

Fiscal Year 2020: Annual performance plan and report, and budget overview



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Overview of the Bureau

The Bureau of Consumer Financial Protection (Bureau) was established on July 21, 2010 under Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act Public Law No. 111-203 (Dodd-Frank Act). The Bureau is an independent bureau within the Federal Reserve System, and an Executive agency as defined in Section 105 of Title 5, United States Code.

The Dodd-Frank Act authorizes the Bureau to exercise its authorities to ensure that, with respect to consumer financial products and services¹:

1. Consumers are provided with timely and understandable information to make responsible decisions about financial transactions;
2. Consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;
3. Outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;
4. Federal consumer financial law is enforced consistently in order to promote fair competition; and
5. Markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

The Bureau is headed by a sole Director, appointed by the President, by and with the advice and consent of the Senate, to a five-year term.

Funding required to support the Bureau's operations is obtained primarily through transfers from the combined earnings of the Federal Reserve System. Annual transfers to the Bureau may not exceed an amount equal to 12 percent of the Federal Reserve System's 2009 operating expenses, adjusted annually based on the percentage increase in the employment cost index by the Federal Government for total compensation for state and local government workers as specified in the Dodd-Frank Act.

¹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b).

Mission and vision

Mission

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws and to educate and empower consumers to make better informed financial decisions.²

Vision

Free, innovative, competitive, and transparent consumer finance markets where the rights of all parties are protected by the rule of law and where consumers are free to choose the products and services that best fit their individual needs.

How we will do our work

The Bureau will achieve its mission and vision through:

- Seeking the counsel of others and making decisions after carefully considering the evidence.
- Equally protecting the legal rights of all.
- Confidently doing what is right.
- Acting with humility and moderation.

² As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1011(a) and 1013(d).

Strategic plan overview

The Strategic Plan for FY 2018-2022 articulates the Bureau's long-term strategic goals and objectives that drive achievement of the Bureau's mission. The Bureau's strategic plan includes three strategic goals:

Goal	Description
Goal 1	Ensure that all consumers have access to markets for consumer financial products and services.
Goal 2	Implement and enforce the law consistently to ensure that markets for consumer financial products and services are fair, transparent, and competitive.
Goal 3	Foster operational excellence through efficient and effective processes, governance, and security of resources and information.

About the plan

The Bureau's Strategic Plan for FY 2018-2022 articulates the Bureau's long-term strategic goals and objectives that drive achievement of the Bureau's mission. The five-year Strategic Plan is published as a separate document and is incorporated into the FY 2020 Annual Performance Plan and Report (APP).

The Bureau's FY 2020 Annual Performance Plan and Report identifies the performance goals, performance measures, and targets for each strategic goal and objective; describes the agency's accomplishments; and presents the results of the agency's performance metrics for FY 2019.

The FY 2020 Annual Performance Plan contains a number of new performance goals and measures to align with the FY 2018-2022 Strategic Plan. New performance goals and measures have targets for FY 2020 and FY 2021. Existing performance goals and measures that were included in the prior Annual Performance Plan also report on actual performance for FY 2014 to FY 2019, as available. In addition, this document contains the Bureau's most current view of budget projections for FY 2020-2021 and corresponding measures across its performance goals. The GPRA Modernization Act (GPRAMA) of 2010 asks agencies to identify lower-priority program activities, where applicable. The Bureau does not have any lower-priority program activities. The Bureau's Strategic Plan for FY 2018-2022 can be found on the agency's website, at www.consumerfinance.gov/about-us/budget-strategy.

Budget overview

The Bureau's operations are funded principally by transfers made by the Board of Governors of the Federal Reserve System (Board) from the combined earnings of the Federal Reserve System, up to the limits set forth in the Dodd-Frank Act. The Director of the Bureau requests transfers from the Board in amounts that he or she has determined are reasonably necessary to carry out the Bureau's mission within the limits set forth in the Dodd-Frank Act. Transfers from the Board were capped at \$678.9 million in Fiscal Year (FY) 2019 and are capped at \$695.9 million in FY 2020 and \$717.5 million in FY 2021. Funds transferred from the Federal Reserve System are deposited into the Bureau of Consumer Financial Protection Fund (Bureau Fund) at the Federal Reserve Bank of New York.

The FY 2020 and FY 2021 budget estimates for the Bureau Fund allow the Bureau to continue to fulfill its statutory purpose, objectives, and functions pursuant to Section 1021 of the Dodd-Frank Act. In FY 2019, the Bureau incurred obligations totaling \$510.1 million. The budget estimates for FY 2020 and FY 2021 increase to \$580.1 million and \$595.2 million, respectively. The FY 2020 budget estimate represents a 13.7% increase from FY 2019 levels, while the FY 2021 estimate represents a 2.6% increase from FY 2020. The budget increases reflect the cost associated with the recently approved staffing targets after the Bureau ended the hiring freeze previously in place since FY 2018 as well as additional funding for new initiatives in pursuit of the Bureau's mission and strategic goals.

Budget by Strategic Goal

BUDGET BY STRATEGIC GOAL (\$ IN THE MILLIONS AND ROUNDED)

	2019	%	2020	%	2021	%
Goal 1	\$163.7	32%	\$174.4	30%	\$178.6	30%
Goal 2	\$209.0	41%	\$223.3	38%	\$234.9	39%
Goal 3	\$137.4	27%	\$182.4	31%	\$181.7	31%
Total	\$510.1	100%	\$580.1	100%	\$595.2	100%

FTE BY STRATEGIC GOAL (ROUNDED)

	2019	%	2020	%	2021	%
Goal 1	415	28%	441	28%	461	29%
Goal 2	710	49%	711	46%	741	46%
Goal 3	340	23%	399	26%	411	25%
Total	1,465	100%	1,551	100%	1,614	100%

The allocation of funding across all strategic goals is expected to remain relatively constant through FY 2021. The increases in full-time equivalent employees (FTEs) across all strategic goals further reflect and reinforce the Bureau's commitment to its vision and priorities.

Activities related to consumer education, regulations, and handling of consumer complaints in Goal 1 represent just over 30% of the Bureau's overall budget. To support this goal, the Bureau will invest resources to enhance the financial knowledge and skills of all Americans and to engage in rulemaking activity that addresses market failures and reduces unwarranted regulatory burdens.

The largest investment increases for FY 2020 within this goal support consumer education initiatives and the processing and analysis of consumer response complaints. The increased investment in consumer education is related to the Start Small, Save Up national campaign. The primary objective of the Start Small, Save Up campaign is to increase people's financial well-being by growing their opportunities to save and empowering them to realize their personal savings goals, starting with an emphasis on emergency savings. Costs associated with the consumer response complaint system will also increase as the Bureau continues to implement enhancements to 1) improve the handling, processing and analysis of consumer complaint data; and 2) add analytics capabilities to the existing government complaint portal. Costs associated with the consumer response contact center are expected to decrease as its newly designed quality assurance program is implemented.

Activities related primarily to supervision and enforcement of consumer financial laws, which are included in Goal 2, represent the largest portion of the budget at just over 38%. This level of funding reflects the Bureau's focus on protecting consumers from financial harm resulting from unfair, opaque, or noncompetitive practices. Costs related to supervision and enforcement training and travel are projected to increase as the Bureau works towards achieving the staffing levels necessary to support these activities. Litigation costs are expected to decrease after the Bureau resolved a significant number of outstanding enforcement actions in FY 2019 through litigation, settlement, or issuance of a default judgment. Budget increases in Goal 2 are also meant to strengthen prevention and response to elder financial exploitation. For example, the Bureau will also be making additional investments in its special populations programs and will focus on developing financial materials, tools, and skill-building opportunities to strengthen the prevention of, and response to, elder financial exploitation.

Finally, activities in Goal 3 reflect the Bureau’s responsibility to effectively secure its resources and information. In FY 2021, the Bureau will continue to invest resources to maintain a robust cybersecurity program to safeguard the Bureau’s information and systems. The Bureau will make significant investments in information technology (IT) as it continues to implement its vision and strategy to modernize its IT systems and services, which includes migrating to cloud-native applications and leveraging cloud technology infrastructure and services. This modernization will provide the Bureau with the flexibility, scalability, and on-demand capacity that is necessary to support an agile and expanding IT environment. The Bureau will also increase design and software development as well as portfolio management support services as it implements its long-term IT vision and strategy. During this implementation, the Bureau will begin employing elements of the Technology Business Management (TBM) framework to increase transparency with respect to the Bureau’s IT costs and investments.

To manage risk and promote accountability the Bureau will seek to increase its capabilities to identify and monitor enterprise risks and performance; to effectively review and assess internal controls; and to process travel transactions more efficiently. At the same time, the Bureau will continue to leverage shared-service providers for financial management, human resources, procurement, and other services.

Summary of Key Investments

The table below details the funding levels for the Bureau’s key non-personnel investments by strategic goal and objective. Key investments are presented in more detail in the discussion of each goal.

KEY INVESTMENTS (\$ IN THE MILLIONS AND ROUNDED)

Goal	Investment Category	2019	2020	2021
1.1	Consumer Education Initiatives	\$5.5	\$9.7	\$9.4
	Consumer Experience Program	\$3.4	\$3.3	\$3.2
	Consumer Response Complaint Intake, Handling, and Analytics	\$2.6	\$5.2	\$4.5
	Consumer Response Contact Center	\$10.4	\$9.1	\$9.1
	Disclosure Research, Design, Testing, and Implementation	\$0.0	\$0.3	\$0.7
	Financial Education Research	\$0.5	\$0.8	\$0.8
	Financial Well-Being and Other Tools for Financial Educators of Adults and Youth	\$1.4	\$1.8	\$1.7

Goal	Investment Category	2019	2020	2021
	Special Populations Programs	\$2.7	\$3.4	\$3.5
1.1 Total		\$26.6	\$33.5	\$32.7
1.3	HMDA Operations	\$2.6	\$3.5	\$3.5
	National Mortgage Database	\$2.0	\$1.9	\$1.7
	Other Market Data	\$0.9	\$0.9	\$1.0
	Primary Data Collection	\$1.2	\$1.4	\$0.6
	Regulatory Support Services	\$0.8	\$0.5	\$0.5
1.3 Total		\$7.5	\$8.3	\$7.4
2.1/2.2	e-Law Tools and Support	\$1.8	\$2.0	\$1.9
	Examiner Commissioning Training Program	\$1.1	\$1.5	\$1.5
	Litigation Support	\$5.6	\$4.2	\$4.1
	Operational Support	\$1.6	\$1.4	\$1.4
	Supervision and Enforcement Training & Travel	\$14.9	\$17.2	\$17.8
	Special Populations Programs	\$1.2	\$2.2	\$1.8
	Supervision Technology Tools	\$0.4	\$0.7	\$0.7
2.1/2.2 Total		\$26.6	\$29.1	\$29.2
3.1	Cloud Infrastructure and Services	\$14.1	\$21.0	\$19.5
	Cybersecurity	\$8.7	\$11.6	\$11.6
	Design and Software Development Support	\$3.0	\$3.9	\$3.2
	Technology Strategy and Transformation Support	\$1.0	\$1.9	\$1.9
3.1 Total		\$26.7	\$38.3	\$36.1
3.2	Human Capital Shared Services, Infrastructure, and Operations	\$5.0	\$4.7	\$4.7
	Learning, Leadership, and Organization Development Facilitation and Design	\$1.2	\$1.5	\$1.5
	Leverage Diversity & Inclusion, Equal Opportunity Compliance and Fair Lending	\$0.7	\$1.0	\$0.8
	Talent Staffing and Recruiting Initiatives & Support	\$0.4	\$0.6	\$0.6
3.2 Total		\$7.4	\$7.8	\$7.6
3.3	Audits of the Bureau	\$13.2	\$15.4	\$15.9

Goal	Investment Category	2019	2020	2021
	Cloud Application Platforms	\$2.8	\$4.2	\$2.0
	Customer Experience Initiatives	\$1.6	\$3.1	\$3.1
	Data Infrastructure and Analysis	\$0.0	\$0.6	\$0.0
	Enterprise Risk and Organizational Performance Management	\$2.6	\$4.5	\$4.6
	Financial Management Support Services	\$0.8	\$1.2	\$1.3
	Internal Control Assessment Program Support	\$2.7	\$4.2	\$4.2
	IT Portfolio Management and Enterprise Architecture	\$2.0	\$3.2	\$3.1
	Legal Technology Platform	\$0.0	\$0.8	\$0.0
	Procurement Services and Support	\$1.6	\$2.2	\$2.2
3.3 Total		\$27.4	\$39.3	\$36.3
ALL	Enterprise Customer Relationship Management Platform	\$11.0	\$10.3	\$10.3
	Facilities Agreements (Occupancy)	\$19.9	\$20.0	\$17.4
	Facilities Agreements (Utilities, Security, Other)	\$11.4	\$10.2	\$10.3
	FRB Retirement Plan Management Services	\$1.4	\$1.5	\$1.6
	HQ Building Renovation	\$5.6	\$0.2	\$0.0
	Library Resources and Services	\$2.6	\$3.1	\$3.3
	Personnel Security Investigations	\$0.8	\$0.9	\$1.0
	Privacy and FOIA Program Support	\$1.2	\$1.7	\$1.3
	Technology Infrastructure	\$14.0	\$17.5	\$17.0
	Other	\$19.2	\$16.3	\$9.7
ALL Total		\$87.3	\$81.7	\$71.8
Grand Total		\$209.6	\$238.0	\$221.2

Budget by Object Class and Program

BUDGET BY OBJECT CLASSIFICATION (\$ IN THE MILLIONS AND ROUNDED)

Object Classification	2019	2020	2021
Personnel Compensation	\$218.7	\$246.6	\$270.0
Personnel Benefits	\$81.3	\$95.4	\$104.1
Benefits to Former Personnel	\$0.5	\$0.0	\$0.0
Travel and Transportation of Persons	\$14.7	\$16.9	\$17.5
Transportation of Things	\$0.2	\$0.1	\$0.1
Rents, Communications, and Misc. Charges	\$14.5	\$17.6	\$14.5
Printing and Reproduction	\$4.1	\$4.5	\$4.6
Other Contractual Services	\$145.1	\$174.6	\$162.0
Supplies and Materials	\$4.2	\$5.3	\$5.3
Equipment	\$21.7	\$18.9	\$17.2
Land and Structures	\$5.1	\$0.0	\$0.0
Total	\$510.1	\$580.1	\$595.2
Full-time equivalent (FTE)	1,465	1,551	1,614

The budget increases reflect the cost associated with the recently approved staffing targets after the Bureau ended the hiring freeze previously in place since FY 2018 as well as additional funding for new initiatives in pursuit of the Bureau's mission and strategic goals.

Expenses related to personnel compensation and benefits represent the largest cost to the Bureau. The Bureau implemented a hiring freeze in FY 2018 with the goal of restructuring its operations. The Bureau lifted the hiring freeze at the end of FY 2019 after going through a process to identify and establish staffing targets for each program to accomplish mission priorities and improve the Bureau's efficiency and effectiveness. As the Bureau moves toward achieving the approved staffing levels, personnel costs will increase across all programs to

support the Bureau's priorities. Travel costs are also projected to increase as a result of the increased staffing levels in the Supervision, Enforcement, and Fair Lending program responsible for conducting examination activities across the country.

The Bureau recently completed major renovation work on its headquarters building in Washington DC to update the building to current energy, environmental, and security standards and to make necessary repairs to aging building systems and infrastructure. These renovations included the replacement of major infrastructure such as the roof, the building enclosure, and the building's heating, water, and electrical systems. With these renovations now substantially complete, the Bureau plans to relocate the Washington D.C. headquarters staff from its secondary building location into the newly renovated building by the end of January 2020. This consolidation is expected to increase productivity and improve collaboration across Bureau staff. Decreases in expenses related to rents, communications, and miscellaneous charges in 2021 reflect cost savings associated with the headquarters' building consolidation.

In 2019, the Bureau began work to modernize the eight passenger elevators in its main headquarters building and to perform other post-construction modifications to increase efficiencies. Costs related to land and structures are expected to decrease in 2020 as this work concludes.

Increases in contractual services reflect investments to support many of the Bureau initiatives as described throughout this document. The increases are primarily within the Operations program and are needed to support cybersecurity program improvements, cloud migration, and other information technology and systems initiatives. Other increases in Operations will support improvements to internal financial management, travel, procurement, and internal control activities. Within Consumer Education and Engagement, increased investments will support the Start Small, Save Up campaign and the enhancement of the Bureau's consumer response system to improve complaint data handling and data-sharing.

BUDGET BY PROGRAM (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Office of the Director	\$11.6	\$16.9	\$18.0
Operations ³	\$222.7	\$262.5	\$262.8

³ Includes the cost of certain administrative and operational services provided centrally to other Divisions (e.g., building space, utilities, and IT-related equipment and services) in support of all strategic goals.

	2019	2020	2021
Consumer Education, and Engagement	\$72.9	\$74.3	\$74.7
Research, Markets, and Regulation	\$33.8	\$38.9	\$42.1
Supervision, Enforcement, and Fair Lending	\$144.6	\$152.9	\$165.4
Legal	\$15.1	\$17.5	\$17.2
External Affairs	\$7.1	\$9.0	\$9.4
Other Programs ⁴	\$2.4	\$8.1	\$5.6
Total	\$510.1	\$580.1	\$595.2

FTE BY PROGRAM (ROUNDED)

	2019	2020	2021
Office of the Director	45	61	65
Operations	282	300	311
Consumer Education, and Engagement	208	210	214
Research, Markets, and Regulation	142	153	161
Supervision, Enforcement, and Fair Lending	669	674	704
Legal	68	72	72
External Affairs	33	39	39
Other Programs	19	42	47
Full-time Equivalent (FTE)	1,465	1,551	1,614

Bureau Fund Budget Authority

The Director of the Bureau requests the Board of Governors of the Federal Reserve System (Board) to transfer funds in the amount that he or she has determined are reasonably necessary to carry out the Bureau's mission within the limits set forth in the Dodd-Frank Act. Transfers

⁴ Other Programs includes programs such as the Ombudsman, Administrative Law Judges, and Interns

through FY 2013 were capped at pre-set percentages of the total 2009 operating expenses of the Federal Reserve System. Beginning in FY 2014, the funding caps have been adjusted annually, based on the percentage increase in the employment cost index for the total compensation for State and local government workers, which is published by the Federal Government. Transfers from the Board were capped at \$678.9 million in FY 2019 and are capped at \$695.9 million in FY 2020 and \$717.5 million in FY 2021.⁵ Funds transferred from the Federal Reserve System are deposited into the Bureau of Consumer Financial Protection Fund (Bureau Fund), which is maintained at the Federal Reserve Bank of New York. The Bureau anticipates requesting less than the transfer cap to fund operations in FY 2020 and FY 2021.

The Bureau also generates additional budget authority through offsetting collections and miscellaneous revenue. For example, the Board entered into an interagency agreement with the Bureau for the development and maintenance of a new system, which the Bureau will operate and manage on behalf of the Agencies⁶ and the Federal Financial Institutions Examination Council (FFIEC) for the collection, processing, and publication of the Home Mortgage Disclosure Act Data (HMDA). The Bureau will process the HMDA Data for the Agencies and the FFIEC and prepare and make available data products to the general public. As a result, Agencies reimburse the Bureau for the costs associated with operating the system on behalf of the FFIEC.

A small portion of the Bureau's budget comes from receipts collected from interest on Treasury securities as well as filing fees pursuant to the Interstate Land Sales Full Disclosure Act of 1968 (ILSA). ILSA fees are deposited into an account maintained by the Department of the Treasury and may be expended for the purpose of covering all or part of the costs that the Bureau incurs to operate the ILSA Program.

⁵ Per the Dodd-Frank Act, the transfer limit or "cap" shall be adjusted annually, using the percentage increase, if any, in the employment cost index for total compensation for State and local government workers published by the Federal Government.

⁶ "Agencies" are defined as the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), the Board of Governors of the Federal Reserve System (Board), and the National Credit Union Administration (NCUA).

BUREAU FUND (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Transfers from the Federal Reserve Board	\$468.2	\$580.1	\$595.2
Collections	\$2.7	\$2.9	\$2.9
Other Receipts	\$8.2	\$8.1	\$8.1
Unobligated Balances, start of year	\$56.0	\$67.5	\$78.0
Recoveries of Prior Year Obligations	\$42.5	\$8.0	\$8.0
Total Budgetary Resources	\$577.7	\$666.6	\$692.2
Total Obligations	\$510.1	\$580.1	\$595.2

Civil Penalty Fund Budget Authority

Pursuant to the Dodd-Frank Act, the Bureau is also authorized to collect and retain civil penalties obtained from any person in a judicial or administrative action for violations of Federal consumer financial laws. These funds are deposited into the Consumer Financial Civil Penalty Fund (CPF), which is also maintained at the Federal Reserve Bank of New York.

The Bureau is authorized to use funds deposited in the CPF for payments to the victims of activities for which civil penalties have been imposed under the Federal consumer financial laws. To the extent that victims cannot be located, or payments are otherwise not practicable, the Bureau is authorized to use such funds for consumer education and financial literacy programs.

On May 7, 2013, the Bureau published in the *Federal Register* the Consumer Financial Civil Penalty Fund rule, 12 CFR part 1075, a final rule governing how the Bureau will use funds in the CPF. This rule states that the Civil Penalty Fund Administrator will allocate funds to classes of eligible victims and, as appropriate, to consumer education and financial literacy programs in accordance with a schedule published by the Bureau on its website.

The Bureau collected \$131.2 million in civil penalties in FY 2019 which brings the total amount collected to date to \$1,220.7 million. Of this amount, the Bureau has allocated a total of \$706.6

million. Approximately \$671.7 million was allocated to compensate harmed consumers, \$28.8 million was allocated for consumer education and financial literacy programs, and \$6.1 million was set-aside for administrative costs associated with distributing funds to harmed consumers. The Bureau has unallocated \$39.1 million following completion of fund distributions to victims⁷. The Bureau has obligated a total of \$480.6 million of the total amount allocated in the CPF, of which \$1.5 million was obligated in FY 2019. An additional \$145.0 million is projected to be obligated in FY 2020. Additional information regarding allocations from the CPF is available at consumerfinance.gov.

CIVIL PENALTY FUND (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Collections ⁸	\$131.2	\$2.7	\$0.0
Funds Temporarily Unavailable	-\$8.1	\$8.1	\$0.0
Unobligated Balances, start of year	\$638.3	\$768.8	\$635.0
Recoveries of Prior Year Obligations	\$10.4	\$0.0	\$0.0
Total Budgetary Resources	\$771.8	\$779.6	\$635.0
Total Obligations	\$1.5	\$145.0	\$48.0

⁷ This amount includes funds that were unallocated and returned to the Civil Penalty Fund following the completion of distributions to victims.

⁸ The estimated collection amount listed for FY 2020 represents actual Civil Penalty Fund collections through November 30, 2019. There is no current actual or estimate collection amount for FY 2021 collections. The Bureau does not predict the outcome of future matters which may result in Civil Penalty Fund collections.

Goal 1. Ensure that all consumers have access to markets for consumer financial products and services⁹

BUDGET BY STRATEGIC GOAL 1 BY PROGRAM (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Office of the Director	\$0.6	\$2.7	\$3.4
Operations	\$49.9	\$50.4	\$50.6
Consumer Education, and Engagement	\$71.0	\$71.0	\$71.8
Research, Markets, and Regulation	\$33.8	\$38.9	\$42.1
Supervision, Enforcement, and Fair Lending	\$0.0	\$0.0	\$0.0
Legal	\$4.5	\$5.1	\$5.1
External Affairs	\$3.6	\$4.5	\$4.7
Other Programs	\$0.3	\$1.8	\$1.0
Total	\$163.7	\$174.4	\$178.6

Consumer protection begins with ensuring that all consumers have access to markets for consumer financial products and services. Access is enhanced where markets are transparent, competitive, and innovative and where providers can adapt to changing consumer demand. Access is also enhanced where consumers can reasonably obtain the information they need to make informed decisions.

Congress directed the Bureau to help educate consumers to make better informed financial decisions. The Bureau seeks to enhance the financial knowledge and skills of all Americans, from childhood to later life, so that individuals build their financial well-being. The Bureau also

⁹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(a).

collects, investigates, and responds to consumer complaints when problems arise in consumer financial markets.

Congress has also assigned the Bureau the responsibility of issuing rules and guidance where appropriate to carry out the purposes and objectives of the Federal consumer financial laws. The Bureau carries out that responsibility by gathering the best available evidence and engaging in rulemakings to address market failures¹⁰ that make it difficult for consumers to engage in informed decision making and otherwise protect their own interests, and reduce unwarranted regulatory burden so as to enable markets to operate efficiently, transparently, and competitively.

The Bureau will attain its first goal by achieving the following three objectives:

1. **Objective 1.1:** Ensure that consumers are provided with timely and understandable information to make responsible decisions about financial transactions.
2. **Objective 1.2:** Regularly identify and address outdated, unnecessary, or unduly burdensome regulations in order to reduce unwarranted regulatory burdens.
3. **Objective 1.3:** Ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

Objective 1.1

*Ensure that consumers are provided with timely and understandable information to make responsible decisions about financial transactions.*¹¹

Objective leaders: Associate Director, Consumer Education and Engagement; Associate Director, Research, Markets & Regulations; Assistant, Director, Office of Innovation

¹⁰ Market failure is defined as “a situation in which a market left on its own fails to allocate resources efficiently”, Gregory Mankiw, “Principles of Economics”, Second Ed., 2001.

¹¹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(1).

Strategies and investments

The following strategies and investments have been put in place to help the Bureau achieve objective 1.1.

Strategies

- Provide financial education to the public, directly and through community channels.
- Share research on effective financial education practices and financial well-being with financial educators.
- Address needs for inclusion and financial security of servicemembers, older Americans, traditionally underserved consumers and communities, and students.
- Research and report on the effectiveness of paper and electronic disclosures and issue rules and waivers of rules as appropriate to improve the effectiveness of disclosures.
- Facilitate the collection, monitoring, and response to consumer complaints and inquiries regarding consumer financial products and services.

Investments

PERSONNEL

Maintain strong, expert staff to develop and implement financial education programs, consumer engagement, community partnerships as well as financial education and special population policy and research activities. Maintain staff to support intake, investigations, and data analysis in order to review, route, address, and learn from consumer complaints.

CONSUMER EDUCATION INITIATIVES

Develop consumer education initiatives on specific topics with targeted information, tools, action steps, and skill-building opportunities to provide financial education to a diverse range of audiences. Education topics include money management, savings, credit reports, debt collection, mortgages, retirement, student loans, building children's financial capability, building financial well-being through financial education, and other money issues. The approaches include delivery of financial education directly and through community channels.

CONSUMER EXPERIENCE PROGRAM

Research, design, develop, launch, and continually optimize consumer-facing digital education products offered through consumerfinance.gov. Implement strategies and plans to increase engagement with these educational products. Under this program, the Bureau builds and offers tools with actionable steps for consumers navigating money questions and significant financial decisions. These tools support consumers' financial education and consumers' ability to manage important financial decisions to meet their own life goals.

CONSUMER RESPONSE COMPLAINT INTAKE, HANDLING, AND ANALYTICS

Collect, investigate, respond to, and analyze consumer complaints. Provide secure portals for consumers to track the status of their complaints; for companies to provide responses to complaints; and for other regulators to review complaint information. Enhance the tools used to analyze consumer complaints and company responses to assess the accuracy, timeliness, and completeness of company responses and to help the Bureau detect emerging trends, analyze patterns, glean insights from complaints, and prioritize its work.

CONSUMER RESPONSE CONTACT CENTER

Operate a toll-free number to answer consumers' questions by phone, collect consumer complaints, and support mail services.

DISCLOSURE RESEARCH, DESIGN, TESTING AND IMPLEMENTATION

Conduct and gain expertise in disclosure design and disclosure usability testing. Qualitative research, such as one-on-one interviews and focus groups, enables the Bureau to put forward proposed forms which consumers are more likely to be able to navigate and comprehend. These investments also contribute to initiatives that establish findings or evidence related to disclosure methods and will inform and be used in coordination with the Bureau's Trial Disclosure Sandbox program.

FINANCIAL EDUCATION RESEARCH

Assess, identify, and spread knowledge about effective financial education approaches and tools for financial education practitioners. This is applied research, with an emphasis on concepts and materials that financial educators can use with the people who they serve.

FINANCIAL WELL-BEING AND OTHER TOOLS FOR FINANCIAL EDUCATORS OF

ADULTS AND YOUTH

Develop insights into the factors such as specific knowledge, skills, and behaviors that support consumer financial well-being. Use these factors to enhance the success of financial educators in building consumer financial capability. Develop tools and techniques for financial education practitioners to use to create and sustain the conduct and skills that contribute to financial well-being; assist financial educators and others to use the financial well-being scale to measure their services; and encourage continued research into the financial education methods that will enhance and support increased financial well-being.

SPECIAL POPULATIONS PROGRAMS

Invest in projects that help people in special populations achieve improved financial decision-making in order to build their financial capability and financial well-being. The populations include traditionally underserved low-income Americans, young adults, older Americans, servicemembers, and veterans. In this work, the Bureau develops and distributes financial education information, tools, action steps, and skill-building opportunities for these populations. The Bureau also shares promising, evidence-based practices for effective financial education to build financial capability with service providers in the field. An example of this work is the Your Money, Your Goals (YMYG) program, which helps social service organizations who help consumers manage their finances by identifying financial goals, creating savings plans, managing debt, and learning about credit.

Performance goals

The Bureau will assess the progress on achieving objective 1.1 through the following performance goals:

Performance goal 1.1.1: Help people build the knowledge and skills to make money decisions through direct financial education from the Bureau and through community channels providing other services.

The Bureau works to provide consumers with the knowledge, tools, and capabilities they need in order to make better informed financial decisions to serve their life goals. To that end, the Bureau offers directly to consumers a variety of information, tools, and programs about major financial choices and other money decisions. Educational offerings are provided in web and print, including the Bureau's "Ask CFPB" bank of over 1,000 questions and answers, Buying a House, Planning for Retirement, Paying for College, Money as You Grow, web pages focused on specific money topics, anti-fraud materials for seniors, and other print materials.

The Bureau also works to make it easier for people to access financial education in their local communities and to foster a lasting local financial education infrastructure. The Bureau does this by integrating financial education into trusted and established community channels, such as libraries, workplaces, social service organizations, military services, and government agencies. Major community channel initiatives in FY 2020 – FY 2021 include: the Your Money, Your Goals Program; an educational program for military recruits, ROTC and servicemembers; the Libraries Community Education Program; the Youth Employment Success Program; a program to provide education materials and other approaches to addressing elder financial exploitation to organizations serving seniors; and the Tax-Time Savings Program. The education offered through the direct and the community channels covers topics that consumers frequently seek on our web site as well as prevention topics such as money management and savings.

Performance measures

TABLE 1.1.1.1: NUMBER OF PEOPLE WHO USE THE BUREAU'S EDUCATIONAL RESOURCES ON WEB AND IN PRINT

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target				NA	8.7M	8.0M	9.0M	9.0M
Actual				15.5M	9.9M	12.3M	NA	NA

TABLE 1.1.1.2: ESTABLISH BASELINE SATISFACTION RATE FOR USERS OF CFPB'S ONLINE EDUCATIONAL RESOURCES, USING A TOOL THAT ALLOWS BENCHMARKING (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	TBD
Actual							NA	NA

TABLE 1.1.1.3: NUMBER OF MAJOR ENTITIES ENGAGED AND ACTIVE IN ENCOURAGING SAVINGS, REDUCING BARRIERS TO SAVINGS, OR INCREASING OPPORTUNITIES TO SAVE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							3-5	3-5
Actual							NA	NA

TABLE 1.1.1.4: NUMBER OF CONSUMERS WITH ENHANCED OPPORTUNITIES TO SAVE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							1.0M	1.0M
Actual							NA	NA

TABLE 1.1.1.5: NUMBER OF STAFF TRAINED WITH LOCAL AND REGIONAL ORGANIZATIONS TO ASSIST THE PEOPLE THAT THEY SERVE WITH FINANCIAL INFORMATION

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target				NA	6,000	4,000	2,500	2,500
Actual				9,352	3,721	4,026	NA	NA

TABLE 1.1.1.6: PERCENTAGE OF TRAINING COHORT ORGANIZATIONS PROVIDED ADDITIONAL TECHNICAL ASSISTANCE IN INTEGRATING YMYG INTO THEIR SERVICES. (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	TBD
Actual							NA	NA

TABLE 1.1.1.7: PERCENTAGE INCREASE IN FRONTLINE STAFF REPORTING AFTER TRAINING THAT THEY ARE VERY OR EXTREMELY CONFIDENT IN DISCUSSING FINANCIAL MANAGEMENT WITH CLIENTS. (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							60%	60%
Actual							NA	NA

TABLE 1.1.1.8: PARTICIPATING LIBRARIANS WHO SAY THE BUREAU'S LIBRARY PROGRAM INCREASED THEIR LIBRARY'S ABILITY TO PROVIDE FINANCIAL EDUCATION RESOURCES TO PATRONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						Baseline	75%	75%
Actual						85%	NA	NA

TABLE 1.1.1.9: PERCENTAGE OF SERVICEMEMBERS (FUTURE AND CURRENT) WHO ACCESSED MISADVENTURES IN MONEY MANAGEMENT (MIMM) WHO SHOWED KNOWLEDGE GAIN (IN ONE OR MORE TOPICS)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						15%	40%	40%
Actual						19.3%	NA	NA

Progress update and future action

The Bureau continues to provide people with educational information and tools online, in print, and through trusted and established community channels where people may go for other services. The Bureau’s consumer financial education programs are designed to empower people to make better informed financial decisions to serve their own life goals. The financial education topics address major areas of consumer interest such as: debt collection, credit and credit reporting, home ownership and mortgages, and student loan repayment. Other topics help people in their financial lives through preparedness and prevention, including: general money management, savings, building children’s financial capability, and a secure retirement.

The Bureau’s primary educational offerings include:

- “Ask CFPB,” an online educational tool to provide consumers with answers to commonly asked questions, including next steps after reading the answer sought. Since its launch in 2012, more than 27 million people have visited Ask CFPB pages.
- Free publications provide tools and resources to consumers, financial services industry, and other stakeholders. In FY 2019, the Bureau reached 25 million print publications delivered over the life of the program, covering financial education topics ranging from budgeting and bill paying to avoiding fraud against seniors.
- Information and “how-to” guides offered as digital tools on specific money decisions such as borrowing to buy a house, getting an auto loan, paying for college, when to claim social security when planning for retirement, and tools and information for parents who want to teach their children about money.
- *Your Money Your Goals* (YMYG) train-the-trainer program with tools that have served an estimated 29,000 frontline staff and volunteers nationwide in social service and other types of local service organizations over the life of the program. In FY 2019, the Bureau released the third and fourth issue-focused action booklet in the *Your Money, Your*

Goals suite of financial empowerment tools. These new booklets, “Want credit to work for you?” and “Building your savings? Start with small goals”, each provide eight tools to help consumers plan for short-term and long-term goals.

- The Libraries program provides free financial education publications for libraries plus monthly webinars, other trainings, and opportunities for librarians to connect with local financial education providers.
- The Tax-time Savings program provides technical assistance to Volunteer Income Tax Assistance (VITA) program tax sites and private tax preparers who wish to encourage savings at tax time. In FY 2019, the Bureau’s work reached approximately 1.5M tax filers who received a refund at VITA or AARP partner sites.
- *Misadventures in Money Management* (MiMM) provides online training for future and current servicemembers on how they can avoid costly mistakes in their personal finances. In FY 2019, the Bureau expanded MiMM to be available for all servicemembers on active duty, as well as the Reserve and the National Guard. MiMM was initially developed for future servicemembers.

The Bureau launched the *Start Small, Save Up* initiative in FY 2019 with the purpose to increase people’s financial well-being by increasing people’s opportunities to save and empower them to realize their personal savings goals, starting with an emphasis on emergency savings. This focus on savings is grounded in the Bureau’s research showing the association of savings with individual financial well-being. The planned campaign tools include education, partnerships, research, and policy approaches. In FY 2020, the initiative will continue this work as well as enhancing the evidence base of the Start Small, Save Up campaign by executing a plan to collect, analyze, and report on data that will provide insight into current innovations in the savings space, with the goal of identifying promising strategies to encourage saving.

The annual performance measures related to financial education included in this report measure both output and outcomes. Output measures include individuals served, staff trained, and people who use resources developed by the Bureau. Outcome measures and other measures that go beyond output include outcomes such as knowledge gain, confidence gain, or savings participation, and customer satisfaction.

Performance goal 1.1.2: Amplify the effectiveness of financial education for adults and for children.

Financial education’s overall goal is to improve financial well-being by helping people to make better-informed financial decisions and take financial steps to achieve their own life goals. The Bureau develops and shares information, tools and knowledge to amplify the reach and

effectiveness of financial educators of adults and children. The Bureau has conducted research which has defined what financial well-being is and how to measure it. Current research focuses on how to support financial well-being. The Bureau distributes the results of the financial well-being research to financial educators.

Performance measures

TABLE 1.1.2.10: FINEX PARTICIPANTS REPORTING THAT BUREAU TOOLS CHANGED HOW THEY INTERACT WITH CONSUMERS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						50%	50%	50%
Actual						74%	NA	NA

TABLE 1.1.2.11: NUMBER OF TEACHERS REACHED WITH ACTIVITIES FOR CLASSROOM USE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					2,000	5,000	20,000	20,000
Actual					2,200	13,076	NA	NA

Progress update and future action

The Bureau has provided financial educators with significant research, analysis, and tools on defining and measuring financial well-being, effective practices in financial education, and how children and youth develop the building blocks of adult financial well-being. In FY 2020, the Bureau will continue to develop and share information, tools, and research about how financial education can foster better financial decisions and actions leading to enhanced financial well-being for the general population, older adults, servicemembers, veterans, students, and traditionally underserved consumers.

A key channel for distributing Bureau-developed research, knowledge, insights, and tools to educators of adults is the Financial Education Exchange (FinEx). In FY 2019, over 7,500 practitioners participated in FinEx and downloaded over 52,000 financial education tools and materials. Over 74% of participating financial educators reported that Bureau tools changed how they interacted with their clients.

Building upon the teachers' platform launched in 2018, the Bureau continues to add resources to encourage and train educators of K-12 students at scale to teach financial education across various subjects and grade levels. In FY 2020, the Bureau will launch activities for elementary

school educators, building on the activities added for high school educators in November 2018 and middle school educators in September 2019. The Bureau will continue to develop and share research, knowledge, insights, and tools on how financial educators and families can help children and youth develop financial capability.

The Bureau will also continue to provide the Department of Defense (DoD) technical assistance as it implements its mandate to educate servicemembers through the military lifecycle.

Performance goal 1.1.3: Provide information, guidance, and technical assistance for the underserved to participate in financial services and encourage innovation for inclusion.

To achieve the Bureau’s statutory objectives regarding traditionally underserved consumers, the Bureau provides information, guidance, and technical assistance to support access to financial products and services. The Bureau provides technical assistance to civic leaders who are trying to bring more people into the credit reporting system. The Bureau also conducts research about ways to support saving and money management.

Performance measures

TABLE 1.1.3.12: PERCENTAGE OF TAX FILERS AT VITA COHORT SITES OWED A TAX REFUND WHO SAVE A PORTION OF THEIR REFUND

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	3%	3%	3%
Actual					3%	4.5%	NA	NA

Progress update and future action

The Bureau provides financial capability materials, tools, and programs to serve both the general adult population and the needs of specific populations. These specific populations include servicemembers and veterans, students and young adults, older adults and financial caregivers for seniors, and economically vulnerable people who are traditionally underserved. Through the Tax-time Savings program in FY 2019, the Bureau worked with 75 Volunteer Income Tax Assistance (VITA) programs who reached approximately 1.5M tax filers who received a refund at VITA or AARP partner sites. In June 2019, the Bureau convened Tax-time Savings cohort participants to discuss lessons learned and to identify promising practices that could be employed next tax season to encourage saving.

In FY 2019, the Bureau continued to provide technical assistance to city and regional leaders about their local profiles of “credit invisibility” and ways people can build positive credit histories and expand their choices in obtaining credit. This assistance builds on the continued offering of 74 credit profiles for local communities and all 50 states, which were released by the Bureau in FY 2018.

Performance goal 1.1.4: Research and report on the effectiveness of paper and electronic disclosures regarding consumer financial products or services.

Much federal consumer protection law rests on the assumption that accurate and effective disclosures help Americans understand the terms of different consumer financial products and services and inform their decision making. The Bureau will research topics related to financial disclosures and information provision to enhance the Bureau’s understanding of how disclosures can be most effective in consumer decision-making for financial products and services.

Performance measures

TABLE 1.1.4.13: NUMBER OF INITIATIVES COMPLETED THAT ESTABLISH FINDINGS OR EVIDENCE RELATED TO DISCLOSURE METHODS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	1	4	2
Actual					0	1	NA	NA

Progress update and future action

In FY 2019, the Bureau completed one initiative that will establish findings or evidence related to disclosure methods. To support the Bureau’s debt collection rulemaking, the Office of Research conducted a large study with an experimental design to test disclosure comprehension and related outcomes between groups of respondents seeing different versions of a proposed debt collection disclosure. Using a large sample of consumers who have and have not experienced debt collections in the past 24 months, the disclosure testing presented respondents with one version of a proposed disclosure and subsequently asked them questions to assess their understanding of and hypothetical decisions around the information they read in the disclosure. The results of this phase of testing will be used to help inform the final structure and content of the required disclosure.

In FY 2020, the Bureau plans to conduct additional qualitative disclosure testing to evaluate consumer usability of the revised versions of model validation notices that are under development as part of the Debt Collection rulemaking.

Additionally, the Bureau plans to begin work on a series of projects using field and economic laboratory settings in order to help the Bureau better understand recurring issues with consumer financial disclosures and how they may affect household financial decision-making. The projects under development include:

- *Vague Language in Disclosures.* This series of laboratory studies will examine how vague language in financial disclosures affects consumer understanding of the information the disclosure is intended to convey.
- *Simplified Disclosure.* This laboratory study compares different approaches to disclosure that reduce the amount of information presented to consumers in an initial disclosure; that is, different ways to implement a first tier of a tiered disclosure.
- *Disclosure Market Study.* This laboratory study builds upon earlier work that examines how the number of product attributes in a disclosure impacts market price. The current study will explore whether and how the findings change with increased competition in the market by adding conditions in which consumers have a larger number of sellers from which to purchase a good.

Performance goal 1.1.5: Use disclosure trials and issue rules, as appropriate, to improve the effectiveness of disclosures regarding consumer financial products or services.

The Bureau can provide a safe harbor for the use of model disclosures in certain circumstances. Under the Bureau's trial disclosure policy, the Bureau can approve companies, on a case-by-case basis, for waivers of limited time and scope from current federal disclosure laws in order for those companies to research and test informative, cost-effective disclosures. The companies involved will then share the results of their trial disclosure with the Bureau. The Bureau hopes to use that information to improve its disclosure rules and model forms.

Performance measures

TABLE 1.1.5.14: NUMBER OF PROPOSED AND FINAL RULES INTENDED TO IMPROVE CONSUMERS' UNDERSTANDING OF CONSUMER FINANCIAL PRODUCTS AND SERVICES

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target					NA	1	2	TBD
Actual					2	1	NA	TBD

TABLE 1.1.5.15: NUMBER OF PROTO-APPLICATIONS FOR A TDP WAIVER

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	NA	Baseline	5
Actual					NA	NA	NA	NA

TABLE 1.1.5.16: NUMBER OF APPLICATIONS FOR TDP WAIVER DEEMED TO BE COMPLETE ("FORMAL APPLICATIONS") (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	3
Actual							NA	NA

TABLE 1.1.5.17: PERCENT OF FORMAL TDP WAIVER APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING THE APPLICATION TO BE COMPLETE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						Baseline	Baseline	90%
Actual						NA	NA	NA

TABLE 1.1.5.18: PERCENT OF PROTO-APPLICATIONS FOR A TDP WAIVER THAT ARE ULTIMATELY GRANTED (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	60%
Actual							NA	NA

Progress update and future action

In FY 2019, the Bureau issued one proposed rule intended, in whole or in part, to improve consumers' understanding of consumer financial products and services. In May 2019, the Bureau issued a Notice of Proposed Rulemaking (NPRM) to implement the Fair Debt Collection Practices Act (FDCPA). The proposal would provide consumers with clear protections against harassment by debt collectors and straightforward options to address or dispute debts. Among other things, the NPRM would set clear, bright-line limits on the number of calls debt collectors may place to reach consumers on a weekly basis; clarify how collectors may communicate lawfully using newer technologies, such as voicemails, emails and text messages, that have developed since the FDCPA's passage in 1977; and require collectors to provide additional information to consumers to help them identify debts and respond to collection attempts. The Bureau expects to take final action with regard to the May 2019 NPRM in calendar year 2020.

In FY 2019, the Bureau engaged in testing of consumer disclosures related to time-barred debt disclosures that were not the focus of the May 2019 proposal. After testing, the Bureau plans to issue a supplemental NPRM seeking comments on any disclosure proposal related to the collection of time-barred debt.

On September 10, 2018, the Office of Innovation proposed creating a Disclosure Sandbox by revising its existing Policy to Encourage Trial Disclosure Programs (TDP Policy). The Bureau has a statutory mandate to ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation. The final TDP Policy was issued on September 10, 2019. The Office of Innovation has begun receiving and processing proto-applications and expects to issue one or more TDP Waivers under the Policy in FY 2020.

Performance goal 1.1.6: Handle consumer questions.

The Bureau handles consumer questions about consumer financial products and services, as well as questions about complaints, by telephone from its two US-based contact centers.

Performance measures

TABLE 1.1.6.19: PERCENTAGE OF CONSUMERS SATISFIED WITH TELEPHONE EXPERIENCE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	90%	90%	90%

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Actual					91.7%	91%	NA	NA

Progress update and future action

In FY 2018, Consumer Response began to measure consumers' satisfaction with their telephone experiences with the contact center to establish a satisfaction baseline. In FY 2019, 91% of respondents rated their experience with the contact center as satisfactory.

Performance goal 1.1.7: Facilitate timely response to consumer complaints by companies.

The Bureau facilitates timely response to consumer complaints by companies using a secure, web-based company portal. To protect consumer privacy and keep company responses confidential, the Bureau uses this portal to route complaints to companies for review and response. The portal includes tools that help make it easier and faster for companies to receive, review, and respond to consumer complaints and to access and analyze data associated with those complaints.

Performance measures

TABLE 1.1.7.20: NUMBER OF DAYS TO ROUTE COMPLAINTS TO COMPANY

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	3 days	2 days	2 days	2 days	2 days	2 days	2 days	2 days
Actual	1 day	1 day	< 1 day	< 1 day	<1 day	1	NA	NA

TABLE 1.1.7.21: PERCENTAGE OF COMPANY RESPONSES THAT ARE TIMELY

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					97%	97%	97%	97%
Actual					99%	99%	NA	NA

Progress update and future action

In FY 2019, Consumer Response routed complaints to companies for response within a median of one calendar day.

Consumer Response also began to report the percentage of complaints that receive a timely response when routed through the company portal. In FY 2019, 99% of complaints routed to companies through the company portal received a timely response.

Performance goal 1.1.8: Analyze consumer complaint data and provide timely reports to the public.

Analysis of consumer complaints helps the Bureau to regulate consumer financial products and services under existing federal consumer financial laws, enforce those laws judiciously, and educate consumers.

Performance measures

TABLE 1.1.8.22: PERCENTAGE OF COMPANIES ANALYZED ON RESPONSE PERFORMANCE (ABOVE THRESHOLD)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					78%	82%	83%	85%
Actual					90%	100%	NA	NA

Progress update and future action

Consumer Response’s analysis of consumer complaints, company responses, and consumer feedback enables the Bureau to assess the accuracy, completeness, and timeliness of company responses, and ensures that the Bureau and other regulators have useful information about consumer complaints concerning financial products and services. Consumer Response uses a variety of approaches to analyze consumer complaints including cohort and text analytics to identify trends and possible consumer harm.

Objective 1.2

Regularly identify and address outdated, unnecessary, or unduly burdensome regulations in order to reduce unwarranted regulatory burdens.¹²

Objective leader: Associate Director of Research, Markets, and Regulations

Strategies and investments

Strategies

- Obtain input and feedback with respect to existing regulations, alternative approaches to regulation, and alternatives to regulation.
- Conduct empirical assessments to evaluate the effectiveness of significant Bureau rules in achieving the purposes and objectives of title X of the Dodd-Frank Act and the specific goals stated by the Bureau.
- Periodically review individual regulations (or parts of regulations) to identify opportunities for clarification, modernization, and streamlining.
- Engage in rulemaking where appropriate to address unwarranted regulatory burdens.

Investments

PERSONNEL

Maintain the capacity to conduct rulemaking activities and identify regulatory burden; maintain the expertise necessary to monitor developments in consumer financial markets and to gather

¹² As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(3).

market intelligence related to regulatory burden; and retain the economists and other researchers necessary to conduct benefit-cost analysis, estimate burden and cost savings and to conduct other policy-relevant analysis.

Performance goals

The Bureau will assess the progress on achieving objective 1.2 through the following performance goals:

Performance goal 1.2.1: Conduct an assessment of significant rules adopted by the Bureau and review regulations to identify opportunities to reduce unwarranted regulatory burdens

The Bureau seeks to regularly identify regulations that are outdated, unnecessary, or otherwise create unwarranted regulatory burden. The Bureau also recognizes that markets for financial products and services are continuously evolving. In order for consumers to realize the full benefit of this innovation, the regulatory landscape must also evolve. Rules that are outdated or no longer necessary or that otherwise impose unwarranted regulatory burden need to be regularly identified as candidates for deregulatory actions.

Performance measure

TABLE 1.2.1.23: NUMBER OF ASSESSMENTS AND REGULATORY REVIEWS COMPLETED WITHIN STATUTORY DEADLINE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	3	2	1
Actual					NA	3	NA	NA

Progress update and future action

Section 1022(d) of the Dodd-Frank Act requires the Bureau to conduct an assessment of each of its significant rules and orders and to publish a report of each assessment within five years of the effective date of the rule or order. In FY 2019, the Bureau published reports of its assessments of three rules:

- *Remittance Rule assessment report.* The Bureau’s Remittance Rule became effective in October 2013 and gave certain protections to consumers that send remittance transfers from the United States to another country. The assessment, issued in October 2018,

used both the Bureau's own research and external sources to evaluate, among other things, the effectiveness of the Remittance Rule in meeting the purposes and objectives of title X of the Dodd-Frank Act and the specific goals stated by the Bureau.

- *Ability to Repay and Qualified Mortgage Rule assessment report.* The Bureau issued the Ability to Repay and Qualified Mortgage Rule in January 2013 to implement provisions of the Dodd-Frank Act that require lenders, before making a residential mortgage loan, to make a reasonable and good faith determination based on verified and documented information that the consumer has a reasonable ability to repay the loan. The rule took effect in January 2014. The assessment, issued in January 2019, used a range of data sources, including a unique data set the Bureau assembled for purposes of this assessment, to examine, among other things, the extent to which the rule has affected consumers' access to credit and the cost of credit.
- *2013 Real Estate Settlement Procedures Act (RESPA) Mortgage Servicing Rule assessment report.* The Bureau issued the RESPA Mortgage Servicing Rule in January 2013 to implement certain provisions of the Dodd-Frank Act imposing new obligations on mortgage servicers who are generally responsible for billing borrowers for amounts due, collecting payments, disbursing funds, and providing customer service. The rule also added new protections which the Bureau deemed appropriate or necessary to carry out the consumer protection purposes of RESPA. This rule took effect in January 2014. The assessment, issued in January 2019, used a range of data, including a unique data set the Bureau assembled, to examine, among other things, how the rule has affected the experiences and outcomes for consumers, with a particular focus on those who fall behind on their mortgage payments.

The Regulatory Flexibility Act (RFA) requires each agency to consider the effect on small entities of certain rules it promulgates. Specifically, the Act requires the Bureau to review a rule within ten years of its publication if the rule has or will have a significant economic impact upon a substantial number of small entities (SISNOSE). The purpose of the review is to determine whether the rule should be continued without change, or should be amended or rescinded, consistent with the stated objectives of applicable statutes, to minimize any SISNOSE. In FY2020, the Bureau plans to complete a review of the 2009 overdraft rule that amended Regulation E and to conduct a review for a series of CARD Act rules that amended Regulation Z.

Performance goal 1.2.2: Engage in rulemaking, where appropriate, to address outdated, unnecessary, or unduly burdensome regulations.

As the Bureau identifies regulations which are or may be outdated, unnecessary or otherwise imposing unwarranted regulatory burden, the Bureau will establish priorities for rulemaking activity to address such burdens and will engage in rulemaking to address the source of such burdens.

Performance measures

TABLE 1.2.2.24: NUMBER OF PROPOSED AND FINAL RULES TO REDUCE REGULATORY BURDEN¹³

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	3	5	4
Actual					4	4	NA	NA

TABLE 1.2.2.25: ESTIMATED PERCENT OF BURDEN REDUCED BY FINAL RULES COMBINED OR BY EACH FINAL RULE TO REDUCE REGULATORY BURDEN

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	10%	TBD	TBD
Actual					NA	13.4%	NA	NA

Progress update and future action

In FY 2019, the Bureau proposed three rules, one of which was also finalized in FY 2019, intended, in part, to reduce regulatory burden.

- *Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date.* The Bureau announced in 2018 that it intended to open a rulemaking to reconsider its 2017 rule titled Payday, Vehicle Title, and Certain High-Cost Installment Loans. The 2017 rule's compliance date was in August 2019. The Bureau issued a Notice

¹³ Both proposed and final rules are considered under this measure, but a proposed rule and the finalization the same rule will not be double counted.

of Proposed Rulemaking (NPRM) in February 2019 that proposed to delay the compliance date for provisions of the rule concerning the underwriting of covered short-term and longer-term balloon payment loans for 15 months to allow the Bureau adequate opportunity to review comments on its main rulemaking and to make any changes to those provisions before affected entities bear additional costs and experience related market effects associated with implementing and complying with them. The postponement would also account for potential implementation challenges that had not been anticipated at the time of the 2017 rule. The Bureau finalized the delay rule in June 2019.

- *Payday, Vehicle Title, and Certain High-Cost Installment Loans.* In February 2019, the Bureau issued an NPRM to rescind the Bureau's 2017 rule's requirements that lenders make certain underwriting determinations before issuing payday, single-payment vehicle title, and longer-term balloon payment loans. The Bureau was concerned about the evidentiary support for the 2017 rule's underwriting provisions and also concerned about its impact on access to credit.
- *Home Mortgage Disclosure Act.* In May 2019, the Bureau issued an NPRM, which proposes to raise the coverage thresholds for collecting and reporting data about closed-end mortgage loans and open-end lines of credit under the Home Mortgage Disclosure Act (HMDA) rules. The NPRM would provide relief to smaller lenders from HMDA's data reporting requirements and would clarify partial exemptions from certain HMDA requirements that Congress added in the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA).

For the burden-reducing rule finalized in FY 2019 – Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date – the Bureau estimated cost savings resulting from the delayed implementation of the Bureau's 2017 rule.¹⁴

During FY 2020, the Bureau plans to conduct rulemakings intended to reduce regulatory

¹⁴ The Bureau issued a final rule in June 2019 to delay the compliance date for provisions of the rule concerning the underwriting of covered short-term and longer-term balloon payment loans for 15 months. The rule had a compliance date in August 2019. The Bureau estimated that the 15-month delay of the compliance date would result in an estimated increase in revenues of between \$4.25 billion and \$4.5 billion for payday lenders and between \$4.9 billion and \$5.1 billion for vehicle title lenders. Over a ten-year horizon, the delay in implementation resulted in an overall burden reduction of 13.4%. The burden reduction is calculated by applying the discounted value of reduced costs using the 10-year Treasury constant maturity rate as of October 2019.

burden.

- *Home Mortgage Disclosure Act Data Points.* The Bureau announced in December 2017 that it intended to open a rulemaking to reconsider various aspects of a 2015 final rule that amended regulations implementing the Home Mortgage Disclosure Act (HMDA). The Bureau issued an Advance Notice of Proposed Rulemaking (ANPR) in May 2019 soliciting comment on certain data points in the 2015 final rule that were added to Regulation C or revised to require additional information, and on coverage of certain business or commercial purpose loans. In June 2019, the Bureau extended the comment period for the ANPR from July 8, 2019 to October 15, 2019. The extension gives interested parties an opportunity to review the Bureau's annual overview of residential mortgage lending based on the HMDA data financial institutions collected in 2018, as requested by a variety of stakeholders. The Bureau expects to issue a Notice of Proposed Rulemaking in summer 2020 to follow up on the ANPR.
- *Home Mortgage Disclosure Act Public Data Release.* The Bureau has decided to commence a new notice-and-comment rulemaking to govern HMDA data disclosure. Commencing a notice-and-comment rulemaking will enable the Bureau to adopt a more definitive approach to disclosing HMDA data to the public in future years after considering new information concerning the privacy risks and benefits of disclosure of the HMDA data. The Bureau expects to issue an NPRM in summer 2020.
- *Remittance Transfers.* Section 1073 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) contains an exception to disclosure requirements for remittance transfers. The exception permits insured depository institutions and insured credit unions in certain circumstances to estimate certain required disclosures. As mandated by statute, this exception will expire on July 21, 2020. After completing an assessment in October 2018 of rules to implement Dodd-Frank Act requirements for international remittance transfers, the Bureau issued in April 2019 a Request for Information to gather information related to the expiration of the temporary exception and information related to the scope of Remittance Rule's coverage. In December 2019, the Bureau issued an NPRM. The NPRM proposes to allow certain banks and credit unions to continue to provide estimates under certain conditions. In addition, the Bureau is proposing to increase the safe harbor threshold that determines whether a company makes remittance transfers in the normal course of its business and is subject to the Rule. Under the NPRM, companies making 500 or fewer transfers annually in the current and prior calendar years would not be subject to the rule.

- *Payday, Vehicle Title, and Certain High-Cost Installment Loans.* In February 2019, the Bureau issued an NPRM relating to reconsideration of the mandatory underwriting requirements of a 2017 rule titled Payday, Vehicle Title, and Certain High-Cost Installment Loans. The Bureau plans to finalize the rule during FY 2020.

Objective 1.3

Ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.¹⁵

Objective leaders: Associate Director, Research, Markets, and Regulations; Associate Director, External Affairs; Assistant Director, Office of Innovation

Strategies and investments

The following strategies and investments have been put in place to help the Bureau achieve objective 1.3.

Strategies

- Effectively monitor consumer financial markets and rigorously study and report on consumer decisions and outcomes.
- Engage in rulemaking or other activities where appropriate to respond to emerging markets and products, changes in market conditions, or innovation.
- Pursue an efficient, transparent, and inclusive approach to developing or revising regulations.
- Carefully evaluate the potential benefits and costs of contemplated regulations.
- Provide financial institutions, service providers, and other entities with tools and resources to support implementation and compliance with consumer financial protection laws.

¹⁵ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(5).

- Gather input from stakeholders on the Bureau’s policies and operations.

Investments

PERSONNEL

Maintain the capacity to conduct rulemaking activities, provide interpretive guidance, publish regulatory implementation materials, and provide industry with other implementation support; maintain the expertise necessary to monitor developments and trends in consumer financial markets; and economists and other researchers to conduct benefit-cost analysis and other policy-relevant research.

HMDA OPERATIONS

The HMDA Operations budget is used to develop, maintain, and improve the HMDA Platform, the system by which financial institutions submit data to the Bureau under the Home Mortgage Disclosure Act (HMDA). This data is a key resource used by financial regulators, researchers, and industry. The Bureau administers the HMDA Platform on behalf of the Federal Financial Institutions Examinations Council (FFIEC).

NATIONAL MORTGAGE DATABASE

National Mortgage Database is a comprehensive repository of detailed mortgage loan information. The database is primarily used to support the agencies’ policymaking and research efforts and to help regulators and the mortgage industry better understand emerging mortgage and housing market trends.

OTHER MARKET DATA

The Bureau invests in commercially vended data and gathers data from other sources. Analyses from these data resources are foundational for the Bureau’s policy work and also contribute to evidence-based market research. These data include the Bureau’s Consumer Credit Panel through which the Bureau releases the Consumer Credit Trends, which captures recent developments in consumer credit markets.

PRIMARY DATA COLLECTION

The Bureau conducts primary data collections through field tests, controlled trials in laboratory settings, and surveys to inform policy making and build foundational knowledge about how

consumers make financial decisions.¹⁶

REGULATORY SUPPORT SERVICES

Maintain a team of paralegal contractors in order to provide additional “surge” support for regulatory activities of rulemaking and implementation. These activities include: external guidance routing, HMDA Help to industry stakeholders, supporting document collections required by regulation, processing public comments for rulemakings

Performance goals

The Bureau will assess its progress on achieving objective 1.3 through the following performance goals:

Performance goal 1.3.1: Issue rules, where appropriate, implementing Federal consumer financial laws through a timely and inclusive process.

The Bureau has prioritized putting in place consumer protection regulations where appropriate, including those implementing statutory requirements, in a timely and inclusive manner.

Timeliness is important because it increases certainty about the rules of the road, which allows market participants to plan for a longer term. For this reason, the Bureau believes that completion of its own regulatory proposals within nine months of the close of the final public comment period is a good measure of whether it is meeting this goal.

The Regulatory Flexibility Act (RFA), as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA) and the Dodd-Frank Act, requires the Bureau to convene a Small Business Review Panel before proposing a rule that will have a significant economic effect on a substantial number of small entities. Other public outreach efforts, such as meetings with consumers and industry stakeholders in the development of a proposal, inform and otherwise assist the Bureau in crafting more effective rules.

¹⁶ See “Sources and Uses of Data at the Bureau of Consumer Financial Protection”
<https://www.consumerfinance.gov/data-research/research-reports/sources-and-uses-data-bureau-consumer-financial-protection/>

Performance measures

TABLE 1.3.1.26: PERCENTAGE OF PROPOSED RULEMAKINGS FINALIZED OR OTHERWISE RESOLVED WITHIN NINE MONTHS OF THE DUE DATE FOR RECEIPT OF FINAL PUBLIC COMMENTS.¹⁷

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	75%	75%	75%	75%	75%	75%	75%	75%
Actual	100%	86%	100%	88%	60%	100%	NA	NA

TABLE 1.3.1.27: PERCENTAGE OF INDUSTRY SMALL BUSINESS REGULATORY ENFORCEMENT FAIRNESS ACT (SBREFA) PARTICIPANTS REPORTING POSITIVE FEEDBACK OF THE SBREFA PROCESS ON USER SURVEYS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	Baseline	TBD
Actual					NA	NA	NA	NA

Progress update and future action

In FY 2019 the Bureau issued two final rules that were informed by public comment:

- In June 2019, the Bureau issued a final rule to delay the August 19, 2019 compliance date for the mandatory underwriting provisions of the regulation promulgated by the Bureau in November 2017 governing Payday, Vehicle Title, and Certain High-Cost Installment Loans (the Rule). Compliance with these provisions of the Rule was delayed by 15 months, to November 19, 2020. The Bureau also made certain corrections to address several clerical and non-substantive errors it has identified in other aspects of the Rule. The notice of proposed rulemaking and request for comments was published on February 14, 2018 and the comment period closed on March 18, 2019. The rule was finalized within 9 months of the due date for receipt of final comments. The Bureau received approximately 150 comment letters from individuals, consumer advocacy groups, a group of State attorneys general, depository and non-depository lenders, tribal governments, national and regional trade associations, service providers, the Small Business Administration's Office of

¹⁷ This measure does not include interagency rulemakings, rulemakings inherited from the Board, and rulemakings on which the Bureau expects to do further quantitative research following the receipt of public comments.

Advocacy, legislative and executive branch State government officials, and others. Commenters writing in support of the proposed delay included lenders, trade associations, tribal governments, the SBA OA, individual commenters, and others. Some of these commenters also expressed their support for rescission of the Mandatory Underwriting Provisions as proposed in the Reconsideration NPRM. Commenters writing in opposition to the proposed delay included a number of consumer advocacy groups, a group of State attorneys general, legislative and executive branch State government officials, individual commenters, and others.

- In July 2019, the Board of Governors of the Federal Reserve System (Board) and the Bureau (collectively, Agencies) amended Regulation CC, which implements the Expedited Funds Availability Act (EFA Act), to implement a statutory requirement in the EFA Act to adjust the dollar amounts under the EFA Act for inflation. The Agencies also amended Regulation CC to incorporate the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA) amendments to the EFA Act, which include extending coverage to American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam, and to make certain other technical amendments. The notice of proposed rulemaking and request for comments was published on December 10, 2018 and the comment period closed on February 8, 2019. The rule was finalized within 9 nine months of the due date for receipt of final comments. The Agencies received 32 responses to their proposal from a variety of commenters, including depository institutions, service providers, trade associations, clearinghouses, consumer organizations, and private individuals. Nine commenters explicitly expressed general support for the proposal, two additional trade association commenters specifically supported the proposal's calculation methodology and timeframes, and twelve commenters specifically supported the proposed one-year effective date. As discussed in more detail below, three institutions opposed basic tenets of the statutory requirements based on concerns about loss to institutions due to customer fraud: the first disagreed altogether with need to make inflationary adjustments for purposes of funds availability; the second disagreed with adjusting the statutory dollar amounts every five years; and the third opposed basing the hold amount on the CPI, stating that individual check amounts are not reflective of inflation. Some commenters addressed other specific aspects of the proposal.

The Bureau also issued a number of rules that were interim, procedural, or corrective and did not require notice and comment. Most of these rules consequently became effective immediately upon publication in the *Federal Register* or within 30 days of publication in the *Federal Register* and were not subject to this performance measure.

Beginning in FY 2019, the Bureau established plans to gather feedback on the SBREFA process by implementing surveys of participants. There were no SBREFA Panels conducted during FY 2019.

In FY 2020, the Bureau plans to conduct a SBREFA panel for the Small Business Data Collection rulemaking. Section 1071 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amends the Equal Credit Opportunity Act (ECOA) to require financial institutions to report information concerning credit applications made by women-owned, minority-owned, and small businesses. The Bureau issued a Request for Information in 2017 seeking public comment on, among other things, the types of credit products offered and the types of data currently collected by lenders in this market, and the potential complexity, cost of, and privacy issues related to, small business data collection. The Bureau also hosted a symposium on small business data collection in November 2019. The information received in response to the Request for Information and the symposium will help the Bureau determine how to implement the rule efficiently while minimizing burdens on lenders.

Performance goal 1.3.2: Support industry implementation of new and existing rules.

The Bureau makes it a priority to support and assist industry’s regulatory implementation efforts. For each substantive rule it issues, the Bureau provides substantial implementation support through a variety of mechanisms, including: making available on its website free-standing implementation aids, such as small entity compliance guides or other similar guides, summaries, charts, other resources; conducting webinars; engaging in outreach with financial institutions and their vendors to understand and discuss implementation challenges; and providing informal guidance to institutions.

Performance measures

TABLE 1.3.2.28: PERCENTAGE OF SMALL ENTITY COMPLIANCE GUIDES RELEASED OR UPDATED WITHIN 90 DAYS OF PUBLICATION OF THE RULE IN THE *FEDERAL REGISTER*

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					75%	75%	75%	75%
Actual					83%	100%	NA	NA

TABLE 1.3.2.29: NUMBER OF IMPLEMENTATION COMPLIANCE AIDS AND TOOLS PUBLISHED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					8	15	20	20
Actual					25	24	NA	NA

TABLE 1.3.2.30: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF REGULATORY IMPLEMENTATION MATERIALS AND OTHER ONLINE SUPPORT MATERIALS FROM THE BUREAU'S WEBSITE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	950,000/ 220,000	950,000/ 220,000	950,000/ 220,000
Actual					918,754/ 214,754	821,107/ 188,628	NA	NA

TABLE 1.3.2.31: NUMBER OF WRITTEN RESPONSES TO INFORMAL GUIDANCE INQUIRIES PUBLISHED VIA IMPLEMENTATION AIDS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	10	10
Actual					NA	10	NA	NA

TABLE 1.3.2.32: PERCENTAGE OF INDUSTRY PARTICIPANTS REPORTING POSITIVE FEEDBACK OF IMPLEMENTATION AND GUIDANCE MATERIALS ON USER SURVEYS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	70%	75%
Actual					NA	66%	NA	NA

TABLE 1.3.2.33: THE PERCENTAGE OF HMDA REGULATORY GUIDANCE INQUIRIES ANSWERED WITHIN PRESCRIBED TIMEFRAME (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	TBD
Actual							NA	NA

Progress update and future action

For FY 2018, the Bureau published implementation deliverables to assist industry in implementation and compliance with new and revised rules. Below are some examples.

- **Regulation C (HMDA):** The Bureau published the Reportable HMDA Data Chart and Frequently Asked Questions to help facilitate compliance with Regulation C. The Bureau also updated resources to help industry to implement changes made by section 104(a) of the Economic Growth, Regulatory Relief, and Consumer Protection Act (EGRRCPA). These resources include an executive summary and updates to both the Small Entity Compliance Guide and Reportable HMDA Data Chart. Together with the FFIEC, the Bureau published the 2018 edition of the HMDA Getting it Right Guide. The Bureau also worked with the FFIEC to publish data submission resources for HMDA filers and vendors on its Resources for HMDA Filers website.
- **Other Mortgage-Related Rules:** The Bureau continued to support the implementation of the TILA-RESPA Integrated Disclosure Rule, which took effect in October 2015. Mortgage-related implementation materials are the most widely viewed compliance and guidance materials on the Bureau's website.
- **Prepaid Rule:** In February 2019, the Bureau issued technical specifications and published additional resources regarding the agreement submission requirements of the prepaid rule. In FY 2019, the Bureau introduced the Prepaid Collect, where prepaid card issuers must submit prepaid product agreements. As part of the Prepaid Collect, the Bureau developed implementation resources to explain how to add or amend a prepaid product agreement, or withdraw a prepaid product agreement, using Collect.
- **Interactive Bureau Regulations:** The Bureau continues to develop and update online tools to support industry compliance efforts, including its Interactive Bureau Regulations platform. The Interactive Bureau Regulations platform presents regulation text and Official Interpretations (commentary) in an online format that allows users to navigate easily between sections of both the regulation text and commentary and facilitates comparisons of different versions of a regulation.

In FY 2020, the Bureau will continue to publish implementation aids to assist industry with the implementation and compliance with existing rules. Additionally, the Bureau issued more written guidance on the Bureau's rules in response to inquiries received from the public. In particular, the Bureau established a system for providing written guidance to the public (e.g.,

FAQs or other appropriate vehicles) in response to questions of general applicability that arise through individual requests for guidance under Bureau rules.

To capture satisfaction with the Bureau's implementation and guidance materials, the Bureau began to gather feedback from industry by implementing a new user survey. The survey was first implemented in August of 2019 and showed a satisfaction rate of 66% with a limited number of respondents. In FY2020, the Bureau will develop and implement a plan to gather additional feedback by increasing survey responses.

In FY2020, the Bureau will introduce a new measure related to the timeliness of HMDA Help guidance inquiries. The Bureau monitors service levels and will track the percentage of HMDA regulatory guidance inquiries answered within prescribed timeframes.

Performance goal 1.3.3: Facilitate compliance with statutes and regulations within the Bureau's jurisdiction by means of innovation policies. (NEW GOAL)

To facilitate access to innovative products and services that may benefit consumers, the Bureau has issued a revised Policy on No-Action Letters (NAL Policy) and the Policy on the Compliance Assistance Sandbox (CAS Policy). Entities with innovative products and services facing regulatory uncertainty can apply for a NAL under the NAL Policy or an approval under the CAS Policy. By reducing such uncertainty and facilitating compliance, NALs and approvals are designed to help enable the offering of innovative products or services to consumers. Each policy is also designed to increase Bureau coordination with other Federal and State regulators on innovation matters.

Performance measures

TABLE 1.3.3.34: NUMBER OF COMPLIANCE ASSISTANCE SANDBOX PROTO-APPLICATIONS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	6
Actual							NA	NA

TABLE 1.3.3.35: NUMBER OF COMPLIANCE ASSISTANCE SANDBOX APPLICATIONS DEEMED TO BE COMPLETE (“FORMAL APPLICATIONS”) (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	4
Actual							NA	NA

TABLE 1.3.3.36: PERCENT OF FORMAL COMPLIANCE ASSISTANCE SANDBOX APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING TO BE COMPLETE (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	90%
Actual							NA	NA

TABLE 1.3.3.37: PERCENT OF COMPLIANCE ASSISTANCE SANDBOX PROTO-APPLICATIONS THAT ARE ULTIMATELY GRANTED (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	66%
Actual							NA	NA

TABLE 1.3.3.38: NUMBER OF NO-ACTION LETTER PROTO-APPLICATIONS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	10
Actual							NA	NA

TABLE 1.3.3.39: NUMBER OF NO-ACTION LETTER APPLICATIONS DEEMED TO BE COMPLETE (“FORMAL APPLICATION”) (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021
Target							Baseline	7
Actual							NA	NA

TABLE 1.3.3.40: PERCENT OF FORMAL NO-ACTION LETTER APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING TO BE COMPLETE (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	90%
Actual							NA	NA

TABLE 1.3.3.41: PERCENT OF NO-ACTION LETTER PROTO-APPLICATIONS THAT ARE ULTIMATELY GRANTED (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	70%
Actual							NA	NA

TABLE 1.3.3.42: MONTHLY AVERAGE NUMBER OF INNOVATION-FOCUSED ENGAGEMENTS WITH EXTERNAL STAKEHOLDERS AND REGULATORY PEERS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	25
Actual							NA	

Progress update and future action

In FY 2018, the Bureau created the Office of Innovation (OI) to focus on encouraging consumer-beneficial innovation, which is now a key Bureau priority. The Bureau has a statutory mandate to promote competition, innovation, and consumer access within financial services. To fulfill this mandate, the Bureau (primarily through OI) (i) issued policies to reduce regulatory uncertainty and is (ii) processing applications under those policies, (iii) engaging with a diverse array of stakeholders, and (iv) coordinating with other Federal, State, and international regulators.

In late 2018, the Bureau proposed and sought public comment on (i) a revised Policy on No-Action Letters (NAL Policy); (ii) a revised Policy to Encourage Trial Disclosure Programs; and (iii) a new Policy on the Compliance Assistance Sandbox (CAS Policy). Approximately 30 comments were received on each proposal from a broad range of stakeholders. The final version

of each policy was issued on September 10, 2019.¹⁸

On the same date, the Bureau issued (i) the first NAL under the revised NAL Policy in response to an application from HUD on behalf of over 1,600 HUD-approved housing counseling agencies, and (ii) the first NAL Template under the revised NAL Policy to serve as the basis for NAL applications by mortgage lenders that provide funding to the housing counseling agencies.

Since issuance of the policies, OI has received numerous inquiries from a broad range of companies interested in applying under one or more of the policies. As of December 2019, OI is processing at least eight active proto-applications or applications. OI expects this level of interest to continue, or indeed to accelerate in FY 2020.

OI has also conducted an active schedule of engagement with external stakeholders about the content and potential use of the policies and related innovation initiatives. This engagement includes speaking at conferences, and presentations to and meetings with trade associations, individual regulated entities, consumer groups, civil rights organizations, and other Federal, State, and international regulators. It also includes meetings and extensive engagement with potential applicants faced with regulatory uncertainty as well as innovators in the areas under the Bureau's jurisdiction. In FY 2020, OI expects to operationalize this "point of contact" function in the form of office hours and other recurring engagement.

The Bureau expanded initiatives to facilitate innovation through coordination with regulators extensively in FY 2019. Following up on initial membership in the Global Financial Innovation Network (GFIN) in FY 2018, the Bureau became a Coordinating Group Member of GFIN over FY 2019, which enables it to participate in setting the overall direction, strategy, and work of GFIN. In September 2019, the Bureau announced the creation of the American Consumer Financial Innovation Network (ACFIN), a bi-partisan network of Federal and State officials and financial regulators seeking to facilitate consumer-beneficial innovation through coordination. ACFIN launched with eight members. Membership has since grown to fourteen members, including the CFPB and Attorneys General and/or state financial regulators.

¹⁸ See "CFPB Issues Policies to Facilitate Compliance and Promote Innovation"
<https://www.consumerfinance.gov/about-us/newsroom/bureau-issues-policies-facilitate-compliance-promote-innovation/>

Performance goal 1.3.4: Monitor developments and trends in consumer financial markets.

The Division of Research, Markets and Regulations (RMR) seeks to bring private sector perspective and experience to the Bureau. Through data analysis, literature reviews, onsite visits and ongoing stakeholder engagement across all consumer financial product markets, RMR works to keep Bureau staff and leadership aware of market developments and trends.

The Bureau will prioritize informing its policymaking with up-to-date market intelligence and data-driven analysis of consumer financial markets. RMR collects, develops and maintains standardized data on financial markets in order to surface financial trends, market opportunities, and emergent risks to consumers.¹⁹

Performance measures

TABLE 1.3.4.43: MONTHLY AVERAGE NUMBER OF CONSUMER FINANCIAL MARKET INTELLIGENCE-GATHERING MEETINGS WITH EXTERNAL STAKEHOLDERS²⁰

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					80	50	50	50
Actual					153	48.8	NA	NA

TABLE 1.3.4.44: PERCENTAGE OF CONSUMER FINANCIAL MARKETS WITH INTELLIGENCE-GATHERING MEETINGS WITH EXTERNAL STAKEHOLDERS EACH QUARTER

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					80%	80%	80%	80%
Actual					86%	92%	NA	NA

¹⁹ For all of the data used for its analyses, the Bureau works to ensure that strong personal privacy protections are in place. The Bureau will generally obtain datasets in a format such that no information is directly identifiable and research/analysis products resulting from such data will use similarly de-identified information. The Bureau treats the information collected from participating persons and institutions consistently with its confidentiality regulations and all data and analyses are subject to internal Bureau legal and privacy review.

²⁰ In FY 2018, this performance measure was reported as a quarterly average. In FY 2019, the Bureau has set a target and will measure based on a monthly average.

TABLE 1.3.4.45: NUMBER OF CONSUMER FINANCIAL MARKETS MONITORED THROUGH STANDARDIZED DATA

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					10	10	10	10
Actual					10	10	NA	NA

TABLE 1.3.4.46: PERCENTAGE OF THE FIVE LARGEST CONSUMER FINANCIAL MARKETS MONITORED THROUGH STANDARDIZED DATA

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					80%	80%	80%	80%
Actual					80%	80%	NA	NA

TABLE 1.3.4.47: MONTHLY AVERAGE NUMBER OF INTERNAL PRESENTATIONS, PUBLICATIONS, AND CONSULTATIONS TO SHARE MARKET INTELLIGENCE AND EXPERTISE TO SUPPORT BUREAU FUNCTIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	20	20
Actual					NA	19.3	NA	NA

Progress update and future action

Section 1022(c) of the Dodd-Frank Act tasks the Bureau with Market Monitoring in support of its rulemaking and other functions, for risks to consumers in the offering of consumer financial products or services and developments in markets for those products and services. The Market Offices, within the RMR Division, fulfill this statutory mandate by undertaking frequent market monitoring activities, including regular engagement with industry stakeholders, data analysis, and research. The four Market Offices – Mortgage Markets; Consumer Lending, Reporting, & Collections; Cards, Payments, & Deposits; and Small Business Lending – each have an Assistant Director with executive experience in consumer financial markets. Across the four offices there are Program Managers or senior staff, each covering a distinct consumer financial market or market segment. The Assistant Directors, Program Managers and staff engage with industry and other interested stakeholders at industry convenings and through formal and informal meetings.

Monitoring functions currently cover the following products and services: auto loan servicing and originations, consumer reporting, credit cards, data aggregation, debt collection, deposits, emerging payments, money services and remittances, mortgage servicing and originations, prepaid cards, small business lending, small dollar and installment lending, and student loan servicing and originations. In FY 2019, Markets Offices staff conducted an average of 48.8 external engagements each month. The Markets Offices engagements covered a large breadth of consumer financial product markets, with staff conducting multiple engagements each quarter in nearly all markets.

During FY 2019, the Bureau updated and maintained data in the following 10 consumer financial markets: auto loan origination, auto loan servicing, consumer reporting, credit cards, debt collection, deposits, money services and remittances, mortgage originations, mortgage servicing, and student loan origination. The five largest markets based on the Bureau's market size determination are mortgage (servicing and origination), auto (servicing and origination), student loans (servicing and origination), deposits, and consumer reporting. While the Bureau monitors all five markets through standardized data, it does not maintain and update standardized data on the student loan servicing market.

Performance goal 1.3.5: Make data on consumer finance markets publicly available.

In addition to collecting, developing, and maintaining data, the Bureau releases and publishes data with respect to consumer financial markets. This enables independent researchers to conduct their own analyses of developments and trends in these markets.

TABLE 1.3.5.48: NUMBER OF NEW DATA SERIES OR SETS RELEASED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					1	1	1	1
Actual					2	3	NA	NA

TABLE 1.3.5.49: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF BUREAU DATA RELEASES AND PUBLICATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	70,000/ 20,000	75,000 / 25,000	75,000 / 25,000
Actual					67,563/ 18,457	68,474 / 23,678	NA	NA

Progress update and future action

In FY 2019, the Bureau released three new data series:

- In November 2018, the Bureau, in conjunction with Federal Housing Finance Agency (FHFA), released a new loan-level dataset derived from the National Mortgage Database and collected through the National Survey of Mortgage Originations (NSMO) that provides insights into borrowers' experiences in obtaining a residential mortgage.
- In August 2019, on behalf of the Federal Financial Institutions Examination Council (FFIEC), the Bureau released data on mortgage lending transactions at U.S. financial institutions covered by the Home Mortgage Disclosure Act (HMDA). Covered institutions include banks, savings associations, credit unions, and mortgage companies. The loan-level HMDA data covering 2018 lending activity includes lending activity submitted to the Bureau through August 2019. The Bureau makes certain HMDA data available to the public and publishes various online tools for users to explore the data. The Federal Financial Institutions Examination Council (FFIEC) also makes HMDA data and other HMDA resources available to the public.
- In September 2019, the Bureau published for the first time a database containing prepaid account agreements, which contain general terms and conditions, pricing, and fee information, that issuers submit to the Bureau under the terms of the Bureau's Prepaid Rule. Prepaid account issuers submit their prepaid account agreements to the Bureau whenever a new agreement is offered, a previously submitted agreement is amended, or a previously submitted agreement is no longer offered.

In FY 2019, the Bureau continued the Consumer Credit Trends (CCT) series. The Consumer Credit Trends tool tracks originations for mortgages, credit cards, auto loans, and student loans. It also tracks inquiries for mortgages, credit cards, and auto loans. For originations, the tool charts how specific groups of consumers are faring in financial markets. The new data, updated monthly, provides a credit tightness index for mortgages, credit cards, and auto loans. The CCT dashboards, available on the Bureau's website, draw from a nationally representative sample of credit records maintained by one of the three nationwide consumer reporting agencies (NCRAs). The Bureau cannot control for any shift in market share between our data source and other NCRAs. Before being provided to the Bureau, the records are stripped of any information that might reveal consumers' identities, such as names, addresses, and Social Security numbers.

The Bureau also makes available databases about credit cards, including general credit card

agreements and college credit card marketing agreements. These resources include:

- A database of credit card agreements from more than 600 card issuers
- Credit card issuers marketing agreements with universities, colleges, or affiliated organizations such as alumni associations, sororities, fraternities, and foundations
- A survey of the terms of credit card plans offered by 150 financial institutions

Performance goal 1.3.6: Publish research relating to consumer financial markets, including consumers' decisions and outcomes in these markets.

The Bureau conducts research on consumer decision-making, consumer financial products and markets, and the effects of consumer financial regulations and policies. Periodically, the Bureau publishes reports of its research, including informational white papers, non-annual Reports to Congress, and “Data Point” reports.

Performance measures

TABLE 1.3.6.50: NUMBER OF PUBLISHED REPORTS AND RESEARCH PUBLICATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	5	5	6	6	6	7	10	10
Actual	9	6	9	6	10	13	NA	NA

TABLE 1.3.6.51: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF PUBLISHED REPORTS AND RESEARCH PUBLICATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	50,000/ 20,000	50,000/ 20,000	50,000/ 20,000
Actual					47,498/ 18,089	37,216 / 13,207	NA	NA

TABLE 1.3.6.52: NUMBER OF CITATIONS OF BUREAU REPORTS AND PUBLICATIONS IN OTHER PUBLICATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	75	140	140
Actual					73	121	NA	NA

TABLE 1.3.6.53: PERCENTAGE OF THE RESEARCH UNIT'S STATUTORILY REQUIRED TOPIC AREAS WITH EVIDENCE OR FINDINGS ESTABLISHED IN PUBLISHED REPORTS AND RESEARCH PUBLICATIONS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	83.3%	83.3%	TBD
Actual					83.3%	NA	NA	NA

Progress update and future action

Publishing research reports and market analysis is central to the Bureau's commitment to regulatory transparency and evidence-based policy-making. Additionally, the Bureau is statutorily required to research, analyze, and report on six topic areas related to consumer finance.²¹ During FY 2019, the Bureau published research in the following areas:

- Developments in markets for consumer financial products or services, including market areas of alternative consumer financial products or services with high growth rates and areas of risk to consumers;
- Access to fair and affordable credit for traditionally underserved communities;
- Consumer awareness, understanding, and use of disclosures and communications regarding consumer financial products or services;
- Consumer awareness and understanding of costs, risks, and benefits of consumer financial products or services;
- Consumer behavior with respect to consumer financial products or services, including performance on mortgage loans; and
- Experiences of traditionally underserved consumers, including un-banked and under-banked consumers.

RMR released the following public reports in FY 2019:

²¹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Dodd-Frank 1013(b)

- College Credit Card Agreements Report (December 2018)
- Fair Debt Collection Practices Act Annual Report 2019 (March 2019)
- Data point: Credit card revolvers (July 2019)
- Market Snapshot: Third-Party Debt Collections Tradeline Reporting (July 2019)
- The Consumer Credit Card Market (August 2019)
- Data point: 2018 mortgage market activity and trends (August 2019)
- Introducing New and Revised Data Points in HMDA (August 2019)
- Planning for tax-time savings (September 2019)
- Credit Characteristics, Credit Engagement Tools, and Financial Well-Being (September 2019)

In FY 2019, RMR continued a regular series of Quarterly Consumer Credit Trends (qCCT) reports identifying trends in the consumer credit markets, using the data in the Bureau's Consumer Credit Panel. The following are the four publications for FY 2019:

- qCCT: Natural Disasters and Credit Reporting (November 2018)
- qCCT: Quarterly Consumer Credit Trends: Mortgages to First-time Homebuying Servicemembers (March 2019)
- qCCT: Timing of Applications for Consumer Credit (May 2019)
- qCCT: Consumer Bankruptcy, BAPCPA, and the Great Recession (September 2019)

The most frequently viewed Bureau report in FY 2019 was the Data Point on 2018 mortgage market activity and trends. The report was the part of an annual series of Data Points describing mortgage market activity over time based on data reported under the Home Mortgage Disclosure Act (HMDA). It summarized the 2018 HMDA data and recent trends in mortgage and housing markets.

Performance goal 1.3.7: Expand the Bureau's geographical and stakeholder footprint through stakeholder engagements and partnerships.

The Bureau aims to engage with the public on consumer finance issues to ensure the Bureau's work is transparent and that the Bureau is informed by representative viewpoints and

information. Additionally, the Bureau continues its desire to expand its presence across various regions in order to establish awareness of the Bureau's resources and policy making initiatives.

Performance measures

TABLE 1.3.7.54: NUMBER OF NEW COLLABORATIONS AND PARTNERSHIPS ESTABLISHED WITH THE BUREAU THROUGH STAKEHOLDER ENGAGEMENTS THAT RESULTED IN STRATEGIC UTILIZATION OF RESOURCES AND STAKEHOLDERS FEELING THAT THEY HAVE MEANINGFUL ACCESS TO BUREAU RESOURCES AND TOOLS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	2	3	3
Actual					NA	2	NA	NA

TABLE 1.3.7.55 PERCENT COVERAGE OF U.S. STATES, COMMONWEALTHS, AND TERRITORIES COVERED BY THE BUREAU'S STAKEHOLDER ENGAGEMENT (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	100%
Actual							NA	NA

Progress update and future action

The Bureau's External Affairs (EA) division facilitated the transition in leadership from Acting Director Mulvaney to Director Kraninger by managing stakeholder introductions and policy, program and product rollouts to ensure the Bureau create meaningful and diverse opportunities to receive input from stakeholders.

Additionally, EA collaborated with internal partners to identify opportunities for stakeholder partnership and collaboration for Bureau priorities including: Start Small Save Up, the Innovation Policies launch, Consumer Complaint Database enhancement, and QM/ATR Patch release.

Performance goal 1.3.8: Inform Bureau's leadership and subject matter experts of significant stakeholder feedback/perspective and identify top issue trends.

The Bureau aims to ensure that stakeholder engagements and interactions yield relevant and

meaningful feedback and information.

Performance measures

TABLE 1.3.8.56: PERCENTAGE OF RESPONDENTS SATISFIED WITH EXTERNAL AFFAIRS MANAGEMENT OF STAKEHOLDERS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	TBD
Actual							TBD	NA

Progress update and future action

EA stakeholder offices regularly identify relevant, emerging topics of importance to Bureau stakeholders and will develop a process to better inform Bureau leadership. EA will highlight key issues, trends and information identified to ensure that Bureau leadership have a regular view into stakeholder feedback.

EA is developing a customer experience survey on to obtain feedback from Bureau stakeholders on EA's management of external stakeholders and identify areas for attention.

Performance goal 1.3.9: Manage routine and high-level complex Bureau relationships with external stakeholders.

The Bureau aims to effectively manage its diverse and sometimes complex stakeholder landscape such that external stakeholder interactions are appropriate, substantive, and timely.

Performance measures

TABLE 1.3.9.57: NUMBER OF STAKEHOLDER ENGAGEMENTS THAT INCLUDE BUREAU LEADERSHIP AND SUBJECT MATTER EXPERTS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						500	1,100	1,100
Actual						1,056	NA	NA

TABLE 1.3.9.58: NUMBER EA-FACILITATED ENGAGEMENTS FOR BUREAU OFFICIALS AND EXTERNAL STAKEHOLDERS (E.G., ROUNDTABLES, LISTENING SESSIONS, SITE VISITS, AND SPEECHES)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						12	25	25
Actual						267	NA	NA

TABLE 1.3.9.59: NUMBER OF FIELD HEARINGS/TOWN HALLS EA ORGANIZED BETWEEN BUREAU OFFICIALS AND THE PUBLIC

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						4	4	4
Actual						4	NA	NA

Progress update and future action

The Bureau successfully executed many external stakeholder engagements, among which included:

- March 2019: 1 SAR Testimony before HCFS (3/7/19); 1 SAR Testimony before SCBHUA (3/12/19)
- April 2019: 1 Speech (BPC) in DC; 1 Speech (Milken Institute Global Conference) in Los Angeles, CA; 1 RT and 1 SV in Los Angeles, CA
- May 2019: 1 Speech (CSBS State-Federal Supervisory Forum) in San Antonio, TX; 1 RT in Austin, TX;
- June 2019: 1 Speech, 1 RT, and 1 SV (NASCUS Annual Exchange) in Denver, CO; 1 RT and 1 SV in St. Louis, MO; 1 Speech (ABA) and 1 SV in New Orleans, LA
- July 2019: 1 Speech (Exchequer Club) in DC
- August 2019: 1 RT and 1 SV in Asheville, NC; 1 RT and 1 SV in Bristol, TN
- September 2019: 2 RTs in Atlanta, GA; 1 Speech (Waukesha Technical College), 1 RT, and 1 SV in Milwaukee, WI; 1 Speech (Consumer Action National Consumer Empowerment Conference), 1 RT and 1 SV in Chicago, IL; 1 Speech (NAFCU

Congressional Caucus); 1 Speech by Johnson (MBA CEO Exchange); 1 Speech by Johnson (NILA Annual Meeting); 1 Speech (NIADA National Policy Conference); 1 Speech (BPI Fall Member Meeting); 1 Speech (CEI Dinner)

In addition, EA continues to manage the stakeholder landscape to identify risks to and opportunities for the Bureau. EA will lead cross Bureau planning to proactively identify engagement opportunities that are aligned to Bureau priorities and improve the coordination of feedback and outcomes from stakeholder engagements. The Division will continue to identify and develop new opportunities for collaboration and partnership development to ensure on-the-ground distribution and utilization of the Bureau's financial education and other tools.

Performance goal 1.3.10: Meet statutorily required engagements.

The Bureau aims to intentionally monitor its compliance with relevant statutory requirements.

Performance measures

TABLE 1.3.10.60: PERCENTAGE OF STATUTORILY-REQUIRED MEETINGS WITH THE BUREAU'S ADVISORY COMMITTEES HELD

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						100%	100%	100%
Actual						100%	NA	NA

TABLE 1.3.10.61: NUMBER OF PUBLIC REPORTS ON ACTIONS BY THE BUREAU'S ADVISORY COMMITTEES (I.E. IN-PERSON MEETING SUMMARIES, GSA'S ANNUAL COMPREHENSIVE REVIEW, ETC.)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target						Baseline	4	4
Actual						5	NA	NA

Progress update and future action

In FY 2019, EA hosted the Bureau's Consumer Advisory Board (CAB) via conference call on December 4, 2018, featuring remarks by Acting Director Mick Mulvaney and Acting Deputy Director Brian Johnson. On December 7, 2018, EA facilitated the timely delivery of the Bureau's Fair Lending Annual Report to Congress. On March 13-14, 2019 and June 5-6, 2019, EA hosted in-person meetings of the CAB, the Credit Union Advisory Council (CUAC), and the Community

Bank Advisory Council (CBAC) in Washington, DC, featuring remarks by Director Kathy Kraninger. Additionally, on May 10, 2019, EA hosted a conference call with members of the Advisory Research Council (ARC). On October 18, 2019, EA hosted an orientation for new members of the Bureau's Advisory Committees. On October 22-24, 2019, EA hosted an in-person meeting of the CAB, CUAC, CBAC followed by an in-person meeting of the ARC on October 25, 2019 in Washington, DC.

Goal 2. Implement and enforce the law consistently to ensure that markets for consumer financial products and services are fair, transparent, and competitive.²²

BUDGET BY STRATEGIC GOAL 2 BY PROGRAM (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Office of the Director	\$1.3	\$2.3	\$2.3
Operations	\$55.0	\$58.7	\$59.3
Consumer Education, and Engagement	\$2.3	\$3.3	\$2.9
Research, Markets, and Regulation	\$0.0	\$0.0	\$0.0
Supervision, Enforcement, and Fair Lending	\$144.6	\$152.9	\$165.4
Legal	\$3.5	\$4.2	\$4.2
External Affairs	\$1.5	\$0.0	\$0.0
Other Programs	\$0.8	\$1.8	\$0.7
Total	\$209.0	\$223.3	\$234.9

It is not enough simply to ensure that consumers have access to markets for consumer financial products and services. Equally important, those markets must be fair, transparent and competitive. Through the regulations it writes to implement federal consumer financial law and its activities to promote compliance with those laws, the Bureau is focused and is equipped to

²² As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(a).

prevent financial harm to consumers resulting from unfair, opaque, or noncompetitive acts by market participants. The Bureau’s aim is to promote practices that benefit consumers, responsible providers, and the economy as a whole.

An important objective of the Dodd-Frank Act is to ensure that Federal consumer financial law is enforced consistently without regard to whether a financial service provider is a bank or nonbank. Toward that end, the Dodd-Frank Act gives the Bureau the authority to supervise and examine many nonbank financial service providers such as mortgage companies, payday lenders, private education lenders, and larger participants in other markets as defined by rules issued by the Bureau. Industry structure is always changing, and therefore, so too will the number of institutions that fall under the Bureau’s supervisory authority. In addition, the Dodd-Frank Act gives the Bureau authority to take public enforcement actions against both banks and nonbanks, and the Bureau is committed to ensuring that it does so consistently without regard to whether the entity is a bank or nonbank.

The Bureau will attain its second goal by achieving the following objectives:

1. **Objective 2.1:** Protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination.
2. **Objective 2.2:** Enforce federal consumer financial law consistently, without regard to the status of a person as a depository institution, in order to promote fair competition.

FINANCIAL INSTITUTIONS SUBJECT TO THE BUREAU'S SUPERVISORY AUTHORITY FOR CONSUMER FINANCIAL PROTECTION PURPOSES

Large depository institutions, credit unions & their affiliates	Certain non-bank institutions
Representing over \$10 trillion in assets (~75% of total industry)	Including companies engaged in mortgage lending, brokering, and servicing; payday lenders; private education lenders; and select nonbanks defined as larger participants by the Bureau

Note: Data as of June 30, 2019.

Objective 2.1

*Protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination.*²³

Objective leaders: Associate Director, Supervision, Enforcement, and Fair Lending; Associate Director, Consumer Education and Engagement; Associate Director, Office of Equal Opportunity and Fairness

Strategies and investments

The following strategies have been put in place to help the Bureau achieve objective 2.1.

Strategies

- Enhance compliance with federal laws intended to ensure the fair, equitable, and nondiscriminatory access to credit for both individuals and communities, and promote fair lending compliance and education.
- Strengthen prevention and response to elder financial exploitation.

In addition to executing the strategies described above, the Bureau will execute the strategies in objective 2.2 to protect consumers from discrimination and unfair, deceptive, or abusive acts and practices.

Investments

The following investments will help the Bureau achieve both objectives 2.1 and 2.2.

PERSONNEL

Continue to maintain staff to allow the Bureau to implement and enforce Federal consumer financial laws consistently for both bank and non-bank consumer financial companies; investigate and take actions to address potential violations of Federal consumer financial laws; oversee, manage, and prioritize the Bureau's supervisory and enforcement work; and analyze

²³ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(2).

available data on the activities of providers, on the markets in which they operate, and on the risks to consumers. Maintain strong, expert staff to develop and implement financial education and community partnerships to strengthen prevention and response to elder financial exploitation.

E-LAW TOOLS AND SUPPORT

Maintain and increase capacity of electronic tools that obtain, process, and analyze evidence received in enforcement investigations, enabling the CFPB to bring enforcement actions to address violations of Federal consumer financial laws more efficiently.

EXAMINER COMMISSIONING TRAINING PROGRAM

The examiner commissioning program (ECP) establishes transparent criteria and a training plan that will provide every examiner the opportunity to pursue their commissioning. Successful completion of the ECP is a significant milestone in an examiner's career, signifying an examiner's attainment of the broad-based technical expertise, knowledge, skills, and tools necessary to perform the duties of a commissioned examiner.

LITIGATION SUPPORT

Employ standard investigatory tools to compel documents and testimony and to seek injunctive and monetary remedies through civil actions or administrative proceedings. These functions require the use of services such as expert witnesses, court reporters, and transcription services.

OPERATIONAL SUPPORT

Maintain and improve systems and procedures for supporting the Bureau's enforcement work, including managing its procurement work underlying litigation support services such as expert witnesses, court reporters, and transcription services.

SUPERVISION AND ENFORCEMENT TRAINING & TRAVEL

Continue supporting the development and delivery of training courses essential to maintaining a highly effective workforce. In addition, support the travel requirements of supervision and enforcement work.

SUPERVISION TECHNOLOGY TOOLS

Automate data analysis in order to review loan files more thoroughly, use supervision resources more efficiently, and streamline the on-site portion of the exam. This tool helps improve the CFPB's ability to assess compliance with Federal consumer financial laws and assess and detect risks to consumers. The CFPB developed the Supervision and Examination System (SES), its system of record for supervision work. The SES organizes entities by IPL, captures relationships between entities, schedules examinations, supports supervisory workflows, and documents the supervision process.

SPECIAL POPULATIONS PROGRAMS

Continue to develop and distribute financial education, tools, action steps, and skill building opportunities to strengthen prevention and response to elder financial exploitation. Topics include age-friendly banking recommendations to banks and credit unions, assistance to local stakeholders creating elder fraud prevention and response networks, and educational initiatives.

Performance goals

The Bureau will assess the progress on achieving objective 2.1 through the following performance goals:

Performance goal 2.1.1: Promote fair lending compliance and education by leading and participating in fair lending outreach activities regarding fair lending compliance, access to credit issues, or financial product or services innovation.

As one of its core functions, the Office of Fair Lending and Equal Opportunity is responsible for “working with private industry, fair lending, civil rights, consumer and community advocates on the promotion of fair lending compliance and education” (Dodd-Frank Act, Section 1013(c)(2)(C)). The Bureau conducts fair lending outreach activities through numerous channels, such as issuing compliance bulletins and statements targeted to industry; publishing blog posts, brochures and reports regarding fair lending issues; delivering speeches and presentations on fair lending and access to credit matters to industry, civil rights, consumer and community groups, and others; and participating in smaller meetings and discussions with external stakeholders, including Federal and State regulators and agencies.

Performance measure

TABLE 2.1.1.62: NUMBER OF OUTREACH EVENTS WHERE THE BUREAU STAFF WORK DIRECTLY WITH STAKEHOLDERS TO (1) EDUCATE THEM ABOUT FAIR LENDING COMPLIANCE AND ACCESS TO CREDIT ISSUES OR (2) HEAR THEIR VIEWS ON THE BUREAU'S WORK TO INFORM THE BUREAU'S POLICY DECISIONS.

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Target	55	35	40	40	40	40	40	40
Actual	56	66	60	57	60	24	63	NA

Progress update and future action

In FY 2019, Bureau staff participated in 63 fair lending outreach events which exceeded the 40 target events for FY 2019.

During FY 2019, the Bureau communicated with fair lending, civil rights, consumer and community advocates and with industry through speeches, panel remarks, a Request for Information (RFI) published in the *Federal Register*, presentations, a webinar, blogposts, reports, and smaller discussions on issues pertaining to fair, equitable, and nondiscriminatory access to credit. The Bureau also engaged with stakeholders through the Bureau's website, consumerfinance.gov.

In FY 2020, the Bureau will continue to focus on outreach engagements where Bureau staff can educate and engage directly with stakeholders about fair, equitable, and nondiscriminatory access to credit and hear their views on fair lending related issues to inform Bureau work. With its elevated role in coordinating fair lending efforts Bureau-wide, during FY 2020, OFLEO also will continue to work closely with other Bureau offices to execute the Bureau's fair lending outreach and education efforts.

Performance goal 2.1.2: Enhance protection of older Americans from elder financial exploitation

To improve financial protections for older Americans, the Bureau works with service providers to older adults, financial institutions, law enforcement, nonprofits, and federal, state, and local government agencies that interact with older adults and their families. Major initiatives include age-friendly banking recommendations to banks and credit unions and assistance to local leaders creating elder fraud prevention and response networks.

Performance measures

TABLE 2.1.2.63: NUMBER OF COMMUNITIES SUPPORTED TO CREATE OR ENHANCE NETWORKS TO PROTECT FROM AND ADDRESS CASES OF ELDER FINANCIAL EXPLOITATION

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					4	4	4	10
Actual					7	7	NA	NA

Progress update and future action

In February 2019, the Bureau released a report about key facts, trends, and patterns revealed in Suspicious Activity Reports—or SARs—filed by banks, credit unions, and other financial services providers regarding suspected elder financial exploitation. The Bureau analyzed 180,000 elder financial exploitation SARs filed with the federal Financial Crimes Enforcement Network (FinCEN) from 2013 to 2017, involving more than \$6 billion in funds subject to actual, attempted, or suspected fraud. This first-ever public analysis provides a chance to better understand elder fraud and to find ways to improve prevention and response. The Bureau has made this information widely available to financial services providers, law enforcement, and persons working in adult protective services.

The Bureau continues to encourage financial institutions to adopt age-friendly banking practices. Following the FY 2016 release of a comprehensive set of voluntary recommendations for banks and credit unions, the Bureau has distributed over 4,500 printed items describing the recommendations on age-friendly banking to persons and entities interested in the prevention of elder financial exploitation, including financial institutions, with over 1,500 distributed in FY 2019. In July 2019, the Bureau released an update to the 2016 recommendations.

From FY 2017 through FY 2019, the Bureau convened community stakeholders in Florida, Oklahoma, Tennessee, Montana, Oregon, New Hampshire, Vermont, Michigan, and Wisconsin to support enhancing existing networks or building new networks for prevention of and response to elder financial exploitation. In May 2019, the Bureau released a report on the pilot convenings in the first 5 Bureau-initiated convenings. The lessons learned from these pilot convenings can help other communities develop networks that improve coordination and collaboration between responders and service providers to protect older people from financial harm. In FY 2020, the Bureau will continue working with community first responders and stakeholders to build or enhance existing community networks and continue to distribute materials on financial protections for older Americans.

Objective 2.2

Enforce federal consumer financial law consistently, without regard to the status of a person as a depository institution, in order to promote fair competition. ²⁴

Objective leader: Associate Director, Supervision, Enforcement, and Fair Lending

Strategies and investments

The following strategies have been put in place to help the Bureau achieve objective 2.2.

Strategies

- Acquire and analyze qualitative and quantitative information and data pertaining to consumer financial products, service markets, and companies.
- Focus supervision resources on institutions and their product lines that pose the greatest risks to consumers based on the nature of the product, field and market intelligence, and the size of the institution and product line.
- Focus enforcement resources on entities and individuals to best ensure the Bureau's enforcement function effectively protects consumers, prevents harm, and is applied consistently.
- As appropriate, share information, coordinate activity, and promote best practices with fellow supervisory and law enforcement agencies to ensure the most effective use of regulatory resources.
- Promote development and enhancement of technology solutions to ensure compliance with Federal consumer financial laws including technology solutions for coordinating supervisory information capable of recording, storing, tracking, and reporting information on the Bureau's supervisory process.
- Promote development and enhancement of technology solutions to streamline operational tasks.

²⁴ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(4).

- Enhance internal policies that facilitate the integration of the Bureau’s supervision and enforcement functions.

Investments

The investments discussed under objective 2.1 also relate to objective 2.2 because the Bureau is executing the strategies described above for both objectives 2.1 and 2.2.

Performance goals

The Bureau will assess the progress on achieving objective 2.2 through the following performance goals:

Performance goal 2.2.1: Effectively initiate supervisory events at financial services institutions under the Bureau's jurisdiction to determine compliance with Federal consumer financial laws.

The Bureau has supervisory authority over banks, thrifts, and credit unions with over \$10 billion in assets and their affiliates (collectively “banks”) and over non-bank institutions (“non-banks”), regardless of size, in certain specific markets: mortgage companies (originators, brokers, servicers, and providers of loan modification or foreclosure relief services); private education lenders; and payday lenders. The Bureau also has supervisory authority over larger participants in other non-bank markets as the Bureau defines by rule. To date, the Bureau has issued six rules defining larger participants in the following markets: consumer reporting (effective September 2012), consumer debt collection (effective January 2013), student loan servicing (effective March 2014), international money transfers (effective December 2014), automobile financing (effective August 2015), and prepaid (effective April 2019). Supervisory activities foster compliance with Federal consumer financial laws and promote a fair consumer financial marketplace.

Performance measures

TABLE 2.2.1.64: NUMBER OF ON-SITE SUPERVISION EXAMS OR REVIEWS WITH AN ON-SITE DATE DURING THE PERIOD, INCLUDING FAIR LENDING.

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	Baseline	TBD
Actual					NA	125	NA	

TABLE 2.2.1.65: NUMBER OF ALL SUPERVISORY EVENTS WITH SIGNIFICANT ACTIVITY WITH AN ON-SITE DATE OR EQUIVALENT DATE DURING THE PERIOD, INCLUDING FAIR LENDING.

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	Baseline	TBD
Actual					NA	477	NA	

Progress update and future action

The Bureau continued implementing its supervision program. It initiated 125 supervisory activities on site and 477 supervisory events at large banks and non-bank financial institutions. Examination activities generally focused on one of the following institution product lines (IPLs) or a baseline compliance management system:

- Automobile finance origination;
- Automobile finance servicing;
- Consumer reporting;
- Credit card account management;
- Debt collection;
- Deposits;
- Mortgage origination;
- Mortgage servicing;
- Remittance transfer;
- Short term, small dollar lending;
- Small business lending;
- Student loan origination; and
- Student loan servicing.

The exam schedule for FY 2019 was informed by strategic priorities for all areas of compliance,

including fair lending, taking into account risk assessments across markets and for each institution.

The Bureau continues to coordinate with applicable Federal and state regulators on supervisory activities to minimize regulatory burden, leverage resources, and decrease the risk of conflicting supervisory directives. To facilitate this coordination, the Bureau has memoranda of understanding with, among others, the Federal prudential regulators, the Federal Trade Commission, and over sixty state bank and non-bank supervisory agencies. In addition, the Bureau has a framework with state financial agencies that establishes a dynamic and flexible process for coordination on supervision and enforcement matters.

Performance goal 2.2.2: Issue examination reports or letters within the Bureau’s established time periods following the close of examinations.

Effective supervision of financial institutions to foster compliance with Federal consumer financial laws requires prompt notice to institutions of matters requiring their attention and action to avoid further violations or consumer harm. A thorough report development and review process ensures high-quality reports that appropriately explain what the examination team found and why corrective actions, if any, are expected.

Performance measures

TABLE 2.2.2.66: ISSUE EXAMINATION REPORTS OR LETTERS WITHIN THE BUREAU'S ESTABLISHED TIME PERIODS FOLLOWING THE FINALIZATION OF EXAM ANALYSIS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	50%	60%	60%	60%	70%	70%	70%	70
Actual	25%	28%	70%	71%	45%	71%	NA	NA

TABLE 2.2.2.67: AVERAGE NUMBER OF BUSINESS DAYS TO ISSUE A SUPERVISORY LETTER OR EXAMINATION REPORT FOLLOWING THE FINALIZATION OF EXAM ANALYSIS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					60	60	60	60
Actual					67	59	NA	NA

Progress update and future action

The Bureau will continue to focus on issuing high-quality examination reports and supervisory letters in a timely manner. Supervision will monitor and assess the quality and the timeliness of examination reports and supervisory letters issued.

The Bureau will review and analyze its processes to determine methods for improvement and increased effectiveness and efficiency. The Bureau intends to be transparent about the goals of its supervision program and the steps being taken to achieve those goals, while protecting the confidentiality of the underlying financial institution-specific information.

Performance goal 2.2.3: Assess quality of examination reports and supervisory letters.

Ensuring high-quality examination reports and supervisory letters remains an area of focus for the Bureau, and Supervision will continue to monitor and assess the quality of the reports that are issued.

Performance measure

TABLE 2.2.3.68: NUMBER OF OUTREACH EVENTS (RFI OR INDUSTRY ROUNDTABLE) TO DISCUSS QUALITY OF EXAMINATION REPORTS AND SUPERVISORY LETTERS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					1	1	1	1
Actual					4	1	NA	NA

Progress update and future action

The Bureau will continue to create new methods for outreach and two-way dialog with industry regarding our important supervisory work.

Performance goal 2.2.4: Supervisory matters requiring attention addressed by the entity by the prescribed timeframe.

The Bureau monitors institutions that receive notice of matters requiring attention to ensure that corrective actions are taken within the prescribed timeframe in response to supervisory activities, which fosters compliance with Federal consumer financial laws and promotes a fair

consumer financial marketplace.

Performance measure

TABLE 2.2.4.69: PERCENTAGE OF SUPERVISORY MATTERS REQUIRING ATTENTION REPORTED COMPLETE BY THE ENTITY IN THE PRESCRIBED TIMEFRAME IN RESPONSE TO SUPERVISORY EVENTS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	90%	90%	90%
Actual					92%	93%	NA	NA

Progress update and future action

The Bureau continues to work on allotting more realistic and reasonable timeframes for supervised institutions to correct matters requiring attention. Regions placed further emphasis on timeframe follow-up to ensure supervised institutions complied with prescribed deadlines. The Bureau continues to conduct on-site reviews of particular issues or actions that may require independent validation.

Performance goal 2.2.5: Cooperate and share information with partners in local, state, and federal law enforcement as part of efforts to protect consumers and deter wrongdoers.

This indicator ensures that the Bureau works well with its partners at the local, state, and federal level to share information across jurisdictions, subject to applicable legal restrictions, and to make the best use of limited resources.

Performance measure

TABLE 2.2.5.70: PERCENT OF INVESTIGATIVE INFORMATION SHARED WITH PARTNERS WITHIN 30 DAYS, ONCE THE INFORMATION SHARING IS APPROVED BY LEGAL

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	90%	90%	90%
Actual					NA	98% ²⁵	NA	NA

²⁵ This metric includes information collected in the last two quarters of fiscal year 2019.

Progress update and future action

The Bureau continues to cultivate strong working relationships with its partners at federal, state, and local regulatory and law enforcement agencies. Since opening its doors in July 2011, the Bureau has signed more than 60 information-sharing MOUs with federal, state, and local governmental agencies. In FY 2019,²⁶ the Bureau shared investigative information with approximately 40 different government agencies in over 65 instances.

Information sharing with Bureau partners is a critical element of strong and effective partnerships and supports the Bureau's efficient use of limited resources. Sharing information in a timely manner fosters these strong partnerships. This metric ensures that Bureau partnerships are supported with timely information sharing.

The Bureau will continue to coordinate with its partners in its efforts to protect consumers, while also appropriately protecting confidential information relating to consumers and businesses.

Performance goal 2.2.6: Cooperate and share information with federal and state partners as part of Supervision efforts to protect consumers and deter wrongdoers.

This goal ensures that the Bureau works with its partners at the local, state, and federal level to share information across jurisdictions—subject to the Bureau's regulations, policies on information sharing, and other legal restrictions—and to make the best use of limited resources.

Performance measure

TABLE 2.2.6.71: PERCENT OF EXAMINATION CALENDAR SHARED WITHIN THE PRESCRIBED THE TIMEFRAME FOR EACH YEAR WITH PRUDENTIAL AND STATE REGULATORS TO INVITE COORDINATION ON EXAM ACTIVITIES

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	100%	100%	100%
Actual					100%	100%	NA	NA

²⁶ This includes information collected from a portion of fiscal year 2019.

TABLE 2.2.6.72: PERCENTAGE OF EXAM REPORTS SHARED WITH OTHER REGULATORS, AS APPROPRIATE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					90%	90%	90%	90%
Actual					100%	100%	NA	NA

TABLE 2.2.6.73: CONTRIBUTE TO FFIEC ISSUANCES BY MAINTAINING BUREAU REPRESENTATIVES ON ALL RELEVANT FFIEC TASK FORCES AND WORKING GROUPS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					100%	100%	100%	100%
Actual					100%	100%	NA	NA

Progress update and future action

Under the Dodd-Frank Act, the Bureau is required to coordinate its supervisory work with various other regulators at both the State and the Federal level, to the extent possible. The Bureau makes it a priority to share information about its supervisory activity and coordinate its work with other regulators, when possible. The above metrics will continue to ensure that this remains a focus for the Bureau going forward.

Performance goal 2.2.7: Where the Bureau determines enforcement action is warranted, file or settle action within two years of opening its investigation.

Filing enforcement actions in a timely manner is an important measure of the Bureau’s effectiveness, as it increases deterrence and provides consumers with greater protections of law. The Bureau will continue to work to balance the need to pursue complicated and time-consuming cases effectively while minimizing any unnecessary delay between potentially unlawful conduct and resolution.

Performance measure

TABLE 2.2.7.74: PERCENTAGE OF ENFORCEMENT ACTIONS FILED OR SETTLED WITHIN TWO YEARS OF THE INVESTIGATION OPENING

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	Baseline	65%	65%	65%	65%	65%	65%	65%
Actual	75%	70%	42%	60%	62%	36%	NA	NA

TABLE 2.2.7.75: AVERAGE DURATION, IN MONTHS, TO FILE OR SETTLE INVESTIGATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target				NA	24	24	24	24
Actual				23	26	32	NA	NA

Progress update and future action

Timely resolution of a matter better enables the Bureau to more quickly stop potentially unlawful conduct and redress harmed consumers. After the Bureau determines that enforcement action is warranted, Bureau staff review each matter at regular intervals to ensure that it is progressing in a timely manner.

The Bureau's experience so far and the experience of other similar enforcement agencies informed the selection of the target timeframe. The Bureau will, however, continue to monitor this target and its performance against it to assess whether it is an appropriate way to measure the Bureau's performance going forward.

Performance goal 2.2.8: Successfully resolve the enforcement cases the Bureau files in court and administrative adjudicative proceedings whether by litigation, settlement, issuance of a default judgment, or other means.

This measure ensures that the Bureau successfully resolves as many actions as possible while, at the same time, pursuing complex and challenging actions when appropriate, even when success is not assured.

Performance measure

TABLE 2.2.8.76: PERCENTAGE OF ALL CASES, INCLUDING FAIR LENDING, CONCLUDED BY THE BUREAU'S ENFORCEMENT PERSONNEL THAT WERE SUCCESSFULLY RESOLVED THROUGH LITIGATION, A SETTLEMENT, OR ISSUANCE OF A DEFAULT JUDGMENT

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	75%	75%	75%
Actual					88%	100%	NA	NA

Progress update and future action

During FY 2019, the Bureau resolved twenty-four public enforcement actions through litigation, a settlement, or issuance of a default judgment. The Bureau successfully resolved 100% of these actions.

Performance goal 2.2.9: Promote transparency about compliance expectations to ensure consistent adoption and fair competition.

The Bureau will continue to publish Supervisory Highlights to share findings from recent examinations, along with remedies obtained. These findings are communicated without identifying specific institutions, except for enforcement actions already made public. The purpose of this publication is to provide the public information about supervisory expectations and compliance problems found in examinations so that industry can meet those expectations and improve compliance as needed.

Performance measure

TABLE 2.2.9.77: NUMBER OF WRITTEN COMMUNICATIONS ABOUT COMPLIANCE EXPECTATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target				NA	3	3	3	3
Actual				4	1	2	NA	NA

Progress update and future action

The Bureau published two editions of Supervisory Highlights in FY2019.

Winter 2019 (Issue 18) – March 2019: This issue of Supervisory Highlights covered Bureau supervision activities generally completed between June 2018 and November 2018 and focused on examination findings in the areas of automobile loan servicing, deposits, mortgage servicing, and remittances.

Summer 2019 (Issue 19) – September 2019: This issue of Supervisory Highlights covered Bureau supervision activities generally completed between December 2018 and March 2019 and focused on examination findings in the areas of automobile loan origination, credit card account management, debt collection, furnishing, and mortgage origination.

The FY 2019 target of three written communications about compliance expectations (Supervisory Highlights) for the FY 2019 Annual Performance Plan and Report was not achieved because of the transition in leadership.

Goal 3. Foster operational excellence through efficient and effective processes, governance and security of resources and information

BUDGET BY STRATEGIC GOAL 3 BY PROGRAM (\$ IN THE MILLIONS AND ROUNDED)

	2019	2020	2021
Office of the Director	\$9.7	\$12.0	\$12.3
Operations	\$117.4	\$153.3	\$152.9
Consumer Education, and Engagement	\$0.0	\$0.0	\$0.0
Research, Markets, and Regulation	\$0.0	\$0.0	\$0.0
Supervision, Enforcement, and Fair Lending	\$0.0	\$0.0	\$0.0
Legal	\$7.1	\$8.2	\$7.9
External Affairs	\$2.1	\$4.5	\$4.7
Other Programs	\$1.2	\$4.5	\$4.0
Total	\$137.4	\$182.4	\$181.7

The Bureau will review or revise its programs, policies and processes that support and govern its internal operations to achieve its consumer protection mission and strategic goals. Achieving operational excellence requires the Bureau to mature and adapt policies, processes, tools, and controls to operate more efficiently, effectively, and transparently. To accomplish its mission, the Bureau needs to maintain a sustainable, high performing, diverse, inclusive, and engaged workforce. By identifying and adopting leading practices to select, develop and retain employees, the Bureau can ensure that its workforce has the experience and skills needed to realize the strategic goals.

The Bureau is committed to being a responsible steward of resources, which is critical to

maintaining the public trust that enables the Bureau to achieve its mission. This includes having adequate information security safeguards to protect the Bureau's assets and information, robust internal controls, and disciplined financial management practices. To foster accountability, the Bureau will monitor and conduct periodic evaluations of operations to ensure effective management of resources and risk. This entails looking for opportunities to be more efficient and effective through innovative technology, adoption of an enterprise risk management program, identification of budget savings, and execution of process improvement activities.

The Bureau will attain its third goal by achieving the following objectives:

1. **Objective 3.1:** Safeguard the Bureau's information and systems.
2. **Objective 3.2:** Maintain a talented, diverse, inclusive and engaged workforce.
3. **Objective 3.3:** Manage risk and promote accountability within the Bureau.

Objective 3.1

Safeguard the Bureau's information and systems.

Objective leader: Chief Operating Officer, Operations

Strategies and investments

The following strategies and investments have been put in place to help the Bureau achieve objective 3.1.

Strategies

- Mature and continue to maintain a responsive cybersecurity program that facilitates secure information management and strategic decision-making.
- Align the Bureau's information technology investments with federal security standards and priorities, and industry-leading practices.

Investments

PERSONNEL/TRAINING

The Bureau has invested in a training platform that will help Cybersecurity staff obtain specialized technical training geared to enhancing security responsibilities in emerging areas such as oversight of cloud computing solutions. Additionally, all Bureau staff will be educated on Cybersecurity best practices as the Bureau's Phishing Awareness and Insider Threat Programs are implemented broadly. The Bureau has expanded cybersecurity role-based training to align with industry best practices and the NIST NICE ²⁷Framework. This has resulted in the OIG upgrading the Bureau's maturity level in Security Training to a level 4 (out of 5).

CLOUD INFRASTRUCTURE AND SERVICES

Continue investing in cybersecurity cloud capabilities incorporating principles of “never trust — always verify”. These include capabilities to authenticate and identify users of cloud computing services, monitor sensitive data repositories, analyze application and account behavior patterns, and leverage security services embedded in our cloud computing services used by the Bureau.

CYBERSECURITY

Continue to enhance a robust cybersecurity program that secures and safeguards communications, data, and IT resources through a combination of comprehensive policies, continuous monitoring, and leading technologies.

DESIGN AND SOFTWARE DEVELOPMENT

Continue to strengthen the Bureau's capacity to design, develop, implement, and maintain new tools with enhanced capabilities, features, and functionalities for a variety of business applications that support the Bureau's mission.

²⁷ The National Institute of Standards and Technology National Initiative for Cybersecurity (NIST NICE) framework is a national-focused resource that categorizes and describes cybersecurity work. The NICE Framework establishes a taxonomy and common lexicon that describes cybersecurity work and workers irrespective of where or for whom the work is performed. The NICE Framework is intended to be applied in the public, private, and academic sectors.

TECHNOLOGY STRATEGY AND TRANSFORMATION SUPPORT

The Bureau will continue to invest in digital transformation of our IT systems using modern approaches, including migration to cloud-based platforms, broadening support for big data analytics, and increasing mobility of the Bureau's workforce. The Bureau will support this transformation by investing in organizational change management, communications, workforce coaching, and support for project teams to fully realized transformation outcomes.

Performance goal

The Bureau will assess the progress on achieving objective 3.1 through the following performance goal:

Performance goal 3.1.1: Improve comprehensive cybersecurity protection of Bureau information and resources.

Information security continues to be a key risk in the federal government due to the advanced persistent threat to information technology (IT) infrastructures. As such, the Bureau must consistently seek to ensure its cybersecurity program evolves accordingly.

Performance measures

TABLE 3.1.1.78: PERCENTAGE OF USERS SUSCEPTIBLE TO PHISHING ATTACKS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	<7% of users tested	<10% of users tested	<7% of users tested
Actual					NA	4.15% of users tested	NA	NA

TABLE 3.1.1.79: AVERAGE TIME TO REPORT CYBERSECURITY INCIDENTS TO US-CERT (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							3 mins	2.5 mins
Actual							NA	NA

TABLE 3.1.1.80: NUMBER OF OVERDUE POAMS (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							<30%	<10%
Actual							NA	NA

TABLE 3.1.1.81: ACHIEVE OIG MATURITY MODEL RATINGS OF LEVEL 4 (MANAGED & MEASURABLE) ACROSS MULTIPLE CYBERSECURITY FRAMEWORK AREAS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	2 of 5 Areas	3 of 5 Areas	4 of 5 Areas
Actual					NA	3 of 5 Areas	NA	NA

Progress update and future action

The Bureau has taken several steps to enhance its cybersecurity program including implementing an information security continuous monitoring program consistent with federal requirements. In FY 2020 and beyond, the Bureau will enhance its monitoring system and data management processes to better track the Bureau's IT assets, vulnerabilities and establish strong authentication for all devices and systems. The Bureau will continue to conduct a deeper-dive with a Security Architecture Review to follow-on the Risk and Vulnerability Assessment performed in 2018 to ensure Bureau systems are proactively protected from ongoing cybersecurity threats. The Bureau also continues to make improvements to its systems and adopting industry best practices. Although the Bureau exceeded its target in FY 2019, these improvements will not be fully implemented until the end of FY 2020. Therefore, the Bureau anticipates reaching a managed and measurable rating in 4 out of 5 areas in FY 2021.

Objective 3.2

Maintain a talented, diverse, inclusive and engaged workforce.

Objective leaders: Chief Operating Officer, Operations; Director, Office of Equal Opportunity and Fairness

Strategies and investments

The following strategies and investments have been put in place to help the Bureau achieve objective 3.2.

Strategies

- Establish and maintain human capital policies and programs to help the agency effectively and efficiently manage a talented, diverse, and inclusive workforce.
- Offer learning and development opportunities that foster a climate of professional growth and continuous improvement.
- Develop human capital processes, tools, and technologies that continue to support the maturation of the Bureau and the effectiveness of human resource operations.
- Build a positive work environment that engages employees and enables them to continue doing their best work.
- Leverage equal employment opportunity (EEO) compliance and training along with diversity and inclusion, fair lending, and disability and accessibility programs to increase efficiency and impact while minimizing duplication.

Investments

PERSONNEL

Continue to maintain capacity across the Bureau by retaining high performing, diverse employees.

HUMAN CAPITAL SHARED SERVICES, INFRASTRUCTURE, AND OPERATIONS

Continue to provide a variety of services, including pay and leave administration support; employee benefits administration and support; and human capital helpdesk and reporting support for timekeeping, personnel documentation, and performance management systems.

LEARNING, LEADERSHIP, AND ORGANIZATION DEVELOPMENT FACILITATION AND DESIGN

Support the development of high-quality people and team development solutions including core competency trainings, various management trainings, EEO and diversity and inclusion

trainings, and leadership coaching and organizational development services. Support the improvement of organizational and group effectiveness through workforce planning, team assessment, and action planning support.

LEVERAGE DIVERSITY AND INCLUSION, EQUAL OPPORTUNITY COMPLIANCE AND FAIR LENDING

Foster a positive, diverse, and inclusive workplace by providing advice to senior leaders on innovative diversity and inclusion practices for employees, consumers, and regulated entities as well as equal employment best practices supporting the Bureau's mission.

TALENT STAFFING AND RECRUITING INITIATIVES & SUPPORT

Invest in candidate outreach, sourcing, recruiting, and selection support services to reach, attract, and hire high-performing, diverse staff, using both traditional and digital outreach strategies. Maintain strategic focus on developing diverse pipelines of talent and utilizing tailored candidate assessment methods to enhance quality of hire. Build and maintain strategic partnerships with colleges, universities, professional organizations, and affinity groups that serve diverse populations.

Performance goals

The Bureau will assess the progress on achieving objective 3.2 through the following performance goals:

Performance goal 3.2.1: Maintain high-performing, diverse employees with the right skills and abilities.

Management Training Survey Rating

One of the measures that the Bureau uses to assess progress is the extent to which managers are able to apply the skills they have learned from management training to their day-to-day management responsibilities. Combining feedback from several training assessment surveys, this metric provides information that is used to evaluate and improve management training opportunities. This metric, along with other data sources, is used to determine the effectiveness of current management training, assess the resources needed to promote and facilitate training, and identify the type of management training needed in the future.

Performance measures

TABLE 3.2.1.82: MANAGEMENT TRAINING SURVEY RATING ON APPLYING LEARNED SKILLS TO JOB RESPONSIBILITIES (AGGREGATE OF THREE QUESTIONS ON 7 POINT SCALE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					5.75	5.75	5.75	5.75
Actual					6.4	6.5	NA	NA

Progress update and future action

In FY 2019, the Bureau offered several leadership and management development courses that contributed to this metric, including:

- Supervisor Development Seminars (2 deliveries) that covered workplace topics required for all senior leaders and managers by the Office of Personnel Management
- Leadership Excellence Seminars that covered best management practices to help senior leaders and managers engage and motivate individuals and teams (3 deliveries of 5 topical seminars)
- Leadership resiliency training for senior leaders and managers (10 deliveries)
- Level specific course for Managers of Managers on “Leading from the Middle” (2 deliveries)
- Level specific course for Executives on “Executive Perspective and Presence” (1 delivery)
- Level specific course for supervisors on “Responding to New or Modified Work Requirements” (2 deliveries)

Moving forward, the Bureau will continue to deliver management training solutions to meet Federal mandates and Bureau requirements. The Bureau will continue to offer proven and successful training programs, that leverage leading management practices and diversity and inclusion, while building new programs to meet the evolving needs of the Bureau’s leaders and managers.

Employee Feedback

Additional measures for assessing progress and performance toward goal 3.2.1 include employee

perceptions of the workforce’s technical competence and employee perceptions of diversity and inclusion. Strategies to improve in these areas target workforce planning, including succession planning, talent development, and diversity and inclusion initiatives.

Performance measures

TABLE 3.2.1.83: ANNUAL EMPLOYEE SURVEY (AES) RATING ON PERCEPTIONS OF TECHNICAL COMPETENCE OF THE BUREAU STAFF (% FAVORABLE)²⁸

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	68.5%	63%	64%	68.5%	70%	70%	66%	66%
Actual	62.3%	67.4%	67.9%	72.1%	57.1%	57.0%	NA	NA

TABLE 3.2.1.84: INCLUSION QUOTIENT: ANNUAL EMPLOYEE SURVEY (AES) RATING ON PERCEPTION OF INCLUSION AND DIVERSITY (% FAVORABLE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	NA	63.5%	65%	67%	70%	70%	67%	67%
Actual	61.6%	65.8%	67.5%	72.5%	67.2%	66.6%	NA	NA

Progress update and future action

To better focus on the conditions that enhance inclusion, in the framework of the current Annual Performance Plan and Report, the Bureau has adopted the Inclusion Quotient framework defined by the Office of Personnel Management’s (OPM) Office of Diversity and Inclusion. OPM describes these as the Five Habits of Inclusion: Fair, Open, Cooperative, Supportive, and Empowering. Baseline measures from FY 2013 and FY 2014 were used to establish this metric and to estimate improvement over time. The Bureau reviewed and adjusted these metrics in 2019 based on historical performance and current Bureau strategy. The Office of Human Capital is also working with internal and external partners to enhance AES reporting and action planning tools for more targeted and timely action to employee feedback.

In FY 2019, the Bureau strategically aligned the Office of Equal Opportunity and Fairness (OEOF), in the Office of the Director, to include the Office of Civil Rights (OCR); Office of

²⁸ The technical competence composite is comprised of ratings on three items from the AES, including “the workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals.”

Minority and Women Inclusion (OMWI); Office of Fair Lending and Equal Opportunity (OFLEO) and the Disability and Accessibility Program (DAP) under the OEOF umbrella. OEOF leverages the statutory missions of these offices to ensure a discrimination free workplace, fair inclusion and usage of women and minority-owned businesses and nondiscriminatory access to credit for consumers and businesses. In FY 2019, OEOF conducted a number of programs and initiatives:

- Educated the Bureau Workforce on Diversity and Inclusion: OMWI and OCR implemented educational and training programs for managers and staff. In FY 2019 OMWI focused on completing a mandatory training requirement initiated for all managers and employees in FY 2016. 84% of all Bureau employees completed the mandatory Diversity and Inclusion Awareness seminar for all-staff, and 95% of managers completed the two-day Leading Diversity and Inclusion managers' workshop. In addition, OCR provided a mandatory two-day manager and supervisor EEO training, Executive EEO Training, EEO Top 10 Webinar Series, biweekly onboarding EEO presentations (when applicable), anti-harassment training, and LGBTQ+ cultural competency training.
- Updated the Bureau's Diversity and Inclusion Strategic plan to align with the Bureau's 2018 – 2022 Strategic Plan and identified impact areas and actions to drive continued innovation to advance diversity and inclusion.
- Provided Technical Assistance to Divisions: OMWI partnered with each Bureau division to incorporate diversity and inclusion strategies into the offices' day to day operations and provided diversity and inclusion training to employees as part of OMWI's strategic planning collaboration with Bureau divisions.
- Maintained an Equal Employment Program: OCR processed EEO related complaints in accordance with timeframes and guidelines set forth by the Equal Employment Opportunity Commission (EEOC). EEOC noted that the Bureau's EEO program met all 156 metrics of the MD-715 compliance metrics established to evaluate an agency EEO program. OCR continued to utilize an Alternative Dispute Resolution (ADR) program for workplace disputes.
- Conducted Barrier Analysis: Conducted equal employment barrier analysis including investigations, policy reviews, interviews with Bureau employees, and employee focus groups, and established an action plan for potential barriers identified.

The Inclusion Quotient, which rates employees' perceptions of inclusion and diversity,

maintained a similar rating from last year, but fell short of the FY 2019 target by 3.4%. In FY 2020, OHC, OMWI, OCR, and DAP will continue to build and integrate on leadership and management EEO and diversity and inclusion trainings.

The Office of Human Capital (OHC) applied the Bureau’s digital media recruitment funding to maintain an employer brand on LinkedIn, Indeed, and Glassdoor. These websites reach a large, diverse applicant pool. OMWI attended a number of outreach events including hosting exhibit booths at a career fair sponsored by the Hispanic Bar Association and South Asian Bar Association and a career fair for Historically Black Colleges and University students, both in the Washington, D.C. metro area. OMWI also hosted exhibit booths at conventions hosted by the Urban League, UnidosUS, and the Congressional Black Caucus.

OHC, OCR, and OMWI also continued to offer structured interview training, which included sessions led by OHC, OCR, and OMWI representatives. The training reached 101 participants in FY 2019.

Performance goal 3.2.2: Maintain a high level of employee engagement.

The Bureau’s internal priority is to promote a more inclusive, effective, and efficient organization. As the Bureau matures, sustaining a high level of employee engagement is essential to executing the mission and ensuring organizational success. Central to this is capturing employee feedback by measuring employees’ commitment to their jobs, colleagues, and organization, and taking appropriate actions to address opportunities to further engagement.

Performance measure

TABLE 3.2.2.85: ANNUAL EMPLOYEE SURVEY (AES) ENGAGEMENT COMPOSITE RATING (% FAVORABLE)²⁹

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	76.5%	72%	73%	75%	75%	75%	72%	72%
Actual	70.5%	74.1%	72.9%	76.6%	68.8%	69.5%	NA	NA

²⁹ The employee engagement composite is comprised of ratings on nine items from the AES survey, such as “my work gives me a feeling of personal accomplishment” and “the work I do is important.”

TABLE 3.2.2.86: OPM EMPLOYEE ENGAGEMENT INDEX (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							70%	70%
Actual							NA	NA

Progress update and future action

Actions taken in 2019 in these areas include the following:

- Established a Workforce Effectiveness Committee in 2019 to ensure that the Bureau takes a holistic, consistent approach to considering workforce-related plans and initiatives with a particular view towards improving workforce effectiveness, employee engagement, and diversity and inclusion efforts.
- Created a new Office of the Chief Data Officer to streamline how we protect our data and improve our information governance.
- Lifted the "hiring freeze" put in place during a leadership transition and established a new, more flexible approach to hiring.
- Almost fully filled the executive ranks and increased their diversity.
- Continued to focus on diversity in the overall workforce and promoted diversity and inclusion by updating the Bureau's Diversity and Inclusion Strategic Plan and Employee Resource Groups.
- Opened our Southeast regional office in Atlanta, Georgia to collaborate more effectively with partner regulators in the area.
- Completing our consolidation of all DC-based staff into our 1700 G Street location to promote staff interaction with each other and senior leadership.

In FY 2020, the Bureau will conduct the following activities, including:

- Establishing a Customer Experience Office to focus on improving the internal staff experience through enhanced operational services enabling the workforce to be more effective and efficient in meeting the Bureau's mission.
- Improving the Bureau's compensation program.

- Launching a revamped mentoring program.
- Implementing more methods for staff to provide feedback and ideas through the re-launch of IdeaBox.
- Working to improve the user experience for our travelers.
- Supporting our own Start Small, Save Up program by encouraging staff to directly participate in their research efforts.

The Bureau's 65% response rate to the Annual Employee Survey (AES), reflects broad participation in employee feedback activities. The Bureau analyzes AES results to inform its action planning efforts and will continue to develop and reinforce actions and communication across the organization. Next year, the Bureau will be retiring the AES engagement composite rating and replacing it with the OPM Employee Engagement Index as it measures more components associated with the employee engagement activities.

The Bureau's diversity and inclusion efforts are supported by the perspectives and advice of a number of employee-level and executive-level initiatives, including: the Diversity Inclusion Council of Employees (DICE) and Employee Resource Groups (ERGs). In FY 2019, OMWI supported five ERGs: Adelante, ASPIRE, Pride, RISE, and SPARK, focused on Latino, Asian-American, LGBTQ, African-American, and women employee interests respectively. In addition, OMWI supported the establishment of a Parents ERG in FY 2019. OMWI works with ERGs to increase understanding of differences, and model ways of considering a wide range of perspectives. ERGs also serve as a vehicle for networking and participate in the Bureau's efforts to recruit and retain a diverse workforce. In FY 2019, ERGs met regularly to network, plan, host and participate in initiatives that educated Bureau employees and recognized, acknowledged and celebrated the many ways in which diversity informs the Bureau's work.

Additionally, in FY 2019 the Bureau continued to offer career development programs. Examples include: Individual Development Planning and Career Development Workshops, Bureau Team Leader training program, Aspiring Leaders recommended courses, external training and development opportunities, and multiple programs for leadership and management development, including foundational and advanced skills programs. Additionally, the Bureau advertised 53 internal detail opportunities to Bureau employees using the Centralized Detail Posting Process.

Objective 3.3

Manage risk and promote accountability within the Bureau.

Objective leaders: Chief Operating Officer, Operations; Chief Strategy Officer

Strategies and investments

The following strategies and investments have been put in place to help the Bureau achieve objective 3.3.

Strategies

- Align resources to mission and promote budget discipline.
- Continue to leverage shared services for management functions such as financial management and travel in order to maximize resources and cost efficiencies.
- Provide accurate, complete, and meaningful information about the financial and operating performance of the Bureau to internal and external stakeholders.
- Acquire, deploy and maintain a suite of enterprise-wide services and secure technology capabilities that optimize staff productivity and are cost-effective.
- Mature and maintain a culture of continuous improvement to support the highest and best use of resources and minimize the risk of waste, fraud, and abuse.
- Develop and mature an Enterprise Risk Management (ERM) program to strengthen leadership decision-making, enhance the resource allocation process, and improve overall organizational performance.

Investments

PERSONNEL

The Bureau maintained a hiring freeze for the first 10 months of FY 2019. During that time, the Director granted 186 hiring exceptions for positions requiring specialized skills or needs for mission critical projects. In addition, certain positions were filled with internal staff on temporary details. In August 2019, the Director lifted the hiring freeze and approved a staff management plan for each division.

AUDITS OF THE BUREAU

Continue to work with the Office of Inspector General (OIG) of the Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection, the Government Accountability Office (GAO), and an independent contractor for external auditing and oversight of the Bureau's operations and budget.

CLOUD APPLICATION PLATFORMS

Continue to invest in cloud-based application systems as strategic platforms to streamline Bureau processes, coordinate stakeholder interactions and workflows, and enhance visibility and reporting. The Bureau has launched applications on these platforms including tools for handling consumer complaints, coordinating interactions with supervised entities, providing informal guidance to regulated entities, increased collaboration and information sharing among Bureau staff, and an integrated and automated platform for Bureau IT and Operations services.

CUSTOMER EXPERIENCE INITIATIVES

Develop, design, and implement the Office of the Chief Experience Officer. In FY20, the Bureau established the Office of the Chief Experience Officer, which will focus on improving how the Bureau delivers its Operational services with an emphasis on the user experience and increasing its efficiency. This investment will help the Bureau design and implement a vision, strategy, framework, and operations of the Office.

DATA INFRASTRUCTURE AND ANALYSIS

Evaluate and migrate the current data environment to a cloud-based environment with scalable capabilities. This initiative will allow the Bureau to improve its use and management of data to conduct high quality, data driven analyses and decision-making.

ENTERPRISE RISK AND ORGANIZATIONAL PERFORMANCE MANAGEMENT

Continue to improve the Bureau's enterprise risk management and organizational performance management capabilities by developing a robust, data driven performance framework and risk indicators that will enable senior leaders to better understand changes in the Bureau's internal and external environment and proactively alter impacted agency practices, policies, and operations accordingly.

FINANCIAL MANAGEMENT SUPPORT SERVICES

Continue to provide financial management services in the areas of budget execution, purchasing, accounts payable, accounts receivable, and general ledger and fixed assets.

INTERNAL CONTROL ASSESSMENT PROGRAM SUPPORT

Continue to invest in resources that maintain effective internal controls, and follow appropriate models for internal controls, such as the Federal Managers' Financial Integrity Act of 1982 (FMFIA), GAO's Green Book, and best practices derived from OMB Circular A-123.

IT PORTFOLIO MANAGEMENT AND ENTERPRISE ARCHITECTURE

Use methodologies including project management and agile development to deploy technology. The Bureau's Office of Technology & Innovation has developed FY 2020 and FY 2022 Target Architectures based on business needs. These enable the Bureau's IT modernization efforts to enhance its security posture, align with federal guidance, improve user experience, and improve Bureau performance using innovative technologies (e.g., cloud service offerings, increased mobility, integrated IT services platform).

LEGAL TECHNOLOGY PLATFORM

Continue to maintain and improve the Bureau's shared service center the legal needs and obligations of the Bureau. This includes Congressional requests, Enforcement and Fair Lending investigations and actions, FOIA requests, internal investigations and litigation, managing regulatory comments, Supervision requests for information, and market studies with unstructured documents. This investment also includes the necessary technology and resources needed to collect internal documents as well as store and process large amounts of documents to be reviewed.

PROCUREMENT SERVICES AND SUPPORT

Ensure proper adherence to all relevant federal acquisition regulations and guidelines while continuing to develop a flexible, efficient, and responsive procurement environment.

Performance goals

The Bureau will assess the progress on achieving objective 3.3 through the following performance goals:

Performance goal 3.3.1: Modernize the Bureau by deploying new technology and improving IT operations.

Modern technology increases productivity, lowers risk, and reduces operational expenses. The Bureau will continue to modernize its technology infrastructure and align to best practices for information technology.

Performance measures

TABLE 3.3.1.87: FEDERAL INFORMATION TECHNOLOGY ACQUISITION REFORM (FITARA) SCORE

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	B	A	A
Actual					C-	C-	NA	NA

TABLE 3.3.1.88: PERCENT OF BUREAU SOFTWARE LICENSES TRACKED BY ASSET MANAGEMENT SYSTEM

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	40%	70%	80%
Actual					NA	40%	NA	NA

TABLE 3.3.1.89: NUMBER OF RECOMMENDED ACTIVITIES ACHIEVED FROM THE FEDERAL CLOUD SMART WORKFORCE DEVELOPMENT AND PLANNING STRATEGY (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							3 out of 5	3 out of 5
Actual							NA	NA

TABLE 3.3.1.90: PERCENTAGE OF IT INVESTMENTS THAT ARE ADEQUATELY IMPLEMENTING HUMAN CENTERED DESIGN AND ORGANIZATIONAL CHANGE MANAGEMENT (NEW MEASURE)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							50%	75%
Actual							NA	NA

Progress update and future action

In FY 2020, the Bureau will continue modernizing its IT infrastructure by moving to a cloud-native environment. This will reduce the cost of operating and maintaining a physical data infrastructure, increase security, improve user and customer experience, align with federal guidance, further leverage shared services, and enable the Bureau to realign resources from infrastructure maintenance to mission and operational priority service areas.

The Bureau will also begin implementing process improvements that were identified when scoring itself against standards set forth under the Federal Information Acquisition Reform Act (FITARA) and OMB Memorandum M-15-14. Moving towards a higher FITARA score will help the Bureau align to federal best practices in data center optimization, portfolio management, transparency and risk management, CIO authority, and software licensing.

Performance goal 3.3.2: Award 90% of contracts competitively.

Competing procurement actions allows for competitive market pricing, stronger proposal submissions, including proposals from minority-owned and women-owned businesses, and a distributed vendor base to support the Bureau. Public value is also derived when good value is obtained from the money spent.

Performance measure

TABLE 3.3.2.91: PERCENTAGE OF CONTRACTS COMPETITIVELY AWARDED OVERALL

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target	90%	90%	90%	90%	90%	90%	80%	80%
Actual	86%	94%	91%	87%	87.2%	82%	NA	NA

Progress update and future action

The Bureau is currently tracking competition and reporting data measurements within the agency on an annual basis. The Office of Procurement has developed a live dashboard of Procurement metrics, including competition that is available to all Bureau employees. At 90%, the Bureau's competition goals since FY 2013 through FY 2019 are designed to lead by example in stewarding public money. The Bureau does not aim for 100% competition because it has a range of routine exempt needs which may include items such as expert witness services, conferences, and subscriptions, which may be solicited on a sole source basis. The amount of

dollars associated with these exempted actions can vary each year. Given this, the Bureau’s goal for future fiscal years will be 80%. In addition to fostering the principle of competition, the Office of Procurement partners with the OMWI to develop tools and resources for increasing opportunities to minority-owned and women-owned businesses.

In FY 2019, out of approximately \$101.7 million that the Bureau obligated in contracts, \$83.3 million, or 82%, were awarded on a competitive basis.

Performance goal 3.3.3: Remediate open audit findings within 24 months.

Where there are audit findings, the Bureau will take appropriate steps to implement a timely corrective action.

Performance measure

TABLE 3.3.3.92: PERCENTAGE OF AUDIT FINDINGS CLOSED BY THE AUDITOR WITHIN 2 FISCAL YEARS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Baseline	75%	80%	80%
Actual					65%	93%	NA	NA

Progress update and future action

Accountability for remediating audit findings is a priority for Bureau management. The Bureau has an established process to track, monitor, and address findings reported by its auditing entities (GAO, OIG, and the independent auditor of budget and operations). Status updates are solicited from the relevant program offices on a quarterly basis.

Performance goal 3.3.4: Establish and mature an enterprise risk management program that is integrated with strategic planning and budgeting processes to enhance decision-making and mission execution.

A Level 2 Enterprise Risk Management (ERM) program maturity assessment by an external, objective organization will confirm that the Bureau has implemented an effective ERM program.

Performance measure

TABLE 3.3.4.93: LEVEL OF ENTERPRISE RISK MANAGEMENT MATURITY

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					Level 2 ERM Maturity	Level 2 ERM Maturity	Level 3 ERM Maturity	Level 3 ERM Maturity
Actual					Level 2*	Level 2*	NA	NA

* Internal assessment of ERM maturity.

Progress update and future action

The Bureau conducted an internal maturity assessment during Q4 2019. The Bureau is exploring options for an independent assessment of its maturity.

Performance goal 3.3.5: Improve the delivery of Operations services to the Bureau.

The Bureau will mature and maintain a culture of continuous improvement to support the efficient and effective use of resources and minimize the risk of waste, fraud, and abuse.

Performance measure

TABLE 3.3.5.94: PERCENTAGE OF FAVORABLE RESPONDENTS SATISFIED WITH THE TIMEFRAME IN WHICH THEIR OPERATIONS MATTER IS ADDRESSED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	50%	50%
Actual					NA	52.15%	NA	NA

TABLE 3.3.5.95: PERCENTAGE OF FAVORABLE RESPONDENTS WHO ARE SATISFIED WITH THEIR EXPERIENCE WITH BUREAU OPERATIONS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	50%	50%
Actual					NA	44.15%	NA	NA

TABLE 3.3.5.96: PERCENTAGE OF FAVORABLE RESPONDENTS WHO AGREED THAT OPERATIONS PROVIDES CLEAR, CONSISTENT GUIDANCE AROUND ITS PROCESSES

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target					NA	Baseline	50%	50%
Actual					NA	48.49%	NA	NA

Progress update and future action

Continuous improvement comes from improving and streamlining policies, procedures, and resources. The Bureau will survey its own staff to identify ineffective processes, misaligned resources, and opportunities for enhanced accountability. The Bureau will utilize the data to prioritize opportunities for improvement and provide the appropriate resources. In FY 2019, the Bureau developed and distributed the first annual customer service survey that measured customer satisfaction with services. In FY 2020, the Operations Division will focus on designing and implementing customer experience standards throughout its programs and services. This includes standing up a Chief Experience Office, designing and implementing a new communications strategy to focus on customer needs, and addressing identified improvement areas from the FY 2019 survey.

APPENDIX A:

Historical measures

NUMBER OF EMERGING TRENDS (TOPIC AREAS THAT INDICATE GROWING INTEREST OR UTILITY) IDENTIFIED BY BUREAU STAKEHOLDERS OR NOTED ACROSS EA STAKEHOLDER OFFICES

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target							Baseline
Actual							5

NUMBER OF BUREAU VISITS TO STATES WITH CORRESPONDING PUBLIC EVENTS AND STAKEHOLDER ENGAGEMENTS³⁰ (MEETINGS/ROUNDTABLES, PUBLIC EVENTS, I.E., FIELD HEARINGS, TOWN HALLS, LISTENING SESSIONS, STAKEHOLDER CALLS, AND OTHER INFORMAL STAKEHOLDER ACTIVITY)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						NA	12
Actual						NA	16

NUMBER OF STAKEHOLDER EVENTS AND ENGAGEMENTS FROM VARIOUS GEOGRAPHIES (1 PER QUARTER) (NEW MEASURE)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						NA	4
Actual						NA	56

³⁰ In FY 2018, the total number of engagements across offices = 769.

PERCENTAGE POINT INCREASE IN CONFIDENCE LEVEL OF SOCIAL SERVICES STAFF TRAINED
IN DISCUSSING CORE FINANCIAL MANAGEMENT TOPICS WITH CLIENTS AFTER YMYG TRAINING

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target							35 points
Actual							24 points

NUMBER OF LIBRARY LOCATIONS ENGAGED TO BE LOCAL CENTERS OF FINANCIAL
EDUCATION

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	2,000	2,000
Actual					1,628	2,106	2,702

PERCENTAGE OF ASK CFPB USERS WHO RATE QUESTIONS AND RELATED ANSWERS AS
HELPFUL

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	86%	85%
Actual					86%	84.1%	80%

NUMBER OF INDIVIDUALS SERVED BY FINANCIAL COACHING FOR TRANSITIONING VETERANS
AND ECONOMICALLY VULNERABLE CONSUMERS (PROGRAM ENDS MARCH 2019)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	6,000	3,000*
Actual					6,781	7,860	2,380

*Note: FY 2019 target reflects program ending 3/31/19.

NUMBER OF PAPERS DEVELOPED TO INCREASE UNDERSTANDING OF WHAT CONTRIBUTES TO
FINANCIAL WELL-BEING THAT CAN BE SUPPORTED THROUGH FINANCIAL EDUCATION

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	2	2

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Actual					3	2	2

DOWNLOADS OF TOOLS/PAPERS/MATERIALS FOR EDUCATORS SERVING ADULTS

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	46,000	50,000
Actual					55,000	45,120	52,703

LAUNCH TEACHER FINANCIAL EDUCATION PLATFORM

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						High school teacher platform	Middle school teacher platform by end of FY19
Actual						Nov 2018	Complete

DISTRIBUTION OF REPORTS AND TOOLS ON EFFECTIVE APPROACHES TO SAVINGS OR MONEY MANAGEMENT AND NUMBER OF INDIVIDUALS THAT ATTEND WEBINARS ABOUT THE REPORT

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target							8,000
Actual							10,000

NUMBER OF COMPLAINT REPORTS PUBLISHED

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						2	3
Actual						2	3

NUMBER OF REGIONAL OR LOCAL ENTITIES SUPPORTED WITH TECHNICAL ASSISTANCE TO ADDRESS CREDIT INVISIBILITY

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target							4
Actual							4

DISTRIBUTION OF RECOMMENDATIONS ABOUT AGE-FRIENDLY ACCOUNT FEATURES FOR FINANCIAL INSTITUTIONS TO CONSIDER

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target					NA	1,000	500
Actual					2,000	2,101	1,542

MIGRATE DATA TO THE CLOUD (% OF DATA REMOVED FROM ON PREMISE DATA CENTERS)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						25%	60%
Actual						27%	27%

ANNUAL EMPLOYEE SURVEY (AES) ENGAGEMENT COMPOSITE RATING (% FAVORABLE)³¹

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target	76.5%	76.5%	72%	73%	75%	75%	75%
Actual	73%	70.5%	74.1%	72.9%	76.6%	68.8%	69.5%

PERCENTAGE OF PLAN OF ACTIONS & MILESTONES (POA&MS) THAT ARE RESOLVED WITHIN 6 MONTHS OF IDENTIFICATION

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						NA	75%
Actual						NA	9.21%

PERCENTAGE OF ENDPOINTS ANALYZED IN THE ANNUAL CYBERSECURITY COMPROMISE ASSESSMENT THAT ARE VALIDATED CLEAN

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						NA	95%

³¹ The employee engagement composite is comprised of ratings on nine items from the AES survey, such as “my work gives me a feeling of personal accomplishment” and “the work I do is important.”

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Actual						NA	96%

MITIGATE CRITICAL AND HIGH PLAN OF ACTION & MILESTONES (POA&M) FROM 2018 THIRD-PARTY CYBER ASSESSMENT (% MITIGATED)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						50%	80%
Actual						100%	100%

NUMBER OF REGULATORY REVIEWS INITIATED AND COMPLETED

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Target						NA	Baseline
Actual						NA	0 ³²

³² This performance measure was intended to include only discretionary regulator reviews. During FY 2019, the Bureau conducted three assessments and regulatory reviews, each of which were statutorily required. Those reviews are reflected in Table 1.2.1.23 above.

Data Validation

Following the Bureau's data accuracy and reliability processes and procedures, the Bureau takes continuous steps to ensure that performance information is complete, accurate, and reliable. The following captures key efforts by Strategic Goal and specifically focuses on data sources, summarizes levels of accuracy and data verification approaches, and identifies data limitations along with compensatory counteractions.

Strategic Goal 1

Ensure that all consumers have access to markets for consumer financial products and services.

Objective 1.1

Ensure that consumers are provided with timely and understandable information to make responsible decisions about financial transactions.

- **Data sources:**

- To measure performance for this objective, the Bureau relies on several data sources, including the *Federal Register*, Regulations.gov, the Bureau website, website analytics tools, and its consumer response function's case management system.
- The number of consumers served through Ask CFPB, money topic web portals, and print publications, ratings from Ask CFPB users, and downloads of tools/papers/materials are based on Google Analytics data for unique users to consumerfinance.gov and print orders from GPO. Community channel data, such as number of staff trained, number of library locations, and number of individuals served is measured through Bureau databases as well as through reports from regional and local partners.
- Web analytics for the Bureau website are the data source for reports dated between October 1, 2018, and September 30, 2019. The Bureau also tracks its research projects completed on disclosure effectiveness.

- **Level of accuracy and data verification:**

- The data sources listed above were reviewed to determine metrics related to all

relevant final rules, proposed rulemakings, published reports, outreach and other initiatives covered by the performance metrics. The website analytics are provided by Google Analytics 360, which provides numbers based on website user sessions.

- The Bureau's consumer response function conducts regular data reviews and cross-checks accuracy for all key performance measures, including number of days to route to the company and percentage of company responses that are timely. The team also tracks the proportion of complaints received via the web channel and the number of consumer complaints handled by Consumer Response.

- **Advantages, limitations, and mitigating actions:**

- Website analytics data is pulled by a Google Analytics-certified analyst who performs thorough quality control checks to ensure all data reported is accurate. The Bureau website provides an accurate and extensive record of rulemakings and publications issued by the Bureau. No data limitations are known.

Objective 1.2

Regularly identify and address outdated, unnecessary, or unduly burdensome regulations in order to reduce unwarranted regulatory burdens.

- **Data sources:**

- The Bureau uses several data sources to measure Objective 1.2, including the *Federal Register*, Regulations.gov, and the Bureau's website.
- Notices of proposed rulemakings are generally considered to be proposed and other materials related to targeted initiatives, outreach, regulatory implementation, and requests for information are considered to be issued when posted to the Bureau website. Assessments will be considered published when posted to the Bureau website.

- **Level of accuracy and data verification:**

- The data sources listed above were reviewed to determine metrics related to all proposed rulemakings, assessments, requests for information, and other initiatives covered by the performance metrics.

- **Advantages, limitations, and mitigating actions:**

- No limitations and reasonable level of accuracy — the Bureau’s website, *Federal Register*, and Regulations.gov - provide an accurate and extensive record of all rulemakings, assessments and requests for information issued by the Bureau.

Objective 1.3

Ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

▪ **Data sources:**

- To measure Objective 1.3, the Bureau uses various data sources, including the *Federal Register*, Regulations.gov, and the Bureau’s website (consumerfinance.gov). The Bureau also maintains a catalog of consumer financial market data for internal use by Bureau staff and produces publicly available data that is published to the Bureau website. The consumerfinance.gov website is the data source for reports along with the Bureau website of SSRN, a repository of scholarly research publications.³³ Additionally, the Bureau uses website analytics tools designed to capture website pageviews and downloads from the consumerfinance.gov. The number of citations of Bureau reports and publications in external publications uses data compiled from Google Scholar, a tool to search scholarly literature across research disciplines, SSRN, and Lexis-Nexis. Public engagement is tracked by external affairs staff.
- Rulemakings are considered finalized when a final rule is issued by the Bureau and posted to its website or published in the *Federal Register*, whichever occurs first (see Procedure Related to Rulemaking, 12 CFR 1074). Notices of proposed rulemakings are generally considered to be proposed and other materials related to targeted initiatives, outreach, regulatory implementation, and requests for information are considered effective to be issued when posted to the Bureau website. Reports are considered finalized when the Bureau issues and posts the final report to the Bureau’s website or a scholarly research publication is posted publicly to SSRN.

▪ **Level of accuracy and data verification:**

³³ The Bureau maintains a site designated as a repository for independent research publications at <https://www.ssrn.com/link/BCFP-GOV.html>

- The data sources listed above were reviewed to determine metrics related to all final rules, proposed rulemakings, and outreach and other initiatives covered by the performance metrics. This includes all consumer protection related rulemakings and related work independently conducted by the Bureau between October 1, 2017, and September 30, 2018. The data sources listed above were also reviewed tri-annually during FY 2018 (October 1, 2017, and September 30, 2018) to determine the consumer financial markets for which the Bureau maintains standardized data³⁴ and to account for all major research reports published by the Division of Research, Markets, and Regulations in FY 2018.
- Website analytics are provided by Google Analytics 360, which provides numbers based on website user sessions. Google Scholar, SSRN, and Lexis-Nexis provide data on report citations, but does not include a full accounting of Bureau research material cited across varied publications. For public engagement, external affairs team verify and validate data by reviewing the Bureau blog, newsroom and other materials publicly available on the Bureau’s website that announce, report on, and otherwise provide information about public events hosted by the Bureau.
- **Advantages, limitations, and mitigating actions:**
 - No limitations and reasonable level of accuracy - the Bureau’s website, *Federal Register*, and Regulations.gov provide an accurate and extensive record of all rulemakings, data, and reports issued by the Bureau.

Strategic Goal 2

Implement and enforce the law consistently to ensure that markets for consumer financial products and services are fair, transparent, and competitive.

Objective 2.1

Protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination.

³⁴ To meet the criteria for standardized data, the Bureau must maintain regularly updated data that allow Bureau staff to draw generalizable conclusions about market activity.

Objective 2.2

Enforce federal consumer financial law consistently, without regard to the status of a person as a depository institution, in order to promote fair competition.

- **Data sources:**

- The Bureau captures and stores data about its supervision and enforcement activities in several systems of record, including ENForce, and the Supervision and Examination System (SES). Metrics and measures for the performance goals in support of Strategic Goal 2 are updated based on data housed in these systems on a biannual basis, followed by focused management reviews to assess progress toward achieving the Bureau's Strategic Goals and Objectives.
- To measure performance for the goal related to enhancing protection of older Americans from elder financial exploitation, the Bureau relies on several data sources, including website analytics and print distribution orders from GPO.

- **Level of accuracy and data verification:**

- ENForce, the matter management system for enforcement matters, provides a streamlined workflow, and data validation controls that have been developed to ensure consistent data quality. ENForce capabilities include automated business workflows, which allow the Offices to more efficiently and effectively manage their work. For example, particular fields must be filled out with appropriate data in order for users to proceed in the system. This is not a feature that existed in the previous matter management system. ENForce also provides visibility, tracking, reporting, and several quantitative metrics that can help the Bureau more effectively achieve its strategic goals.
- The Bureau provides training to users on proper use of the data systems described above to ensure data verification and validation. The SES Data Entry Policy was updated in June 2017. Revisions included additional SES fields added as a part move to the new SES platform.
- The website analytics are provided by Google Analytics 360, which provides numbers based on website user sessions.

- **Advantages, limitations, and mitigating actions:**

- Although the data is frequently reviewed for accuracy, as discussed above, the Bureau

continues to improve its ability to track its supervision and enforcement activities. As mentioned previously, the Bureau recently replaced its previous matter management system for enforcement matters with ENForce, a Salesforce tool that will allow for improved data organization, workflow tracking, and collaboration across offices. These modifications have significantly enhanced the Bureau's ability to measure its supervision and applicable enforcement activities. Continued improvements to SES and ENForce, as needed, will assist in accurately and consistently capturing key supervisory and enforcement data.

- Website analytics data is pulled by a Google Analytics Certified analyst who performs thorough quality control checks to ensure all data reported is accurate. No data limitations are known.

Strategic Goal 3

Foster operational excellence through efficient and effective processes, governance and security of resources and information.

Objective 3.1

Safeguard the Bureau's information and systems.

- **Data sources:**

- The average time to report cybersecurity incidents to US-CERT is generated from the Bureau's automated tracking systems for cybersecurity.
- POA&M reporting is maintained and managed via a series of reports and dashboards. The tool allows for a historical accounting of the activities associated with the POA&M. Additionally, a complete snapshot of the POA&Ms are taken weekly and kept for historical purposes. An auto-generated POA&M ID tracks each POA&M throughout its entire lifecycle.
- Data about the Bureau's endpoint analysis is taken from the Bureau's compromise assessment report, which is generated by an independent third party that performs automated compromise assessment of Bureau IT systems.
- The percentage of users susceptible to phishing attacks represents the percentage of users who clicked-through on a phishing exercise. This data comes from the test platform the Bureau uses to conduct its phishing exercises.

- OIG Maturity Model ratings are taken from the Annual Audit Report issued by the Office of the Inspector General.
- **Level of accuracy and data verification:**
 - The level of accuracy is high based on the operational use of the systems for the ongoing security of the Bureau.
- **Advantages, limitations, and mitigating actions:**
 - The advantages of using the operational tracking systems for generating business measures is that the statistics are close to real time. There are few limitations, as an evolving scenario or threat will not always have every factor known immediately, so the data set will evolve over time and may initially have incomplete fields. Additionally, there are some factors that will require additional input and analysis – for example, the cost of remediation for a POA&M. These limitations affect the actionability of the metric, but not the overall accuracy of the totals. The mitigation to overcome the limitations will be to have regular updates as soon as new or better data is known.

Objective 3.2

Maintain a talented, diverse, inclusive and engaged workforce.

- **Data sources:**
 - Annual Employee Survey (AES) results are captured through an online survey administered under an Interagency Agreement (IAA) for reimbursable government services offered by the Office of Personnel Management's (OPM) Human Resources Solutions group. The IAA provides warranties that services provided for AES meet professional and legal standards. OPM's USASurvey branded online survey administration tool is used to gather data. This tool is subject to the variety of information security guidelines for government information technology projects and systems. To ensure that all intended employees are invited to complete the annual employee survey, email addresses for the employee population are provided to OPM as the basis for survey invitation.
 - Manager Training Applied Learning Metric results are captured through training classroom evaluations, administered during classroom training sessions. Data is then aggregated across multiple deliveries, and calculated for both the period, and

cumulative for the fiscal year.

- **Level of accuracy and data verification:**

- In order to verify data summaries for item and index level results, OPM provides independent verification and reporting of Bureau-wide AES results prior to releasing data to the Bureau. The Bureau's Office of Human Capital (OHC), in partnership with the Office of Research (OR) and a vendor under contract for this effort, then conducts analysis and generates summary reports. Any and all discrepancies between posted and calculated results are subject to 100% verification in collaboration with OPM vendor.
- At a broader level of verification, comparison data from OPM for government-wide results is monitored and verified through data cross checking. In the final steps of survey processing, the Bureau posts results to external website and sends an internet link and posted results to OPM to meet regulatory guidance.

- **Advantages, limitations, and mitigating actions:**

- The Bureau continues to monitor and evaluate the reliability and validity of these metrics as additional baseline data become available. Adjustment to outcomes, components, or targets may be necessary as measures are better understood.

Objective 3.3

Manage risk and promote accountability within the Bureau.

- **Data sources:**

- The migration of data to cloud-based data centers is calculated through the Bureau's network management tools, which can be used to run reports and consolidate information. Calculation of the FITARA score will be based on a self-assessment evaluated on standards and templates from GAO and other organizations.
- The Office of Procurement tracks competition and reporting data measurements on an annual basis and has developed a live dashboard of procurement metrics, including competition, that is available to all Bureau employees.
- The remediation of open audit findings is measured through an established process to track, monitor, and address findings using data reported by its auditing entities (GAO, IG, and the independent auditor of budget and operations).

- The Enterprise Risk Management (ERM) Maturity Assessment data is contained in an internal tracking document. The Bureau plans to have this data independently validated.
 - Bureau software licenses will be tracked in a central database. Licensing information will be populated in that database using information from the purchasing process and the approved software list.
 - For the delivery of Operations services performance goal, the data for this measure will come from an internal survey administered by the Operations division.
 - For IT investments that are adequately implementing human centered design, the calculation will be based on evaluating data collected and analyzed for CFPB's FITARA score supplemented by additional information collected for each investment through the Technology Investment Review Board (TIRB) process.
 - The 2018 Federal Cloud Computing Strategy, known as Cloud Smart, focuses on three key inter-related areas – security, procurement, and workforce. T&I started implementing the strategy's five workforce recommendations in FY 2019 starting with performing an organizational skill gap analysis. The T&I Operations Team tracks the planning and implementation of each recommendation with a goal of implementing all five by the end of FY 2022. The data is a count of the number of recommendations implemented. The number tracked by the T&I Operations team is validated by the CIO prior to reporting.
- **Level of accuracy and data verification:**
- The Bureau can accurately calculate its footprint across on-premise data centers and can easily replicate those calculations.
 - The Office of Procurement dashboard is regularly reviewed by staff for accuracy.
 - Data to measure the Bureau's ERM program comes from and is verified against the assessment report issued by an external organization annually. The Bureau will ensure the external organization performs its review in accordance with leading practices in ERM.
 - The software licenses tracked in the database will be reconciled on a recurring basis based on feedback from Procurement, Product Owners and Service Desk requests.
 - The calculation methodology and data sources will be similar to those employed for

CFPB's FITARA score. For each IT Investment, an assessment is made on adequate resources with organizational change management or human centered design skills supporting the investment and an overall percentage will be calculated. This metric will closely mirror the approach used for current FITARA metrics. The denominator will be the number of investments, which is similar to the approach used in calculating the Risk Transparency metric. To derive the numerator, as part of the TIRB process, we will add the collection of supplemental information for each T&I investment to collect additional information regarding an overall change impact analysis, organizational readiness, and OCM requirements to inform an assessment of the adequacy of OCM staffing/budget based on the impact, readiness and OCM requirements. This supplemental information may take the form of a separate email survey apart from adding new questions to the current TIRB form.

Advantages, limitations, and mitigating actions:

- When Bureau Asset Management is aware of purchased software (and licenses) and tracking is centralized into one database, the Bureau has greater ability to effectively manage and monitor software owned by the Bureau. If the IT Asset Management team is not informed of purchases or provided feedback from product owners on a regular basis, the software license database may not reflect the current state of all software owned by the Bureau. Per the Asset Management Policy, all software must be approved by the IT Asset Management team prior to purchase thus helping mitigate incomplete information.
- In collecting TIRB data, a series of working sessions is conducted with each investment to review and validate their input. This consultative approach to data collection ensures greater completeness and accuracy of TIRB data for each investment.

APPENDIX B:

Management challenges

As identified by the Bureau's OIG, the Bureau faces management challenges in the areas of information security, human capital programs, controls and risk management.³⁵ As part of its ongoing, continuous improvement efforts, the Bureau is addressing these challenges. One significant change since the previous report is the removal of the challenge related to effectively managing and acquiring workspace.

1. Ensuring an effective information security program

The Bureau collects and stores sensitive information, including confidential supervisory information and personally identifiable information, to support many of its mission-critical activities. Unauthorized access to or disclosure of this information, through internal or external threats, could undermine the Bureau and limit its ability to accomplish its mission. Although the Bureau continues to mature its information security program, it faces challenges in aligning its information security program, policies, and procedures with the agency's evolving enterprise risk management program; designing and implementing its insider threat program; and managing vulnerabilities.

Agency actions

The Bureau continues to mature the information security program in many areas. In FY 2019, the Bureau continued to build out its cloud-based authentication capabilities to ensure a secure IT modernization effort, aligning the security architecture with the DHS Trusted Internet Connection (TIC) 3.0 initiative, updated the programs' policies and procedures to the National Institute of Standards and Technology Cybersecurity Framework, and further enhancing the number and quality of sources feeding the centralized audit log collection and analysis system. The Bureau issued the Insider Threat Program, deployed a data loss prevention solution and

³⁵ Office of Inspector General: Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, 2018 List of Major Management Challenges for the Bureau

expanded a vulnerability management solution for the network and operating systems it manages. Additionally, the Bureau plans to completely migrate to the cloud by 2022.

Responsible Executive: Associate Director, Operations

Related Objective: 3.1

Related Performance Goal: 3.1.1

2. Maturing the Human Capital Program

Since beginning operations in 2011, the Bureau has worked to build its human capital program and develop a diverse, high-performing, and engaged workforce. The Bureau's human capital leadership must adapt to recent changes at the agency, including changes in leadership, strategic direction, and organizational structure, along with turnover in specialized positions and recent Bureau workforce directives, to help ensure that employees' skills are best leveraged. Although the Bureau has worked to build its human capital program and develop a diverse, high-performing, and engaged workforce, the program will need to develop and implement strategies to address the various employee engagement challenges.

Agency actions

In FY 2019, OHC has worked to help management retain and engage a high performing and diverse workforce that can effectively and efficiently achieve the Bureau's mission objectives. OHC conducted staffing planning sessions with Division management to identify skill gaps or mission critical vacancies that may have resulted from the Bureau-wide hiring freeze. As part of this effort, OHC also created a comprehensive data set of all positions within the Bureau with a focus on statutorily mandated positions, mission critical jobs, positions in direct support of mission critical tasks, and critical operational positions. The Director approved the Staffing Plan on August 12, 2019, which ended the hiring freeze and introduced a more disciplined practice of identifying and hiring the staff we need to accomplish mission priorities. OHC also provides a monthly report to Bureau leaders that shows the gains and losses resulting from reassignments and details across each Division. The data shows there has not been a disproportionate movement of staff from one Division to another.

Additionally, the Bureau has contracted with a vendor to conduct a comprehensive review of the agency's compensation program. The primary goals of this initiative, which is being led by the Office of Human Capital in consultation with the Legal Division, are to find ways to better promote salary equity, encourage transparency, continue to comply with the requirements

under Dodd-Frank, and ensure that our compensation program aligns with the Director's vision and the Bureau's culture. In the first phase of the project, completed in mid-April, the Bureau examined compensation policies and practices, interviewed leaders, managers, and union representatives, benchmarked our compensation program against our FIRREA counterparts and select private sector companies, and prepared a report of its findings. While the Bureau's compensation program is in line with other FIRREAs and leading management practices, areas of improvement have been identified in some areas of the program.

In the current project phase, the Bureau is developing a detailed set of recommendations that will include proposed enhancements to how we promote pay equity across the Bureau, overall improvements in the pay setting process, and potential structural changes to pay bands. Ultimately, the decisions the Director makes regarding potential changes will be used to formulate proposals for the next compensation negotiations, anticipated to occur in the summer of 2020.

Additionally, in FY 2019, the Bureau formed and implemented our new workforce planning function, to include our approved succession planning process. Lastly, OHC developed and delivered two new leadership and management development training courses specific to different management levels. A new leadership course was implemented for senior executives, and one for front-line supervisors, each to positive reviews of learner experiences.

Responsible Executive: Associate Director, Operations

Related Objective: 3.2

Related Performance Goal: 3.2.1 and 3.2.2

3. Continuing to Refine the Supervision and Enforcement Strategy

The Bureau is responsible for ensuring compliance with federal consumer financial laws by supervising market participants and bringing enforcement actions when appropriate. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) provides the Bureau with the authority to supervise depository institutions with more than \$10 billion in total assets and their affiliates and certain nondepository institutions, such as mortgage companies, payday lenders, private education lenders, and larger participants in other markets as defined by rules issued by the Bureau. An important objective of the Dodd-Frank Act is to ensure that federal consumer financial law is enforced consistently, without regard to whether a financial

service provider is a depository institution or a nondepository institution.

The OIG has noted a challenge the Bureau faces in providing sufficient oversight of nondepository institutions given their number in the marketplace. The OIG stated that the Bureau must continue to assess, define, and evolve its strategy, including the types and frequency of supervisory activities, for overseeing nondepository institutions. The Bureau should continue to define and mature its tool selection process to promote consistency in its oversight of depository and nondepository institutions. The Bureau should also evaluate its human capital needs to ensure that it maintains a workforce with the requisite skills and expertise to support its strategy.

Agency actions

The Bureau is taking steps to focus more supervisory efforts on nondepository institutions including analyzing how to engage in increased supervisory activities at larger nondepositories operating in multiple states. For example, the Bureau is increasing periodic monitoring of larger nondepositories to include all those, based on the Supervision's risk prioritization process, that are on the examination schedule. The Supervision, Enforcement, and Fair Lending Division has in place tool selection processes, including the Action Review Committee (ARC) Process. The ARC determines through a deliberative and rigorous process whether matters that originate from examinations will be resolved through confidential supervisory action or through a public enforcement action. The Bureau has taken steps to refine its tool selection processes during FY 2019 and continues to evaluate refinements to the ARC Process and consider new tool selection processes.

The Bureau has made efforts to develop a more data driven risk-based approach to its supervisory focus. The Bureau has explored ways in which it can use predictive analytics and machine learning in its supervisory prioritization process and in its examination work. The Bureau is also researching new supervisory technology tools to ensure it focuses its supervisory resources as effectively as possible. The Bureau is looking to modernize its examination recording technology system for advanced functionality that will allow a more data driven approach. The Bureau is also seeking to partner with its state and federal counterparts to use the collective resources of the agencies and knowledge to be more efficient regulators.

The Director approved a Staffing Plan on August 12, 2019, which ended the hiring freeze and introduced a more disciplined practice of identifying and hiring the staff we need to accomplish mission priorities. Supervision and Enforcement are hiring in accordance with the approved staffing plan.

Responsible Executive: Associate Director, Supervision, Enforcement, and Fair Lending

Related Objective: 2.1 and 2.2

Related Performance Goal: 2.2.1, 2.2.7, 2.2.8, 2.2.9