



Annual Performance Report 2022



March 2023

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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Preface

Congress founded the Federal Reserve System (System) in 1913 as the central bank of the United States. While established as an independent central bank, it is subject to oversight by Congress and works within the framework of the overall objectives of economic and financial policy established by its enabling statutes. Over time, Congress has expanded the System's role in the economy and the financial system, as reflected in its mission:

As the nation's central bank, the fundamental mission of the Federal Reserve System is to foster the stability, integrity, and efficiency of the nation's monetary, financial, and payment systems and to promote optimal economic performance.

As the governing body of the System, the Board of Governors (Board) guides the operations of the System to promote the goals and fulfill the responsibilities established by the Federal Reserve Act. The Board conducts research, analysis, and policymaking related to domestic and international financial and economic matters; supervises and regulates certain U.S. financial institutions and activities; oversees the operations and activities of the Federal Reserve Banks, including important aspects of the nation's payments system; and plays an important role in promoting consumer protection, fair lending, and community development. The mission and activities of the Board are grounded in its institutional values:

- **Public interest.** In its actions and policies, the Board seeks to promote the public interest. It is accountable to the general public and to Congress.
- **Integrity.** The Board adheres to the highest standards of integrity in its dealings with the public, the U.S. government, the financial community, and its employees.
- **Excellence.** The conduct of monetary policy, responsibility for supervision, and maintenance of the payment system demand high-quality analysis; high performance standards; and a secure, robust infrastructure. The pursuit of excellence drives the Board's policies concerning recruitment, selection, and retention of employees.
- **Efficiency and effectiveness.** In carrying out its functions, the Board recognizes its obligation to manage resources efficiently and effectively on behalf of the U.S. taxpayer.
- **Independence of views.** The Board values the diversity of its employees, input from a variety of sources, and independent professional judgment fostered by the System's regional structure. It relies on strong teamwork and consensus-building to develop coherent, effective policies.

Additional information on the Board and the System can be found in *The Fed Explained: What the Central Bank Does* (formerly *The Federal Reserve System Purposes & Functions*) document and throughout its public website.¹

¹ *The Fed Explained: What the Central Bank Does* (formerly *The Federal Reserve System Purposes & Functions*) document is available at <https://www.federalreserve.gov/aboutthefed/the-fed-explained.htm> and additional information is available on the public website at <https://www.federalreserve.gov/>.

Introduction

The Board's strategic plan identifies and frames the organization's strategic goals and objectives.² On December 27, 2019, the Board published its *Strategic Plan 2020–23*, which outlines the organization's priorities within five functional areas for maintaining the stability, integrity, and efficiency of the nation's monetary, financial, and payment systems:

- [Monetary Policy and Financial Stability](#)
- [Supervision](#)
- [Payment System and Reserve Bank Oversight](#)
- [Public Engagement and Community Development](#)
- [Mission Enablement](#)

This document summarizes the Board's accomplishments toward achieving the objectives identified in the *Annual Performance Plan 2022*.³ However, given the large scope of the Board's work, not all activities are identified within this document. Throughout this performance period, senior leadership reassessed priorities, taking into account changing circumstances and external factors, and adjusted specific activities and resources to best fulfill the Federal Reserve's congressional mandates.

The Board issues these reports in the spirit of the Government Performance and Results Act of 1993 (GPRA), as amended by the GPRA Modernization Act of 2010, which requires that federal agencies prepare a strategic plan covering a multiyear period and submit an annual performance plan and an annual performance report.⁴ Although the Board is not covered by GPRA, the Board voluntarily complies with the spirit of GPRA and, like other federal agencies, prepares a strategic plan as well as an annual performance plan and an annual performance report.

As required by the Federal Reserve Act, the Board also annually submits to Congress the *Annual Report* describing the operations of the Federal Reserve System for the previous year, as well as a detailed explanation of the plans and resources discussed in the approved budgets of the Board and the 12 Federal Reserve Banks (Reserve Banks).⁵

² The *Strategic Plan 2020–23* is available at <https://www.federalreserve.gov/publications/2020-23-strategic-plan.htm>.

³ The *Annual Performance Plan 2022* is available at <https://www.federalreserve.gov/publications/files/2022-gpra-performance-plan.pdf>.

⁴ See the GPRA reports at <https://www.federalreserve.gov/publications/gpra.htm>.

⁵ The *Annual Report* is available at <https://www.federalreserve.gov/publications/annual-report>.

Key 2022 Accomplishments

In 2022, the Board accomplished the planned work outlined in the *2022 Annual Performance Plan*, while also pivoting and reprioritizing resources, as necessary, to achieve significant milestones on additional projects and initiatives. While not an exhaustive list, this report highlights key organizational accomplishments throughout 2022.⁶

Chair Powell, Vice Chair Brainard, Vice Chair for Supervision Barr, and Governors Cook and Jefferson were sworn into their respective positions as Board Members, joining Governors Bowman and Waller.⁷

While the Board engaged in significant work across all of the organization's mission functions, the overarching economic priority in 2022 was to bring down the higher-than-expected inflation. Throughout the year, the Board's monetary policy work informed the Federal Open Market Committee's (FOMC) decisionmaking by providing a wide range of information, including on labor market conditions, inflationary pressures, financial stability issues, and domestic and international developments.

The Federal Reserve's 2022 bank stress tests used tougher scenarios than the previous year's test, consistent with the scenario-design principles around a hypothetical severe global recession. The results showed that large banks continue to have strong capital levels and could continue lending to households and businesses in the case of a severe economic downturn.⁸

The Board continued its extensive outreach and communication with a wide range of stakeholders throughout the year, including by participating in the *Fed Listens* program.⁹ These sessions allowed Federal Reserve officials to stay informed on how monetary policy actions affect people's daily lives and livelihoods. The Board hosted a *Fed Listens* session, during which Governors met with representatives from different facets of the economy to listen and learn about the challenges faced by individuals, families, businesses, nonprofits, and communities.

⁶ The *2022 Annual Performance Plan* is available at <https://www.federalreserve.gov/publications/files/2022-gpra-performance-plan.pdf>.

⁷ See the Federal Reserve's press releases at <https://www.federalreserve.gov/newsevents/pressreleases/other20220523e.htm>, <https://www.federalreserve.gov/newsevents/pressreleases/other20220523d.htm>, <https://www.federalreserve.gov/newsevents/pressreleases/other20220719a.htm>, <https://www.federalreserve.gov/newsevents/pressreleases/other20220523c.htm>, and <https://www.federalreserve.gov/newsevents/pressreleases/other20220523b.htm>.

⁸ See the results of the annual bank stress test at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220623a.htm>.

⁹ See more about Fed Listens at <https://www.federalreserve.gov/fedlistens.htm>.

Throughout the year, the Board also worked collaboratively with a variety of academic, community, and financial stakeholders to understand the diverse perspectives on issues germane to economic stability, facilitating over 85 engagements to stay abreast of economic developments and emerging risks. The Board advanced its core policy framework, analysis, and research, as well as explored evolving topics, such as the potential of digital assets, stablecoins and central bank digital currency (CBDC), and their effect on banking and financial stability. Additionally, the Board engaged in research related to understanding climate-related financial risks.

In 2022, the Board published several reports and papers to enhance transparency and provide detailed communication and analysis on important areas affecting the banking system and U.S. economy. These included the following publications:

- Reports on economic and financial conditions, such as the *Financial Stability Report*, *Monetary Policy Report*, and *Supervision and Regulation Report*, which assessed the U.S. economy and financial system, provided the public with key monetary policy and economic developments, and summarized banking conditions and supervisory and regulatory activities.¹⁰
- 2022 Federal Open Market Committee (FOMC) statements, as well as the Chair's press conferences and meeting minutes.¹¹
- The report on *Federal Reserve Balance Sheet Developments*, which reviewed actions taken to manage the Federal Reserve's balance sheet and increase transparency about its monetary policy decisions.¹²
- The report of the *Economic Well-Being of U.S. Households in 2021*, which presented analyses of survey data from 11,000 participants in the ninth annual Survey of Household Economics and Decisionmaking (SHED).¹³
- *Preserving and Promoting Minority Depository Institutions: Annual Report 2021*, which included a discussion on Federal Reserve research articles and surveys that both evaluated conditions in low- and moderate-income (LMI) communities and described efforts to support them, including efforts by minority depository institutions and community banks, as well as the extra steps the Federal Reserve took to support and assist these institutions during the pandemic.¹⁴
- The *Cybersecurity and Financial System Resilience Report*, which reviewed measures undertaken by the Board to strengthen cybersecurity within the financial services sector and the Board's

¹⁰ See the *Monetary Policy Report* at https://www.federalreserve.gov/monetarypolicy/mpr_default.htm; the *Financial Stability Report* at <https://www.federalreserve.gov/publications/financial-stability-report.htm>; and the *Supervision and Regulation Report* at <https://www.federalreserve.gov/publications/supervision-and-regulation-report.htm>.

¹¹ See the Federal Reserve's website at <https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm>.

¹² See the Federal Reserve's website at <https://www.federalreserve.gov/monetarypolicy/May-2022-Federal-Reserve-Balance-Sheet-Developments.htm>.

¹³ See the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220523a.htm>, <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>, and https://www.federalreserve.gov/consumerscommunities/shed_data.htm.

¹⁴ See the Federal Reserve's website at <https://www.federalreserve.gov/publications/2022-september-promoting-minority-depository-institutions.htm>.

functions as a regulator, including the supervision and regulation of financial institutions and third-party service providers.¹⁵

- *Money and Payments: The U.S. Dollar in the Age of Digital Transformation*, which served as a first step in fostering a broad and transparent public dialogue about the potential benefits and risks of a U.S. CBDC.¹⁶
- The *2021 Annual Performance Report* and the *2022 Annual Performance Plan*.¹⁷
- The *Report to Congress on the Office of Minority and Women Inclusion*.¹⁸
- One hundred and twenty papers for the Board's two working paper series *Finance and Economics Discussion Series (FEDS)* and *International Finance Discussion Papers (IFDPs)*, 59 FEDS Notes articles, and the inaugural edition of a public digest aimed at increasing access to research done by the more than 400 economists and other research staff at the Board.¹⁹

In 2022, the Board advanced efforts to modernize the U.S. payment system, working collectively with the Reserve Banks to build the new 24x7x365 interbank settlement service, the FedNowSM Service.²⁰ Together with the Board, the Reserve Banks led several engagements to gain industry perspectives on expanding the operating hours for the Fedwire Funds and the National Settlement Services. Additionally, the Board worked closely with counterparts at the Bureau of Engraving and Printing (BEP) and U.S. Secret Service (USSS) to lead the creation of the U.S. Currency Program 2023 adversarial analysis strategy, while developing and testing the next family of U.S. banknotes.

The Board provided anti-counterfeit training to central banks in jurisdictions of interest, together with the Federal Reserve Bank (FRB) of New York, U.S. Department of State, and USSS. The U.S. Currency Education Program published its first fully illustrated children's book, deployed the *CashAssist* application to help cash handlers authenticate currency, and launched an online presence providing further access to training and educational materials.²¹

The Board continued to expand outreach and educational events to cultivate early interest in economics as a career and enhance a diverse pipeline of talent for the Federal Reserve's work

¹⁵ See the Federal Reserve's website at <https://www.federalreserve.gov/publications/files/cybersecurity-report-202207.pdf>.

¹⁶ See the Federal Reserve's website at <https://www.federalreserve.gov/publications/files/money-and-payments-20220120.pdf>.

¹⁷ See the *Annual Performance Report* at <https://www.federalreserve.gov/publications/2022-annual-performance-report.htm> and the *Annual Performance Plan* <https://www.federalreserve.gov/publications/files/2022-gpra-performance-plan.pdf>.

¹⁸ See the Federal Reserve's website at <https://www.federalreserve.gov/publications/March-2022-Report-to-the-Congress-on-the-Office-of-Minority-and-Women-Inclusion.htm>.

¹⁹ See <https://www.federalreserve.gov/econres.htm> and <https://public.govdelivery.com/accounts/USFRB/subscriber/new> to subscribe to the digest.

²⁰ See the Federal Reserve's website at https://www.federalreserve.gov/paymentsystems/fednow_about.htm.

²¹ See the U.S. Currency Education Program's educational resources at <https://www.uscurrency.gov/educational-materials/classrooms/carnival-thrills-and-dollar-bills>, <https://www.uscurrency.gov/educational-materials/cash-assist-app>, and the U.S. Currency Education's LinkedIn site at <https://www.linkedin.com/showcase/u.s.-currency-education-program/>.

through the FedEd program, the annual College Fed Challenge, and Economic Education Month.²² The Board conducted hiring and new employee onboarding virtually and facilitated a successful internship program for 89 summer interns and three summer law clerks. The Board also remained focused on talent development and succession planning for senior leadership positions across the System, leveraging the System Leadership Initiative.

The Board sustained its long-standing commitment to equal employment, workforce diversity, and an inclusive work environment in 2022. The organization adopted a hybrid work posture during 2022 to transition employees to the “post-pandemic, new normal,” investing in its cloud adoption strategy in support of creating a modern digital workspace while enhancing cybersecurity. The Board evolved its technological infrastructure by progressing workstreams on a multiyear project to modernize and replace its enterprise financial, procurement, and human capital management systems. Work continued to advance on the Board’s planned physical infrastructure projects aimed at reducing the Board’s reliance on leased office space. The Martin Building reopened after a multi-year renovation and significant milestones were met on the subsequent building projects.

The Board also adopted new, comprehensive investment and trading rules for senior Federal Reserve officials, which include the requirement for 45 days’ advanced notice for the purchase and sale of securities, prior approval for such transactions, and a one-year investment hold period.²³

The Board remained committed to continuously increase its acquisition opportunities for diverse businesses by providing them access, opportunity, and engagement. In 2022, the value of the Board contracts for goods and services totaled \$617 million. Of this total, \$65 million, or about 10 percent, was awarded to minority- and women-owned businesses, which included \$49 million or 7 percent to minority-owned businesses and \$16 million or 3 percent to women-owned businesses.²⁴

The Board was able to meet expectations for planned work in 2022, while exercising appropriate agility to respond to emerging priorities and challenges.

²² See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/educational-tools/fedchallenge.htm#aboutMen> and <https://www.federalreserve.gov/aboutthefed/educational-tools/economic-education-month>.

²³ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20220218a.htm>.

²⁴ This report describes the contracts awarded by the Board for the period of January 1, 2021, through December 31, 2021, and includes contracts for the Board’s Office of Inspector General as well as the Board’s currency program. The dollar amount shown represents the total obligated amount of the contracts rather than the actual amounts paid to contractors.

Monetary Policy and Financial Stability

Goal 1: Facilitate efforts that support the congressional mandate for maximum employment and price stability through monetary policy.

Objective 1.1: Support the Board's and the Federal Open Market Committee's policy deliberations through the timely provision of high-quality research, analysis, and other information that enables sound and objective decisionmaking.

Projects and Initiatives

- Identify and analyze economic and financial developments in support of the Federal Reserve's mission.
 - Submitted the semiannual *Monetary Policy Report*, in February and June, to the Senate Committee on Banking, Housing, and Urban Affairs and to the House Committee on Financial Services, Washington, D.C., accompanied by Chair Powell's testimony.²⁵
 - These reports featured special callout boxes that focused on global inflation, labor market disparities, monetary policy rules, supply-chain bottlenecks, and differences in wage and employment growth across jobs and workers.
 - Produced eight Tealbooks (*Report to the Federal Open Market Committee (FOMC) on Economic Conditions and Monetary Policy*), which provided detailed assessments and forecasts of economic and financial developments and associated risks.
 - Issued the semiannual *Financial Stability Report*, in May and November, which provide updated assessments of the resilience of the U.S. financial system using the Federal Reserve's framework for monitoring financial stability.²⁶
 - Highlighted topics included central bank digital currency (CBDC), the London Inter-Bank Offered Rate (LIBOR) transition, stresses in China's real estate sector, liquidity conditions in financial markets, digital assets, and climate scenario analysis.

²⁵ The Board's *Monetary Policy Reports* are available at https://www.federalreserve.gov/monetarypolicy/mpr_default.htm. Chair Powell's March 2 testimony before the Committee on Financial Services, U.S. House of Representatives is available at <https://www.federalreserve.gov/newsevents/testimony/powell20220302a.htm>. Chair Powell's June 22 testimony before the Committee on Banking, Housing, and Urban Affairs, U.S. Senate is available at <https://www.federalreserve.gov/newsevents/testimony/powell20220622a.htm>.

²⁶ The Board's semiannual *Financial Stability Reports* were published in May and November and are available at <https://www.federalreserve.gov/publications/financial-stability-report.htm>.

- Released four *Summary of Economic Projections* in conjunction with the March, June, September, and December FOMC meetings.²⁷
- Adopted comprehensive new investment and trading rules for senior Federal Reserve officials who regularly attend FOMC meetings.
 - The new rules restrict active trading by requiring senior Federal Reserve officials to provide 45 days’ advance notice for purchases and sales of securities, obtain prior approval for such transactions, and hold investments for at least one year.²⁸
- Stay abreast of technological and other changes to the financial system and assess potential impacts on the economy.
 - Maintained an active research agenda and provided monetary policy perspective on issues germane to policy decisionmaking.
 - Worked with domestic and foreign banking agencies, emphasizing the importance of preparation to mitigate potential risks, as supervised institutions continue the transition away from LIBOR through June 30, 2023.²⁹
 - Adopted a final rule that implements the LIBOR Act by identifying benchmark rates based on SOFR (Secured Overnight Financing Rate) that will replace LIBOR in certain financial contracts after June 30, 2023.³⁰
 - Invited comment on a proposal that provides default rules for certain contracts that use the LIBOR reference rate.³¹
 - Monitored developments in the household credit markets, such as “buy now, pay later” lenders and households’ use of cryptocurrencies to conduct financial transactions.³²
 - Reviewed how new technologies, such as fintech, can change the structure of the financial system, for example, through community banks’ potential partnership with fintech firms to offer services.³³

²⁷ See the 2022 *Summary of Economic Projections* on the Federal Reserve’s website at <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20220316.pdf>, <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20220615.pdf>, <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20220921.pdf>, <https://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20221214.pdf>.

²⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20220218a.htm>.

²⁹ See the Federal Reserve’s website at <https://www.federalreserve.gov/supervisionreg/libor-transition.htm> and <https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20201130a1.pdf>.

³⁰ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20221216a.htm>.

³¹ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220719a.htm>.

³² See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/2022-economic-well-being-of-us-households-in-2021-banking-and-credit.htm>.

³³ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/2022-may-supervision-and-regulation-report-supervisory-developments.htm>.

- The Board held a symposium on data and connectivity to explore how digitization and the rise of new data-driven business models are transforming financial services.³⁴
- Supported Chair Powell in his role as member of the U.S. Department of the Treasury’s Financial Stability Oversight Council (FSOC).
 - Contributed to the FSOC topical report *Digital Asset Financial Stability Risks and Regulation*, as well as the 2022 FSOC annual report.³⁵
 - Assisted in monitoring financial risks, analyzing the implications of those risks for financial stability, and identifying steps that can be taken to mitigate those risks, in conjunction with other participants.
 - Shared staff research and analysis at FSOC meetings and FSOC subcommittee sessions.
- Supported Vice Chair Brainard as a member of the Financial Stability Board (FSB) on topics such as the structure of commodities markets, the financial stability implications of nonbank financial institutions, crypto/digital assets, and financial climate-related risks.
- Facilitated over 85 engagements of policymakers and staff with market participants and observers to stay abreast of economic developments and emerging risks.
- Analyzed the growth potential of digital assets, including stablecoins, and the implications and risks they pose for banking, monetary policy, and financial stability.³⁶
- Released discussion paper, *Money and Payments: The U.S. Dollar in the Age of Digital Transformation*, examining the pros and cons of a U.S. CBDC to invite comment and engage the public, elected representatives, and a broad range of stakeholders in exploring the potential benefits and risks of a CBDC in the United States.³⁷
 - The paper summarizes the current state of the domestic payments system and discusses the different types of digital payment methods and assets that have emerged in recent years, including stablecoins and other cryptocurrencies. It concludes by examining the potential benefits and risks of a CBDC and identifies specific policy considerations.³⁸
- Conducted research on climate-related topics, such as the impact on the macroeconomy of renewable technology adoption and risks related to climate-policy transition and financial stability.
- Conduct policy analysis of ways to strengthen Treasury market resilience.

³⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/conferences/data-connectivity-symposium.htm>.

³⁵ See the U.S. Department of the Treasury’s website at <https://home.treasury.gov/system/files/261/FSOC-Digital-Assets-Report-2022.pdf>.

³⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/econres/notes/feds-notes/runs-on-algorithmic-stablecoins-evidence-from-iron-titan-and-steel-20220602.html>, <https://www.federalreserve.gov/econres/ifdp/stablecoins-growth-potential-and-impact-on-banking.htm> and <https://www.federalreserve.gov/econres/feds/files/2022058pap.pdf>.

³⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220120a.htm>.

³⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/money-and-payments-discussion-paper.htm>.

- Contributed to ongoing workstreams, originally outlined in the Inter-Agency Working Group’s (IAWG) November 2021 report and further updated in the 2022 report, designed to further enhance the group’s understanding of U.S. Treasury Market vulnerabilities and to consider policy options that may further strengthen the market.³⁹
 - Expanded collection of data on depository institutions’ secondary market transactions in Treasury securities in contribution to the IAWG workstreams.⁴⁰
 - Analyzed issues in the U.S. Treasury markets occurring in the spring of 2020 and during other periods of market stress, and examined proposals aimed at supporting smooth functioning in the U.S. Treasury market.
- Analyzed areas related to market resilience, including U.S. Treasury Market reform proposals and the connections between ex-ante and ex-post liquidity tools, foreign demand for U.S. Treasury Securities during the pandemic, and nonbank financial institutions and the slope of the yield curve.⁴¹
- Co-hosted the *U.S. Treasury Markets Conference*, together with the FRB of New York, Commodity Futures Trading Commission (CFTC), SEC, and U.S. Treasury, where public and private sector representatives exchanged views on how to improve U.S. Treasury Market resilience, including the role of central clearing, all-to-all trading, and public- versus private-sector roles in liquidity.⁴²
- Announced final guidelines establishing a transparent, risk-based, and consistent set of factors for the Reserve Banks to use in reviewing requests to access Federal Reserve accounts and payment services.⁴³

Objective 1.2: Actively pursue research, analysis, monitoring, and measurement to advance the public’s understanding of key economic and financial issues.

- Pursue research that promotes understanding of labor markets, inflation, and the financial system, including differences or inequities across demographic groups and areas, and implications for the functioning of the economy.
 - Conducted research and analysis on a wide range of topics, including:
 - the effects of monetary policy on household expectations,

³⁹ See the U.S. Department of the Treasury’s website at <https://home.treasury.gov/news/press-releases/jy1091> and the 2022 *IAWG Treasury Report* at <https://home.treasury.gov/system/files/136/2022-IAWG-Treasury-Report.pdf>.

⁴⁰ The Federal Reserve’s form FR 2956 requires reporting of secondary market transactions in Treasury securities and/or agency issued mortgage-backed securities of every national bank, state member bank, state non-member bank, savings association, or U.S. branch and agency of a foreign bank filing a Notice of Government Securities Broker or Government Dealer Activities Form (Form G-FIN) with average daily transaction volumes of more than \$100 million for Treasury securities, or more than \$50 million for agency-issued debt and MBS, respectively, during the prior fiscal year.

⁴¹ See the Federal Reserve’s website at <https://www.federalreserve.gov/econres/feds/treasury-market-reform-proposals-and-the-connections-between-ex-ante-and-ex-post-liquidity-tools.htm>, <https://www.federalreserve.gov/econres/notes/feds-notes/foreign-demand-for-us-treasury-securities-during-the-pandemic-20220128.html>, and <https://www.federalreserve.gov/econres/notes/feds-notes/non-bank-financial-institutions-and-the-slope-of-the-yield-curve-20221011.html>.

⁴² See the FRB of New York’s website at <https://www.newyorkfed.org/newsevents/events/markets/2022/1116-2022>.

⁴³ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220815a.htm>.

- what the Beveridge Curve signals about the likelihood of a soft landing,
 - excess savings and how it affects inflation and consumer credit,
 - the effects of the pandemic on business entry and exit,
 - the introduction of a potential CBDC and how a retail CBDC could affect the balance sheets of the Federal Reserve, commercial banks, and households,
 - the effects of racial bias on mortgage lending,
 - renewable technology adoption costs and economic growth,
 - the implications of saving and wealth accumulation among student loan borrowers for retirement preparedness,
 - the factors behind differences in wages between manufacturing and other sectors,
 - providing loans to depository institutions under the Federal Reserve discount window lending authority,
 - the effects on the financial system of the transmission of financial shocks and leverage of financial institutions,
 - the effects of the digital economy on productivity,
 - the effects of loan modifications on the commercial real estate market,
 - the effects of mutual fund illiquidity on asset prices and on liquidity in the mortgage market,
 - the economics of internal migration, and
 - the role of mortgage servicers in implementing the CARES Act mortgage forbearance program during the COVID-19 pandemic.
- Disseminated research by preparing working papers, publications, Finance and Economics Discussion Series (FEDS) papers, International Finance Discussion Papers (IFDP), and FEDS Notes articles, in addition to presenting seminars at the Board, Reserve Banks, universities, and professional conferences.
- Wrote 120 papers for the Board's two working paper series (*FEDS* and *IFDPs*) and 59 *FEDS Notes* articles, researched and produced by the Board economists and staff.⁴⁴
 - Sponsored or co-sponsored 11 conferences on topics including monetary policy; international roles of the U.S. dollar; money, banking, payments, and finance; financial stability considerations for monetary policy; non-traditional data, machine learning, and natural language processing in macroeconomics; and international macroeconomics and finance.⁴⁵

⁴⁴ See the Federal Reserve's website at <https://www.federalreserve.gov/econres.htm>.

⁴⁵ See the Federal Reserve's website at <https://www.federalreserve.gov/past-conferences.htm>.

- Jointly organized, with the FRB of New York, a conference on Financial Stability Considerations for Monetary Policy to learn more about the interaction between the Fed's different goals and objectives.⁴⁶
- Conducted the Senior Financial Officer Survey (SFOS), Senior Loan Officer Opinion Survey (SLOOS), and Senior Credit Officer Opinion Survey (SCOOS) to inform policymakers about economic and financial developments.
- Published statistical releases, such as the H.6 Money Stock Measures and the H.8 Assets and Liabilities of Commercial Banks in the United States, and provided daily data on fitted yield curves, term premium estimates, and the interest rate paid on reserve balances (IORB) rate.⁴⁷
- Incorporate diversity of thought, perspective, experience, and talent into the Board's research program.
 - Hosted two virtual *Exploring Careers in Economics* conferences, which engaged students across the nation with Federal Reserve staff and research assistants on how to pursue career paths related to economics.⁴⁸
 - 8,136 individuals attended the virtual conferences.
 - Continued to expand outreach and recruitment for research assistants and interns to diversify and deepen candidate pools.
 - Marketing efforts consisted of direct emails to points-of-contact across professors, department chairs, student affinity groups at hundreds of colleges and universities, and diversity job sites that target a broad audience.
 - Expanded pathways for participants in economic outreach programs, including the American Economic Association (AEA) Summer Program, to join the Board and for interns to continue working at the Board as research assistants upon graduation.
 - Hosted two *Meet the Fed* recruiting seminars.
 - Facilitated the *Advanced Research Methods* course for the AEA Summer Program, for which Board staff served as instructors and teachers' assistants.
 - Taught a course entitled *Financial Literacy/Data Analysis with R*, in conjunction with staff from Howard University, to strengthen financial literacy and encourage a diversity of perspectives and backgrounds in the economics profession.
- Conduct research focusing on LMI financial and economic conditions of traditionally underserved and economically vulnerable consumers and communities.

⁴⁶ See the Federal Reserve's website at <https://www.federalreserve.gov/conferences/conference-on-financial-stability-considerations-for-monetary-policy-20220930.htm>.

⁴⁷ See the Federal Reserve's website at <https://www.federalreserve.gov/releases/h6/> and <https://www.federalreserve.gov/releases/h8/>.

⁴⁸ See the Federal Reserve's website at <https://www.federalreserve.gov/conferences/exploring-careers-in-economics-spring-2022.htm> and <https://www.federalreserve.gov/conferences/exploring-careers-in-economics-fall-2022.htm>.

- Published, together with the FRB of Cleveland, *Clicking for Credit: Experiences of Online Lender Applicants*, presenting the latest findings drawn from the System's Small Business Credit Survey.⁴⁹
- Co-organized a hybrid conference, *Diversity, Equity and Inclusion in Economics, Finance, and Central Banking*, together with three other central banks, that focused on issues encountered by underrepresented groups in economics, finance, and central banking.⁵⁰
- Sponsored a three-part research seminar series, *Toward an Inclusive Recovery*, with one session focused on how the COVID-19 pandemic affected educational outcomes and the subsequent effect it was anticipated to have on transitions into the labor force.⁵¹
- Conducted research on topics directly related to the economically underserved and vulnerable, including the effect of declining affordability and home-purchase borrowing on lower-income households, the extent to which racial bias affects mortgage lending, and the racial wealth gap and the role of firm ownership.
- Published *Preserving and Promoting Minority Depository Institutions: Annual Report 2021*, which included a discussion on the state of low-wage individuals, minority communities, and minority-owned small businesses and detailed the Federal Reserve's actions to assist minority depository institutions in supporting these groups and institutions during the COVID-19 pandemic.⁵²

Objective 1.3: Further promote transparency, accountability, communication, and public education in monetary policy, economic research, and financial stability.

- Improve delivery of, and public access to, information that effectively communicates the Board's understanding of economic and financial conditions, financial stability, and the impact and efficacy of monetary policy.
 - The Chair held a press conference after each FOMC meeting to provide transparency to the public and field questions from the press.
 - Board Members spoke on a variety of issues, including the U.S economic outlook and monetary policy, considerations in an environment of high inflation, financial stability and regulation, and developments in financial services.⁵³

⁴⁹ See the Federal Reserve's website at <https://www.clevelandfed.org/publications/cd-reports/2022/sr-20220816-clicking-for-credit-experiences-of-online-lender-applicants-from-sbcs> and <https://www.fedsmallbusiness.org/survey>.

⁵⁰ See the Federal Reserve's website at <https://www.federalreserve.gov/conferences/conference-on-diversity-equity-and-inclusion-in-economics-finance-and-central-banking.htm>.

⁵¹ See the FedCommunities' website <https://fedcommunities.org/event/education-pandemic-consequences-short-long-term/> and Federal Reserve's website at <https://www.federalreserve.gov/newsevents/speech/bowman20221020a.htm> for Welcoming Remarks by Governor Bowman.

⁵² See the Federal Reserve's website at <https://www.federalreserve.gov/publications/2022-september-promoting-minority-depository-institutions.htm>.

⁵³ See the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/speeches.htm>.

- Made public approximately 1,900 pages of transcripts and 2,300 pages of staff economic projections and analysis from past FOMC meetings and deliberations.⁵⁴
- Released memos from 1981 through 1987 as part of an ongoing project to enhance access to FOMC records; this collection includes more than 9,000 pages of material from 1955 to 1987.
- Created an option to run the FRB/US model, which is used to analyze policy options and is accessible to the public, using freely available Python software instead of only commercial software.⁵⁵
- Published *Federal Reserve Balance Sheet Developments* to review actions taken to manage the Federal Reserve’s balance sheet and to increase transparency about its monetary policy decisions.⁵⁶
- Added a tab on Financial Stability to the Board’s website; the new tab includes information about financial stability assessments, the Board’s financial stability policy coordination and actions, and a link to the public Financial Stability Reports.⁵⁷
- Foster public education and engage in communication across a wide range of audiences, including on information related to the economic and financial experiences of economically vulnerable consumers and communities.
 - Conducted extensive outreach and communication with a wide range of stakeholders, including by participating in the *Fed Listens* program where Governors met with representatives from different parts of the economy to listen and learn about the challenges faced by individuals, families, businesses, nonprofits, and communities.⁵⁸
 - Posted a public version of the *Distributional Financial Accounts*, which provide quarterly estimates of the distribution of U.S. household wealth across socioeconomic characteristics such as income, age, generation, education, and race.⁵⁹
 - Added new breakdowns for the top 0.1 percent of the wealth distribution and for pension entitlements.
 - Introduced a new minority oversample to improve the measurement of racial and ethnic disparities in the *2022 Survey of Consumer Finances* as well as new questions about respondents’ experiences during the COVID-19 pandemic; these changes will improve the ability of the survey to measure economic outcomes of households.⁶⁰

⁵⁴ See the Federal Reserve’s website at https://www.federalreserve.gov/monetarypolicy/fomc_historical.htm.

⁵⁵ See the Federal Reserve’s website at <https://www.federalreserve.gov/econres/us-models-about.htm> and <https://www.federalreserve.gov/econres/us-models-python.htm>.

⁵⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/monetarypolicy/May-2022-Federal-Reserve-Balance-Sheet-Developments.htm>.

⁵⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/financial-stability.htm>.

⁵⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/fedlistens.htm>.

⁵⁹ See the Federal Reserve’s website at https://www.federalreserve.gov/releases/z1/dataviz/download/zips/dfa_public_code.zip.

⁶⁰ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220225a.htm>.

- Hosted, together with the Reserve Banks, three seminars in the Federal Reserve Community Development Research Seminar Series focused on achieving an equitable and inclusive wealth recovery, workers’ perspective on the labor market, and the consequences of the COVID-19 pandemic on short- and long-run educational and labor market outcomes.⁶¹
- Continued to offer the FedEd Outreach Program, where research assistants taught personal finance and economics to students at local high schools in the District of Columbia and across the country, particularly those with a high representation of minority students.
- Research assistants continued teaching an Advanced Placement (AP) Macroeconomics course remotely at Benjamin Banneker Senior High School over the 2021–22 school year.
 - Enrollment doubled from 10 to 20 students for the 2021–22 school year.
- Continued the online teaching and mentoring partnership program with Howard University’s Department of Economics for a financial literacy/statistical software programming class.
- Hosted the College Fed Challenge, with 84 schools from across the nation submitting video presentations or participating in virtual competitions.⁶²
 - Schools outside the current Fed Challenge districts were able to participate virtually in a newly formed “at large” region.
- Hosted *Economic Education Month* presentations in partnership with the Reserve Banks; topics included the Great Migration’s economic story as told through art, the economics of globalization, inclusive recovery from the pandemic in educational and labor market outcomes, and diversity in economics.⁶³
- Announced the inaugural edition of a public digest that highlights the Board’s recent working research papers and notes, which aims to increase access to research done by the economists and other research staff at the Board.⁶⁴

Objective 1.4: Broaden capabilities to effectively and efficiently fulfill the Board’s research mission through investment in people, technology, and data.

- Ensure applicable expertise and a broad range of perspectives are available and used in economic research and analysis to strengthen understanding of economic developments and their implications for monetary policy and financial stability.
 - Chair Powell, Vice Chair Brainard, Vice Chair Barr, and Governors Cook and Jefferson were sworn to their respective positions as Board Members.

⁶¹ More information on the 2022 Federal Reserve Community Development Research Seminar Series is available at <https://fedcommunities.org/community-development-research-seminar-series/2022-toward-inclusive-recovery/#seminar-details>.

⁶² See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/educational-tools/fedchallenge.htm#aboutMenu> and <https://www.federalreserve.gov/newsevents/pressreleases/other20221118a.htm>.

⁶³ See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/educational-tools/economic-education-month.htm>.

⁶⁴ See the Federal Reserve’s website at <https://public.govdelivery.com/accounts/USFRB/subscriber/new> to subscribe to the digest.

- Hosted a workshop on money, banking, payments, and finance, which brought in researchers and specialists from a range of fields to exchange ideas and break down information barriers across different economic fields.⁶⁵
- Held a conference on the international role of the U.S. dollar to bring in new perspectives from outside researchers and experts on the relationship between the Federal Reserve's mandate and the role of the dollar internationally.
- Organized a conference, together with the Bank of Canada, on diversity, equity, and inclusion in economics, finance, and central banking to highlight perspectives on economic issues from underrepresented groups.
- Enhance technological and data capabilities to conduct research, analysis, monitoring, and measurement that inform the public and policymakers while meeting cybersecurity standards.
 - Adjusted the sample design for the *2022 Survey of Consumer Finances* to improve the coverage of Black, Hispanic or Latino, and Asian households within the survey.⁶⁶
 - Updated research data series, including the *Index of Common Inflation Expectations*.⁶⁷
 - Focused on improving the Board's technological and data capabilities to better understand climate-related financial risks and facilitate ongoing assessment of associated micro- and macro-prudential risks on economic activity.
 - Actively developed, monitored, and analyzed high-frequency measures of economic activity to help policymakers understand economic developments particularly as it related to inflation.
- Enhance the Board's ability to collaborate with internal and external colleagues on research and analysis through technology, automation, infrastructure, and process advancements.
 - Collaborated on issues associated with strengthening U.S. Treasury Market resilience by advancing several internal workstreams, contributing to the IAWG workstreams, and briefing System leadership and principals.
 - Collaborated with the U.S. Treasury's Office of Financial Research on their effort to develop a Climate Data and Analytics Hub pilot that will help financial regulators assess risks to financial stability stemming from climate change.⁶⁸
- Sustain and nurture an inclusive culture and support a collaborative environment that encourages diversity of perspectives.
 - Maintained a list of staff economic research papers on diversity and inclusion in economics.

⁶⁵ See the Federal Reserve's website at <https://www.federalreserve.gov/conferences/summer-workshop-on-money-banking-payments-and-finance-202208.htm>.

⁶⁶ See the Federal Reserve's website at <https://www.federalreserve.gov/econres/scf-announcements.htm>.

⁶⁷ See the Federal Reserve's website at <https://www.federalreserve.gov/econres/notes/feds-notes/research-data-series-index-of-common-inflation-expectations-20210305.html> and more generally, at <https://www.federalreserve.gov/econres/economic-research-data.htm>.

⁶⁸ See <https://www.financialresearch.gov/press-releases/2022/07/28/office-of-financial-research-pilots-cutting-edge-data-hub-to-assist-with-climate-risk-assessments/>.

- Leveraged program managers to develop a more coordinated and cohesive approach to workplace inclusion.

Supervision

Goal 2: Promote safety, soundness, and stability of financial institutions and consumer protection through supervision and regulation.

Objective 2.1: Continue to refine rules, practices, and tools to enhance the efficiency and effectiveness of supervision.

Projects and Initiatives

- Modernize the supervisory program for significant service providers.
 - Established a supervisory governance oversight committee (Significant Service Provider Management Group (SSP MG)), which includes officers from across the System.⁶⁹
- Identify and advance refinements to the Board's risk-management expectations for financial market infrastructures.
 - Approved proposed amendments to the operational risk management requirements in Regulation HH and invited a 60-day public comment window on updates to operational risk-management requirements for certain systemically important financial market utilities (FMUs) supervised by the Board.⁷⁰
- Enhance efficiency and communications of consumer compliance supervision.
 - Issued interagency examination procedures to reflect amendments to Regulation F published by the Consumer Financial Protection Bureau (CFPB) that address, among other things, communications in connection with debt collection and prohibitions on harassment or abuse, false or misleading representations, and unfair practices in debt collection.⁷¹
 - Issued Consumer Affairs (CA) Letter CA 22-2, together with other regulators, to remind creditors of the ability under the Equal Credit Opportunity Act and its implementing Regulation B to establish special purpose credit programs to meet the credit needs of specified classes of persons.⁷²

⁶⁹ The SSP team selects members for the oversight committee to include senior subject matter experts and is also focused on developing an implementation plan to allow onsite examination staff to dedicate 100 percent of their work to SSP modernization.

⁷⁰ See the *Federal Register* notice at <https://www.federalregister.gov/documents/2022/10/05/2022-21222/financial-market-utilities> and the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220923a.htm> and <https://www.federalreserve.gov/paymentsystems/reghh-about.htm>.

⁷¹ See the Federal Reserve's website at <https://www.federalreserve.gov/supervisionreg/caletters/caltr2209.htm>.

⁷² See the Federal Reserve's website at <https://www.federalreserve.gov/supervisionreg/caletters/caltr2202.htm>.

- Developed a summary briefing about the Ombuds Office for distribution to the Reserve Banks and presented on the Board’s Ombuds Office to Board and Reserve Bank staff.
- Supervisory Announcements
 - Issued a review of large, syndicated loans originated on or before June 30, 2021, together with the Federal Deposit Insurance Corporation (FDIC) and OCC.⁷³
 - Issued a statement together with the FDIC, National Credit Union Administration (NCUA), OCC, and state financial regulators to collectively recognize the serious impact of Hurricanes Fiona and Ian on the customers and operations of many financial institutions and will provide appropriate regulatory assistance to affected institutions subject to their supervision.⁷⁴
 - Issued joint supervisory guidance SR-22-6/CA 22-6 to inform financial institutions on how the Federal Reserve will closely monitor developments and banking organizations’ participation in crypto-asset related activities.⁷⁵
 - Announced, together with the FDIC, the results of the joint review of the resolution plans, also known as living wills, for 71 domestic and foreign banking organizations.⁷⁶
 - Announced the individual capital requirements for all large banks, effective on October 1.⁷⁷

Objective 2.2: Improve forward-looking risk-identification and assessment capabilities to inform policy and support timely and effective risk mitigation through supervision.

- Develop and implement a supervisory program for risks related to fintech.
 - Engaged a panel of fintech lenders that provide financial services to small businesses to share insights for internal audiences on fintech business models and how they meet their borrowers’ needs.
- Enhance monitoring of consumer compliance risks in financial markets to inform supervision.
 - Issued policy statement SR 22-7/CA 22-7 to promote the submission of whistleblower claims regarding misconduct, unsafe or unsound practices, or violations of law or regulation occurring at any banking organization supervised by the Federal Reserve.⁷⁸

⁷³ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220214a.htm>.

⁷⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220929a.htm>.

⁷⁵ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220816a.htm> and <https://www.federalreserve.gov/supervisionreg/srletters/SR2206.htm>.

⁷⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20221216b.htm>. Resolution plans, required by the Dodd-Frank Act and commonly known as "living wills," describe a financial company’s strategy for rapid and orderly resolution under bankruptcy in the event of financial distress or failure.

⁷⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220804a.htm>.

⁷⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/supervisionreg/srletters/SR2207.htm> and <https://www.federalreserve.gov/aboutthefed/whistleblower-reporting.htm>.

- Convened, together with the FRB of New York, a virtual interagency meeting to provide policy and supervisory analysts an internal forum for discussing consumer risks related to digital financial services.⁷⁹
- Finalized updates to the Board’s rule concerning debit card transactions.⁸⁰
- Reform regulations implementing the Community Reinvestment Act (CRA), in collaboration with the FDIC and OCC.
 - Issued a joint proposal, together with the FDIC and OCC, to strengthen and modernize regulations implementing the CRA to better achieve the purposes of the law.⁸¹
 - Posted the public comment letters received in response to the interagency proposal issued on May 5, 2022, to amend regulations implementing the CRA to update how CRA activities qualify for consideration, where CRA activities are considered, and how CRA activities are evaluated.⁸²
 - Advanced upgrades to the CRA Modernization Comments application, which will utilize artificial intelligence and machine learning (AI/ML) to help integrate comment analysis with policy rule changes.

Objective 2.3: Further promote transparency, accountability, communication, diversity of perspectives, and public outreach to support the System’s supervisory responsibilities.

- Engage in regular outreach to a range of stakeholders to obtain balanced and diverse perspectives on safety and soundness, community reinvestment, and consumer protection risks to guide supervisory policy development and examination programs.
 - Released the results of the annual bank stress test, which showed that banks continue to have strong capital levels, allowing them to continue lending to households and businesses during a severe recession.⁸³
 - Invited public comment on an advance notice of proposed rulemaking to enhance regulators’ ability to resolve large banks in an orderly way should they fail.⁸⁴
 - Published three issues of *Community Banking Connections*.⁸⁵
 - The first included a message from Governor Bowman highlighting *A New Era of Banking: 12th District Community Banks Are Driving Innovation through Fintech Partnerships*.

⁷⁹ See the FRB of New York’s website at https://www.newyorkfed.org/newsevents/events/regional_outreach/2022/0929-2022.

⁸⁰ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20221003a.htm>.

⁸¹ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220505a.htm>.

⁸² See the Federal Reserve’s website at <https://www.federalreserve.gov/consumerscommunities/files/cra-npr-fr-notice-20220505.pdf> and https://www.federalreserve.gov/apps/foia/ViewComments.aspx?doc_id=R-1769.

⁸³ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220623a.htm>.

⁸⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20221014a.htm>.

⁸⁵ See <https://www.communitybankingconnections.org> and <https://www.communitybankingconnections.org/archives>.

- The second featured *The Case for the Community Banking Business Model: Lessons Learned from COVID-19*.
- The third focused on *Technology and Innovation in Community Banking: Opportunities, Challenges, and the Fed*.
- Hosted a special Ask the Regulators/Connecting Communities webinar to provide an overview of the proposed reform of CRA regulations and its objectives, and to seek feedback and comments; topics included assessment areas, qualified activities, evaluation approach, ratings, and data collection and reporting.⁸⁶
- Promoted *Putting the Community Reinvestment Act to Work in Your Community*, a discussion with community-based organizations and bankers who have successfully worked together in developing CRA-eligible project proposals through the Federal Reserve's Investment Connection program.⁸⁷
- Organized, together with the FDIC, OCC, and FRBs of Chicago and San Francisco, *Reimagine, Reinvest, Rebuild*, the 2022 National Interagency Community Reinvestment Conference to explore the role of community development in shaping our shared future, featuring CRA examination training with regulators' participation and insights plus emerging ideas and best practices in community development shared by experts from around the country.⁸⁸
- Hosted the 2022 Fair Lending Interagency webinar, an annual event that features representation by eight federal agencies discussing fair-lending topics, including redlining, appraisal bias, special purpose credit programs, and other supervision and/or enforcement-related updates from the agencies.⁸⁹
- Hosted a webinar with the federal financial regulatory agencies discussing recent updates to the Interagency Questions and Answers Regarding Flood Insurance (Q&As) released on May 11, 2022.⁹⁰
- Invited comment on an interagency proposal to update policies and procedures governing administrative proceedings for supervised financial institutions.⁹¹
- Hosted the *Data and Connectivity Symposium* to convene academics, technical experts, and industry practitioners to discuss the novel partnerships between banks and technology companies, and greater interconnectedness across the industry, exploring these developments

⁸⁶ See the FedCommunities' website at <https://fedcommunities.org/cra-reform-update-may-2022-video/>.

⁸⁷ See <https://web.cvent.com/event/999770a0-42ea-4e4b-af94-eaedcfdb0b4f/summary>.

⁸⁸ See the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220204a.htm> and conference website at <https://web.cvent.com/event/f3a7f84b-9727-42d6-a69c-ba4a85b06a3d/summary?Refld=frb-web>.

⁸⁹ See the Consumer Compliance Outlook's website at <https://www.consumercomplianceoutlook.org/Outlook-Live/2022/2022-Interagency-Fair-Lending-Webinar/>.

⁹⁰ See the Consumer Compliance Outlook's website at <https://www.consumercomplianceoutlook.org/Outlook-Live/2022/2022-Interagency-Flood-Insurance-Q-and-A-Webinar/>.

⁹¹ See the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220322a.htm>.

and their implications for the safety and soundness of banks, consumer protection, and the evolution of banking more broadly.⁹²

- Reviewed public comments on and supported revisions to a draft final report by the Basel Committee on Banking Supervision (BCBS), the Committee on Payments and Market Infrastructures (CPMI), and the International Organization of Securities Commissions (IOSCO) on the analysis of margin practices during the COVID-19 pandemic.
- Published the *Cybersecurity and Financial System Resilience Report*, which covers measures the Board has undertaken to strengthen cybersecurity within the financial services sector and with respect to the Board’s functions as a regulator, including the supervision and regulation of financial institutions and third-party service providers.⁹³
- Vice Chair for Supervision Barr testified on *Supervision and Regulation* before the Committee on Banking, Housing, and Urban Affairs, U.S. Senate, and the Committee on Financial Services, U.S. House of Representatives, Washington, D.C.⁹⁴

Objective 2.4: Further improve supervisory and regulatory activities to support financial system stability.

- Investigate new ways to identify risks to financial stability.
 - Invited public comment on proposed principles providing a high-level framework for the safe and sound management of exposures to climate-related financial risks for large banking organizations.⁹⁵
- Advance and implement analytical and supervisory tools to support financial stability.
 - Announced the imminent release of a second tool to help community financial institutions implement the Current Expected Credit Losses (CECL) accounting standard.⁹⁶
 - Issued CA Letter 22-4, a revised version of *A Guide to HMDA Reporting: Getting It Right!*, to assist financial institutions in complying with the Home Mortgage Disclosure Act (HMDA) as implemented by CFPB’s Regulation C.⁹⁷
 - Provided specialized training for approximately 60 attendees at the FRB Supervision and Regulation Quality Assurance Community of Practice meeting.
 - Launched the Cryptocurrency and Distributed Ledger Technology (Crypto/DLT) and AI/ML examiner training toolkits on the new System Fintech Supervision Program portal.

⁹² See the Federal Reserve’s website at <https://www.federalreserve.gov/conferences/data-connectivity-symposium.htm>.

⁹³ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/files/cybersecurity-report-202207.pdf>.

⁹⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/testimony/barr20221115a.htm>.

⁹⁵ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20221202b.htm>.

⁹⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20220607a.htm>. Known as the Expected Losses Estimator, or ELE, the spreadsheet-based tool utilizes a financial institution’s loan-level data and management assumptions to aid community financial institutions in calculating their CECL allowances.

⁹⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/supervisionreg/caletters/caltr2204.htm>.

- Implemented into production the Financial Market Infrastructure Network of Relationships (FNR) database after onboarding non-web scraped data and initiating a phased approach to onboard financial market infrastructure (FMI) relationship data.⁹⁸

Objective 2.5: Broaden capabilities to effectively and efficiently execute supervisory responsibilities through investment in people, technology, and data.

- Finalize the design of the common data platform (CDP) and implement it.
 - Drafted a proposed data governance approach for the CDP to support the end-to-end examination process.
 - Delivered a final engagement report to aid implementation and development of the CDP
- Develop a long-term strategy for Supervision to address the rapid evolution of the banking and finance sectors.
 - Met with the Reserve Banks and key stakeholders to discuss current state of Supervision.
- Advance common examination platform solutions.
 - Approved a strategy for the shared exam platform to support the end-to-end examination process across all supervisory portfolios, including the Large Financial Institution Regional Banking Organization, Community Banking Organization, Consumer, and Shared National Credit business lines (One Agile Supervision Solution).
 - Announced that the Federal Reserve will replace its current bank application filing system with a new and upgraded system.⁹⁹
 - Issued SR 22-9/CA 22-8 (Fed EZFile and Fed EZFile Fluent to be released for filing bank applications with the Federal Reserve) outlining the principles for financial institution examination information requests developed by FFIEC members.
 - Published the *Statement of Records Notice (SORN)* for Fed EZFile in the *Federal Register* and received no comments.¹⁰⁰
 - Received approval on the Authorization to Operate Fed EZFile.
 - Completed a review of SORN for the electronic filing system technology solution and submitted it to the Office of Management and Budget (OMB) and Congress.

⁹⁸ The FNR database allows Board staff to analyze the FMI networks and their relationships in a comprehensive and timely manner to assist the Board with making decisions during market events.

⁹⁹ See the Federal Reserve's website at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20221006a.htm>.

¹⁰⁰ See the Federal Reserve's website at <https://www.federalregister.gov/documents/2022/08/12/2022-17379/privacy-act-of-1974-system-of-records>.

Payment System and Reserve Bank Oversight

Goal 3: Foster a safe, efficient, and accessible payment and settlement system through Reserve Bank oversight.

Objective 3.1: Support payment infrastructure modernization to serve changing stakeholder needs.

Projects and Initiatives

- Conduct policy analysis of expanding operating hours for the Fedwire Funds Service and National Settlement Service in conjunction with the Reserve Banks.
 - Led several engagements with the System’s financial services customers aiming to gain industry perspectives on expanding operating hours for the Fedwire Funds Service and National Settlement Service (NSS).
 - Completed the technical analysis on expanding the operating hours for the Fedwire Funds Service and NSS.
- Support efforts to modernize the U.S. payment system and bring the benefits of instant payments broadly to communities across the country, by working collectively with the Reserve Banks to build the new FedNow Service.
 - Advanced multiple workstreams related to the development of the Federal Reserve’s new instant payment service to enable financial institutions of every size, and in every community across the U.S. to provide safe and efficient instant payment services in real time, around the clock, every day of the year.
 - Published initial pricing for core elements of the FedNow Service and, through the Reserve Banks, features of the liquidity management tool.¹⁰¹
 - Launched, through the Reserve Banks, a provider showcase to support depository institutions and others getting ready for the FedNow Service.
 - Announced updated timing for FedNow Service implementation to May–July 2023.¹⁰²
 - Began, through the Reserve Banks, the first of two phases of full-scale pilot testing with depository institutions and processors in mid-September.

¹⁰¹ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20221103a.htm>.

¹⁰² See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220829a.htm>.

- Published, through the Reserve Banks, Operating Circular 8, which will govern the FedNow Service, as well as the related *FedNow Service Operating Procedures* document.¹⁰³
- Published the final rule under Regulation J for the FedNow Service.¹⁰⁴
- Finalized clarifying and technical updates to the Board’s policy governing the provision of intraday credit to healthy deposit institutions with accounts at the Reserve Banks.¹⁰⁵
- Conduct research on, and support international efforts related to, digital innovations in payments.
 - Contributed to several deliverables under the Financial Stability Board’s cross-border payments roadmap, including guidance on the application of the Principles for Financial Market Infrastructures (PFMI) to stablecoin arrangements.
 - Sustained work and dialogue on stablecoin arrangements through participation on several workstreams on the supervision of bank-issued stablecoins, including a new multi-standard setting body working group under the Basel Committee on Banking Supervision (BCBS), the Committee on Payments and Market Infrastructures (CPMI), and the International Organization of Securities Commissions (IOSCO).
 - Published *Money and Payments: The U.S. Dollar in the Age of Digital Transformation* as a first step in fostering a broad and transparent public dialogue about the potential benefits and risks of a U.S. CBDC.¹⁰⁶
 - Advanced organizational policy research on CBDC and technological experimentation efforts.

Objective 3.2: Maintain an effective and secure U.S. currency program.

- Collaborate with the U.S. Treasury and BEP on ways to improve quality and increase efficiency in the manufacturing of Federal Reserve notes.
 - Completed analysis for and received Board Member’s approval of the annual print order for new currency from the BEP
 - The print order notably balanced the need for new currency with the BEP’s needs to conduct equipment maintenance, implement equipment and production improvements, and complete testing for the new-design \$10 note.
 - Worked with the BEP production teams to validate several production enhancements including new press equipment, processes for reclaiming good notes from imperfect sheets of notes, and improved quality metrics.

¹⁰³ See the Federal Reserve Services’ website at <https://www.frbservices.org/news/fed360/issues/100322/fednow-announcing-operating-circular-eight>.

¹⁰⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220519a.htm>.

¹⁰⁵ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20221202a.htm>.

¹⁰⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/files/money-and-payments-20220120.pdf>.

- Worked with the BEP and USSS on efforts to continue to reduce anomalies in note production.
 - Reviewed exemplar notes from the BEP’s new production processes to ensure adequate quality, including validation of the second \$100 production line which doubled the capacity to print \$100s, using a new chrome plating technology for printing plates, a new BEP ink contract, and larger sheets for the \$20.
- Led the creation of the U.S. Currency Program 2023 adversarial analysis strategy, in coordination with representatives from the BEP and USSS, which focused on identifying risks and vulnerabilities and recommendations for potential mitigations that would impact future security features and currency designs.
- Partnered with the BEP on development and testing related to the next family of U.S. banknotes, including the development of a security feature, and the completion of significant testing milestones.
- Met with the FRB of New York to discuss the Currency Education Program’s offerings materials, and upcoming outreach.¹⁰⁷
- Educate global users of U.S. currency on the designs and security features of Federal Reserve notes by leveraging a full range of the latest communication technologies and training tools.
 - Participated in the Four Nations Group meeting, which includes Canada, Mexico, Australia, and England, and Reprographic Research Centre Users meeting, sharing counterfeit resilience information with foreign central bank partners and identifying key learnings in support of U.S. Currency Program (USCP) counterfeit resilience efforts.
 - Assumed leadership of the Four Nations Education and Engagement Working Group, starting October 2022, and assisted in the preparation of the annual Four Nations Group report.
 - Collaborated with other central banks through the Four Nations Education and Engagement Working Group on several topics, such as sustainability in currency production, anti-counterfeit collaboration efforts, currency distribution patterns analysis, and effective practices related to the introduction of new banknotes.
 - Presented information for Banknote Equipment Manufacturers in a joint virtual conference with the European Central Bank to prepare for the new banknote design family.
 - Continued engagement with central bank partners on counterfeit deterrence topics of mutual interest to understand trends and gain insights applicable to U.S. currency.
 - Hosted a virtual training for the National Bank of Panama with approximately 150 in-country financial institutions.
 - Hosted a virtual training for the National Bank of Cambodia with over 85 in-country financial institutions.

¹⁰⁷ See the Currency Education’s website at <https://www.uscurrency.gov/>.

- Hosted a virtual training for the Central Reserve Bank of El Salvador, together with the USSS Field Office in Bogota, Colombia, and the FRB of Atlanta's Miami Cash Office.
- Launched a new Order Materials webpage for U.S. Currency Education Program's print publications to provide an e-commerce style experience, enable multilingual material orders and an option to download PDF materials.¹⁰⁸
- Strengthen the capacity of the Reserve Banks and financial institutions to efficiently manage the circulation and processing of Federal Reserve notes.
 - Worked with the Reserve Banks, FedCash, and BEP to schedule currency shipments to balance cash inventories and cash-processing workloads across the System.
 - Worked with the FedCash, BEP, and armored carrier currency transportation providers to optimize use of the Reserve Banks' vault inventory, note production, and currency distribution to meet the needs of commerce during residual volatility as the COVID-19 pandemic subsided.
 - Worked closely with banks to identify ways to make coin redemption easier for customers, as part of the U.S. Coin Task Force's #getcoinmoving effort.¹⁰⁹
 - Worked with the BEP and U.S. Army Corps of Engineers to ensure the successful design and construction of the new note production facility.
 - Worked with the BEP to increase production efficiency to prepare for the introduction of non-sequential note production, including reviewed testing and validation results, and finalized an internal and external communication plan for stakeholders.
 - Began work, together with the BEP, on significant updates to the Memorandum of Understanding to clarify roles, responsibilities, and expectations in support of the USCP
- Enhance counterfeit-deterrence capabilities through research, innovation, and education.
 - Conducted training for the Reserve Banks' Cash Offices providing updates and education in the counterfeit detection processes.
 - Furthered the development of a prototype machine-learning system intended to help the USCP in counterfeit detection by analyzing archives of counterfeit Federal Reserve Notes.
 - Supported the solicitation of a new contract for a vendor to supply anti-counterfeiting technology.
 - Worked with the USSS to accept delivery of a prototype machine-learning system for use in evaluating whether notes are authentic or counterfeit.
 - Planned, prepared, and delivered the first anti-counterfeit training program intended for local, state, and federal law-enforcement members.

¹⁰⁸ See the U.S. Currency Education's website at <https://www.uscurrency.gov/educational-materials/order-materials>. Each month, the Currency Education Program receives an average of 150,000 visitors their website and ships roughly 25,000 free print publications to the public.

¹⁰⁹ See <https://getcoinmoving.org/>.

- Launched the U.S. Currency Education Program on LinkedIn to provide access to education, training, and information on Federal Reserve notes.¹¹⁰
- Published the Currency Education Program’s first fully illustrated children’s book, *Carnival Thrills and Dollar Bills*, to introduce first- through third-grade students to the features of Federal Reserve notes.¹¹¹
- Launched the CashAssist app, which assists cash handlers across industries in authenticating U.S. currency, on the iOS platform.¹¹²
- Worked with the BEP and USSS to complete the annual Security Threat Assessment, which identifies threats and offers recommendations to USCP governance to improve counterfeit resistance of the current and new family of banknotes.
- Completed reporting on a collaborative counterfeit-deterrence project with central bank partners, gaining insights applicable to U.S. currency and mutually sharing information on counterfeit-deterrence topics.
- Coordinated with the Reserve Banks and provided risk analysis to the Board’s leadership related to the international distribution of currency.

Objective 3.3: Continue evolving Reserve Bank oversight approach.

- Enhance capabilities to assess Reserve Bank risk-management activities, including information sharing and accountability for fiscal stewardship.
 - Provided strategic leadership for the overall Reserve Bank oversight program, including advancing the collective thinking about various disciplines such as payments, technology, finance, and risk.
 - Supported the Financial Support Office (FSO) and Committee on Spend Stewardship (CSS) in setting expectations for budget prioritization conversations and reinforcing guiding principles.
 - Provided guidance and oversight to the Federal Reserve Financial Services (FRFS) under its new enterprise structure, including FedCash (formerly the Cash Product Office) leadership on initiatives, including strategic inventory projects to support the deployment of new banknotes and regional performance measures that manage costs of operations but also appropriately incorporate measures for system resilience.
 - Enhanced continuous monitoring efforts of cash operations through resumed site visits to the Reserve Banks’ cash vaults and discussions with District cash leaders with a focus on operational resiliency.

¹¹⁰ See the U.S. Currency Education Program’s LinkedIn website at <https://www.linkedin.com/showcase/u.s.-currency-education-program/>.

¹¹¹ See the U.S. Currency Education Program’s website at <https://www.uscurrency.gov/educational-materials/classrooms/carnival-thrills-and-dollar-bills>.

¹¹² See the U.S. Currency Education Program’s website at <https://www.uscurrency.gov/educational-materials/cash-assist-app>.

- Published guidelines in the *Federal Register* to be used by the Reserve Banks in evaluating requests for master accounts and/or access to Federal Reserve financial services.
- Planned and started a horizontal review of enterprise risk management activities undertaken within the Reserve Banks and national business lines.

Objective 3.4: Advance diversity in System leadership.

- Support System initiatives related to expanding and diversifying candidate pools for future System leadership positions.
 - Participated in the Reserve Bank leadership discussions focused on talent development, talent sharing, and succession planning frameworks. The Reserve Banks implemented the System leadership’s Advancing Diversity, Equity, and Inclusion Together initiative, including a mentoring program focused on developing leaders as well as various talent acquisition and retention efforts.
 - Built on progress to increase diversity of perspective among Reserve Bank and Branch directors.
 - Overall diversity of Class C directors, in terms of race, ethnicity, and/or gender, increased 25 percentage points between 2018 and 2022; representation among Hispanic Class C directors increased 14 percentage points and representation among African American Class C directors increased 11 percentage points during the same time.

Objective 3.5: Broaden capabilities to effectively and efficiently execute oversight responsibilities for payment systems and Reserve Banks through investment in people, technology, and data.

- Strengthen hiring, development, alignment, and retention of diverse talent in support of long-term workforce development and growth.
 - Continued engagement with the Office of the Chief Payments Executive and the FRFS Leadership Team on the early stages of restructuring the FRFS organization, holding discussions on policies, risks, workforce planning, and budgets.
- Provide oversight of Reserve Bank implementations of enterprise-wide systems and continue to develop agile oversight approaches, including leveraging data analytics.
 - Developed and implemented risk-based oversight frameworks on significant Reserve Bank initiatives and activities, including emergency credit facilities, FRFS evolution, FedNow Service, NextGen, and Orion programs.
 - Planned and started a horizontal review of enterprise risk-management activities undertaken within the Reserve Banks and national business lines.
 - Provided guidance regarding major Reserve Bank capital projects and ensured associated risks were addressed.

Public Engagement and Community Development

Goal 4: Promote broader, ongoing engagement with external individuals and groups and improved understanding of the Board's mission through outreach and public engagement.

Objective 4.1: Develop strategies to identify and engage audiences with a balanced and broad range of diverse perspectives.

Projects and Initiatives

- Increase public outreach and engagement on the Federal Reserve's mission and responsibilities, including interaction with community groups, and speaking more plainly and clearly with all audiences.
 - Hosted, together with the FRB of New York, a public event highlighting a framework for advancing shared economic prosperity in rural communities.¹¹³
 - Convened two meetings of the Community Advisory Council (CAC) to gain diverse perspectives on the economic circumstances and financial services needs of consumers and communities, with a particular focus on the concerns of low- and moderate-income populations and initiatives implemented to improve economic conditions.¹¹⁴
 - Facilitated communications between Board leaders and stakeholders on topics of current interest through meetings with groups and advisory councils, including the Community Depository Institutions Advisory Council (CDIAC), Federal Advisory Council (FAC), Treasury Borrowing Advisory Committee (TBAC), American Bankers Association's Economic Advisory Committee (ABA/EAC), Conference of State Banker Supervisors, National Association of Home Builders (NAHB), and Leading Builders of America (LBA).
- Maximize opportunities to share broad and diverse perspectives among stakeholders and increase understanding of a wide range of community needs.
 - Co-hosted a webinar with the FDIC and OCC to provide staff with an overview of the May 5 Notice of Proposed Rulemaking to strengthen and modernize CRA Regulations.¹¹⁵
 - Hosted the Fourth Annual Consumer Risk workshop, "Unlocking Innovation in the Digital Age."

¹¹³ See the FRB of New York's website at https://www.newyorkfed.org/newsevents/events/regional_outreach/2022/0524-2022.

¹¹⁴ See the Federal Reserve's website at <https://www.federalreserve.gov/aboutthefed/cac.htm>.

¹¹⁵ See the Federal Reserve's website at <https://fedcommunities.org/cra-reform-update-may-2022-video/>.

- Announced the designation of the Chairs and Deputy Chairs of the 12 Reserve Banks for 2022; each Reserve Bank has a nine-member board of directors, of which three members are appointed by the Board. The Board also designates one of its appointees as Chair and one as Deputy Chair.¹¹⁶
- Announced the 2022 members of the CDIAC.¹¹⁷
- Accepted applications for nominations to serve on the Board’s CAC, resulting in the selection of new members that represent a diverse group of experts and representatives of consumer and community development interests to advise the Board on issues affecting consumer and communities.¹¹⁸
- Implemented format and content changes to the Board’s orientation program for new Reserve Bank and Branch Directors, such as increasing opportunities for participants to exchange diverse thoughts and perspectives with Governors and other senior Board and Reserve Bank leaders, in order to provide participants with a comprehensive introduction to the Federal Reserve System.
- Adapted and expanded the Conference of Chairs meeting format to maximize participation among Reserve Bank Chairs and Deputy Chairs, Governors, and other senior Board and Reserve Bank leaders, in order to exchange diverse perspectives on a variety of topics, including current economic conditions.
- Engage with community and consumer groups, financial institutions, and policy and research organizations to ensure inclusion of balanced, diverse, and differing perspectives on community needs and consumer risks, particularly for LMI households and communities.
 - Published the fourth episode of the five-part podcast series *Future of Investing in Rural Prosperity*, produced in collaboration with the FRB of St. Louis, which convened experts on achieving rural prosperity in the United States to discuss efforts in advancing rural prosperity and community growth.¹¹⁹
 - Hosted the “Entrepreneurship as Rural Development: Investing in a Vibrant Local Economy” event, featuring experts sharing insights into their work, including the most pressing challenges and opportunities facing rural entrepreneurs and the organizations that assist them.¹²⁰
 - Participated, together with the Reserve Banks, in the third “Investing in Rural America” conference, where national experts and local leaders discussed topics such as locally driven eco-

¹¹⁶ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220105a.htm>.

¹¹⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220128a.htm>.

¹¹⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220411a.htm>.

¹¹⁹ See <https://ruralmatters.libsyn.com/advancing-rural-and-native-prosperity-part-iv-of-rural-prosperity-series-with-oweestas-chrystel-cornelius-northwest-area-foundations-nikki-foster-nimiipuu-community-development-funds-jonelle-yearout-and-nez-perce-tourisms-stacia-morfin>.

¹²⁰ See the FedCommunities’ website at <https://fedcommunities.org/event/entrepreneurship-rural-development-investing-vibrant-local-economy/>.

conomic development, rural development hubs, early care and education, workforce housing, and demographic changes in rural America.¹²¹

Objective 4.2: Expand communication and outreach efforts to increase transparency and understanding of the Federal Reserve’s mission and activities and better inform decisions.

- Facilitate communications with the public, the media, and Congress to ensure timely and accurate dissemination of information through direct engagement and to all audiences through official Board communications platforms.
 - Published FOMC statements, the Chair’s opening statements, videos of the press conferences, and related minutes for the 2022 FOMC Meetings, which include discussion of economic and financial developments, views of policymakers, and monetary policy decisions.¹²²
 - Coordinated briefings, meetings, and calls between the Board members and members of Congress on topics of interest to congressional offices.
 - Responded to numerous congressional and media inquiries on a wide range of topics, including inquiries related to the Federal Reserve’s mission, operational activities and responsibilities, and trending topics related to the economy, among many others.
 - Published the Board’s *2021 Annual Performance Report* and *2022 Annual Performance Plan*.¹²³
 - Published several reports to Congress, including the *Report to Congress on the Office of Minority and Women Inclusion*, which reviewed the Federal Reserve’s actions and challenges in equal employment, inclusion of minority- and women-owned businesses, financial literacy, and diversity policies of regulated entities.¹²⁴
 - Posted 503 documents to the Board’s public website (FederalReserve.gov), including 166 press releases, 46 speeches, and six testimonies.
 - Posted 38 new videos to the Board’s YouTube channel, which has over 187,457 subscribers as of the fourth quarter of 2022.¹²⁵
 - Posted 52 regulatory proposals concerning the Dodd-Frank Act, the Board’s regulations codified and not codified in the Code of Federal Regulations, and the reporting of information under authority delegated to the Board by the OMB.

¹²¹ See the FedCommunities’ website at <https://fedcommunities.org/event/investing-rural-america-2022-conference/>.

¹²² See the Federal Reserve’s website at <https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm>.

¹²³ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/2022-annual-performance-report.htm> and <https://www.federalreserve.gov/publications/files/2022-gpra-performance-plan.pdf>.

¹²⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/March-2022-Report-to-the-Congress-on-the-Office-of-Minority-and-Women-Inclusion.htm>.

¹²⁵ See the Board’s YouTube channel at <https://www.youtube.com/user/FedReserveBoard>.

– Table 1 captures the communication with the public during 2022.

Table 1. Communication with the public, as of December 31, 2022		
Type of media	Announcements	Followers
Federal Reserve Board Facebook account	584	38,000
Federal Reserve Board LinkedIn network	708	105,923
Federal Reserve Board Twitter account	1,060	1,030,000
Fed Careers Twitter account	897	10,200
Press releases on the public website	166	n/a
Letters from public [physical/paper]	38	n/a
Emails from public	14,426	n/a
Public Freedom of Information Act (FOIA) requests	714	n/a
Case work inquiries received from members of Congress	37	n/a
Questions-for-the record (QFRs) received from congressional oversight committees	242	n/a
Responses to QFRs from congressional oversight committees	313*	n/a
Letters received from members of Congress	48	n/a
Responses to letters submitted to members of Congress	433**	n/a
Comments from members of the public related to the proposals on the Board's public website	>820	n/a
* Includes responses pending from 2021 QFRs. ** Includes responses pending from 2021 and takes into account multiple signatories. n/a Not applicable.		

- Enhance collaboration to broaden audiences and their awareness of consumer protection and community development issues.
 - Co-led a virtual event, together with housing finance experts from the Urban Institute, FDIC, and OCC on recent proposed updates to CRA regulations that would set into motion modernization of a key policy tool that encourages broader access to banking services, the future of the CRA, and new Urban Institute research.¹²⁶
 - Shared recent work from the Board and Reserve Banks on consumer protection and community economic development issues in an e-marketing message to a database of approximately 14,000.
- Enhance public access to information through effective records management practices and in compliance with the Freedom of Information Act (FOIA).
 - Enhanced the Federal Reserve Integrated Records Management Architecture (FIRMA), the Board's electronic recordkeeping system, to capture, preserve, and enable accessibility to merger and acquisition records from the new system.
 - Uploaded over 891,700 documents, including 3,150 documents pertaining to the establishment and oversight of lending facilities under Section 13(3) of the Federal Reserve

¹²⁶ See the Urban Institute's website at <https://www.urban.org/events/modernizing-community-reinvestment-act-ensuring-banks-meet-credit-needs-their-communities>.

Act, into FIRMA through automated interfaces with systems and by manual upload, making them accessible for FOIA and other reference requests.

- Promoted records management practices in accordance with regulatory mandate 36 CFR 1220.34.
 - Issued recordkeeping policies and guidance for Board and Reserve Bank supervisory and regulatory records generated or stored in newly adopted technologies.
 - Issued mandatory records management training and conducted outreach activities for Records and Information Month, such as the Board’s “Ask an Archivist” event.
 - Identified essential records and uploaded them into FIRMA from decommissioned websites’ housing records not eligible for destruction.
- Decommissioned over 16,800 Board and Reserve Bank legacy websites, systems, and records, in accordance with the mandate to promote the economical and efficient management of records, 44 U.S.C. 3102.
- Submitted three reports to the National Archives and Records Administration, which evaluate the Board’s Records Management Program (RMP) for the previous year.
 - The Board’s RMP scored 97 out of 100 on the Records Management Self-Assessment (RMSA) and a combined score of 3.875 out of 4.0, which demonstrates that the Board has a strong records management program and a low risk of improperly managing electronic records and email.
- Investigate ways to expand outreach and broaden understanding of the Ombuds function to increase transparency of the Federal Reserve’s regulatory and supervisory actions. Develop a pilot post-exam survey for supervised institutions to provide feedback on their exam experience.¹²⁷
 - Resolved a material supervision determination appeal filed by a supervised institution informally, resulting in the institution withdrawing the appeal.¹²⁸
 - Issued AD 22-1/CA Admin 22-1, *Internal Procedures for Claims of Retaliation*, which provides guidance Federal Reserve System staff should follow in conjunction with claims of retaliation against supervised persons.

Objective 4.3: Continue adapting and improving information management processes and communication vehicles.

- Assess future needs for the Board’s public website and social media platforms to expand and improve the content strategy and usability to better inform the public.

¹²⁷ See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/ombpolicy.htm>.

¹²⁸ See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/ombuds-msd-appeal-final-decision-letters.htm>.

- Ensured publications and other published content meet federally mandated Section 508 requirements, including new alternative text requirements across the Board’s social media channels.
- Completed usability improvements to the public website, which included updating the header/footer and upgrading the font to the industry standard of 16 point for improved readability.
- Updated the Board History website to include information for 2021.¹²⁹
- Developed an immersive HTML version of *The Fed Explained* to help public audiences understand the Federal Reserve’s mission, objectives, and functions.¹³⁰
- Implemented an overhaul of branding, design, and usability standards for official Board publications to improve understanding of the Federal Reserve’s function, actions, and policies, in alignment with its statutory mandates, mission, and objectives.
- Maintained the photographic library for utilization in or on content platforms (e.g., publications, social media, the Board’s website) to assist understanding of Board objectives, functions, initiatives, and policy actions.
- Implemented a Content Management System to streamline posting regulatory proposals published in the *Federal Register* on the Board’s public website.
- Assess information management practices and resources to modernize technology, such as adoption of cloud solutions, in support of effective and efficient communication and the Board’s decisionmaking.
 - Deployed several enhancements to the Board members’ voting platform, upgrading functionality infrastructure and expanding business process capabilities.
 - Worked on the planned release of a new database for the weekly H.2 report *Actions of the Board, Its Staff, and the Federal Reserve Banks*, which will reduce manual processes and enable more efficient production.¹³¹

Objective 4.4: Promote understanding of community development and consumer risks.

- Collect data, conduct analysis, and disseminate information on consumer financial protection, community development, and the economic conditions of LMI and traditionally underserved populations.
 - Issued the *Economic Well-Being of U.S. Households in 2021* report, which leverages survey data from 11,000 participants in the ninth annual SHED.¹³²

¹²⁹ See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/centennial/about.htm>.

¹³⁰ See the Federal Reserve’s website at <https://www.federalreserve.gov/aboutthefed/the-fed-explained.htm>.

¹³¹ See the Federal Reserve’s website at <https://www.federalreserve.gov/releases/h2/>.

¹³² See the Federal Reserve’s website at <https://www.federalreserve.gov/newsevents/pressreleases/other20220523a.htm>, <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>, and https://www.federalreserve.gov/consumerscommunities/shed_data.htm.

- In addition to the report, findings were summarized in interactive charts and members of the Board's CAC shared their perspectives in a video interview.¹³³
- Co-sponsored, with the Reserve Banks, the 2022 Federal Reserve Community Development Research Seminar Series, *Toward an Inclusive Recovery*, a three-part seminar presenting research illuminating how household balance sheets and wealth gaps have evolved since the beginning of the pandemic.

¹³³ See the Federal Reserve's website at https://www.federalreserve.gov/consumerscommunities/shed_data.htm and <https://www.federalreserve.gov/consumerscommunities/shed.htm>.

Mission Enablement

Goal 5: Optimize operations and capabilities through efficient, effective, and sustainable stewardship and governance of resources.

Objective 5.1: Attract, develop, and retain diverse talent with varied experiences and perspectives to ensure the Board is able to meet workforce needs in a rapidly changing environment.

Projects and Initiatives

- Foster employee engagement and an inclusive culture, including through the development of strategic initiatives based on human capital industry best practices.
 - Announced the 2022 Boardwide employee engagement priorities and established three Boardwide areas of focus: Clear expectations, Respect, and Transparent and consistent promotion processes.
 - Invited employees to participate in the Accessibility Innovation Challenge, a program hosted by the System's Innovation Office that is designed to crowdsource new ways to make the Federal Reserve a more accessible place for all.
 - Launched a five-part weekly webinar series to highlight Mental Health Awareness month.
 - Issued an internal newsletter focused on diversity, equity, empathy, and belonging in the workplace.
 - Updated employee policy on vaccination and testing requirements to align with revised Centers for Disease Control guidelines.
- Strategically source highly qualified, diverse talent using market information, data analytics, targeted outreach, and leading recruiting practices.
 - Hosted 89 summer interns and three summer law clerks, which represented the Board's second consecutive year in which members of underrepresented groups and women comprised the majority of the intern class.
 - Held summer intern program orientation and four pre-internship sessions designed to acclimate incoming interns with the Board and foster networking with peers.
 - Summer interns presented project outcomes and summaries of their experience at the Board.
 - Onboarded 11 graduate dissertation fellows and 15 year-round interns.

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- Conducted campus recruiting informational sessions and engagement at 395 colleges and universities.
 - Participated in the National Association of Colleges and Employers Historically Black Colleges and Universities' (HBCU) Summit VIP Roundtable Discussions with HBCU career services and the Hispanic Serving Institutions (HSI) Career Collaborative webinar and Career Fair, Connecting with HSI Alumni and *Meeting Us Where We Are*.
 - Hosted students from 250 schools, including 8 HBCUs and 45 HSIs for virtual information sessions.
 - Participated in 20 individual on-campus and virtual events, including with seven HBCUs and six HSIs.
 - Participated in the Careers and the disABLED Virtual Career Fair, which brought industry and government together with people with disabilities in all career disciplines.
 - Held on-site interviews at the Prospanica Career Fair.
 - Participated in the Women in Technology Career Fair.
 - Participated in the following events with candidates from multiple schools and/or professional organizations: Sadie Collective Conference, Graduate Career Consortium Virtual Career Fair, Big 12 Virtual Career Fair, and SEC & ACC Virtual Career Fair.
 - Engaged a leading third-party recruitment firm, with a focus on placing people with disabilities in temp-to-hire and direct placement roles.
 - Launched the Ambassador-in-Residence Program, in conjunction with the HBCU and HSI career services center, at Bowie State, CUNY Hunter College, and University of Houston, providing resources on a bi- or tri-weekly basis for mentoring, resume reviewing, mock interviewing, and career counseling.
 - Launched the System Talent Acquisition Recruiters community of practice to coordinate events and network across the Reserve Banks, while also providing recruiters the opportunity to recommend candidates and share best practices.
 - Finalized the procurement process for platform licenses to permit the Board to reach students across the country regarding events, job postings, and other information regarding recruitment opportunities.
 - Develop and facilitate an education strategy to ensure maximum understanding and use of the human resource services for the Board's workforce.
 - Conducted internal education sessions to maximize employee understanding of the organization's available human resource services.
 - Announced an employee benefit partnership with a well-being and mindfulness application that allows employees to customize guided audio and video exercises, courses, and music.
 - Implemented a new employee academic assistance platform.

- Provide targeted learning and development opportunities to cultivate current and future leaders to ensure readiness for leadership roles.
 - Held internal training and education opportunities for employees, such as *Conveying Your Best Self*, *Myth-Busting Generational Differences*, *Effectively Hiring Top Talent without Bias*, *Leading at the Board*, and redesigned the *Civil Treatment* training for management.
- Conduct comprehensive workforce planning reviews throughout the organization to assess current human capital and to guide future workforce requirements.
 - Furthered workforce planning workstreams, including analyzing data, developing communications and FAQs, and finalizing milestones for specific division projects.

Objective 5.2: Optimize the Board’s workspace strategy and use of resources by leveraging opportunities to increase collaboration, efficiency, and productivity.

- Implement the long-term space strategy ensuring appropriate stewardship of resources.
 - Officially reopened the renovated William McChesney Martin Building and updated the building’s evacuation plan.
 - Completed design for the related North Garage project and received approval from the National Capital Planning Commission.
 - Met milestones related to the Eccles Building renovation project.

Objective 5.3: Enhance organizational efficiencies and capabilities to provide automation solutions that respond to stakeholder needs.

- Further the adoption of cloud services and innovative technologies, such as AI/ML, to advance business capabilities.
 - Updated the Board’s cloud strategy, in collaboration with cross-divisional partners and a trusted advisor, which highlights critical areas of focus to help drive cloud adoption in the organization.
 - Progressed development activities for the *Board Statistics Portfolio Modernization* initiative to streamline the IT Statistics business processes by automating processes and replacing existing legacy systems with cloud-ready capabilities.
 - Initiated the *Innovation Launchpad*, in collaboration with IT partners across the System, which allows data users to safely experiment in a self-service, shared, real-time cloud, positioning the Board to accelerate business outcomes delivery through new technology adoption and cross-System collaboration and knowledge sharing.
 - Supported the *CRA Modernization Comments* initiative by implementing AI/ML to integrate comment analysis with policy rule changes.
 - Modernized key systems, in coordination with partners throughout the Board and the System, that facilitate efficient and effective Board member decisionmaking and capturing of Board

decisions, including the delivery of the weekly H.2 report of *Actions of the Board, its Staff, and the Federal Reserve Banks*.¹³⁴

- Create a modern digital workspace that makes it easier to securely create, share, preserve, and find information and enables staff to work from any location or Board device with a consistent user experience.
 - Implemented enhanced electronic collaboration solutions which provide a consistent user experience for all employees in a hybrid (remote and on-site) model.
 - Launched an internal live video-streaming service that gives employees access to live internal Board content.
 - Completed the implementation of a video conferencing solution that enhances communications.
- Enhance cybersecurity and privacy programs for cloud services; cyber risk-management governance; identity, credential, and access management; and continuous monitoring to meet federal cybersecurity mandates related to zero trust architecture, multifactor authentication, encryption, and supply-chain risk management.
 - Partnered with the System’s Office of the Chief Information Security Officer to implement consistent security and privacy controls for Federal Information Systems and Organizations, as required by the National Institute of Standards and Technology Special Publication (SP) 800-53, Revision 5.
 - Submitted the Board’s high-level Zero Trust Strategy per the OMB mandate.
 - Developed initial architecture and proof-of-concept plans for the Zero Trust Network Access and Segmentation architecture.
 - Progressed Login.gov service pilot on two Board-managed applications.
- Continue to oversee and guide the implementation of the transformational technology solutions, modernizing the human capital and financial management platforms and other administrative functions resulting in an improved employee experience, adoption of industry-leading best practices, empowerment of all users, and support of an enhanced culture of collaboration.
 - Achieved milestones and progressed work toward the modernization and transformation of the Board’s human capital, administrative, and financial management platforms, called NextGEN.
 - Completed upgrades to the Board’s collaboration platform, which features an enhanced user interface with modern library pages.
 - Launched the Employee Service Center, a streamlined platform to manage and facilitate employee requests for technological and human resources-related topics.
- In support of IT product and service delivery in alignment with the Board Technology Strategy, establish the consistent use of an Agile-based system delivery model on behalf of the enter-

¹³⁴ See the Federal Reserve’s website at <https://www.federalreserve.gov/releases/h2/default.htm>.

prise by updating and/or clarifying roles, responsibilities, and business processes for business and IT stakeholders.

- Consolidated internal technical governance under the newly created Technology Oversight Committee under the auspices of the Chief Operating Officer to accelerate the pace of technology transformation at the Board.
- Created the Executive Value Management Office and the Lean Agile Center of Excellence to ensure the consistent use of an Agile-based system delivery model across divisions.
 - Completed the first iteration of the Agile Delivery Model.
 - Completed Development Operations and Agile team maturity assessments within the IT division.
 - Developed Agile training and coaching frameworks for enterprise Agile adoption.
- Develop an electronic database to store ethics disclosures, which will create efficiency by reducing reliance on paper records.
 - Implemented the Transaction Pre-Clearance System, which supports the new trading rules for senior FOMC members throughout the System.
 - Completed development of the initial phase of the Board's Ethics Portal, which includes application security, role management, support system, and the automation of the Financial Interest Statement and Bank Stock Waiver forms.

Objective 5.4: Accelerate the ability to obtain, integrate, analyze, and share data and information throughout the organization.

- Finalize and implement Board Data Strategy to improve the Board's decision quality and responsiveness to our stakeholders through enhanced data capabilities in discovery, access, and use of data.
 - Finalized the Board Data Strategy and kicked off implementation efforts on six of the nine action plans.
 - Developed a multiyear Metadata Action Plan, including the vision, goals, objectives, guiding principles, and three- to five-year roadmap and success measures.
 - Kicked off phase one implementation of an enterprise data inventory solution.
 - Achieved milestones and progressed workstreams under a multiyear Data Download Program modernization effort to improve the public's experience accessing the Board's published data.
 - Designed a new back-end system and data model; completed design of the internal application program interface to support publishing.
 - Developed a public engagement plan, including the development of a survey of public data users.

- Completed in-depth surveys and focus group discussions to implement the public engagement plan.
- Achieved milestones and progressed workstreams under the Integrated Research & Analytical Program to establish a cloud-based data and analytical hub.
 - Updated the program approach to cover cloud infrastructure, architecture, security (inclusive of zero-trust model), data, analytics, and user engagement.
 - Developed secure, reusable patterns that can be used for future cloud data ingestion and management needs.
- Establish the Board’s data-management life-cycle framework, adhering to data-management principles, to meet business needs and legal and regulatory requirements.
 - Established a Data Governance workgroup to develop an enterprise data governance program to improve the Board’s data management through its lifecycle.
 - Achieved milestones and progressed to meet the requirements of the Open Government Data Act.
 - Published the first volume of the *Information Resources Management Strategic Plan*, which incorporates the Board’s Open Data Plan.¹³⁵
 - Appointed the Board’s Open Data Point of Contact.
 - Prepared an initial set of collected and created data assets for inclusion in the Federal Data Catalogue as part of the comprehensive data inventory initiative.
 - Submitted the *Chief Data Officer Annual Report* to Congress.
- Increase business line efficiency and agility by leveraging innovative data and analytics approaches, data skills, and technology.
 - Conducted study on unstructured data usage and made recommendations to the Board Data Council to improve the Board’s management and use of this type of data.
 - Set up a workgroup to better leverage data visualization to analyze data and delivery analytical results.
 - Conducted the *7th Annual Board Data Showcase* event with a theme on data visualization and subsequently established a Data Visualization workgroup.
 - Began preparations to build a database and web interface of the Federal Reserve Advanced National Corporate Information Service (FRANCIS) project in collaboration with the FRBs of Boston, Chicago, Cleveland, and New York.¹³⁶

¹³⁵ See the Federal Reserve’s website at <https://www.federalreserve.gov/publications/information-resources-management-strategic-plan.htm>.

¹³⁶ FRANCIS launched in 2020 with the goal of creating a master legal entity database that will serve as the Systemwide backbone for corporate structure and entity identifier cross reference services for public and private companies globally. Phase 2 of this effort, Microdata Analysis, was completed in October 2021.

- Acquire climate-related data and make it available to Board and Reserve Bank staff to support policymakers' understanding of the micro- and macroprudential risks associated with climate change, as well as the effects of climate developments on economic activity, financial conditions, and monetary policy.
 - Acquired and onboarded Environment Social and Governance datasets.

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