



ANNUAL PERFORMANCE  
PLAN FOR FISCAL YEAR 2024

October 2023



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**Mission**

Ensure the regulated entities fulfill their mission by operating in a safe and sound manner to serve as a reliable source of liquidity for equitable and sustainable housing finance and community investment throughout the economic cycle.

**Vision**

For FHFA’s supervisory, regulatory, and mission-related activities to support a reliable, stable, equitable, and liquid U.S. housing finance system.

**Values**

FHFA’s culture is built on a foundation of competence, diversity, equity, inclusion, and accessibility. Accordingly, FHFA employees emulate the following values:

- Fairness*                      We value varied perspectives and thoughts and treat others with impartiality.
- Accountability*              We are responsible for carrying out our work with transparency and professional excellence.
- Integrity*                      We are committed to the highest ethical and professional standards to inspire trust and confidence in our work and in one another.
- Respect*                        We treat others with dignity, share information and resources, and collaborate.



## Director's Message

This *Fiscal Year 2024 Annual Performance Plan* provides the performance measures, associated targets, and means and strategies that will guide the Federal Housing Finance Agency (FHFA) over the course of Fiscal Year 2024 as regulator of the Federal Home Loan Bank (FHLBank) System and as regulator and conservator of Fannie Mae and Freddie Mac (the Enterprises). This plan is intended to satisfy the requirements of the Government Performance and Results Modernization Act of 2010 and Office of Management and Budget (OMB) Circular A-11.

This plan details how, over the next year, FHFA will continue to execute the strategic goals outlined in its *FY 2022 – 2026 Strategic Plan*:

1. Secure the regulated entities' safety and soundness
2. Foster housing finance markets that promote equitable access to affordable and sustainable housing
3. Responsibly steward FHFA's infrastructure

These strategic goals represent FHFA's commitment to the safety and soundness of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks (together, "the regulated entities") while further positioning them to provide equitable access to affordable and sustainable housing opportunities. Together, the strategic goals and this performance plan describe how FHFA will fulfill its responsibility in ensuring the regulated entities continue to achieve their mission in serving as a reliable source of liquidity for housing finance and community investment in a safe and sound manner.

To promote the safe and sound operation of the regulated entities, FHFA employs a risk-based supervisory program to identify risks, evaluate the overall effectiveness of the regulated entities' risk management, and assess compliance with applicable laws and regulations. FHFA continues to incorporate climate risk into its supervisory activities, working closely with the regulated entities to evaluate their capacity to effectively identify, assess, and mitigate climate risk. FHFA also continues to strengthen the capital position of the Enterprises so that they can fulfill their responsibilities throughout the economic cycle.

In its role as conservator of the Enterprises, FHFA sets the strategic direction for the Enterprises and publicly communicates the Agency's priorities and expectations through an annual Scorecard. Through the *2023 Scorecard for Fannie Mae, Freddie Mac, and Common Securitizations Solutions*, FHFA instructed the Enterprises to continue to develop their pricing framework to maintain support for single-family purchase borrowers limited by wealth or income, while also ensuring a level playing field for large and small sellers, fostering capital accumulation, and achieving commercially viable returns on capital. The 2023 Scorecard also instructs the Enterprises to take significant actions to ensure that all borrowers and renters have equitable access to sustainable long-term affordable housing opportunities, including efforts that further energy efficiency, resiliency, and cost savings in the mortgage process.

To advance equity in housing finance, FHFA will continue to oversee implementation of the Enterprises' Equitable Housing Finance Plans and will conduct equity and fair lending assessments, as well as targeted examinations for fair lending compliance. FHFA also plans to publish a final rule on Fair Lending and Equitable Housing Finance that will address barriers to sustainable housing opportunities for underserved communities by codifying existing FHFA practices in regulation and adding new requirements related to fair lending and fair housing.



## Annual Performance Plan for Fiscal Year 2024

As a member of the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE), a key focus for FHFA in advancing the shared mission of the PAVE Task Force is taking steps to address discrimination and bias in property valuation.

To promote a smooth transition to the updated credit score requirements for the Enterprises, FHFA will strengthen its public engagement process through stakeholder forums and listening sessions. These opportunities for stakeholder input will assist FHFA and the Enterprises in identifying issues that could advance or impede the transition to the updated requirements.

FHFA will remain a reliable source of information and analysis for housing finance markets. Accordingly, FHFA will continue to publish quarterly releases of Uniform Appraisal Dataset Aggregate Statistics, exemplifying the Agency's commitment to the development of a more efficient and equitable valuation system.

Recognizing the potential benefits of technological innovation for both access to credit and safety and soundness, FHFA has instructed the Enterprises to strategically leverage technology and data to further promote risk management, efficiency, and cost savings in the mortgage process. Following its inaugural Tech Sprint in FY 2023, FHFA will continue to engage with external stakeholders to discuss mortgage financial technology developments and concerns.

FHFA also has engaged with a wide range of stakeholders across the country as part of the *FHLBank System at 100: Focusing on the Future* initiative, a comprehensive review of the FHLBank System which includes the role of the FHLBanks in the mortgage ecosystem and the communities they serve. As a result of this review, FHFA anticipates a series of actions including one or more rulemakings in order to ensure the FHLBanks remain positioned to continue their vital role in housing finance and community development.

FHFA relies on its empowered and supported staff coupled with prudent business practices to responsibly steward the Agency's infrastructure. FHFA's high-performance culture leads us to continuously review our work to identify opportunities for improvements. FHFA has undertaken the Values-Based Culture Initiative (VBCI) to reinforce a workplace culture that is firmly grounded in the Agency's values of Fairness, Accountability, Integrity, and Respect (FAIR values). FHFA will continue the VBCI and will further strengthen its infrastructure through the continued integration of diversity, equity, inclusion, and accessibility in all employment, management, and business activities.

Transparency and engagement with stakeholders and the public are essential to the policymaking process. The publication of this plan is one of the ways FHFA informs the public about our planned actions and decision-making to facilitate ongoing dialogue.

Sincerely,



SANDRA L. THOMPSON  
Director, Federal Housing Finance Agency  
10/4/2023



## Scope of Responsibilities

The Federal Housing Finance Agency (FHFA) was established by the Housing and Economic Recovery Act of 2008 (HERA), amending the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act). The Agency is responsible for the effective supervision, regulation, and housing mission oversight of the Federal National Mortgage Association (Fannie Mae); the Federal Home Loan Mortgage Corporation (Freddie Mac); Common Securitization Solutions, LLC (CSS); and the Federal Home Loan Bank System, which includes 11 Federal Home Loan Banks (FHLBanks) and the Office of Finance (OF), a joint office of the FHLBanks. FHFA’s mission is to ensure that Fannie Mae, Freddie Mac, and the FHLBanks (together, the regulated entities<sup>1</sup>) fulfill their mission by operating in a safe and sound manner so that they serve as a reliable source of liquidity and funding for housing finance and community investment throughout the economic cycle. Since September 6, 2008, FHFA has also served as the conservator of Fannie Mae and of Freddie Mac (together, the Enterprises).

### I. Regulator

The Safety and Soundness Act, as amended by HERA, assigns to FHFA regulatory oversight of the Enterprises and the FHLBank System.<sup>2</sup> The statute vests FHFA with the authorities, similar to those of other prudential financial regulators, to maintain the financial health of the regulated entities. FHFA is responsible for supervising the business and operations of the regulated entities to ensure that they are safe and sound and aligned with the missions set forth in their authorizing statutes. FHFA exercises these regulatory and supervisory authorities by issuing rules, policy guidance documents, and regulatory orders.

The Safety and Soundness Act requires FHFA to fulfill the following duties:

- (A) to oversee the prudential operations of each regulated entity; and
- (B) to ensure that—
  - i. each regulated entity operates in a safe and sound manner, including maintenance of adequate capital and internal controls;

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<sup>1</sup> OF is not a “regulated entity” as the term is defined by statute (see 12 U.S.C. 4502(20)). However, for convenience, references to the “regulated entities” in this document should be read to also apply to OF unless otherwise noted.

<sup>2</sup> 12 U.S.C. § 4513.



- ii. the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities);
- iii. each regulated entity complies with the Safety and Soundness Act and the rules, regulations, guidelines, and orders issued under this chapter and the authorizing statutes;
- iv. each regulated entity carries out its statutory mission only through activities that are authorized under and consistent with the Safety and Soundness Act and the authorizing statutes; and
- v. the activities of each regulated entity and the manner in which such regulated entity is operated are consistent with the public interest.<sup>3</sup>

**II. Conservator**

FHFA’s authority as both conservator and regulator of each Enterprises is based upon statutory mandates, which include the following conservatorship authorities granted by HERA:

- (D) ...take such action as may be—
  - i. necessary to put the regulated entity in a sound and solvent condition; and
  - ii. appropriate to carry on the business of the regulated entity and preserve and conserve the assets and property of the regulated entity.<sup>4</sup>

Continuing the business of the Enterprises in conservatorships also incorporates the above-referenced responsibilities that are enumerated in 12 U.S.C. § 4513(a)(1).

Additionally, under the Emergency Economic Stabilization Act of 2008, FHFA has a statutory responsibility in its capacity as conservator to “implement a plan that seeks to maximize assistance for homeowners and use its authority to encourage the servicers of the underlying mortgages, and considering net present value to the taxpayer, to take advantage of...available programs to minimize foreclosures.”<sup>5</sup>

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<sup>3</sup> 12 U.S.C. § 4513(a)(1).  
<sup>4</sup> 12 U.S.C. § 4617(b)(2)(D).  
<sup>5</sup> 12 U.S.C. § 5220(b)(1).



## Relationship between the Strategic Plan and the Annual Performance Plan

The Fiscal Year (FY) 2024 Annual Performance Plan (APP) supports the *FHFA Strategic Plan: Fiscal Years 2022-2026* (Strategic Plan),<sup>6</sup> which the Agency issued in April 2022. The APP sets out performance measures and targets in support of the goals in the Strategic Plan.

FHFA's APP has four components: (1) strategic goals; (2) strategic objectives; (3) performance measures and associated targets; and (4) means and strategies.

The **strategic goals**, established in the Strategic Plan, are the starting point for the FY 2024 APP. Aligning the APP with the Strategic Plan ties FHFA's annual priorities to the Agency's mission, vision, and values.

The **strategic objectives** in the APP link directly to those established in FHFA's Strategic Plan. Each strategic objective is an intermediate outcome or output necessary to achieve the corresponding strategic goal.

The **performance measures** and associated **targets** correspond to activities that FHFA expects to perform during FY 2024. In many cases, these performance measures represent incremental progress toward achieving the strategic goals. The performance measures are important indicators to management that FHFA is making progress to achieve its strategic objectives.

The **means and strategies** are key activities and actions that the Agency plans to undertake to achieve each strategic objective.

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<sup>6</sup> The *FHFA Strategic Plan: Fiscal Years 2022-2026* is available at: [https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA\\_StrategicPlan\\_2022-2026\\_Final.pdf](https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA_StrategicPlan_2022-2026_Final.pdf)



## Strategic Goals and Objectives

The FY 2024 APP details a series of performance measures, as well as means and strategies, to support three strategic goals and 12 strategic objectives. The APP also presents data validation and verification information for each strategic objective, describing the Agency’s process for determining that a performance measure has been met, and that the supporting data is accurate, reliable, and complete.

<b>Strategic Goal 1</b>	<b>Strategic Objectives</b>	
Secure the regulated entities’ safety and soundness	1.1	Identify risks to the regulated entities and assess the safety and soundness of regulated entity operations
	1.2	Require timely remediation of Matters Requiring Attention
	1.3	Preserve and conserve Enterprise assets while managing the conservatorships
	1.4	Identify options for incorporating climate change into regulated entity governance
<b>Strategic Goal 2</b>	<b>Strategic Objectives</b>	
Foster housing finance markets that promote equitable access to affordable and sustainable housing	2.1	Promote sustainable access to mortgage credit
	2.2	Advance equity in housing finance, including through compliance with fair lending laws and regulations
	2.3	Serve as a reliable source of information and analysis on the state of housing finance markets and related issues
	2.4	Facilitate greater availability of affordable housing supply, including affordable rental housing
	2.5	Support leveraging of technology and data to further promote efficiency and cost savings in mortgage processes
<b>Strategic Goal 3</b>	<b>Strategic Objectives</b>	
Responsibly steward FHFA’s infrastructure	3.1	Cultivate a high-performing, diverse, accountable, and engaged workforce
	3.2	Ensure efficient and effective stewardship of Agency resources
	3.3	Deliver high-quality support services that promote the Agency’s mission effectiveness and safeguard the Agency’s infrastructure



## I. Strategic Goal 1: Secure the regulated entities' safety and soundness

FHFA is the regulator of the FHLBank System and the regulator and conservator of the Enterprises. As regulator, FHFA promotes safe and sound operations at the regulated entities through the Agency's supervisory program. FHFA uses a risk-based approach to conducting supervisory examinations, which prioritizes examination activities based on the risk a given practice poses to a regulated entity's safe and sound operation or its compliance with applicable laws and regulations. FHFA will assess the safe and sound operations of the regulated entities through annual examinations, targeted examinations, ongoing monitoring, and off-site reviews, as appropriate. FHFA uses a uniform examination rating system to assign ratings for the FHLBanks, the OF, CSS, and the Enterprises. FHFA assigns ratings as follows:

- 1) Composite rating for the overall condition of each regulated entity; and
- 2) Individual component ratings for Capital, Asset Quality, Management, Earnings, Liquidity, Sensitivity to Market Risk, and Operational Risk (CAMELSO).<sup>7</sup>

FHFA assigns these ratings for each regulated entity on an annual basis.

As conservator, FHFA is focused on ensuring that each Enterprise builds capital and improves its safe and sound operation. Adequate capital is necessary to protect the taxpayer from fluctuations in the economic and business cycle, and it is a precondition for either Enterprise to exit from conservatorship. FHFA is also taking additional steps beyond building capital to ensure the Enterprises' overall safety and soundness. These steps include prioritizing the transfer of risk to private market participants, enhancing operational resiliency, strengthening governance and infrastructure, addressing human capital needs to build a deep reservoir of talent and experience, improving the Enterprises' transparency, strengthening underwriting, and reviewing pricing and credit policies.

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<sup>7</sup> FHFA assigns only individual component ratings for Management and Operational Risk for the OF and CSS.



**A. Strategic Objective 1.1: Identify risks to the regulated entities and assess the safety and soundness of regulated entity operations**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 1.1:

Measure		Target	Goal Leader
1.1.1a	Conduct risk-focused supervision and examinations of the Enterprises and CSS by having a risk-based Supervision Plan approved by January 31	100 percent of the time	Deputy Director, Division of Enterprise Regulation
1.1.1b	Conduct risk-focused supervision and examinations of the FHLBanks by having written risk-based examination plans in place prior to the commencement of examinations for each of the FHLBanks	100 percent of the time	Deputy Director, Division of FHLBank Regulation
1.1.2a	Approve reports of examination by April 15 <sup>8</sup> for the Enterprises and CSS	100 percent of the time	Deputy Director, Division of Enterprise Regulation
1.1.2b	Approve reports of examination within 90 days after completing examination work for each of the FHLBanks	100 percent of the time	Deputy Director, Division of FHLBank Regulation
1.1.3	Ensure a quarterly Market Value of Equity to par value of capital stock ratio greater than or equal to one for each FHLBank	100 percent of the time	Deputy Director, Division of FHLBank Regulation
1.1.4	Ensure each FHLBank is adequately capitalized on a quarterly basis	100 percent of the time	Deputy Director, Division of FHLBank Regulation
1.1.5	Conduct quarterly reviews of regulated entity public filings	100 percent of the time	Deputy Director, Division of Accounting and Financial Standards

<sup>8</sup> or the first business day after if the date falls on a weekend



Measure		Target	Goal Leader
1.1.6a	Approve Diversity and Inclusion reports of examination by April 15, for the Enterprises and CSS	100 percent of the time	Director, Office of Minority and Women Inclusion
1.1.6b	Approve Diversity and Inclusion reports of examination for at least four of the FHLBank System regulated entities	100 percent of the time	Director, Office of Minority and Women Inclusion
1.1.7	Issue guidance to the FHLBanks on member credit.	Q4 FY 2024	Deputy Director, Division of FHLBank Regulation

**Means and Strategies for Strategic Objective 1.1**

1. Conduct supervisory work and targeted examinations on specific programs or operations at regulated entities in accordance with the supervision plan or examination plans;
2. Perform ongoing monitoring and analysis of key risk areas, incorporating input from internal stakeholders;
3. Issue written communication to boards of directors and senior management of the regulated entities about examination findings and conclusions;
4. Engage with the regulated entities’ management to discuss identified weaknesses and supervisory expectations for risk management during the course of ongoing monitoring and targeted examinations;
5. Set supervisory policy for regulated entity operations;
6. Manage data submitted to FHFA by the regulated entities, or data available through other sources, and make it accessible to examiners and analysts for use in supervision;
7. Hold supervision planning meetings to set the priorities for the risk-based examinations of the regulated entities;
8. Perform quality control of examination work, consistent with division guidance;
9. Continue to strengthen the Housing Finance Examiner commissioning program; and
10. Conduct diversity and inclusion (D&I) examinations of the regulated entities.



## Data Validation and Verification for Strategic Objective 1.1

**Measure 1.1.1** — FHFA develops its examination plans for each FHLBank prior to the start of that FHLBank’s annual examination. FHFA approves the supervision plan for the Enterprises and CSS by January 31 annually. Examination/supervision plans are approved, dated, and maintained electronically.

**Measure 1.1.2** — FHFA approves its report of examination (ROE) for each FHLBank within 90 days after an examination’s exit meeting. FHFA approves its ROE for each Enterprise and CSS by April 15.<sup>9</sup> Documentation of the Deputy Director’s approval and issuance of each ROE is maintained electronically.

**Measure 1.1.3** — FHFA uses its Call Report System (CRS) to verify that the Market Value of Equity (MVE)-to-par ratio is greater than or equal to one at each FHLBank at quarter end. FHFA summarizes the FHLBanks’ MVE ratios each quarter in a memorandum that is maintained electronically.

**Measure 1.1.4** — FHFA monitors the capital positions of the FHLBanks and their compliance with capital regulations. Capital compliance is determined each quarter automatically through the FHFA CRS, or by Director discretion. A letter to each FHLBank communicates the capital classification by the end of the following quarter. Letters to the FHLBanks are maintained electronically. Also, as required by statute, FHFA provides written notice of its quarterly capital classification determinations to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

**Measure 1.1.5** — FHFA will document reviews of (i) Enterprise financial statements prior to each quarterly and year-end filing with the Securities and Exchange Commission (SEC), and (ii) FHLBank financial statements prior to conclusion of annual examination fieldwork for each FHLBank. Documentation will be maintained electronically.

**Measure 1.1.6** — FHFA approves its D&I ROE for each Enterprise, CSS, and at least four regulated entities in the FHLBank System. Documentation of approval and issuance of each D&I ROE is maintained electronically.

**Measure 1.1.7** — FHFA will issue guidance on member credit for the FHLBanks. Guidance will be maintained electronically and published on FHFA’s website.

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<sup>9</sup> or the first business day after, if the date falls on a weekend



**B. Strategic Objective 1.2: Require timely remediation of Matters Requiring Attention**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 1.2:

Measure		Target	Goal Leader
1.2.1a	Determine that the Enterprises have satisfactorily addressed safety and soundness Matters Requiring Attention in accordance with agreed upon remediation plans and timeframes	90 percent of the time	Deputy Director, Division of Enterprise Regulation
1.2.1b	Determine that the FHLBanks and Office of Finance have satisfactorily addressed safety and soundness Matters Requiring Attention in accordance with agreed upon remediation plans and timeframes	90 percent of the time	Deputy Director, Division of FHLBank Regulation
1.2.2	Determine regulated entities have satisfactorily addressed Matters Requiring Attention relating to their Diversity and Inclusion programs, in accordance with agreed-upon remediation plans and timeframes	90 percent of the time	Director, Office of Minority and Women Inclusion

**Means and Strategies for Strategic Objective 1.2**

1. Use a collaborative, inclusive review process to consider input from all stakeholders prior to finalizing guidance;
2. Conduct surveillance and risk analysis;
3. Issue Matters Requiring Attention (MRAs) that require the boards of directors and/or management to take corrective action to address a critical supervisory matter or deficiency in accordance with FHFA and divisional guidance;
4. Monitor, review, and evaluate the regulated entities’ implementation of corrective actions within agreed-upon timeframes;
5. Manage data submitted to FHFA by the regulated entities, or data available through other sources, and make it accessible to examiners and analysts for use in supervision;
6. Share information and collaborate across divisions to ensure supervision of each regulated entity aligns with FHFA’s mission and objectives; and
7. Educate supervision staff on current and emerging risks through internal and external training programs.



**Data Validation and Verification for Strategic Objective 1.2**

**Measure 1.2.1** — Where there is a significant supervisory concern at one of the regulated entities, FHFA may issue an MRA that requires the board of directors and/or management to take corrective action to address a critical supervisory matter or deficiency. FHFA tracks the remediation of MRAs to ensure that the regulated entities address critical supervisory matters or deficiencies.

FHLBanks: Pursuant to FHFA’s annual examination cycle for the FHLBanks, FHFA assesses FHLBank remediation of MRAs. During this review, FHFA determines whether MRAs outstanding prior to the examination were addressed by the FHLBank within agreed-upon timeframes.

Enterprises: The Enterprises address MRAs by implementing corrective action by the remediation completion date communicated by FHFA. For all MRAs where FHFA has concluded on the adequacy of remediation during the fiscal year, FHFA determines whether the Enterprise has satisfactorily addressed the MRA in accordance with agreed-upon remediation plans and timeframes.

FHFA maintains MRAs and associated documentation electronically.

**Measure 1.2.2** — FHFA developed a 3-year D&I examination cycle for the FHLBanks and the OF. For the FHLBanks and OF D&I MRAs, a synopsis and rolling count of remediated MRAs will be summarized in a memorandum within six months of the remediation date. FHFA will summarize information on Enterprise and CSS D&I MRAs in June, December, and at the end of the fiscal year. All summaries will be maintained electronically.

**C. Strategic Objective 1.3: Preserve and conserve Enterprise assets while managing the conservatorships**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 1.3:

Measure		Target	Goal Leader
1.3.1	Monitor and rate the Enterprises’ performance against current Scorecard objectives	Complete quarterly assessment within 45 days of quarter end	Deputy Director, Division of Conservatorship Oversight and Readiness



Measure		Target	Goal Leader
1.3.2	Assess the resolution plan submissions against applicable regulatory standards and requirements	December 31, 2023	Deputy Director, Division of Conservatorship Oversight and Readiness
1.3.3	Issue a final rule enhancing the Enterprise Regulatory Capital Framework (ERCF)	December 31, 2023	Deputy Director, Division of Housing Mission and Goals
1.3.4	Conduct quarterly reviews of Enterprises' compliance with ERCF public disclosure requirements	100 percent of the time	Deputy Director, Division of Housing Mission and Goals

**Means and Strategies for Strategic Objective 1.3**

1. Continue to support Enterprise efforts to fill any vacancies for board members and Chief Executive Officers on a timely basis;
2. Continue to develop and publish a Conservatorship Scorecard as a mechanism for communicating FHFA's annual objectives for the Enterprises;
3. Continue to facilitate monitoring and rating of the Enterprises' performance against Scorecard objectives;
4. Continue to require the Enterprises' proposed annual budgets meet FHFA's standards;
5. Communicate expectations to the regulated entities' boards and management;
6. Ensure that FHFA has an effective process in place to respond efficiently to matters that are submitted by the Enterprises for conservator decisions;
7. Continue to undertake legal actions necessary to position the Enterprises in a sound and solvent condition appropriate to preserve and conserve Enterprise assets and property;
8. Ensure that the Enterprises manage their retained portfolios of mortgage-related assets within limits set by agreement with the U.S. Department of the Treasury;
9. Monitor the performance of the Uniform Mortgage-Backed Security (UMBS);
10. Provide updated information to the public about UMBS performance;



11. Ensure that the Enterprises' crisis management and business resiliency capabilities are adequate to support the secondary mortgage market by performing crisis management exercises and failover and recovery tests;
12. Ensure that the Enterprises' executive compensation reports and disclosures comply with conservatorship policies and adhere to applicable FHFA guidance;
13. Provide oversight and direction for the Enterprises' ongoing implementation of their credit risk transfer programs that reduce taxpayer risk by attracting private capital; and
14. Monitor the Enterprises' boards and board-level committees and oversee the effectiveness of the corporate governance structure in line with conservatorship direction.

### Data Validation and Verification for Strategic Objective 1.3

**Measure 1.3.1** — FHFA evaluates the Enterprises' progress against the goals contained in the Scorecard and provides assessments at the end of each quarter. All assessment decisions will be maintained electronically.

**Measure 1.3.2** — FHFA staff will develop an internal analysis memorandum assessing the Enterprise resolution plans<sup>10</sup> against applicable regulatory standards and requirements, including a recommendation to the Deputy Director of Conservatorship Oversight and Readiness concerning any shortcomings or deficiencies in the plans and indicating how the plans integrate with FHFA readiness activities. Documentation will be maintained electronically.

**Measure 1.3.3** — FHFA will publish a final rule amending the ERCF to address guarantees on commingled securities, multifamily loans secured by properties with a government subsidy, derivatives and cleared transactions, and to make other enhancements. The final rule will be published in the Federal Register and on FHFA's website.

**Measure 1.3.4** — FHFA will document the Agency's review and approval of each Enterprise's quarterly ERCF public disclosure report prior to the disclosure publication dates, which are

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<sup>10</sup> The Resolution Planning Rule (<https://www.govinfo.gov/content/pkg/FR-2021-05-04/pdf/2021-09287.pdf>) requires FHFA to make two determinations: completeness and credibility. The FY 2023 measure focused on the first determination, completeness. The FY 2024 measure will focus on the other determination, credibility.



required to occur no later than 10 business days after each quarterly and year-end SEC filing. Documentation will be maintained electronically.

**D. Strategic Objective 1.4: Identify options for incorporating climate change into regulated entity governance**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 1.4:

Measure		Target	Goal Leader
1.4.1	Continue to refine the Enterprises’ and FHFA’s climate research agendas	Q4 FY 2024	Deputy Director, Division of Research and Statistics
1.4.2	Develop guidance for the Enterprises in addressing climate risk	Q4 FY 2024	Deputy Director, Division of Enterprise Regulation
1.4.3	Develop guidance for the FHLBanks in addressing climate risk	Q4 FY 2024	Deputy Director, Division of FHLBank Regulation

**Means and Strategies for Strategic Objective 1.4**

1. Convene Climate Change and Environmental, Social, and Governance (ESG) Steering Committee meetings to share information about the progress of FHFA’s climate risk and ESG working groups;
2. Conduct research on the risks and effects of climate change on the housing finance system;
3. Build on experiences with natural disaster response to ensure prioritization of climate risk at FHFA and the regulated entities, with particular emphasis on the effects of climate risk on vulnerable communities;
4. Assess the Enterprises’ processes and structures to identify, monitor, and report on climate risks and opportunities;
5. Monitor ongoing regulated entity efforts to address climate risks; and
6. Improve climate data collection, analysis, and reporting and public disclosure.



**Data Validation and Verification for Strategic Objective 1.4**

**Measure 1.4.1** — FHFA will develop an internal climate research agenda. FHFA will oversee the Enterprises' climate research agenda development. Documentation will be maintained electronically.

**Measure 1.4.2** — FHFA will develop and publish Enterprise guidance on climate risk. Guidance will be approved and maintained electronically.

**Measure 1.4.3** — FHFA will develop and publish FHLBank guidance on climate risk. Guidance will be approved and maintained electronically.



**II. Strategic Goal 2: Foster housing finance markets that promote equitable access to affordable and sustainable housing**

Improving affordable housing opportunities and affirmatively furthering fair housing for homebuyers and renters – particularly the underserved – are Agency priorities. FHFA also has the statutory obligation to ensure that the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets, and will continue to promote the housing finance system’s stability and liquidity. Additionally, FHFA will continue to promote transparency and market stability by monitoring and reporting on trends in housing and mortgage markets, such as trends in house prices, guarantee fees, and borrower sentiment.

**A. Strategic Objective 2.1: Promote sustainable access to mortgage credit**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 2.1:

Measure		Target	Goal Leader
2.1.1	Issue annual ratings for each Enterprise’s Duty to Serve performance in 2022	Q1 FY 2024	Deputy Director, Division of Housing Mission and Goals
2.1.2	Publish proposed Enterprise Single-family and Multifamily Housing Goals Rule	Q3 FY 2024	Deputy Director, Division of Housing Mission and Goals
2.1.3	Issue progress report on implementation of updated Enterprise credit score requirements	Q4 FY 2024	Deputy Director, Division of Housing Mission and Goals

**Means and Strategies for Strategic Objective 2.1**

1. Monitor the Enterprises’ efforts to identify specific actions to increase and preserve sustainable mortgage purchase and refinance credit for all qualified borrowers, with additional focus on low- and moderate-income families, communities of color, rural areas, and other underserved populations;
2. Oversee the Enterprises’ statutory mission obligations under the Affordable Housing Goals and Duty to Serve (DTS) requirements;



3. Begin to review and evaluate the Enterprises' new DTS Underserved Markets Performance Plans covering calendar years 2025-2027 by December 31, 2023;
4. Ensure the FHLBanks continue to provide advances in a safe and sound manner in support of member liquidity and to comply with Affordable Housing Program (AHP) and Community Investment Program statutory requirements;
5. Ensure the FHLBanks serve each state in their district under the AHP and the FHLBanks' Community Lending Plans identify and seek to fulfill the needs of communities throughout the district, including tribal communities;
6. Continue to enhance sustainable loss mitigation programs through the market cycle, incorporating lessons learned from the COVID-19 pandemic;
7. Monitor the Enterprises' efforts to ensure a level playing field for small and large sellers; and
8. Oversee the Enterprises' implementation of the updated credit score requirements and ensure the Enterprises engage with impacted stakeholders to provide training, guidance, data, and tools necessary for a successful transition.

### Data Validation and Verification for Strategic Objective 2.1

**Measure 2.1.1** — FHFA will assess the Enterprises' DTS performance data and other results against the targets set in the DTS 2022-2024 Underserved Market Plans on an annual basis. FHFA will prepare and complete dashboard updates according to an established schedule, as well as an end-of-year rating report that is sent to Congress. FHFA's DTS monitoring dashboards and end-of-year rating report will be maintained electronically.

**Measure 2.1.2** — FHFA will develop an internal timeline featuring critical dates for the Agency to meet to publish the proposed rule by Q3 FY 2024. The notice of proposed rulemaking will be published in the Federal Register and on FHFA's website.

**Measure 2.1.3** — FHFA will engage with stakeholders on the operational considerations and implementation timeline associated with the credit score requirements and produce a progress report on the status of the initiative. The report will be maintained electronically.



**B. Strategic Objective 2.2: Advance equity in housing finance, including through compliance with fair lending laws and regulations**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 2.2:

Measure		Target	Goal Leader
2.2.1	Publish final Fair Lending and Equitable Housing Finance Rule	Q3 FY 2024	Deputy Director, Division of Housing Mission and Goals

**Means and Strategies for Strategic Objective 2.2**

1. Continue to assess opportunities to address responsible access to credit, and develop recommendations for improvements where appropriate;
2. Address appraisal bias and valuation equity, including by implementing the Property and Valuation Equity (PAVE) Task Force action plan;
3. Assess whether loan pricing by lenders results in disparities for minority borrowers compared with non-minority borrowers of similar creditworthiness and refer to the appropriate regulatory or enforcement agency for further review, as appropriate;
4. Oversee the Enterprises’ implementation of Equitable Housing Finance Plans and ensure the Enterprises take meaningful actions to achieve the goals and objectives in the plans;
5. Conduct equity and fair lending assessments, as well as targeted examinations for fair lending compliance, on the regulated entities’ policies, products, and initiatives;
6. Publish data and analysis on fair lending, fair housing, and equity topics;
7. Oversee the Enterprises’ development and deployment of a social bond program that enhances access to liquidity for underserved borrowers;
8. Monitor and evaluate outreach efforts by the FHLBanks and OF to advance diversity and inclusion on their respective boards of directors; and



- 9. Provide training and technical assistance to the regulated entities and OF on the requirements of the Minority and Women Inclusion regulation;<sup>11</sup>

**Data Validation and Verification for Strategic Objective 2.2**

**Measure 2.2.1** — FHFA will develop an internal timeline featuring critical dates and milestones for the Agency to meet in order to publish the final rule by Q3 FY 2024. The final rule will be published in the Federal Register and on FHFA’s website.

**C. Strategic Objective 2.3: Serve as a reliable source of information and analysis on the state of housing finance markets and related issues**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 2.3:

Measure		Target	Goal Leader
2.3.1	Publish FHFA House Price Indexes	12 monthly and 4 quarterly	Deputy Director, Division of Research and Statistics
2.3.2	Publish annual Public Use Database (PUDB)	Q4 FY 2024	Deputy Director, Division of Research and Statistics
2.3.3	Publish annual Guarantee Fee Report	Q1 FY 2024	Deputy Director, Division of Housing Mission and Goals
2.3.4	Publish aggregate statistics on mortgage profiles and delinquencies from National Mortgage Database (NMDB®)	4 quarterly	Deputy Director, Division of Research and Statistics
2.3.5	Publish Uniform Appraisal Dataset (UAD) Aggregate Statistics	4 quarterly	Deputy Director, Division of Research and Statistics

**Means and Strategies for Strategic Objective 2.3**

- 1. Publish the monthly and quarterly FHFA Foreclosure Prevention and Refinance Report, which monitors the Enterprises’ foreclosure prevention and refinance activities;

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<sup>11</sup> Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act)



2. Publish demographic data related to the Enterprises' fair lending and housing goals activities to provide insights into the racial, ethnic, and geographic composition of single-family loans acquired by the Enterprises;
3. Perform annual review of production and validation procedures for FHFA House Price Index<sup>®</sup> (HPI) data and Confirming Loan Limits (CLL) values;
4. Establish and publish annual CLL values for the subsequent year;
5. Validate procedures to produce and publish quarterly UAD and NMDB Aggregate Statistics;
6. Conduct quarterly National Survey of Mortgage Originations (NSMO);
7. Conduct and publish original research on issues affecting the housing markets;
8. Promote data accountability and responsible use of FHFA statistical data products; and
9. Enhance FHFA's profile within the housing finance sector by publishing research relevant to the general public, experts, and legislators, and by providing an arena for exchange of ideas related to housing finance.

### Data Validation and Verification for Strategic Objective 2.3

**Measure 2.3.1** — The FHFA HPI releases will occur on dates that have been pre-announced by the Agency and published on FHFA's website. Prior to index publication, an internal team will review and validate the HPI values, including validation of the underlying data, to ensure that the indices are published using the standard "repeat-transactions" methodology. FHFA will publish the HPI monthly on the FHFA website, and four of these releases will also contain a quarterly update.<sup>12</sup>

**Measure 2.3.2** — The data will be sourced and certified by the respective Enterprise. FHFA will post the Public Use Database (PUDB) to its website by September 30 of the year following mortgage acquisition.

**Measure 2.3.3** — On an annual basis, FHFA will conduct an independent analysis of Enterprise guarantee fees, including an assessment of differences by seller delivery volume. The annual

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<sup>12</sup> FHFA's HPI is available at: <http://www.fhfa.gov/HPI>.



Guarantee Fee Report is formally approved by senior management. The final Guarantee Fee Report will be published on FHFA’s website.

**Measure 2.3.4** — Prior to the NMDB aggregate statistics release, an internal team will review and validate all analysis including underlying data to ensure that the data and analysis meets OMB standards for publication. Data will be published on FHFA’s website.<sup>13</sup>

**Measure 2.3.5** — Prior to the UAD Aggregate Statistics release, an internal team will review the data files and dashboards to ensure the data meets OMB standards for publication. Data files and dashboards will be published on FHFA’s website.<sup>14</sup>

**D. Strategic Objective 2.4: Facilitate greater availability of affordable housing supply, including affordable rental housing**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 2.4:

Measure		Target	Goal Leader
2.4.1	Determine that the Enterprises have met the mission-driven requirements in Appendix A of the Conservatorship Scorecard	By the end of calendar year 2023, each Enterprise’s mission driven business meets or exceeds 50 percent of total multifamily business.	Deputy Director, Division of Housing Mission and Goals
2.4.2	Evaluate the efficacy of FHFA supervision of FHLBank Affordable Housing Programs	Q4 FY 2024	Deputy Director, Division of FHLBank Regulation

**Means and Strategies for Strategic Objective 2.4**

1. Monitor the Enterprises’ acquisitions relative to FHFA’s mission-driven requirements for the Enterprises and their compliance with the cap on multifamily purchase volume;
2. Assess the effectiveness of the Enterprises’ Real Estate Owned (REO) disposition channels as measured by listing the majority of REO properties through an exclusive

<sup>13</sup> The NMDB is available at: <https://www.fhfa.gov/nmdbdata>.

<sup>14</sup> The UAD is available at: <https://www.fhfa.gov/DataTools/Pages/UAD-Dashboards.aspx>.



First Look period for owner occupants, public entities, and non-profits, prior to accepting offers from investors;

- 3. Assess opportunities to increase the supply and financing of manufactured housing; and
- 4. Assess strategies for the FHLBanks to remain well-positioned to meet the needs of their members and the communities they serve.

**Data Validation and Verification for Strategic Objective 2.4**

**Measure 2.4.1** — The measure is met when the Enterprises have met the 50 percent mission-driven minimum parameter by December 31, 2023. The status of the measure is tracked on a monthly basis through reporting submitted by the Enterprises. Reports are stored electronically.

**Measure 2.4.2** — FHFA will complete an internal, written assessment of its supervision of FHLBank Affordable Housing Programs. The Agency will complete its assessment by September 30, 2024.

**E. Strategic Objective 2.5: Support leveraging of technology and data to further promote efficiency and cost savings in mortgage processes**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 2.5:

Measure		Target	Goal Leader
2.5.1	Publish summary of the Velocity TechSprint conducted in FY 2023	Q1 FY2024	Deputy Director, Division of Conservatorship Oversight and Readiness

**Means and Strategies for Strategic Objective 2.5**

- 1. Continue modernizing single-family collateral valuation practices in a safe and sound manner that furthers greater efficiency in the mortgage production process;
- 2. Sponsor tech sprints to encourage the development of financial technology (fintech) solutions to housing finance challenges; and



3. Engage with external stakeholders to discuss mortgage fintech developments or concerns with FHFA staff.

## Data Validation and Verification for Strategic Objective 2.5

**Measure 2.5.1** —The Office of Financial Technology will publish a summary on FHFA’s website of the inaugural Velocity TechSprint, highlighting key themes from the solutions each team developed to demonstrate how data digitization might drive transparency and increase access, fairness, affordability, and sustainability in mortgage lending.



### III. Strategic Goal 3: Responsibly steward FHFA’s infrastructure

FHFA is dedicated to fostering a high-performing culture that exemplifies the Agency’s values and supports its work through effective and efficient management of its resources and infrastructure. FHFA’s infrastructure is inclusive of all people, tools, resources, and programs that provide support for its mission.

Success in meeting FHFA’s mission and goals requires empowered and supported staff and prudent business practices. Responsive, secure, resilient, and efficient information technology (IT) capabilities are also essential to FHFA’s ability to accomplish its mission. FHFA employs internal controls and performance information to ensure that resources are managed responsibly. In addition, the Agency integrates diversity, equity, inclusion, and accessibility (DEIA) in all employment, management, and business activities at FHFA.

#### A. Strategic Objective 3.1: Cultivate a high-performing, diverse, accountable, and engaged workforce

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 3.1:

Measure		Target	Goal Leader
3.1.1	Federal Employee Viewpoint Survey Performance Confidence Index	70 percent positive	Chief Operating Officer
3.1.2	Federal Employee Viewpoint Survey Employee Engagement Index	70 percent positive	Chief Operating Officer
3.1.3	Improve Average Time-to-Hire	80 calendar days <sup>15</sup>	Chief Operating Officer

<sup>15</sup> FY 2023 through Q3 average time to hire was 127 calendar days.



## Means and Strategies for Strategic Objective 3.1

1. Implement data-driven, targeted recruitment and hiring strategies to attract diverse candidates with the requisite skills and competencies to strengthen FHFA workforce and succession;
2. Identify and remove potential barriers and/or biases in FHFA's recruitment and hiring processes to attract diverse, highly qualified candidates;
3. Continue to implement the Values-Based Culture Initiative Culture Plan activities;
4. Facilitate workforce agility by establishing career paths and tailoring career development training beginning with mission critical occupations;
5. Improve recruitment and hiring processes to reduce average Time-to-Hire;
6. Develop management reporting on workforce characteristics and trends;
7. Improve employee recognition and development by encouraging supervisors to use available monetary and non-monetary awards, detail assignments, and training opportunities;
8. Coordinate Employee Engagement Ambassador program and Federal Employee Viewpoint Survey (FEVS) initiatives, including the Agency and division-level FEVS Action Plans;
9. Develop and implement the annual operating plan for FHFA's People Plan;
10. Review and update the Agency Harassment Prevention Policy and Procedures; and
11. Build out a workplace alternative dispute resolution program inclusive of, but broader than, equal employment opportunity (EEO) conflicts and disputes.

## Data Validation and Verification for Strategic Objective 3.1

**Measure 3.1.1** — FHFA will compare the Agency's Performance Confidence Index in the FEVS report against the results for the entire federal government. The Performance Confidence Index score is provided shortly after the annual release of the FEVS. Results are typically provided mid-September. FHFA will maintain the results electronically.

**Measure 3.1.2** — FHFA will compare the Agency's Employee Engagement Index in the FEVS report against the results for the entire federal government. The Engagement Index score is



provided shortly after the annual release of the FEVS. Results are typically provided mid-September. FHFA will maintain the results electronically.

**Measure 3.1.3** — FHFA will report average Time-to-Hire (T2H) from the time the hiring manager submits their request to hire until the tentative offer is accepted and until entrance on duty. T2H will be tracked monthly through the staffing plan. Quarterly reporting will be maintained electronically.

**B. Strategic Objective 3.2: Ensure efficient and effective stewardship of Agency resources**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 3.2:

Measure		Target	Goal Leader
3.2.1	Ensure FHFA’s financial statements audit receives an unmodified opinion with no material weaknesses	100 percent of the time	Chief Operating Officer
3.2.2	Increase the obligated dollar amount of FHFA contract actions awarded to minority- and women-owned businesses consistent with legal standards and best value assessments	Total dollar amount of contracts greater than the five-year average	Chief Operating Officer, Director, Office of Minority and Women Inclusion
3.2.3	Management completes corrective actions to address FHFA Office of Inspector General recommendations in a timely manner	90 percent of the corrective actions to address FHFA Office of Inspector General recommendations are completed within one year of the resolution date or the approved timeframe.	Chief Operating Officer

**Means and Strategies for Strategic Objective 3.2**

1. Ensure that financial statements accurately present FHFA’s financial position, net cost of operations, changes in net position, and budgetary resources in accordance with U.S. Generally Accepted Accounting Principles;



2. Assess the effectiveness of internal control over financial reporting, the efficiency and effectiveness of Agency operations, and compliance with applicable laws and regulations to evaluate and strengthen FHFA's internal control environment, as appropriate;
3. Implement risk management practices that effectively identify, assess, respond, and report on risks to increase the likelihood of meeting FHFA's strategic goals and objectives and enable informed decision making;
4. Track and remediate internal control deficiencies and audit recommendations including the completion of root cause analysis and corrective action planning, as appropriate;
5. Enhance the efficiency and effectiveness of developing Agency budgets, monitoring their execution, and forecasting future budgets through the continued development and use of automated budgeting software;
6. Develop, track, and report achievement of FHFA's APP in the Performance and Accountability Report in order to provide transparency to the public on Agency activities;
7. Implement a program for reviewing contractor compliance with the good faith effort requirements included in Agency contracts in accordance with FHFA policies;
8. Engage with organizations that serve and support minority-, women-, and disabled-owned businesses as potential FHFA contractors;
9. Implement guidance for executives, managers, and supervisors for meeting the Agency required D&I competencies in support of principles, policies, standards, and programs related to promoting fairness in its contracting opportunities;
10. Establish annual priority goals for the FHFA Data Governance Committee;
11. Establish a standard and supporting processes for the maintenance of the statutorily required Agency comprehensive data inventory;
12. Establish a functional process for the development and publication of a statutorily required Information Resources Management Strategic Plan;
13. Establish an integrated planning function and apply integrated planning principles to infrastructure services; and



- 14. Use project management best practices to guide critical projects, programs, and initiatives to increase the likelihood of achieving and surpassing desired benefits and results, while at the same time managing and controlling costs to stay within budgeted resources.

**Data Validation and Verification for Strategic Objective 3.2**

**Measure 3.2.1** — The Government Accountability Office’s (GAO) opinion on FHFA’s financial statements will reflect whether any material weaknesses or significant deficiencies have been noted for the year. FHFA will receive the Independent Auditor’s Report, which GAO also publishes on its website.

**Measure 3.2.2** — FHFA will aggregate and analyze Agency contracting data for the previous five years and will compare the five-year average value with FY 2024 totals to determine if the dollar value in contracting actions obligated to minority- and women-owned businesses increased. Contracting reports will be maintained electronically.

**Measure 3.2.3** — FHFA will review the corrective actions to address FHFA Office of Inspector General recommendations to determine if they were completed within one year of the resolution date or the timeframe approved by the FHFA Audit Follow-up Official. Information is maintained in the FHFA Internal Control Information System.

**C. Strategic Objective 3.3: Deliver high-quality support services that promote the Agency’s mission effectiveness and safeguard the Agency’s infrastructure**

During FY 2024, FHFA will use the following measures, and means and strategies to accomplish Strategic Objective 3.3:

Measure		Target	Goal Leader
3.3.1	Ensure FHFA’s Federal Information Security Modernization Act audit identifies no significant deficiencies	100 percent of the time	Chief Operating Officer
3.3.2	Develop FHFA Information Technology Strategic Plan	Q2 FY 2024	Chief Operating Officer

**Means and Strategies for Strategic Objective 3.3**

- 1. Ensure critical computer systems are readily available to staff with minimal downtime;



2. Identify and implement technologies and tools to increase the productivity of FHFA staff;
3. Manage FHFA's technology resources, investments, and assets;
4. Ensure security of the Agency's data and information systems;
5. Monitor and report Agency compliance with the Federal Information Security Modernization Act (FISMA); and
6. Leverage technology platforms to automate critical infrastructure services.

### **Data Validation and Verification for Strategic Objective 3.3**

**Measure 3.3.1** — The FHFA Office of the Inspector General (OIG) FISMA audit report will reflect whether any significant deficiencies have been noted for the year.

**Measure 3.3.2** — Achievement of the measure will be the completion and Agency approval of an information technology strategic plan by March 31, 2024. The plan will be maintained electronically.



## Program Evaluations

FHFA management uses the budget formulation and execution processes to determine resource needs and reallocates resources to meet its strategic goals. FHFA's Audit, Risk, and Control Committee meets quarterly to review the results of internal and external program evaluations. The committee tracks and evaluates audit findings to determine if a remediation has been implemented for FHFA activities. Committee activities provide input to FHFA's determinations of the adequacy of internal controls under OMB Circular A-123. The FHFA Office of Quality Assurance also performs internal reviews of various programs and functions.

Program evaluation is also an important feedback tool to ensure that FHFA's activities are meaningful and effective. FHFA will monitor and track program performance and conduct program evaluations to ensure that FHFA's goals are meaningful and the strategies for achieving them are effective. FHFA's quarterly reviews of the performance measures serve as an opportunity for the Agency to assess performance collectively and consider corrective measures where necessary.

Additionally, the FHFA OIG plays a role in program evaluation by conducting reviews of various aspects of Agency operations. Under the requirements of HERA, GAO also conducts financial statement audits and other reviews of FHFA. FHFA uses the findings and/or recommendations from OIG and GAO to implement improvements in its operations.

FHFA will also participate in OMB initiatives to implement best practices designed to strengthen and improve performance across the federal government.



## Cross-Agency Collaboration

FHFA will continue to work closely with the Financial Stability Oversight Council and its member agencies to identify emerging risks and mitigate systemic threats to the financial system through ongoing market surveillance and timely dissemination of information. The Council has 15 members. In addition to the Director of FHFA, the members are:

- the Secretary of the Treasury, who serves as the Chair of the Council
- the Chairman of the Board of Governors of the Federal Reserve System
- the Comptroller of the Currency (OCC)
- the Director of the Consumer Financial Protection Bureau (CFPB)
- the Chairman of the Securities and Exchange Commission (SEC)
- the Chairman of the Federal Deposit Insurance Corporation (FDIC)
- the Chairman of the Commodity Futures Trading Commission (CFTC)
- the Chairman of the National Credit Union Administration (NCUA)
- an independent member with insurance expertise who is appointed by the President and confirmed by the Senate for a six-year term
- the Director of the Office of Financial Research
- the Director of the U.S. Treasury's Federal Insurance Office
- a state insurance commissioner designated by the state insurance commissioners
- a state banking supervisor designated by the state banking supervisors
- a state securities commissioner (or officer performing like functions) designated by the state securities commissioners

