

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 services:¹

- Consumers are provided with timely and understandable information to make responsible decisions about financial transactions;
- Consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;
- Outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;
- Federal consumer financial law is enforced consistently in order to promote fair competition; and
- 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 to a five-year term, by and with the advice and consent of the Senate.

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 five-year Strategic Plan is published as a separate document and is incorporated into the FY 2021 Annual Performance Plan and Report (APP).

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 FY 2021 APP 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 2020.

The FY 2021 APP contains a number of new performance goals and measures to align with the FY 2018-2022 Strategic Plan. Performance goals and measures have targets for FY 2021 and FY 2022. 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 2021-2022 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 <https://www.consumerfinance.gov/about-us/budget-strategy/strategic-plan/>.

This report was developed in December 2020 and reflects performance and priorities of former Director Kathy Kraninger. Acting Director Dave Uejio was selected to lead the Bureau on January 19, 2021. The Bureau intends to revise its Strategic Plan and Annual Performance Plan in 2021 to more accurately reflect the goals of new leadership.

Bureau Response to COVID-19

The Bureau instituted several initiatives to ensure the health, safety, and well-being of the Bureau's staff during the COVID-19 pandemic, which included:

- Directing that all examination activity of Bureau-supervised institutions be conducted off-site, from examiners' home duty stations, at least through February 28, 2021.
- Managing the agency's operating status and posture starting with mandatory telework through the current maximum telework position, which includes providing appropriate safety conditions to support voluntary return to the office for those who seek that option. This position is in place at least through February 28, 2021.
- Instituting additional workplace flexibilities that will continue at least through February 28, 2021, which include:
 - Utilizing the Bureau's compensation authority, allowing employees to use administrative leave if they are unable to perform work at home or at their home duty station due to (1) school or daycare closures resulting in a lapse in childcare, which requires one to provide care or (2) other reasons one identifies as related to COVID-19 such as providing care for another family member in order to prevent exposure/spread of COVID-19, taking any required sanitation measures, etc.
 - Providing employees with up to two weeks (80 hours) of emergency paid sick leave to use through December 31, 2020, in accordance with the Emergency Paid Sick Leave Act.
- Providing Bureau employees with updates on prevention measures, workplace flexibilities, telework options and best practices.
- Creating several ways to hear from Bureau employees through NTEU engagements, a COVID-19 Bureau advisory group, a Pandemic Inquiries Inbox, leadership involvement, and through several Employee Resource Groups. Additionally, the Bureau has maintained a frequent cadence of ongoing communication with FIRREA and other federal agencies for situational awareness and alignment, where possible.
- The Bureau's regional offices (New York, Chicago, San Francisco, and Atlanta) opened on October 2, 2020 to their staff who desire to work in the office – mirroring the policies, procedures, and posture at headquarters.

As COVID-19 began to spread in the U.S., the Bureau ramped up its efforts to publish and promote resources to better meet consumers where they are and address growing need. To date, the Bureau’s consumer education response to COVID-19 has resulted in the rapid expansion of tools (more than 70 blogs, web pages, and videos) available to educate and inform American consumers. These materials are available in seven different languages and are constantly updated to adapt to changing dynamics.

On the Bureau’s website, consumers can find information on what scams they should be watching out for, how to protect their credit, and how to navigate their mortgage and rent options during these uncertain times. The Bureau has provided resources on economic impact payments as well as resources for small business owners seeking assistance from the Paycheck Protection Program. The Bureau is also helping students and their parents understand student loan payment suspension options. Additionally, the Bureau has provided specific information to vulnerable populations, including older Americans and servicemembers.

While trying to reach as many struggling consumers as possible, the Bureau saw that the pandemic was impacting the staffing and operations of financial companies that wanted to help the large influx of customers seeking relief and accommodations. In response, the Bureau took temporary and targeted actions to support consumers by allowing financial companies to focus their resources on assisting consumers. This included providing temporary flexibility on some data collections for industry on Bureau-related rules, such as quarterly information required under the Home Mortgage Disclosure Act and Regulation C, as well as certain information related to credit card and prepaid accounts under the Truth in Lending Act, Regulation Z and Regulation E.

The Bureau acted swiftly to emphasize to firms that they must comply with the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Bureau provided the necessary guidance to companies on how they should work with consumers to provide relief through avenues such as mortgage forbearances.

Importantly, while the Bureau is willing to work with companies in a temporary and targeted manner to help them assist their customers, it will not tolerate those who would exploit the current national emergency and harm consumers. The Bureau is committed to vigorously enforcing consumer financial law in all markets under our jurisdiction and the pandemic does

not change that. Among other efforts, this includes monitoring the marketplace in real time and coordinating on a regular basis with federal and state agencies and regulators.

Coordinated efforts led the Bureau to create another important online resource: a unified, interagency housing website to be the one-stop-shop for consumers who want help knowing their rent or mortgage options. HUD and FHFA partnered with the Bureau in consultation with USDA and VA to develop this for consumers at <http://www.cfpb.gov/housing>.

The website provides accurate, impartial information to let consumers know their options and make the best decision for their situation. And if new federal laws addressing housing and COVID-19 take effect, the Bureau will respond with timely, accurate updates. The Bureau works to reach as many people as possible, including those with limited English proficiency, through our internal distribution channels and Bureau stakeholders. The education content has been amplified by consumer groups, non-profits, and companies across the nation. The Bureau is also advising struggling borrowers to reach out to their servicers to understand what options are available to them. Companies can usually answer questions unique to a consumer's situation and more specific to the products and services they offer. Consumers can also submit a complaint to the Bureau.

The Bureau is here to stand beside consumers at their hour of need as well as show concern for the safety of the Bureau's employees. As the pandemic evolves, the Bureau will be at the ready to address shifting situations and further our goal of protecting, promoting, and preserving the financial well-being of consumers.

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 \$695.9 million in Fiscal Year (FY) 2020 and are capped at \$717.5 million in FY 2021 and \$734.0 million in FY 2022. 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 2021 and FY 2022 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 2020, the Bureau incurred obligations totaling \$558.5 million. The budget estimates for FY 2021 and FY 2022 increase to \$595.9 million and \$617.7 million, respectively. The FY 2021 budget estimate represents a 6.7% increase from FY 2020 levels, while the FY 2022 estimate represents a 3.7% increase from FY 2021. The budget increases mostly reflect the cost associated with hiring to approved staffing targets 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)

	FY 2020	%	FY 2021	%	FY 2022	%
Goal 1	\$173.2	31%	\$169.7	28%	\$173.7	28%
Goal 2	\$208.9	37%	\$229.8	39%	\$242.7	39%
Goal 3	\$176.4	32%	\$196.4	33%	\$201.3	33%
Total	\$558.5	100%	\$595.9	100%	\$617.7	100%

FTE BY STRATEGIC GOAL (ROUNDED)

	FY 2020	%	FY 2021	%	FY 2022	%
Goal 1	411	28%	421	28%	434	28%
Goal 2	673	47%	707	46%	729	46%
Goal 3	363	25%	393	26%	405	26%
Total	1,448	100%	1,520	100%	1,569	100%

The allocation of funding across all strategic goals is expected to remain relatively constant through FY 2022.

Activities related to consumer education, rulemaking, and handling of consumer complaints in Goal 1 represent just over 28% of the Bureau's overall budget. To support this goal, the Bureau will continue to invest in helping consumers make informed financial decisions and build financial skills; facilitating the collection, monitoring, and response to consumer complaints; and increasing effectiveness of governing consumer financial markets.

The largest investment increases for FY 2021 within this goal support consumer education and evidence-based research. Consumer education initiatives and special populations programs increase as the Bureau continues to invest in its Start Small, Save Up and Your Money Your Goals initiatives. The primary objective of the Start Small, Save Up campaign is to encourage consumers to build emergency savings and increase opportunities for more consumers to save. The Your Money, Your Goals program helps train intermediary organizations who then work directly with lower-income consumers, providing information and action steps in money management that can be shared with the people they serve. Costs associated with the Consumer Resource Contact Center will also increase as complaint and call volume are anticipated to remain at elevated levels due to the COVID-19 pandemic. In addition, costs associated with the Consumer Response Center and the complaint management system contracts will increase temporarily due to costs related to transitioning to a potential new vendor in FY 2021.

The Bureau will also fund the acquisition of credit scoring data and a credit reporting study in order to support its evidence-based research, provide more informed guidance to industry and help spur innovation in this space.

Activities related primarily to supervision and enforcement of consumer financial laws, which are included in Goal 2, represent the largest portion of the Bureau's budget at just over 39%. This level of funding reflects the Bureau's focus on ensuring markets for consumer financial products and services are fair, transparent and competitive. Costs related to supervision and enforcement training and travel are projected to gradually resume to their pre-pandemic levels as the Bureau predicts slowly returning to conducting supervision exams and reviews of depository and non-depository institutions on-site, consistent with applicable pandemic guidance. Increases in enforcement operational support and supervision technology tools systems will fund additional support and enhancements to ENForce, the Bureau's matter management system for enforcement matters, and the Supervision and Examination System, its system of record for supervision work. Additional increases in investigation and litigation

support are also planned to help the Bureau's ongoing enforcement work.

Activities in Goal 3 reflect the Bureau's responsibility to mature and optimize its operations and represent approximately 33% of the budget. 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, leveraging cloud technology infrastructure and services, and upgrading its collaborations and communications systems. These investments have enabled the Bureau to quickly adapt and address the needs during the pandemic and will further enhance the Bureau's ability to scale its capacity. Additionally, the Bureau will increase IT program and project management support services as it prioritizes technology needs to securely connect and integrate IT systems and share data.

In FY 2021, the Bureau will also make a significant investment in its travel program with the goal of implementing a new travel system to replace the current travel system and travel support service provider. The new travel system and service platform is expected to significantly improve the overall employee experience, facilitate compliance with travel rules, and make the process for seeking authorization and reimbursement for work-related travel expenses more efficient. The Bureau plans to continue operating under the current travel system until it fully transitions to the new travel system in FY 2022.

To manage risk and promote accountability, the Bureau will continue to develop its capabilities to identify and monitor enterprise risks and performance; effectively review and assess internal controls; and continue to support required audits. 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	FY 2020	FY 2021	FY 2022
1.1	Consumer Education Initiatives	\$7.8	\$7.8	\$9.0
	Consumer Experience Program	\$2.7	\$3.1	\$3.1
	Consumer Response Complaint Intake, Handling, and Analytics	\$5.3	\$6.0	\$5.1
	Consumer Response Contact Center	\$9.4	\$10.2	\$9.8
	Disclosure Research, Design, Testing, and Implementation	\$0.5	\$0.4	\$0.7
	Financial Education Research	\$0.6	\$0.9	\$0.9
	Financial Well-Being and Other Tools for Financial Educators of Adults and Youth	\$1.5	\$1.7	\$1.6
	Special Populations Programs	\$2.6	\$3.7	\$2.9
1.1 Total		\$30.4	\$33.9	\$33.2

Goal	Investment Category	FY 2020	FY 2021	FY 2022
1.3	HMDA Operations	\$3.3	\$3.5	\$3.5
	National Mortgage Database	\$1.7	\$2.0	\$1.8
	Other Market Data	\$0.7	\$2.2	\$1.0
	Primary Data Collection	\$1.0	\$1.0	\$0.9
1.3 Total		\$6.7	\$8.6	\$7.3

Goal	Investment Category	FY 2020	FY 2021	FY 2022
2.1 & 2.2	e-Law Tools and Support	\$0.5	\$1.6	\$1.6
	Enforcement Operational Support (Enforcement Matter Management System)	\$0.0	\$1.2	\$1.2
	Examiner Commissioning Training Program	\$1.6	\$1.3	\$1.4
	Investigation and Litigation Support	\$8.6	\$9.5	\$9.3
	Special Populations Programs	\$0.9	\$1.1	\$1.3
	Supervision and Enforcement Training & Travel	\$7.2	\$11.5	\$15.7
	Supervision Technology Tools	\$0.1	\$1.1	\$0.9
2.1 & 2.2 Total		\$18.9	\$27.2	\$31.5

Goal	Investment Category	FY 2020	FY 2021	FY 2022
3.1	Cloud Infrastructure and Services	\$18.7	\$17.4	\$17.7
	Cybersecurity	\$12.1	\$14.4	\$14.7
	Design and Software Development Support	\$4.1	\$4.6	\$4.7
	Knowledge Management	\$0.0	\$0.7	\$0.0
	Technology Strategy and Transformation Support	\$2.0	\$1.4	\$1.4
3.1 Total		\$36.9	\$38.4	\$38.5
Goal	Investment Category	FY 2020	FY 2021	FY 2022
3.2	Human Capital Shared Services, Infrastructure, and Operations	\$4.8	\$3.6	\$3.8
	Learning, Leadership, and Organization Development Facilitation and Design	\$1.5	\$1.9	\$2.0
	Leverage Diversity & Inclusion, Equal Opportunity Compliance and Fair Lending	\$0.7	\$1.1	\$1.1
	Staffing, Recruitment, & Compensation Initiatives	\$0.5	\$0.6	\$0.6
3.2 Total		\$7.5	\$7.2	\$7.5
Goal	Investment Category	FY 2020	FY 2021	FY 2022
3.3	Audits of the Bureau	\$14.0	\$14.9	\$15.3
	Cloud Application Platforms	\$4.4	\$4.7	\$4.7
	Customer Experience Initiatives	\$0.7	\$0.0	\$0.0
	Data Infrastructure and Analysis	\$3.3	\$4.2	\$4.3
	Enterprise Risk and Organizational Performance Management	\$0.4	\$0.4	\$0.4
	Financial Management Support Services, including Travel	\$4.4	\$9.2	\$7.8
	Internal Control Assessment Program Support	\$1.1	\$1.0	\$1.1
	IT Portfolio Management and Enterprise Architecture	\$2.8	\$7.2	\$7.6
	Legal Technology Platform	\$3.3	\$4.5	\$4.5
	Procurement Services and Support	\$2.1	\$2.2	\$2.2
3.3 Total		\$36.4	\$48.4	\$48.1

Goal	Investment Category	FY 2020	FY 2021	FY 2022
ALL	Enterprise Customer Relationship Management Platform	\$12.4	\$12.8	\$12.8
	Facilities Agreements (Occupancy)	\$19.4	\$17.0	\$17.0
	Facilities Agreements (Utilities, Security, Other)	\$11.3	\$10.8	\$10.4
	FRB Retirement Plan Management Services	\$1.6	\$1.7	\$1.8
	HQ Building Renovation	\$15.2	\$0.0	\$0.0
	Library Resources and Services	\$3.1	\$3.2	\$3.2
	Personnel Security Investigations	\$1.5	\$1.4	\$1.4
	Privacy and FOIA Program Support	\$2.0	\$3.0	\$2.4
	Technology Infrastructure	\$17.0	\$18.8	\$21.2
	Other	\$15.3	\$15.8	\$14.5
ALL Total		\$98.7	\$84.3	\$84.8
Grand Total		\$235.5	\$248.0	\$250.9

Budget by Object Class and Program

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

Object Classification	FY 2020	FY 2021	FY 2022
Personnel Compensation	\$231.0	\$247.9	\$261.3
Personnel Benefits	\$91.3	\$99.3	\$104.7
Benefits to Former Personnel	\$0.7	\$0.7	\$0.8
Travel and Transportation of Persons	\$5.8	\$10.5	\$15.1
Transportation of Things	\$0.1	\$0.1	\$0.1
Rents, Communications, and Misc. Charges	\$16.1	\$15.6	\$15.9
Printing and Reproduction	\$4.4	\$5.6	\$5.9
Other Contractual Services	\$160.9	\$189.0	\$184.7
Supplies and Materials	\$5.3	\$5.6	\$5.7
Equipment	\$27.4	\$21.6	\$23.4
Land and Structures	\$15.5	\$0.0	\$0.0

Object Classification	FY 2020	FY 2021	FY 2022
Total	\$558.5	\$595.9	\$617.7
Full-Time Equivalent (FTE)	1,448	1,520	1,569

Personnel Compensation and Benefits costs have increased across all programs and represent the largest cost to the Bureau. The Bureau implemented a hiring freeze in early FY 2018, which was lifted 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 reaching its approved staffing levels, personnel costs will increase across all programs to support the Bureau's priorities.

A significant portion of travel costs are incurred within the Supervision, Enforcement, and Fair Lending division, which is responsible for conducting examination activities of Bureau-supervised institutions across the country. During FY 2020, the Bureau instituted several initiatives to ensure the health, safety, and well-being of the Bureau's staff during the COVID-19 pandemic. For example, the Bureau has been conducting all examination activity off-site, from examiners' home duty stations, and intends to continue through February 2021. As a result, travel costs significantly decreased in FY 2020 but are notionally expected to increase toward previous levels as travel restrictions are lifted and travel becomes safer for Bureau staff.

In FY 2019, the Bureau's Operations division completed major renovation work on its headquarters building in Washington, DC, updating the building to current energy, environmental, and security standards and to make necessary repairs to aging systems and infrastructure. These renovations included replacing major infrastructure such as the roof, the building enclosure, and the building's heating, water, and electrical systems. Once the major renovation work was completed, the Bureau worked to redesign and reconfigure the space during FY 2019 and FY 2020 and consolidated the Washington D.C. staff into its main headquarters building in January 2020. The completion of the headquarter renovation is reflected in the cost decreases of lands and structures expenditures. The space consolidation is expected to reduce ongoing rent and facilities costs as well as increase productivity and improve collaboration across Bureau staff.

Decreases in expenses related to rents, communications, and miscellaneous are offset by slight increases in Operations as the Bureau continues to invest in modernizing and securing its IT

systems.

Printing and reproduction costs are predicted to increase in Consumer Education and External Affairs. The Bureau experienced a reduction in publication and distribution of materials during the pandemic, specifically due to the closure of the Government Printing Office and lower demand for back-to-school materials in FY 2020. The increases reflect a notional return to pre-pandemic printing rates, future outreach efforts in support of the national Start Small, Save Up campaign and other financial education initiatives.

Increases in contractual services reflect investments to support many of the Bureau's initiatives as described throughout this document. The increases are primarily within operational programs and are needed to support the migration to a new travel services platform, cybersecurity program improvements, IT project and program management, migration to a cloud infrastructure and cloud-based solutions, and other information technology and systems initiatives. Within Consumer Education and External Affairs, increased investments in contractual services will again support the ongoing Start Small, Save Up campaign, Your Money Your Goals financial literacy effort, and the transition of the Bureau's consumer response system to a new contract with the goal of continuous improvement in the handling and sharing of complaint data.

Decreases in equipment, which also include major software development, primarily occurred within Operations and reflect the full implementation of the Home Mortgage Disclosure Act (HMDA) system in FY 2019. In FY 2020 it was determined that an amount of the funds previously provided by FFIEC members and HUD for the development of the HMDA system was not used for development costs and; therefore, was refunded to FFIEC members in FY 2020 and will be refunded to HUD in FY 2021.

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

Division or Office	FY 2020	FY 2021	FY 2022
Office of the Director	\$16.4	\$17.3	\$18.4
Operations ³	\$274.5	\$277.0	\$284.9

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

Division or Office	FY 2020	FY 2021	FY 2022
Consumer Education, and Engagement	\$67.1	\$0.0	\$0.0
Consumer Education and External Affairs ⁴	\$0.0	\$82.7	\$84.0
Research, Markets, and Regulation	\$34.4	\$37.6	\$38.3
Supervision, Enforcement, and Fair Lending	\$139.0	\$154.2	\$164.6
Legal	\$16.0	\$18.0	\$18.3
External Affairs	\$8.2	\$0.0	\$0.0
Other Programs ⁵	\$3.0	\$9.1	\$9.2
Total	\$558.5	\$595.9	\$617.7

You can learn more about the Bureau's organizational structure at

<https://www.consumerfinance.gov/about-us/the-bureau/bureau-structure/>.

Bureau Fund Budget Authority

The Director of the Bureau requests the Board 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 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 \$695.9 million in FY 2020 and are capped at \$717.5 million in FY 2021 and \$734.0 million in FY 2022.⁶ Funds transferred from the Federal Reserve System are deposited into the Bureau Fund, which is maintained at the Federal Reserve Bank of New York. Transfers required to fund the budget

⁴ In FY 2021, the Consumer Education, and Engagement (CEE) and External Affairs (EA) Divisions, along with the Office of Legislative Affairs from the Office of the Director, merged into Consumer Education and External Affairs Division (CEEA).

⁵ Other Programs includes Ombudsman, Administrative Law Judges, and Director's Financial Analyst program.

⁶ 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.

estimates included in this document are estimated to be less than the transfer cap in FY 2021 and FY 2022.

The Bureau also generates additional budget authority by offsetting collections and miscellaneous revenue. For example, the Federal Financial Institutions Examination Council (FFIEC) and the Department of Housing and Urban Development (HUD) have an interagency agreement under which the Bureau now operates and manages on behalf of the Agencies⁷ for the collection, processing, and publication of the HMDA Data. The Bureau processes the HMDA Data for the FFIEC and HUD and prepares and makes available data products to the general public. As a result, agencies reimburse the Bureau for a portion of 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.

BUREAU FUND (\$ IN THE MILLIONS AND ROUNDED)

	2020	2021	2022
Transfers from the Federal Reserve Board	\$537.2	\$595.9	\$617.7
Collections	\$3.0	\$2.9	\$2.9
Other Receipts	\$4.8	\$1.5	\$1.5
Unobligated Balances, start of year	\$67.5	\$74.6	\$85.0
Recoveries of Prior Year Obligations	\$20.6	\$6.0	\$6.0
Total Budgetary Resources	\$633.0	\$680.9	\$713.1
Total Obligations	\$558.5	\$595.9	\$617.7

⁷ The “Agencies” are defined as the federal agency members of the FFIEC: Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), the Board of Governors of the Federal Reserve System (Board), the National Credit Union Administration (NCUA), and the Consumer Financial Protection Bureau (CFPB). Department of Housing and Urban Development (HUD) is not an FFIEC member but is part of the HMDA cost sharing MOU for HMDA data.

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 or entity 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 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 \$34.2 million in civil penalties in FY 2020 which brings the total amount collected to date to \$1,254.9 million. Of this amount, the Bureau has allocated a total of \$717.9 million to various channels. Approximately \$683.1 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 deallocated \$39.1 million following completion of fund distributions to victims⁸. The Bureau has obligated a total of \$482.1 million of the total amount allocated in the CPF, of which \$1.5 million was obligated in FY 2020. An additional \$158.9 million is projected to be obligated in FY 2021.

Additional information regarding allocations from the CPF is available at consumerfinance.gov.

⁸ This amount includes funds that were unallocated and returned to the Civil Penalty Fund following the completion of distributions to victims.

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

	2020	2021	2022
Collections ⁹	\$34.2	\$21.7	\$0.0
Previously Unavailable	\$8.1	\$2.0	\$0.0
Sequestration	-\$2.0	-\$1.2	\$0.0
Unobligated Balances, start of year	\$770.3	\$821.3	\$714.4
Recoveries of Prior Year Obligations	\$12.3	\$29.6	\$0.0
Total Budgetary Resources	\$822.9	\$873.4	\$714.4
Total Obligations	\$1.5	\$158.9	\$99.0

⁹ The estimated collection amount listed for FY 2021 represents actual Civil Penalty Fund collections through December 7, 2020. 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 services¹⁰

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

Division or Office	2020	2021	2022
Office of the Director	\$1.7	\$1.5	\$2.0
Operations	\$62.9	\$49.0	\$50.9
Consumer Education, and Engagement	\$65.2	\$0.0	\$0.0
Consumer Education and External Affairs	\$0.0	\$73.7	\$74.5
Research, Markets, and Regulation	\$34.4	\$37.6	\$38.3
Supervision, Enforcement, and Fair Lending	\$0.0	\$0.0	\$0.0
Legal	\$4.5	\$5.1	\$5.1
External Affairs	\$4.1	\$0.0	\$0.0
Other Programs	\$0.4	\$2.8	\$2.8
Total	\$173.2	\$169.7	\$173.7

Consumer protection begins with ensuring 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 -

¹⁰ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(a).

from childhood to later life - so individuals can build their financial well-being. The Bureau also 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 this responsibility by gathering the best available evidence and engaging in rulemakings to address market failures¹¹ 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.

In FY 2020, the Bureau made some organizational changes such that the Consumer Education and Engagement Division and the External Affairs Division were reorganized into the Division of Consumer Education and External Affairs in order to develop a coordinated and Bureau-wide approach to engagement and communication with consumers, policymakers, academics, and other stakeholders.

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

Objective 1.1: Ensure that consumers are provided with timely and understandable information to make responsible decisions about financial transactions.

Objective 1.2: Regularly identify and address outdated, unnecessary, or unduly burdensome regulations in order to reduce unwarranted regulatory burdens.

Objective 1.3: Ensure that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

¹¹ 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.

Objective 1.1

Ensure that consumers are provided with timely and understandable information to make responsible decisions about financial transactions.¹²

Objective leaders: Associate Director, Consumer Education and External Affairs; Associate Director, Research, Markets & Regulations

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, as well as 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

¹² As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(1).

in order to review, route, address, and learn from consumer complaints. Maintain sufficient staff to support efficient review of trial disclosure policy (TDP) applications and testing to increase consumer understanding.

CONSUMER EDUCATION INITIATIVES

Develop consumer education initiatives on specific topics with targeted information, tools, action steps, and skill-building opportunities that provide financial education to a diverse range of audiences. Education topics include money management, savings, credit reports, debt management, mortgages, retirement, student loans, building children’s financial capability, building financial well-being through financial education, and other money issues. Approaches include delivery of financial education directly to consumers, through community channels, and strengthening the financial education capacity of financial education field. These initiatives focus on achieving broader distribution and use of education resources in more diverse communities.

CONSUMER EXPERIENCE PROGRAM

Research, design, develop, launch, and continually optimize consumer-facing digital education products offered through <https://www.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 government partners 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 inform the Bureau’s primary tools of supervision, rulemaking, education, and enforcement.

CONSUMER RESPONSE CONTACT CENTER

Operate a toll-free number to answer consumers’ questions and intake consumer complaints. Process, route, and respond to consumer correspondence. In FY 2020 and due to the COVID-19 pandemic, the Bureau’s Office of Consumer Response transitioned its Consumer Resource

Centers in New Mexico and Florida to telework in fewer than seven business days, routed complaints to companies in fewer than one day, and received a 40 percent increase in consumer complaints from March to September 2020.

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 navigate and comprehend. These investments also contribute to initiatives that establish findings or evidence related to disclosure methods.

FINANCIAL EDUCATION RESEARCH

Assess, identify, and spread knowledge about effective financial education approaches and tools for financial education practitioners and to inform the Bureau's program design for consumer education resources. This is applied research, with an emphasis on concepts and materials that financial educators can use with the people they serve.

FINANCIAL WELL-BEING AND OTHER TOOLS FOR FINANCIAL EDUCATORS OF ADULTS AND YOUTH

Develop insights into factors - such as specific knowledge, skills, and behaviors - that support consumer financial well-being to incorporate into design of programs and products. Use these factors to enhance financial educators' success 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 wellbeing; assist financial educators and others to use the financial well-being scale to measure their services; and encourage continued research into 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 and skills to build their financial well-being. These 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 organizations 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 COVID-19 related consumer education resources, *Start Small, Save Up, Ask CFPB, Owning a Home, Planning for your Social Security Claiming Age, Paying for College*, and *Money as You Grow*. These are provided on web pages focused on specific money topics, through print materials, and through other frequently requested 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. An important way to do this is by integrating financial education into trusted and established community partners, such as libraries, workplaces, social service organizations, military services, aging services networks, government agencies, and financial institutions. Major community channel initiatives in FY 2020 – FY 2021 include: the *Your Money, Your Goals Program*; the financial educational program used by military recruits, ROTC and new active duty servicemembers; classroom activities for high school and middle school teachers for building youth financial capability; the Libraries Community Education Program; *Money Smart for Older Adults* and the *Tax-Time Savings Program*. These education options offered through multiple channels, cover topics that are reflected in frequent topics consumers seek on our web site as well as prevention topics like 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target		NA		8.7M	8.0M	9.0M	10.0M	10.0M
Actual			15.5M	9.9M	12.3M	15.1M	N/A	N/A

TABLE 1.1.1.2: SATISFACTION RATE FOR USERS OF CFPB'S ONLINE EDUCATIONAL RESOURCES

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	80%	80%
Actual					80%	N/A	N/A	

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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					3-5	5	7	
Actual					5	N/A	N/A	

TABLE 1.1.1.4: NUMBER OF CONSUMERS WITH ENHANCED OPPORTUNITIES TO SAVE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					1.0M	1.0M	1.0M	
Actual					1.3M	N/A	N/A	

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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target		NA		6,000	4,000	2,500	2,500	2,500
Actual		9,352		3,721	4,026	4,434	N/A	N/A

TABLE 1.1.1.6: PERCENTAGE INCREASE IN FRONTLINE STAFF REPORTING THAT THEY ARE VERY OR EXTREMELY CONFIDENT IN DISCUSSING FINANCIAL MANAGEMENT WITH CLIENTS.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						60%	60%	60%
Actual						77%	N/A	N/A

TABLE 1.1.1.7: PERCENTAGE OF SERVICEMEMBERS (FUTURE AND CURRENT) WHO ACCESSED MISADVENTURES IN MONEY MANAGEMENT (MIMM) WHO SHOWED KNOWLEDGE GAIN (IN ONE OR MORE TOPICS)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					15%	40%	85%	85%
Actual					19.3%	91%	N/A	N/A

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. These 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, avoiding fraud, and preparing for a secure retirement.

In response to the COVID-19 pandemic, the Bureau published a collection of consumer education resources to help consumers protect themselves financially. In FY 2020, 10.4 million web users accessed the Bureau's educational tools, an increase of over 4 million users compared to FY 2019. Over 3 million of these web users accessed COVID-specific consumer education content including blogs and videos, with another nearly 1 million having accessed other content such as regulatory clarifications. The Bureau distributed 4.7 million publications to consumers with a reduction in publication distribution in FY 2020 due to the COVID-19 pandemic. The reduced distribution occurred due to the temporary disruption of Government Printing Office

distribution operations and lower demand for back-to-school materials.

The Bureau response to the COVID-19 pandemic resulted in a rapid expansion of information and resources available to consumers and industry. This included more than 70 blogs, web pages, and videos on COVID-19 related resources and consumer education materials, including a number of these materials available in languages other than English. The Bureau created a landing page to organize the frequent COVID-19 related resources and updates to previously released content. Topics covered include, but are not limited to, mortgages, credit reporting, debt collection, student loans, and frauds and scams.

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, the “Ask CFPB” portal has received more than 33 million unique visitors.
- Free publications provide tools and resources to consumers, financial services industry, and other stakeholders. In FY 2020, the Bureau reached 35 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, and tools and information for parents who want to teach their children about money.
- *Start Small, Save Up*, a program that focuses on opportunities to increase people’s financial well-being by increasing people's opportunities to save and empowering them to realize their personal savings goals, starting with an emphasis on emergency savings. In FY 2020, content being offered directly to consumers included the CFPB Savings Boot Camp, a multi-week email course to guide people through the fundamentals of saving and *Building your Savings? Start with Small Goals*, the fourth in a series of booklets for social services providers to talk with people about money topics that are important to them.
- *Paying for College*, a digital platform that provides tools and resources to help students and former students make informed decisions about financing their college education and repaying their loans. In FY 2020, the Bureau released a new tool, *Your financial path to graduation*, to help students turn financial aid offers into plans to pay for college. The tool estimates the total cost for a college education and the amount of debt a student will have borrowed by completion and evaluates how that debt may impact their current

and future finances. The Bureau has worked with higher education institutions, college access advisors, and high school counselors, and other K-12 professionals to pilot the tool with their students.

- *Your Money Your Goals* (YMYG) is a train-the-trainer initiative with tools that have served an estimated 34,000 frontline staff and volunteers nationwide in social service and other types of local service organizations over the life of the program. During FY 2020 training sessions, the percentage of people reporting high levels of confidence rose from 39% before the training to 69% after the training.
- 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. During the 2020 tax season, the pandemic led to almost all VITA programs closing their doors to direct service in early March. Some programs were able to recover and begin offering virtual tax preparation services but at a significantly decreased scale compared to prior years. Of the original 73 participating programs, 42 were able to report partial results. Of customers served, 3.75% of people receiving a refund were able to save a portion of their refund in 2020.
- *Misadventures in Money Management* (MiMM) provides a virtual learning experience to deliver financial education content to young servicemembers on how they can avoid costly mistakes in their personal finances. With over 35,000 future and current servicemembers having used the program, 91% participants in FY 2020 scored higher on the post-assessment than on the pre-assessment.
- *Managing Someone Else's Money* (MSEM) are guides that provide practical guidance to the millions of Americans who manage money and property for those who are unable to do so independently. Available for co-branding, the guides allow banks, credit unions, legal services programs, area agencies on aging, and other service providers to add a logo to the covers of the Bureau's booklets by following a few steps listed on our website. In FY 2020, the Bureau conducted user testing of the MSEM guide for agents under power of attorney, identifying updates to the guide and opportunities for new MSEM materials.

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 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 1.1.2.1: NUMBER OF TEACHERS REACHED WITH ACTIVITIES FOR CLASSROOM USE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				2,000	5,000	20,000	60,000	80,000
Actual				2,200	13,076	50,768	N/A	N/A

TABLE 1.1.2.2: NUMBER OF COMMUNITY ORGANIZATIONS AND PRACTITIONERS WHO SIGN-UP TO RECEIVE FINANCIAL EDUCATION RESOURCES TO HELP CONSUMERS (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							Baseline	TBD
Actual							N/A	N/A

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 2021, 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.

For youth financial education, the Bureau continues to build the teachers' platform to support and train educators of K-12 students at scale to teach financial education across various subjects and grade levels. In FY 2020, the Bureau launched activities for elementary school educators, building on activities added for high school educators in FY 2018 and those for middle school educators in FY 2019. Looking forward, the Bureau will work to incorporate financial literacy questions into the High School & Beyond Longitudinal Study of 2021. High School & Beyond, is a national longitudinal study originally funded by the U.S. Department of Education's National Center for Education Statistics (NCES) as a part of their longitudinal studies program. The study will follow a nationally representative sample of ninth grade students from the start of high school in the fall of 2021 through the spring of 2024, allowing policymakers and educators to understand the factors associated with successful transitions to high school and examine trends over time. The Bureau will also continue to develop and share research, knowledge, insights, and tools on how financial educators and families can help children and youth develop financial capability.

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 trying to bring more people into the credit reporting system. The Bureau also conducts research on ways to support saving and money management.

Performance measures

Table 1.1.3.1: PERCENTAGE OF TAX FILERS AT VITA COHORT SITES OWED A TAX REFUND WHO SAVE A PORTION OF THEIR REFUND

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	3%	3%	3%	3%
Actual				3%	4.5%	3.75%	N/A	N/A

Progress update and future action

The Bureau provides financial capability materials, skill-building tools, and programs to serve

the needs of the general adult population and those of specific populations alike. 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, the Bureau provides technical assistance to VITA program tax sites and private tax preparers who wish to encourage savings at tax time. During the 2020 tax season, the pandemic led to almost all VITA programs closing their doors to direct service in early March. Some programs were able to recover and begin offering virtual tax preparation services but at a significantly decreased scale compared to prior years. Forty-two of the original 73 participating programs were able to report partial results. Of customers served, 3.75% of people receiving a refund were able to save a portion of their refund in 2020.

The Bureau continues to provide technical assistance to city and regional leaders about their local profiles of “credit invisibility”, as well as ways people can build positive credit histories, expand their choices in obtaining credit, and, with the onset of the COVID-19 pandemic, protecting their credit. In FY 2020, the Bureau worked with organizations in six communities as they planned credit-building initiatives: Minneapolis/St Paul, MN; Bronx, NY; Cincinnati, OH; Klamath Falls, OR; Washington, DC; and Benton Harbor, MI. Communities engaging in these initiatives work with a broad set of partners to provide credit education, services and products to consumers, with the goals of helping more consumers improve their credit profile and manage credit responsibly.

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

Much of 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 1.1.4.1: NUMBER OF INITIATIVES COMPLETED THAT ESTABLISH FINDINGS OR EVIDENCE RELATED TO DISCLOSURE METHODS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	1	4	3	3
Actual				0	1	2	N/A	N/A

Progress update and future action

In FY 2020, the Bureau completed two initiatives that will establish findings or evidence related to disclosure methods. To support the Bureau’s debt collection rulemaking, the Office of Research engaged a contractor to conduct quantitative disclosure testing related to time-barred debt and revival. The disclosure testing surveyed over 8,000 respondents — about two-thirds of which reported experiencing debt collection in the past — and gathered information related to their comprehension of various versions of time-barred debt and revival disclosures. In February 2020, the Bureau published a report outlining the findings from this quantitative testing. Qualitative testing to evaluate consumer understanding of the validation notice more generally (i.e., not specific to time-barred debt or revival) recently concluded in December 2020.

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 Policy to Encourage Trial Disclosure Programs, 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.

Performance measures

TABLE 1.1.5.1: NUMBER OF PROPOSED AND FINAL RULES INTENDED TO IMPROVE CONSUMERS' UNDERSTANDING OF CONSUMER FINANCIAL PRODUCTS AND SERVICES

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				N/A	1	2	2	1
Actual				2	1	1	N/A	N/A

TABLE 1.1.5.2: NUMBER OF PROTO-APPLICATIONS FOR A TDP WAIVER

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				N/A	Baseline	5	5	
Actual				N/A	2	N/A	N/A	

TABLE 1.1.5.3: NUMBER OF APPLICATIONS FOR TDP WAIVER DEEMED TO BE COMPLETE ("FORMAL APPLICATIONS")

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	3	3	
Actual					0	N/A	N/A	

TABLE 1.1.5.4: PERCENT OF FORMAL TDP WAIVER APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING THE APPLICATION TO BE COMPLETE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	Baseline	90%	90%
Actual					N/A	N/A ¹³	N/A	N/A

Progress update and future action

In FY 2020, the Bureau issued one proposed rule intended, in whole or in part, to improve

¹³ No formal TDP waiver applications were deemed completed in FY 2020.

consumers' understanding of consumer financial products and services. In February 2020, the Bureau issued a Notice of Proposed Rulemaking (NPRM) to amend Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA) and currently contains the procedures for state application for exemption from the provisions of the FDCPA. The proposal was a supplement to a May 2019 proposed rule the Bureau issued that would provide consumers with clear protections against harassment by debt collectors and straightforward options to address or dispute debts. In early FY 2021, the Bureau took action to finalize the debt collection proposed rules. In October 2020, the Bureau issued a rule governing the activities of debt collectors, as that term is defined in the FDCPA. The final rule addresses, among other things, communications in connection with debt collection and prohibitions on harassment or abuse, false or misleading representations, and unfair practices in debt collection. In December 2020, the Bureau issued an additional final rule that, among other things, clarifies the information that a debt collector must provide to a consumer at the outset of debt collection communications and provides a model notice containing such information, prohibits debt collectors from bringing or threatening to bring a legal action against a consumer to collect a time-barred debt, and requires debt collectors to take certain actions before furnishing information about a consumer's debt to a consumer reporting agency.

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.

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 in New Mexico and Florida.

Performance measures

TABLE 1.1.6.1: PERCENTAGE OF CONSUMERS SATISFIED WITH TELEPHONE EXPERIENCE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Baseline	90%	90%	90%	90%

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Actual				91.7%	91%	92%	N/A	N/A

Progress update and future action

In FY18, Bureau's Office of Consumer Response began to measure consumers' satisfaction with their telephone experiences with the contact center to establish a satisfaction baseline. In FY 2020, 92% 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 through a secure, web-based company portal. The Bureau uses this portal to route complaints to companies for review and response in order to protect consumer and company privacy. The portal includes a user-friendly interface that allows companies to receive, review, and respond to consumer complaints, and to access and analyze data associated with those complaints.

Performance measures

TABLE 1.1.7.1: NUMBER OF DAYS TO ROUTE COMPLAINTS TO COMPANY

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	2 days							
Actual	1 day	< 1 day	< 1 day	<1 day	1 day	1 day	N/A	N/A

TABLE 1.1.7.2: PERCENTAGE OF COMPANY RESPONSES THAT ARE TIMELY

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				97%	97%	97%	97%	97%
Actual				99%	99%	99%	N/A	N/A

Progress update and future action

In FY 2020, the Bureau's Office of Consumer Response transitioned its Consumer Resource Centers in New Mexico and Florida to telework in less than seven business days, routed

complaints to companies in fewer than one day, and received a 40% increase in consumer complaints from March to September 2020.

Consumer Response reports the percentage of complaints that receive a timely response when routed through the company portal. In FY 2020, 99% of complaints routed to companies through the company portal received a timely response.

Performance goal 1.1.8: Analyze consumer complaint data

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

Performance measures

TABLE 1.1.8.1: PERCENTAGE OF COMPANIES ANALYZED ON RESPONSE PERFORMANCE (ABOVE THRESHOLD)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				78%	82%	83%	85%	85%
Actual				90%	100%	98%	N/A	N/A

Progress update and future action

Consumer Response's monitoring and analysis of complaints inform the Bureau's use of its primary tools – education, regulation, supervision, and enforcement. Complaints play an integral role in how the Bureau uses its tools and provide transparency for the marketplace through the public Consumer Complaint Database. In 2020, we continued our work to add data visualization and trend analytics tools to the database, making it easier for consumers, researchers, advocates, and other stakeholders, including financial companies, to explore the data at a glance in a clearer and more powerful interface.

Objective 1.2

Regularly identify and address outdated, unnecessary, or unduly burdensome regulations in

order to reduce unwarranted regulatory burdens.¹⁴

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

Performance goals

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

¹⁴ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(3).

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 regularly seeks to 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, no longer necessary, or otherwise impose unwarranted regulatory burden need to be regularly identified as candidates for deregulatory actions.

Performance measure

TABLE 1.2.1.1: NUMBER OF ASSESSMENTS AND REGULATORY REVIEWS COMPLETED WITHIN STATUTORY DEADLINE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	3	1	1	0
Actual				NA	3	1	N/A	N/A

Progress update and future action

The Bureau met its FY 2020 target of completing one regulatory review within the statutory deadline. 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 3 assessment reports; there were no assessments reports due during FY 2020.

The Regulatory Flexibility Act (RFA) requires the Bureau to consider the effect of certain rules it promulgates on small entities. In May 2019, the Bureau published its plan for conducting reviews, consistent with Section 610 of the RFA, of certain regulations which are believed to have significant impacts on a substantial number of small entities. Congress specified that the purpose of such reviews shall be to determine whether these rules should be continued without change, or should be amended or rescinded, consistent with the stated objectives of the applicable statutes, to minimize any significant economic impact of the rules upon a substantial number of such small entities.

In November 2019, the Bureau completed its first RFA 610 review concerning the impact on

small banks and credit unions of a 2009 Regulation E amendment governing overdraft services. After considering the statutory review factors, including a review of public comment, the Bureau determined that the rule should continue without change at this time. The Bureau believes that there is a continued need for this rule, which does not overlap with other federal or state rules and likely preserves a valuable consumer choice. The overdraft rule is not complex, and no aspect of the rule was identified as presenting a unique burden or cost to small entities. Public commenters also overwhelmingly supported continuing the 2009 rule without change. The Bureau expects to conduct additional reviews pursuant to Section 610 of the RFA, including, commencing in 2020, a review of the Regulation Z rules that implement the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act). In August 2020, the Bureau issued a Request for Information seeking comment on the economic impact of the CARD Act Rules on small entities. The review of the CARD Act Rules must be completed no later than April 2021.

The Bureau will not have an assessment of its significant rules or an RFA review due in FY 2022.

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 1.2.2.1: NUMBER OF PROPOSED AND FINAL RULES TO REDUCE REGULATORY BURDEN¹⁵

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	3	2	2	2
Actual				4	4	5	N/A	N/A

¹⁵ 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.

TABLE 1.2.2.2: ESTIMATED PERCENT OF BURDEN REDUCED BY FINAL RULES COMBINED OR BY EACH FINAL RULE TO REDUCE REGULATORY BURDEN

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target			Baseline	10%	10%	10%	10%	10%
Actual			NA	13.4%	3 – 17% ¹⁶ 95% 18 – 31% 7 – 10%	N/A	N/A	

Progress update and future action

In FY 2020, the Bureau proposed one rule and finalized four other rules, intended, in part, to reduce regulatory burden.

- *Higher-Priced Mortgage Loan Escrow Exemption (Regulation Z).* In July 2020, the Bureau proposed to amend Regulation Z, which implements the Truth in Lending Act (TILA), as mandated by Section 108 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The amendments would exempt certain insured depository institutions and insured credit unions from the requirement to establish escrow accounts for certain higher-priced mortgage loans.
- *Remittance Transfers under the Electronic Fund Transfer Act (Regulation E).* In May 2020, the Bureau amended the remittance rule in Regulation E to provide tailored exceptions to address compliance challenges that insured institutions may face in certain circumstances upon the expiration of a statutory exception that allows insured institutions to disclose estimates instead of exact amounts to consumers. That exception was set to expire on July 21, 2020. The Bureau also increased a safe harbor threshold related to whether a person makes remittance transfers in the normal course of its business. The rule reduced regulatory burden by an estimated 3 to 17%.¹⁷

¹⁶ This table reflects a cost-benefit analysis of the *Remittance Transfers under the Electronic Fund Transfer Act (Regulation E)*, *Payday, Vehicle Title, and Certain High-Cost Installment Loans—Revocation Rule*, *Home Mortgage Disclosure (Regulation C) – 2019 Final Rule*, and *Home Mortgage Disclosure (Regulation C)*.

¹⁷ All regulatory burden estimates were calculated and provided after the rules were completed and only for the purpose of measuring performance, not policymaking considerations.

- *Payday, Vehicle Title, and Certain High-Cost Installment Loans—Revocation Rule.* In July 2020, the Bureau issued a final rule to amend its 2017 regulations governing payday, vehicle title, and certain high-cost installment loans. The Bureau revoked provisions of those regulations that: provide that it is an unfair and abusive practice for a lender to make a covered short-term or longer-term balloon-payment loan, including payday and vehicle title loans, without reasonably determining that consumers have the ability to repay those loans according to their terms; prescribe mandatory underwriting requirements for making the ability-to-repay determination; exempt certain loans from the mandatory underwriting requirements; and establish related definitions, reporting, and recordkeeping requirements. The rule reduced the regulatory burden by an estimated 95% from the burden the 2017 rule would otherwise have imposed.
- *Home Mortgage Disclosure (Regulation C) – 2019 Final Rule.* In October 2019, the Bureau amended Regulation C to adjust the threshold for reporting data about open-end lines of credit by extending the current temporary threshold of 500 open-end lines of credit to January 1, 2022. The Bureau also incorporated into Regulation C the interpretations and procedures from the interpretive and procedural rule that the Bureau issued on August 31, 2018, and implemented further Section 104(a) of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The rule reduced regulatory burden by an estimated 18% to 31%.
- *Home Mortgage Disclosure (Regulation C).* In April 2020, the Bureau amended Regulation C to increase the threshold for reporting data about closed-end mortgage loans, so that institutions originating fewer than 100 closed-end mortgage loans in either of the two preceding calendar years will not have to report such data effective July 1, 2020. The Bureau also set the threshold for reporting data about open-end lines of credit at 200 open-end lines of credit effective January 1, 2022, upon the expiration of the current temporary threshold of 500 open-end lines of credit. The rule reduced regulatory burden by an estimated 7 to 10%.
- *Treatment of Certain COVID-19 Related Loss Mitigation Options Under the Real Estate Settlement Procedures Act (RESPA), Regulation X; Interim Final Rule.* In June 2020, the Bureau issued this interim final rule to temporarily permit mortgage servicers to offer certain loss mitigation options based on the evaluation of an incomplete loss mitigation application. Though not quantified in the interim final rule, the rule's provisions generally would decrease burden incurred by industry participants and benefit consumers by providing a limited exception to the general requirement for borrowers to submit a complete loss mitigation application before servicers may offer

any loss mitigation options based on the evaluation of an incomplete application.

On the Fall 2020 Unified Agenda of Federal Regulatory and Deregulatory Actions, which is coordinated by the Office of Management and Budget, the Bureau announced plans to conduct the following rulemakings intended to reduce regulatory 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 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 gave 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.
- *Mortgage Servicing (Regulation X).* The Fall 2020 Unified Agenda stated the Bureau's plan, as of then, to issue an NPRM in spring 2021 to consider possible amendments to the Bureau's mortgage servicing rules to address actions required of servicers working with borrowers affected by natural disasters or other emergencies. In January 2013, the Bureau issued final mortgage servicing rules, pursuant to Regulations X and Z, implementing numerous provisions of the RESPA and the Truth in Lending Act (TILA), as amended by title XIV of the Dodd-Frank Act. The Bureau has since made various corrections, clarifications, and other amendments to the January 2013 rules. In June 2020, the Bureau issued an Interim Final Rule (IFR) amending aspects of the mortgage servicing rules to address the exigencies of COVID-19.
- *Higher-Priced Mortgage Loan Escrow Exemption (Regulation Z).* The Fall 2020 Unified Agenda stated the Bureau's plan, as of then, to finalize the proposed rule during FY 2021.

Objective 1.3

Ensure that markets for consumer financial products and services operate transparently and

efficiently to facilitate access and innovation.¹⁸

Objective leaders: Associate Director, Research, Markets, and Regulations; Associate Director, Office of Stakeholder Management; 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.
- Gather input from stakeholders on the Bureau's policies and operations.

Investments

PERSONNEL

The Bureau maintains the capacity to conduct rulemaking activities, provide interpretive guidance, publish regulatory implementation materials, issue advisory opinions, and provide industry with other implementation support; maintain the expertise necessary to monitor

¹⁸ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(5).

developments and trends in consumer financial markets; maintain the staff levels necessary to advance a robust innovation agenda across multiple avenues; and employ 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 HMDA. This data set is a key resource used by financial regulators, researchers, and industry. The Bureau administers the HMDA Platform on behalf of the 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. It is a joint project with the Federal Housing Finance Agency (FHFA).

OTHER MARKET DATA

The Bureau invests in commercially vended data and gathers data from other sources. Analyses from these data resources are foundational to 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 policymaking and build foundational knowledge about how consumers make financial decisions.

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 the 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, 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.

Performance measures

TABLE 1.3.1.1: PERCENTAGE OF PROPOSED RULEMAKINGS FINALIZED OR OTHERWISE RESOLVED WITHIN NINE MONTHS OF THE DUE DATE FOR RECEIPT OF FINAL PUBLIC COMMENTS.¹⁹

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	75%	75%	75%	75%	75%	75%	75%	75%
Actual	86%	100%	88%	60%	100%	75%	N/A	N/A

TABLE 1.3.1.2: PERCENTAGE OF INDUSTRY SMALL BUSINESS REGULATORY ENFORCEMENT FAIRNESS ACT (SBREFA) PARTICIPANTS REPORTING POSITIVE FEEDBACK OF THE SBREFA PROCESS ON USER SURVEYS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	Baseline	Baseline	TBD
Actual					N/A	N/A	N/A	N/A

¹⁹ 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.

Progress update and future action

In FY 2020 the Bureau issued four final rules that were informed by public comment:

- On October 10, 2019, the Bureau amended Regulation C to adjust the threshold for reporting data about open-end lines of credit by extending the current temporary threshold of 500 open-end lines of credit to January 1, 2022. The Bureau also incorporated into Regulation C the interpretations and procedures from the interpretive and procedural rule that the Bureau issued on August 31, 2018, and further implemented Section 104(a) of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The notice of proposed rulemaking and request for comments was issued on May 2, 2019 and the comment period closed on June 12, 2019. The rule was finalized within 9 months of the due date for receipt of public comments. The Bureau received 367 comments on the proposed rule from lenders, industry trade associations, consumer groups, consumers, members of Congress, and others.
- On April 16, 2020, the Bureau amended Regulation C to increase the threshold for reporting data about closed-end mortgage loans so that institutions originating fewer than 100 closed-end mortgage loans in either of the two preceding calendar years will not have to report such data effective July 1, 2020. The Bureau also set the threshold for reporting data about open-end lines of credit at 200 open-end lines of credit effective January 1, 2022, upon the expiration of the current temporary threshold of 500 open-end lines of credit. The notice of proposed rulemaking and request for comments was first issued on May 2, 2019 with a comment period that closed on June 12, 2019. Among the comments received were a number of letters expressing concern that the national loan level dataset for 2018 and the Bureau's annual overview of residential mortgage lending based on that data (collectively, the 2018 HMDA Data) would not be available until after the close of the comment period for the May 2019 Proposal. Stakeholders asked to submit comments on the May 2019 Proposal that reflect consideration of the 2018 HMDA Data. To allow for the submission of such comments, on July 31, 2019 the Bureau issued a notice to reopen the comment period on certain aspects of the proposal with a comment period that closed on October 15, 2019. With the comment period reopened, the rule was finalized within 9 months of the due date for receipt of public comments. In total, the Bureau received over 700 comments in response to the May 2019 proposal and the July 2019 notice to reopen comment period from lenders, industry trade associations, consumer groups, consumers, and others.

- On May 11, 2020, the Bureau issued a final rule that amended Regulation E and the official interpretations of Regulation E to provide tailored exceptions to the regulations concerning international remittance transfers to address compliance challenges that insured institutions may face in certain circumstances upon the expiration of a statutory exception that allows insured institutions to disclose estimates instead of exact amounts to consumers. Those exceptions expired on July 21, 2020. The Bureau also increased a safe harbor threshold related to whether a person makes remittance transfers in the normal course of its business. The Electronic Fund Transfer Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act, establishes certain protections for consumers sending international money transfers, or remittance transfers. The Bureau’s remittance rule in Regulation E implements these protections. The notice of proposed rulemaking and request for comments was published on December 6, 2019, and the comment period closed on January 21, 2020. The rule was finalized within 9 months of the due date for receipt of final comments. The Bureau received 106 comments on the proposed rule, including comments from consumer groups, industry, banks, credit unions, trade associations, and others.
- On July 7, 2020, the Bureau issued the Payday, Vehicle Title, and Certain High-Cost Installment Loans—Revocation Rule. Specifically, the Bureau is revoking provisions of those regulations that: provide that it is an unfair and abusive practice for a lender to make a covered short-term or longer-term balloon-payment loan, including payday and vehicle title loans, without reasonably determining that consumers have the ability to repay those loans according to their terms; prescribe mandatory underwriting requirements for making the ability-to-repay determination; exempt certain loans from the mandatory underwriting requirements; and establish related definitions, reporting, and recordkeeping requirements. The notice of proposed rulemaking and request for comments was published on February 14, 2019 and the comment period closed on May 15, 2019. The rule was not finalized within 9 months of the due date for receipt of final comments. The Bureau received approximately 197,000 comments on the 2019 proposed rule. These comments included several hundred detailed comments from consumer groups, trade associations, non-depository lenders, banks, credit unions, research and advocacy organizations, members of Congress, industry service providers, fintech companies, tribal leaders, faith leaders and coalitions of faith leaders, and state and local government officials and agencies.

The Bureau also issued 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 or 2020.

In October 2020, the Bureau conducted 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 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, among other things. The Bureau also hosted a symposium on small business data collection in November 2019. The information received in response to the Request for Information, SBREFA panel, and the symposium will help the Bureau determine how to implement the rule efficiently while minimizing burden 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 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 1.3.2.1: PERCENTAGE OF SMALL ENTITY COMPLIANCE GUIDES RELEASED OR UPDATED WITHIN 90 DAYS OF PUBLICATION OF THE RULE IN THE FEDERAL REGISTER

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				75%	75%	75%	75%	75%

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Actual				83%	100%	100%	N/A	N/A

TABLE 1.3.2.2: NUMBER OF IMPLEMENTATION COMPLIANCE AIDS AND TOOLS PUBLISHED

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				8	15	20	25	25
Actual				25	24	38	N/A	N/A

TABLE 1.3.2.3: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF REGULATORY IMPLEMENTATION MATERIALS AND OTHER ONLINE SUPPORT MATERIALS FROM THE BUREAU'S WEBSITE (INTERNET PAGEVIEWS/ DOWNLOADS)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Baseline	950,000/ 220,000	950,000/ 220,000	950,000/ 220,000	975,000/ 225,000
Actual				918,754/ 214,754	821,107/ 188,628	998,431/ 270,163	N/A	N/A

TABLE 1.3.2.4: NUMBER OF WRITTEN RESPONSES TO INFORMAL GUIDANCE INQUIRIES PUBLISHED VIA IMPLEMENTATION AIDS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	Baseline	10	10	10
Actual				NA	10	12	N/A	N/A

TABLE 1.3.2.5: PERCENTAGE OF INDUSTRY PARTICIPANTS REPORTING POSITIVE FEEDBACK OF IMPLEMENTATION AND GUIDANCE MATERIALS ON USER SURVEYS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	Baseline	70%	75%	75%
Actual				NA	66%	75%	N/A	N/A

TABLE 1.3.2.6: THE PERCENTAGE OF HMDA REGULATORY GUIDANCE INQUIRIES ANSWERED WITHIN PRESCRIBED TIMEFRAME

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	85%	85%
Actual						84%	N/A	N/A

Progress update and future action

For FY 2020, 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 a series of guidance documents to help facilitate compliance with HMDA data filing. These resources include an executive summary and compliance guide for the 2019 HMDA rule; a reporting overview, coverage charts, and other reference materials for 2020 HMDA filing; and the FFIEC HMDA Getting it Right Guide.
- 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.
- Payday – The Bureau published guidance documents to inform and support industry implementation of the Payday, Vehicle Title, and High-Cost Installment Lending Rule, including an update to the compliance guide, an executive summary of the rule, and an unofficial redline version for reference.
- 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 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 2021, 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 is 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 gathering 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 FY 2020, the Bureau continued to capture feedback from industry participants with a general satisfaction rating of 75%.

In FY 2020, the Bureau introduced a new measure related to the timeliness of HMDA Help guidance inquiries, which comprise the largest share of regulatory guidance inquiries. The Bureau monitors service levels and tracks the percentage of HMDA regulatory guidance inquiries answered within Bureau prescribed timeframes. During FY 2020, the Bureau responded to 84% of inquires within the prescribed timeframe.

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

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 1.3.3.1: NUMBER OF COMPLIANCE ASSISTANCE SANDBOX PROTO-APPLICATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	6	6
Actual						4	N/A	N/A

TABLE 1.3.3.2: NUMBER OF COMPLIANCE ASSISTANCE SANDBOX APPLICATIONS DEEMED TO BE COMPLETE (“FORMAL APPLICATIONS”)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	4	4
Actual					1	N/A	N/A	

TABLE 1.3.3.3: PERCENT OF FORMAL COMPLIANCE ASSISTANCE SANDBOX APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING TO BE COMPLETE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	90%	90%
Actual					100%	N/A	N/A	

TABLE 1.3.3.4: NUMBER OF NO-ACTION LETTER PROTO-APPLICATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	10	10
Actual					10	N/A	N/A	

TABLE 1.3.3.5: NUMBER OF NO-ACTION LETTER APPLICATIONS DEEMED TO BE COMPLETE (“FORMAL APPLICATION”)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	7	7
Actual					5	N/A	N/A	

TABLE 1.3.3.6: PERCENT OF FORMAL NO-ACTION LETTER APPLICATIONS PROCESSED WITHIN 60 DAYS OF DEEMING TO BE COMPLETE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	90%	90%
Actual					80%	N/A	N/A	

TABLE 1.3.3.8: MONTHLY AVERAGE NUMBER OF INNOVATION-FOCUSED ENGAGEMENTS WITH EXTERNAL STAKEHOLDERS AND REGULATORY PEERS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	30	30
Actual					32	N/A	N/A	

Progress update and future action

In FY 2018, the Bureau created the Office of Innovation (OI) to focus on encouraging consumer-beneficial innovation. The Bureau has a statutory mandate to promote competition, innovation, and consumer access within financial services. To fulfill this mandate, the Bureau, through OI, issued policies to facilitate innovation and reduce regulatory uncertainty and processed applications under those policies; engaged with a diverse array of stakeholders; and coordinated with other federal, state, and international regulators.

In late 2018, the Bureau proposed and sought public comment on: a revised Policy on No-Action Letters; a revised Policy to Encourage Trial Disclosure Programs; and a new Policy on the Compliance Assistance Sandbox. 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, 2019.²⁰ The Bureau granted six applications in FY 2020.

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 November 2020, OI has examined 36 applications at varying levels of completeness.

OI has also conducted an active engagement schedule with external stakeholders about the content and potential use of the policies and related innovation initiatives. This engagement includes speaking at conferences and giving presentations to and meeting with trade associations, individual regulated entities, consumer groups, civil rights organization, and other federal, state, and international regulators. It also includes meetings and engagement with potential applicants as well as innovators in the areas under the Bureau's jurisdiction. In FY

²⁰ See "CFPB Issues Policies to Facilitate Compliance and Promote Innovation"
<https://www.consumerfinance.gov/about-us/newsroom/bureau-issues-policies-facilitate-compliance-promote-innovation/>

2020, the Bureau also hosted joint office hours with the Office of the Utah Attorney General and the Office of the Comptroller of the Currency. It also hosted a symposium on Section 1033 of the Dodd-Frank Act, which featured panelists from industry, advocacy, and academia.

The Bureau expanded initiatives to facilitate innovation through coordination with regulators in FY 2020. The Bureau became a Coordinating Group Member of GFIN in FY 2019, which enables it to participate in setting the overall direction, strategy, and work of GFIN. The Bureau has continued this work, and it also joined the Cross-Border Testing and Regtech/Suptech workstreams. Domestically, the Bureau created the American Consumer Financial Innovation Network (ACFIN) in FY 2019 and has increased ACFIN membership to 19 members at the end of FY 2020.

Finally, the Bureau opened a new Tech Sprint workstream in FY 2020 with its first Tech Sprint held at the beginning of FY 2021. Tech Sprints are week-long, hackathon-style events that focus on a single issue of importance to the Bureau. In FY 2020, the Bureau announced two Tech Sprints, the first focused on improving adverse action notices and the second focused on HMDA data submission, processing, and publication. Thirteen teams, made up of those in industry, advocacy, academia, and other fields, will develop and demo new disclosures, modeling methods, and other improvements that have the potential to make adverse action notices more fair, informative, or accurate.

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.²¹

Performance measures

TABLE 1.3.4.1: MONTHLY AVERAGE NUMBER OF CONSUMER FINANCIAL MARKET INTELLIGENCE-GATHERING MEETINGS WITH EXTERNAL STAKEHOLDERS²²

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				80	50	50	60	60
Actual				153	48.8	87	N/A	N/A

TABLE 1.3.4.2: PERCENTAGE OF CONSUMER FINANCIAL MARKETS WITH INTELLIGENCE-GATHERING MEETINGS WITH EXTERNAL STAKEHOLDERS EACH QUARTER

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				80%	80%	80%	80%	80%
Actual				86%	92%	100%	NA	NA

TABLE 1.3.4.3: NUMBER OF CONSUMER FINANCIAL MARKETS MONITORED THROUGH STANDARDIZED DATA

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				10	10	10	10	10
Actual				10	10	10	NA	NA

²¹ 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.

²² In FY 2018, this performance measure was reported as a quarterly average. Beginning in FY 2019, the Bureau has set a target and will measure based on a monthly average.

TABLE 1.3.4.4: PERCENTAGE OF THE FIVE LARGEST CONSUMER FINANCIAL MARKETS MONITORED THROUGH STANDARDIZED DATA

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				80%	80%	80%	80%	80%
Actual				80%	80%	80%	N/A	N/A

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 Market Offices – Mortgage Markets; Consumer Credit, 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 Servicing and Origination
- Credit Card Origination and Servicing
- Consumer Reporting
- Consumer Data & Aggregation
- Debt Collection
- Debt Relief
- Deposits, Prepaid, & Payments
- Money Services and Remittances
- Mortgage Servicing and Origination
- Artificial Intelligence and Machine Learning in Financial Services
- Small Business Lending

- Small Dollar and Installment Lending
- Student Loan Servicing and Originations

In FY 2020, Markets Offices staff conducted an average of 87 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 all markets.

During FY 2020, 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 1.3.5.1: NUMBER OF NEW DATA SERIES OR SETS RELEASED

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				1	1	1	1	1
Actual				2	3	2	N/A	N/A

TABLE 1.3.5.2: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF BUREAU DATA RELEASES AND PUBLICATIONS (INTERNET PAGEVIEWS/ DOWNLOADS)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Baseline	70,000/ 20,000	75,000 / 25,000	75,000/ 25,000	80,000/ 30,000
Actual				67,563/ 18,457	68,474 / 23,678	70,884/ 27,139	N/A	N/A

Progress update and future action

In FY 2020, the Bureau released two new data series:

- In December 2019, the Bureau released data underlying the figures contained in its Bureau's August 2019 report entitled "The Consumer Credit Card Market." The data are intended to be used in conjunction with the report.
- In February 2020, 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. The data released reflect the most updated NSMO data available, containing information on loans originated from 2013 through 2017.

The Home Mortgage Disclosure Act requires many financial institutions to maintain, report, and publicly disclose loan-level information about mortgages. These data help show whether lenders are serving the housing needs of their communities; give public officials information that helps them make decisions and policies; and shed light on potential discriminatory lending patterns. The public data are modified to protect applicant and borrower privacy. On behalf of the Federal Financial Institutions Examination Council, the Bureau makes certain HMDA data available to the public and publishes various online tools for users to explore the data. HMDA data are the most comprehensive source of publicly available information on the U.S. mortgage market.

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 1.3.6.1: NUMBER OF PUBLISHED REPORTS AND RESEARCH PUBLICATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	5	6	6	6	7	10	10	10
Actual	6	9	6	10	13	17	N/A	N/A

TABLE 1.3.6.2: NUMBER OF INTERNET PAGEVIEWS AND DOWNLOADS OF PUBLISHED REPORTS AND RESEARCH PUBLICATIONS (INTERNET PAGEVIEWS/ DOWNLOADS)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Baseline	50,000/ 20,000	50,000/ 20,000	50,000/ 20,000	55,000/ 25,000
Actual				47,498/ 18,089	37,216 / 13,207	45,000/ 15,000	N/A	N/A

TABLE 1.3.6.3: NUMBER OF CITATIONS OF BUREAU REPORTS AND PUBLICATIONS IN OTHER PUBLICATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Baseline	75	140	160	175
Actual				73	121	214	N/A	N/A

TABLE 1.3.6.4: PERCENTAGE OF THE RESEARCH UNIT'S STATUTORILY REQUIRED TOPIC AREAS WITH EVIDENCE OR FINDINGS ESTABLISHED IN PUBLISHED REPORTS AND RESEARCH PUBLICATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	83.3%	83.3%	83.3%	83.3%
Actual				83.3%	N/A	83.3%	N/A	N/A

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.²³ This performance measure is intended to measure the breadth of the Bureau's research. During FY 2020, the Bureau published research in five of the six topic 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.

The one area in which the Bureau did not research, analyze, and report on is the experiences of traditionally underserved consumers, including un-banked and under-banked consumers.

RMR released the following public reports in FY 2020:

- [Market Snapshot: Background Screening Reports](#) (October 2019)
- [Data point: Servicer size in the mortgage market](#) (November 2019)
- [Data point: Borrower experiences on income-driven repayment](#) (November 2019)
- [2019 College credit card agreements](#) (December 2019)
- [Data point: Small business lending and the Great Recession](#) (January 2020)
- [Quantitative Survey Testing of Model Disclosure Clauses and Forms for Debt Collection:](#)

²³ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Dodd-Frank 1013(b).

Methodology Report (February 2020)

- [Disclosure of Time-Barred Debt and Revival: Findings from the CFPB's Quantitative Disclosure Testing](#) (February 2020)
- [Market Snapshot: First-time Homebuyers](#) (March 2020)
- [Fair Debt Collection Practices Act Annual Report 2020](#) (March 2020)
- [The early effects of the COVID-19 pandemic on credit applications](#) (May 2020)
- [Data point: 2019 mortgage market activity and trends](#) (June 2020)
- [Insights from the Making Ends Meet Survey](#) (July 2020)
- [Evidence-based strategies to build emergency savings](#) (July 2020)
- [An updated review of the new and revised data points in HMDA: Further observations using the 2019 HMDA data](#) (July 2020)
- [Special issue brief: The early effects of the COVID-19 pandemic on consumer credit](#) (August 2020)

In FY 2020, RMR continued a periodic 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 two publications for FY 2020:

- [qCCT: Public records, credit scores, and credit performance](#) (December 2019)
- [qCCT: Recent trends in debt settlement and credit counseling](#) (July 2020)

The most frequently viewed Bureau report in FY 2020 was the Data Point on 2019 mortgage market activity and trends.

The Bureau tracks the number of citations of Bureau reports in other publications to gain an understanding of how consumers of the Bureau's research are using it to inform other publications. In FY 2020, the most cited publication was the Data Point the Office of Research produced in 2015 on Credit Invisibles.

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 1.3.7.1: 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	2	3	3	3
Actual				NA	2	6	N/A	N/A

TABLE 1.3.7.2 PERCENT COVERAGE OF U.S. STATES, COMMONWEALTHS, AND TERRITORIES COVERED BY THE BUREAU'S STAKEHOLDER ENGAGEMENT

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	100%	100%
Actual						100%	N/A	N/A

Progress update and future action

The Bureau's Office of Stakeholder Management (OSM), formerly known as the External Affairs division, managed stakeholder introductions and policy, program and product rollouts to ensure the Bureau creates meaningful and diverse opportunities to receive input from stakeholders. Additionally, OSM collaborated with internal partners to identify opportunities for stakeholder partnership and collaboration for Bureau priorities including: the response to COVID-19, *Start Small, Save Up*; and the Bureau's proposed and final regulations.

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 1.3.8.1: PERCENTAGE OF RESPONDENTS SATISFIED WITH OFFICE OF STAKHOLDER MANAGEMENT (FORMERLY EXTERNAL AFFAIRS) MANAGEMENT OF STAKEHOLDERS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						Baseline	Baseline	Baseline
Actual						TBD	N/A	N/A

Progress update and future action

The Office of Stakeholder Management sections regularly identify relevant, emerging topics of importance to Bureau stakeholders and will develop a process to better inform Bureau leadership. OSM will highlight key issues, trends and information identified to ensure Bureau leadership have a regular view into stakeholder feedback.

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					500	1,100	1,100	1,100
Actual					1,056	2,398	N/A	N/A

TABLE 1.3.9.2: NUMBER OFFICE OF STAKEHOLDER MANAGEMENT-FACILITATED ENGAGEMENTS FOR BUREAU OFFICIALS AND EXTERNAL STAKEHOLDERS (E.G., ROUNDTABLES, LISTENING SESSIONS, SITE VISITS, AND SPEECHES)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					12	25	25	25
Actual					267	41	N/A	N/A

TABLE 1.3.9.3: NUMBER OF FIELD HEARINGS/TOWN HALLS EA ORGANIZED BETWEEN BUREAU OFFICIALS AND THE PUBLIC

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					4	4	3	3
Actual					4	5	N/A	N/A

Progress update and future action

Due to the COVID-19 pandemic, in March 2020 the Bureau transitioned to extended situational telework for employees, changed in-person meetings to a virtual posture, and organized virtual outreach and engagement meetings with external stakeholders to seek feedback regarding the pandemic's impact on consumers and financial markets. The Bureau successfully executed a number of external stakeholder engagements from October 1, 2019 to September 30, 2020, among which included:

- **October 2019:** Speeches: Money 20/20 Conference; American Savings Education Council; SAR Testimony before SCBHUA, SAR Testimony before HFSC.
- **November 2019:** Speeches: Consumer Federation of America: Financial Services Conference; National Association of Home Builders; Roundtables: Tribal Governments, Shawnee Oklahoma, Bureau of Indian Affairs and New York City; Director participation at high school reality fair in Oklahoma City, OK with former CUAC Chair Sean Cahill; Bureau Symposium on Section 1071 of the Dodd-Frank Act.
- **December 2019:** Speeches: Credit Union National Association Conference; Housing Policy Council; Panel: "Reform from the Field: Codifying the Administration's Best Practices;" Department of Justice. Roundtable: Fort Myers, FL.

- **January 2020:** Speech: S. J. Quinney Law School; Roundtable: Utah Credit Union Association; Meeting: Independent Community Bankers of America, Little Rock, AR.
- **February 2020:** Speeches: Receivables Management Association International, Competitive Enterprise Summit; SAR Testimony before HFSC. Bureau Symposium: Consumer Access to Financial Records. Meeting: National Diversity Coalition Town Hall.
- **March 2020:** Speech: Executive Women in Government Leadership Summit; SAR Testimony before SCBHUA. Listening Session between Bureau Taskforce, Consumer Advocates, and Trade Associations.
- **April 2020:** Virtual Meetings: National Fair Housing Alliance, Community Bankers Association, National Association of Federally Insured Credit Unions, Student Loan Servicing Alliance.
- **May 2020:** Virtual Meetings: Financial Literacy and Education Commission; National Housing Resource Center, National Association of Realtors.
- **June 2020:** Virtual Panel: Hoover Institution; Virtual Meetings: Mortgage Bankers Association; Briefing Call: Conducting Supervisory Work During a Pandemic.
- **July 2020:** Virtual Town Hall: Milken Institute; Virtual Meeting: Americans for Financial Reform; SAR Testimony (2) before SCBHUA ; Bureau Symposium: Cost Benefit Analysis in Consumer Financial Regulation; Listening session between Bureau Taskforce and experts in federal financial consumer law from academia. Virtual Meeting: National Diversity Coalition Virtual Coffee Break.
- **August 2020:** Virtual Speech: Women in Housing and Finance; Meetings: Indiana Bankers Association, National Community Reinvestment Coalition
- **September 2020:** OMWI Director Testimony before HFSC. Virtual Speech: Financial Stability Oversight Council; Virtual Meeting: UC Berkeley Consumer Protection Law Class. Listening Sessions between the Bureau Taskforce and members of the Consumer Advisory Board (CAB), Community Bank Advisory Council (CBAC), and Credit Union Advisory Council (CUAC); Listening Session between the Bureau Taskforce and members of the Academic Research Council (ARC), CAB, CBAC, CUAC and ARC Meetings

Additionally, OSM continues to manage the stakeholder landscape to identify risks and opportunities for the Bureau. OSM will lead cross-Bureau planning to proactively identify engagement opportunities aligned to Bureau priorities and improve the coordination of feedback and outcomes from stakeholder engagements. The new CEEA 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 1.3.10.1: PERCENTAGE OF STATUTORILY-REQUIRED MEETINGS WITH THE BUREAU'S ADVISORY COMMITTEES HELD

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					100%	100%	100%	100%
Actual					100%	100%	N/A	N/A

TABLE 1.3.10.2: 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	4	4	4
Actual					5	6	N/A	N/A

Progress update and future action

On May 1, 2020, the Bureau held a joint advisory committee meeting with the Consumer Advisory Board, Community Bank Advisory Council, Credit Union Advisory Council, and the Academic Research Council via conference call.

On September 15, 2020, the Bureau held an advisory committee meeting with the CAB, CBAC, ARC, and members of the Taskforce on Federal Consumer Financial Law via conference call.

On September 16, 2020, the Bureau announced the appointment of new FY 2020 advisory committee members for the CAB, CBAC, CUAC, and ARC.

On September 24, 2020, the Bureau held a joint advisory committee meeting with the CAB, CBAC, CUAC and ARC via WebEx.

Goal 2. Implement and enforce the law consistently to ensure that markets for consumer financial products and services are fair, transparent, and competitive.²⁴

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

Division or Office	2020	2021	2022
Office of the Director	\$2.3	\$2.6	\$2.7
Operations	\$61.3	\$63.7	\$65.7
Consumer Education, and Engagement	\$1.9	\$0.0	\$0.0
Consumer Education and External Affairs	\$0.0	\$2.4	\$2.7
Research, Markets, and Regulation	\$0.0	\$0.0	\$0.0
Supervision, Enforcement, and Fair Lending	\$139.0	\$154.2	\$164.6
Legal	\$4.0	\$4.2	\$4.3
External Affairs	\$0.0	\$0.0	\$0.0
Other Programs	\$0.5	\$2.6	\$2.6
Total	\$208.9	\$229.8	\$242.7

It is not enough simply to ensure that consumers have access to markets for consumer financial products and services. Those markets must also be fair, transparent and competitive. Through the regulations it writes to implement federal consumer financial law and its activities to

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

promote compliance with those laws, the Bureau is focused and is equipped to prevent financial harm to consumers resulting from unfair, opaque, or noncompetitive acts by market participants. The Bureau also has the authority to take public enforcement actions to protect consumers from unlawful conduct, make consumers whole, and impose appropriate penalties when it does take place. 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 ensuring Federal consumer financial law is enforced consistently without regard to whether a financial service provider is a bank or nonbank. To 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. The industry structure is continually changing, and therefore so is the number of institutions that are subject to the Bureau's supervisory authority.

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

Objective 2.1: Protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination.

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 \$18 trillion in assets (~79% 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, 2020.

Objective 2.1

Protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination.²⁵

Objective leaders: Associate Director, Supervision, Enforcement, and Fair Lending; Assistant Director, Consumer Education; 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

²⁵ 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.

ENFORCEMENT OPERATIONAL SUPPORT (ENFORCEMENT MATTER MANAGEMENT SYSTEM)

Maintain and improve the Bureau’s enforcement matter management system—ENForce—which stores the Office of Enforcement’s matter-related information, enabling the Bureau to better track and report on its enforcement work.

EXAMINER COMMISSIONING TRAINING PROGRAM

The examiner commissioning program (ECP) establishes transparent criteria and a training plan that will provide all examiners 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.

INVESTIGATION AND 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. Continue to 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 anticipated upcoming travel requirements of supervision and enforcement work as the Bureau’s on-site supervision and enforcement activity

returns to pre-pandemic levels.

SUPERVISION TECHNOLOGY TOOLS

Automate data analysis, use supervision resources more efficiently, and streamline the on-site portion of examinations. This tool helps improve the Bureau’s ability to assess compliance with federal consumer financial laws and assess and detect risks to consumers. The Bureau developed the Supervision and Examination System, its system of record for supervision work. The SES organizes entities by Institutional Product Line, 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” per the Dodd-Frank Act, Section 1013(c)(2)(C). The Bureau conducts fair lending outreach and education activities through numerous channels, such as issuing compliance guidance documents targeted to industry; publishing blog posts, brochures and reports regarding fair lending issues; delivering webinars, speeches and presentations on fair lending and access to credit 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 2.1.1.1: 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	40	40	40	40	40	40	40	40
Actual	60	57	60	24	63	96	N/A	N/A

Progress update and future action

In FY 2020, Bureau staff participated in 96 fair lending outreach events, exceeding the target of 40 events for the fiscal year.

During FY 2020, 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, an Interagency Statement, communication to HMDA users and vendors, press releases, presentations, webinars, 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 2021, 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. During FY 2021, the Bureau's Office of Fair Lending and Equal Opportunity (OFLEO) will also 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 security and 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 2.1.2.1: NUMBER OF COMMUNITIES AND TASKFORCES SUPPORTED WITH TECHNICAL ASSISTANCE TO CREATE OR ENHANCE NETWORKS TO PROTECT OLDER ADULTS FROM ELDER FINANCIAL EXPLOITATION

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				4	4	4	4	6
Actual				7	7	1	N/A	N/A

Progress update and future action

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 6,200 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 1,700 distributed in FY 2020.

In FY 2020, the Bureau released the [Elder Fraud Prevention and Response Networks Development Guide](#). The guide is a step-by-step online resource to help stakeholders launch new community networks and to support existing networks to expand their capacity. The guide offers tools to help stakeholders create a network, including templates; exercises to plan and host a retreat; and exercises to help establish priorities and expand network capabilities. While 3 of 4 in-person events were postponed in FY 2020, the Bureau has adapted FY 2021 plans to allow working both virtually and in-person 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.²⁶

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. As noted above, the following strategies will also help the Bureau achieve objectives 2.1.

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.
- Promote development and enhancement of technology to increase effectiveness and efficiency of the Bureau's enforcement function.
- 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 the 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

²⁶ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b)(4).

reporting information on the Bureau’s supervisory process.

- Promote development and enhancement of technology solutions to streamline operational tasks.
- Enhance internal policies that facilitate 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. These performance goals also relate to objective 2.1.

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, their affiliates (collectively “banks”), and 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 2.2.1.1: NUMBER OF ON-SITE SUPERVISION EXAMS OR REVIEWS WITH AN ON-SITE DATE DURING THE PERIOD, INCLUDING FAIR LENDING.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	Baseline	Baseline	120	120
Actual				NA	125	104	N/A	N/A

TABLE 2.2.1.2: NUMBER OF ALL SUPERVISORY EVENTS WITH SIGNIFICANT ACTIVITY WITH AN ON-SITE DATE OR EQUIVALENT DATE DURING THE PERIOD, INCLUDING FAIR LENDING.

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	Baseline	Baseline	420	420
Actual				NA	477	768	N/A	N/A

Progress update and future action

The Bureau continued implementing its supervision program through a plan to conduct more supervisory activity remotely due to the COVID-19 pandemic and fewer on-site supervision exams. During the year, the Bureau initiated 104 supervisory activities on-site and 768 supervisory events at large banks and non-bank financial institutions. The Bureau expects that post-pandemic, its on-site supervision exams will increase and its supervisory events will reduce due to the return to pre-pandemic methods of supervision. 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;
- Compliance technology;
- 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 2020 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 60 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 2.2.2.1: ISSUE EXAMINATION REPORTS OR LETTERS WITHIN THE BUREAU'S ESTABLISHED TIME PERIODS FOLLOWING THE FINALIZATION OF EXAM ANALYSIS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	60%	60%	60%	70%	70%	70%	70%	70%
Actual	28%	70%	71%	45%	71%	92%	N/A	N/A

TABLE 2.2.2.2: AVERAGE NUMBER OF BUSINESS DAYS TO ISSUE A SUPERVISORY LETTER OR EXAMINATION REPORT FOLLOWING THE FINALIZATION OF EXAM ANALYSIS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				60	60	60	60	60
Actual				67	59	45	N/A	N/A

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 remain 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 2.2.3.1: NUMBER OF OUTREACH EVENTS (RFI OR INDUSTRY ROUNDTABLE) TO DISCUSS QUALITY OF EXAMINATION REPORTS AND SUPERVISORY LETTERS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				1	1	1	1	1
Actual				4	1	0	N/A	N/A

Progress update and future action

The Bureau will be retiring this metric.

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	90%	90%	90%	90%
Actual				92%	93%	94%	N/A	N/A

Progress update and future action

The 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 the Bureau is working well with its partners at the local, state, and federal level to share information across jurisdictions, subject to applicable legal restrictions, and is making the best use of its limited resources.

Performance measure

TABLE 2.2.5.1: PERCENT OF INVESTIGATIVE INFORMATION SHARED WITH PARTNERS WITHIN 30 DAYS, ONCE THE INFORMATION SHARING IS APPROVED BY LEGAL

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					90%	90%	90%	90%
Actual					98% ²⁷	100%	N/A	N/A

TABLE 2.2.5.2: PERCENTAGE OF PUBLIC ENFORCEMENT ACTIONS IN WHICH COORDINATED OR JOINT ACTION IS TAKEN WITH OTHER FEDERAL OR STATE REGULATORS/LAW ENFORCEMENT AGENCIES (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						No Target	No Target	
Actual						N/A	N/A	

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 the FY 2020, the Bureau shared investigative information with approximately 25 different government agencies in over 32 instances.

Information sharing with Bureau partners is a critical element of strong and effective

²⁷ This metric includes information collected in the last two quarters of FY 2019.

partnerships. 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.

The Bureau is adding a new performance measure, which measures the percentage of the Bureau's public enforcement actions that are either brought jointly, or simultaneously, with other federal or state agencies. This measure will identify the extent to which the Bureau's relationships with its partner agencies have resulted in coordinated action.

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

Performance measure

TABLE 2.2.6.1: PERCENT OF EXAMINATION CALENDAR SHARED WITHIN THE PRESCRIBED TIMEFRAME FOR EACH YEAR WITH PRUDENTIAL AND STATE REGULATORS TO INVITE COORDINATION ON EXAM ACTIVITIES

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	100%	100%	100%	100%
Actual				100%	100%	0%	N/A	N/A

TABLE 2.2.6.2: PERCENTAGE OF EXAM REPORTS SHARED WITH OTHER REGULATORS, AS APPROPRIATE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				90%	90%	90%	90%	90%
Actual				100%	100%	100%	N/A	N/A

TABLE 2.2.6.3: CONTRIBUTE TO FFIEC ISSUANCES BY MAINTAINING BUREAU REPRESENTATIVES ON ALL RELEVANT FFIEC TASK FORCES AND WORKING GROUPS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				100%	100%	100%	100%	100%
Actual				100%	100%	100%	N/A	N/A

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 levels. The Bureau prioritizes sharing information about its supervisory activity and coordinating its work with other regulators when possible. For measure 2.2.6.1, the Bureau was unable to share its calendar in time for FY 2020 due to the COVID pandemic, however, the Bureau shared the calendar within the calendar year on December 31, 2020. Going forward, the above metrics will be retired since the Bureau has made substantial progress in this area and regularly shares information with other regulators as part of its normal operations.

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	65%	65%	65%	65%	65%	65%	65%	65%
Actual	70%	42%	60%	62%	36%	56%	N/A	N/A

TABLE 2.2.7.2: AVERAGE DURATION, IN MONTHS, TO FILE OR SETTLE INVESTIGATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target		NA	24	24	24	24	24	24
Actual		23	26	32	29	N/A	N/A	

TABLE 2.2.7.3: AVERAGE DURATION, IN MONTHS, TO CLOSE INVESTIGATIONS WITHOUT PUBLIC ACTION (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							Baseline	Baseline
Actual							N/A	N/A

TABLE 2.2.7.4: TOTAL AMOUNT OF CONSUMER RELIEF ORDERED AS A RESULT OF PUBLIC ENFORCEMENT ACTIONS (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							No Target	No Target
Actual							N/A	N/A

TABLE 2.2.7.5: TOTAL AMOUNT OF CIVIL MONEY PENALTIES ORDERED AS A RESULT OF PUBLIC ENFORCEMENT ACTIONS (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							No Target	No Target
Actual							N/A	N/A

Progress update and future action

Timely resolution of a matter betters 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 enforcement is progressing in a timely manner.

The Bureau's experience so far as well as experiences of similar enforcement agencies have informed the selection of the target timeframe. The Bureau will continue to monitor this target to assess whether it is an appropriate way to measure the Bureau's performance going forward. The Bureau has significantly improved measures 2.2.7.1 and 2.2.7.2 this fiscal year and intends to continue to improve on the timeframes in the upcoming years. In large part, these measures were missed due to the impact of COVID-19 and the transition to new leadership leading to a review of the active enforcement pipeline.

The Bureau is adding a new measure of the average duration in months of investigations that the Office of Enforcement closes without taking public action. With this new measure, the Bureau's measures account for both investigations that result in public action as well as those that are closed without public action, providing visibility into resources expended on investigations that do not result in public enforcement action. In FY 2021, the Bureau will derive a baseline, which will inform a future target.

The Bureau has also decided to publish the total amount of ordered consumer relief resulting from public enforcement actions as well as the total amount of ordered civil money penalties. Publishing these totals will allow the public to track these amounts on an annual basis more readily.

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 pursuing complex and challenging actions when appropriate, even when success is not assured.

Performance measure

TABLE 2.2.8.1: 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				NA	75%	75%	75%	75%
Actual				88%	100%	100%	N/A	N/A

Progress update and future action

During FY 2020, the Bureau concluded 24 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 such that industry can meet those expectations and improve compliance as needed.

Performance measure

TABLE 2.2.9.1: NUMBER OF WRITTEN COMMUNICATIONS ABOUT COMPLIANCE EXPECTATIONS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target		NA	3	3	3	3	3	3
Actual		4	1	2	3	N/A	N/A	

Progress update and future action

The Bureau published three editions of *Supervisory Highlights* in FY 2020.

Consumer Reporting Special Edition (Issue 20) – December 2019: This issue of *Supervisory Highlights* covered examinations in the areas of consumer reporting and furnishing of information to consumer reporting companies, pursuant to the Fair Credit Reporting Act and Regulation V.

Winter 2020 (Issue 21) – February 2020: This issue of *Supervisory Highlights* covered Bureau supervision activities generally completed between April 2019 and August 2019 and focused on examination findings in the areas of debt collection, mortgage servicing, payday lending, and student loan servicing.

Summer 2020 (Issue 22) – September 2020: This issue of *Supervisory Highlights*

covered Bureau supervision activities generally completed between September 2019 and December 2019 and focused on examination findings in the areas of consumer reporting, debt collection, deposits, fair lending, mortgage servicing, and payday lending.

Thus, the FY 2020 target of three written communications about compliance expectations for the FY 2020 Annual Performance Plan and Report was achieved.

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)

Division or Office	2020	2021	2022
Office of the Director	\$12.3	\$13.3	\$13.7
Operations	\$150.3	\$164.3	\$168.3
Consumer Education, and Engagement	\$0.0	\$0.0	\$0.0
Consumer Education and External Affairs	\$0.0	\$6.5	\$6.8
Research, Markets, and Regulation	\$0.0	\$0.0	\$0.0
Supervision, Enforcement, and Fair Lending	\$0.0	\$0.0	\$0.0
Legal	\$7.5	\$8.7	\$8.8
External Affairs	\$4.1	\$0.0	\$0.0
Other Programs	\$2.1	\$3.7	\$3.7
Total	\$176.4	\$196.4	\$201.3

Since the inception of the Bureau, the Operations division has worked tirelessly to build an infrastructure that supports the execution of the Bureau’s mission to make consumer financial markets work for consumers, responsible providers, and the economy as a whole. As the external landscape evolves with time, the Bureau must mature and adapt policies, processes, tools, and controls to operate more efficiently, effectively, and transparently. To mature its support to the Bureau, Operations will focus on five areas:

- **Drive efficiencies and continuous improvement:** Cultivate an engaged and informed workforce that drives for efficiency and effectiveness of the Bureau.

- **Enhance the customer experience of support functions:** Increase workforce happiness by enhancing the customer experience on internal services.
- **Increase transparency and information sharing:** Make the Bureau's services more transparent while maintaining data confidentiality, integrity, and availability.
- **Ensure a safety first, mission always approach for our workforce:** Adapt to modernized ways of working with the safety of our workforce at the forefront.
- **Modernize and integrate data and systems:** Connect, integrate, manage, and share its systems and data within Operations and across the Bureau.

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 its operations to ensure effective management of resources and risk. This entails looking for opportunities to be more efficient and effective through innovative technology, maturing the enterprise risk management program, identifying budget savings, and executing of process improvement activities.

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

Objective 3.1: Safeguard the Bureau's information and systems.

Objective 3.2: Maintain a talented, diverse, inclusive and engaged workforce.

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 several areas including a training platform and an IAA with National Defense University (NDU) that will help Cybersecurity staff obtain specialized technical training geared to enhancing security responsibilities in emerging areas such as oversight of cloud computing solutions. As part of the Evidence Act, the Bureau is conducting a capacity assessment to assess the coverage, quality, methods, and effectiveness of current staff data literacy and data skills. Additionally, all Bureau staff will be educated on cybersecurity best practices as the Bureau’s Phishing Awareness and Insider Threat programs are broadly implemented. The Bureau has expanded cybersecurity role-based training in population and amount of training to align with industry best practices and the National Institute of Standards and Technology (NIST) National Initiative for Cybersecurity Education (NICE) Framework.

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 securely support the Bureau’s mission.

KNOWLEDGE MANAGEMENT

The Bureau will build up its Knowledge Management program to increase accountability, facilitate informed decision making, ensure the retention of institutional knowledge, and improve cross-Bureau collaboration through better and more efficient sharing of Bureau data and information. The Bureau will invest in activities to strengthen document management practices, implement new tools and best practices, and develop training to improve adoption.

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 enhanced 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.

Cybersecurity manages risk, protects our data and consumers, and ensures that our systems are resilient.

IT Resilience: For many years the Bureau has diligently invested in and planned for the unexpected – in 2020 a sudden and extraordinary crisis emerged, and we were ready. Shortly after noon on March 12, all DC Headquarters staff were encouraged to begin telework as soon as possible. In just a single day and now more than nine months later, all Bureau staff and contractors are able to work from home with their full suite of IT capabilities. As the pandemic unfolded, business and IT stakeholders worked closely together to offer additional “Plan B” capabilities such as rich video teleconference, mass communication, and collaboration features.

The Bureau's robust and flexible IT Contingency Plan protected critical stakeholder services and preserved the trust of citizens and financial institutions in our work

- *Risk Management:* The Bureau's Cybersecurity team uses a federally established (NIST 800-37-based) six-step process (Categorize, Select, Implement, Assess, Authorize and Monitor) to monitor and report a potential risk of compromise across all IT systems. In the cases where the risk has developed into a known issue, as documented by After Action Reports or Plans of Actions and Milestones (POA&Ms), issues are prioritized for resolution by the system owners, application owners, and business owners with full support to analyze and advise from the Cybersecurity team.
- *Phishing Exercises:* 90% of cyber incidents and breaches are initiated through phishing. The Bureau conducts regular phishing exercises to gauge our workforce's ability to recognize the signs of email, voice and SMS attacks. The Bureau's phishing exercise approach is at OIG Level-4. To improve the security of the Bureau, CFPB will be putting in place role-based phishing exercises in FY 2021.
- *Report Cybersecurity Incidents to the United States Computer Emergency Readiness Team (US-CERT):* CISA's [Federal Incident Notification Guidelines](#) dictate that incidents must be reported to US-CERT within one hour of being identified by the agency's top-level Computer Security Incident Response Team (CSIRT). The Bureau tracks this metric to ensure the Bureau consistently adheres to that guidance and have built automated processes to ensure implementation. For FY 2021, the Bureau is also adding a new measure, percentage of endpoints (laptops/mobile) with operating systems no more than 12 months beyond publication of latest version. This new metric will ensure that the Bureau's end point compute devices are not subjected to higher cyber threats due to missing the required updates to the operation system.
- *Plans of Actions and Milestones (POA&Ms):* POA&Ms are categorized based on the severity or level of impact, probability, and velocity of the known issue. At the end of FY 2019, the overall number of POA&Ms that remained open, regardless of category, warranted a performance measure aimed at ensuring resourcing and focus for overall cyber hygiene activities. The performance measure for FY 2020 was set broadly to include the reduction of all aging POA&Ms. For FY 2021, the performance measure will be replaced with one that monitors high and critical POA&Ms, in particular. This new metric provides a more accurate and realistic depiction in keeping the Bureau's systems safe within the risk appetite of the Bureau.
- *Federal Information Security Modernization Act of 2014 (FISMA) Maturity Model:* FISMA

mandates the reporting of the information security posture for federal agencies through an annual audit conducted by the Office of Inspector General (OIG) and self-reported metrics via the DHS CyberScope platform. This assessment examines the adequacy and effectiveness of the Bureau's information security policies, procedures, and practices. The goal is to improve the CyberScope score, in FY2021, by implementing Privileged Access Management (PAM) with multifactor authentication (MFA). In addition, the Bureau's cybersecurity profile will be further improved in the CyberScope self-assessment once user-level MFA has been rolled out to all CFPB staff. The Bureau plans to leverage derived credentials for laptops and phones to achieve the desired AAL3 level of individual authentication. These steps will also improve protections against authentication-based attacks, like those leveraged by adversaries via SolarWinds.

Performance measures

TABLE 3.1.1.1: PERCENTAGE OF USERS SUSCEPTIBLE TO PHISHING ATTACKS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					<7% of users tested	<10% of users tested	<10% of users tested	<10% of users tested
Actual					16.15% of users tested	15.5% of users tested	N/A	N/A

TABLE 3.1.1.2: AVERAGE TIME TO REPORT CYBERSECURITY INCIDENTS TO US-CERT

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						30 mins	2.5 mins	2.5 mins.
Actual						3.36 mins	N/A	N/A

TABLE 3.1.1.3: NUMBER OF CRITICAL OR HIGH OVERDUE POA&MS (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							<10%	<10%
Actual							N/A	N/A

TABLE 3.1.1.4: ACHIEVE OIG MATURITY MODEL RATINGS OF LEVEL 4 (MANAGED & MEASURABLE) ACROSS MULTIPLE CYBERSECURITY FRAMEWORK AREAS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					2 of 5 Areas	3 of 5 Areas	5 of 5 Areas	5 of 5 Areas
Actual					3 of 5 Areas	3 of 5 Areas	N/A	N/A

TABLE 3.1.1.5: PERCENTAGE OF ENDPOINTS (LAPTOPS/MOBILE) WITH OPERATING SYSTEMS NO MORE THAN 12 MONTHS BEYOND PUBLICATION OF LATEST VERSION (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							<10%	<10%
Actual							N/A	N/A

TABLE 3.3.1.6: PERCENTAGE OF USERS WHO COMPLETE ANNUAL PRIVACY TRAINING (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							>90%	>90%
Actual							N/A	N/A

TABLE 3.3.1.7: PERCENTAGE OF PRIVACY BREACHES CATEGORIZED AS HAVING LOW RISK TO HARM (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							>95%	>95%
Actual							N/A	N/A

Progress update and future action

The Bureau has taken several steps to enhance its cybersecurity program to identify risks, detect concerns, prevent harm, respond to ongoing incidents, and recover resiliently. These include:

IT Resilience: The Bureau continues to invest in cloud-based systems as strategic platforms to

streamline Bureau processes, integrate stakeholder interactions and workflows, track consumer complaints, and enhance visibility and reporting. In FY 2021, the Bureau will award a Cloud Access Security Broker (CASB) contract to deliver the people, process, and technology elements necessary to improve the Bureau’s cloud security posture. The CASB program will deliver four foundational cloud security advances to the Bureau: (1) Visibility and Governance – Integrated discovery, monitoring, and policy enforcement of sanctioned and unsanctioned services and workloads; (2) Data Security – Enforce data-centric security policies to prevent unauthorized actions based on data classification, data discovery, and user activity; (3) Threat Protection – Prevent unwanted devices, users, and applications from accessing cloud services through adaptive access controls and integrated cloud threat protections; (4) Security Compliance – Determine and demonstrate continuous adherence to organizational standards, policies, and controls.

Risk Management: In FY 2020, the Bureau leveraged the NIST 800-37 six-step process to assess the risk of various IT systems. In FY 2021, the Bureau will improve the standard to the recently published federally established guidance (NIST 800-53 revision 5) and update policies, procedures, and practices, accordingly. The updated standard focuses on increased integration with privacy and supply chain risk management. Supply chain risk is exemplified by the SolarWinds compromise. SolarWinds had insufficient security which led to the federal government being impacted. The Bureau will work internally across Operations and Strategy to assess how to mitigate this threat vector, among others to ensure the Bureau can stay on mission.

Phishing Exercises: In FY 2020, two thirds of the phishing exercises were successful with a click failure rate of 1.6% and 5.8% in Q1 and Q2 respectively. In Q3 and Q4, the Bureau saw an increase in the click failure rate percentage (around 15.5%). This may be due to COVID-19 causing increased distraction outside of our control as staff moved to 100% telework. In FY 2021, the Bureau will reinforce knowledge of phishing, SMSishing, and vishing practices through CyberSmart training, targeted phishing exercises, targeted awareness training, and wiki postings. The Bureau will also incentivize and build cybersculture through the CyberStar program.

Report Cybersecurity Incidents: In FY 2020, the Bureau improved on this metric by closely tracking related metrics and building automated processes to ensure implementation. In FY 2021 and beyond, the Bureau will continue to enhance its monitoring system and data management processes to better track the Bureau’s IT assets and vulnerabilities (see new metric 3.1.1.5 for FY 2021). The Bureau will also establish strong authentication for all devices and systems, beginning to implement multifactor-based authentication across the Bureau.

POA&Ms: In FY 2019, the Bureau had not established any POA&M remediation goals other than closed within 60 days. In FY 2019, an analysis of aging POA&Ms resulted in the identification of over 800+ open POA&Ms. In FY 2020, a POA&M maturation plan was established with focus on critical and high POA&M remediation by Q2 FY 2020. The goal was also broadened to reduce overall number of aging POA&Ms.

The Bureau has made significant strides to reduce the overall number of POA&Ms. At the time the target goal of under 30% was set, many of the significantly past due POA&Ms were resolved due to work already underway. The Bureau established a weekly System Owner (SO) meeting to remediate all open POA&Ms and vulnerabilities and worked to close POA&Ms that were over 3,000 days old.

Total POA&Ms were reduced by 551 during FY 2020, leaving remaining 506 open POA&Ms. These include:

- Configuration Management related (142 open – Oldest is 2,428 days old).
- Multifactor-based authentication related (29 open - Oldest is 694 days old).
- Automation of Splunk Log Aggregation (8 open - Oldest is 2,043 days old).

FY 2020 resulted in the reduction of a substantial amount of technical debt associated with a lack of cyber hygiene. The remaining open POA&Ms are complex and will be closed when the Bureau fully implements MFA which is a focus of FY 2021, and when external vendors implement automated log collection. These steps, in particular, will protect the Bureau against authentication-based attacks like Sunburst and Supernova – which were caused by supply chain based attacks through the software program, SolarWinds. The Bureau did not fall prey to the compromise and continues to strengthen our protections.

Given the overall reduction in number of overdue POA&Ms, the implementation of a process to ensure the consistent closure in a timely manner, and the overall maturation of configuration management, the emphasis in FY 2021 will return to monitoring the POA&Ms that present the highest risk, those in the critical and high categories (see new metric 3.1.1.3 for FY 2021).

Future actions include early engagement with procurement to ensure purchase of approved software capabilities to lessen new POA&Ms and monitor supply chain risks.

Federal Information Security Modernization Act of 2014 (FISMA) Maturity Model: In FY 2020, the Bureau's Data Protection and Privacy programs went from Level-3 to Level-4 by integrating managed and measurable controls and safeguards throughout Bureau

operations. Cybersecurity and Privacy have consistently implemented encryption policies and procedures for data-at-rest and have restricted use of removable storage devices. The Bureau's Identity Credential and Access Management (ICAM) program developed an implementation strategy to provision multifactor authentication, privileged access management and zero trust architecture by FY 2022. Through these improvements and adoptions of industry best practices, the Bureau anticipates an OIG Maturity Model of Level 4 in 5 out of 5 areas at the end of 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 Bureau leadership on innovative diversity and inclusion practices for employees, consumers, and regulated entities as well as equal employment best practices supporting the Bureau's mission.

STAFFING, RECRUITMENT, AND COMPENSATION INITIATIVES

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 utilizing tailored candidate assessment methods to enhance quality of hire, and delivering an overall hiring experience that is fair, transparent and efficient. Build and maintain strategic partnerships with colleges, universities, professional organizations, and affinity groups that serve diverse populations. Implement improvements to the Bureau's compensation program in order to better promote pay equity and enhance the quality, consistency, credibility and transparency of pay determinations.

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				5.75	5.75	5.75	5.00	5.75
Actual				6.4	6.5	6.34	N/A	N/A

TABLE 3.2.1.2: ANNUAL EMPLOYEE SURVEY (AES) RATING ON PERCEPTIONS OF TECHNICAL COMPETENCE OF THE BUREAU STAFF (% FAVORABLE)²⁸

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	63%	64%	68.5%	70%	70%	66%	66%	66%
Actual	67.4%	67.9%	72.1%	57.1%	57.0%	67.4%	N/A	N/A

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.”

TABLE 3.2.1.3: INCLUSION QUOTIENT: ANNUAL EMPLOYEE SURVEY (AES) RATING ON PERCEPTION OF INCLUSION AND DIVERSITY (% FAVORABLE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	63.5%	65%	67%	70%	70%	67%	67%	67%
Actual	65.8%	67.5%	72.5%	67.2%	66.6%	67%	N/A	N/A

Progress update and future action

In FY 2020, due to COVID-19, the Bureau reduced instances and canceled several offerings of planned leadership and management development. However, the courses which have contributed to this metric for FY 2020, include:

Course Name	Duration	Number of Deliveries
CFPB Supervisor Development Seminar	3 days	1
Leadership Excellence Seminars 1 & 2	2 days	1
SDS Refresher 2020	1 day	3
Level Specific Course/Executives: Leading with Executive Perspective and Presence	1 day	2

Moving forward, the Bureau will continue to deliver management training solutions to meet Federal mandates through virtual deliveries while working in the COVID-19 environment. However, as the continued impact of COVID-19 requires us to prioritize the federally-mandated training topics, it limits our ability to convert and offer other management training topics as well as new solutions and offerings which have been developed but not yet implemented, may also be delayed. Given this, the Bureau's FY 2021 target will be moved to 5.00. The target will change to 5.75 in FY 2022.

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.

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 has defined the Inclusion Quotient as comprised of five habits: Fair, Open, Cooperative, Supportive, and Empowering. Baseline measures from previous years 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.

The Office of Equal Opportunity and Fairness (OEOF) includes the Office of Civil Rights (OCR); Office of Minority and Women Inclusion (OMWI); the Disability and Accessibility Programs (DAP); and the Office of Fair Lending and Equal Opportunity OFLEO under its umbrella. OEOF fosters 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. In FY 2020, OEOF conducted several programs and initiatives:

- *Educated the Bureau Workforce on Diversity and Inclusion:* OMWI and OCR implemented educational and training programs for managers and staff. On October 23, 2020, OMWI completed a FY 2016 mandatory training requirement for all managers and employees. The Bureau also held two virtual mandatory training sessions for a total of 13 participants. In FY 2020, the Bureau focused on a new generation of diversity and inclusion training that was customized for Bureau managers and staff to use in their daily work and will be available virtually to all Bureau staff across the country. In FY 2021, the Bureau will implement new and updated mandatory training for Bureau staff and leadership focused on reinforcing the diversity and inclusion components of Bureau performance standards.
- *Conducted Diversity and Inclusion Strategic Planning with Divisions:* In FY 2020, the Bureau expanded its diversity and inclusion strategic planning process to better engage with Division leadership by conducting briefings with division leaders to provide them with a holistic picture of division demographics and environment factors and recommending actions for their D&I strategic plan. OMWI worked with each Division's D&I contact to plan and implement initiatives for incorporating diversity and inclusion into their divisional

performance goals. This included: providing guidance and technical assistance on analyzing demographic, AES, and other data to identify areas for improvement; partnering with each division to develop actions to strengthen diversity and inclusion based on issues identified; and providing training to strengthen staff performance.

- *Expanded and Enhanced Employee Engagement:* Under the leadership of the former Director and OMWI, the Bureau developed and implemented a forward-leaning action plan shortly after the death of George Floyd on May 25, 2020, to provide staff and management with tools and resources to assist them in dealing with the events that followed Floyd's death. The OMWI collaborated with its peers to plan and deliver a federal multi-financial agencies OMWI webcast titled “Beyond Words: Race, Work, and Allyship amid the George Floyd Tragedy” on June 24. As a follow up, the former Director invited National Credit Union Administration Chairman Rodney Hood to speak to all Bureau employees in a virtual discussion on racial equity issues on July 10. OMWI created and provided racial equity learning resources to all Bureau employees that addressed specific racial issues such as bias and allyship, as well as management-focused guidance and resources for addressing racial issues in the workplace. In addition, the Bureau launched a series of OMWI dialogues centered around a variety of racial equity themes and topics open to all employees, and regularly posts quickly accessible learning resources on our intranet, that are also available to all employees.
- OMWI continued to support a range of employee engagement initiatives, such as the Diversity and Inclusion Council of Employees (DICE) and Employee Resource Groups (ERG). In FY 2020, OMWI supported six ERGs in addition to DICE: Adelante (Latino community focused), Aspire (Asian American community focused), Pride (LGBTQ+ community focused), Rise (African-American community focused), Spark (Woman focused), and the Parents' ERG. OMWI works with ERGs to increase employees' understanding of different perspectives and life experiences. ERGs also serve as vehicles for networking and participating in Bureau's efforts to recruit and retain a diverse workforce. In FY 2020, 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.
- In FY 2020, in response to staff's requests for more professional development programming, the Bureau launched the Mentoring for Success program. Mentoring for Success is a three-part program that includes: 1) leadership speaker series; 2) small group discussions; and, 3) matched mentor/protégé pairs. The program is open to all Bureau employees.

- *Participated in Outreach Activities:* In FY 2020, OMWI continued to partner with OHC to ensure the Bureau's outreach and recruitment efforts included a diverse candidate pool. OMWI hosted virtual exhibit booths at the Ascend National Convention and Career Fair, the largest gathering of Pan-Asian business leaders and professionals in North America, and the Prospanica National Conference and Career Expo, an association of Hispanic MBAs and business professionals. In addition, in FY 2020, the Bureau joined the Office of the Comptroller of the Currency and the NCUA to participate in the 2020 High School Scholars Internship Program (HSSIP) in partnership with the District of Columbia's Department of Employment Services. Through the six-week, paid enrichment opportunity, the Bureau sponsored 10 rising seniors from Eastern and Roosevelt Senior High Schools in the District of Columbia. The program provided the students with an opportunity to build business skills and gain exposure to the financial services arena. The Office of Human Capital (OHC) applied the Bureau's digital media recruitment funding to maintain an employer brand on LinkedIn, Handshake, eQuest, and Indeed. These websites reach a large, diverse applicant pool.
- *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). OCR continued to utilize an Alternative Dispute Resolution program for workplace disputes and also implemented a new Conflict Coaching Program to work one-on-one with employees about disputes. The Bureau reported no EEO program deficiencies in the EEOC's FY18 MD-715 Report issued in April 2019.
- *Conducted Barrier Analysis:* OCR conducted an 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.

In FY 2020, OHC, OMWI, OCR, and DAP continued to build and integrate on leadership and management EEO and diversity and inclusion trainings. The Office of Human Capital (OHC) developed direct relationships with digital media sites – such as LinkedIn, eQuest, and Handshake - to increase recruitment and maintain an employer brand. These websites reach a large, diverse applicant pool. OHC and OMWI participated in numerous virtual outreach events and seminars, specifically conducting diversity recruitment at HBCUs and utilizing diversity job boards for Honors Attorneys, Executive, and Examiner hiring efforts. Additionally, OHC and OMWI collaborated with the Bureau's ERGs and the DICE to expand diversity recruitment and outreach for both internal and external positions.

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 increase engagement.

Performance measure

TABLE 3.2.2.1: OPM EMPLOYEE ENGAGEMENT INDEX (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						70%	70%	70%
Actual						71.2%	N/A	N/A

Progress update and future action

Actions taken in 2020 in these areas include the following:

- Established 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.
- Approved a new paid parental leave program that provides up to 12 weeks of paid parental leave to CFPB staff in connection with the birth or placement (for adoption or foster care) of a child occurring on or after October 1, 2020.
- Approved a succession planning process that will aid Bureau leaders to: optimize our current workforce; invest in workforce development to meet long-term needs; build a healthy management pipeline; and attract and retain a diverse and inclusive workforce responsive to the needs of our various stakeholders.
- Reached a final agreement on a new 3-year compensation agreement with the National Treasury Employees Union (NTEU) that includes increases to merit pay, lump sum bonuses, and locality pay, as well as a path forward on a broader set of compensation reforms.

- Launched a revamped mentoring program, Mentoring for Success, which is open to all Bureau employees.
- Implemented a new Conflict Coaching Program, which is open to all employees to help reduce or resolve workplace conflicts.
- Instituted several initiatives to ensure the health, safety, and well-being of the Bureau's staff during the COVID-19 pandemic, including enhancing telework; authorizing employees to use administrative leave if they are unable to perform work at home or at their home duty station due to reasons related to COVID-19; and providing up to two weeks (80 hours) of emergency paid sick leave through December 31, 2020, in accordance with the Emergency Paid Sick Leave Act.

In FY 2021, the Bureau will conduct the following activities, including:

- Beginning a Bureau-wide salary review in early 2021.
- Negotiating with NTEU over a broad set of compensation reforms, including a new pay band structure and a new pay setting process following the Bureau-wide salary review.
- Revamping the Workforce Effectiveness Committee to include members from the National Treasury Employees Union, Employee Resource Groups and Diversity and Inclusion Council to ensure comprehensive staff feedback and engagement on programs.
- Negotiating a new Collective Bargaining Agreement with the National Treasury Employees Union.
- Improving the hiring process through enhanced customer support and transparency.
- Reviewing the existing management and staff trainings to identify areas for improvement, reduce the training burden, create more consistency in the customer experience, and recommend ownership/oversight of training.

The Bureau's 65% response rate to the Annual Employee Survey, 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. This year, the Bureau retired the AES engagement composite rating and is 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, the Employee Resource Groups, and the Workforce Effectiveness

Committee.

Additionally, in FY 2020, the Bureau continued to offer career development resources including the implementation of two new self-directed products to support career planning, Aspiring Leaders recommended courses, and multiple programs for leadership and management development, including foundational and advanced skills programs. Additionally, the Bureau advertised 62 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 Bureau's financial and operating performance 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

Completed a comprehensive staffing planning exercise in order to make decisions regarding the level of staffing needed to support and execute the Bureau's priorities in FY 2020. 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 the Bureau needs to accomplish mission priorities. FY 2020 staffing levels were set at 1,612 employees.

AUDITS OF THE BUREAU

Continue to work with the Office of Inspector General 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

In FY 2020, the Bureau established the Office of the Chief Experience Officer (CXO), which focused on improving how the Bureau delivers its operational services with an emphasis on the user experience and increasing its efficiency. In FY 2021, the CXO will support critical Operations priorities ensuring the customer experience (including accountability of Operations' offices performing the service) is at the forefront by leveraging capabilities such as service design, communications, organizational change management and project management.

DATA INFRASTRUCTURE AND ANALYSIS

Finalize migration from the current on-premise data platform to a modern cloud-based environment, which will allow us to more easily scale and unlock additional tools and

capabilities to better serve the Bureau. The Bureau will build out an enterprise wide Data Strategy to determine how our data resources, platforms, and tools can best be leveraged to become a more data driven agency and support our mission, to serve American consumers. Part of our strategy will involve further adoption of artificial intelligence (AI) to improve and strengthen processes while ensuring that financial service providers are using AI responsibly.

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; proactively alter impacted agency practices, policies, and operations accordingly.

FINANCIAL MANAGEMENT SUPPORT SERVICES, INCLUDING TRAVEL

Continue to provide financial management services in the areas of budget execution, purchasing, accounts payable, accounts receivable, general ledger and fixed assets. Significantly enhance resources available to the Bureau's travelers, to improve customer satisfaction while maintaining strong financial controls.

INTERNAL CONTROL ASSESSMENT PROGRAM SUPPORT

Continue to invest in resources that maintain accountability for effective internal controls, and follow appropriate models to asses and enhance the Bureau's internal control, 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. In FY 2020, the Bureau improved its internal tracking of IT projects to improve visibility and prioritization of work. In FY 2021, the Bureau will improve its suite of project and portfolio management tools for both traditional and agile projects, streamline governance of IT projects, improve project resource management, and transform internal IT business processes.

LEGAL TECHNOLOGY PLATFORM

Continue to maintain and improve the Bureau's legal technology shared service center to meet

the 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. In FY 2020, the Bureau completed our transition from our legacy data collections application and modernized this process with a migration to Microsoft Office 365. In FY 2021, the Bureau is expanding the legal technology suite by implementing a Legal Knowledge Management solution and exhibit sharing tool for virtual depositions.

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.

- *Federal IT Acquisition Reform Act (FITARA) Score:* The FITARA scorecard allows the Bureau to assess the agency's effectiveness in risk management, incremental software development, and CIO reporting structure. The Bureau utilizes the scorecard to identify areas for improvement, prioritize and fix potential issues, and help calibrate its IT resources.
- *Software Licenses Tracked by Asset Management System:* This measure provides the Bureau with an accurate and actionable way to improve our software asset management practices. The Bureau uses the data to find and eliminate duplicative software licenses and unneeded expenditures.
- *Federal Cloud Smart Workforce Development and Strategy:* The Bureau will continue

to monitor its progress toward implementing the recommendations from the Federal Cloud Computing Strategy. This strategy focuses on the key pillars of successful cloud adoption (security, procurement, and workforce) in order to implement a successful IT modernization that provides improved return on its investments, enhanced security, and higher quality services.

- *IT Investments Implementing Human Centered Design and Organizational Change Management:* The Bureau created the Technology and Innovation (T&I) Organizational Change Management (OCM) team two years ago to focus on improving the end user experience of technology rollouts. During this time, the OCM team has steadily institutionalized OCM approaches during product rollouts and will continue to implement them to improve customer experience.
- *Strengthening Privacy Processes:* The Bureau is adding two new measures in FY 2021 to track how strong its data management processes are in securing the Bureau's data assets and preventing privacy breaches.

Performance measures

TABLE 3.3.1.1: FEDERAL INFORMATION TECHNOLOGY ACQUISITION REFORM (FITARA) SCORE

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target			Baseline	B	A	A	B-	
Actual			C-	C-	B-	N/A	N/A	

TABLE 3.3.1.2: PERCENTAGE OF BUREAU SOFTWARE LICENSES TRACKED BY ASSET MANAGEMENT SYSTEM

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target			NA	40%	70%	80%	90%	
Actual			NA	40%	88.6%	N/A	N/A	

TABLE 3.3.1.3: NUMBER OF RECOMMENDED ACTIVITIES ACHIEVED FROM THE FEDERAL CLOUD SMART WORKFORCE DEVELOPMENT AND PLANNING STRATEGY

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					3 out of 5	3 out of 5	4 out of 5	
Actual					4 out of 5	N/A	N/A	

TABLE 3.3.1.4: PERCENTAGE OF IT INVESTMENTS THAT ARE ADEQUATELY IMPLEMENTING HUMAN CENTERED DESIGN AND ORGANIZATIONAL CHANGE MANAGEMENT

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					50%	75%	80%	
Actual					67%	N/A	N/A	

TABLE 3.3.1.5: PERCENTAGE OF USERS WHO COMPLETE ANNUAL PRIVACY TRAINING (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						>90%	>90%	
Actual						N/A	N/A	

TABLE 3.3.1.6: PERCENTAGE OF PRIVACY BREACHES CATEGORIZED AS HAVING LOW RISK TO HARM (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						>95%	>95%	
Actual						N/A	N/A	

Progress update and future action

The Bureau has taken several steps to modernize its IT that is consistent with federal requirements. These include:

Federal IT Acquisition Reform Act (FITARA) Score: In FY 2020, the Bureau received an overall

'A' rating across all FITARA score components, except for the requirement that the CIO report to the Director or Deputy Director. This represents a full letter grade improvement over the previous year. However, since the Bureau CIO does not report to the Director or Deputy Director, the Bureau FITARA grade is adjusted downward so that the highest obtainable score is 'B-'. For that reason, the Bureau is changing its target to B-. With the improvements in software asset management at the Bureau, the Software Licensing component was improved from a 'F' score to an 'A' score. In FY 2021, the Bureau will continue to implement policies and procedures to improve cost savings and cost avoidance identification. The Bureau will also monitor changes to the FITARA Scorecard by the House Oversight and Government Reform Subcommittee FITARA priorities, making adjustments as needed.

Software Licenses Tracked by Asset Management System: In FY 2020, the Bureau centralized its software management, greatly improving how software is tracked and deployed. In FY 2021, the Bureau will continue to improve and mature its software asset management program.

Federal Cloud Smart Workforce Development and Strategy: In FY 2020, the Bureau completed a comprehensive skills inventory and assessment and provided foundational training to staff on topics including Agile and change management. The Bureau hired a new Chief Information Officer (CIO), Enterprise Technology Systems (ETS) Director, and Cloud Program Manager to articulate and implement the cloud vision. In FY 2021, the Bureau will continue modernizing its IT by moving closer to a cloud-smart environment. This will reduce the cost of operating and maintaining 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.

IT Investments Implementing Human Centered Design and Organizational Change Management: In FY 2020, the OCM team continued to implement OCM approaches during product rollouts. For example, the OCM team incorporated end-user feedback into the product design and selection processes via the Pathfinders group - which is a network of users across the mission areas - incorporated human center design principles as part of the technology governance processes, and standardized T&I's approach to OCM across multiple initiatives. In FY 2021, the Bureau will continue to ensure that human centered design and organizational change management are standard components of IT investments to further mature our technology deployments.

Strengthening Privacy Processes: For FY 2021, the Bureau will continue to administer and enhance its annual privacy training to all staff and contractors. The Bureau will expand its

Knowledge Management program to improve cross-Bureau collaboration. The Bureau will also use the assessment of the Privacy program to upgrade any systems and procedures to enhance its compliance with existing Office of Management and Budget (OMB) and National Institute of Standards and Technology guidance and memoranda.

Data Maturity Assessment. In FY 2021, the Bureau will conduct an initial data maturity assessment that will document data management best practices, determine gaps, and identify opportunities to improve staff data skills and mature the Bureau's use of data to meet policy priorities and fulfill its mission and objectives. The assessment will serve as the foundation for the development of the Bureau's data strategy.

Performance goal 3.3.2: Award 80% 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 3.3.2.1: PERCENTAGE OF CONTRACTS COMPETITIVELY AWARDED OVERALL

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target	90%	90%	90%	90%	90%	80%	80%	80%
Actual	94%	91%	87%	87.2%	82%	82.6%	N/A	N/A

TABLE 3.3.2.2: PERCENTAGE OF DOLLARS AWARDED TO MINORITY OWNED BUSINESSES (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							5%	5%
Actual							N/A	N/A

TABLE 3.3.2.3: PERCENTAGE OF DOLLARS AWARDED TO WOMEN OWNED BUSINESSES (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							5%	5%

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Actual						N/A	N/A	

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 real time dashboard of Procurement metrics, including competition that is available to all Bureau employees. Now at 80%, the Bureau's competition goal is 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, proprietary data, and subscriptions, which may be solicited on a sole source basis. 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 2020, out of approximately \$160.3 million that the Bureau obligated in contracts, \$132.3 million, or 82.6%, were awarded on a competitive basis. The Bureau will continue to strive toward exceeding the revised 80% goal for contracts awarded on a competitive basis and 5% goal for contracts awarded to minority-owned and women-owned businesses for FY 2021.

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 3.3.3.1: 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%	78%	N/A

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). In FY 2020, the Bureau closed 29 of the 37, or 78%, of the findings assigned to the Bureau for that fiscal year. The 29 closed findings reported represent items in which corrective actions have been implemented by the Bureau and the auditor has confirmed the findings have been resolved. In FY 2021, the Bureau will continue to track and remediate open findings on an ongoing 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 3 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 3.3.4.1: LEVEL OF ENTERPRISE RISK MANAGEMENT MATURITY

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target				Level 2 ERM Maturity	Level 2 ERM Maturity	Level 3 ERM Maturity	Level 3 ERM Maturity	Level 3 ERM Maturity
Actual				Level 2 ERM Maturity*	Level 2 ERM Maturity*	Level 3 ERM Maturity*	N/A	N/A

* Internal assessment of ERM maturity.

Progress update and future action

In FY 2020, the Bureau formalized a risk appetite statement and completed its annual update of its agency-wide risk profile. The Bureau further integrated risk into its policy prioritization processes in FY 2020. These advancements in ERM resulted in the Bureau maintaining its overall level of ERM maturity at Level 3.

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. In FY 2021, the Bureau is slightly adjusting these three measures to provide the Bureau with a more relevant and actionable way to make core operational services more efficient and effective for

staff. By measuring staff satisfaction and experience with operations services, the Bureau can identify ineffective processes, misaligned resources, and opportunities for enhanced accountability. Over time, increased satisfaction of services will indicate more effective and mature service delivery for the Bureau. Although the goal is to exceed the targets set in FY 2021, the actual results may be lower due to the significant impact COVID-19 has made on the Bureau's workforce and operations.

Performance measure

TABLE 3.3.5.1: PERCENTAGE OF USERS WHO AGREE OPERATIONS SERVICES ADDRESSED THEIR NEED (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							65%	68%
Actual							N/A	N/A

TABLE 3.3.5.2: PERCENTAGE OF USERS WHO AGREE THAT THE PROCESSES SUPPORTING OPERATIONS SERVICES ARE EASY TO COMPLETE (NEW MEASURE)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	50%	65%	68%
Actual					44.15%	TBD	N/A	N/A

TABLE 3.3.5.3: PERCENTAGE OF USERS WHO AGREE THAT OPERATIONS STAFF WERE HELPFUL

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target							65%	68%
Actual							N/A	N/A

Progress update and future action

In FY 2020, the Bureau established the CXO and staffed the team. The CXO is responsible for the vision, strategy, and goals for improving customer experience and efficiency across Operations products and services by better meeting the needs of employees that rely on operational services to meet the Bureau's mission. The CXO will fulfil its responsibility by:

- Focusing on the end-user in every communication & engagement we take on and promoting this same practice across the Bureau
- Developing a deep understanding & empathy for the Bureau's employees
- Understanding the customer experience by collecting & analyzing new and existing data; presenting data in new and compelling ways; & identifying opportunities to course correct when data supports it
- Partnering with Ops and other Bureau teams to deliver an improved customer experience

In FY 2020, the CXO's initial focus included revamping the Workforce Effectiveness Committee (WEC), enhancing employee feedback through the Ideabox forum, and overseeing the Bureau's internal events and executive communications. The CXO also initiated comprehensive reviews of processes including reviewing existing management and staff trainings, examining the Bureau's governance bodies, and reviewing how the travel system can be more user-friendly.

In FY 2021, the CXO will support critical operational priority projects to help make Operations more customer-focused, accountable and identify ongoing improvements to service delivery.

These include:

- Enhance internal communications to maximize employee engagement
- Develop tools and methods to enhance employee feedback and collaboration
- Improve the efficiency and effectiveness of operational governance bodies
- Improve the experience of complicated personnel matters for those involved
- Synchronize all people initiatives across the Bureau
- Assess and implement organizational design

- Mature and integrate Bureau training programs
- Increase employee awareness of Ops service offerings, map ideal end-to-end service experiences, and determine how services might measurably improve interactions
- Develop dashboards for Operations' services

APPENDIX A:

Historical measures

Historical measures no longer serve as performance measures but are included for the sake of transparency. Measures retired in FY 19 and FY 20 are included in this section.

PERCENTAGE OF TRAINING COHORT ORGANIZATIONS PROVIDED ADDITIONAL TECHNICAL ASSISTANCE IN INTEGRATING YMYG INTO THEIR SERVICES

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	N/A
Actual							41%	N/A

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%	N/A
Actual						85% <small>(2019 survey)</small>	N/A	

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%	N/A
Actual						74% <small>(2019 survey)</small>	N/A	

PERCENT OF PROTO-APPLICATIONS FOR A TDP WAIVER THAT ARE ULTIMATELY GRANTED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	N/A

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
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Actual	TBD	N/A
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PERCENT OF COMPLIANCE ASSISTANCE SANDBOX PROTO-APPLICATIONS THAT ARE ULTIMATELY GRANTED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	N/A
Actual							100%	N/A

PERCENT OF NO-ACTION LETTER PROTO-APPLICATIONS THAT ARE ULTIMATELY GRANTED

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Target							Baseline	N/A
Actual							TBD	N/A

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		72%	73%	75%	75%	75%	72%	72%
Actual		74.1%	72.9%	76.6%	68.8%	69.5%	TBD	N/A

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					N/A	Baseline	20	N/A
Actual					N/A	19.3	50	N/A

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.”

NUMBER OF OVERDUE POAMS

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target						<30%	<10%	<10%
Actual						82.8%	N/A	N/A

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	50%	50%	50%
Actual					52.15%	TBD ³⁰	N/A	N/A

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	50%	50%	50%
Actual					44.15%	TBD	N/A	N/A

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Target					Baseline	50%	50%	50%
Actual					48.49%	TBD	N/A	N/A

³⁰ Operations Annual Survey reporting will not be available until Q1 2021 as survey is tentatively scheduled to occur January 2021.

APPENDIX B:

Data Validation

Following the Bureau's data accuracy and reliability processes and procedures, the Bureau takes continuous steps to ensure 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*, <https://www.regulations.gov/>, the Bureau website, website analytics tools, and the Bureau's consumer response complaint management system.
 - The number of consumers served through Ask CFPB, consumer education web portals and subpages, consumer education blogs, print publications, 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 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, 2019, and September 30, 2020. 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 Office of Consumer Response 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 office also tracks the proportion of complaints received via the web channel and the number of consumer complaints handled by the Bureau.
- **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 are considered published when they are 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 Bureau’s website is the data source for reports along with the Bureau website of SSRN, a repository of scholarly research publications.³¹ Additionally, the Bureau uses website analytics tools designed to capture website pageviews and downloads from its website. 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 applicable 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:**

³¹ 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, 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 to September 30, 2018) to determine the consumer financial markets for which the Bureau maintains standardized data³² 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, the Bureau's external affairs team verifies and validates 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.

³² 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.

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.

- **Data sources:**

- Community channel data, such as communities, networks, and taskforces supported with technical assistance, is measured through Bureau databases as well as through reports from regional and local partners.

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

- The data sources listed above were reviewed on a quarterly basis.

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

- No data limitations are known.

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. 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 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. 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 is 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 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 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, some factors 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 for reimbursable government services offered by the Office of Personnel Management’s Human Resources Solutions group. The IAA provides warranties that services provided for AES meet professional and

legal standards. OPM's USA Survey 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, 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 FY22. 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.

APPENDIX C:

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.³³ 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 2020, the Bureau maintained an OIG Maturity Model of Level 4 (Managed & Measurable) across 3 of 5 Cybersecurity framework areas. The Bureau’s Data Protection and Privacy programs went from Level-3 to Level-4 by integrating managed and measurable controls and safeguards throughout Bureau operations to include executing a tailored privacy awareness training campaign. The Bureau reduced its average time to report Cybersecurity incidents to US-Cert, continued to run exercises to educate staff about the risks of Phishing attacks, and established a maturation plan and made significant strides towards closing out POA&Ms. In FY 2021, the Bureau plans to achieve at least an OIG Maturity Model of Level 4 (Managed & Measurable) across 5 of 5

³³ Office of Inspector General: Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Sept. 30, 2019, List of Major Management Challenges for the Bureau

Cybersecurity framework areas. The Bureau plans to improve its Cybersecurity maturity level by implementing a Cloud Access Security Broker (CASB) program. Other goals include streamlining the incident reporting processes and increasing storage capacity for system logs, implementing a “bug bounty” program in line with DHS Binding Operational Directive 20-01, and implementing a Digital Rights Management solution to decrease the risk of insider threat. Further, the Bureau will develop an implementation strategy to provision multifactor authentication, privileged access management and zero trust architecture by FY 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 2020, the Office of Human Capital 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 implemented the Bureau’s first staffing plan in FY 2020, working to fill over 146 positions across the organization. FY 2020 also saw some organizational changes where the Office of Consumer Education and Engagement and the Office of External Affairs were reorganized into the Office of Consumer Education and External Affairs to develop a coordinated and Bureau-wide approach to engagement and communication with consumers, policymakers, academics, and other stakeholders. Further, the Bureau conducted its second iteration of comprehensive staffing planning sessions with Division management to identify skill gaps or mission critical vacancies across the organization. The Director approved the FY 2021 Staffing Plan in November 2020, which continues the Bureau’s disciplined practice of

identifying and hiring the staff we need to accomplish mission priorities.

OHC was able to continue to offer employees a host of human capital programs for employee performance and engagement despite operating challenges in FY 2020. OHC is actively engaged with a cross-Bureau working group to monitor and respond to the ongoing COVID-19 situation and played a lead role in developing and implementing new workplace flexibilities. This has included making Bureau employees eligible for up to two weeks (80 hours) of emergency paid sick leave through December 31, 2020 in accordance with the Emergency Paid Sick Leave Act, as enacted by the Bureau as of April 1, 2020. Further, staff have been authorized to use up to 20 hours of administrative leave per pay period if they are prevented from working due to a lapse in childcare or other reasons associated with COVID-19. Subsequent to these flexibilities offered to employees, OHC has adapted its services and processes to ensure work can continue in a virtual environment. This included introducing new procedure for processing benefit and retirement actions via secure email versus mail, on-boarding new hires virtually, pivoting to remote training, and conducting virtual hiring interviews. OHC is also offering new resources to support managers and employees, including guides on how to work effectively in a virtual environment, weekly communications to staff reminding them of key benefits and flexibilities available to them, and a job aide to assist employees in quickly identifying leave and time-off options available to them during the COVID-19 pandemic.

The Bureau continues to work toward a fundamental overhaul of the agency's compensation structure and pay setting program. The goals of this effort including aligning pay band structure and the Bureau's performance management system; fostering internal pay equity; promoting fair, effective, and transparent pay setting practices; and ensuring comparability with the FRB and FIRREAs. In a major step forward towards compensation reform, the Bureau and the National Treasury Employees Union (NTEU) recently reached a final agreement on a new 3-year compensation agreement. In addition to agreeing to increases in merit pay, lump sum bonuses, increases in locality pay, and a variety of benefit issues for the next three years, the parties also agreed to the following with respect to the broader issue of compensation reform:

- Begin a Bureau-wide salary reset in early 2021 with the collection of work experience data for every Bureau employee.
- Establish a joint-labor working-group to review the experience data and determine, by September 2021, which experience is creditable for the purpose of setting pay.
- Reopen negotiations no later than April 1, 2021 to negotiate over pay-band structure; annual pay band structure adjustments; pay setting following the Bureau-wide salary

reset; and the use of a pay matrix or matrices to help with pay setting.

Additionally, the Bureau began offering a new paid parental leave program effective October 1, 2020. It will provide up to 12 weeks of paid parental leave to CFPB staff in connection with the birth or placement (for adoption or foster care) of a child occurring on or after January 1, 2020.

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 Act provides the Bureau with the authority to supervise insured depository institutions and credit unions 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 Supervision, Enforcement, and Fair Lending Division (SEFL) 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 Division has taken steps to refine its tool selection processes during FY 2020 and continues to evaluate refinements to the ARC Process and other tool selection processes as well as consider new tool selection processes.

The Bureau is also taking steps to focus more supervisory efforts on nondepository institutions including analyzing how to engage in increased supervisory activities at larger nondepositaries operating in multiple states. For example, the Bureau is increasing periodic monitoring of larger nondepositaries to include all those, based on the Supervision's risk prioritization process, that are on the examination schedule.

The Bureau is also continuing to assess sources and capabilities that will provide an enhanced data-driven approach to its areas of supervisory focus. Leveraging additional data sources as well as artificial intelligence within the supervisory prioritization process has the potential to allow Bureau analysts to more efficiently and effectively identify risk signals throughout all institutional product lines under the Bureau's supervisory jurisdiction, especially at nondepository institutions that do not have traditional reporting sources and are far larger in number than depository institutions.

Additionally, the Bureau is also researching new supervisory technology tools to ensure it focuses its supervisory resources as effectively as possible, including at nondepository institutions. 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. SEFL also regularly evaluates its current staffing against ongoing workload, anticipated workload, and risks in the consumer financial marketplace.

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

APPENDIX D:

Defined Terms

Abbreviations	Definitions
ACFIN	American Consumer Financial Innovation Network
AES	Annual Employee Survey
AI	Artificial Intelligence
ANPR	Advance Notice of Proposed Rulemaking
APP	Annual Performance Plan
ARC	Academic Research Council
Board	Board of Governors of the Federal Reserve System
Bureau	The Bureau of Consumer Financial Protection
Bureau Fund	Bureau of Consumer Financial Protection Fund
CAB	Consumer Advisory Board
CARES	Coronavirus Aid, Relief and Economic Security Act
CAS Policy	Compliance Assistance Sandbox
CBAC	Community Bank Advisory Council
CIO	Chief Information Officer

Abbreviations	Definitions
CPF	Consumer Financial Civil Penalty Fund
CSIRT	Computer Security Incident Response Team
CUAC	Credit Union Advisory Council
CXO	Chief Experience Officer
DAP	Disability and Accessibility Programs
DICE	Diversity and Inclusion Council of Employees
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act Public Law No. 111-203
ECOA	Equal Credit Opportunity Act
ECP	Examiner Commissioning Program
EEO	Equal Employment Opportunity
EEOC	Equal Employment Opportunity Commission
ERG	Employee Resource Group
ERM	Enterprise Risk Management
ETS	Enterprise Technology Systems
FDCPA	Fair Debt Collection Practices Act
FFIEC	Federal Financial Institutions Examination Council

Abbreviations	Definitions
FHFA	Federal Housing Finance Agency
FISMA	Federal information Security Modernization Act of 2014
FITARA	Federal IT Acquisition Reform Act
FMFIA	Federal Managers' Financial Integrity Act of 1982
FTE	Full-Time Equivalent
FY	Fiscal Year
GAO	Government Accountability Office
GPRAMA	GPRA Modernization Act
HMDA	Home Mortgage Disclosure Act
HSSIP	High School Scholars Internship Program
HUD	Department of Housing and Urban Development
ICAM	Identity Credential and Access Management
IFR	Interim Final Rule
ILSA	Interstate Land Sales Full Disclosure Act of 1968
IPL	Institutions Product Line
MIMM	Misadventures in Money Management

Abbreviations	Definitions
MSEM	Managing Someone Else's Money
NAL Policy	Policy on No-Action Letters
NCES	U.S. Department of Education's National Center for Education Statistics
NICE	National initiative for Cybersecurity Education
NIST	National Institution of Standards and Technology
NPRM	Notice of Proposed Rulemaking
NSMO	National Survey of Mortgage Originations
NTEU	National Treasury Employees Unions
OCM	Organizational Change Management
OCR	Office of Civil Rights
OFLEO	Office of Fair Lending and Equal Opportunity
OHC	Office of Human Capital
OI	Office of Innovation
OIG	Office of Inspector General
OMB	Office of Management and Budget
OMWI	Office of Minority and Women Inclusion

Abbreviations	Definitions
OPM	Office of Personnel Management
OR	Office of Research
OSM	Office of Stakeholder Management
PIV	Personal Identity Verification
POA&Ms	Plans of Action and Milestones
RESPA	Real Estate Settlement Procedures Act
RFA	Regulatory Flexibility Act
RFI	Request for Information
RMR	Division of Research, Markets, and Regulations
SBREFA	Small Business Regulatory Enforcement Fairness Act
SEFL	Supervision, Enforcement, and Fair Lending
SO	System Owner
SRM	Safeguards and Risk Management
T&I	Technology and Innovation
TDP	Trial Disclosure Policy
TDP Policy	Policy to Encourage Trial Disclosure Programs

Abbreviations	Definitions
TILA	Truth in Lending Act
TIRB	Technology Investment Review Board
VITA	Volunteer Income Tax Assistance
YMYG	Your Money Your Goals