



Federal Financial Institutions
Examination Council

ANNUAL REPORT 2024

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



*Michael J. Hsu,
FFIEC Chair,
Acting Comptroller of the
Currency, Office of the
Comptroller of the Currency*



*Todd M. Harper,
Chairman, National Credit
Union Administration*



*Michael S. Barr,
FFIEC Vice Chair,
Vice Chair for Supervision,
Board of Governors of the
Federal Reserve System*



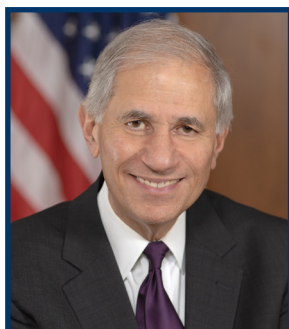
*Members as of
December 31, 2024*



*Rohit Chopra,
Director, Consumer Financial
Protection Bureau*



*Charles G. Cooper,
Chair,
State Liaison Committee,
Commissioner, Texas
Department of Banking*



*Martin J. Gruenberg,
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Insurance Corporation*

Letter of Transmittal

Federal Financial Institutions Examination Council



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March 20, 2025

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 2024 Annual Report of the Federal Financial Institutions Examination Council.

Respectfully,

Rodney E. Hood
Acting Comptroller

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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This report can also be accessed online at <https://www.ffiec.gov/reports.htm>.

List of Selected Abbreviations

ACSSS	American Council of State Savings Supervisors	FHFA	Federal Housing Finance Agency
AML	Anti-Money Laundering	FinCEN	Financial Crimes Enforcement Network
APR	Annual Percentage Rate	FIRIRCA	Financial Institutions Regulatory and Interest Rate Control Act of 1978
APY	Annual Percentage Yield	FIRREA	Financial Institutions Reform, Recovery, and Enforcement Act of 1989
ASC	Appraisal Subcommittee	FRB	Board of Governors of the Federal Reserve System
BHC	Bank Holding Company	FSOC	Financial Stability Oversight Council
BSA	Bank Secrecy Act	HMDA	Home Mortgage Disclosure Act of 1975
Call Report	Consolidated Reports of Condition and Income	IT	Information Technology
CCIS	Cybersecurity and Critical Infrastructure Subcommittee	NASCUS	National Association of State Credit Union Supervisors
CDR	Central Data Repository	NCUA	National Credit Union Administration
CFPB	Consumer Financial Protection Bureau	OCC	Office of the Comptroller of the Currency
CFT	Countering the Financing of Terrorism	PRA	Paperwork Reduction Act of 1995
Council	Federal Financial Institutions Examination Council	SLC	State Liaison Committee
COVID-19	Coronavirus Disease 2019	SLHC	Savings and Loan Holding Company
CRA	Community Reinvestment Act	TFCC	Task Force on Consumer Compliance
CSBS	Conference of State Bank Supervisors	TFEE	Task Force on Examiner Education
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010	TFIS	Task Force on Information Sharing
EEO	Examiner Education Office	TFOR	Task Force on Reports
EGRPRA	Economic Growth and Regulatory Paperwork Reduction Act of 1996	TFOS	Task Force on Supervision
FCA	Farm Credit Administration	TFSS	Task Force on Surveillance Systems
FDIC	Federal Deposit Insurance Corporation	UBPR	Uniform Bank Performance Report
FFIEC	Federal Financial Institutions Examination Council		
FHC	Financial Holding Company		

*Message from the
FFIEC Chair*



FFIEC Chair, Michael J. Hsu

I am honored to have served as Chair of the Federal Financial Institutions Examination Council (FFIEC or Council) for the past two years. The Council's mission of promoting uniformity and consistency in the supervision of financial institutions by fostering communication, cooperation, and coordination among its members is an important one. I am particularly proud of our accomplishments this year. On behalf of the Council, I am pleased to present our 2024 FFIEC Annual Report.

As Chair of the FFIEC, I outlined several priority areas for Council focus. The Council, its task forces, and subcommittees engaged in important initiatives in support of these priorities in 2024.

- *Ensuring uniform supervision across Council member entities.* The Task Force on Supervision's (TFOS) ad hoc Uniform Supervision Across Fundamental Topics Subcommittee took action to promote consistency in how examiners assess interest rate risk (IRR) and liquidity risk and reflect their assessment in a supervised institution's sensitivity to market risk and liquidity component ratings. Following extensive review of supervisory practices across members, the subcommittee developed and delivered an examiner training webinar to communicate findings and refresh examiner understanding of IRR and liquidity risk. The subcommittee is also reviewing and may recommend updates to existing FFIEC IRR and liquidity risk courses.

- *Promoting greater coordination among Council members on technology tools and capabilities for supervision.* In 2024, the TFOS's ad hoc Supervisory Technology Subcommittee hosted more than two dozen spotlight sessions at which supervisory agencies highlighted new or planned technologies that align to common interagency goals and objectives of improved supervisory efficiencies and reduced burden on supervised institutions. The spotlight sessions have led to the establishment of interagency product advisory groups, communities of practice, and technology forums to facilitate further sharing and coordination. An FFIEC Supervisory Technology Conference is scheduled in 2025.
- *Enhancing support for community banks and credit unions to adapt to digitalization.* The TFOS's ad hoc Community Bank and Credit Union Digitalization Subcommittee is reviewing benefits and risks for community banks and credit unions related to adopting digitalization, particularly as they engage core service providers. The subcommittee is developing an inventory of agency resources that may be helpful to community banks and credit unions in their due diligence, implementation, and oversight processes.

The Council also continued its important work to address appraisal bias in support of the goals and commitments made by individual member agencies in the March 2022 report issued by the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE). On February 12, 2024, the TFOS's ad hoc Appraisal Bias Subcommittee and the Task Force on Consumer Compliance's (TFCC) Appraisal Discrimination Working Group jointly published a final *Statement on Examination Principles Related to Valuation Discrimination and Bias in Residential Lending* to help mitigate risks that may arise because of potential discrimination or bias in those appraisal and evaluation practices and to promote credible valuations. The statement communicates examination principles that the FFIEC members' examiners will consider in the review of supervised institutions' residential property appraisal and evaluation practices. In 2024, in conjunction with the work of TFOS and TFCC, the Task Force on Examiner Education developed and delivered a new program, Valuation Discrimination and Bias Seminar.

The Council also advanced the third decennial regulatory review pursuant to the [Economic Growth and Regulatory Paperwork Reduction Act of 1996 \(EGRPRA\)](#), which mandates that the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System review their regulations every ten years to identify, with the public's help, outdated, unnecessary, or unduly burdensome regulations applicable to insured depository institutions. The third review commenced in February 2024 when the federal bank regulatory agencies published a *Federal Register* notice soliciting comment on certain categories of regulations. Additional *Federal Register* notices were published in July 2024 and December 2024. In September 2024,

the Council sponsored its first in a series of outreach meetings to provide the industry and consumers with an opportunity to share regulatory burden perspectives with the FFIEC member entities. The outreach meetings focus on opportunities to reduce burden for community institutions. The multi-year EGRPRA review will continue in 2025.

Finally, I would like to offer a note of appreciation for the hard work of the dedicated staff members of the FFIEC, the constituent member agencies, and the State Liaison Committee. As my term as Chair comes to a close, I am confident the Council will continue to provide oversight and leadership in fostering consistency among supervisors and promoting progressive and vigilant supervision.

Overview of Council Operations

The Federal Financial Institutions Examination Council (Council or FFIEC) is established by the Federal Financial Institutions Examination Council Act of 1978, Title X of Pub. L. 95-630 (1978), 12 U.S.C. § 3301, et seq., as amended (FFIEC Act). The FFIEC Act provides that the Council's purpose is to prescribe uniform principles and standards for the federal examination of financial institutions by the FFIEC's five federal member agencies.

The FFIEC Act requires the Council to establish uniform principles and standards and report forms for the examination of financial institutions, to make recommendations for uniformity in other supervisory matters, to develop uniform reporting systems for federally supervised financial institutions, their holding companies, and nonfinancial institution subsidiaries of such institutions or holding companies, and to conduct schools for examiners and assistant examiners.

To encourage the application of uniform examination principles and standards by state and federal supervisory agencies, Congress required the FFIEC to establish a State Liaison Committee (SLC) composed of five representatives of state agencies which supervise financial institutions. The five representatives annually elect one of their number to serve as SLC Chair. The Chair of the SLC is a voting member of the Council.

Several ancillary statutes confer additional responsibilities for the Council and its members, including the Home Mortgage Disclosure Act, Pub. L. 94-200 (1975), 12 U.S.C. § 2801, et seq., Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Pub. L. 101-73 (1989), 12 U.S.C. § 1811 et. seq., and the Economic Growth and Regulatory Paperwork Reduction Act of 1996 (EGRPRA), Pub. L. 104-208 (1996), 12 U.S.C. § 3311.

Membership, Organization, and Administration of the Council

Members of the Council

By statute, the Council has six voting members:

- a member of the Board of Governors of the Federal Reserve System (FRB), appointed by the Chair 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 Chair of the State Liaison Committee (SLC).

Interagency Task Forces and Liaisons

Section 1008 of Public Law No. 95-630, 12 U.S.C. § 3307, authorizes the Council Chair to distribute business among members, employees, and administrative units of the Council. It is desirable that members of the staff of the member entities make recommendations concerning the responsibilities to the Council through the establishment of six task forces known as:

- Task Force on Consumer Compliance
- Task Force on Examiner Education
- Task Force on Information Sharing
- Task Force on Reports
- Task Force on Supervision
- Task Force on Surveillance Systems

Each of these six standing task forces have six voting members, each a senior official from the five federal member agencies as selected by their agency, as its representative and, in the case of the SLC, a member of the SLC or an SLC representative who is an official of a state financial institutions regulatory agency selected by consensus of the SLC members. The FFIEC executive secretary serves as an ex officio, non-voting member of each task force.

The Council also has a Legal Advisory Group (LAG), composed of the general or chief counsel from each of the six FFIEC member entities, to provide advice and other support on legal matters of interest to the Council.

In addition, the Council has an Agency Liaison Group (ALG), composed of a senior official specifically designated by their respective Council member. Each of the six ALG members is responsible for coordinating their member entity's work on behalf of the Council and for serving as the principal staff contact at the member entity for the FFIEC executive secretary.

Administration of the Council

The Chairmanship of the Council rotates among the five federal member agencies, each for a two-year term, in the following order: OCC, FRB, FDIC, CFPB, and NCUA. The Council holds regular meetings at least twice per year. Other Council meetings may be convened whenever called by the Chair 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 entity 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. In addition, the FRB coordinates the contracting of an external auditor for the annual external audit of the Council (See Appendix B).

The Council is supported by a small, full-time administrative staff in its operations office and in its examiner education program. Each Council staff

member is detailed (some permanently) from one of the five federal member agencies of the Council. The administrative offices of the Council are co-located in the FDIC's L. William Seidman Center at Virginia Square (Arlington, Virginia).

A Brief Statutory History of the Council

The Financial Institutions Regulatory and Interest Rate Control Act of 1978

Upon passage of FIRIRCA, each member agency designated personnel to study Title X, analyze the agencies' responsibilities, and prepare recommendations for performing the required duties. The heads of the member 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.

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 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 the establishment of appraisal management company registration and supervision systems.

The Economic Growth and Regulatory Paperwork Reduction Act of 1996

The Economic Growth and Regulatory Paperwork Reduction Act (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 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 Chair for the SLC from among the five SLC members and for the addition of the SLC Chair 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

This section provides a chronological record of the official actions taken by the FFIEC during 2024, pursuant to the FIRIRCA, as amended, and the HMDA, as amended.

January 10, 2024

Action. Approved the replacements of the chair for the Task Force on Supervision (TFOS) and the chair for the Task Force on Consumer Compliance (TFCC).

Explanation. The Council approves changes to the task force chairs should the need arise at any time during the term.

February 21, 2024

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

Explanation. The Council has a nonmonetary 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.

February 21, 2024

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, 2024, through March 31, 2025.

February 21, 2024

Action. Approved selection of the ASC Chair, Zixta Martinez, CFPB.

Explanation. In accordance with 12 U.S.C. § 3333, the Council is required to approve the selection of the ASC chair, who serves a two-year term. The ASC nominated Zixta Martinez as their chair for the two-year term commencing April 1, 2024, through March 31, 2026.

March 1, 2024

Action. Approved the Council's 2023 annual report to Congress.

Explanation. The legislation establishing the Council requires that, not later than April 1 of each year, the Council publish an annual report covering its activities during the preceding year.

March 1, 2024

Action. Approved appointment of SLC member, Greg Gonzales, Commissioner, Tennessee 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). The Council approved an initial two-year term from May 1, 2024, through April 30, 2026.

June 24, 2024

Action. Approved the Central Data Repository (CDR) Steering Committee's Task Orders #2, #3, and #4.

Explanation. The Council is required to approve task orders that exceed a specific dollar amount. Task Order #2 ensures continuity of CDR operations consisting of necessary support of CDR operations and maintenance. Task Order #3 consists of the full Multi-factor Authentication (MFA) implementation. Task Order #4 supports the significant update and implementation of a new, modern reporting tool solution.

September 18, 2024

Action. Approved the replacement of the chair for the Task Force on Examiner Education (TFEE).

Explanation. The Council approves changes to the task force chairs should the need arise at any time during the term.

October 11, 2024

Action. Approved the replacement of the chair for the TFCC.

Explanation. The Council approves changes to the task force chairs should the need arise at any time during the term.

November 22, 2024

Action. Approved the 2025 Council budget.

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

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 ACSBS, 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 chair for 12 months, commencing May 1.

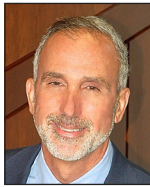
The five members serving on the SLC in 2024 were



- Charles G. Cooper
SLC Chair
Commissioner, Texas Department of Banking



- Kevin Allard
Superintendent, Ohio Division of Financial Institutions



- Raymond Dorado
Acting Executive Deputy Superintendent, Banking
New York State Department of Financial Services



- Greg Gonzales
Commissioner, Tennessee Department of Financial Institutions



- Susannah Marshall
Commissioner, Arkansas State Bank Department

The SLC is represented on the Council’s task forces and working groups by state regulators 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 before each Council meeting to discuss the agenda, task force projects, and topics of interest that may come before the Council. Representatives from the FFIEC executive secretary’s office participate in these informal briefings. During the second-quarter SLC meeting, members met with Federal Reserve Vice Chair for Supervision Michael Barr and during the third-quarter meeting, members met with FDIC Vice Chairman Travis Hill. 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 3,566 state-chartered banks with \$8.1 trillion in assets under supervision and approximately 1,797 state credit unions with \$1.16 trillion 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 services businesses, nondepository 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) coordinates and oversees matters relating to supervision and examination of institutions supervised by the FFIEC member entities for compliance with federal consumer financial protection, fair lending, and Community Reinvestment Act (CRA) laws and regulations. The TFCC provides a forum for the FFIEC member entities to promote quality, consistency, and effectiveness in examination and supervisory practices on supervised institutions. The TFCC meets monthly to address and resolve common issues in consumer compliance supervision. The TFCC has three standing subcommittees:

- Home Mortgage Disclosure Act (HMDA) Subcommittee
- CRA Subcommittee
- Census Geocoder Subcommittee

The HMDA Subcommittee oversees FFIEC projects and programs, and other work related to HMDA data collection and dissemination. This work includes interfacing with the vendor agency, CFPB, to ensure 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 Subcommittee for the development and implementation of any related HMDA processing projects.

The CRA Subcommittee serves as the staff vehicle for drafting CRA examination procedures and coordinating any FFIEC training efforts. The subcommittee oversees work related to CRA data collection and dissemination, including interfacing with the vendor agency, FRB, to ensure the efficient collection, processing, and publication of data and the provision of associated data products, tools and guidance.

The Census Geocoder Subcommittee oversees FFIEC projects and programs, and other work related to operation and maintenance of the FFIEC-provided census information and geocoder application.

In addition to these subcommittees, the TFCC has developed, and makes available via its web pages, certain tools to access census information and geocode addresses and calculate annual percentage rates (APR), Military Annual Percentage Rates (MAPR), and annual percentage yields (APY).

2024 Initiatives

HMDA Subcommittee

The HMDA Subcommittee's achievements in 2024 include the successful annual collection and publication of 2023 HMDA data and various operational improvements.

In March 2024, the FFIEC released the 2023 HMDA Modified Loan/Application Registers (LAR). In July 2024, the TFCC published a press release announcing the availability of 2023 HMDA data, including the National Loan-Level Dataset Snapshot, the Dynamic National Loan-Level Dataset, the Aggregate and Disclosure Reports, and the updated online HMDA Data Browser and maps features.

The HMDA Operations team, within the CFPB, continued to provide ongoing support to agencies through reports, data investigations, and analysis.

A Guide to HMDA Reporting: Getting it Right!

On May 15, 2024, the FFIEC released the 2024 version of [*A Guide to HMDA Reporting: Getting It Right!*](#) The online Guide is a valuable resource for assisting all institutions in their HMDA reporting. It includes a summary of responsibilities and requirements, directions for assembling the necessary tools, and instructions for reporting HMDA data.

CRA Subcommittee

The CRA Subcommittee's achievements in 2024 include the successful release of the 2024 list of distressed or underserved nonmetropolitan middle-income geographies; the 2024 Census flat file; and

the 2023 small business, small farm, and community development lending data.

On July 12, 2024, the banking agencies released the [List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies](#). The list includes distressed or underserved nonmetropolitan middle-income geographies where revitalization or stabilization activities are eligible to receive CRA consideration. On July 18, 2024, the FFIEC released the 2024 Census [flat file](#), which incorporates the boundary changes from OMB Bulletin 23-01. On December 16, 2024, the banking agencies released the 2023 Small Business, Small Farm, and Community Development Lending Data. The FFIEC also prepared aggregate disclosure statements of small business and small farm lending for all of the metropolitan statistical areas and nonmetropolitan counties in the United States and its territories.

Census Geocoder Subcommittee

The Census Geocoder Subcommittee is responsible for overseeing the [Geocoding/Mapping Application](#) (Application) and collaboration among the FFIEC member agencies in overseeing the Application's improvement, operation, and maintenance. The Application allows the public to enter a street address and locate it on a map to determine the corresponding location within a metropolitan statistical area (MSA), state, county, and U.S. Census Bureau tract; and the Census demographic information corresponding to the Census tract, including income, population, and housing data. The Application is a publicly available tool on the FFIEC website for use in connection with CRA and fair lending analysis, HMDA compliance, and other purposes.

The Census Geocoder Subcommittee's achievements in 2024 include the successful release on July 18, 2024, of demographic data provided in the 2020 Census Demographic and Housing Characteristics file with a total of 87,276 records. The 2024 records reflect the Office of Management and Budget MSA boundary changes published in 2023. These data are available through the FFIEC Online Census Data System. The FFIEC Online Census Data System provides the public with electronic access to census data that the FFIEC uses to create the HMDA and CRA aggregate and disclosure reports. This online tool is an example of the FFIEC's continuing effort to use electronic means wherever possible to provide information to the public. The online tool can be used to access FFIEC Census data by MSA/ Metropolitan Division, county, and census tract and

provides data for non-MSA areas, counties, and census tracts.

FFIEC Federal Computational Tools

The TFCC oversees the ongoing operation of and enhancements to the [FFIEC Federal Disclosure Computational Tools](#), including the APR Computational Tool and the APY Computational Tool.

Consumer compliance examiners and industry stakeholders use the Computational Tools to calculate APY or APR to support compliance with certain consumer protection rules. The online Annual Percentage Rate program is a tool for verifying annual percentage rates and reimbursement adjustments. This program includes relevant finance charge and APR tolerances for verifying the accuracy of annual percentage rates and finance charges on loans secured by real estate or a dwelling. The online APR program also is a tool for verifying Military Annual Percentage Rates (MAPR) for loans subject to the Military Lending Act. The online Annual Percentage Yield program is a tool for verifying annual percentage yields pursuant to the Truth in Savings Act and its implementing regulation.

FFIEC Consumer Compliance Conference

In 2024, the TFCC continued to collaborate with the TFEE and the FFIEC Examiner Education Office (EEO) to develop, plan, and deliver the Consumer Compliance Conference. The conference covered supervisory updates and emerging issues in consumer compliance for experienced examiners.

In 2024, the conference was held virtually in order to allow for greater attendance. The conference included sessions on notable topics such as valuation bias, redlining risk in marketing and outreach, and artificial intelligence/machine learning.

Appraisal Discrimination Working Group

The Appraisal Discrimination Working Group was established by the TFCC to share information and develop consumer compliance examination principles for appraisal bias and develop examination procedures that support the implementation of goals and commitments made by individual TFCC member entities in the March 2022 report issued by the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE).

In 2024, the TFCC Appraisal Discrimination Working Group and the TFOS's Appraisal Bias Subcommittee jointly developed the [Statement of Examination Principles Related to Valuation Discrimination and Bias in Residential Lending](#) (Statement), which includes principles for consumer compliance examinations to aid in the evaluation of supervised financial institutions' residential real estate valuation programs in assessing the risks associated with appraisal discrimination. The Statement was published February 12, 2024.

Task Force on Examiner Education

The Task Force on Examiner Education (TFEE) provides superior interagency education through timely, cost-effective, relevant training programs for post-commissioned examiners from the FFIEC member entities. The TFEE works closely with the staff of the FFIEC EEO to develop programs on its own initiative or in response to requests from the Council or other Council task forces. The TFEE supports one of the statutory functions of the FFIEC—examiner training.

Specifically, the TFEE and EEO:

- Promote training efficiency by encouraging consistency of post-commissioned or post-accreditation examiner education through joint sponsorship of interagency training;
- Develop, maintain, and deliver timely, relevant interagency training;
- Serve as a clearinghouse of training opportunities offered by the member entities;
- Provide support to the initiatives of the Council and its task forces; and
- Discuss best training practices relating to all phases of examiner education and changes and updates to the member entities' examiner training practices and curricula.

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.

Development Groups

Development groups are established and maintained to provide ongoing content guidance for classes and conferences. Development group members consist of subject matter experts of each FFIEC member entity designated by the TFEE members. Development group members coordinate with an EEO senior program administrator responsible for a particular class/conference to help ensure that the course content is relevant, current, and meeting the entities' training needs. Additional development groups and interagency working groups may be established as needed to assist in the development and delivery of educational products and programs and to provide input on a particular area of the curriculum.

2024 Initiatives

The TFEE continues 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, review feedback from each course and conference, and 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 2024, the EEO office developed and delivered two new courses, Valuation Discrimination and Bias Seminar and Agricultural Lending.

In-Person Training Programs

In 2024, the EEO administered 61 in-person training sessions with a total of 1,479 attendees. (See figure 1 on page 18.)

Alternative Delivery Education

Prior to the COVID-19 pandemic, the EEO began developing virtual delivery events. With the onset of the pandemic, the EEO accelerated virtual course development and began offering online courses and conferences in 2020. The FFIEC continues to build on efforts to explore and expand alternative delivery methods for examiner education programming to provide opportunities for examiners to participate remotely.

In 2024, the EEO administered 152 virtual training events through five alternative delivery methods: 1) virtual, instructor-led classes, 2) the FFIEC Examiner Exchange Program, 3) the FFIEC Industry Outreach Program, 4) Hybrid Conferences, and 5) a self-study program.

Virtual Delivery—Instructor-Led Classes

The FFIEC offered five courses virtually in 2024. Two courses were led by agency instructors and three courses were vendor-led. EEO staff successfully delivered 17 sessions of these five courses. (See figure 2 on page 19.)

Virtual Delivery—FFIEC Examiner Exchange Program

In 2024, EEO staff successfully delivered 19 FFIEC Examiner Exchange training events for nine regularly scheduled virtual conferences, four Quarterly Series events, two hybrid conferences, and four non-conference events. The Examiner Exchange Program is available to all FFIEC member entity staff. Recorded sessions are provided after most events, allowing the event to be viewed at a later date. (See figure 3 on page 20.)

Virtual Delivery—FFIEC Industry Outreach Program

In 2024, the EEO successfully delivered two events via the FFIEC Industry Outreach Program. These events are generally limited to entities regulated by FFIEC member agencies and state regulators represented by the SLC and may be offered to the public. Both Industry Outreach events were sponsored by the FFIEC TFOS. The first event addressed the decision to sunset the FFIEC Cybersecurity Assessment Tool (CAT) in 2025. The second event introduced the revised and renamed

Development, Acquisition, and Maintenance (DA&M) booklet. A total of 2,921 attendees participated in these events. (See figure 4 on page 21.)

Hybrid Conferences

In 2024, EEO offered two events to participants as an in-person conference and, simultaneously, as a virtual conference. This format allows participants to network in-person or participate virtually, depending on their preference and the needs of their respective agencies. Most sessions are recorded and are available for viewing at a later date.

Self-Study Programs

The EEO offered one self-study course in 2024. The Basic International Banking Self-Study course is available to both the public and the FFIEC member entities' staff. A total of 52 attendees participated in the Basic International Banking Self-Study course.

Interest Rate Risk and Liquidity Risk

The FFIEC continues to strengthen offerings in the liquidity risk and interest rate risk areas. The Liquidity Risk Management Workshop was offered seven times in 2024. The Model Lab for Asset Liability Management course was offered six times in 2024. In addition to the Liquidity Risk Management Workshop and the Model Lab for Asset Liability Management course, EEO provided 22 liquidity and interest rate risk sessions in the Financial Institutions Accounting Specialists Conference, Asset and Wealth Management Forum, Supervisory Updates and Emerging Issues for Large, Complex Financial Institutions, the Capital Markets Conference, Supervisory Updates and Emerging Issues for Community Financial Institutions, and the Quarterly Series.

Financial Technology

Financial institutions are increasingly using financial technology (fintech) to provide services to their customers. Fintech topics included artificial intelligence, machine learning, and digital banking applications. FFIEC provides fintech updates in the Anti-Money Laundering (AML) Workshop. The AML Workshop was offered four times in 2024 and had 102 participants.

Additionally, the FFIEC provided eleven sessions on emerging fintech issues during the Financial Institutions Accounting Specialists Conference, the Advanced Bank Secrecy Act (BSA)/AML Specialists

Figure 1. 2024 Courses and Conferences (In-Person Delivery) January 1, 2024, through December 31, 2024

Program Title	Total Sessions	Attendees												Total Attendees
		FRB	FRB State-Sponsored	FDIC	FDIC State-Sponsored	NCUA	NCUA State-Sponsored	OCC	CFPB	FCA	FHFA	FinCEN	Other	
Advanced Commercial Credit Analysis	3	13	9	14	14	1	0	5	0	0	0	0	0	56
Asset and Wealth Management Forum*	1	29	20	78	11	1	0	0	0	0	0	0	0	139
Capital Markets Conference**	1	5	4	54	4	9	0	17	0	2	0	0	1	96
Cash Flow Construction and Analysis from Federal Tax Returns	5	9	16	49	19	3	0	10	0	0	0	0	0	106
Commercial Real Estate Analysis	8	26	25	85	23	2	0	17	0	0	1	0	1	180
Distressed Commercial Real Estate	6	23	16	80	16	9	0	4	0	0	0	0	0	148
Financial Institutions Accounting Specialist Conference**	1	20	1	80	2	9	2	25	0	0	0	0	0	139
Fraud Investigation Techniques for Examiners	3	9	9	27	4	4	0	7	0	0	0	0	2	62
Fundamentals of Trust	5	10	17	31	14	0	0	10	0	1	0	0	0	83
International Banking School	1	21	3	3	1	0	0	1	0	0	0	0	0	29
Instructor Training School	3	10	2	0	0	0	0	0	6	7	0	0	0	25
Liquidity Risk Management	7	33	19	63	7	10	0	6	0	0	1	0	0	139
Model Lab for Asset Liability Management	6	11	26	27	15	6	0	8	0	2	0	0	0	95
Mortgage Origination Calculations	2	3	13	13	0	2	0	4	0	0	0	0	0	35
Real Estate Appraisal Review School	4	4	5	49	6	2	0	6	0	0	0	0	0	72
Structured Finance: Investment Analysis & Risk Management	3	10	5	34	0	1	0	4	0	0	0	0	0	54
Testifying School	2	1	6	9	0	0	0	1	4	0	0	0	0	21
Grand Total	61	237	196	696	136	59	2	125	10	12	2	0	4	1,479
Percentage	-	16.02%	13.25%	47.06%	9.20%	3.99%	0.14%	8.45%	0.68%	0.81%	0.14%	0.00%	0.27%	100%
Combined Entity and Sponsored Percentage	-	29.28%	N/A	56.25%	N/A	4.12%	N/A	8.45%	0.68%	0.81%	0.14%	0.00%	0.27%	100%

*In-person conference - 1 event with multiple sessions

**This program offered as a hybrid: actual in-person attendance data reflected in Figure 1; average virtual attendance data reflected in Figure 3.

Figure 2. 2024 Courses (Virtual Delivery)

Program Title	Total Sessions	Attendees												Total Attendees
		FRB	FRB State-Sponsored	FDIC	FDIC State-Sponsored	NCUA	NCUA State-Sponsored	OCC	CFPB	FCA	FHFA	FinCEN	Other	
Agricultural Lending	2	9	0	0	0	4	0	0	3	0	0	0	1	17
Anti-Money Laundering Workshop	4	12	24	36	15	7	1	0	0	0	0	3	4	102
Concepts in Advanced Credit*	4	6	20	24	11	3	1	11	0	0	0	0	0	76
Fundamentals of Fraud Workshop	4	12	15	46	4	4	1	8	0	0	1	2	2	95
Valuation Discrimination & Bias Seminar	3	17	7	7	0	10	0	14	0	0	0	0	0	55
Grand Total	17	56	66	113	30	28	3	33	3	0	1	5	7	345
Percentage	-	16.23%	19.13%	32.75%	8.70%	8.12%	0.87%	9.57%	0.87%	0.00%	0.29%	1.45%	2.03%	100%
Combined Entity and Sponsored Percentage	-	35.36%	N/A	41.45%	N/A	8.99%	N/A	9.57%	0.87%	0.00%	0.29%	1.45%	2.03%	100%

*Previously named Advanced Cash Flow: Beyond the Numbers

Conference, the Financial Crimes Seminar, the Supervisory Updates and Emerging Issues for Large, Complex Financial Institutions, the Information Technology (IT) Conference, the Supervisory Updates and Emerging Issues for Community Financial Institutions, and the Consumer Compliance Conference.

Cybersecurity

Cybersecurity is a standing topic covered in several training programs for many years. In 2024, the IT Conference had 14 cybersecurity sessions and included speakers from both FFIEC member entity subject matter experts and industry experts on cybersecurity. This effort is made to ensure attendees are informed of the latest developments in this rapidly changing area.

Crypto-Assets

Crypto-assets and crypto-related activities are rapidly evolving. The FFIEC helps examiners stay up to date on the dynamic landscape of crypto-related activities by providing news and information related to crypto-assets throughout the year. In 2024, sessions on crypto-assets were included in the Financial Institutions Accounting Specialists Conference and Supervisory Updates and Emerging Issues for Large, Complex Financial Institutions.

Annual Specialists Conferences

In addition to the classes and conferences designed to meet the needs of generalist commissioned examiners, the examiner education curriculum also includes several annual specialists' conferences designed to address important emerging topics and regulatory updates. These conferences provide FFIEC member entity subject matter experts with access to knowledgeable and informative speakers, including FFIEC member entity senior-level officials, policymakers, and industry experts.

Figure 3. 2024 Examiner Exchange Events (Virtual Delivery)

Program Title	Total Sessions Delivered per Event	Average Attendees per Session per Entity							Average Attendance per Event	Highest Attendance at a Single Session
		FRB	FDIC	NCUA	OCC	CFPB	State	Non-Member		
Asset and Wealth Management Forum—Sweeps Event (March)	2	35	76	2	38	0	56	1	208	219
Advanced BSA/AML Specialists Conference (July)	10	38	39	6	24	5	127	6	245	278
Agricultural Lending Hot Topics (August)	6	6	16	0	3	0	54	0	79	99
Capital Markets Conference (July)*	13	25	71	11	16	1	94	4	222	261
Consumer Compliance Conference (October)	13	20	27	15	17	22	53	3	157	206
Financial Crimes Seminar (May)	8	32	48	19	16	5	130	11	261	338
Financial Institution Accounting Specialists Conference (March)*	15	47	71	4	21	2	82	3	230	356
Information Technology Conference (October)	15	60	84	12	17	14	104	18	309	394
International Banking Conference (September)	9	16	28	0	7	0	25	0	76	117
Payment Systems Risk Conference (October)	11	48	43	4	52	6	60	2	215	278
Supervisory Updates & Emerging Issues for Community Financial Institutions (September)	9	16	30	4	12	6	113	2	183	228
Supervisory Updates & Emerging Issues for Large, Complex Financial Institutions (May)	8	38	87	4	41	2	96	6	274	386
Cybersecurity Assessment Tool (CAT) Transition (October)	1	40	61	11	20	3	165	0	300	300
New FFIEC IT Handbook Development, Acquisition, and Maintenance Booklet (November)	1	28	35	20	11	5	101	0	200	200
IRLS - Liquidity and Interest Rate Risk - Examiner Refresher (December)	1	161	354	165	62	0	244	0	986	986
Quarterly Series March (April)	3	18	63	2	0	7	71	0	161	204
Quarterly Series June (May)	3	13	55	6	1	1	59	0	135	173
Quarterly Series September (August)	2	40	50	5	0	0	52	0	147	176
Quarterly Series December (December)	3	9	60	1	1	0	86	0	157	199
Sum of Sessions Delivered	133	-	-	-	-	-	-	-	-	-
Sum of the Average Attendance	-	-	-	-	-	-	-	-	4,545	-

*This program offered as a hybrid: actual in-person attendance data reflected in Figure 1; average virtual attendance data reflected in Figure 3.

Continuing Education Credits

Several FFIEC programs are assessed and approved annually for continuing education credits, evidencing the high-quality content of the examiner education programming. Examiner education accreditations are available to examiners with industry-recognized designations, such as Certified AML Specialist, Certified Fraud Examiner, Certified Regulatory Compliance Manager, Certified Public Accountant, Certified Trust and Financial Advisor, and Chartered Financial Analyst. Examiner education classes enable examiners to better perform their 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 at Virginia Square 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.

Educational InfoBases

The TFEE manages the maintenance of two InfoBases: (1) the BSA/AML InfoBase and (2) the IT Examination Handbook InfoBase. These two InfoBases are online products that centralize and facilitate prompt access to examination procedures, agency resources, and reference materials on topics of interest to both financial institution regulators

Figure 4. 2024 FFIEC Industry Outreach Events (Virtual Delivery)

Program Title	Total	
	Events Delivered	Attendees
Cybersecurity Assessment Tool Transition (October)	1	1,770
New FFIEC IT Handbook Development, Acquisition, and Maintenance Booklet (November)	1	1,151
Grand Total	2	2,921

and the industry. The electronic delivery medium enables the content to be readily updated as needed in coordination with TFOS subgroups.

The BSA/AML InfoBase contains the BSA/AML Examination Manual, agency resources, regulations and guidance, a glossary, and reference materials. 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 IT Examination Handbook InfoBase can be found at <https://ithandbook.ffiec.gov>.

Course Catalogue, Schedule, and Contact Information

The course catalogue and schedule, as well as contact information, are available online at <https://www.ffiec.gov/exam/default.htm>

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 member entities in support of their supervision, regulation, and deposit insurance responsibilities. The TFIS provides a forum for the FFIEC member entities to discuss and address issues affecting the quality, consistency, efficiency, and security of interagency information sharing and make recommendations for improvements in these areas. To the extent possible, the FFIEC member entities build on each other's information databases to minimize duplication of effort, promote consistency, and identify gaps and impediments that compromise the availability or usefulness of shared information. The TFIS maintains the "Data Exchange Summary," which lists the data files exchanged among the FFIEC member entities and a repository of communications and documents critical to information sharing.

To the extent possible, the FFIEC member entities build on each other's information databases to minimize duplication of effort and promote consistency. In accordance with their internal policy, the FFIEC member entities participate in a program to share electronic versions of their examination and inspection report and other communications with financial institutions.

They also provide each other with access to their regulated entities' structure, financial data, and supervisory information. The TFIS maintains the "Data Exchange Summary," which lists the data files exchanged among the FFIEC member entities critical to information sharing.

The TFIS has three standing subgroups to address data sharing and interagency reconciliation of financial institution structure data:

- Technology Working Group
- Structure Data Reconciliation Working Group
- Path Forward Working Group

The Technology Working Group develops technological solutions that enhance data sharing, coordinates the automated transfer of data files, provides timely resolutions of data exchange issues, and develops an inventory of future technology projects among the FFIEC member entities.

The Structure Data Reconciliation Working Group quarterly compares and reconciles structure data about financial institutions regulated by the FFIEC member entities to ensure that the information the entities report is consistent and accurate.

The Path Forward Working Group considers data collaboration and data sharing with a forward-look to data strategy, governance, and management between the FFIEC member entities.

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).

2024 Initiatives

Interconnection Security Agreement (ISA)

The ISA documents the development, management, operation, and security of the five-way interconnection using the Connect:Direct facility for the exchange of financial, supervisory, and structure data by and between the FFIEC member agencies.

The ISA is maintained by the TFIS. In 2023 the FFIEC member agencies approved and signed the revised ISA. The ISA became effective May 6, 2023, for a duration of three years. The TFIS continues to maintain the ISA, performing maintenance updates to the supporting documents.

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 among the FFIEC member entities. The group tracks weekly developments to timely resolve data exchange issues.

The TWG continues to develop necessary links and processes to exchange electronic documents and develop an inventory of future technology projects.

Structure Data Reconciliation

Structure data are nonfinancial in nature and encompass the financial institution's profile, including, but not limited to, its charter type, holding company information, address, and contact information. These nonfinancial data are used in CFPB, FDIC, FRB, NCUA, and OCC databases for business analyses, processing, and reporting purposes. As a result, the accuracy and consistency of these data must be ensured. The Structure Data Reconciliation Working Group (SDRWG) compares and reconciles data discrepancies between the CFPB, FDIC, FRB, NCUA, and OCC databases quarterly to ensure their reliability. The SDRWG's quarterly efforts have greatly reduced structure data discrepancies among the FFIEC member entities.

"Path Forward" Working Group

The TFIS's "Path Forward" Working Group provides a forward-look to data exchanges and overall collaboration between the FFIEC agencies and work groups. In 2024, the group initiated discussions on cloud-to-cloud data transfers. Currently in the exploratory phase, development of cloud-to-cloud data transfers is expected to take a year until initial testing will begin.

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 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 establishes the requirements for the periodic reporting by supervised institutions of information needed for effective supervision and other public policy purposes. Consistent with FFIEC member entities' data needs, the TFOR seeks to develop uniform reporting systems and reports for supervised institutions.

The TFOR provides a forum for FFIEC member entities to discuss and address issues affecting the development and interpretation of reporting instructions; the application of accounting standards to specific transactions; the development and application of processing standards; the monitoring of data quality; the assessment of reporting burden; compliance with the Paperwork Reduction Act (PRA); and liaison with organizations that set or interpret accounting standards. The TFOR also is responsible for any special projects related to these subjects that the Council may assign.

In addition, the TFOR responds to inquiries from reporting institutions and the public concerning the reporting instructions and works with other federal agencies, including the Securities and Exchange Commission. The TFOR also monitors activities of the Financial Accounting Standards Board and the American Institute of Certified Public Accountants' Depository and Lending Institutions Expert Panel.

To help carry out its responsibilities, the TFOR establishes subgroups, standing or ad hoc, to handle

specialized or technical accounting, reporting, instructional, and processing matters.

The TFOR has two standing subgroups:

- Central Data Repository Steering Committee (CDR Steering Committee)
- Data Quality Working Group (DQWG)

The CDR Steering Committee responsibilities include monitoring the functioning of the CDR production system;¹ providing business decisions needed to ensure the success of the CDR initiative; preparing the CDR annual budget and task order funding requests for the TFOR chair's review and submission for Council review and vote; and, when necessary, resolving business, operational, and policy issues relating to the development and operation of the CDR. The TFOR provides the CDR Steering Committee high-level guidance and policy direction related to the management of the business requirements for the Consolidated Reports of Condition and Income (Call Report). Because the CDR also processes and distributes the Uniform Bank Performance Report (UBPR) under the oversight of the FFIEC Task Force on Surveillance Systems (TFSS), that task force provides the CDR Steering Committee similar guidance on the UBPR business requirements.

The DQWG establishes policies and standards for the quality of data output. It is responsible for setting objectives for the design of edits used for report validation and standards for the timing of release to the public of non-confidential report data. The DQWG's principal focus is the Call Report.

¹ The CDR is a secure, shared application for collecting, managing, validating, and distributing data reported in the quarterly Call Reports filed by insured banks and savings associations and the FDIC's annual SOD survey submitted by insured institutions with branch offices.

2024 Revisions to the Call Report and the FFIEC 002

Accounting Standards Update No. 2022-02, Financial Instruments—Credit Losses (Topic 326) Troubled Debt Restructurings and Vintage Disclosures (ASU 2022-02), Electronic Signatures, Loans to Nondepository Financial Institutions, Guaranteed Structured Financial Products and Other Revisions

In 2023, two proposals were published in the *Federal Register* for comment addressing proposed revisions to the Call Report and the FFIEC 002, as applicable. After reviewing the comments received on these revisions, a final 30-day [PRA Federal Register notice \(FRN\)](#) was published on May 22, 2024, notifying institutions that the agencies were moving forward with certain revisions from both notices. The TFOR incorporated into the Call Report and the FFIEC 002, as appropriate, forms and/ or instructions for the following revisions:

From the September 28, 2023, [initial 60-day PRA FRN](#):

1. Revision of U.S. Generally Accepted Accounting Principles (GAAP) terminology and the change in accounting for loan modifications to borrowers experiencing financial difficulty under ASU 2022-02 (effective as of June 30, 2024);
2. Technical clarifications to the reporting of internet website addresses of depository institution trade names on items 8.a through 8.c of Schedule RC-M-Memoranda (effective as of June 30, 2024); and
3. Change to the frequency of reporting internet website addresses above from semiannually to quarterly, in the FFIEC 051 (effective as of June 30, 2024).

From the December 27, 2023, [initial 60-day PRA FRN](#):

1. Adoption of ongoing standards for electronic signatures for complying with the Call Report signature and attestation requirement as an alternative option to physical signatures (effective as of June 30, 2024);
2. Collection of additional data on loans to nondepository financial institutions (NDFIs) and other loans to improve bank regulatory reporting consistency and granularity for exposures to NDFIs (effective as of December 31, 2024); and

3. Reporting on certain Federal Home Loan Mortgage Corporation and similar securitization structures that are guaranteed by the U.S. government or government sponsored agencies (effective as of December 31, 2024).

A Financial Institution Letter (FIL) ([FIL-26-2024](#)) and a [letter to the FFIEC 002 preparers](#) were distributed notifying institutions that the agencies were moving forward with these revisions that were subject to the Office of Management and Budget (OMB) approval. The comment period ended on June 21, 2024, and the revisions were approved by the OMB on June 27, 2024.

2024 Revisions to the Foreign Branch Report of Condition (FFIEC 030) and Extension without Revision of the Abbreviated Foreign Branch Report of Condition (FFIEC 030S)

On January 19, 2024, an [initial 60-day PRA FRN](#) seeking comment on proposed revisions to the FFIEC 030 was published. These revisions would incorporate new line items from the FR 2502q, Quarterly Report of Assets and Liabilities of Large Foreign Offices of U.S. Banks. The FR 2502q would be discontinued if these revisions were adopted. In addition, to provide the agencies with the ability to analyze lending by foreign branches of U.S. banks to U.S. addresses in different sectors, the proposal included collecting more granular data about certain categories of loans and lease receivables. There were no proposed revisions to the FFIEC 030S. The comment period ended on March 19, 2024, with two comment letters received.

A [letter to the FFIEC 030 preparers](#) was distributed on January 23, 2024, notifying them that the notice was published for comment for these proposed changes.

A final 30-day PRA FRN was published in the *Federal Register* notice on October 7, 2024, notifying institutions that the agencies were moving forward with the revisions to the FFIEC 030 with certain modifications. A [letter to the FFIEC 030 preparers](#) was distributed on October 7, 2024, notifying them that the notice was published for these changes. The OMB approved these revisions on December 31, 2024.

Other Activities

Revisions to the Call Reports and Other FFIEC Reports—Accounting Standards Codification Topic 326, Financial Instruments—Credit Losses (ASC Topic 326)

In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, “Measurement of Credit Losses on Financial Instruments” (ASU 2016-13), which introduces the current expected credit losses methodology (CECL) for estimating allowances for credit losses. Under this ASU, all institutions would have initially adopted the accounting standard by the December 31, 2022, report date. As such, the TFOR originally planned to remove all prior references in the forms and instructions for institutions that were reporting the allowance for loan and lease losses under the incurred loss methodology from the Call Report forms and

instructions no later than the March 31, 2023, report date (see 83 FR 49160, September 28, 2018).

However, on November 15, 2019, the FASB issued ASU No. 2019-10, “Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates,” to defer the effective dates of ASU 2016-13 for most smaller institutions. Under this new ASU, ASC Topic 326 became effective for all institutions by the end of calendar year 2023, and as of the December 31, 2023, report date, all institutions had adopted the standard.

The report forms and instructions were updated for the Call Reports, the FFIEC 101, the FFIEC 002/ FFIEC 002S and the FFIEC 030/ FFIEC 030S, as applicable, and were published to the FFIEC webpages for the March 31, 2024, report date.

2024 Federal Register Notices for Proposed and Final Revisions to the Call Reports and Other FFIEC Reports			
Impacted reports	Topics covered	Federal Register notices (FRN) ¹	Publish date
Call Reports and Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002)	From the September 28, 2023, initial 60-day PRA FRN: ²		
	<ul style="list-style-type: none"> Financial Accounting Standards Board’s (FASB) Accounting Standards Update (ASU) 2022–02, “Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures” Reporting of internet website addresses of depository institution trade names 	89 FR 45046 (final)	May 22, 2024
Foreign Branch Report of Condition (FFIEC 030) and Extension without Revision of the Abbreviated Foreign Branch Report of Condition (FFIEC 030S)	From the December 27, 2023, initial 60-day PRA FRN: ³		
	<ul style="list-style-type: none"> Loans to nondepository financial institutions Reporting on guaranteed structured financial products Electronic signatures 	89 FR 3708 (final)	January 19, 2024
	<ul style="list-style-type: none"> New line items from the FR 2502q, Quarterly Report of Assets and Liabilities of Large Foreign Offices of U.S. Banks (FR 2052q to be discontinued) More granular data about certain categories of loans and lease receivables to provide the agencies with the ability to analyze lending by foreign branches of U.S. banks to U.S. addresses in different sectors There were no proposed revisions to the FFIEC 030S 	88 FR 811337 (final)	October 07, 2024
Country Exposure Report for U.S. Branches and Agencies of Foreign Banks (FFIEC 019)	Extension without revision	89 FR 15575 (initial)	March 04, 2024
		89 FR 61119 (final)	July 30, 2024

¹ To help institutions better understand the revisions (as proposed in the 60-day notices or as finalized in the 30-day notices), the TFOR prepared and posted draft redlined report forms and instructions to the Call Report, the FFIEC 002, and the FFIEC 030 web pages on the FFIEC website, as appropriate, after the publication of each notice in the *Federal Register*.

² 88 FR 66933 (September 28, 2023).

³ 88 FR 89489 (December 27, 2023).

Extension without Revision of the Country Exposure Report for U.S. Branches and Agencies of Foreign Banks (FFIEC 019)

On March 4, 2024, the TFOR published an initial 60-day PRA [Federal Register notice](#) for a proposal for an extension without revision of the FFIEC 019. The comment period ended on May 4, 2024, without any comment letters received.

On July 30, 2024, a final 30-day PRA [Federal Register notice](#) was published indicating that the agencies were moving forward with the extension without revision of the FFIEC 019 as proposed. The OMB approved a three-year extension on August 29, 2024.

Central Data Repository

In 2024, two new projects were initiated to further enhance the CDR. One initiative would improve system security aspects with changes to access control for all system users via a multi-factor authentication process. The second initiative would provide a new reporting tool that would enhance existing reports and add new ad hoc and predictive reports. Both initiatives are expected to be completed in 2025.

Instructional Guidance

A TFOR working group conducted monthly inter-agency conference calls during 2024 to discuss instructional matters pertaining to FFIEC reports and related accounting issues to reach uniform interagency positions on these issues.

Task Force on Supervision

The Task Force on Supervision (TFOS) coordinates and oversees matters addressing safety and soundness and related risks arising in supervision and examination of institutions supervised by the FFIEC member entities. The TFOS provides a forum for the FFIEC member entities to promote quality, consistency, and effectiveness in examinations, and to reduce burdens of examination and supervisory practices on those institutions (supervised institutions).

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. TFOS 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 three standing subcommittees:

- Information Technology Subcommittee (ITS)
- Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Subcommittee
- Cybersecurity and Critical Infrastructure Subcommittee (CCIS)

The ITS serves as a forum to address supervisory and examination principles, standards, and training concerning information systems and technology utilized by supervised institutions and their service providers. The ITS develops and maintains the Uniform Rating System for Information Technology and FFIEC IT Examination Handbook, which consists of a series of topical booklets addressing issues such as information security, management, and audits. This resource is available through an InfoBase on the FFIEC website. In conjunction with the TFEE, the ITS sponsors an annual IT conference

for examiners and periodically holds symposia on emerging information technology and related risks. The ITS regularly coordinates with the TFOS's CCIS in situations where supervisory issues overlap.

The AML/CFT Subcommittee seeks to enhance coordination of principles, standards, and training in relation to AML/CFT supervision and examinations. Subcommittee coordination efforts include continuing communication between the federal and state banking authorities and the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) and the Office of Foreign Assets Control (OFAC). The AML/CFT Subcommittee builds on existing efforts and works to strengthen the activities of other formal and informal interagency groups providing oversight of related policy matters. The group's responsibilities include maintaining the FFIEC Bank Secrecy Act (BSA)/AML Examination Manual, available through an InfoBase on the FFIEC website.

The CCIS serves to address vulnerabilities, threats, and incidents related to critical infrastructure security and the resilience of supervised institutions and service providers. The CCIS's coordination efforts include ongoing communications with the intelligence community, law enforcement, homeland security agencies, and other public- and private-sector entities on cybersecurity and critical infrastructure. The CCIS also serves as a forum to communicate, collaborate, and build on existing efforts to support and strengthen the activities of other interagency and private-sector groups that promote the financial services sector's cybersecurity and critical infrastructure security and resilience.

Subcommittees retain the discretion to form working groups, to focus on specific subject matter projects and other discrete delegated tasks. Additionally, the TFOS may establish ad hoc subcommittees to handle individual projects and assignments.

The TFOS currently has five ad hoc subcommittees. These ad hoc subcommittees are engaged in projects related to (1) uniform supervision of liquidity

and interest rate risk, (2) supervisory technology coordination, (3) data collection, and (4) community bank and credit union digitalization.

Uniform Supervision across Fundamental Topics—Interest Rate Risk and Liquidity Risk Subcommittee

In September 2023, the TFOS established the ad hoc Uniform Supervision Across Fundamental Topics—Interest Rate Risk and Liquidity Risk Subcommittee to promote consistency in how examiners assess interest rate risk (IRR) and liquidity risk and reflect their assessment in a supervised institution’s sensitivity to market risk and liquidity component ratings. In 2024, the subcommittee shared information; compared supervisory practices; and reviewed existing supervisory guidance, tools, and examination staff training on liquidity risk and IRR. Based on the results of the information sharing and supervisory practices reviews, the subcommittee delivered an examiner training webinar in December.

Appraisal Bias Subcommittee

In August 2022, the TFOS established the ad hoc Appraisal Bias Subcommittee (ABS) to share information and to develop safety and soundness examination principles to support the implementation of goals and commitments made by individual TFOS member agencies in the March 2022 report issued by the PAVE.

On February 12, 2024, the ABS and the TFCC Appraisal Discrimination Working Group jointly published the final [Statement on Examination Principles Related to Valuation Discrimination and Bias in Residential Lending](#) (Statement) after issuing a proposed Statement in 2023. The Statement communicates examination principles that the FFIEC members’ examiners will consider in the review of supervised institutions’ residential property appraisal and evaluation practices. This will help mitigate risks that may arise because of potential discrimination or bias in those practices and promote credible valuations.

Supervisory Technology Subcommittee

In September 2023, the TFOS established the ad hoc Supervisory Technology Subcommittee (STS) to collect and share information on examination-

related supervisory technology tools, capabilities and/or plans. STS work includes documenting FFIEC member supervision technology platforms and plans, gathering best practices and experiences, and considering how to bring new capabilities into exam platforms.

The subcommittee hosts interagency spotlight sessions where supervisory agencies discuss innovation in technology and data. In 2024, 17 interagency technology spotlight sessions were completed. Spotlight sessions highlight new or planned technologies that align to common interagency goals and objectives of improved supervisory efficiencies and reduced burden on supervised institutions. Popularity of the spotlights have increased with recent sessions having an average of 100 attendees per session, totaling over 1,100 attendees in 2024. In addition to attendance, outcomes from the spotlights include the creation of product advisory groups, communities of practice, and technology forums.

Data Collection Subcommittee

In September 2023, the TFOS established the ad hoc Data Collection Subcommittee to develop a proposal for identifying a limited number of key data points that could be collected more frequently from supervised institutions. This data collection will assist regulators’ decisionmaking during times of financial market stress. In 2024 the TFOS approved the subcommittee’s proposal to collect a select number of liquidity- and credit-related data fields from large institutions more frequently than quarterly.

Community Bank and Credit Union Digitalization Subcommittee

In December 2023, the TFOS established the ad hoc Community Bank and Credit Union Digitalization Subcommittee to identify benefits and risks for community banks and credit unions related to adopting digitalization, particularly as they engage core service providers. The subcommittee will inventory agency published resources that may be helpful to community banks and credit unions in their due diligence, implementation, and oversight process. The subcommittee will identify examples of risks and challenges the industry may face when adopting digital technologies and has

begun conducting industry outreach to explore the challenges being observed in the marketplace and discuss agency identified issues. The subcommittee will provide a summary of the findings to the TFOS for consideration and direction regarding additional actions.

2024 Initiatives

Cybersecurity Priorities

In 2024, the CCIS continued work on key cybersecurity areas, including risk management and oversight, threat intelligence and collaboration, cybersecurity controls, and cyber incident management and resilience. This year the CCIS focused its efforts on U.S. government cybersecurity harmonization efforts, ransomware threats, and supply chain risk management.

Cybersecurity Webinar

In recognition of National Cybersecurity Awareness Month in October, the CCIS hosted an Industry Outreach webinar focusing on cybersecurity assessment resources. During the event, CCIS representatives highlighted the joint statement announcing the sunset of the Cybersecurity Assessment Tool in August 2025 and the updated National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0.

Cybersecurity Messaging

In 2024, the CCIS issued messages on significant cybersecurity issues and information to supervised institutions. Messages addressed issues of cyber-threats and vulnerabilities as well as associated controls and key resources.

Information Technology

The ITS continued to coordinate on emerging IT supervisory matters and technology issues at supervised institutions. A major focus of the ITS work is updating the FFIEC IT Examination Handbook, which supports the FFIEC members' supervisory programs and provides guidance to examiners.

In August 2024, the FFIEC issued a new Development, Acquisition, and Maintenance booklet to help examiners assess information technology practices. The booklet provides examiners with fundamental examination expectations regarding entities' development and acquisition planning and

execution, governance and risk management, and maintenance and change management practices. It discusses the interconnectedness of an entity's assets and processes and those of its third-party service providers along with information to help examiners assess whether management adequately addresses risks and complies with applicable laws and regulations.

Information Technology Outreach

In October 2024, the ITS sponsored the annual FFIEC Information Technology Examiners Conference for federal and state financial institution examiners. The conference highlighted current and emerging technology issues affecting insured depository institutions and their service providers. The conference addressed a range of topics including cybersecurity threats, third-party risk management, artificial intelligence, application programming interfaces, and quantum computing.

Anti-Money Laundering/Countering the Financing of Terrorism

Throughout 2024, the AML/CFT Subcommittee continued to coordinate AML/CFT training, guidance, and supervisory policy. The subcommittee continued to develop and publish updates to the FFIEC BSA/AML Examination Manual. The subcommittee sponsored its 18th Advanced BSA/AML Specialists Conference in July 2024, which included presentations on a range of topics, such as fraud risks that impact AML examinations; third-party risk management issues; BSA/AML and novel activities; Office of Foreign Assets Control; the role of machine learning and AI in fighting financial crime; national money laundering, terrorist financing, and weapons of mass destruction proliferation financing risk assessments; and AML software tuning and optimization.

The AML/CFT Subcommittee also continues to discuss the work of FinCEN and the federal banking agencies on implementing the various aspects of the AML Act of 2020.

Task Force on Surveillance Systems

The Council Task Force on Surveillance Systems (TFSS) oversees the development and implementation of interagency monitoring systems. The primary responsibility of the TFSS is the maintenance and distribution of the UBPR including implementing changes to its content and technology to ensure it remains the preeminent interagency monitoring tool.

The TFSS provides a forum for members to discuss best practices to be used in surveillance systems.

Implementation of these best practices, including development of new financial ratios and technological improvements, is principally adopted in the UBPR and its derivative reports (e.g., Executive Summary Report). Holistically, the TFSS serves as a vehicle for members to discuss content and usability of the UBPR, monitor changes in the Call Report to assess impact on UBPR ratios, and monitor usage of the UBPR to ensure continued relevance.

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 via a website at <https://cdr.ffiec.gov/public/ManageFacsimiles.aspx>.

The TFSS has one standing subgroup, referred to as the UBPR Content Subcommittee. The UBPR

Content Subcommittee was established to identify and recommend necessary changes and potential enhancements to the UBPR. As needed, the TFSS may establish temporary subgroups to handle individual projects and assignments.

2024 Initiatives

UBPR Content Subcommittee

The UBPR Content Subcommittee made progress on the UBPR five-year review plan developed and approved in 2021. The goal of the five-year review plan is to review many key pages of the UBPR and to ensure they reflect the most up to date data available in the Call Reports. Since 2022, the subcommittee has reviewed and made changes to a total of five UBPR pages. In 2024, the subcommittee began reviewing the Interest Rate Risk page and expects to move all recently approved changes into production in early 2025.

In 2024, changes to the Balance Sheet page were implemented that expanded detail on real estate loans and allowances for credit losses under the relatively new current expected credit losses (CECL) accounting standard.

The UBPR Coordinators modified many UBPR line item descriptions to align with the March 2024 CECL related Call Report nomenclature changes. Such changes, along with the UBPR changes related to Accounting Standards Update 2022-02, Financial Instruments-Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures, were made available to the public on March 25, 2024.

Lastly, many UBPR line items that have returned null values (due to discontinued Call Report line items) for at least the prior five years have been removed from the UBPR. A notification of the specific changes was provided to the user community via the FFIEC website.

UBPR Production and Delivery

During 2024, UBPRs as of December 31, 2023; March 31, 2024; June 30, 2024; and September 30, 2024, were produced and delivered to federal and state banking agencies. Additionally, the UBPR section of the FFIEC website delivered the same data to financial institutions and the 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 also allows the UBPR to remain synchronized with new Call Report data 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. UBPR data are frequently refreshed to reflect amendments to underlying Call Reports and to incorporate any content-based changes agreed to by the TFSS. The online UBPRs are dynamic reports that closely synchronize 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 updated nightly for the current quarter and regularly for previous quarters.

These reports (1) provide bank management with a 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 the 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 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 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/PWS/DownloadBulkData.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 or emailing cdr.help@cdr.ffiec.gov.

*The Federal Financial Institution
Regulatory Agencies and Their
Supervised Institutions*



The FRB, FDIC, OCC, and NCUA have primary federal supervisory jurisdiction over 9,187 domestically chartered banks, savings associations, and federally insured credit unions. On December 31, 2024, these financial institutions held total assets of more than \$29.4 trillion. The FRB has primary federal supervisory responsibility for 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 Federal Reserve System was established in 1913. It is headed by a seven-member Board of Governors (Board). 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 serves as the Board's representative to the FFIEC. The Board's activities most relevant to the work of the FFIEC 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 Board's supervisory oversight authority;
 - approving or denying applications for mergers, acquisitions, and changes in control with respect to 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 non-bank 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 the 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 implemented 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. 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 the chartering 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 United States.

The Dodd-Frank Act, as amended by the Economic Growth, Regulatory Relief, Consumer Protection Act of 2018, 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, which gave the Bureau new authorities and transferred existing authorities from other federal agencies. On July 21, 2011, the CFPB assumed these authorities. The CFPB is an independent agency that is funded principally by transfers from the FRB, up to a statutory limit. Transfers from the FRB are requested in amounts that are reasonably necessary to carry out the Bureau's mission. Since 2014, funding caps have been adjusted annually, based on the percentage increase in the employment cost index for the total compensation for state and local government workers, which is published by the federal government. The Director of the CFPB is appointed by the President, with the advice and consent of the Senate, for a five-year term. The Director also serves on the FDIC Board of Directors and the FSOC.

The CFPB seeks to make consumer financial markets work for consumers, responsible providers, and the economy as a whole. In a market that works, consumers are treated fairly; prices, risks, and terms are clear up front so that consumers can make informed choices; and companies all play by the same consumer protection rules and compete fairly on providing quality and service. To accomplish its mission, the Bureau uses its tools to promote competition, shift market power toward consumers and law-abiding businesses, and anticipate emerging risks to consumers.

The CFPB was created to provide a single point of accountability for enforcing federal consumer financial laws and protecting consumers in the financial marketplace. The Dodd-Frank Act consolidated many of the existing consumer financial protection authorities, previously shared by seven federal agencies, under the CFPB. The Dodd-Frank Act also provided the Bureau with 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 volumes that exceed 1 million);
 - international money transfer market (these entities have at least 1 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.
- service providers to any of the entities listed above, to a certain extent.

The CFPB’s supervisory and enforcement activities are conducted by the Division of Supervision and the Division of Enforcement, respectively. The CFPB 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 financial 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, by and with the advice and consent of the Senate, for six-year terms. One of the three appointed directors is designated by the President, by and with the advice and consent of the Senate, 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, 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 cyclicity 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.

As a result of extraordinary insured deposit growth resulting from actions taken by monetary and fiscal authorities, individuals, businesses, and financial market participants in response to the pandemic, in

the first and second quarters of 2020, the DIF reserve ratio declined below the statutory minimum of 1.35 percent. On September 15, 2020, the FDIC adopted a Restoration Plan to restore the reserve ratio to at least 1.35 percent within eight years, as required by the Federal Deposit Insurance Act (FDI Act). To improve the likelihood that the reserve ratio will reach the statutory minimum by September 30, 2028, the FDIC Board subsequently amended the Restoration Plan to incorporate an increase in assessment rate schedules of 2 basis points for all insured depository institutions, which became effective January 1, 2023.

Supervision

The FDIC has primary federal supervisory authority over insured state-chartered banks that are not members of the Federal Reserve System and over state-chartered savings associations. The FDIC, through its role as deposit insurer, 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 nonbank financial companies designated by the FSOC.

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 for institutions with total assets less than \$100 billion. DCP is responsible for 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 Community Reinvestment Act, 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 is one area

office located in Boston and reporting to New York. In addition to the regional and area offices, the FDIC maintains 76 field offices for risk management and 71 field offices for compliance.

The Division of Complex Institution Supervision and Resolution (CISR) oversees the FDIC's systemic risk responsibilities under the Dodd-Frank Act and the FDI Act, including resolution plan reviews, resolution planning for large and complex financial institutions under the FDIC's Orderly Liquidation Authority and the FDI Act, and promoting cross-border cooperation and coordination as part of that planning. As part of its responsibilities, CISR carries out the FDIC's backup examination authorities for institutions with total assets of \$100 billion or more.

Receivership Management

Resolutions for insured depository institutions with assets under \$100 billion are handled by the FDIC's Division of Resolutions and Receiverships (DRR). When an insured depository institution fails, the chartering authority typically appoints the FDIC as receiver. In carrying out its receivership responsibility, the FDIC employs a variety of strategies to ensure the prompt payment of deposit insurance to insured depositors and to resolve failed institutions at the least costly transaction to the DIF. DRR maintains personnel in the Washington, DC Headquarters Office, the FDIC's Regional Office in Dallas, and various other FDIC regional offices.

CISR is responsible for leading the FDIC's resolution planning and preparedness for large and complex financial institutions with assets above \$100 billion under the FDI Act and the Orderly Liquidation Authority, as applicable. 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.

The NCUA's mission is to protect the system of cooperative credit and its member-owners through effective chartering, supervision, regulation, and insurance. Specifically, the NCUA's responsibilities include

- chartering, regulating, and supervising approximately 2,800 federal credit unions in the United States and its territories;

- administering the National Credit Union Share Insurance Fund, which insures member share accounts in approximately 4,500 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 1,200 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 750 national banks and trust companies, 241 federal savings associations, and 49 federal branches and agencies of foreign banks. Of these banks, 731 have less than \$1 billion in assets, while 54 have more than \$10 billion. In total, these banks account for approximately 66 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.

The OCC maintains a nationwide staff of bank examiners and other professional and support personnel. The OCC’s midsize and community bank supervision is organized into six regions, with a network of offices in cities across the United States. The OCC maintains core examiner teams in the largest national banking companies. The agency is headquartered in Washington, D.C.

The Comptroller receives advice on policy and operational issues from an Executive Committee comprising 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, 2024

Billions of dollars

Item	Total	U.S. Commercial Banks ¹			U.S. Branches and Agencies of Foreign Banks ⁵	Savings Institutions ³		Credit Unions ²	
		National	State Member ⁴	State Non-member		OCC Regulated Federal Charter	FDIC Regulated State Charter ⁶	Federal Charter	State Charter
Total assets	29,441	15,326	4,174	3,760	3,016	535	322	1,178	1,130
Total loans and receivables (net)	15,303	7,423	1,980	2,527	1,170	338	238	821	806
Loans secured by real estate ⁷	7,034	2,965	1,075	1,586	115	178	203	443	469
Consumer loans ⁸	2,758	1,384	178	327	-	147	8	380	334
Commercial and industrial loans	2,794	1,590	336	297	521	14	23	6	7
All other loans and lease receivables ⁹	2,961	1,617	419	362	534	13	6	5	5
LESS: Allowance for credit losses on loans and leases	244	133	28	45	-	14	2	13	9
Federal funds sold and securities purchased under agreements to resell	988	541	72	14	361	0	0	0	0
Cash and balances due from depository institutions ¹⁰	2,914	1,740	617	281	9	42	14	109	102
Securities and other obligations ¹¹	6,220	3,684	1,160	689	171	127	50	182	157
U.S. government obligations ¹²	2,023	1,213	228	168	77	14	36	149	138
Obligations of state and local governments ¹³	312	131	63	99	-	4	5	6	4
Other securities	3,885	2,340	869	422	94	109	9	27	15
Other assets ¹⁴	4,016	1,938	345	249	1,305	28	20	66	65
Total liabilities	26,791	13,805	3,765	3,352	3,016	483	286	1,063	1,021
Total deposits and shares ¹⁵	22,474	12,092	3,403	3,043	1,295	426	256	996	963
Federal funds purchased and securities sold under agreements to repurchase	810	292	53	27	436	0	2	0	0
Other borrowings ¹⁶	1,638	753	207	222	290	46	24	52	44
Other liabilities ¹⁷	1,869	668	102	60	995	11	4	15	14
Net worth ¹⁸	2,650	1,521	409	408	-	52	36	115	109
Memorandum: Number of institutions reporting	9,1867	749	708	2,574	180	237	284	2,794	1,661

Note: The tables cover institutions, including those in Puerto Rico and U.S. territories and possessions, insured by the FDIC or the NCUA. All branches and agencies of foreign banks in the United States, 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.

Footnotes to Tables

¹ 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.

² Data are for federally insured natural person credit unions only.

³ 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.

⁴ Includes state member savings banks and state member cooperative banks.

⁵ These institutions are not required to file reports of income.

⁶ Includes 21 state chartered savings associations formerly regulated by the Office of Thrift Supervision.

⁷ Includes loans secured by residential property, commercial property, farmland (including improvements), and unimproved land; and construction loans secured by real estate.

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, 2024

Billions of dollars

Item	Total	U.S. Commercial Banks ¹			Savings Institutions ³		Credit Unions ²	
		National	State Member ⁴	State Non-member	OCC Regulated Federal Charter	FDIC Regulated State Charter ⁶	Federal Charter	State Charter
Operating income:	1,727	1,003	269	248	48	17	74	68
Interest and fees on loans	970	517	130	182	33	13	50	45
Other interest and dividend income	205	121	36	22	4	2	10	10
All other operating income	552	365	103	44	11	2	14	13
Operating expenses:	1,344	786	213	191	40	15	49	50
Salaries and benefits	318	179	44	45	8	5	19	18
Interest on deposits and shares	495	280	88	74	10	6	19	18
Interest on other borrowed money	116	68	28	10	2	1	3	4
Provision for credit losses	74	58	8	15	8	0	(9)	(6)
All other operating expenses	341	201	45	47	12	3	17	16
Net operating income	383	217	56	57	8	2	25	18
Securities gains and losses	4	2	1	0	0	0	1	0
Discontinued operations	5	0	0	5	0	0	-	-
Income taxes	67	43	12	10	2	0	-	-
Net income	325	176	45	52	6	2	26	18
Memorandum: Number of institutions reporting	9,007	749	708	2,574	237	284	2,795	1,659

⁸ 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.

⁹ 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 and political subdivisions and public authorities, and miscellaneous types of loans.

¹⁰ Includes vault cash, cash items in process of collection, and balances with United States and foreign banks and other depository institutions (including demand and time deposits and certificates of deposit for all categories of institutions).

¹¹ Includes government and corporate securities, including mortgage-backed securities and obligations of states and political subdivisions and of U.S. government agencies and corporations.

¹² U.S. Treasury securities and securities of, and loans to, U.S. government agencies and corporations.

¹³ 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."

¹⁴ 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.

¹⁵ 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.

¹⁶ 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.

¹⁷ 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 amount owed to head office and other related institutions.

¹⁸ 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*

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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.

in³ 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 Register⁴ 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:
2024 Audit Report

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

February 24, 2025

Federal Financial Institutions Examination Council
3501 Fairfax Drive, E-2035-C
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, 2024 and 2023.

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*, dated February 24, 2025.

We do not express an opinion on the FFIEC's financial statements. In addition, we do not draw conclusions on the *Independent Auditors' Report*.

Sincerely,

A handwritten signature in black ink that reads "Mark Bialek".

Mark Bialek
Inspector General

cc: Judith Dupre, Executive Secretary, FFIEC
Allison Hester-Haddad, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Daniel Amodeo, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Patrick Tierney, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Stuart Feldstein, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Jonathan Fink, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Tricia Gray, FFIEC Legal Advisory Group and Counsel, Office of the Comptroller of the Currency
Rendell Jones, Chief Financial Officer, Board of Governors of the Federal Reserve System

20th Street and Constitution Avenue NW | Mail Center I-2322 | Washington, DC 20551



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

Independent Auditors' Report

The Federal Financial Institutions Examination Council:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Federal Financial Institutions Examination Council (the Council), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements as of and for the year ended December 31, 2024, we considered the Council's internal control over financial reporting (internal control) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements as of and for the year ended December 31, 2024 are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 this report 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 on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Washington, DC
February 24, 2025

Federal Financial Institutions Examination Council
Balance Sheets

	As of December 31,	
	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash	\$ 2,402,819	\$ 2,441,601
Accounts receivable from member agencies—net	1,051,974	664,758
Accounts receivable from non-members agencies—net	1,073	9,050
Prepaid expense and other assets	<u>342,000</u>	<u>-</u>
Total current assets	<u>3,797,866</u>	<u>3,115,409</u>
NON-CURRENT ASSETS:		
Software	1,159,678	-
Operating lease real estate right-of-use-asset	338,702	676,153
Operating lease equipment right-of-use-assets	<u>182,030</u>	<u>223,576</u>
Total non-current assets	<u>1,680,410</u>	<u>899,729</u>
TOTAL ASSETS:	\$ <u>5,478,276</u>	\$ <u>4,015,138</u>
LIABILITIES AND CUMULATIVE RESULTS OF OPERATIONS		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities payable to member agencies	\$ 1,046,832	\$ 714,825
Accounts payable and accrued liabilities payable to non-member agencies	459,178	318,351
Accrued annual leave	82,166	90,263
Deferred revenue	369,281	311,200
Operating lease payable	<u>399,484</u>	<u>396,080</u>
Total current liabilities	<u>2,356,941</u>	<u>1,830,719</u>
LONG-TERM LIABILITIES:		
Operating lease payable	<u>138,566</u>	<u>532,695</u>
Total long-term liabilities	<u>138,566</u>	<u>532,695</u>
Total liabilities	<u>2,495,507</u>	<u>2,363,414</u>
CUMULATIVE RESULTS OF OPERATIONS	<u>2,982,769</u>	<u>1,651,724</u>
TOTAL LIABILITIES AND CUMULATIVE RESULTS OF OPERATIONS	\$ <u>5,478,276</u>	\$ <u>4,015,138</u>

See notes to financial statements.

Federal Financial Institutions Examination Council
Statements of Operations

	For the years ended December 31,	
	2024	2023
REVENUES:		
Central Data Repository	\$ 3,532,096	\$ 3,158,532
Tuition	5,992,336	4,750,039
Assessments on member agencies	2,272,473	1,625,385
Community Reinvestment Act	763,916	694,863
Uniform Bank Performance Report	710,089	691,756
Other Revenues	<u>1,869,491</u>	<u>803,602</u>
Total revenues	<u>15,140,401</u>	<u>11,724,177</u>
EXPENSES:		
Professional fees	4,969,447	5,082,297
Salaries and related benefits	4,490,713	3,424,012
Data processing	2,011,457	1,498,465
Data, news, and research	338,000	-
Administration fees	1,220,825	1,088,275
Software	83,723	-
Rental of office space	339,386	339,386
Travel	169,209	108,643
Rental and maintenance of office equipment	72,472	78,043
Other seminar expenses	47,168	50,754
Office and other supplies	16,907	27,541
Printing	776	4,653
Miscellaneous	<u>49,273</u>	<u>16,064</u>
Total expenses	<u>13,809,356</u>	<u>11,718,133</u>
RESULTS OF OPERATIONS	1,331,045	6,044
CUMULATIVE RESULTS OF OPERATIONS—Beginning of year	<u>1,651,724</u>	<u>1,645,680</u>
CUMULATIVE RESULTS OF OPERATIONS—End of year	<u>\$ 2,982,769</u>	<u>\$ 1,651,724</u>

See notes to financial statements.

Federal Financial Institutions Examination Council
Statements of Cash Flows

	For the years ended December 31,	
	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Results of operations	\$ 1,331,045	\$ 6,044
Adjustments to reconcile results of operations to net cash from operating activities:		
Net operating lease assets and payables (current and non-current)	(11,728)	7,439
(Increase) decrease in assets:		
Accounts receivable from member agencies	(387,216)	(238,764)
Accounts receivable from non-member agencies	7,977	(2,150)
Prepaid expense and other assets	(342,000)	-
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities payable to member agencies	332,006	(1,205,381)
Other accounts payable and accrued liabilities payable to non-member agencies	(315,295)	1,001
Accrued annual leave	(8,097)	(15,651)
Deferred revenue (current and non-current)	<u>58,081</u>	<u>-</u>
Net cash from (used in) operating activities	664,773	(1,447,462)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Capital Expenditures	<u>(703,555)</u>	<u>-</u>
Net cash from (used in) investing activities	(703,555)	-
NET INCREASE (DECREASE) IN CASH	(38,782)	(1,447,462)
CASH BALANCE—Beginning of year	<u>2,441,601</u>	<u>3,889,063</u>
CASH BALANCE—End of year	\$ <u>2,402,819</u>	\$ <u>2,441,601</u>

See notes to financial statements.

Federal Financial Institutions Examination Council

Notes to Financial Statements as of and for the Years Ended December 31, 2024 and 2023

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 2024, referred to collectively as member agencies, are as follows:

- Board of Governors of the Federal Reserve System (FRB)
- Consumer Financial Protection Bureau (CFPB)
- 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 CFPB general rule-writing responsibility for federal consumer financial laws and the HMDA supervisory and enforcement authority. The CFPB, 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 CFPB.

The Council is performing the collection and billing activity for the Computational Tools product services developed by the FRB. The activity includes the member agencies. Similar to the collection activity for the CFPB, 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 FRB.

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.

Notes continue on the following page.

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 in-person and virtual 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 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, and the Geocoder, Census Product Services, and Website Modernization services (Other Revenues).

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.

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.

Leases—Leases are identified in accordance with the Financial Accounting Standards Board (FASB), ASC 842. The Council’s leases involve lessee arrangements for office and classroom space and equipment that are classified as operating leases. The Council’s discount rate is based on a risk-free Treasury borrowing rate at lease commencement using a period comparable to the lease term. The Council elected to utilize the transition package of practical expedients permitted under Topic 842, which, among other things, allowed the Council to carry forward the historical lease classification. Additionally, the Council made an accounting policy election to exempt short-term leases (with an initial term of 12 months or less) from the provisions of Topic 842, which resulted in recognition of the

Notes continue on the following page.

related lease payments on a straight-line basis over the lease term, consistent with prior treatment under Topic 840. The Council did not elect the “hindsight” practical expedient when determining the lease terms under Topic 842.

Accounts Receivable—Accounts receivable from members and nonmembers are shown net of the allowance for doubtful accounts. The Council recognized its allowance in accordance with FASB ASC 326, *Financial Instruments - Credit Losses* and the current expected credit loss (“CECL”) methodology. The allowance for doubtful accounts is reviewed monthly, based on the Council’s historical experiences, current conditions, and reasonable and supportable forecasts of its outstanding receivables. Based on this method, the Council currently believe its receivables to be fully collectible.

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 2024, the FASB issued ASU 2024-03 *Income Statement – Reporting Comprehensive Income-Expense Disaggregation Disclosures (SubTopic 220-40): Disaggregation of Income Statement Expenses*. Subsequently, in January 2025, the FASB issued a related ASU, ASU 2025-01, *Income Statement – Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. This standard requires that any relevant expense caption on the income statement will require tabular disclosures within the footnotes for employee compensation, depreciation, intangible asset amortization, and certain expense, gain, or

loss amounts already required under the current standards. This update is effective no later than the year ended December 31, 2026, although earlier adoption is permitted. The Council will evaluate the effect of this new guidance on its financial statements.

3. Selected Transactions with Member Agencies

	<u>2024</u>	<u>2023</u>
<i>Accounts receivable:</i>		
Board of Governors of the Federal Reserve System	\$ 231,718	\$ 181,407
Consumer Financial Protection Bureau	60,383	38,693
Federal Deposit Insurance Corporation	269,830	221,309
National Credit Union Administration	80,696	38,693
Office of the Comptroller of the Currency	<u>409,347</u>	<u>184,656</u>
	<u>\$ 1,051,974</u>	<u>\$ 664,758</u>
<i>Accounts payable and accrued liabilities:</i>		
Board of Governors of the Federal Reserve System	\$ 475,427	\$ 385,513
Consumer Financial Protection Bureau	406,619	32,475
Federal Deposit Insurance Corporation	49,614	122,248
National Credit Union Administration	92,373	109,639
Office of the Comptroller of the Currency	<u>22,799</u>	<u>64,950</u>
	<u>\$ 1,046,832</u>	<u>\$ 714,825</u>

Notes continue on the following page.

	<u>2024</u>	<u>2023</u>
<i>Operations:</i>		
Council operating expenses reimbursed by members ¹	\$ 2,272,473	\$ 1,625,385
FRB-provided administrative support	\$ 1,220,825	\$ 1,088,275
FRB-provided data processing	\$ 2,011,457	\$ 1,498,465
<i>Tuition revenue:</i>		
Member tuition	\$ 5,884,511	\$ 4,616,364

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

4. Software

In 2003, the Council entered into an agreement 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. Since 2005, the CDR has undergone several enhancements which extended its useful life. In 2024, the Council awarded a new contract to enhance and maintain the CDR to July 2032. The contract includes enhancements that extend the life of the CDR. The Council began incurring costs related to these enhancement task orders in 2024 of \$963,000. As December 31, 2023, the CDR asset value is \$21,839,856 and is fully depreciated. The Council also pays for hosting and maintenance expenses for the CDR and recognizes the associated revenue from members.

CDR Financial Activity — The Council is funding the project by billing the three participating Council member agencies (FRB, FDIC, and OCC). The accounts payable and accrued liabilities related to the main supplier for CDR who provides the maintenance and support services are \$401,000 and \$243,000 as of December 31, 2024 and 2023, respectively.

In 2024, the Council awarded a new contract to design, develop, and deploy a cloud-based mobile-first website for the Council. The costs incurred related to the development of the website was \$197,000 as of December 31, 2024.

The Council recorded accrued liabilities for noncash capital assets of goods received or services performed, which resulted in a net change of \$456,000 and \$0 for the years ended December 31, 2024 and 2023, respectively.

5. Leases

In 2020, the Council agreed to the option to extend for another five years an operating lease with the FDIC to secure office and classroom space and in February 2021 the agreement was officially executed. In 2023, the Council entered into operating leases for copier equipment. The Council's current lease arrangements expire through 2028.

The Council's lease population does not include any residual value guarantees, and therefore none were considered in the calculation of the right-of-use (ROU) asset and lease liability balances. The Council has leases that contain variable payments, most commonly in the form of common area maintenance charges, which are based on actual costs incurred. These variable payments were excluded from the calculation of the ROU asset and lease liability balances since they are not fixed or in-substance fixed payments.

For leases with terms greater than 12 months, the FFIEC records the related ROU assets and lease liabilities at the present value of lease payments over the lease terms. For leases with an initial term of 12 months or less (with purchase options or extension

Notes continue on the following page.

options that are not reasonably certain to be exercised), the Council does not record them on the balance sheet, but instead recognizes lease expense on a straight-line basis over the terms of the leases.

Lease cost. The Council's lease cost was comprised of the following components for the years ended December 31, 2023 and 2022:

	<u>2024</u>	<u>2023</u>
Operating lease cost	\$ 390,184	\$ 400,410
Variable lease cost	21,674	17,019
Total lease cost	<u>\$ 411,858</u>	<u>\$ 417,429</u>

Lease commitments. The Council's future minimum lease payments required under operating leases as of December 31, 2024 were as follows:

	<u>Operating Leases</u>
2025	\$ 402,147
2026	50,798
2027	50,798
2028	46,566
2029	-
Thereafter	-
Total lease payments	<u>550,309</u>
Less imputed interest	12,259
Present value of lease payments	<u>538,050</u>
Less current maturities of lease obligations	399,484
Long-term lease obligations	<u>\$ 138,566</u>

In order to calculate the ROU asset and lease liability for a lease, Topic 842 requires that a lessee apply a discount rate equal to the rate implicit in the lease whenever that rate is readily determinable. The Council's lease agreements do not provide a readily determinable implicit rate, nor is the rate available to the Council from its lessors. Therefore, as permitted under Topic 842 for non-public business entities in such situations, management estimates the Council's risk-free rate (U.S. Treasury rate), as determined using a period comparable with that of

the lease term. The risk-free rate, which is based on information available at either the implementation date of Topic 842 or at lease commencement for leases entered into subsequently, is used to discount the remaining lease payments to present value.

Additional lease information. Additional information related to the Council's leases as of December 31, 2023 and 2022 was as follows:

	<u>2024</u>	<u>2023</u>
<i>Weighted Average Remaining Lease Term</i>		
Operating leases	<u>2.02 years</u>	<u>2.71 years</u>
<i>Weighted Average Discount Rate</i>		
Operating leases	<u>1.80%</u>	<u>1.37%</u>

Supplemental cash flow information. Supplemental cash flow information related to the Council's leases during the years ended December 31, 2024 and 2023 was as follows:

	<u>2024</u>	<u>2023</u>
<i>Cash paid for amounts included in measurement of lease liabilities:</i>		
Operating cash flows from operating leases	<u>\$ 424,429</u>	<u>\$ 406,978</u>

6. Subsequent Events

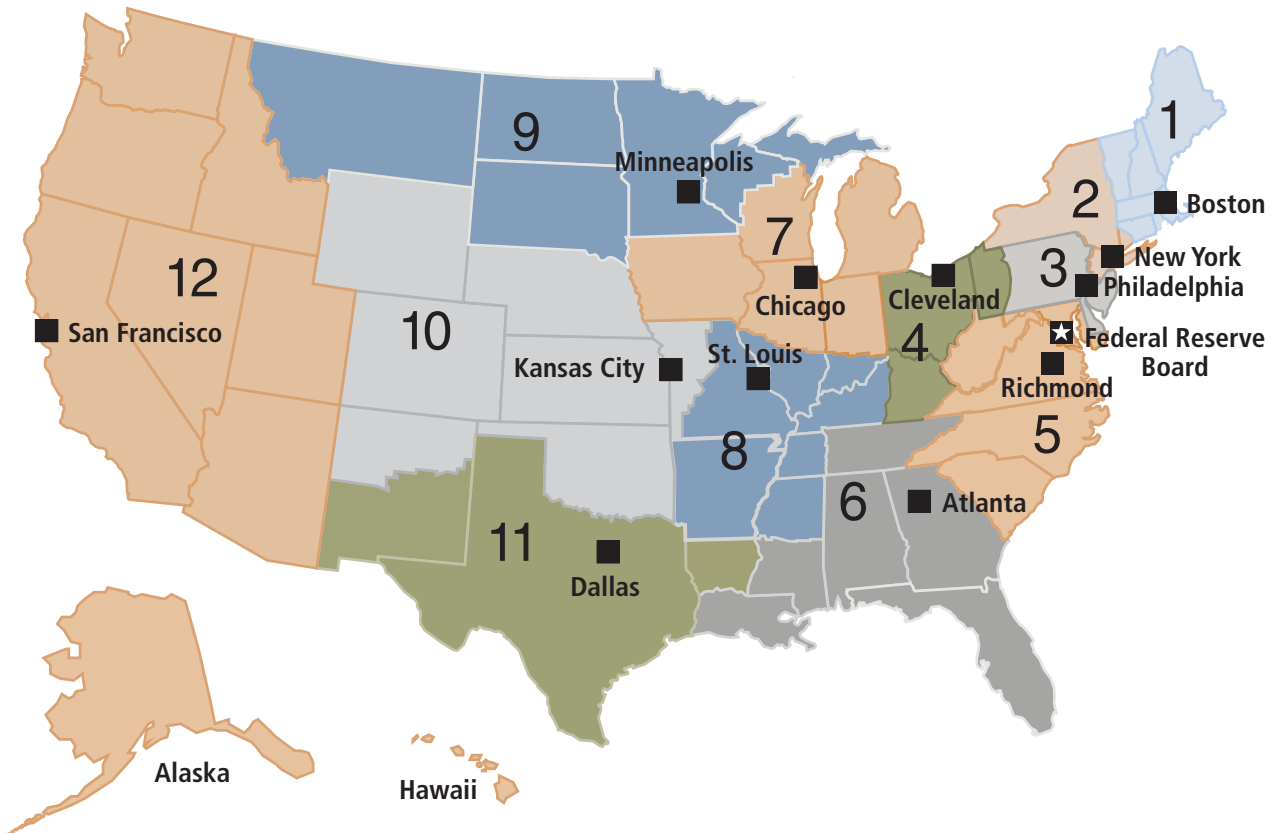
There were no subsequent events that require adjustments to or disclosures in the financial statements as of December 31, 2024. Subsequent events were evaluated through February 24, 2025, which is the date the financial statements were available to be issued.

*Appendix C:
Maps of Agency Regions
and Districts*

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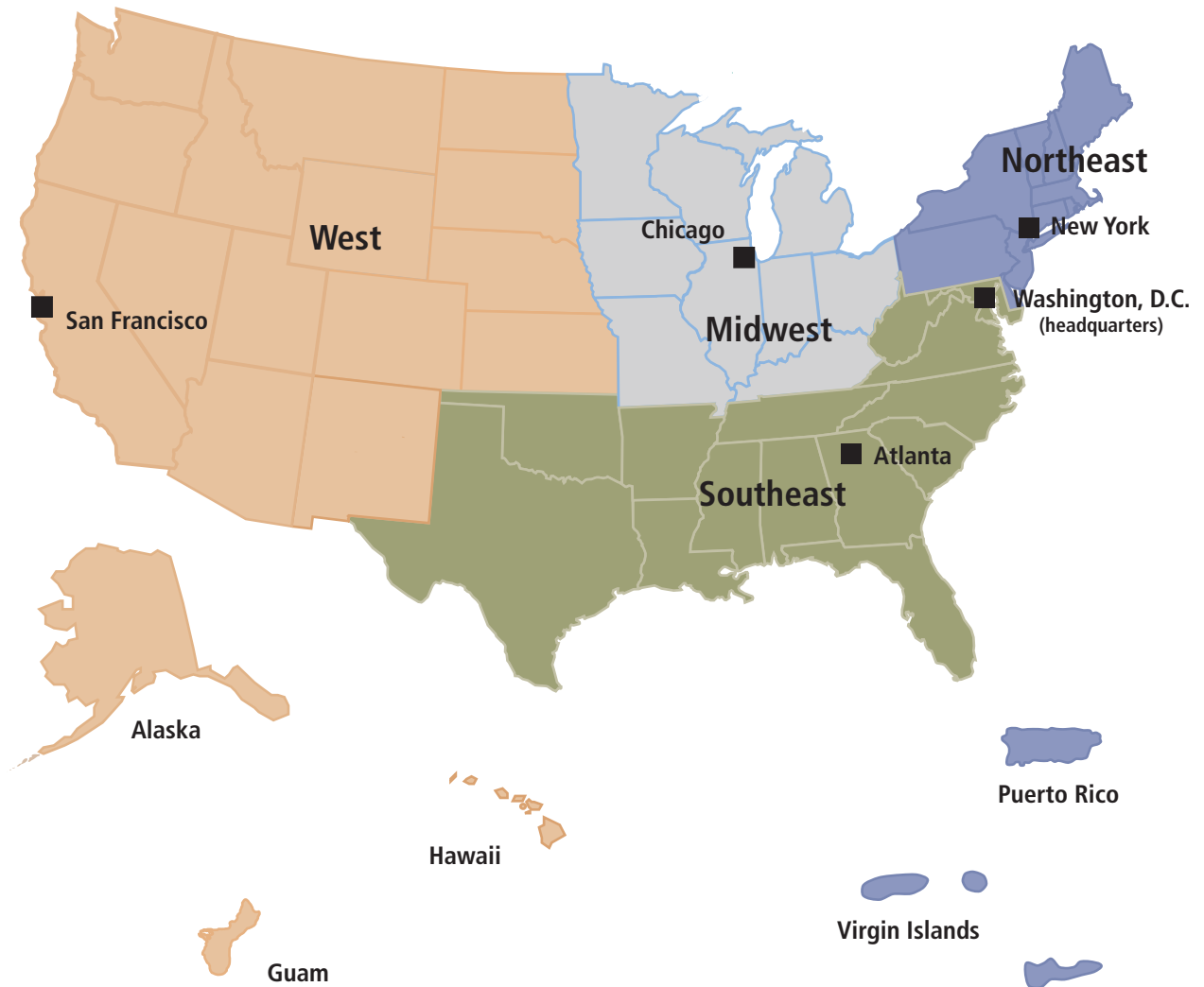
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Board of Governors of the Federal Reserve System

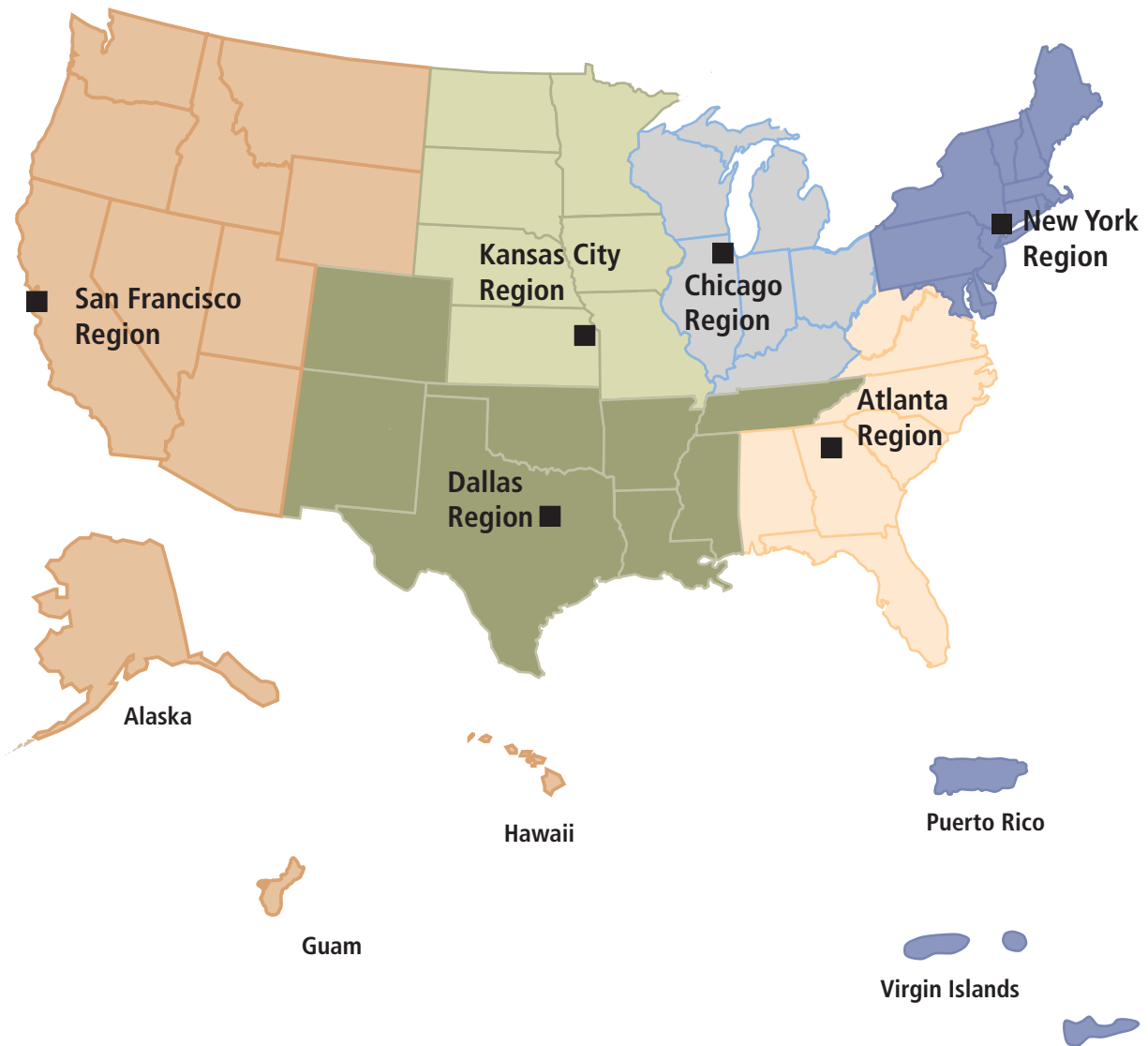


Notes: In the 12th District, the Seattle Branch of the San Francisco Bank serves Alaska. The System serves commonwealths and territories as follows: the New York Bank serves the Commonwealth of Puerto Rico and the U.S. Virgin Islands; the San Francisco Bank serves American Samoa, Guam, and the Commonwealth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

Consumer Financial Protection Bureau

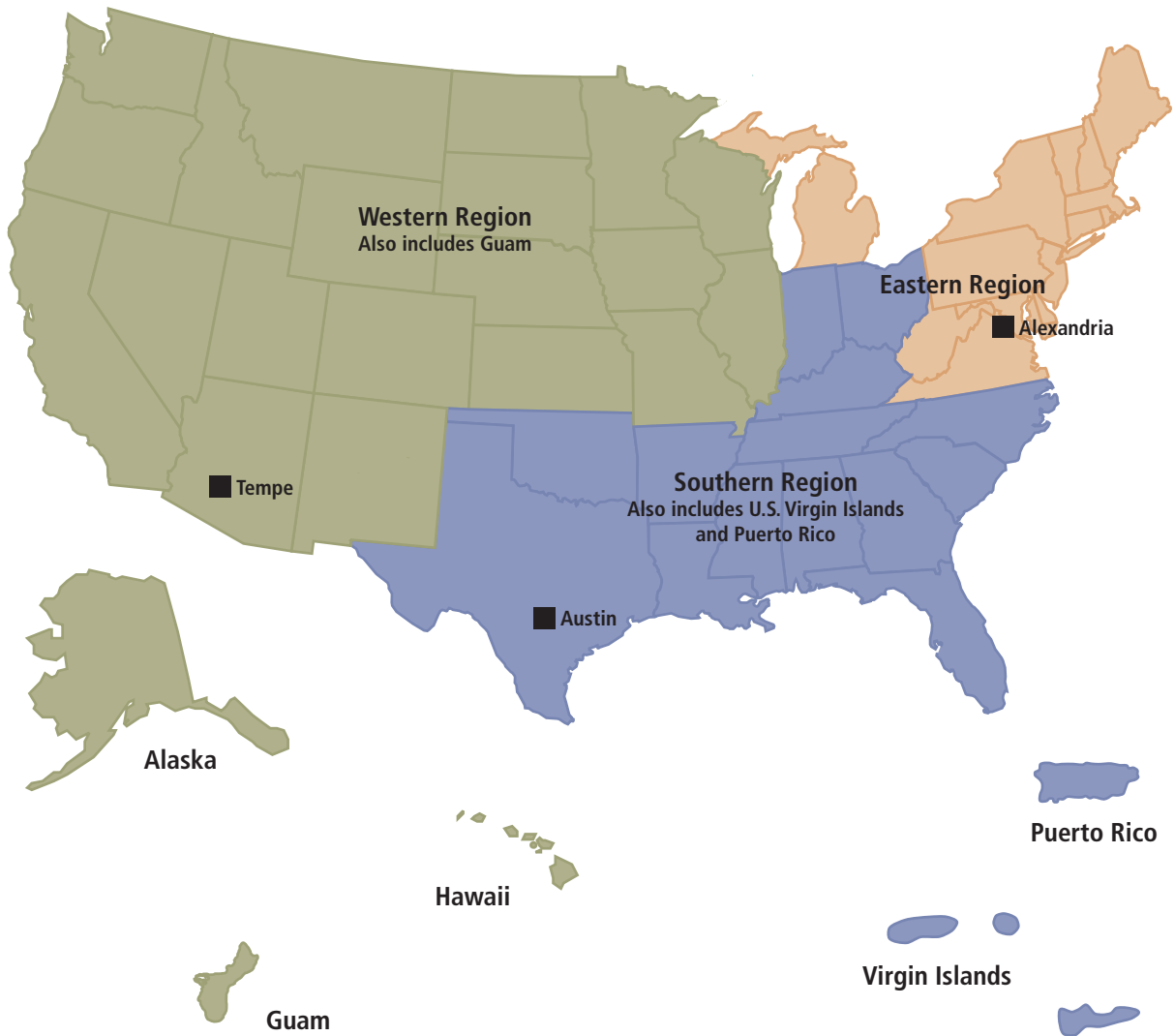


Federal Deposit Insurance Corporation Supervisory Regions



Note: One area office is located in Boston (reports to New York).

National Credit Union Administration



*Appendix D:
Organizational Listing of
Personnel*

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Organizational Listing of Personnel

December 31, 2024

Members of the Council

Michael J. Hsu, *Chair*
Acting Comptroller of the Currency
Office of the Comptroller of the Currency (OCC)

Michael S. Barr, *Vice Chair*
Member and Vice Chair for Supervision
Board of Governors of the
Federal Reserve System (FRB)

Martin J. Gruenberg
Chairman
Federal Deposit Insurance Corporation (FDIC)

Rohit Chopra
Director
Consumer Financial Protection Bureau (CFPB)

Todd M. Harper
Chairman
National Credit Union Administration (NCUA)

Charles G. Cooper
Chair
State Liaison Committee (SLC)
Commissioner
Texas Department of Banking

State Liaison Committee

Charles G. Cooper, *Chair*
Commissioner
Texas Department of Banking

Kevin Allard
Superintendent
Ohio Division of Financial Institutions

Raymond Dorado
Acting Executive Deputy Superintendent
New York State Department of Financial
Services, Banking Division

Greg Gonzales
Commissioner
Tennessee Department of Financial Institutions

Susannah Marshall
Commissioner
Arkansas State Bank Department

Council Staff Officer

Judith Dupré
Executive Secretary

Interagency Staff Groups

Agency Liaison Group

Grovetta Gardineer (OCC)
Mary Aiken (FRB)
Doreen Eberley (FDIC)
Lorelei Salas (CFPB)
Kelly Lay (NCUA)
Mary Beth Quist
(SLC Representative/CSBS)

Legal Advisory Group

Theodore Dowd, *Chair* (OCC)
Mark Van Der Weide (FRB)
Harrel Pettway (FDIC)
Seth Frotman (CFPB)
Frank Kressman (NCUA)
Margaret Liu
(SLC Representative/CSBS)

Task Force on Consumer Compliance

Candace Matzenauer, *Chair* (OCC)
Matthew Biliouris (NCUA)
Luke Brown (FDIC)
James Dewhirst
(SLC Representative/Tennessee)
Drew Kohan (FRB)
Veronica Spicer (CFPB)

Task Force on Examiner Education

Shelvia Sims, *Chair* (NCUA)
Tracy Bergmann
(SLC Representative/Iowa)
Saul Carpio (OCC)
Tedra Embry (CFPB)
Amol Vaidya (FRB)
John Vogel (FDIC)

Task Force on Information Sharing

Todd Roscoe, *Chair* (NCUA)
Chor Lim Fan (FRB)
William McHale (CFPB)
Shahrokh Molavi (OCC)
Mark Montoya (FDIC)
Patrick Welch
(SLC Representative/Mississippi)

Task Force on Reports

Cady Coddington, *Chair* (OCC)
Shannon Beattie (FDIC)
Vicki Brog (NCUA)
Kevin Littler (FRB)
William McHale (CFPB)
Deb Pogemiller
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