



# STRATEGIC PLAN

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FISCAL YEARS 2021 - 2024

## Mission

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

## Vision

FHFA is a world-class independent regulatory Agency that ensures a competitive, liquid, efficient, and resilient (CLEAR) housing finance market.

## Values

FHFA's culture is built on a foundation of promoting diversity and inclusion in our internal practices and those of our regulated entities. As such, we expect all FHFA employees to emulate the following values:

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



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# DIRECTOR'S MESSAGE



Fannie Mae, Freddie Mac, and the FHLBanks are privately held companies established by Congress to serve as a reliable source of liquidity to the housing finance system, especially during periods of financial stress. Congress created FHFA as an independent agency and prudential financial regulator to ensure the regulated entities operate in a safe and sound manner in order to achieve their core purposes. FHFA's new mission and vision set forth in this Strategic Plan focus the Agency and, through its supervision, the regulated entities on fulfilling these statutory responsibilities. Guiding FHFA's mission and vision are the Agency's values. In preparing this Strategic Plan, FHFA conducted an Agency-wide survey to ensure that employees' priorities are accurately reflected in the Agency's updated values. Based on an extensive employee-driven review process and the results of the survey, FHFA's updated values are Fairness, Accountability, Integrity, and Respect. Foundational to these values is the commitment of the Agency and all its employees to Diversity and Inclusion.

To realize FHFA's vision, accomplish our mission, and honor our values, this Strategic Plan establishes three strategic goals for the Agency and identifies the steps for reaching them:

1. Ensure safe and sound regulated entities through world-class supervision;
2. Foster competitive, liquid, efficient, and resilient (CLEAR) national housing finance markets; and
3. Position the Agency as a model of operational excellence by strengthening the workforce and infrastructure.

This new Strategic Plan for FHFA builds on two key documents released in October 2019: *The 2019 Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac* and the *2020 Scorecard for Fannie Mae, Freddie Mac, and Common Securitization Solutions*. In the 2019 Strategic Plan for the Enterprises, FHFA directs Fannie Mae and Freddie Mac to prepare for the responsible end of the conservatorships. Likewise, FHFA must take steps to prepare for its post-conservatorship role as a world-class regulator. This new Strategic Plan outlines the critical milestones that will guide FHFA's efforts to ensure that its supervision and regulation of the Enterprises is strong and well-executed once outside the framework of conservatorship (Objective 1.3). In the 2020 Scorecard, FHFA instructs the Enterprises to support strategies that foster a competitive secondary mortgage market in which the rules and regulations apply equally to all participants. Recognizing FHFA's role in this effort, this new Strategic Plan outlines the Agency's strategy for instituting reforms at the Enterprises that serve to foster CLEAR national housing finance markets (Objective 2.1). This Strategic Plan also identifies how FHFA will continue to ensure the safety and soundness of the Federal Home Loan Bank System (Objective 1.1). FHFA's three strategic goals are well aligned with the reform plans released in September 2019 by the Departments of the Treasury and Housing and Urban Development. Together, they aim to ensure a resilient housing finance system that protects both taxpayers and access to mortgage credit across the economic cycle.

FHFA has already taken important steps to achieve the goals outlined in this Strategic Plan. In January 2020, as part of an organizational realignment, FHFA created the Office of Equal Opportunity and Fairness to house the Agency's equal employment opportunity, anti-harassment, and alternative dispute resolution functions. This office will serve a critical role in achieving Strategic Goal 3, which calls for cultivating a high-performing, diverse, accountable, and engaged workforce. In January, FHFA also created the Division of Research and Statistics to build on the Agency's economic research and data analytics functions and concentrated its accounting expertise in a stand-alone Division of Accounting and Financial Standards. These new divisions will be essential to achieving Strategic Goal 2, which aims for FHFA to be a leader in providing the public with information and analysis on the state of housing finance markets.

This Strategic Plan also identifies the challenges and risks that could hinder FHFA's ability to achieve its strategic goals, including the economic disruption and financial stress caused by COVID-19. I am proud of what FHFA has done, working with the regulated entities, to respond to the pandemic. Starting even before the national emergency declaration, FHFA had begun taking actions to support borrowers and renters and ensure the proper functioning of the mortgage market. However, the pandemic's full impact remains uncertain. The ongoing COVID-19 crisis not only presents potential obstacles to FHFA, it also reinforces the urgent need for the Agency to dedicate itself to the goals within this new Strategic Plan. The regulated entities exist to serve the American housing finance market, particularly during periods of financial stress when low- and moderate-income households are hurt most. Ensuring that the regulated entities operate in a safe and sound manner, including the maintenance of adequate capital, is critical to enabling them to continue fulfilling their statutory mission during economic downturns.

FHFA's swift and effective response to COVID-19 is a testament to the Agency's dedicated and hardworking employees. They are FHFA's greatest asset. Going forward, their commitment to FHFA's important mission will be vital to achieving the goals within this Strategic Plan, fulfilling our statutory responsibilities, and creating a resilient housing finance system that protects taxpayers while supporting sustainable homeownership and affordable housing across the economic cycle.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Calabria". The signature is fluid and cursive, written in a professional style.

Mark A. Calabria  
Director, Federal Housing Finance Agency  
September 16, 2020

# ABOUT THE FEDERAL HOUSING FINANCE AGENCY

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

## Regulator

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The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) as amended by HERA, assigns to FHFA regulatory oversight of the FHLBank System, Fannie Mae and Freddie Mac.<sup>2</sup> The statute vests FHFA with the authorities, similar to those of other prudential financial regulators, to maintain the financial health of the regulated entities. FHFA is responsible for supervising the business and operations of the regulated entities to ensure that they are safe and sound and aligned with the missions set forth in their authorizing statutes. FHFA exercises these regulatory and supervisory authorities by issuing rules, policy guidance documents, and regulatory orders.

The Safety and Soundness Act requires FHFA to fulfill “two principal duties”:

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

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

<sup>2</sup> 12 U.S.C. § 4513.

<sup>3</sup> 12 U.S.C. § 4513(a)(1).

## Conservator

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

(D) ...take such action as may be—

- i. necessary to put the regulated entity in a sound and solvent condition; and
- ii. appropriate to carry on the business of the regulated entity and preserve and conserve the assets and property of the regulated entity.<sup>4</sup>

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

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

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<sup>4</sup> 12 U.S.C. § 4617(b)(2)(D).

<sup>5</sup> 12 U.S.C. § 5220(b)(1).

# STRATEGIC GOAL 1: ENSURE SAFE AND SOUND REGULATED ENTITIES THROUGH WORLD-CLASS SUPERVISION

As regulator of the Enterprises and the FHLBank System, FHFA has a statutory duty to ensure safe and sound operations at the regulated entities, which the Agency promotes through its supervisory programs. FHFA will work to strengthen its supervision programs to build world-class capabilities. The Agency will develop and maintain highly skilled examiners and modernize its supervision practices, processes, and tools. FHFA uses a risk-based approach to conduct supervisory examinations, which prioritizes examination activities based on the risk a given practice poses to a regulated entity's safe and sound operation or its compliance with applicable laws and regulations. FHFA will assess the safe and sound operations of the regulated entities through annual examinations, targeted examinations, ongoing monitoring, and off-site reviews, as appropriate.

FHFA uses a uniform examination rating system to assign ratings for the Enterprises and FHLBanks. FHFA assigns ratings for each regulated entity on an annual basis, as follows:

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

FHFA envisions that the current housing finance system will gradually evolve into one with increased private capital and a robust, fair playing field that fosters greater competition. As highlighted in the *2019 Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac*, FHFA is bound by its statutory requirement to end the conservatorships responsibly. While the conservatorships last, FHFA's authorities as conservator supplement its regulatory powers to help ensure the Enterprises operate appropriately until the milestones necessary for exit are achieved.

## **Objective 1.1:** Ensure the safety and soundness of the regulated entities through risk-focused supervision

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### **Means & Strategies to achieve the objective include:**

1. Conduct risk-focused supervision and examinations and assess compliance with laws, regulations, and financial standards
2. Require the regulated entities to address all adverse examination findings in a timely manner
3. Develop and administer stress and other supervisory tests, as appropriate
4. Proactively identify emerging risks and risk management practices and provide effective guidance to examiners and the regulated entities

## Objective 1.2: Develop and maintain a world-class supervision program

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### Means & Strategies to achieve the objective include:

1. Advance supervision practices, processes, systems, and tools to improve the efficiency and efficacy of the supervision programs and integrate the results of annual examinations, targeted examinations, ongoing monitoring, and off-site reviews as part of holistic oversight of the regulated entities
2. Enhance data/modeling capabilities to independently monitor performance of the regulated entities and the markets in which they operate
3. Maintain quality supervision over the regulated entities through the continuous training and development of examination staff
4. Strengthen relationships with other financial institution regulators, financial standard-setters, and industry stakeholders to share best practices and leverage knowledge of emerging issues affecting the regulated entities
5. Produce examination and other supervisory reports that clearly identify supervisory concerns

## Objective 1.3: Responsibly end the conservatorships of the Enterprises

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### Means & Strategies to achieve the objective include:

1. Develop a clear, responsible roadmap to end the conservatorships that ensures the Enterprises have adequate capital, a low-risk, resilient operating environment, and a strong and resilient risk management framework sufficient to enable them to fulfill their missions in a range of post-conservatorship scenarios
2. Develop a resolution framework for the Enterprises and FHFA's other regulated entities
3. Develop a post-conservatorship strategy/framework for CSS
4. Provide FHFA stakeholders with accounting and auditing expertise and analyses of capital, corporate, financial, and regulatory matters for post-conservatorship scenarios
5. Ensure post-conservatorship continuing review of Enterprise Internal Control over Financial Reporting and public financial reports

# STRATEGIC GOAL 2: FOSTER COMPETITIVE, LIQUID, EFFICIENT, AND RESILIENT (CLEAR) NATIONAL HOUSING FINANCE MARKETS

FHFA also has the statutory obligation to ensure that the operations and activities of each regulated entity foster competitive, liquid, efficient, and resilient (CLEAR) national housing finance markets. Achieving a liquid, resilient housing finance market throughout the country also requires improved access to responsible mortgage credit across different market segments of creditworthy borrowers. FHFA is committed to fair and equitable access to the regulated entities' financial services by qualified institutions and creditworthy borrowers. Additionally, FHFA will continue to promote market stability by monitoring and reporting on trends in housing and mortgage markets, such as trends in house prices, guarantee fees, and consumer sentiment. FHFA will strengthen its thought leadership on topics affecting housing and financial markets.

## **Objective 2.1:** Institute reforms at the regulated entities that serve to foster CLEAR national housing finance markets

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### **Means & Strategies to achieve the objective include:**

1. Ensure the activities of the regulated entities stay within the boundaries of their charters and appropriately respond to market events and downturns
2. Establish standards for sellers, servicers, and counterparties to the regulated entities that strengthen the overall functioning and resiliency of the mortgage markets
3. Oversee regulated entity adherence to accounting standards and audit best practices in order to ensure accurate and meaningful financial reporting essential to market transparency and efficiency
4. Ensure a fair playing field for large and small lenders when doing business with the regulated entities
5. Ensure that CSS and the Uniform Mortgage-Backed Security (UMBS) function well and are widely accepted by market participants

**Objective 2.2:** Ensure that the regulated entities fulfill their statutory missions to support affordable housing, community development, and diversity and inclusion requirements

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**Means & Strategies to achieve the objective include:**

1. Ensure Enterprises comply with Affordable Housing Goals and Duty to Serve statutory requirements
2. Ensure Bank compliance with Affordable Housing Program and Community Investment Program statutory requirements
3. Ensure regulated entity compliance with diversity and inclusion statutory and regulatory requirements
4. Monitor and promote compliance with fair lending laws at the regulated entities
5. Promote financial inclusion and economic opportunity through fair access for, and fair treatment of, mortgage borrowers at the regulated entities

**Objective 2.3:** Position FHFA as a leader in providing the public with information and analysis on the state of the housing finance markets and related matters

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**Means & Strategies to achieve the objective include:**

1. Analyze and publish trends in house prices and the risk characteristics of mortgages
2. Conduct and publish original research on issues affecting housing and financial markets
3. Conduct and lead housing finance forums
4. Promote accountability and responsible use of FHFA statistical data products
5. Analyze, and publish FHFA perspectives on, emerging issues in accounting, auditing, and financial crimes

# STRATEGIC GOAL 3: POSITION THE AGENCY AS A MODEL OF OPERATIONAL EXCELLENCE BY STRENGTHENING THE WORKFORCE AND INFRASTRUCTURE

FHFA is dedicated to developing and maintaining a results-oriented performance culture through effective and efficient management of its resources. FHFA's success in meeting its mission and goals depends on an environment supportive of staff growth and development, and business practices that orient towards innovation, cooperation, and results. Achievement of FHFA's mission and goals requires communication, collaboration, and coordination by staff across all offices and divisions within the Agency.

FHFA employs financial, contracting, and performance information to ensure that resources are managed responsibly. Responsive, secure, and efficient information technology (IT) capabilities are also essential to FHFA's ability to accomplish its mission. In addition, the Agency promotes diversity and inclusion in all employment, management, and business activities at FHFA and continues to recruit and develop an adaptive workforce that promotes accountability and continuous learning.

## **Objective 3.1:** Cultivate a high-performing, diverse, accountable, and engaged workforce

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### **Means & Strategies to achieve the objective include:**

1. Recruit a high quality, diverse workforce to cement the Agency as a world-class regulator
2. Design and implement a set of best-in-class standards for training, progression, access to opportunities, and career growth and leadership
3. Develop strategic tools, policies, and services that support the long-term sustainability and effectiveness of a diverse, inclusive, and engaged workforce
4. Employ FHFA Equal Employment Opportunity (EEO) standards, EEO data, and workplace trends to regularly assess and improve Agency policies, practices, and procedures
5. Develop an Agency-wide plan that optimizes the organizational structure and skill sets needed by the Agency to be a world-class regulator

## **Objective 3.2:** Ensure sound governance and good stewardship of Agency resources

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### **Means & Strategies to achieve the objective include:**

1. Develop and maintain effective internal controls
2. Achieve clean financial statement audits
3. Identify, monitor, and mitigate operational risks to the Agency
4. Improve the ability to develop and monitor the execution of the Agency's budget
5. Improve organizational governance and processes to facilitate information flows and better decision making within the Agency

## **Objective 3.3:** Deliver information technology resources and systems that support the Agency's mission and safeguard the Agency's resources

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### **Means & Strategies to achieve the objective include:**

1. Maintain and enhance the resilience and availability of IT resources and systems
2. Provide, support, and secure IT resources, services, and data needed to support research and analysis of the regulated entities and the housing markets
3. Create and maintain an IT Strategic Plan that addresses current, and adapts to future, IT needs
4. Provide IT tools to facilitate increased collaboration among offices and staff, including crisis management capabilities that ensure, under a range of scenarios, that FHFA can operate effectively and with minimal disruption
5. Ensure FHFA implements an effective information security program consistent with requirements highlighted in the Federal Information Security Modernization Act of 2014

# CHALLENGES AND RISKS THAT MAY HINDER ACHIEVEMENT OF STRATEGIC GOALS

## The Regulated Entities' Safety and Soundness

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The regulated entities were chartered by Congress to serve as a reliable source of liquidity to the mortgage market across the economic cycle. FHFA has a statutory responsibility, which is the basis of Strategic Goal 2, to ensure they fulfill this mission by fostering competitive, liquid, efficient, and resilient national housing finance markets. FHFA's ability to achieve this goal could be hindered if any of the regulated entities lack the financial strength to continue providing liquidity to the mortgage market and performing their other obligations during a prolonged economic contraction, liquidity crisis, or period of stressed housing markets.

Financial stress that adversely affects the safety and soundness of the regulated entities can come at any time. A severe economic downturn could trigger a decline in nationwide or regional house prices, causing an increase in mortgage defaults. Disruptions in funding markets could limit access to and increase the cost of short-term borrowing. Defaults by one or more significant counterparties could expose the regulated entities to loss. And, as we have seen with the outbreak of COVID-19, a global pandemic can cause a liquidity crisis, lead to simultaneous consumer demand and business supply shocks, and cast uncertainty over the near-term trajectory of labor and housing markets. In order to fulfill their mission to provide liquidity to the market during times of stress, the regulated entities must be in a safe and sound financial condition that will enable them to withstand these credit, liquidity, counterparty, and other risks.

The response by the FHLBank System to COVID-19 exemplifies how financial safety and soundness is critical for the regulated entities to provide liquidity to the mortgage market in times of stress. When the COVID-19 crisis began, the FHLBanks helped keep liquidity in the market, meeting unprecedented advance demand from their member financial institutions. In March, while other liquidity sources dried up, FHLBank System advances grew by \$189.4 billion (30.7 percent) at their peak. While access to long-term debt markets was severely limited, the FHLBank System was able to fund this increased advance demand largely through discount notes and floating rate bonds indexed to the Secured Overnight Financing Rate.

Following the injections of liquidity by the Federal Reserve and under the CARES Act, the FHLBanks' balance sheets – both advances and debt outstanding – fell to or below pre-crisis levels. This is exactly what counter-cyclical providers of liquidity are required to do: maintain safe and sound operations in order to be a source of liquidity in times of stress.

Working with, and directed by, FHFA, the Enterprises have also taken action to support the proper functioning of the mortgage market in response to the COVID-19 crisis. Thus far, these actions have bolstered house prices and helped housing market activity recover after the initial decline in March and April. However, the Enterprises currently lack the capital to withstand a serious housing downturn. After Q2 2020, the Enterprises owned or guaranteed approximately \$6.0 trillion in single-family and multifamily mortgages, nearly half of all mortgage debt outstanding in the United States. Yet their combined leverage ratio was over 200 to 1. By contrast, the largest financial institutions in the nation have an average leverage ratio of approximately 12 to 1. Such high leverage, over the long term, would hinder FHFA's ability to achieve the objective under Strategic Goal 2 that calls for ensuring the regulated entities "appropriately respond to market events and downturns." That is why FHFA has been working to enable the Enterprises to build the loss-absorbing capital that they need to fulfill their countercyclical mission to provide liquidity to the mortgage market in times of stress.

In September 2019, the Department of the Treasury and FHFA signed a letter agreement modifying the terms of the Preferred Stock Purchase Agreements. Under this modification, the Enterprises can retain capital of up to \$45 billion combined. As a result, by the end of Q2 2020 Enterprise capital had more than quadrupled. This is a significant step forward, but more work remains for the Enterprises to become safe and sound in order to fulfill their statutory missions across the economic cycle. On May 20, 2020, FHFA took another critical step toward this goal by announcing that the Agency was seeking comments on a proposed new regulatory capital framework for the Enterprises. The re-proposed rule increases the quantity and quality of the Enterprises' regulatory capital and mitigates pro-cyclicality. Finalizing and implementing this rule is a key step in achieving Strategic Goals 1 and 2.

## The Legislative and Regulatory Environment

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The nation's housing finance system remains in urgent need of comprehensive reform. A root cause of the 2008 financial crisis was imprudent mortgage credit risk backed by insufficient capital. This fundamental problem remains unresolved today. It continues to pose risks to taxpayers, financial stability, and sustainable access to mortgage credit. Only Congress can address these and other flaws in the structure of the housing finance system.

Any new housing finance legislation enacted into law could potentially affect FHFA's ability to implement this Strategic Plan. FHFA has sent several legislative recommendations to Congress that, if enacted, would facilitate the fulfillment of the Agency's strategic goals.<sup>6</sup> For instance, in 2008, Congress amended FHFA's authorizing statute to give the Agency relatively broad authority to prescribe regulatory capital requirements for the Enterprises. The 2008 amendments, however, did not remove some of the outdated definitions of regulatory capital from the original authorizing statute. These shortcomings in the statutory definitions of capital could pose safety and soundness risks. FHFA's recently proposed new regulatory capital framework for the Enterprises would mitigate the risk posed by the current statutory definitions of capital by prescribing supplemental capital requirements based on definitions of regulatory capital used by the federal banking regulators. While these supplemental requirements should ensure that each Enterprise maintains adequate high-quality regulatory capital, they also introduce added complexity to an already complex framework. If Congress were to give FHFA the same flexibility as the federal banking regulators by amending or removing the statutory capital definitions, FHFA could simplify the proposed capital rule.

The regulatory environment could also affect FHFA's ability to achieve its strategic goals. FHFA does not currently possess the power to examine important counterparties of its regulated entities, such as nonbank servicers. This could interfere with FHFA's ability to ensure the safety and soundness of the regulated entities and the resilience of the nation's mortgage markets.

In addition, FHFA will need to partner with other financial regulatory agencies to ensure a fair playing field and mitigate opportunities for regulatory arbitrage. For instance, one of the objectives under Strategic Goal 2 calls for FHFA to "Ensure a fair playing field for large and small lenders when doing business with the regulated entities." While FHFA took action to protect equitable market access for small lenders in September 2019 by issuing formal policy guidance to the Enterprises prohibiting volume-based guarantee fee discounts, the Agency's ability to achieve Strategic Goal 2 could be hindered if other agencies do not resolve other special regulatory advantages and exemptions. FHFA will continue to partner with its fellow federal financial regulators to ensure that the rules of the housing finance system apply equally to all market participants.

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<sup>6</sup> See Legislative Recommendations, *Federal Housing Finance Agency 2019 Report to Congress*, available at: [https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA\\_2019\\_Report-to-Congress.pdf](https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA_2019_Report-to-Congress.pdf)

## FHFA's Workforce and Infrastructure

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FHFA's hardworking employees are the Agency's greatest resource. Anything that jeopardizes their well-being or performance could hinder FHFA's ability to achieve Strategic Goal 3, which is foundational to achieving the other two strategic goals.

The COVID-19 pandemic has presented a unique threat to the health of FHFA's workforce and a challenge to the capacity of the Agency's IT infrastructure. In response, following the guidance of government officials, health professionals, and local authorities, FHFA moved into full-time mandatory telework shortly after the outbreak of the pandemic. The Agency transitioned quickly and effectively into a remote-work posture. The Office of Technology and Information Management deployed critical remote tools and staff training to meet employees' IT equipment needs and safeguard the Agency's network capacity, connectivity, and security. The Office of Facilities Operations Management implemented protocols and procedures to equip employees with the supplies needed to set up and sustain remote workstations. The Office of Human Resources Management provided employees with support to remain engaged and productive by developing work schedule and leave flexibilities, expanding the Employee Assistance Program, meeting accommodation requests, and sustaining the hiring, on-boarding, and training processes that are essential for FHFA to continue building a talented, diverse, and effective workforce. While FHFA continues to mitigate the threat of COVID-19 to its workforce and infrastructure, the Agency must also leverage the lessons learned from the pandemic to prepare itself to respond effectively to additional disaster disruptions in the future.

Achieving FHFA's strategic goals requires supporting and maintaining a workforce that is aligned with the Agency's mission, is results oriented, and is committed to a culture of accountability. That is why FHFA continues to prioritize employee engagement and human capital development. For instance, FHFA established an Employee Engagement Committee with Engagement Ambassadors from each Agency Division and Office. Moving forward, the Committee will facilitate communication between employees and Agency leadership and undertake activities to improve employee satisfaction and engagement. FHFA also recently developed Employee Engagement Action Plans for the entire Agency and for each Division and Office. To ensure that employee feedback continues to drive the Agency's engagement efforts, FHFA will focus on implementing initiatives recommended in the Plans related to cross-Agency collaboration, training and development, employee recognition, embracing diversity, and fostering innovation. Finally, FHFA recently updated the Agency's values after an extensive employee-driven review process informed by an employee survey. The updated values will serve as the foundation for implementing a leadership development framework that enhances Agency leaders' ability to maximize employee commitment, promote accountability, and foster a world-class regulatory culture. Over the long-term, FHFA will need to develop and implement a Strategic Human Capital Plan and identify and adopt the best long-term technology solutions to support individual development and organizational engagement.

The foundation of a strong, high-performing workforce is a culture in which all employees feel safe, respected, and valued for their differences. Achieving FHFA's strategic goals requires a work environment that upholds fairness, diversity, and inclusion as core values. These values are key sources of FHFA's success. That is why the Agency continues to take steps to ensure they are foundational to our work.

These steps include conducting the Agency's second Diversity and Inclusion Climate assessment, instituting mandatory unconscious bias training for all FHFA employees, commissioning and conducting equity studies to ensure fair and equitable wages, merit promotion procedures, and opportunities across FHFA's workforce, launching the Agency's first Diversity Advisory Council that will help elevate and support diversity and inclusion issues across FHFA, utilizing the Agency's internship program to foster a diverse employee pipeline, and prioritizing the Special Emphasis Program events hosted by FHFA's Office of Minority and Women Inclusion. Moving forward, FHFA will continue to devote special attention to ensuring its values are fully reflected in the Agency's culture under potential conditions of increased telework and reduced opportunities for in-office community building.

# STRATEGIC PLANNING PROCESS

FHFA utilized a collaborative process across the Agency to develop the *FHFA Strategic Plan: Fiscal Years 2021 – 2024*. With guidance from the Director, FHFA executives, managers, and subject matter experts worked together to establish and refine the strategic goals and objectives in this Strategic Plan.

To monitor FHFA's progress in implementing the Agency's Strategic Plan, quarterly performance measure status reports are provided to FHFA senior managers. FHFA also uses regular management meetings, reports, and performance review meetings to communicate and discuss organizational goals and objectives. FHFA employees align their job performance plans and individual development plans to support FHFA's strategic goals.

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## CONSULTATION AND OUTREACH

FHFA invited input from Congress, stakeholders, and the public on the *FHFA Strategic Plan: Fiscal Years 2021 – 2024* through a posting on the Agency's website over a 14-day period.

# FEDERAL HOUSING FINANCE AGENCY

## Key Management Officials

**Dr. Mark A. Calabria**  
Director

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**Chris Bosland**  
Senior Advisor for Regulation

**Debra Chew**  
Director  
Office of Equal Opportunity and Fairness

**Lynn Fisher**  
Deputy Director  
Division of Research and Statistics

**Robert Fishman**  
Deputy Director  
Division of Resolutions

**Kate Fulton**  
Chief Operating Officer

**Andre D. Galeano**  
Deputy Director  
Division of Bank Regulation

**Clinton Jones**  
Senior Advisor for Legal Affairs and Policy

**Sharron P. A. Levine**  
Director  
Office of Minority and Women Inclusion

**Adolfo Marzol**  
Principal Deputy Director

**Paul Miller**  
Deputy Director  
Division of Enterprise Regulation

**Nina Nichols**  
Deputy Director  
Division of Accounting and  
Financial Standards

**Alfred M. Pollard**  
General Counsel

**John Roscoe**  
Chief of Staff

**Sandra Thompson**  
Deputy Director  
Division of Housing Mission and Goals

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## Federal Housing Finance Oversight Board

**Dr. Mark A. Calabria**  
Chairman

**Steven T. Mnuchin**  
Secretary, U.S. Department of the Treasury

**Dr. Benjamin S. Carson, Sr.**  
Secretary, U.S. Department of  
Housing and Urban Development

**Jay Clayton**  
Chairman, U.S. Securities and  
Exchange Commission

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## Office of the Inspector General

**Laura S. Wertheimer**  
Inspector General





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