ANNUAL REPORT 2019

Federal Financial Institutions Examination Council

Federal Financial Institutions Examination Council

40 YEARS

1979—2019

Board of Governors of the Federal Reserve System | Consumer Financial Protection Bureau

Federal Deposit Insurance Corporation | National Credit Union Administration

Office of the Comptroller of the Currency | State Liaison Committee

Members of the Council

Kathleen Kraninger,
FFIEC Chairman,
Director, Consumer Financial Protection Bureau

Rodney E. Hood,
FFIEC Vice Chairman,
National Credit Union Administration

Jelena McWilliams,
Chairman, Federal Deposit Insurance Corporation

Federal Financial Institutions Examination Council

Greg Gonzalez,
Chairman,
State Liaison Committee,
Commissioner, Tennessee Department of Financial Institutions

Randal K. Quarles,
Member and Vice Chair for Supervision, Board of Governors of the Federal Reserve System

Joseph M. Otting,
Comptroller of the Currency,
Office of the Comptroller of the Currency

Letter of Transmittal

Federal Financial Institutions Examination Council

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March 30, 2020

The President of the Senate
The Speaker of the House of Representatives

Pursuant to the provisions of section 1006(f) of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 (12 U.S.C. § 3305), I am pleased to submit the 2019 Annual Report of the Federal Financial Institutions Examination Council.

Respectfully,

Kathleen L Kraninger

Kathleen Kraninger
Chairman

Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, State Liaison Committee

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The full report can be accessed online at https://www.ffiec.gov/reports.htm.

Chart of Selected Abbreviations

ACSSS	American Council of State Savings Supervisors
ALG	Agency Liaison Group
AML	Anti-Money Laundering
APR	Annual Percentage Rate
APRWIN	Annual Percentage Rate Calculation Program for Windows
APY	Annual Percentage Yield
APYWIN	Annual Percentage Yield Calculation Program for Windows
ASC	Appraisal Subcommittee
BHC	Bank Holding Company
BSA	Bank Secrecy Act
Call Report	Consolidated Reports of Condition and Income
CCIWG	Cybersecurity and Critical Infrastructure Working Group
CDR	Central Data Repository
CECL	Current Expected Credit Losses
CFPB	Consumer Financial Protection Bureau
Council	Federal Financial Institutions Examination Council
CRA	Community Reinvestment Act
CSBS	Conference of State Bank Supervisors
DIF	Deposit Insurance Fund
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
EEO	Examiner Education Office
EGRPRA	Economic Growth and Regulatory Paperwork Reduction Act of 1996
EGRRCPA	Economic Growth, Regulatory Relief, and Consumer Protection Act of 2018
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FDICIA	Federal Deposit Insurance Corporation Improvement Act of 1991
FFIEC	Federal Financial Institutions Examination Council
FHC	Financial Holding Company
FinCEN	Financial Crimes Enforcement Network
FIRIRCA	Financial Institutions Regulatory and Interest Rate Control Act of 1978
FIRREA	Financial Institutions Reform, Recovery, and Enforcement Act of 1989
FRB	Board of Governors of the Federal Reserve System
FSOC	Financial Stability Oversight Council
HMDA	Home Mortgage Disclosure Act of 1975
IT	Information Technology
LAG	Legal Advisory Group
NASCUS	National Association of State Credit Union Supervisors
NCUA	National Credit Union Administration
OCC	Office of the Comptroller of the Currency
PRA	Paperwork Reduction Act of 1995
SEC	Securities and Exchange Commission
SLC	State Liaison Committee
SLHC	Savings and Loan Holding Company
SOD	Summary of Deposits
TFCC	Task Force on Consumer Compliance
TFEE	Task Force on Examiner Education
TFIS	Task Force on Information Sharing
TFOR	Task Force on Reports
TFOS	Task Force on Supervision
TFSS	Task Force on Surveillance Systems
UBPR	Uniform Bank Performance Report

Message from the FFIEC Chairman

FFIEC Chairman, Kathleen Kraninger

This year marks the 40th Anniversary of the Federal Financial Institutions Examination Council (FFIEC or Council). At this important milestone, I am pleased to report that the FFIEC has continued to advance the mission imparted upon it by Congress: to foster communication, cooperation, and coordination in order to promote uniformity in supervision.

I would like to take this opportunity to highlight certain initiatives undertaken by the Council, its task forces, and interagency working groups during the year. These efforts have focused on reducing burden on institutions and increasing transparency, while maintaining the highest standards of safety and soundness and consumer protection. Additional information on these achievements, as well as other projects and initiatives, are included in this report in the Record of Council Activities and Activities of the Interagency Staff Task Forces.

Modernized Examination Processes

The Council concluded the Examination Modernization Project, which identified and assessed ways to improve the effectiveness, efficiency, and quality of community financial institutions safety and soundness examination processes. The project was a follow-up to the review of regulations under the Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) completed in 2017. Under this multi-year project, the agencies compared current processes involving staff, technology utilized, products generated, and work completed on- and off-site. The agencies also sought feedback from both regulated institutions and examiners.

Building on efforts undertaken in 2017 and 2018, the FFIEC continued to explore ways to improve efficiencies in examination processes while reducing burden on entities. In March 2019, the FFIEC issued a Statement on the Report of Examination that establishes a set of common principles for writing Reports of Examination. Although this issuance concluded the Examination Modernization Project, the Council will continue to explore ways to leverage technology to streamline information gathering and file transfer processes between entities and the agencies.

Developed Common Examination Procedures and Tools

The Council facilitated the approval of interagency examination procedures for the Electronic Fund Transfer Act and Truth in Lending Act (implementing changes related to the Consumer Financial Protection Bureau's Prepaid Account rulemaking), Home Mortgage Disclosure Act (HMDA), and the Biggert-Waters Flood Insurance Reform Act. The FFIEC also issued the Business Continuity Management booklet of the FFIEC Information Technology (IT) Examination Handbook which provides a principles-based approach to examining IT risk management. In 2019, the FFIEC completed its multi-year development of new calculation tools to replace APYWIN and APRWIN, which examiners and financial institutions use to calculate annual percentage yield (APY) or annual percentage rate (APR) in support of consumer protection rules. The new web-based tools, Federal Disclosure Computational Tools, are expected to be released in early 2020.

Expanded the Asset-Size Threshold for Streamlined Consolidated Reports of Condition and Income (Call Report) Filers

In June 2019, the federal banking agencies adopted a final rule expanding the asset-size threshold for eligibility to file the streamlined FFIEC 051 Call Report from $1 billion to $5 billion. This burden-reducing measure will reduce by approximately 37 percent the number of existing data items reportable in the FFIEC 051 Call Report for the first and third calendar quarters. By raising the threshold for filing the streamlined Call Report to $5 billion in total assets, more than 95 percent of all filers would be eligible to file the FFIEC 051 Call Report. These new reporting requirements took effect as of the September 30, 2019, reporting date.

Explored Alternative Delivery Methods for FFIEC Training

One of the FFIEC's most important functions is to conduct examiner training. In 2019, the FFIEC has made efforts to explore alternative delivery methods for examiner training courses in order to allow more examiners the opportunity to participate remotely. An increased number of courses were offered via livestream in 2019, making more sessions available to examiners who may not be able to attend otherwise due to travel or budgetary concerns. The Council will continue to explore ways to leverage technology to deliver these important training opportunities to the widest possible audience of examiners.

Conclusion

Finally, I would like to thank the dedicated staff members of the FFIEC, as well as the representatives from all of the member agencies and state regulators who participate on the Council's task forces and working groups. I am honored to serve as the Chairman of the FFIEC and am pleased to continue to lead this important institution in the spirit of collaboration and innovation.

Overview of the Federal Financial Institutions Examination Council Operations

The Federal Financial Institutions Examination Council (FFIEC or Council) was established on March 10, 1979, pursuant to title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 (FIRIRCA), Public Law 95-630. The purpose of title X, cited as the Federal Financial Institutions Examination Council Act of 1978, was to create a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the constituent agencies, and to make recommendations to promote uniformity in the supervision of financial institutions. The Council is responsible for developing uniform reporting systems for federally supervised financial institutions, their holding companies, and the nonfinancial institution subsidiaries of those institutions and holding companies. It conducts schools for examiners employed by the five federal member agencies represented on the Council and makes those schools available to employees of state agencies that supervise financial institutions.

To encourage the application of uniform examination principles and standards by the state and federal supervisory authorities, the Council established, in accordance with the requirement of FIRIRCA, the State Liaison Committee (SLC).

Membership, Organization, and Administration of the Council

Members of the Council

By statute, the Council has six voting members. The most recent revision to the membership occurred in 2010 through a provision in the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Thus, since 2011 the Council Members are

- a member of the Board of Governors of the Federal Reserve System (FRB), appointed by the Chairman of the Board;
- the Chairman of the Federal Deposit Insurance Corporation (FDIC);
- the Chairman of the National Credit Union Administration (NCUA);
- the Comptroller of the Currency of the Office of the Comptroller of the Currency (OCC);
- the Director of the Consumer Financial Protection Bureau (CFPB); and
- the Chairman of the State Liaison Committee (SLC).

Interagency Task Forces and Liaisons

Six staff task forces effectively administer the full spectrum of projects in the Council's functional areas, including but not limited to researching future enhancements for reporting, examiner training products, and examiner guidance. The task forces are each composed of six senior officials, one drawn from each of the five federal member agencies and one drawn from the SLC. Each is tasked with one of the following subject matters

- consumer compliance
- examiner education
- information sharing
- reports
- supervision
- surveillance systems

The Council also has a Legal Advisory Group (LAG), composed of the general or chief counsel from each of the member entities, to provide advice and other support on legal matters of interest to the Council. The task forces and the LAG provide research and develop analytical papers and proposals on the issues that the Council addresses. In addition, the Council has an Agency Liaison Group (ALG), composed of senior officials responsible for coordinating the FFIEC work of their respective members' staff.

Administration of the Council

The Chairmanship of the Council rotates among the federal members for two-year terms in the following order: OCC, FRB, FDIC, CFPB, and NCUA. The Council holds regular meetings at least twice a year. Other Council meetings may be convened whenever called by the Chairman or four or more Council members. Most of the Council's funds are derived from assessments on its five federal member agencies. Additionally, it receives tuition fees from non-FFIEC member agency attendees to cover some of the costs associated with its examiner education program. The Council also receives funding from the U.S. Department of Housing and Urban Development for collecting, processing, and reporting data under the Home Mortgage Disclosure Act of 1975 (HMDA).

The FRB provides administrative, budget, and accounting services to the Council. The Council is supported by a small, full-time administrative staff in its operations office and in its examiner education program, which are located at the FDIC's L. William Seidman Center in Arlington, Virginia. Each Council staff is detailed (some permanently) from one of the five federal member agencies represented on the Council.

A Brief Statutory History of the Council

The Financial Institutions Regulatory and Interest Rate Control Act of 1978

Upon passage of FIRIRCA, the constituent agencies each designated personnel to study title X, analyze the agencies' responsibilities, and prepare recommendations for performing the required duties. The heads of the constituent agencies, acting through the Interagency Coordinating Committee, then established a task force composed of representatives from each agency to develop the necessary mechanism to establish the Council. The task force prepared option papers and legal opinions for the Council on organization structure, rules of operation, funding, priorities, and other necessary matters pertinent to the establishment of a functioning Council. The Council organized and held its first meeting on March 16, 1979. At the first meeting of the Council, the organizations were represented by John G. Heimann, Comptroller of the Currency; Irvine H. Sprague, Chairman of the FDIC; J. Charles Partee, Governor of the FRB; Robert H. McKinney, Chairman of the Federal Home Loan Bank Board (Bank Board); and Lawrence Connell, Administrator of the NCUA.

The Housing and Community Development Act of 1980

The Council was given additional statutory responsibilities by section 340 of the Housing and Community Development Act of 1980, Public Law 96-399. Among these responsibilities are the implementation of a system to facilitate public access to data that depository institutions must disclose under the HMDA and the aggregation of annual HMDA data, by census tract, for each metropolitan statistical area.

The Financial Institutions Reform, Recovery, and Enforcement Act of 1989

In 1989, the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) abolished the Bank Board and established the Office of Thrift Supervision (OTS). Accordingly, the Director of the OTS assumed the Council seat previously held by the Bank Board representative.

Title XI of FIRREA established the Appraisal Subcommittee (ASC) within the Council. The ASC's mission statement is "to provide federal oversight of State appraiser regulatory programs and a monitoring framework for the Appraisal Foundation and the Federal Financial Institutions Regulatory Agencies in their roles to protect federal financial and public policy interests in real estate appraisals utilized in federally related transactions." The ASC Board consists of seven individuals appointed by the heads of the five federal regulatory agencies represented on the Council and the Federal Housing Finance Agency and the U.S. Department of Housing and Urban Development. The ASC is largely autonomous and performs its duties independently of the direct supervision and oversight of the Council. The Council's responsibilities with respect to the ASC include (1) selection of the chairman of the ASC, (2) approval of any adjustment of the amount of the ASC's annual registry fee for appraisers that exceeds the statutorily defined amount, (3) approval of any determination by the ASC to waive any certification or licensing requirement based on a scarcity of appraisers in connection with federally related transactions within a state, and (4) approval of any proposal by the ASC to grant extensions to states to comply with new regulations governing establishment of appraisal management company registration and supervision systems.

The Economic Growth and Regulatory Paperwork Reduction Act of 1996

The EGRPRA requires that not less frequently than once every 10 years, the Council and each appropriate federal banking agency represented on the Council (the OCC, FDIC, and FRB) shall conduct a review of all regulations prescribed by the Council or by any such appropriate federal banking agency, respectively, in order to identify outdated or otherwise unnecessary regulatory requirements imposed on insured depository institutions.

Additional responsibility was given to the Council by the EGRPRA to submit reports to Congress on the regulatory reviews that the appropriate federal banking agencies conduct in accordance with EGRPRA. Although not required, the NCUA elects to participate in the decennial review process. The CFPB is required to complete a review of each significant rule five years after it takes effect, in a process separate from EGRPRA.

The Financial Services Regulatory Relief Act of 2006

Congress passed the Financial Services Regulatory Relief Act of 2006 that provided for the election of a Chairman for the SLC from among the five SLC members and for the addition of the SLC Chairman as a voting member of the Council in October 2006.

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008

The Secure and Fair Enforcement for Mortgage Licensing Act of 2008, enacted as title V of the Housing and Economic Recovery Act of 2008, established the responsibility for the federal banking agencies, through the Council and in conjunction with the Farm Credit Administration, to develop and maintain a system for registering employees of depository institutions and certain of their subsidiaries' loan originators with the Nationwide Mortgage Licensing System and Registry. On July 21, 2011, pursuant to the Dodd-Frank Act, the authority for rulemaking and the development and maintenance of the licensing system generally was transferred to the CFPB.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

In 2010, Congress enacted the Dodd-Frank Act, providing for the addition of the Director of the CFPB as a voting member of the Council, effective July 2011. The Director of the former OTS was removed from the Council, and the agency's functions were transferred to the OCC, FRB, FDIC, and CFPB.

Record of Council Activities

The following section is a chronological record of the official actions taken by the FFIEC during 2019, pursuant to the FIRIRCA, as amended, and the HMDA, as amended.

January 31, 2019

Action. Approved the Central Data Repository (CDR) Steering Committee's Task Order #12.

Explanation. The Council is required to approve task orders that exceed a specific dollar amount. Task Order #12 provides funding for CDR enhancements to improve processing and publication of Call Report and Uniform Bank Performance Report (UBPR) data.

January 31, 2019

Action. Approved the issuance of the Council's annual interagency awards.

Explanation. The Council has a non-monetary interagency awards program that recognizes staff of the FFIEC members who have provided outstanding service to the Council on interagency projects and programs during the previous year.

March 5, 2019

Action. Approved the Council's 2018 annual report to the Congress.

Explanation. The legislation establishing the Council requires that, not later than April l of each year, the Council publish an annual report covering its activities during the preceding year.

March 5, 2019

Action. Approved re-appointment of SLC member, Thomas Fite, Director, Indiana Department of Financial Institutions.

Explanation. The Council appoints two of the SLC members. The remaining three members are designated by the Conference of State Bank Supervisors (CSBS), the American Council of State Savings Supervisors (ACSSS), and the National Association of State Credit Union Supervisors (NASCUS). Mr. Fite's partial term, to complete a term vacancy, on the SLC concluded on April 30, 2019. The Council approved a first full two-year term from May 1, 2019, through April 30, 2021.

March 5, 2019

Action. Approved the appointment of six task force chairs.

Explanation. The chairs for all six standing task forces are approved annually and are drawn from management and staff of the FFIEC members. Their terms run April 1, 2019, through March 31, 2020.

July 12, 2019

Action. Approved the temporary waiver granted by the ASC Board on July 9, 2019, to the State of North Dakota for a general one-year waiver from the requirements that appraisals for federally related transactions in the State of North Dakota be performed by certified or licensed appraisers.

Explanation. Pursuant to 12 U.S.C. 3348(b), a determination by the ASC to waive any certification or licensing requirement based on a scarcity of appraisers in connection with federally related transactions within a state is subject to Council approval.

December 13, 2019

Action. Approved the 2020 Council budget.

Explanation. The Council is required to approve the annual budget that funds the Council's staff, programs, and activities.

FFIEC Chairman Kraninger presiding over a 2019 Council Meeting.

State Liaison Committee

The SLC consists of five representatives from state regulatory agencies that supervise financial institutions. The representatives are appointed for two-year terms. An SLC member's two-year term may be extended by the appointing organization for an additional, consecutive two-year term. The Council elects two of the five members of the SLC. The ACSSS, the CSBS, and the NASCUS each designate a member. The members of the SLC serve as an important conduit to their state colleagues and represent state supervisory interests before the Council. Each year, the SLC elects one of its members to serve as chairman for 12 months, commencing May 1.

The five members serving on the SLC in 2019 were

- Greg Gonzales
  SLC Chairman
  Commissioner, Tennessee Department of Financial Institutions
- John P. Ducrest
  Commissioner, Louisiana Office of Financial Institutions
- Edward Joseph Face, Jr.
  Commissioner of Financial Institutions, Bureau of Financial Institutions, Virginia State Corporation Commission
- Thomas C. Fite
  Director, Indiana Department of Financial Institutions

SLC Members (standing left to right): Steve Pleger (GA), John Ducrest (LA), Greg Gonzales (TN), Tom Fite (IN); Not pictured, Joe Face (VA).

- Steve Pleger
  Senior Deputy Commissioner, Georgia Department of Banking and Finance

The SLC is represented on the Council's task forces and working groups by state supervisors from around the country. The CSBS provides staff support to the SLC representatives and serves as the primary liaison to the FFIEC staff for all administrative matters.

In connection with its role on the Council, the SLC meets in person before each Council meeting to discuss the agenda, task force projects, and topics of interest that may come before the Council. The SLC invites leadership and policymakers from the other FFIEC members and the FFIEC Executive Secretary's office to meet with them during these briefings to engage in informal dialogue. Such meetings allow the SLC members to bring a focused and impactful dialogue to the Council meetings, reflecting the diverse views from regulators nationwide.

State regulators, represented by the SLC, charter approximately 4,168 banks with $6.12 trillion assets under supervision and approximately 2,075 credit unions with $735 billion assets under supervision. In addition to commercial banks and credit unions, state regulators supervise other depository and nondepository institutions including savings banks, savings and loan institutions, bankers' banks, credit card banks, industrial loan companies, foreign banking organizations, mortgage companies, mortgage servicers, money service businesses, non-depository trust companies, debt collectors, consumer finance companies, credit reporting agencies, and other nondepository entities.

Activities of the Interagency Staff Task Forces

Task Force on Consumer Compliance

The Task Force on Consumer Compliance (TFCC) promotes policy coordination, a common supervisory approach, and uniform enforcement of consumer protection laws and regulations. The TFCC identifies and analyzes emerging consumer compliance issues and develops proposed policies and procedures to foster consistency among the agencies. The TFCC also reviews legislation, regulations, and policies at the state and federal level that may have a bearing on the consumer compliance supervision responsibilities of the member agencies.

The TFCC meets monthly to address and resolve common issues in consumer compliance supervision. The TFCC has two standing subcommittees: the HMDA and Community Reinvestment Act (HMDA/CRA) Data Collection Subcommittee and the CRA Subcommittee.

The HMDA/CRA Data Collection Subcommittee oversees FFIEC projects and programs involving HMDA and CRA data collection and dissemination. This work includes interfacing with the vendor agencies—CFPB for HMDA data and FRB for CRA data—to assure the efficient collection, processing, and publication of data and the provision of associated data products, tools, and guidance. The TFCC provides direction to the HMDA/CRA Data Collection Subcommittee for the development and implementation of any related HMDA/CRA processing projects.

The other subcommittee is the CRA Subcommittee, which is intended to serve the TFCC as the staff vehicle for drafting CRA examination procedures and coordinating any FFIEC training efforts.

Initiatives Addressed in 2019

HMDA/CRA Data Collection Subcommittee

The HMDA/CRA Data Collection Subcommittee meets monthly to discuss CRA and HMDA data collection and processing, including various FFIEC webpages, tools, and publications. Throughout 2019, the Subcommittee discussed responding to requests for non-public HMDA data, prepared and reviewed budgets for various HMDA and CRA products, and addressed data integrity issues related to the 2018 HMDA data.

In August, the TFCC approved a press release announcing the availability of 2018 HMDA data, providing information on several new HMDA data points.

In addition, the TFCC approved the launch of a new HMDA Data Browser tool to allow users to create custom datasets, as well as the retirement of HMDA Aggregate and Disclosure reports and the rate spread calculator.

Task Force on Consumer Compliance meeting.

A Guide to HMDA Reporting: Getting it Right!

The TFCC in March approved A Guide to HMDA Reporting: Getting it Right!, which is a valuable resource for assisting all institutions in their HMDA reporting. The 2019 edition reflects amendments made to HMDA by the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) and the CFPB's 2018 HMDA interpretive and procedural rule.

Examination Procedures

The TFCC approved a number of interagency examination procedures in 2019.

In January, members voted to approve the interagency Electronic Funds Transfer Act and Truth in Lending Act Examination Procedures, which implemented changes related to the CFPB's Prepaid Account rulemaking.

The TFCC in March approved interagency examination procedures for Regulation C, which implements HMDA. The updated procedures reflect multiple CFPB rulemakings, which implemented changes to HMDA made by the Dodd-Frank Act and the EGRRCPA.

In August, the TFCC approved Interagency Flood Insurance Examination Procedures, which reflect regulatory changes made to implement the Biggert-Waters Act of 2012.

FFIEC Federal Computational Tools

In 2018, the TFCC and the FFIEC approved a plan for the FFIEC to fund and develop new calculation tools to replace APYWIN and APRWIN, which the agencies' consumer compliance examiners and industry stakeholders use to calculate APY or APR in support of compliance with certain consumer protection rules.

In 2019, staff from each of the FFIEC agencies worked with technology staff from the FRB to build in-house interagency web-based solutions to support calculation of APR, APY, and Military Annual Percentage Rate disclosures. The new web-based tools are expected to be released in early 2020.

FFIEC Consumer Compliance Conference

In 2019, the TFCC continued to collaborate with the Task Force on Examiner Education (TFEE) and the FFIEC Examiner Education Office (EEO) to develop, plan, and deliver the Consumer Compliance Conference. The conference addressed supervisory updates and emerging issues for experienced examiners.

The program was originally offered in January 2013, and, because of positive feedback, has been offered annually since then. There were more than 250 attendees at the October 2019 conference. Planning is currently ongoing for an October 2020 session.

Task Force on Examiner Education

The TFEE oversees the FFIEC's examiner education program on behalf of the Council. The TFEE promotes interagency education through timely, cost-efficient, state-of-the-art training programs for federal and state examiners and agency staff. The TFEE develops programs on its own initiative and in response to requests from the Council, Council task forces, and suggestions brought forth by the EEO staff. The EEO also maintains development groups that have been established to provide ongoing content guidance for classes and conferences. Development group members consist of subject matter experts from each FFIEC member entity designated by their TFEE members. Development group members help the EEO ensure the course content is relevant, current, and meets the agencies' examiner training needs.

Each fall, EEO staff establishes a training schedule based on demand from the FFIEC member entities and state financial institution regulators, which is then approved by the TFEE. The EEO staff schedules, delivers, and evaluates training programs throughout the year.

Tracey Smith of Paragon Analysis instructing Cash Flow Construction and Analysis from Federal Tax Returns at FDIC's L. William Seidman Center, Arlington, VA.

Initiatives Addressed in 2019

The TFEE has continued to ensure that the FFIEC's educational programs meet the needs of agency personnel, are cost-effective, and are widely available. The TFEE meets monthly with the EEO staff to discuss emerging topics, to review feedback from each course and conference, and to develop a framework for future courses and conferences. The solid partnership between the TFEE members and the EEO staff promotes open and regular communication that continues to result in high-quality, well-received training.

In 2019, the TFEE made efforts to improve access to FFIEC training while reducing costs to the member agencies. The TFEE has increased the number of live streamed events making more sessions available to examiners who cannot attend in person due to time or travel budget constraints. The TFEE greatly reduced the funds required to support live streaming events for agency examiners through coordination with the FDIC. In addition, the TFEE has embarked on a series of professional exchanges to glean lessons learned from the member agencies' efforts to implement alternative delivery methods for examiner training.

In-Person Training Programs

In 2019, the EEO administered 96 task force-sponsored training sessions, with a total 4,416 attendees (see table on page 16 for actual attendee participation by program and entity). Highlights from this year's training initiatives include the following:

Addition to Curriculum Piloted in 2019

A new Mortgage Origination Calculations course was piloted in 2019 for delivery of two sessions in 2020.

2019 Participation in FFIEC Training by Program and Entity-Actual as of December 31, 2019

Program Title	FRB	FRB State Spon-sored	FDIC	FDIC State Spon-sored	NCUA	NCUA State Spon-sored	OCC	CFPB	FCA	FHFA	FinCen	Other	Total
Advanced BSA/AML Specialists Conference	28	29	42	17	16	7	37	0	0	2	9	0	187
Advanced Cash Flow Concepts and Analysis: Beyond the Numbers	14	15	25	8	7	0	19	0	2	1	0	0	91
Advanced Commercial Credit Analysis	18	9	40	9	7	2	16	0	1	0	0	5	107
Agricultural Lending	26	3	39	5	2	0	4	0	2	0	0	0	81
Anti-Money Laundering Workshop	16	23	32	16	22	5	0	0	0	0	6	2	122
Asset Management Forum	31	19	63	12	0	1	34	0	0	0	0	0	160
Capital Markets Conference	24	21	74	16	7	5	8	0	1	2	0	1	159
Capital Markets Specialists Conference	42	13	83	8	29	3	7	0	15	2	0	0	202
Cash Flow Construction and Analysis from Federal Tax Returns	20	22	55	15	8	2	21	0	0	0	0	1	144
Commercial Real Estate Analysis	31	27	67	24	11	3	31	0	0	2	0	3	199
Consumer Compliance Conference	37	17	85	6	13	2	41	34	3	0	0	0	238
Distressed Commercial Real Estate	26	6	57	2	4	2	8	0	0	1	0	0	106
Financial Crimes Seminar	34	37	134	9	50	20	23	2	2	0	6	5	322
Fraud Identification Training (Self Study)	2	0	17	0	1	0	6	0	0	0	0	0	26
Fraud Investigation Techniques for Examiners	4	9	12	3	9	3	9	0	0	0	0	0	49
Fundamentals of Fraud Workshop	21	30	41	4	20	7	24	0	1	0	0	0	148
Fundamentals of Trust	33	26	61	0	0	0	0	0	0	0	0	4	124
Information Technology Conference	55	31	72	18	27	8	39	5	12	11	2	1	281
Instructor Training School	13	5	0	0	2	0	11	15	3	1	0	0	50
Interest Rate Risk Workshop	19	17	57	4	6	6	19	0	0	0	0	0	128
International Banking, Basic (Self-Study)	20	0	18	0	0	0	6	0	0	0	1	1	46
International Banking Conference	30	7	26	0	0	0	14	1	0	0	2	0	80
International Banking School	12	11	13	2	0	0	9	0	0	0	0	0	47
Liquidity Risk Management Workshop	46	38	64	0	4	9	14	0	1	0	0	1	177
Mortgage Origination Calculations	0	0	4	0	3	0	2	0	0	0	0	4	13
Payment Systems Risk Conference	42	21	59	6	31	1	75	4	0	2	3	2	246
Real Estate Appraisal Review (Self Study)	0	0	7	0	0	0	0	0	0	0	0	1	8
Real Estate Appraisal Review School	12	15	43	15	4	1	9	0	1	1	0	1	102
Structured Finance: Investment Analysis & Risk Management	28	1	34	2	2	4	9	0	1	1	0	0	82
Supervisory Updates & Emerging Issues for Community Financial Institutions	57	25	191	17	17	8	21	0	4	0	0	2	342
Supervisory Updates & Emerging Issues for Large, Complex Financial Institutions	82	25	158	14	9	2	35	0	0	6	1	2	334
Testifying School	0	3	7	0	0	0	5	0	0	0	0	0	15
Grand Total	823	505	1,680	232	311	101	556	61	49	32	30	36	4,416
Percentage	18.64%	11.44%	38.04%	5.25%	7.04%	2.29%	12.59%	1.38%	1.11%	0.72%	0.68%	0.82%	100%
Combined Agency and Sponsored Percentage	30.07%	NA	43.30%	NA	9.33%	NA	12.59%	1.38%	1.11%	0.72%	0.68%	0.82%	100%

Cybersecurity

While cybersecurity has been a standing topic covered in several training programs for many years, specific efforts were again taken in 2019 to ensure that the IT Conference and Supervisory Updates and Emerging Issues for Community Financial Institutions programs included speakers from either FFIEC member agency subject matter experts or industry experts on cybersecurity. These efforts were made to ensure attendees are informed of the latest developments in this rapidly changing area.

Current Expected Credit Losses (CECL)

The CECL standard issued by the Financial Accounting Standards Board (FASB) will have industry-wide implications. Starting in 2016, FFIEC began providing training on CECL to ensure attendees are aware of current guidance so they can answer questions and help the institutions they supervise prepare for the transition. In 2019, agency and industry experts in CECL provided training to attendees in the following EEO programs: Distressed Commercial Real Estate; Commercial Real Estate Analysis for Financial Institution Examiners; Supervisory Updates and Emerging Issues for Community Financial Institutions; Supervisory Updates and Emerging Issues for Large, Complex Financial Institutions; Structured Finance: Investment Analysis and Risk Management; and Capital Markets Specialists Conference.

Task Force on Examiner Education meeting.

Annual Specialists Conferences

In addition to the classes and conferences designed to meet the needs of generalist commissioned examiners, the EEO curriculum also includes several annual specialists conferences designed to address important emerging topics and regulatory updates. These conferences provide agency-designated subject matter experts with the opportunity to network and share their observations and industry developments with others in their specialty area, including those from other agencies and other parts of the country. The specialists conferences feature knowledgeable and influential speakers, including senior-level officials from member agencies, policymakers, and industry experts.

Alternative Delivery Education

Alternative delivery education is offered on an as-needed basis. Currently, the EEO offers three alternative delivery courses. The Basic International Banking Self-Study course is available to the public, in addition to the FFIEC members. The Real Estate Appraisal Review Self-Study course and the Fraud Identification Training Self-Study course are available to examiners and bankers through collaboration with the CSBS.

In addition, the FFIEC offers two webinar options--FFIEC Examiner Exchange and FFIEC Industry Outreach. The Examiner Exchange programs are offered to FFIEC member agency staff. Additionally, recorded sessions are provided after most events allowing the event to be viewed at a later date. There were 12 FFIEC Examiner Exchange events offered in 2019 that provided information related to Bank Secrecy Act (BSA), asset and wealth management, IT, cybersecurity, and payment systems risk. There were approximately 3,300 participants who attended the Examiner Exchange events by phone and/or via the Internet.

The FFIEC Industry Outreach events are generally limited to entities regulated by FFIEC member agencies and by state regulators represented by the SLC, but may be offered to the general public. In 2019, one FFIEC Industry Outreach event was offered

Steve Gulbrandsen of Gulbrandsen Consulting instructing Advanced Cash Flow Construction and Analysis: Beyond the Numbers at FDIC's L. William Seidman Center, Arlington, VA.

that provided information on cybersecurity. Over 2,000 participants attended the cybersecurity FFIEC Industry Outreach live event by phone and/or via the Internet.

Educational InfoBases

In addition to classroom training, the TFEE implements and annually approves the maintenance of two InfoBases: (1) BSA/Anti-Money Laundering (AML) and (2) IT Examination Handbook. These two InfoBases are online products that efficiently and effectively centralize and facilitate prompt access to examination procedures, agency resources, and reference materials on topics of interest to both financial institution regulators and the industry. The electronic delivery medium enables the content to be readily updated as needed in coordination with Task Force on Supervision (TFOS) working groups and subcommittees.

The BSA/AML InfoBase contains the FFIEC BSA/AML Examination Manual, agency resources, regulations and guidance, a glossary, and reference materials. The InfoBase content is updated on an as-needed basis. The BSA/AML InfoBase can be found at https://bsaaml.ffiec.gov.

The IT Examination Handbook InfoBase contains the current set of IT booklets, IT work programs, laws, regulations and guidance, a glossary, and reference materials. The InfoBase content is updated on an as-needed basis. The IT Examination Handbook InfoBase can be found at https://ithandbook.ffiec.gov.

Continuing Education Credits

Several FFIEC courses are assessed and approved annually for continuing education credits, evidencing the high-quality content of the EEO's programming. Accreditation of EEO training events provides examiners the opportunity to maintain their certifications, as they would by attending industry-sponsored training, while still being able to hear from subject matter experts on topics of interest to examiners. Through a collaborative relationship with the FDIC, the program sponsor, a number of classes and conferences are reviewed and approved for Continuing Professional Education credits, which are required for those examiners who are Certified Public Accountants. Other EEO accreditations are also available to examiners with industry-recognized designations, such as Certified AML Specialist, Certified Fraud Examiner, Certified Regulatory Compliance Manager, Certified Trust and Financial Advisor, and Chartered Financial Analyst. EEO classes enable examiners to better perform their examination duties as well as meet their greater professional development needs.

Facilities

The FFIEC rents office space and classrooms at the FDIC's L. William Seidman Center in Arlington, Virginia. This facility offers convenient access to two auditoriums, numerous classrooms, and lodging facilities for examiners. Regional sessions are provided on an as-needed basis as requested by the agencies.

Course Catalogue and Schedule

The course catalogue and schedule are available online at www.ffiec.gov/exam/education.htm.

To obtain a copy, contact

Karen Smith, Manager, Examiner Education
FFIEC Examiner Education Office
3501 Fairfax Drive
Room B-3030
Arlington, VA 22226-3550
Phone: (703) 516-5588

Task Force on Information Sharing

The Task Force on Information Sharing (TFIS) promotes and facilitates the sharing (collection, exchange, and access) of electronic information among the FFIEC members in support of the supervision, regulation, and deposit insurance responsibilities of financial institution regulators. The TFIS provides a forum for FFIEC members to discuss and address issues affecting the quality, consistency, efficiency, and security of interagency information sharing. Provided all TFIS members agree, the Council has delegated to the TFIS the authority to facilitate among the FFIEC members the sharing of electronic information to supervise, regulate, or insure depository institutions.

To the extent possible, the members build on each other's information databases to minimize duplication of effort and promote consistency. In accordance with each member's policy, the members participate in a program to share electronic versions of their examination and inspection reports, and other communications with financial institutions. The members also provide each other with access to their regulated entities' structure, financial data, and supervisory information. The TFIS and its working groups use a collaborative website to share information among the Council members. The TFIS maintains the "Data Exchange Summary," which lists the data files exchanged among the Council members and a repository of communications and documents critical to information sharing.

The TFIS has working groups to address data sharing and interagency reconciliation of financial institution structure data. In addition, the TFIS receives demonstrations and reports on agency, financial industry, and other Council initiatives pertaining to technology development (including the production and development status of the interagency CDR).

Initiatives Addressed in 2019

Data Sharing

The TFIS's Technology Working Group (TWG) meets monthly to develop technological solutions that enhance data sharing and to coordinate the automated transfer of data files between the members. The group tracks weekly developments to provide timely resolutions of data exchange issues.

The TWG continues to develop necessary links and processes to exchange electronic documents, develop an inventory of future technology projects, and upload information to the collaborative website where documents and critical materials pertaining to interagency information exchanges are stored.

Task Force on Information Sharing meeting.

Structure Data Reconciliation

Structure data is nonfinancial in nature and encompasses the financial institution's profile, including, but not limited to, its charter type, holding company information, address, and contact information. This nonfinancial data is used in FDIC, FRB, and OCC databases for business analyses, processing, and reporting purposes. As a result, the accuracy and consistency of this data must be assured. The Structure Data Reconciliation Working Group (SDRWG) compares and reconciles data discrepancies between the FDIC, FRB, and OCC databases quarterly to ensure their reliability. The SDRWG's quarterly efforts have greatly resolved structure data discrepancies among the members.

Coordination with Other Interagency Information-Sharing Entities

The TFIS continues to coordinate with interagency information-sharing entities including the Financial Stability Oversight Council (FSOC). These coordination efforts enable the TFIS to keep apprised of emerging issues and to monitor progress on projects, such as the Global Legal Entity Identifier initiative and those identified by the FSOC Data Committee.

Task Force on Reports

The law establishing the Council and defining its functions requires the Council to develop uniform reporting systems for federally supervised financial institutions and their holding companies and subsidiaries. To meet this objective, the Council established the Task Force on Reports (TFOR). The TFOR helps to develop interagency uniformity in the reporting of periodic information that is needed for effective supervision and other public policy purposes. As a consequence, the TFOR is concerned with issues such as the review and implementation of proposed revisions to reporting requirements; the development and interpretation of reporting instructions, including responding to inquiries about the instructions from reporting institutions and the public; the application of accounting standards to specific transactions; the development and application of processing standards; the monitoring of data quality; and the assessment of reporting burden. The TFOR also is responsible for any special projects related to these subjects that the Council may assign. In addition, the TFOR works with other organizations, including the Securities and Exchange Commission (SEC), the FASB, and the American Institute of Certified Public Accountants.

To help the TFOR carry out its responsibilities, working groups are organized as needed to handle specialized or technical accounting, reporting, instructional, and processing matters. In this regard, the TFOR has established a CDR Steering Committee to make business decisions needed to ensure the continued success of the CDR system, monitor its ongoing performance, and report on its status. The CDR is a secure, shared application for collecting, managing, validating, and distributing data reported in the quarterly Call Report filed by insured banks and savings associations and the FDIC's annual Summary of Deposits (SOD) survey submitted by insured institutions with branch offices. The CDR also processes and distributes the UBPR under the oversight of the Task Force on Surveillance Systems (TFSS).

Initiatives Addressed in 2019

Reporting Revisions for Accounting Standards Update No. 2016-13: "Financial Instruments–Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments"

On February 1, 2019, the TFOR approved the implementation of changes to the Call Report (FFIEC 031, FFIEC 041, and FFIEC 051), the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002), the Report of Assets and Liabilities of a Non-U.S. Branch that is Managed or Controlled by a U.S. Branch or Agency of a Foreign (Non U.S.) Bank (FFIEC 002S), the Foreign Branch Report of Condition (FFIEC 030), the Abbreviated Foreign Branch Report of Condition (FFIEC 030S), and the Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework (FFIEC 101) in response to the new credit losses accounting standard, as discussed below. The final Paperwork Reduction Act (PRA) *Federal Register* notice for these revisions was published on February 14, 2019, and the revisions were approved by the Office of Management and Budget on March 26, 2019. The revisions were incorporated into report forms with quarterly report dates beginning March 31, 2019, and into those with annual report dates beginning December 31, 2019.

The reporting changes generally resulted from the revised accounting for credit losses under the FASB's Accounting Standards Update No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (ASU 2016-13). The revisions also included reporting changes to the Call Report's regulatory capital schedule and the FFIEC 101 report related to the agencies' recent final rule on the implementation and capital transition for the CECL methodology in ASU 2016-13. An institution must apply ASU 2016-13 in its Call Report, FFIEC 030, FFIEC 030S, and FFIEC 101, as applicable, in accordance with the applicable effective date of the accounting stan-

Task Force on Reports

dard. The FASB recently deferred the effective date of ASU 2016-13 for most institutions to January 1, 2023; therefore, the phase-in of the credit loss reporting changes to the FFIEC reports will extend until December 31, 2023.

In addition, the instructions for the new and modified data items in the Call Report and other FFIEC reports were revised as of March 31, 2019, to reflect the accounting and regulatory capital changes resulting from ASU 2016-13.

Economic Growth, Regulatory Relief, and Consumer Protection Act, Section 205

Section 205 of the EGRRCPA requires the OCC, the FDIC, and the FRB to issue regulations that allow for a reduced reporting requirement in the Call Reports submitted in the first and third quarters for institutions that have less than $5 billion in total assets and satisfy other appropriate criteria established by the agencies.

Beginning in mid-2018, the TFOR collaborated with a banking agency legal working group on a notice of proposed rulemaking (NPR) to implement the statutory requirement. Under the proposal, the asset-size threshold for eligibility to file the existing streamlined FFIEC 051 Call Report would be expanded from $1 billion to $5 billion. The TFOR identified a number of specific data items collected in the FFIEC 051 Call Report for which a proposed reduction from quarterly to semiannual in the reporting frequency was deemed appropriate. In addition, the TFOR determined that a small number of data items currently collected in the FFIEC 041 Call Report from institutions with total assets of $1 billion or more were considered critical and should continue to be reported by institutions that would be newly eligible to file FFIEC 051 Call Report, generally with a reduced reporting frequency. These proposed FFIEC 051 reporting changes were included in the PRA section of the NPR.

The Section 205 proposal was published in the *Federal Register* for a 60-day comment period on November 19, 2018. The comment period closed on January 18, 2019, with 23 unique comments received. The TFOR assisted the banking agency legal working group in reviewing the comments on the proposal. After carefully considering the comments received, the agencies adopted the final rule as proposed. The TFOR and the agencies also decided to proceed with the proposed revisions to the FFIEC 051 Call Report. The banking agencies published the final rule in the *Federal Register* on June 21, 2019. The revisions to the FFIEC 051 reporting requirements took effect as of the September 30, 2019, report date. As of that report date, approximately 74 percent of eligible institutions, including newly eligible institutions with between $1 and $5 billion in assets, filed the FFIEC 051 Call Report.

Call Report and FFIEC 101 Revisions for Regulatory Capital Rulemakings

In mid-2019, the banking agencies had finalized or were considering finalizing various changes to their regulatory capital rule, including (1) Capital Simplifications, (2) the Community Bank Leverage Ratio, (3) Tailoring, (4) Total Loss Absorbing Capacity Holdings, (5) Supplementary Leverage Ratio for Custodial Banks (6) Standardized Approach for Counterparty Credit Risk, and (7) High Volatility Commercial Real Estate Land Development Loans. The TFOR worked with the banking agencies' capital policy experts to develop proposed revisions to the Call Report and the FFIEC 101 to incorporate the effects of the rule changes into these reports and the related instructions. The proposed capital-related reporting changes would take effect beginning March 31, 2020, or in such later quarters as the effective dates of the various capital rules.

An initial PRA *Federal Register* notice to request comment on the proposed capital-related reporting revisions was published on October 4, 2019. To help preparers and users better understand the proposed reporting changes, the TFOR published on the FFIEC website draft redlined reporting forms for the Call Report and the FFIEC 101 and draft redlined revisions to the instructions for these reports. The comment period for the proposal ended December 3, 2019, and the TFOR is reviewing the comments received.

Reporting of Loans to Small Businesses and Small Farms in the Call Report

A recommendation to the banking agencies by the Government Accountability Office (GAO) to reevaluate and modify, as needed, the data on loans to small businesses and small farms reported in the Call Report was referred to the TFOR in September 2018. Two key points identified by the GAO were (1) that the reporting of loans based on loan-size thresholds of $1 million and $500,000 at origination, rather than the size of a business or farm, respectively, may not be accurate measures of loans to small businesses and small farms and (2) that the thresholds have not been changed since this reporting requirement was implemented in 1993.

The TFOR is engaging in industry outreach efforts to better understand the data maintained by institutions that would assist in identifying small businesses and small farms and could be a basis for determining whether and how the information currently collected in the Call Report can be modified.

In December 2018 and January 2019, the TFOR discussed the recommendations made by the GAO with internal stakeholders. The TFOR participated in an industry outreach event in June 2019 that a bank trade association organized with a small group of representatives from institutions to obtain feedback on this data collection. In addition, the TFOR published in the *Federal Register* on October 17, 2019, a request for comment to obtain additional feedback on ways to modify the collection of small business and small farm lending data. The comment period for this notice ended December 16, 2019, and the TFOR is reviewing the comments received.

Country Exposure Report and the Country Exposure Information Report

On April 29, 2019, the banking agencies published an initial PRA notice in the *Federal Register* to extend for three years, without revision, the Country Exposure Report (FFIEC 009) and the Country Exposure Information Report (FFIEC 009a). The comment period for the initial notice ended June 28, 2019, and the agencies received one comment letter.

The TFOR worked with the banking agencies' subject matter experts to address the issues raised in the comment letter by implementing certain revisions to the instructions for the Country Exposure Report. These revisions were described in the agencies' final PRA *Federal Register* notice, which was published on September 9, 2019. The instructional changes went into effect for the September 30, 2019, report date. However, for the September 30, 2019, and the December 31, 2019, report dates, the Council advised institutions that they could report using either the instructions as revised as of September 30, 2019, or the previously existing instructions to provide sufficient time for reporting institutions to make any changes to their reporting systems.

Central Data Repository

In August 2019, the Transition Phase of FDIC-funded enhancements to features in the CDR that support the FDIC's SOD data series was completed. These enhancements were deployed in December 2019.

In December 2019, the banking agencies successfully deployed additional enhancements to the CDR for the Call Report and the UBPR. These enhancements focus primarily on improving the usability of the UBPR through the CDR's Public Data Distribution website and other features involved in the generation of Call Report and SOD taxonomies. The UBPR-related enhancements included the addition of an executive summary page that will be posted as a standalone report, and further UBPR improvements that will enhance data visualization capabilities and provide more customization options for users. The executive summary page was added at the request of the TFSS.

The enhancements to the Call Report and SOD taxonomies will save a significant amount of time spent by agency analysts manually entering metadata into the CDR. Analysts will be able to upload Excel files containing reportability rule and edit specifications directly to the CDR rather than having to manually enter this information for each individual rule or concept. In addition to saving time, this will also result in more accurate metadata.

A security feature was added as part of the 2019 CDR Enhancement Release related to the roles assigned to users to ensure that their level of access to the CDR is appropriate. This feature will improve the overall security of data in the CDR. An example is that a bank employee cannot inadvertently be assigned the role of an agency Call Report analyst.

In the fourth quarter of 2019, the CDR team started analyzing and prioritizing open issues and requested modifications for possible inclusion in a planned December 2020 CDR enhancement release. This release would include enhancements to be shared by the banking agencies along with FDIC-funded enhancements for the SOD data series.

Additionally, in the fourth quarter of 2019, the CDR Steering Committee formed an interagency team to identify and manage all activities required to re-compete the CDR contract. The period of performance for the CDR contract signed in May 2013 will end in May 2021.

Instructional Guidance

A TFOR working group conducted monthly interagency conference calls during 2019 to discuss instructional matters pertaining to FFIEC reports and related accounting issues to reach uniform interagency positions on these issues.

Outreach Efforts

TFOR representatives and the banking agencies' capital policy staff hosted a banker webinar on December 10, 2019, with approximately 950 participants. The purpose of this webinar was to help preparers and users of the Call Report to better understand the FFIEC 051 Call Report revisions that took effect in 2019 or are proposed to take effect beginning with the March 31, 2020, report date.

Task Force on Supervision

The TFOS coordinates and oversees matters relating to safety-and-soundness supervision and examination of depository institutions. It provides a forum for Council members to promote quality, consistency, and effectiveness in examination and other supervisory practices. While significant issues and recommendations are referred to the Council for consideration and action, the Council has delegated to the TFOS the authority to make certain decisions and recommendations, provided that no TFOS member dissents or requests review by the Council. Meetings are held monthly to address and resolve common supervisory issues. The TFOS also maintains supervisory communication protocols to be used in emergencies. These protocols, established by the TFOS, are periodically tested through exercises with TFOS members and key supervisory personnel.

The TFOS has one subcommittee and two permanent working groups. It also establishes ad-hoc working groups to handle individual projects and assignments, as needed.

- The IT Subcommittee serves as a forum to address information technology policy issues as they relate to financial institutions and their technology service providers. The IT Subcommittee develops and maintains the FFIEC IT Examination Handbook, which consists of a series of topical booklets addressing issues such as information security, management, and audit. This resource is available through an InfoBase on the FFIEC website. In conjunction with the TFEE, the IT Subcommittee sponsors an annual FFIEC IT Conference for examiners and periodically holds symposia on emerging information technology and related risks. The IT Subcommittee regularly coordinates with the TFOS's Cybersecurity and Critical Infrastructure Working Group (CCIWG) in situations where supervisory issues overlap.
- The CCIWG was formed in June 2013 in response to the increasing sophistication and volume of cyber threats that pose significant risks to financial institutions and their service providers. The CCIWG promotes coordination across the FFIEC member entities on cybersecurity and critical infrastructure issues, including the development and maintenance of the Cybersecurity Assessment Tool. The CCIWG's coordination efforts include ongoing communications with the intelligence community, law enforcement, and homeland security agencies. The CCIWG also serves as a forum to build on existing efforts to support and strengthen the activities of other interagency and private sector groups that promote financial services sector cybersecurity and critical infrastructure security and resilience.
- The BSA/AML Working Group seeks to enhance coordination of BSA/AML guidance, policy, and other issues related to consistency of BSA/AML supervision. Working group coordination includes ongoing communication among representatives from federal and state banking agencies, U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN), and periodically with other federal agencies that have BSA responsibility. The group's responsibilities include maintaining the FFIEC's BSA/AML Examination Manual available through an InfoBase on the FFIEC website.

Initiatives Addressed in 2019

Cybersecurity Priorities

In 2019, the FFIEC continued work on key cybersecurity areas, including risk management and oversight, threat intelligence and collaboration, cybersecurity controls, external dependency management, and cyber incident management and resilience.

Crisis Communication Protocols Exercise

In June 2019, the FFIEC conducted an exercise to test crisis communications protocols that coincided with the development and testing of emerging international protocols from the G7. The CCIWG updated the FFIEC Crisis Communication Protocols to include lessons learned from the exercise as well as lessons learned from a phishing event.

Cybersecurity Webinars

In recognition of National Cybersecurity Awareness Month in October 2019, the FFIEC hosted an Industry Outreach webinar with FinCEN to raise awareness of rising email compromise fraud schemes. The webinar was a joint effort by the CCIWG, IT Subcommittee, and BSA/AML Working Group. There were over 2,000 participants.

Joint Statement

In August 2019, the FFIEC issued a press release encouraging a standardized approach to assessing cybersecurity preparedness. The statement emphasizes the benefits to an institution of using a standardized approach, including the ability of the institution to track progress over time and share information and best practices with other institutions and regulators. The statement also provides links to resources that may be useful to financial institutions for purposes of cybersecurity preparedness.

Information Technology

The IT Subcommittee continued to coordinate on IT supervisory matters, emerging technology issues, and updates to the IT Examination Handbook, which supports the FFIEC members' supervisory programs and provides guidance to examiners. The FFIEC updated and renamed the Business Continuity Planning booklet to the Business Continuity Management booklet to reflect updated IT risk practices and frameworks. The booklet uses a principles-based approach to IT risk management to allow central tenets to remain relevant to examiners even as innovation and technological changes in the financial services sector occur. The IT Subcommittee's Handbook Working Group will continue to update the FFIEC IT Examination Handbook booklets to reflect current risk management practices and cybersecurity concepts in the upcoming year.

Task Force on Supervision

Information Technology Outreach

In August 2019, the IT Subcommittee sponsored its annual FFIEC IT Conference for examiners, which highlighted current and emerging technology issues affecting insured financial institutions and their service providers. The conference included presentations on a range of topics, including cyber-enabled financial crime, machine learning and artificial intelligence, cyber hygiene, and distributed ledger technologies.

Bank Secrecy Act/Anti-Money Laundering

Throughout 2019, the BSA/AML Working Group continued to coordinate BSA/AML training, guidance, and policy. The working group sponsored its 13th FFIEC Advanced BSA/AML Specialists Conference in July 2019, which included presentations on a range of topics such as illicit finance trends, cyber threats, examining suspicious activity monitoring systems, and customer due diligence and beneficial ownership. On December 3, 2019, the BSA/AML Working Group issued the statement, Providing Financial Services to Customers Engaged in Hemp-Related Businesses, to clarify the legal status of the production of hemp and relevant requirements for institutions under the BSA. The working group continues to share information with FinCEN and the U.S. Department of the Treasury's Office of Foreign Asset Control (OFAC), and holds expanded quarterly meetings to include other federal agencies responsible for BSA compliance.

Examination Modernization Project

The TFOS authorized the Examination Modernization Project at its March 2017 meeting. The project was launched to modernize examination processes for community banking organizations by improving efficiencies and reducing unnecessary burden on bank management, while maintaining the quality of examinations. The project reviewed the general community institution examination processes that are used by the FFIEC members, rethinking traditional processes, and making better use of technology.

The project was conducted through three working groups: (1) Examination Processes and Technology, (2) Interagency Report of Examination (ROE), and (3) UBPR. The working groups identified potential areas of meaningful supervisory burden reduction and took action in 2018. In March 2019, the federal banking agencies rescinded their 1993 Interagency Policy Statement on the Uniform Core Report of Examination and adopted the FFIEC-issued Statement on the Report of Examination that establishes a set of principles that should apply to all ROEs. In addition, the TFOS continues to evaluate supervisory tools for updates as appropriate.

New Accounting Standard for Current Expected Credit Losses

The TFOS authorized a project in first quarter 2018 to oversee interagency efforts to review and update applicable policies in response to the change in the accounting standard for credit losses under the new CECL methodology. In October 2019, a proposed Interagency Policy Statement on Allowances for Credit Losses (ACL) and a proposed Interagency Guidance on Credit Risk Review Systems were published for public comment. The proposed interagency policy statement on ACL describes the measurement of expected credit losses using the CECL methodology and updates concepts and practices detailed in existing supervisory guidance that remain applicable. The proposed guidance on Credit Risk Review Systems presents principles for establishing a system of independent, ongoing credit risk review in accordance with safety and soundness standards. Beginning in 2019, early adoption of CECL was permitted, with required adoption in 2020, or 2023, depending on an institution's characteristics. The implementation of CECL will affect a broad range of supervisory activities, including regulatory reports, examinations, and examiner training.

Task Force on Surveillance Systems

The TFSS oversees the development and implementation of uniform interagency surveillance and monitoring systems. It provides a forum for the members to discuss best practices to be used in those systems and to consider the development of new financial analysis tools. The TFSS's principal objective is to develop and produce the UBPR. UBPRs present financial data of individual financial institutions and peer group statistics for current and historical periods. These reports are important tools for completing supervisory evaluations of a financial institution's condition and performance as well as for planning onsite examinations. The federal and state banking agencies also use the data from these reports in their automated monitoring systems to identify potential or emerging risks in insured financial institutions.

A UBPR is produced for each insured bank and savings association in the United States that is supervised by the FRB, FDIC, or OCC. While the UBPR is principally designed to meet the examination and surveillance needs of the federal and state banking agencies, the TFSS also makes the UBPR available to financial institutions and the public through a public website, www.ffiec.gov/UBPR.htm.

Task Force on Surveillance Systems meeting.

The TFSS has established three working groups to assist with carrying out its responsibilities. The Content Working Group reviews the content of the UBPR and makes recommendations to the TFSS for potential enhancements. The Supplementary Analysis Working Group provides a forum for exchanging information about various analytical tools and datasets currently used at the respective agencies. Once the tools and datasets are identified, the group explores the potential for them to be shared, maintained, or further developed under the purview of the TFSS to enhance the UBPR or create a new FFIEC analytical tool. The Technology Working Group explores ways to improve the usability of the UBPR, including the development of various presentation options (i.e., graphs, charts).

Initiatives Addressed in 2019

Content Working Group

The Content Working Group recommended modifications to several UBPR pages that the TFSS approved and implemented in 2019. The updates were necessitated by changes to several Call Report Schedules related to FASB ASU No. 2016-13, "Measurement of Credit Losses on Financial Instruments." In addition, the TFSS implemented changes the working group recommended to address the Call Report burden reductions for the June and September quarters.

The TFSS also implemented a new Executive Summary Report that provides more useful information to bank management. The TFSS approved the new report in 2018 and obtained funding for this report as part of the 2019 CDR budget.

Supplementary Analysis Working Group

The Supplementary Analysis Group recommended to the TFSS a modification to the two new ad hoc UBPR reports created in 2018 to better assist the UBPR Coordinators and agency users in performing various research projects. The TFSS approved the modification and requested funding in the CDR for implementation in 2020.

Technology Working Group

The Technology Working Group implemented additional UBPR visualization and CDR user functionality enhancements. These enhancements allow users to create and save peer groups and bank lists, compare one UBPR line item to another UBPR line item from any other UBPR page, compare multiple banks across one UBPR page, generate additional graph types, and change dates within the UBPR itself.

The Technology Working Group implemented changes that enhance the usability, flow, and content of UBPR information presented on the FFIEC website. Additionally, new web pages were created providing greater detail on each of the reports available for download on the FFIEC website.

UBPR Production and Delivery

During 2019, UBPRs for December 31, 2018; March 31, 2019; June 30, 2019; and September 30, 2019, were produced and delivered to federal and state banking agencies. Additionally, the UBPR section of the FFIEC website was utilized to deliver the same data to financial institutions and the general public. The TFSS strives to deliver the most up-to-date UBPR data to all users. Thus, the data for the current quarter are updated nightly and the data for previous quarters are updated regularly. Frequent updating allows the UBPR to remain synchronized with new Call Report data as it is being submitted by financial institutions.

UBPR Information on the FFIEC Website

UBPR Availability

To provide broad industry and public access to information about the financial condition of insured financial institutions, the TFSS publishes UBPR data for each institution shortly after the underlying Call Report is filed in the CDR. The UBPR is frequently refreshed to reflect amendments to underlying Call Report data and to incorporate any content-based changes agreed to by the TFSS. The online UBPR is a dynamic report that is closely synchronized with the underlying Call Report. UBPR reports can be accessed at https://cdr.ffiec.gov/public/ManageFacsimiles.aspx.

Other UBPR Reports

Web-based statistical reports supporting UBPR analysis are available and are updated nightly with the data for the current quarter and regularly for previous quarters. These reports (1) provide bank management with quick one-page summary of a bank's financial condition; (2) summarize the performance of all UBPR peer groups (determined by size, location, and business line); (3) detail the distribution of UBPR performance ratios for financial institutions in each of these peer groups; (4) list the individual financial institutions included in each peer group; and (5) compare a financial institution to the performance of a user-defined custom peer group.

Custom Peer Group Tool

The Custom Peer Group Tool allows industry professionals, regulators, and the general public to create and save custom peer groups based on financial and geographical criteria. The tool can then display all UBPR pages with peer group statistics and percentile rankings derived from the custom peer group. The Custom Peer Group Tool can recompute the entire UBPR using a custom peer group of up to 2,000 financial institutions and deliver the results usually within seconds.

Bulk Data Download

The UBPR database within the CDR, which contains all data appearing on report pages for all financial institutions, may be downloaded as either a delimited file or in XBRL format. The service is free, and downloads are typically fast. The bulk data download feature can be accessed at https://cdr.ffiec.gov/public/Default.aspx.

Additional information about the UBPR, including status, descriptions of changes, and the UBPR User's Guide, can be found at www.ffiec.gov/UBPR.htm. The site also provides access to the reports described above. For questions about the UBPR, contact support by calling 1-888-237-3111, emailing cdr.help@ffiec.gov, or writing the Council at

FFIEC
Attention: UBPR Coordinator
3501 Fairfax Drive
Room B7081a
Arlington, VA 22226-3550

The Federal Financial Institution Regulatory Agencies and their Supervised Institutions

The FRB, FDIC, OCC, and NCUA have primary federal supervisory jurisdiction over 10,655 domestically chartered banks, savings associations, and federally insured credit unions. On December 31, 2019, these financial institutions held total assets of more than $22.7 trillion. The FRB has primary federal supervisory responsibility for commercial bank holding companies (BHCs) and for savings and loan holding companies (SLHCs).

Three banking agencies on the Council have authority to oversee the operations of U.S. branches and agencies of foreign banks. The International Banking Act of 1978 (IBA) authorizes the OCC to license federal branches and agencies of foreign banks and authorizes the FRB to approve applications for both federal and state branches and agencies. Prior to the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), foreign banks could establish federal and state branches that accepted retail deposits and were insured by the FDIC. However, after FDICIA, foreign banks that wish to operate entities in the U.S. that accept retail deposits must organize under separate insured U.S. subsidiaries. Existing insured retail branches may continue to operate as branches. The IBA also subjects those U.S. offices of foreign banks to many provisions of the Federal Reserve Act of 1913. The IBA gives primary examining authority to the OCC for federal branches and agencies and to the FRB in conjunction with state authorities for state branches and agencies. The FDIC also has authority, along with the OCC and FRB, as appropriate, over those few remaining insured branches of foreign banks. The IBA also gives the FRB residual examining authority over all U.S. banking operations of foreign banks.

The Dodd-Frank Act provides statutory authority to the CFPB to conduct examinations of insured depository entities with total assets over $10 billion and their affiliates (in addition to certain nonbank entities) to ensure consumer financial products and services conform to certain federal consumer financial laws.

Board of Governors of the Federal Reserve System

The FRB was established in 1913. It is headed by a seven-member Board of Governors. Each member is appointed by the President, with the advice and consent of the Senate, for a 14-year term, unless completing an unexpired term of a departing member. Subject to confirmation by the Senate, the President selects one Board member to serve a four-year term as Chair and two members to serve as Vice Chairs; one serves in the absence of the Chair and the other is designated as Vice Chair for Supervision. The Chair also serves as a voting member of the FSOC. One member of the Board of Governors serves as the FRB's representative to the FFIEC. The FRB's activities most relevant to the work of the Council are the following

- overseeing the quality and efficiency of the examination and supervision function of the 12 Federal Reserve Banks;
- developing, issuing, implementing, and communicating regulations, supervisory policies, and guidance, and taking appropriate enforcement actions applicable to those organizations that are within the FRB's supervisory oversight authority;
- approving or denying applications for mergers, acquisitions, and changes in control by state member banks, SLHCs, and BHCs (including financial holding companies (FHCs)); applications for foreign operations of member banks and Edge Act and agreement corporations; and applications by foreign banks to establish or acquire U.S. banks and to establish U.S. branches, agencies, or representative offices; and
- supervising and regulating

— state member banks (i.e., state-chartered banks that are members of the Federal Reserve System);

— BHCs and SLHCs, including FHCs[1];

— Edge Act and agreement corporations; select nonbank financial firms;

— international operations of banking organizations headquartered in the United States and the domestic activities of foreign banking organizations, in conjunction with the responsible licensing authorities; as well as

— nonbank financial firms designated as systemically important by FSOC.

[1] The FRB's role as supervisor of BHCs, FHCs, and SLHCs is to review and assess the consolidated organization's operations, risk management systems, and capital adequacy to ensure that the holding company and its nonbank subsidiaries do not threaten the viability of the company's depository institutions. In this role, the FRB serves as the "umbrella supervisor" of the consolidated organization. In fulfilling this role, the FRB relies, to the fullest extent possible, on information and analysis provided by the appropriate supervisory authority of the company's depository institutions or securities or insurance subsidiaries.

Other supervisory and regulatory responsibilities of the FRB include monitoring compliance by entities under the FRB's jurisdiction with other statutes (e.g., the AML provisions of the BSA), monitoring compliance with certain statutes that protect consumers in credit and deposit transactions, regulating margin requirements on securities transactions, and regulating transactions between banking affiliates.

Policy decisions are implemented by the FRB or under delegated authority to the Director of the Division of Supervision and Regulation, the Director of the Division of Consumer and Community Affairs, and to the 12 Federal Reserve Banks—each of which has operational responsibility within a specific geographical area. The Reserve Bank Districts are headquartered in Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco. Each Reserve Bank has a president (chief executive officer) who serves for five years and is appointed by the Reserve Bank's class B and class C directors, and other executive officers who report directly to the president. Among other responsibilities, a Reserve Bank employs a staff of examiners who examine state member banks and Edge Act and agreement corporations, conduct BHC and SLHC inspections, and examine the international operations of foreign banks—whose head offices are usually located within the Reserve Bank's District. When appropriate, examiners also visit the overseas offices of U.S. banking organizations to obtain financial and operating information to evaluate adherence to safe and sound banking practices.

National banks, which must be members of the Federal Reserve System, are chartered, regulated, and supervised by the OCC. State-chartered banks may apply to and be accepted for membership in the Federal Reserve System, after which they are subject to the supervision and regulation of the FRB, which is coordinated with a state's banking authority. Insured state-chartered banks that are not members of the Federal Reserve System are regulated and supervised by the FDIC. The FRB also has overall responsibility for the supervision of foreign banking operations, including both U.S. banks operating abroad and foreign banks operating branches within the U.S.

The Dodd-Frank Act, as amended by the EGRRCPA, directs the FRB to collect assessments, fees, and other charges that are equal to the expenses incurred by the Federal Reserve to carry out its responsibilities with respect to supervision of (1) BHCs and SLHCs with assets equal to or greater than $100 billion and (2) all nonbank financial companies supervised by the FRB.

Consumer Financial Protection Bureau

The CFPB was created in 2010 by the Dodd-Frank Act and assumed transferred authorities from other federal agencies, and other new authorities, on July 21, 2011. The CFPB seeks to foster free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs. To accomplish this, the CFPB works to regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions. The Director of the CFPB serves on the FDIC Board of Directors and the FSOC.

The Dodd-Frank Act consolidated many of the consumer financial protection authorities previously shared by seven federal agencies into the CFPB and provided the Bureau with additional authorities to

- conduct rulemaking, supervision and enforcement with respect to the Federal consumer financial laws;
- handle consumer complaints and inquiries;
- promote financial education;
- research consumer behavior; and
- monitor financial markets for risks to consumers.

The CFPB has statutory authority to, among other things, conduct examinations of and require reports from entities subject to its supervisory authority. The CFPB has supervisory authority over

- insured depository institutions and credit unions with total assets over $10 billion, and their affiliates.
- certain nondepository entities regardless of size—mortgage companies (originators, brokers, and servicers, as well as related loan modification or foreclosure relief services firms), payday lenders, and private education lenders.
- "larger participants," as defined by rule, in consumer financial markets. To date, the CFPB has published final rules that allow it to supervise larger participants in the following markets

— consumer reporting market (these entities have more than $7 million in annual receipts resulting from consumer reporting);

— consumer debt collection market (these entities have annual receipts of more than $10 million resulting from consumer debt collection);

— student loan servicing market (these entities have account volume that exceeds one million);

— international money transfer market (these entities have at least one million aggregate annual international money transfers); and

— auto finance market (these entities make, acquire, or refinance 10,000 or more loans or leases annually).

- certain nondepository entities that it determines are posing a risk to consumers in connection with the offering or provision of consumer financial products or services.

The CFPB’s supervisory and enforcement activities are conducted by the Division of Supervision, Enforcement, and Fair Lending. The Division is headquartered in Washington, D.C., with regional offices in San Francisco (West), Chicago (Midwest), New York (Northeast), and Atlanta (Southeast). Examination staff is assigned to each of the four regions.

Federal Deposit Insurance Corporation

Congress created the FDIC in 1933 to promote stability and public confidence in our nation's banking system. The FDIC accomplishes its mission by insuring deposits, examining and supervising financial institutions for safety and soundness and consumer protection, making large and complex financial institutions resolvable, and managing receiverships. In its unique role as deposit insurer, the FDIC works in cooperation with other federal and state regulatory agencies to identify, monitor, and address risks to the Deposit Insurance Fund (DIF) posed by insured depository institutions.

Management of the FDIC is vested in a five-member Board of Directors. No more than three board members may be of the same political party. Three of the directors are appointed by the President, with the advice and consent of the Senate, for six-year terms. One of the three appointed directors is designated by the President as Chairman for a five-year term and another is designated as Vice Chairman. The other two board members are the Comptroller of the Currency and the Director of the CFPB. The Chairman also serves as a member of the FSOC.

Operational Structure

The FDIC's operations are organized into three major program areas: insurance, supervision, and receivership management. A description of each of these areas follows.

Insurance

The FDIC maintains stability and public confidence in our nation's financial system by providing deposit insurance. As insurer, the FDIC continually evaluates and effectively manages how changes in the economy, financial markets, and banking system affect the adequacy and viability of the DIF. When an insured depository institution fails, the FDIC ensures that the financial institution's customers have timely access to their insured deposits.

The FDIC, through its Division of Insurance and Research (DIR), provides the public with a sound deposit insurance system by publishing comprehensive statistical information on banking; identifying and analyzing emerging risks; conducting research that supports deposit insurance, banking policy, and risk assessment; assessing the adequacy of the DIF; and maintaining a risk-based premium system.

The Dodd-Frank Act revised the statutory authorities governing the FDIC's management of the DIF. As a result, the FDIC has developed a comprehensive, long-term management plan for the DIF to reduce the effects of cyclicality and achieve moderate, steady assessment rates throughout economic and credit cycles, while also maintaining a positive fund balance, even during a banking crisis. The plan sets an appropriate target fund size and a strategy for setting assessment rates and dividends. The FDIC has also adopted a Restoration Plan to ensure that the reserve ratio reaches the statutorily mandated level of 1.35 percent by September 30, 2020, as required by the Dodd-Frank Act. As of September 30, 2018, the reserve ratio exceeded the required minimum of 1.35 percent.

Supervision

The FDIC has primary federal supervisory authority over insured state-chartered banks that are not members of the Federal Reserve System and for state-chartered savings associations. The FDIC's supervisory activities for risk management and consumer protection are primarily organized into two divisions: the Division of Risk Management Supervision (RMS) and the Division of Depositor and Consumer Protection (DCP). RMS oversees the safety and soundness of FDIC-supervised institutions and carries out the FDIC's backup examination and enforcement authorities. DCP administers the FDIC's consumer protection supervisory functions, including its examination and enforcement programs for FDIC-supervised institutions with assets of $10 billion or less. Under the Dodd-Frank Act, the FDIC also retains examination and supervisory authority for several laws and regulations, including the CRA, without regard to the size of an institution.

RMS and DCP are further organized into six regional offices located in Atlanta, Chicago, Dallas, Kansas City, New York, and San Francisco. There are two area offices located in Boston (reporting to New York) and Memphis (reporting to Dallas). In addition to the regional and area offices, the FDIC maintains 84 field offices for risk management and 75 field offices for compliance.

As deposit insurer, the FDIC has backup examination and enforcement authority over all FDIC-insured institutions. Accordingly, the FDIC can examine for insurance purposes any insured financial institution, either independently or in cooperation with state or other federal supervisory authorities. The FDIC can also recommend that the appropriate federal banking agency take enforcement action against an insured institution and may do so itself if it deems necessary. The Dodd-Frank Act expanded the FDIC's responsibilities pertaining to systemically important financial institutions (SIFIs) and non-bank financial companies designated by the FSOC.

Effective July 21, 2019, the Division of Complex Institution Supervision and Resolution (CISR) was created to centralize and integrate FDIC's operations related to the supervision and resolution of large and complex financial institutions. Functions of this nature that were previously within RMS's Complex Financial Institutions (CFI) Group, the Office of Complex Financial Institutions, and part of the Division of Resolutions and Receiverships (DRR) are now in CISR.

CISR oversees the FDIC's systemic risk responsibilities under the Dodd-Frank Act, including resolution plan reviews, matters related to the FDIC's Orderly Liquidation Authority, and promoting cross-border cooperation and coordination with respect to Global-SIFIs.

Receivership Management

Bank resolutions are handled by the FDIC's DRR. In protecting insured depositors, the FDIC is statutorily charged with resolving failed depository institutions at the least possible cost to the DIF. In carrying out this responsibility, the FDIC has several methods to resolve banks, including arranging the purchase of assets and assumption of liabilities of failed institutions, paying off depositors, and creating and operating temporary bridge banks until a resolution can be accomplished. DRR maintains personnel in its field operations branch in Dallas; it also maintains staff in FDIC regional offices.

As a general matter, all insolvent bank holding companies are expected to file for reorganization or liquidation under the U.S. Bankruptcy Code, just as any failed nonfinancial company would. The Orderly Liquidation Authority gives the FDIC an alternative to resolve a failing financial company when bankruptcy would have serious adverse effects on U.S. financial stability. This authority is triggered after recommendations by the appropriate federal agencies and a determination by the Secretary of the Treasury in consultation with the President. The Orderly Liquidation Authority imposes accountability on shareholders, creditors, and the management of the failed company, while mitigating systemic risk and imposing no cost on taxpayers.

National Credit Union Administration

The NCUA, established by Congress in 1970 through section 1752a of the Federal Credit Union Act, is the independent federal agency that regulates, charters, and supervises the nation's federal credit union system. With the backing of the full faith and credit of the United States, the NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.

The NCUA has a full-time, three-member Board appointed by the President of the United States and confirmed by the Senate. No more than two Board members can be from the same political party, and each member serves a staggered six-year term. The President selects one board member to serve as the Chairman. The Chairman also serves on FSOC and the Board of NeighborWorks America.

The NCUA's mission is to provide, through regulation and supervision, a safe and sound credit union system, which promotes confidence in the national system of cooperative credit. Specifically, the NCUA's responsibilities include

- chartering, regulating, and supervising more than 3,200 federal credit unions in the United States and its territories;
- administering the National Credit Union Share Insurance Fund, which insures member share accounts in more than 5,200 federal and state-chartered credit unions; and
- managing the Central Liquidity Facility, which serves as a source of emergency liquidity to the credit union system during periods of financial and economic stress.

The NCUA also has statutory authority to examine and supervise federally insured, state-chartered credit unions in coordination with state regulators.

The NCUA relies upon more than 1,100 employees to perform all the vital tasks in the agency's examination, consumer protection, and regulatory roles, including onsite examinations and supervision of each federal credit union and selected state chartered credit unions. The agency operates a central office in Alexandria, Virginia; an Asset Management and Assistance Center, located in Austin, Texas, to liquidate credit unions and recover assets; and three regional offices.

The NCUA is funded by the credit unions it regulates and insures.

Office of the Comptroller of the Currency

The OCC is the oldest federal bank regulatory agency, established as a bureau of the U.S. Treasury Department by the National Currency Act of 1863. It is headed by the Comptroller of the Currency, who is appointed to a five-year term by the President with the advice and consent of the Senate. The Comptroller is also a director of the FDIC and NeighborWorks America, and a member of the FSOC.

The OCC was created by Congress to charter, regulate, and supervise national banks. On July 21, 2011, pursuant to the Dodd-Frank Act, the OCC assumed supervisory responsibility for federal savings associations, as well as rulemaking authority relating to all savings associations. The OCC regulates and supervises 845 national banks and trust companies, 305 federal savings associations, and 57 federal branches and agencies of foreign banks—accounting for approximately 69 percent of the total assets of all U.S. commercial banks, savings associations, and branches of foreign banks. The OCC seeks to ensure that national banks and federal savings associations (collectively "banks") safely and soundly manage their risks, comply with applicable laws and regulations, compete effectively with other providers of financial services, offer products and services that meet the needs of customers, and provide fair access to financial services and fair treatment of their customers.

The OCC's mission-critical programs include

- chartering banks and issuing interpretations related to permissible banking activities;
- establishing and communicating regulations, policies, and operating guidance applicable to banks; and
- supervising the national system of banks and savings associations through on-site examinations, off-site monitoring, systemic risk analyses, and appropriate enforcement activities.

To meet its objectives, the OCC maintains a nationwide staff of bank examiners and other professional and support personnel. Headquartered in Washington, D.C., the OCC has four district offices, which are located in Chicago, Dallas, Denver, and New York. In addition, the OCC maintains a network of field offices and 14 satellite locations in cities throughout the U.S. as well as core examiner teams in 24 of the largest national banking companies.

The Comptroller receives advice on policy and operational issues from an Executive Committee comprised of senior agency officials who lead major business units.

The OCC is funded primarily by semiannual assessments on banks, interest revenue from its investment in U.S. Treasury securities, and other fees. The OCC does not receive congressional appropriations for any of its operations.

Assets, Liabilities, and Net Worth of U.S. Commercial Banks, Savings Institutions, and Credit Unions as of December 31, 2019[1]

Billions of dollars

Item	Total	U.S. Commercial Banks[2]			U.S. Branches and Agencies of Foreign Banks[6]	Savings Institutions[4]		Credit Unions[3]	
		National	State Member[5]	State Non-Member		OCC Regulated Federal Charter	FDIC Regulated State Charter[7]	Federal Charter	State Charter
Total assets	22,719	11,841	2,642	3,045	2,498	780	348	802	763
Total loans and receivables (net)	12,305	6,298	1,336	2,137	804	371	254	560	545
Loans secured by real estate[8]	5,685	2,580	708	1,333	81	206	219	277	281
Consumer loans[9]	2,388	1,226	133	337	-	136	6	286	264
Commercial and industrial loans	2,606	1,591	280	276	411	17	25	3	3
All other loans and lease receivables[10]	1,760	978	228	215	312	20	6	0	1
LESS: Allowance for loan and lease losses	134	77	13	24	-	8	2	6	4
Federal funds sold and securities purchased under agreements to resell	946	496	45	21	379	1	1	1	2
Cash and due from depository institutions[11]	902	141	383	173	23	6	16	80	80
Securities and other obligations[12]	4,472	2,529	664	498	181	326	55	120	99
U.S. government obligations[13]	2,499	1,817	102	81	89	190	39	97	84
Obligations of state and local governments[14]	320	169	45	90	-	5	5	4	2
Other securities	1,653	543	517	327	92	131	11	19	13
Other assets[15]	4,094	2,377	214	216	1,111	76	22	41	37
Total liabilities	20,422	10,525	2,343	2,659	2,498	701	305	711	680
Total deposits and shares[16]	16,951	9,107	2,118	2,410	1,096	637	263	671	649
Federal funds purchased and securities sold under agreements to repurchase	782	174	32	20	550	4	2	0	0
Other borrowings[17]	1,451	702	136	189	288	49	35	31	21
Other liabilities[18]	1,238	542	57	40	564	11	5	9	10
Net worth[19]	2,297	1,316	299	386	-	79	43	91	83
Memorandum: Number of institutions reporting	10,655	835	753	3,012	195	299	325	3283	1953

Footnotes to Tables

1. The table covers institutions, including those in Puerto Rico and U.S. territories and possessions, insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. All branches and agencies of foreign banks in the U.S., but excluding any in Puerto Rico and U.S. territories and possessions, are covered whether or not insured. Excludes Edge Act and Agreement corporations that are not subsidiaries of U.S. commercial banks.
2. Reflects fully consolidated statements of FDIC-insured U.S. commercial banks—including their foreign branches, foreign subsidiaries, branches in Puerto Rico and U.S. territories and possessions, and FDIC insured banks in Puerto Rico and U.S. territories and possessions. Excludes bank holding companies.
3. Data are for federally insured natural person credit unions only.
4. Reflects fully consolidated statements of Savings Institutions—including Stock Savings Banks, Mutual Savings Banks, Stock Savings & Loan Associations, and Mutual Savings & Loan Associations that are Federally Chartered or that are State Chartered and not Federal Reserve Members.
5. Includes State Member Savings Banks and State Member Cooperative Banks.
6. These institutions are not required to file reports of income.
7. Includes State Chartered Savings Associations formerly regulated by the Office of Thrift Supervision.
8. Includes loans secured by residential property, commercial property, farmland (including improvements), and unimproved land; and construction loans secured by real estate.
9. Includes loans, except those secured by real estate, to individuals for household, family, and other personal expenditures including both installment and single payment loans. Net of unearned income on installment loans.
10. Includes loans to financial institutions, for purchasing or carrying securities, to finance agricultural production and other loans to farmers (except those secured by real estate), to states

Notes continue on the next page

Income and Expenses of U.S. Commercial Banks, Savings Institutions, and Credit Unions for the Twelve Months Ending December 31, 2019[1]

Billions of dollars

Item	Total	U.S. Commercial Banks[2]			Savings Institutions[4]		Credit Unions[3]	
		National	State Member[5]	State NonMember	OCC Regulated Federal Charter	FDIC Regulated State Charter[7]	Federal Charter	State Charter
Operating income:	1,057	627	131	154	48	15	43	39
Interest and fees on loans	602	332	66	113	27	11	28	25
Other interest and dividend income	111	65	15	12	9	2	4	4
All other operating income	344	230	50	29	12	2	11	10
Operating expenses:	747	435	93	108	32	11	36	32
Salaries and benefits	249	141	33	38	8	4	13	12
Interest on deposits and shares	120	61	18	21	5	3	6	6
Interest on other borrowed money	40	26	6	4	1	1	1	1
Provision for loan and lease losses	61	36	4	10	5	0	4	2
All other operating expenses	277	171	32	35	13	3	12	11
Net operating income	310	192	38	46	16	4	7	7
Securities gains and losses	0	0	0	0	0	0	0	0
Discontinued operations	0	0	0	0	0	0	0	0
Income taxes	62	40	8	9	4	1	0	0
Net income	248	152	30	37	12	3	7	7
Memorandum: Number of institutions reporting	10,460	835	753	3,012	299	325	3,283	1,953

and political subdivisions and public authorities, and miscellaneous types of loans.

11. Includes vault cash, cash items in process of collection, and balances with U.S. and foreign banks and other depository institutions (including demand and time deposits and certificates of deposit for all categories of institutions).
12. Includes government and corporate securities, including mortgage-backed securities and obligations of states and political subdivisions and of U.S. government agencies and corporations.
13. U.S. Treasury securities and securities of, and loans to, U.S. government agencies and corporations.
14. Securities issued by states and political subdivisions and public authorities, except for U.S. branches and agencies of foreign banks that do not report these securities separately. Loans to states and political subdivisions and public authorities are included in "All other loans and lease receivables."
15. Customers' liabilities on acceptances, real property owned, various accrual accounts, and miscellaneous assets. For U.S. branches and agencies of foreign banks, also includes net due from head office and other related institutions.
16. Includes demand, savings, and time deposits, (including certificates of deposit at commercial banks, U.S. branches and agencies of foreign banks, and savings banks), credit balances at U.S. agencies of foreign banks and share balances at credit unions (including certificates of deposit, NOW accounts, and share draft accounts). For U.S. commercial banks, includes deposits in foreign offices, branches in U.S. territories and possessions, and Edge Act and Agreement corporation subsidiaries.
17. Includes interest-bearing demand notes issued to the U.S. Treasury, borrowing from Federal Reserve Banks and Federal Home Loan Banks, subordinated debt, limited life preferred stock, and other nondeposit borrowing.
18. Includes depository institutions' own mortgage borrowing, liability for capitalized leases, liability on acceptances executed, various accrual accounts, and miscellaneous liabilities. For U.S. branches and agencies of foreign banks, also includes net owed to head office and other related institutions.
19. Includes capital stock, surplus, capital reserves, and undivided profits.

NOTE: Data are rounded to nearest billion. Consequently some information may not reconcile precisely. Additionally, balances less than $500 million will show as zero. Dashes will be used for items not requiring reporting.

Appendix A: Selected Relevant Statutes

Table of Contents

NOTE: In the interest of representing the official statutory text in the U.S. Code, formatting styles have been applied throughout this section as faithfully as possible.

Selected Relevant Statutes

Federal Financial Institutions Examination Council Act of 1978 (Pub. L. 95-630, title X)

Sec. 1002. (12 U.S.C. § 3301). Declaration of purpose

It is the purpose of this chapter to establish a Financial Institutions Examination Council which shall prescribe uniform principles and standards for the Federal examination of financial institutions by the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the Federal Home Loan Bank Board, and the National Credit Union Administration and make recommendations to promote uniformity in the supervision of these financial institutions. The Council's actions shall be designed to promote consistency in such examination and to insure progressive and vigilant supervision.

Sec. 1003. (12 U.S.C. § 3302). Definitions

As used in this chapter—

(1) the term "Federal financial institutions regulatory agencies" means the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration;

(2) the term "Council" means the Financial Institutions Examination Council; and

(3) the term "financial institution" means a commercial bank, a savings bank, a trust company, a savings association, a building and loan association, a homestead association, a cooperative bank, or a credit union;[2]

[2] So in original. Should be a period in this excerpt format.

Sec. 1004. (12 U.S.C. § 3303). Financial Institutions Examination Council

(a) Establishment; composition

There is established the Financial Institutions Examination Council which shall consist of—

(1) the Comptroller of the Currency,

(2) the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation,

(3) a Governor of the Board of Governors of the Federal Reserve System designated by the Chairman of the Board,

(4) the Director of the Consumer Financial Protection Bureau,

(5) the Chairman of the National Credit Union Administration Board; and

(6) the Chairman of the State Liaison Committee.

(b) Chairmanship

The members of the Council shall select the first chairman of the Council. Thereafter the chairmanship shall rotate among the members of the Council.

(c) Term of office

The term of the Chairman of the Council shall be two years.

(d) Designation of officers and employees

The members of the Council may, from time to time, designate other officers or employees of their respective agencies to carry out their duties on the Council.

(e) Compensation and expenses

Each member of the Council shall serve without additional compensation but shall be entitled to reasonable expenses incurred in carrying out his official duties as such a member.

Sec. 1005. (12 U.S.C. § 3304). Costs and expenses of Council

One-fifth of the costs and expenses of the Council, including the salaries of its employees, shall be paid by each of the Federal financial institutions regulatory agencies. Annual assessments for such share shall be levied by the Council based upon its projected budget for the year, and additional assessments may be made during the year if necessary.

Sec. 1006. (12 U.S.C. § 3305). Functions of Council

(a) Establishment of principles and standards

The Council shall establish uniform principles and standards and report forms for the examination of financial institutions which shall be applied by the Federal financial institutions regulatory agencies.

(b) Making recommendations regarding supervisory matters and adequacy of supervisory tools

(1) The Council shall make recommendations for uniformity in other supervisory matters, such as, but not limited to, classifying loans subject to country risk, identifying financial institutions in need of special supervisory attention, and evaluating the soundness of large loans that are shared by two or more financial institutions. In addition, the Council shall make recommendations regarding the adequacy of supervisory tools for determining the impact of holding company operations on the financial institutions within the holding company and shall consider the ability of supervisory agencies to discover possible fraud or questionable and illegal payments and practices which might occur in the operation of financial institutions or their holding companies.

(2) When a recommendation of the Council is found unacceptable by one or more of the applicable Federal financial institutions regulatory agencies, the agency or agencies shall submit to the Council, within a time period specified by the Council, a written statement of the reasons the recommendation is unacceptable.

(c) Development of uniform reporting system

The Council shall develop uniform reporting systems for federally supervised financial institutions, their holding companies, and nonfinancial institution subsidiaries of such institutions or holding companies. The authority to develop uniform reporting systems shall not restrict or amend the requirements of section 12(i) of the Securities Exchange Act of 1934.

(d) Conducting schools for examiners and assistant examiners

The Council shall conduct schools for examiners and assistant examiners employed by the Federal financial institutions regulatory agencies. Such schools shall be open to enrollment by employees of State financial institutions supervisory agencies and employees of the Federal Housing Finance Board under conditions specified by the Council.

(e) Affect on Federal regulatory agency research and development of new financial institutions supervisory agencies

Nothing in this chapter shall be construed to limit or discourage Federal regulatory agency research and development of new financial institutions supervisory methods and tools, nor to preclude the field testing of any innovation devised by any Federal regulatory agency.

(f) Annual report

Not later than April 1 of each year, the Council shall prepare an annual report covering its activities during the preceding year.

(g) Flood insurance

The Council shall consult with and assist the Federal entities for lending regulation, as such term is defined in 42 U.S.C. § 4121(a), in developing and coordinating uniform standards and requirements for use by regulated lending institutions under the national flood insurance program.

Sec. 1007. (12 U.S.C. § 3306). State liaison

To encourage the application of uniform examination principles and standards by State and Federal supervisory agencies, the Council shall establish a liaison committee composed of five representatives of State agencies which supervise financial institutions which shall meet at least twice a year with the Council. Members of the liaison committee shall receive a reasonable allowance for necessary expenses incurred in attending meetings. Members of the Liaison Committee shall elect a chairperson from among the members serving on the committee.

Sec. 1008. (12 U.S.C. § 3307). Administration

(a) Authority of Chairman of Council

The Chairman of the Council is authorized to carry out and to delegate the authority to carry out the internal administration of the Council, including the appointment and supervision of employees and the distribution of business among members, employees, and administrative units.

(b) Use of personnel, services, and facilities of Federal financial institutions regulatory agencies, Federal Reserve banks, and Federal Home Loan Banks.

in[3] addition to any other authority conferred upon it by this chapter, in carrying out its functions under this chapter, the Council may utilize, with their consent and to the extent practical, the personnel, services, and facilities of the Federal financial institutions regulatory agencies, Federal Reserve banks, and Federal Home Loan Banks, with or without reimbursement therefor.

(c) Compensation, authority, and duties of officers and employees; experts and consultants

In addition, the Council may—

(1) subject to the provisions of title 5 of the United States Code relating to the competitive service, classification, and General Schedule pay rates, appoint and fix the compensation of such officers and employees as are necessary to carry out the provisions of this chapter, and to prescribe the authority and duties of such officers and employees; and

(2) obtain the services of such experts and consultants as are necessary to carry out the provisions of this chapter.

Sec. 1009. (12 U.S.C. § 3308). Access to books, accounts, records, etc., by Council

For the purpose of carrying out this chapter, the Council shall have access to all books, accounts, records, reports, files, memorandums, papers, things, and property belonging to or in use by Federal financial institutions regulatory agencies, including reports of examination of financial institutions or their holding companies from whatever source, together with workpapers and correspondence files related to such reports, whether or not a part of the report, and all without any deletions.

Sec. 1009A. (12 U.S.C. § 3309). Risk management training

(a) Seminars

The Council shall develop and administer training seminars in risk management for its employees and the employees of insured financial institutions.

(b) Study of risk management training program

Not later than end of the 1-year period beginning on August 9, 1989, the Council shall—

(1) conduct a study on the feasibility and appropriateness of establishing a formalized risk management training program designed to lead to the certification of Risk Management Analysts; and

(2) report to the Congress the results of such study.

Sec. 1011. (12 U.S.C. § 3310). Establishment of Appraisal Subcommittee

There shall be within the Council a subcommittee to be known as the "Appraisal Subcommittee", which shall consist of the designees of the heads of the Federal financial institutions regulatory agencies, the Bureau of Consumer Financial Protection, and the Federal Housing Finance Agency. Each such designee shall be a person who has demonstrated knowledge and competence concerning the appraisal profession. At all times at least one member of the Appraisal Subcommittee shall have demonstrated knowledge and competence through licensure, certification, or professional designation within the appraisal profession.

[3] So in original. Should be capitalized in this excerpt format.

Excerpt from Economic Growth and Regulatory Paperwork Reduction Act of 1996

Sec. 2222. (12 U.S.C. § 3311). Required review of regulations

(a) In general

Not less frequently than once every 10 years, the Council and each appropriate Federal banking agency represented on the Council shall conduct a review of all regulations prescribed by the Council or by any such appropriate Federal banking agency, respectively, in order to identify outdated or otherwise unnecessary regulatory requirements imposed on insured depository institutions.

(b) Process

In conducting the review under subsection (a) of this section, the Council or the appropriate Federal banking agency shall—

(1) categorize the regulations described in subsection (a) of this section by type (such as consumer regulations, safety and soundness regulations, or such other designations as determined by the Council, or the appropriate Federal banking agency); and

(2) at regular intervals, provide notice and solicit public comment on a particular category or categories of regulations, requesting commentators to identify areas of the regulations that are outdated, unnecessary, or unduly burdensome.

(c) Complete review

The Council or the appropriate Federal banking agency shall ensure that the notice and comment period described in subsection (b)(2) of this section is conducted with respect to all regulations described in subsection (a) of this section not less frequently than once every 10 years.

(d) Regulatory response

The Council or the appropriate Federal banking agency shall—

(1) publish in the Federal Register[4] a summary of the comments received under this section, identifying significant issues raised and providing comment on such issues; and

(2) eliminate unnecessary regulations to the extent that such action is appropriate.

(e) Report to Congress

Not later than 30 days after carrying out subsection (d)(1) of this section, the Council shall submit to the Congress a report, which shall include—

(1) a summary of any significant issues raised by public comments received by the Council and the appropriate Federal banking agencies under this section and the relative merits of such issues; and

(2) an analysis of whether the appropriate Federal banking agency involved is able to address the regulatory burdens associated with such issues by regulation, or whether such burdens must be addressed by legislative action.

Excerpt from Financial Institutions Reform, Recovery, and Enforcement Act of 1989

Sec. 1103 (12 U.S.C. § 3332). Functions of Appraisal Subcommittee

(a) In general

The Appraisal Subcommittee shall—

(1) monitor the requirements established by States—

(A) for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions, including a code of professional responsibility; and

(B) for the registration and supervision of the operations and activities of an appraisal management company;

(2) monitor the requirements established by the Federal financial institutions regulatory agencies with respect to—

[4] So in original. Should probably appear in italics font.

(A) appraisal standards for federally related transactions under their jurisdiction, and

(B) determinations as to which federally related transactions under their jurisdiction require the services of a State certified appraiser and which require the services of a State licensed appraiser;

(3) maintain a national registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions;

(4) Omitted.

(5) transmit an annual report to the Congress not later than June 15 of each year that describes the manner in which each function assigned to the Appraisal Subcommittee has been carried out during the preceding year. The report shall also detail the activities of the Appraisal Subcommittee, including the results of all audits of State appraiser regulatory agencies, and provide an accounting of disapproved actions and warnings taken in the previous year, including a description of the conditions causing the disapproval and actions taken to achieve compliance; and

(6) maintain a national registry of appraisal management companies that either are registered with and subject to supervision of a State appraiser certifying and licensing agency or are operating subsidiaries of a Federally regulated financial institution.

(b) Monitoring and reviewing foundation

The Appraisal Subcommittee shall monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation.

Sec. 1104. (12 U.S.C. § 3333). Chairperson of Appraisal Subcommittee; term of Chairperson; meetings

(a) Chairperson

The Council shall select the Chairperson of the subcommittee. The term of the Chairperson shall be 2 years.

(b) Meetings; quorum; voting

The Appraisal Subcommittee shall meet in public session after notice in the Federal Register, but may close certain portions of these meetings related to personnel and review of preliminary State audit reports, at the call of the Chairperson or a majority of its members when there is business to be conducted. A majority of members of the Appraisal Subcommittee shall constitute a quorum but 2 or more members may hold hearings. Decisions of the Appraisal Subcommittee shall be made by the vote of a majority of its members. The subject matter discussed in any closed or executive session shall be described in the Federal Register notice of the meeting.

Excerpt from Home Mortgage Disclosure Act of 1975

Sec. 302. (12 U.S.C. § 2801). Congressional findings and declaration of purpose

(a) Findings of Congress

The Congress finds that some depository institutions have sometimes contributed to the decline of certain geographic areas by their failure pursuant to their chartering responsibilities to provide adequate home financing to qualified applicants on reasonable terms and conditions.

(b) Purpose of chapter

The purpose of this chapter is to provide the citizens and public officials of the United States with sufficient information to enable them to determine whether depository institutions are filling their obligations to serve the housing needs of the communities and neighborhoods in which they are located and to assist public officials in their determination of the distribution of public sector investments in a manner designed to improve the private investment environment.

(c) Construction of chapter

Nothing in this chapter is intended to, nor shall it be construed to, encourage unsound lending practices or the allocation of credit.

* * * * *

Sec. 304. (12 U.S.C. § 2803). Maintenance of records and public disclosure

* * *

(f) Data disclosure system; operation, etc.

The Federal Financial Institutions Examination Council, in consultation with the Secretary [of Housing and Urban Development], shall implement a system to facilitate access to data required to be disclosed under this section. Such system shall include arrangements for a central depository of data in each primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas. Disclosure statements shall be made available to the public for inspection and copying at such central depository of data for all depository institutions which are required to disclose information under this section (or which are exempted pursuant to 12 U.S.C. § 2805(b) of this title) and which have a home office or branch office within such primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas.

* * * * *

Sec. 310. (12 U.S.C. § 2809). Compilation of aggregate data

(a) Commencement; scope of data and tables

Beginning with data for calendar year 1980, the Federal Financial Institutions Examination Council shall compile each year, for each primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas, aggregate data by census tract for all depository institutions which are required to disclose data under 12 U.S.C. § 2803 of this title or which are exempt pursuant to 12 U.S.C. § 2805(b) of this title. The Council shall also produce tables indicating, for each primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area that is not comprised of designated primary metropolitan statistical areas, aggregate lending patterns for various categories of census tracts grouped according to location, age of housing stock, income level, and racial characteristics.

(b) Staff and data processing resources

The Bureau [of Consumer Financial Protection] shall provide staff and data processing resources to the Council to enable it to carry out the provisions of subsection (a) of this section.

(c) Availability to public

The data and tables required pursuant to subsection (a) of this section shall be made available to the public by no later than December 31 of the year following the calendar year on which the data is based.

Appendix B: 2019 Audit Report

Table of Contents

Office of Inspector General
Board of Governors of the Federal Reserve System
Bureau of Consumer Financial Protection

February 26, 2020

Federal Financial Institutions Examination Council
3501 Fairfax Drive, B-7081a
Arlington, VA 22226-3550

Dear Members of the Federal Financial Institutions Examination Council:

This letter transmits the *Independent Auditors' Report* prepared by KPMG LLP on the Federal Financial Institutions Examination Council's (FFIEC) financial statements. We contracted with KPMG to audit the financial statements of the FFIEC as of and for the years ended December 31, 2019 and 2018.

The contract requires the audit to be performed in accordance with the auditing standards generally accepted in the United States of America and in accordance with the standards applicable to financial audits contained in *Government Auditing Standards*, which is issued by the Comptroller General of the United States. We reviewed and monitored the work of KPMG to ensure compliance with the contract. KPMG is responsible for the accompanying *Independent Auditors' Report on the Financial Statements* and *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters*, dated February 25, 2020.

We do not express an opinion on the FFIEC's financial statements. In addition, we do not draw conclusions on the *Independent Auditors' Report on the Financial Statements* and *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters*.

Sincerely,

Mark Bialek

Mark Bialek
Inspector General

cc: Judith Dupre, Executive Secretary, FFIEC
Mary McLeod, Chairman, FFIEC Legal Advisory Group, and General Counsel, Bureau of Consumer Financial Protection
Ricardo A. Aguilera, Chief Financial Officer, Board of Governors of the Federal Reserve System

KPMG

KPMG LLP
Suite 12000
1801 K Street, NW
Washington, DC 20006

Independent Auditors' Report

The Federal Financial Institutions Examination Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the Federal Financial Institutions Examination Council (the Council), which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, in accordance with the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Federal Financial Institutions Examination Council as of December 31, 2019 and 2018, and its operations and cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Reporting Required by *Government Auditing Standards*

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements as of and for the year ended December 31, 2019, we considered the Council's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication described in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control or compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Washington, District of Columbia
February 25, 2020

Federal Financial Institutions Examination Council
Balance Sheets

	As of December 31,	
	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash	$ 2,171,527	$ 1,747,692
Accounts receivable from member agencies	1,125,726	591,740
Accounts receivable from non-members agencies—net	14,525	8,774
Total current assets	3,311,778	2,348,206
NON-CURRENT ASSETS:		
Central Data Repository software—net	–	86,707
Total non-current assets	–	86,707
TOTAL ASSETS	$ 3,311,778	$ 2,434,913
LIABILITIES AND CUMULATIVE RESULTS OF OPERATIONS		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities payable to member agencies	$ 1,552,020	$ 736,827
Accounts payable and accrued liabilities payable to non-member agencies	506,394	513,878
Accrued annual leave	81,296	52,838
Deferred revenue	–	86,707
Total current liabilities	2,139,710	1,390,250
LONG-TERM LIABILITIES:		
Deferred rent	8,416	12,518
Total long-term liabilities	8,416	12,518
Total liabilities	2,148,126	1,402,768
CUMULATIVE RESULTS OF OPERATIONS	1,163,652	1,032,145
TOTAL LIABILITIES AND CUMULATIVE RESULTS OF OPERATIONS	$ 3,311,778	$ 2,434,913

See notes to financial statements.

Federal Financial Institutions Examination Council
Statements of Operations

	For the years ended December 31,	
	2019	2018
REVENUES:		
Assessments on member agencies	$ 1,484,705	$ 1,466,738
Central Data Repository	3,551,781	3,734,816
Tuition	4,600,550	4,409,863
Home Mortgage Disclosure Act	–	281,310
Community Reinvestment Act	655,973	694,687
Uniform Bank Performance Report	618,424	561,475
Other Revenues	608,767	–
Total revenues	11,520,200	11,148,889
EXPENSES:		
Data processing	1,264,740	975,998
Professional fees	5,122,144	5,127,604
Salaries and related benefits	3,152,487	2,930,328
Depreciation	86,706	245,773
Rental of office space	367,927	372,586
Administration fees	905,540	869,571
Travel	251,837	260,774
Other seminar expenses	96,265	83,594
Rental and maintenance of office equipment	103,079	55,661
Office and other supplies	29,143	35,576
Printing	6,905	10,373
Miscellaneous	1,920	6,494
Total expenses	11,388,693	10,974,332
RESULTS OF OPERATIONS	131,507	174,557
CUMULATIVE RESULTS OF OPERATIONS—Beginning of year	1,032,145	857,588
CUMULATIVE RESULTS OF OPERATIONS—End of year	$ 1,163,652	$ 1,032,145

See notes to financial statements.

Federal Financial Institutions Examination Council
Statements of Cash Flows

	For the years ended December 31,	
	2019	2018
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Results of operations	$ 131,507	$ 174,557
Adjustments to reconcile results of operations to net cash provided from operating activities:		
Depreciation	86,706	250,997
Net loss (gain) on disposal of equipment	–	(5,223)
(Increase) decrease in assets:		
Accounts receivable from member agencies	(533,986)	(131,016)
Accounts receivable from non-member agencies	(5,751)	463,300
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities payable to member agencies	815,193	(646,726)
Other accounts payable and accrued liabilities payable to non-member agencies	(7,484)	78,759
Accrued annual leave	28,458	(3,672)
Deferred revenue (current and non-current)	(86,706)	(208,096)
Deferred rent	(4,102)	16,775
Net cash from (used in) operating activities	423,835	(10,345)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Capital lease payments	–	(45,950)
Net cash from (used in) operating activities	–	(45,950)
NET INCREASE (DECREASE) IN CASH	423,835	(56,295)
CASH BALANCE—Beginning of year	1,747,692	1,803,987
CASH BALANCE—End of year	$ 2,171,527	$ 1,747,692

See notes to financial statements.

Notes to Financial Statements as of and for the Years Ended December 31, 2019 and 2018

1. Organization and Purpose

The Federal Financial Institutions Examination Council (the Council) was established under title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978. The purpose of the Council is to prescribe uniform principles and standards for the federal examination of financial institutions and to make recommendations to promote uniformity in the supervision of these financial institutions. The Council has six voting members. The five federal agencies represented on the Council during 2019, referred to collectively as member agencies, are as follows:

- Board of Governors of the Federal Reserve System (FRB)
- Consumer Financial Protection Bureau (the Bureau)
- Federal Deposit Insurance Corporation (FDIC)
- National Credit Union Administration (NCUA)
- Office of the Comptroller of the Currency (OCC)

In accordance with the Financial Services Regulatory Relief Act of 2006, a rotating representative state regulator was added as a full voting member of the Council in October 2006.

The Council was given additional statutory responsibilities by section 340 of the Housing and Community Development Act of 1980, Public Law 96-399. Among these responsibilities is the implementation of a system, in consultation with the Secretary of the Department of Housing and Urban Development (HUD), to facilitate public access to data that depository institutions must disclose under the Home Mortgage Disclosure Act of 1975 (HMDA) and the aggregation of annual HMDA data, by census tract, for each metropolitan statistical area.

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) was signed into law. This legislation gave the Bureau general rule-writing responsibility for federal consumer financial laws and the HMDA supervisory and enforcement authority. The Bureau, as part of these responsibilities, developed a new HMDA processing system that replaced the HMDA processing system maintained by the FRB. The Council is performing the collection and billing activity for the new HMDA processing system developed by the Bureau. The activity includes the member agencies and HUD. As a collecting entity, the Council does not recognize the transfers from member agencies as revenue nor does the Council use the collections to fund Council expenses; the funds are transferred to the Bureau.

The Council's financial statements do not include financial data for the Council's Appraisal Subcommittee (the Subcommittee). The Subcommittee was created pursuant to Public Law 101-73, title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Although it is a subcommittee of the Council, the Appraisal Subcommittee maintains separate financial records and administrative processes. The Council is not responsible for any debts incurred by the Appraisal Subcommittee, nor are Appraisal Subcommittee funds available for use by the Council.

2. Significant Accounting Policies

Basis of Accounting—The Council prepares its financial statements in accordance with accounting principles generally accepted in the United States (GAAP).

Revenues—Assessments are made on member organizations to fund the Council's operations based on expected cash needs and are recognized as revenue in the period in which they are assessed. Amounts over- or under-assessed due to differences between assessments and actual expenses are presented in the Council's Statements of Operations in the "Cumulative results of operations" line item during the year and then may be used to offset or increase the next year's assessment. Deficits in "Cumulative results of operations" can be recouped in the following year's assessments.

The Council provides training seminars in the Washington, D.C. area and at locations throughout the country for member organizations, other federal agencies, and state organizations. The Council

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recognizes revenue from member agencies for the production and distribution of the Uniform Bank Performance Reports (UBPR) through the FDIC. Tuition and UBPR revenue are adjusted at year-end to match expenses incurred as a result of providing education classes and UBPR services. For differences between revenues and expenses, member agencies are assessed an additional amount or credited a refund based on each member's proportional cost for the examiner education and UBPR budget. The Council recognizes revenue from member agencies for expenses incurred related to the Central Data Repository (CDR) processing system, the Community Reinvestment Act (CRA) processing system, the Geocoder and Census Product Services (Other Revenues) and for 2018 only the HMDA processing system previously maintained by the FRB.

Equipment and Software—Equipment is recorded at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, which range from three to five years. Upon the sale or other disposition of a depreciable asset, the cost and related accumulated depreciation are removed and any gain or loss is recognized. Costs incurred to acquire software are capitalized based on the purchase price. Costs incurred during the application development stage to develop internal-use software are capitalized based on the cost of direct services and materials associated with designing, coding, installing, and testing the software. Capitalized software costs are amortized on a straight-line basis over the estimated useful lives of the software applications, which generally range from two to five years. Maintenance costs and minor replacements related to software are charged to operating expense in the year incurred. The CDR system, which consists of internally developed software projects, are recorded at cost less accumulated depreciation; unique useful lives are applied to these assets as appropriate.

Deferred Revenue— Deferred revenue includes cash collected and accounts receivable from member organizations to fund the CDR. Revenue is recognized over the useful life of the software.

Deferred Rent—The lease for office and classroom space contains scheduled rent increases over the term of the lease. Scheduled rent increases must be considered in determining the annual rent expense to be recognized. The deferred rent represents the difference between the actual lease payments and the rent expense recognized.

Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates include useful lives of the CDR and the HMDA processing systems previously maintained by the FRB.

Allowance for Doubtful Accounts—Accounts receivable for nonmembers are shown net of the allowance for doubtful accounts. Accounts receivable considered uncollectible are charged against the allowance account in the year they are deemed uncollectible. The allowance for doubtful accounts is adjusted monthly, based upon a review of outstanding receivables.

Prepaid Expenses—The Council recognizes expenses as prepaid for costs paid in advance that will be expensed with the passage of time or upon the occurrence of a triggering event in future periods.

Commitments and contingencies—Liabilities for loss contingencies arising from claims, assessments, litigation, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Tax Exempt Status—The Council is not subject to state or local income taxes, and federal law does not impose taxes on the Council's income.

Recently Issued Accounting Standards—In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU), 2014-09, Revenue from Contracts with Customers (Topic 606). This update was issued to create common

Notes continue on the following page.

revenue recognition guidance for U.S. GAAP and International Financial Reporting Standards. The guidance is applicable to all contracts for the transfer of goods or services regardless of industry or type of transaction. This update requires recognition of revenue in a manner that reflects the consideration that the entity expects to receive in return for the transfer of goods or services to customers. Subsequently, the FASB issued a number of related ASUs including ASU 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date; ASU 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net); and ASU 2016-10, Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing. This revenue recognition accounting guidance was effective for the Council for the year ended December 31, 2019, and the relevant disclosures have been incorporated into the current disclosures, as applicable.

In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842). This update revises the model to assess how a lease should be classified and provides guidance for lessees, requiring lessees to present right-of-use assets and lease liabilities on the balance sheet. Subsequently, the FASB issued a number of related ASUs, including in July 2018, ASU 2018-10, Codification Improvements to Topic 842, Leases and ASU 2018-11, Leases (Topic 842) Targeted Improvements; in November 2018, ASU 2018-20, Leases (Topic 842): Narrow-scope Improvements for Lessors; and in March 2019, ASU 2019-01, Leases (Topic 842): Codification Improvements. This lease accounting guidance is effective for the Council for the year ending December 31, 2021, although early adoption is permitted. The Council is continuing to evaluate the effect of this guidance on the Council's financial statements, and is considering the information and processes necessary to adopt the guidance for the year ending December 31, 2020.

3. Selected Transactions with Member Agencies

	2019	2018
Accounts receivable:		
Board of Governors of the Federal Reserve System	$ 257,255	$ 135,537
Consumer Financial Protection Bureau	34,135	5,499
Federal Deposit Insurance Corporation	395,419	306,069
National Credit Union Administration	34,135	5,499
Office of the Comptroller of the Currency	404,782	139,136
	$ 1,125,726	$ 591,740
Accounts payable and accrued liabilities:		
Board of Governors of the Federal Reserve System	$ 1,151,325	$ 335,717
Consumer Financial Protection Bureau	9,658	11,782
Federal Deposit Insurance Corporation	242,205	236,438
National Credit Union Administration	42,978	46,594
Office of the Comptroller of the Currency	105,854	106,296
	$ 1,552,020	$ 736,827
Operations:		
Council operating expenses reimbursed by members	$ 1,484,705	$ 1,466,640
FRB-provided administrative support	$ 905,540	$ 869,571
FRB-provided data processing	$ 1,264,740	$ 975,998
Tuition revenue:		
Member tuition	$ 4,461,675	$ 4,304,013

Member agencies of the Council detail personnel to support Council operations. The salaries and related costs presented on the Statement of Operations

Notes continue on the following page.

represent the amounts which the Council has reimbursed member agencies.

These detailed personnel are paid through the payroll systems of their respective member agency. The Council does not have any post-retirement or post-employment benefit liabilities since Council personnel are included in the plans of the member agencies.

Member agencies are not reimbursed for the costs of personnel who serve as Council members and on the various task forces and committees of the Council. The value of these contributed services is not included in the accompanying financial statements.

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), responsibility for HMDA transitioned to the Bureau. The Bureau developed a new HMDA processing system, which was placed in service in January 2018. The new asset is controlled and owned by the Bureau and reflected on the Bureau's financial statements and not the Council's. The Bureau's new HMDA processing system was developed to replace the current HMDA processing system maintained by the FRB. The FRB's HMDA processing system was decommissioned in January 2019, without any financial statement impact as the system was fully amortized. The revenue recognized for the maintenance and support from this previously maintained HMDA processing system from the members was $234,425 for the year ended December 31, 2018. HUD's participation in the HMDA processing system previously maintained by the FRB was $46,885 for the year ended December 31, 2018.

4. Central Data Repository

In 2003, the Council entered into an agreement with Unisys to enhance the methods and systems used to collect, validate, process, and distribute Call Report information used by member organizations, and to store this information in the CDR. The CDR was placed into service in October 2005. At that time, the Council began depreciating the CDR on a straight-line basis over its estimated useful life of 63 months. In 2009, the Council reevaluated the useful life of the CDR and decided to extend its estimated useful life by an additional 36 months based on enhanced functionality of the software. In 2013, the Council again reevaluated the useful life of the CDR and decided to extend its estimated useful life by an additional 12 months to December 31, 2014. In 2014, the Council added additional enhancements of $688,281 and extended the useful life of the asset, including the enhancements, for an additional 56 months. The Council similarly extended the period of the associated deferred revenue. The Council also pays for hosting and maintenance expenses for the CDR and recognizes the associated revenue from members.

	2019	2018
CDR Software		
Beginning balance	$ 21,839,856	$ 21,839,856
Less accumulated depreciation	(21,839,856)	(21,753,149)
CDR software—net	$ –	$ 86,707
Depreciation		
Depreciation for the CDR project	$ 86,707	$ 208,095

CDR Financial Activity—The Council is funding the project by billing the three participating Council member agencies (FRB, FDIC, and OCC). The deferred revenue activity for the year ended December 31, 2018, was $86,707 and the accounts payable and accrued liabilities related to the CDR is $468,000 and $457,285 as of December 31, 2019 and 2018, respectively.

Notes continue on the following page.

5. Leases

Operating Leases—The Council entered into a new operating lease with the FDIC in December 2015 for a five-year period with the option to extend for an additional five years to secure office and classroom space . In September 2018, the Council entered into new operating leases for copier equipment. Minimum annual payments under the operating lease having an initial or remaining noncancelable lease term in excess of one year at December 31, 2019, are as follows:

Years ending December 31		Amount
2020		396,492
2021		68,149
2022		68,149
2023		56,791
Total minimum lease payments	$	589,581

Contingent rentals for excess usage of the copier equipment amounted to $35,000 and $26,000 in 2019 and 2018, respectively.

6. Subsequent Events

There were no subsequent events that require adjustments to or disclosures in the financial statements as of December 31, 2019. Subsequent events were evaluated through February 25, 2020, which is the date the financial statements were available to be issued.

Appendix C: Maps of Agency Regions and Districts

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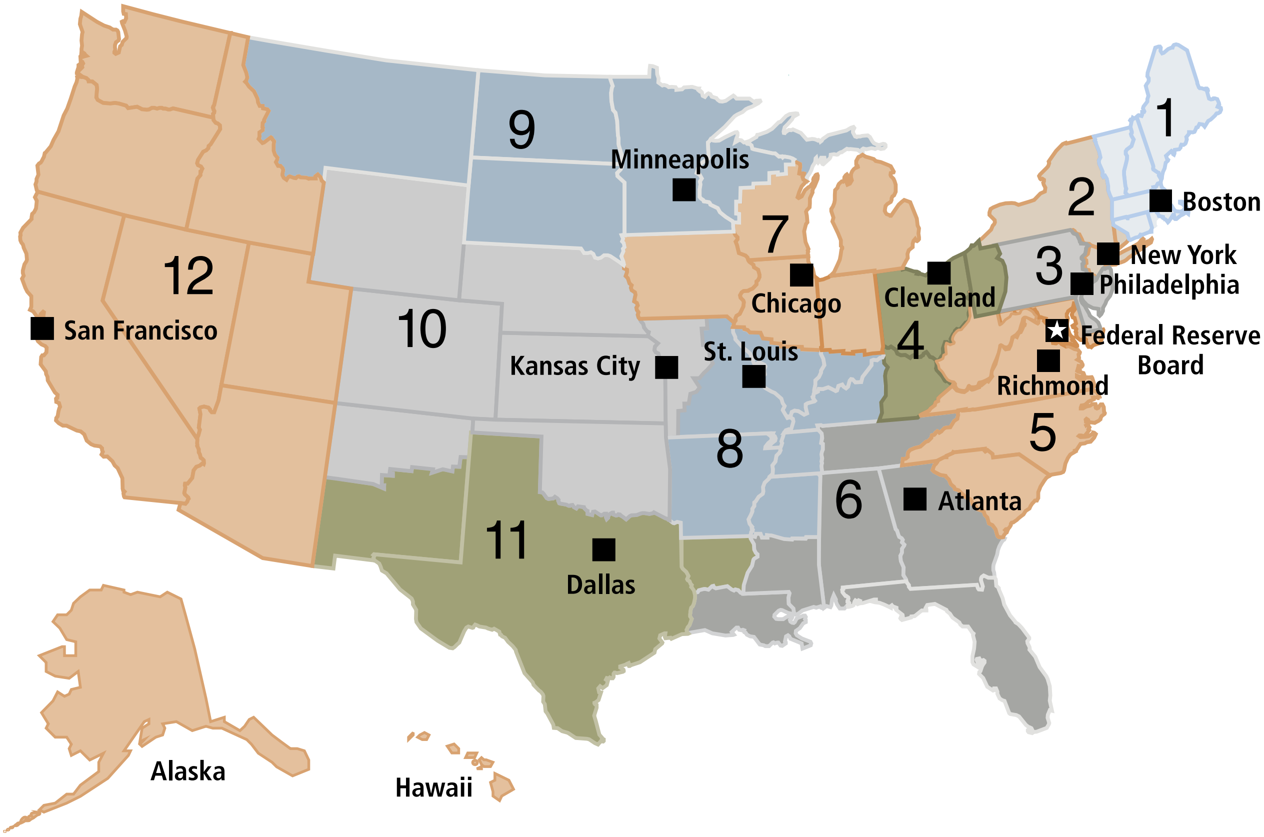
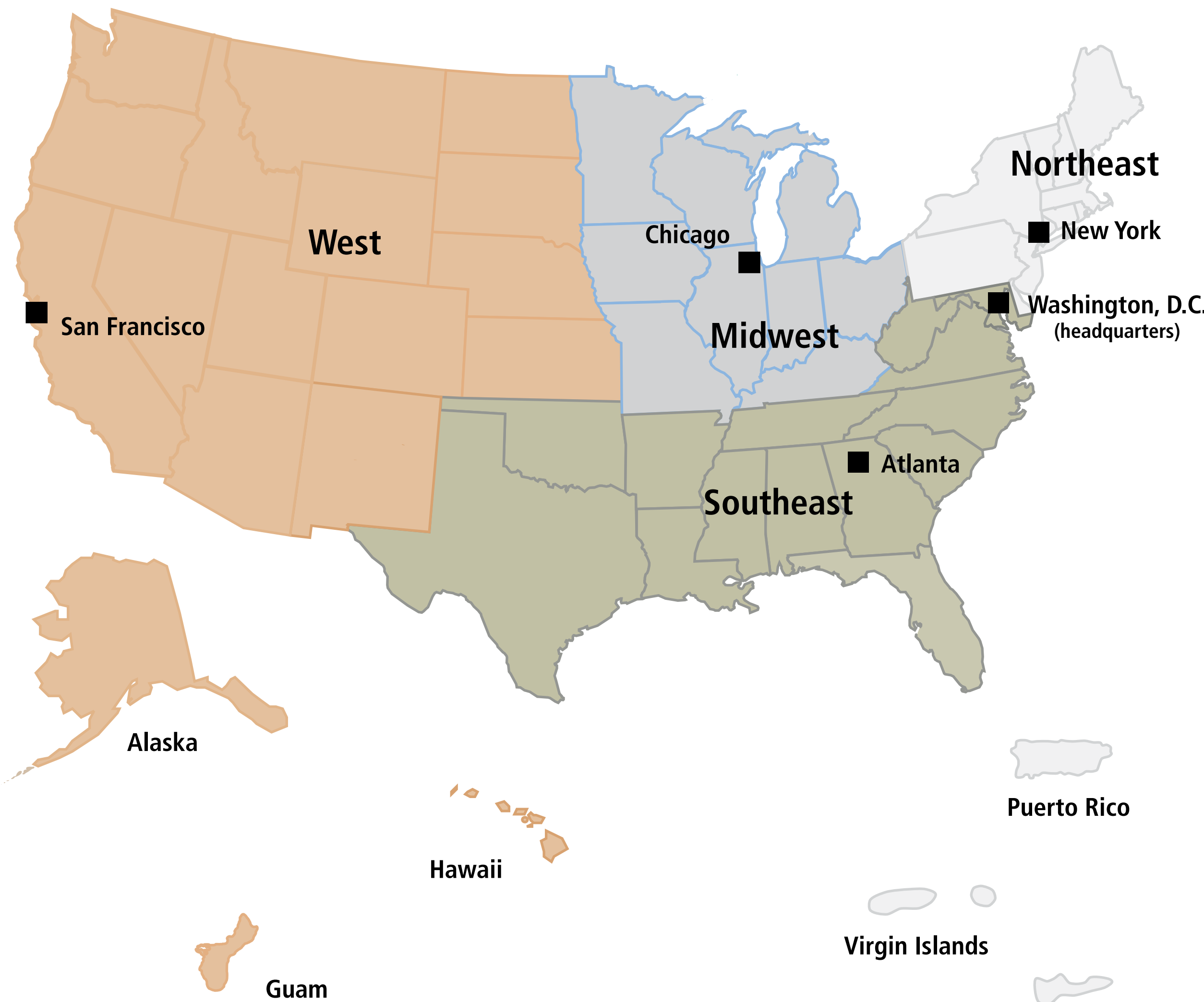
Board of Governors of the Federal Reserve System

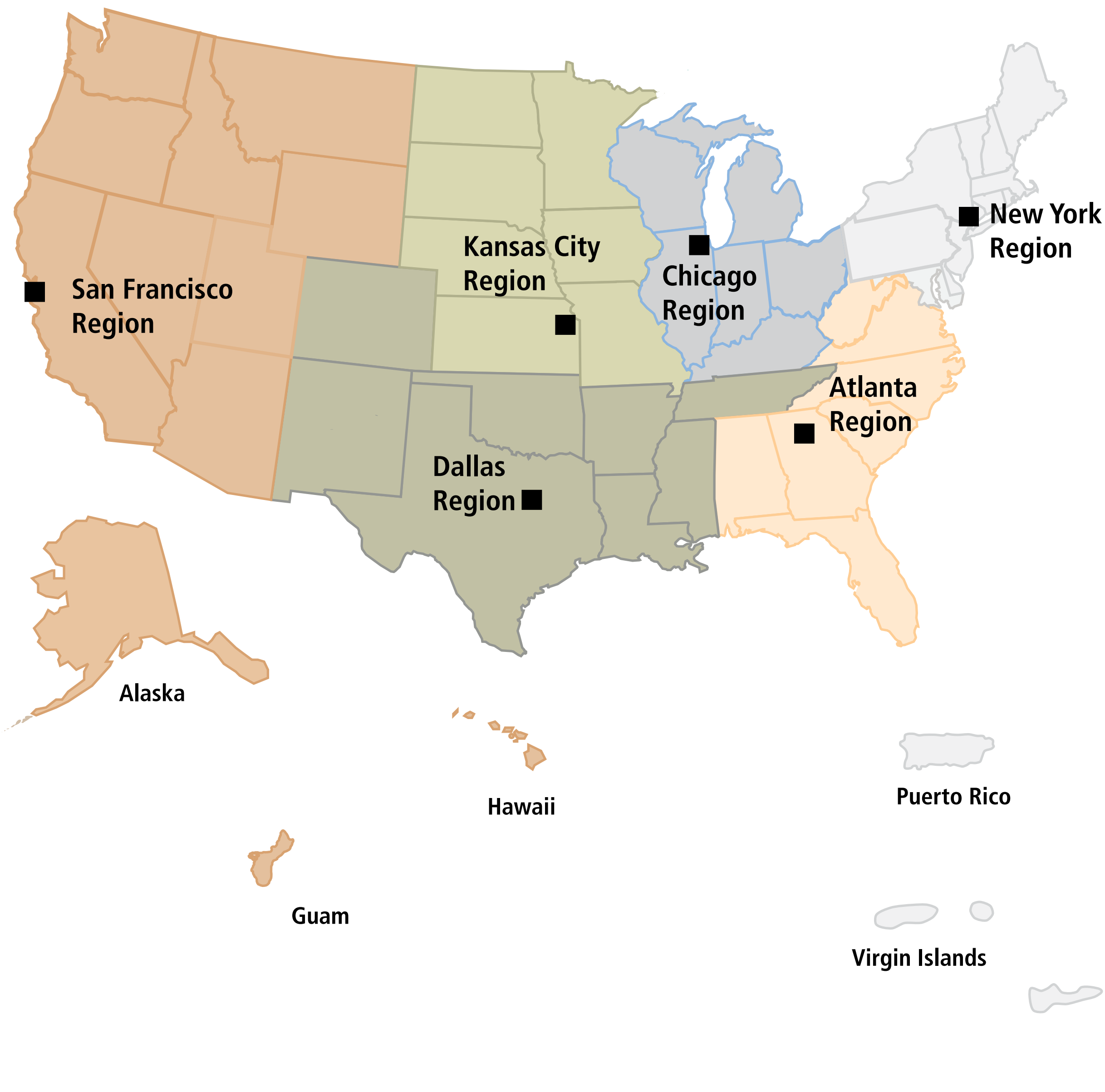


Notes: In the 12th District, the Seattle Branch serves Alaska, and the San Francisco Bank serves Hawaii. The System serves commonwealths and territories as follows: the New York Bank serves the Commonwealth of Puerto Rico and the U.S. Virgin Islands; the San Francisco Bank serves American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

Consumer Financial Protection Bureau

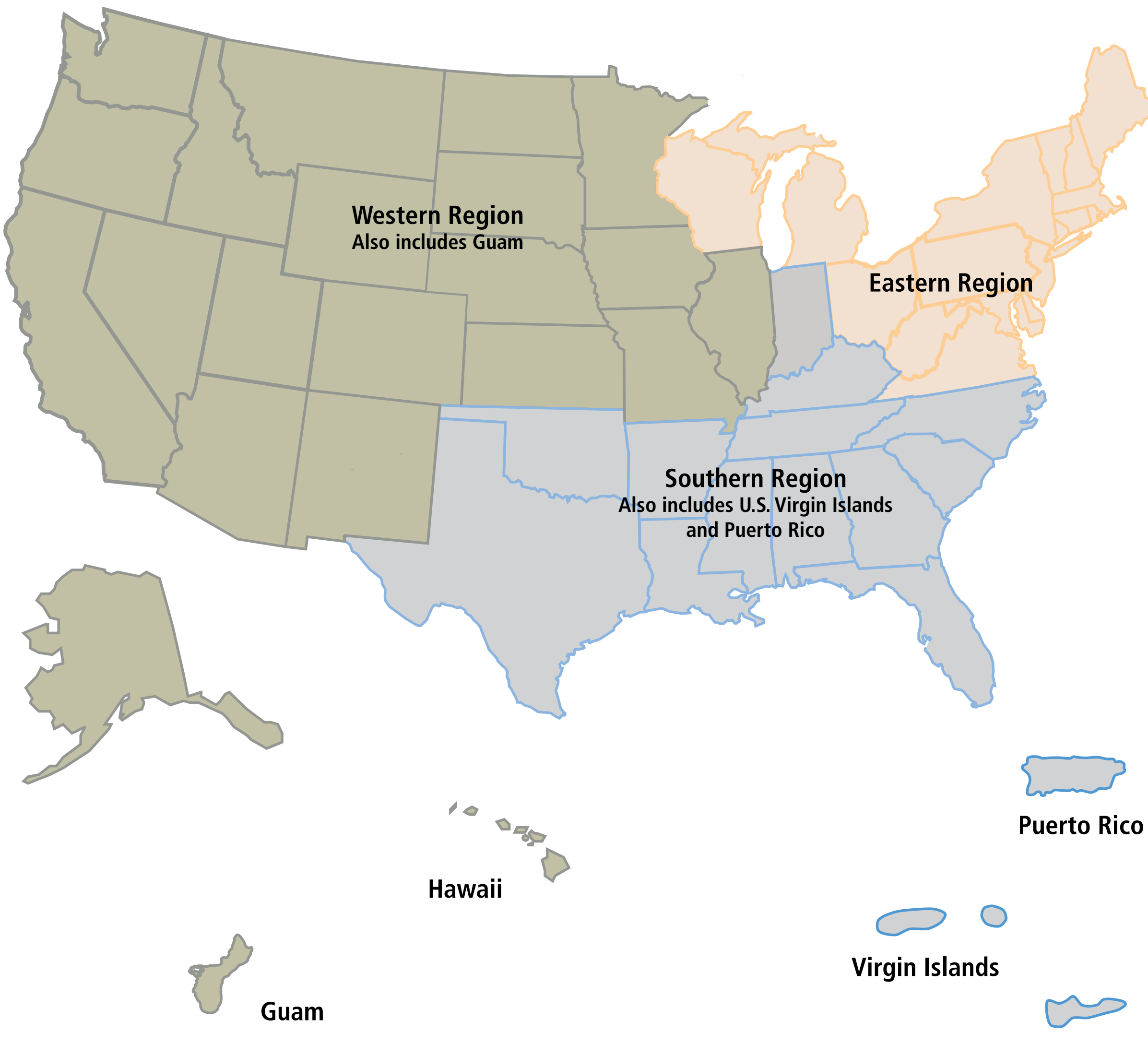


Federal Deposit Insurance Corporation Supervisory Regions

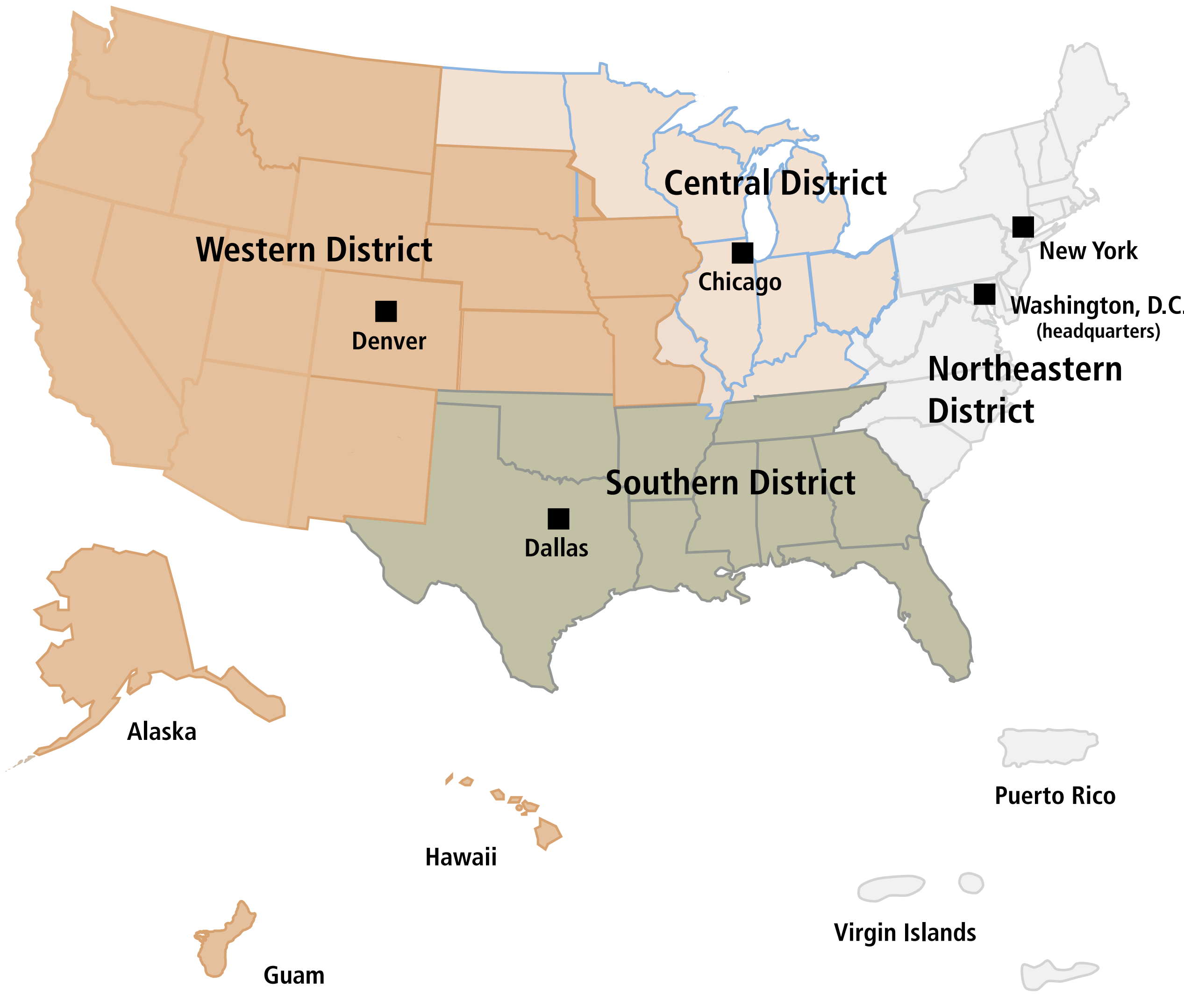


Note: Two area offices are located in Boston (reports to New York) and Memphis (reports to Dallas)

National Credit Union Administration



Office of the Comptroller of the Currency



Appendix D: Organizational Listing of Personnel

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Organizational Listing of Personnel

December 31, 2019

Members of the Council

Kathleen Kraninger, *Chairman*
Director
Consumer Financial Protection Bureau (CFPB)

Rodney E. Hood, *Vice Chairman*
Chairman
National Credit Union Administration (NCUA)

Joseph M. Otting
Comptroller of the Currency
Office of the Comptroller of the Currency (OCC)

Randal K. Quarles
Member and Vice Chair for Supervision
Board of Governors of the Federal Reserve System (FRB)

Jelena McWilliams
Chairman
Federal Deposit Insurance Corporation (FDIC)

Greg Gonzales
Chairman
State Liaison Committee (SLC)
Commissioner
Tennessee Department of Financial Institutions

State Liaison Committee

Greg Gonzales, *Chairman*
Commissioner
Tennessee Department of Financial Institutions

John P. Ducrest
Commissioner
Louisiana Office of Financial Institutions

Edward Joseph Face, Jr.
Commissioner of Financial Institutions
Bureau of Financial Institutions
Virginia State Corporation Commission

Thomas C. Fite
Director
Indiana Department of Financial Institutions

Steve Pleger
Senior Deputy Commissioner
Georgia Department of Banking and Finance

Council Staff Officer

Judith Dupré
Executive Secretary

Interagency Staff Groups

Agency Liaison Group

Bryan Schneider (CFPB)
Larry Fazio (NCUA)
Grovetta Gardineer (OCC)
Todd Vermilyea (FRB)
Doreen Eberley (FDIC)
Mary Beth Quist (SLC Representative/CSBS)

Legal Advisory Group

Mary McLeod, *Chairman* (CFPB)
Frank Kressman (NCUA)
Jonathan Gould (OCC)
Mark Van Der Weide (FRB)
Nicholas Podsiadly (FDIC)
Margaret Liu
(SLC Representative/CSBS)

Task Force on Consumer Compliance

Luke Brown, *Chairman* (FDIC)
Matthew Biliouris (NCUA)
James Dewhirst
(SLC Representative/Tennessee)
Calvin Hagins (CFPB)
Jeremy Hochberg (FRB)
Paul Reymann (OCC)

Task Force on Examiner Education

Joseph Arleth, *Chairman* (CFPB)
Tracy Bergmann
(SLC Representative/Iowa)
Wendy Frederick (OCC)
D. Scott Neat (NCUA)
Amol Vaidya (FRB)
John Vogel (FDIC)

Task Force on Information Sharing

Jami Blume, *Chairman* (CFPB)
Diana Nead (FRB)
Patrick Welch
(SLC Representative/Mississippi)
Todd Roscoe (NCUA)
Robin Stefan (OCC)
Terrie Templemon (FDIC)

Task Force on Reports

Cady Codding, *Chairman* (OCC)
Matthew Canzater (NCUA)
Douglas Carpenter (FRB)
Kara Garman
(SLC Representative/Iowa)
Ece Yolas Onat (CFPB)
Robert Storch (FDIC)

Task Force on Supervision

Doreen Eberley, *Chairman* (FDIC)
Thomas Fite
(SLC Representative/Indiana)
Grovetta Gardineer (OCC)
D. Scott Neat (NCUA)
Paul Sanford (CFPB)
Todd Vermilyea (FRB)

Task Force on Surveillance Systems

Robin Stefan, *Chairman* (OCC)
Matthew Canzater (NCUA)
Jay Caver
(SLC Representative/Alabama)
Matt Mattson (FRB)
William McHale (CFPB)
Eric Walker (FDIC)

Council Staff

Shown are the Council staff at the L. William Seidman Center in Arlington, Virginia, where they have their offices and classrooms for examiner education programs.

Federal Financial Institutions Examination Council

www.ffiec.gov

2020