%**

**of voluntary turnover can be influenced by managers; Volunteering develops leadership skills among managers in your organization.**  
(Gallup)

**REDUCE ABSENTEEISM**

**28%**

**difference in absenteeism in companies with employee strong engagement compared to companies without.**  
(SurePayroll)

**GROW SALES**

**350%**

**more likely for consumers to purchase products from companies they hold in high regard.**  
(Reputation Institute)

**The Right Tools Make a Difference**

Managing corporate volunteerism programs are a lot of work, especially where CRA compliance is concerned. A successfully managed volunteer program benefits from these key elements:

- 1) A great selection of CRA compliant volunteering events
- 2) Reporting that easily informs your banks CRA compliance efforts
- 3) Driving participation and attendance through scheduling efficiencies

Through InvolveSoft, delivering a world-class corporate volunteer program also means exceeding your requirements for the Community Reinvestment Act, including engaging your employees, simplifying your volunteer program efforts, satisfying CRA compliance and giving back to your community.

*InvolveSoft is a fully hosted, SaaS Volunteer and Engagement Platform that takes 30 minutes to deploy and won't break the budget.* It reduces volunteer program management and CRA compliance to a fraction of its level of effort. Banks can easily and effectively engage employees to increase volunteer participation, leadership activities and their bond with the community.

InvolveSoft makes it easy to search for CRA-compliant volunteer programs from tens of thousands of local event choices. Through a single, simple application, vetted volunteer events can be identified, promoted, managed and tracked. Sign-ups are done within the system, without requiring you to leave the site; all reducing effort and error. What was complex and tedious is now simple and more effective. Our average increase in program participation exceeds three times the prior levels.

**Contact us for a demo of the platform today!**

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