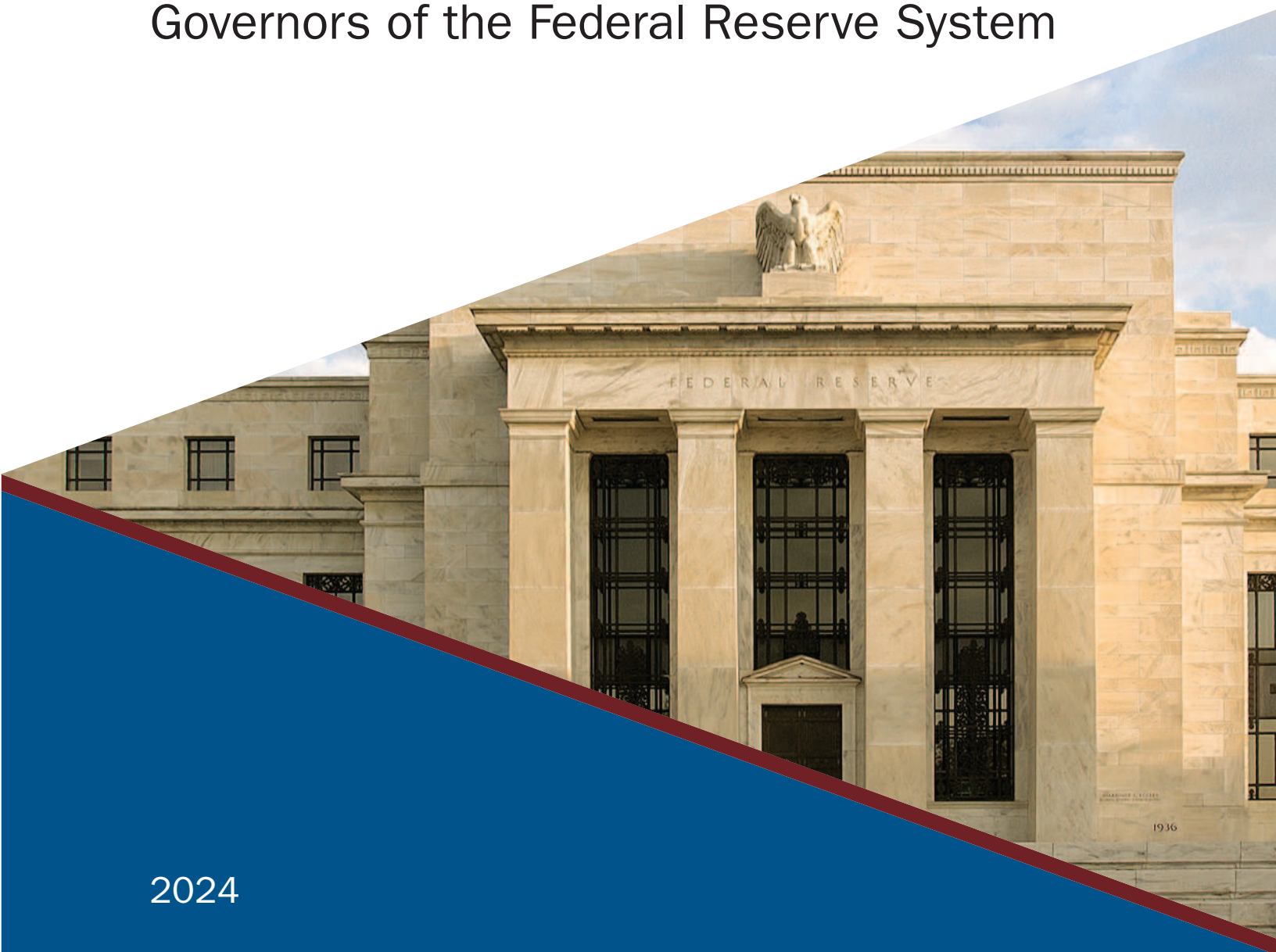




REPORT TO CONGRESS

# 111th Annual Report of the Board of Governors of the Federal Reserve System



2024

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM



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# About the Federal Reserve

The Federal Reserve was created by an act of Congress on December 23, 1913, to provide the nation with a safer, more flexible, and more stable monetary and financial system. In establishing the Federal Reserve System, the United States was divided geographically into 12 Districts, each with a separately incorporated Reserve Bank.

For more information about the Federal Reserve Board and the Federal Reserve System, visit the Board's website at <https://www.federalreserve.gov/aboutthefed/default.htm>. Online versions of the Board's annual report are available at <https://www.federalreserve.gov/publications/annual-report/default.htm>.



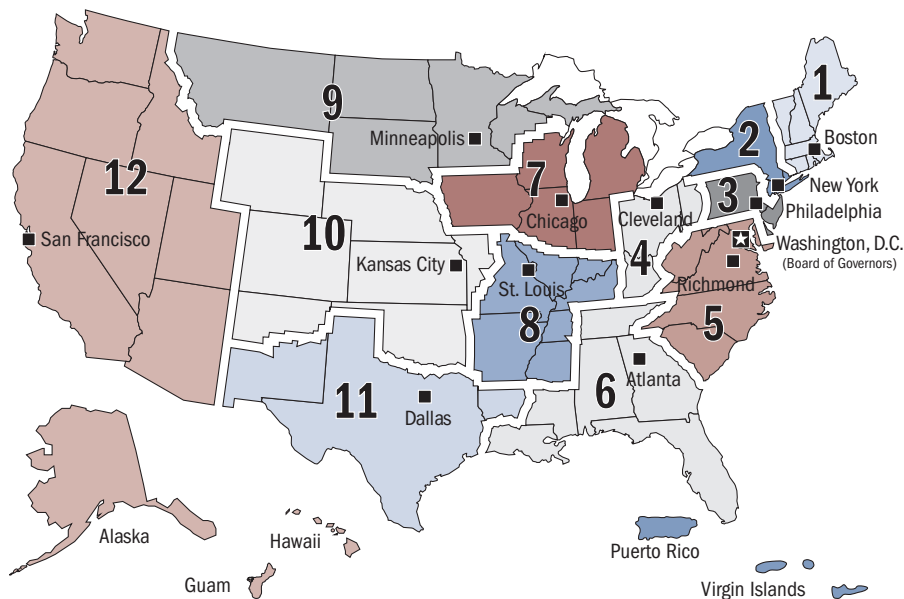
# 1 | Overview

This report covers the calendar-year 2024 operations and activities of the Federal Reserve, the central bank of the United States (see [figure 1.1](#)), categorized in the five key functional areas:

- **Conducting monetary policy and monitoring economic developments.** [Section 2](#) provides adapted versions of the Board’s semiannual Monetary Policy Reports to Congress.
- **Promoting financial system stability.** [Section 3](#) reviews Board and System activities and research undertaken to foster a resilient and stable financial system.
- **Supervising and regulating financial institutions and their activities.** [Section 4](#) summarizes the Board’s efforts related to financial institution oversight and examinations, supervisory policymaking, and regulatory activities and enforcement.
- **Fostering payment and settlement system safety and efficiency.** [Section 5](#) describes actions by the Board and Reserve Banks to promote the effectiveness of the nation’s payment systems, discusses initiatives to promote payment system safety, and provides data on Reserve Bank services and income.
- **Promoting consumer protection and community development.** [Section 6](#) provides information on the Board’s efforts to promote a fair and transparent financial services market for

**Figure 1.1. The Federal Reserve System’s unique structure ensures broad perspective**

The Federal Reserve System consists of 12 Reserve Banks located in major cities throughout the United States, along with a seven-member Board of Governors headquartered in Washington, D.C. See “Federal Reserve System Organization” in [appendix A](#) for more information on the Board and System leadership.



consumers, protect consumer rights, and ensure that Board policies and research take consumer and community perspectives into account.

Additional information for calendar-year 2024 on Federal Reserve leadership, policy actions, budgets as well as historical data and supporting activities can be found in the appendixes:

- [Appendix A](#) lists key officials across the Federal Reserve System
- [Appendix B](#) provides links to the minutes for each of the eight regularly scheduled meetings of the Federal Open Market Committee
- [Appendix C](#) contains information on the Federal Reserve's audited financial statements as well as reviews conducted by the Office of Inspector General and the Government Accountability Office
- [Appendix D](#) presents information on the budgets for the Board and Reserve Banks and on currency-related costs
- [Appendix E](#) summarizes policy actions of the Board of Governors
- [Appendix F](#) lists litigation, both pending and resolved, that the Board of Governors was a party in
- [Appendix G](#) includes statistical tables that provide updated historical data concerning Board and System operations and activities

## 2 | Monetary Policy and Economic Developments

The Federal Reserve conducts the nation's monetary policy to promote maximum employment, stable prices, and moderate long-term interest rates in the U.S. economy. This section reviews U.S. monetary policy and economic developments in 2024, with excerpts and select figures from the *Monetary Policy Report* published in [February 2025](#) and [July 2024](#).<sup>1</sup> The report, submitted semiannually to Congress, is delivered concurrently with testimony from the Federal Reserve Board Chair.<sup>2</sup>

### February 2025 Summary

Inflation moderated a little further last year after having slowed notably in 2023, but it remains somewhat above the Federal Open Market Committee's (FOMC) objective of 2 percent. The labor market appears to have stabilized following a period of easing, with the unemployment rate flattening out at a relatively low level over the second half of last year. Real gross domestic product (GDP) increased solidly last year, supported by strength in consumer spending.

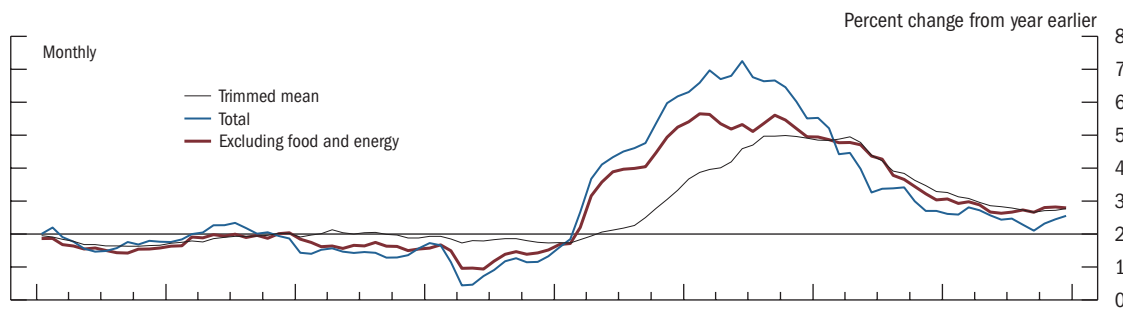
As labor market tightness continued to ease and inflation moderated a bit further, the FOMC lowered the target range for the policy rate by a cumulative 100 basis points over its September, November, and December meetings, bringing it to the current range of 4¼ to 4½ percent. The Federal Reserve has also continued to reduce its holdings of Treasury and agency mortgage-backed securities. The FOMC is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective, and it remains attentive to the risks to both sides of its dual mandate. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.

### Recent Economic and Financial Developments

**Inflation.** After stepping down notably in 2023, consumer price inflation eased a bit more last year, although recent progress has been bumpy and inflation remains somewhat above 2 percent. The price index for personal consumption expenditures (PCE) rose 2.6 percent over the 12 months ending in December, down from a peak of 7.2 percent in 2022 ([figure 2.1](#)). The core PCE price

<sup>1</sup> Those complete reports are available on the Board's website at [https://www.federalreserve.gov/publications/files/20250207\\_mprfullreport.pdf](https://www.federalreserve.gov/publications/files/20250207_mprfullreport.pdf) (February 2025) and [https://www.federalreserve.gov/monetarypolicy/files/20240705\\_mprfullreport.pdf](https://www.federalreserve.gov/monetarypolicy/files/20240705_mprfullreport.pdf) (July 2024).

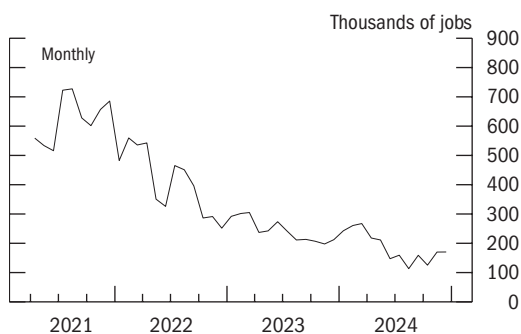
<sup>2</sup> As required by section 2B of the Federal Reserve Act, the Federal Reserve Board submits written reports to Congress that contain discussions of "the conduct of monetary policy and economic developments and prospects for the future."

**Figure 2.1. Personal consumption expenditures price indexes**

Note: The horizontal line indicates the Federal Open Market Committee's objective of 2 percent. The data extend through December 2024.

Source: For trimmed mean, Federal Reserve Bank of Dallas; for all else, Bureau of Economic Analysis; all via Haver Analytics.

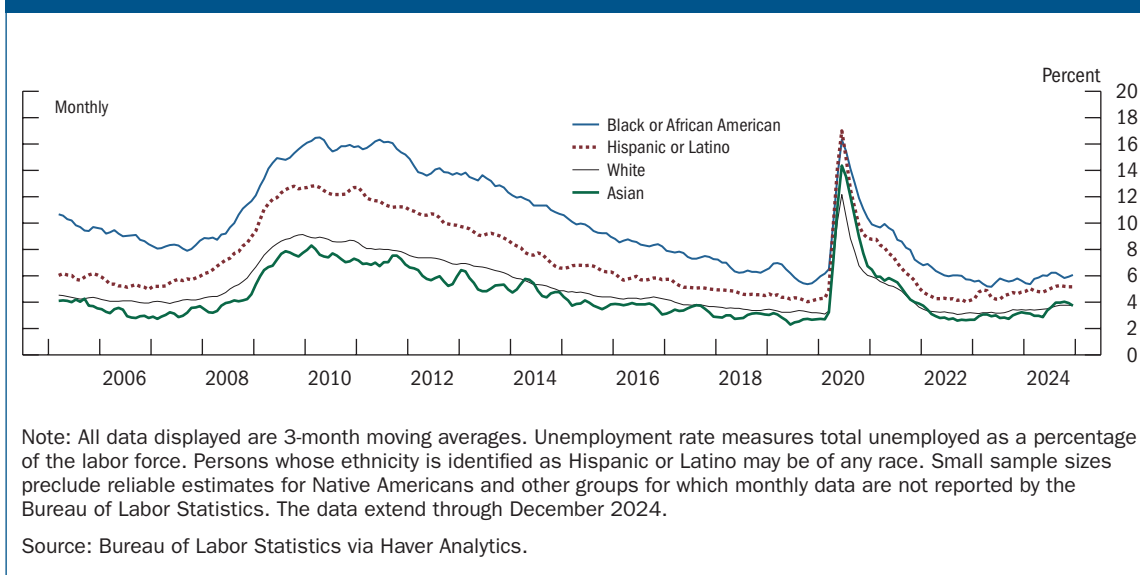
index—which excludes often-volatile food and energy prices and is generally considered a better guide to the future of inflation—rose 2.8 percent last year, only a little less than its increase in 2023, as core services price inflation remained elevated. However, some other approaches to removing the influence of volatile components of inflation, such as the trimmed mean PCE measure produced by the Federal Reserve Bank of Dallas, showed more marked deceleration in prices last year. Measures of longer-term inflation expectations are within the range of values seen in the decade before the pandemic and continue to be broadly consistent with the FOMC's longer-run objective of 2 percent inflation.

**Figure 2.2. Nonfarm payroll employment**

Note: The data shown are a 3-month moving average of the change in nonfarm payroll employment and extend through December 2024.

Source: Bureau of Labor Statistics via Haver Analytics.

**The labor market.** The labor market remains solid and appears to have stabilized after a period of easing ([figure 2.2](#)). The unemployment rate moved up over the first half of last year but was mostly flat thereafter, ending the year at 4.1 percent—still low by historical standards—while job vacancies, which had been trending down, also flattened out over the second half at a solid level ([figure 2.3](#)). As labor demand cooled somewhat further last year, monthly job gains slowed to a moderate pace on average. Labor supply likely increased less robustly than in previous years, with immigration appearing to have slowed over the second half of last year. Given the further

**Figure 2.3. Unemployment rate, by race and ethnicity**

rebalancing of labor demand and supply last year, the labor market no longer appears especially tight. Reflecting this further balancing, nominal wage gains continued to slow in 2024 and are now closer to the pace consistent with 2 percent inflation over the longer term.

**Economic activity.** Real GDP is reported to have increased last year by 2.5 percent, a little slower than in 2023. Consumer spending continued to grow robustly, supported by a solid labor market and rising real wages, while real business fixed investment increased moderately. In the housing market, new home construction was solid but existing home sales remained depressed, with mortgage rates still elevated. In contrast to GDP, manufacturing output was little changed, in part reflecting weak production in interest-sensitive sectors.

**Financial conditions.** Financial conditions continue to appear to be somewhat restrictive on balance. Short-term Treasury yields declined, in line with the easing of monetary policy since September; however, the market-implied path for the federal funds rate over the next year shifted up notably, and long-term Treasury yields increased markedly in the fourth quarter. Broad equity prices continued to increase despite the rise in longer-term Treasury yields, and yields on corporate bonds were little changed, as spreads narrowed. Credit continued to be broadly available to large-to-midsize businesses, most households, and municipalities but remained relatively tight for small businesses and households with lower credit scores. Bank lending to households and businesses continued to decelerate in the second half of 2024, likely reflecting still-elevated interest rates and tight lending standards.

**Financial stability.** The financial system remains sound and resilient. Valuations remained high relative to fundamentals in a range of markets, including those for equity, corporate debt, and

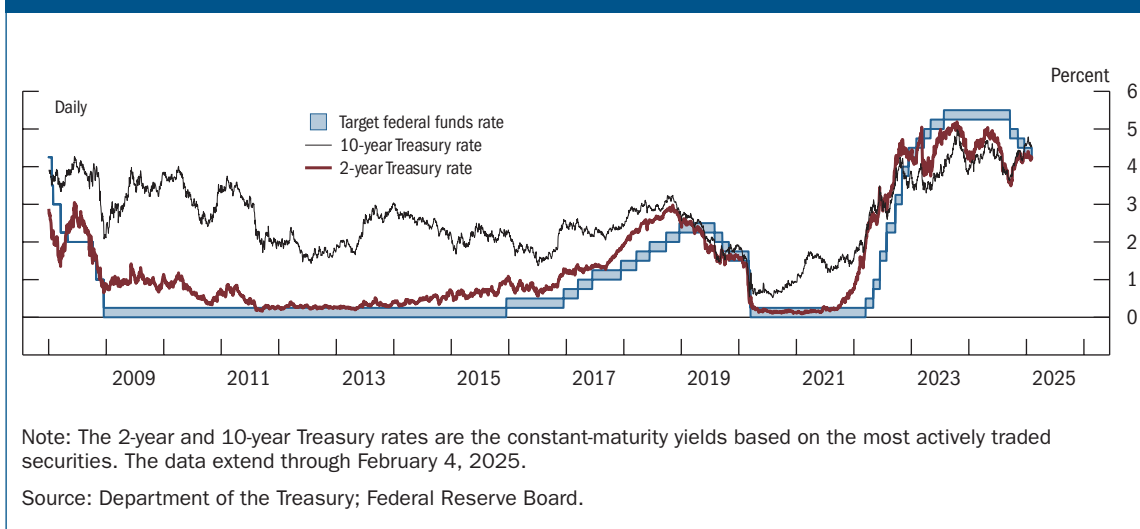
residential real estate. Total debt of households and nonfinancial businesses as a fraction of GDP continued to trend down to a level that is very low relative to that in the past two decades. Most banks continued to report capital levels well above regulatory requirements and have reduced their reliance on uninsured deposits, but fair value losses on fixed-rate assets were still sizable for some banks. In terms of funding risks, while the 2023–24 Securities and Exchange Commission reforms on money market funds (MMFs) have partially mitigated vulnerabilities of prime MMFs, other less regulated short-term investment vehicles remain vulnerable and somewhat opaque, and their assets have been growing. Meanwhile, hedge fund leverage appears to be high and concentrated. (See the box “[Developments Related to Financial Stability](#)” on pages 32–33 of the February 2025 *Monetary Policy Report*.)

**International developments.** Foreign growth remained modest in the second half of 2024. Foreign manufacturing in general was weak, as the cumulative effects of restrictive monetary policy weighed on the sector and, in Europe, energy-intensive industries continued to grapple with elevated energy costs. That said, high-tech manufacturing and exports remained strong in Asia on robust U.S. artificial intelligence (AI) and data center demand. In China, while exports were strong, domestic demand remained sluggish despite stimulus measures to shore up the ailing property sector. Meanwhile, foreign headline inflation continued to decline, but progress on inflation reduction was uneven across economies.

Many foreign central banks cut policy rates further since mid-2024, citing declining inflationary pressures, easing labor markets, and concerns about economic growth. Policymakers generally stressed the importance of maintaining vigilance amid persistent geopolitical risks and, in some economies, still-somewhat-elevated services inflation and wage pressures. Since mid-2024, the trade-weighted exchange value of the U.S. dollar has increased significantly, on net, reflecting widening gaps of U.S. interest rates over those of major advanced foreign economies, the relative strength of the U.S. economy, and political and fiscal developments in some foreign economies.

## Monetary Policy

**Interest rate policy.** After having held the target range for the policy rate at 5¼ to 5½ percent between late July 2023 and mid-September 2024, the FOMC lowered the target range for the policy rate by a cumulative 100 basis points over its September, November, and December meetings, bringing it to the current range of 4¼ to 4½ percent ([figure 2.4](#)). The FOMC’s decision to begin reducing the degree of policy restraint reflected the FOMC’s greater confidence in inflation moving sustainably toward 2 percent and the judgment that it was appropriate to recalibrate the policy stance. The FOMC remains attentive to the risks to both sides of its dual mandate. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.

**Figure 2.4. Selected interest rates**

**Balance sheet policy.** The Federal Reserve has continued the process of significantly reducing its holdings of Treasury and agency securities in a predictable manner. Beginning in June 2022, principal payments from securities held in the System Open Market Account have been reinvested only to the extent that they exceeded monthly caps. Under this policy, the Federal Reserve has reduced its securities holdings by \$297 billion since June 2024, bringing the total reduction in securities holdings since the start of balance sheet reduction to about \$2 trillion. The FOMC has stated that it intends to maintain securities holdings at amounts consistent with implementing monetary policy efficiently and effectively in its ample-reserves regime. To ensure a smooth transition, the FOMC slowed the pace of decline of its securities holdings in June 2024 and intends to stop reductions in its securities holdings when reserve balances are somewhat above the level that the FOMC judges to be consistent with ample reserves.

## Special Topics

**Employment and earnings across groups.** The tight labor market in recent years has been beneficial across all demographics of workers, and many of the disparities in employment and wages by sex, race, ethnicity, education, and geography have narrowed. Over the past year, even as labor market conditions have eased, employment disparities continue to be near their recent lows, while wage growth has remained solid across many groups despite slowing a bit from post-pandemic highs. Even so, in absolute levels, significant disparities in groups remain. (See the box “[Employment and Earnings across Demographic Groups](#)” on pages 11–14 of the February 2025 *Monetary Policy Report*.)

**Strong productivity growth.** Labor productivity in the business sector increased 1.8 percent per year, on average, since the fourth quarter of 2019, stronger than its 1.5 percent average annual pace over the previous expansion. Should this faster pace of productivity growth persist, it can support stronger GDP growth without adding inflationary pressure. Some factors that have boosted productivity growth recently may continue providing support, such as new business formation, which surged early into the pandemic and has remained strong. Other factors may have had more short-lived influences on productivity growth, including a temporary burst in worker reallocation across jobs earlier in the pandemic. Any measured productivity gains from integration of AI technologies into production processes have likely been small so far, but productivity gains may grow as AI use becomes more widespread. (See the box [“Labor Productivity since the Start of the Pandemic”](#) on pages 18–20 of the February 2025 *Monetary Policy Report*.)

**Federal Reserve’s balance sheet and money markets.** The size of the Federal Reserve’s balance sheet has declined since June as the FOMC has continued to reduce its securities holdings. Usage of the overnight reverse repurchase agreement facility decreased further, while reserve balances were little changed. Conditions in money markets remained stable. (See the box [“Developments in the Federal Reserve’s Balance Sheet and Money Markets”](#) on pages 42–44 of the February 2025 *Monetary Policy Report*.)

**Framework review.** The Federal Reserve has begun its periodic public review of the monetary policy framework it uses to pursue its dual-mandate goals of maximum employment and price stability. The review is focused on the FOMC’s Statement on Longer-Run Goals and Monetary Policy Strategy, which articulates the Committee’s approach to monetary policy, and the Committee’s policy communications tools. Like the Federal Reserve’s 2019–20 review of its monetary policy framework, the current review will include outreach and public events attended by policymakers, community leaders, experts from outside the Federal Reserve System, and other members of the public. (See the box [“Periodic Review of Monetary Policy Strategy, Tools, and Communications”](#) on page 45 of the February 2025 *Monetary Policy Report*.)

**Monetary policy rules.** Simple monetary policy rules, which prescribe a setting for the policy interest rate in response to the behavior of a small number of economic variables, can provide useful guidance to policymakers. With inflation easing and the unemployment rate having increased somewhat, the policy rate prescriptions of most simple monetary policy rules have generally declined since 2023. Currently, most of the rules call for levels of the federal funds rate that are within the current target range. (See the box [“Monetary Policy Rules in the Current Environment”](#) on pages 46–48 of the February 2025 *Monetary Policy Report*.)

## July 2024 Summary

Inflation eased notably last year and has shown modest further progress so far this year, but it remains above the Federal Open Market Committee's (FOMC) objective of 2 percent. Job gains have been strong, and the unemployment rate is still low. Meanwhile, as job vacancies continued to decline and labor supply continued to increase, the labor market moved into better balance over the first half of the year. Real gross domestic product (GDP) growth was modest in the first quarter, while growth in private domestic demand remained robust, supported by slower but still-solid increases in consumer spending, moderate growth in capital spending, and a sharp pickup in residential investment.

The FOMC has maintained the target range for the federal funds rate at  $5\frac{1}{4}$  to  $5\frac{1}{2}$  percent since its July 2023 meeting. In addition, the Committee has continued to reduce its holdings of Treasury securities and agency mortgage-backed securities. The Committee does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent. Reducing policy restraint too soon or too much could result in a reversal of the progress on inflation. At the same time, reducing policy restraint too late or too little could unduly weaken economic activity and employment. In considering any adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.

The FOMC is strongly committed to returning inflation to its 2 percent objective. The Committee remains highly attentive to inflation risks and is acutely aware that high inflation imposes significant hardship, especially on those least able to meet the higher costs of essentials.

### Recent Economic and Financial Developments

**Inflation.** Although personal consumption expenditures (PCE) price inflation slowed notably last year and has shown modest further progress this year, it remains above the FOMC's longer-run objective of 2 percent. The PCE price index rose 2.6 percent over the 12 months ending in May, down from the 4.0 percent pace over the preceding 12 months and a peak of 7.1 percent in June 2022. The core PCE price index—which excludes food and energy prices and is generally considered a better guide to the direction of future inflation—also rose 2.6 percent in the 12 months ending in May, down from 4.7 percent a year ago and slower than the 2.9 percent pace at the end of last year. On a 12-month basis, core goods price inflation and housing services price inflation continued to ease over the first part of the year, while core nonhousing services price inflation flattened out after slowing notably last year. Measures of longer-term inflation expectations are within the range of values seen in the decade before the pandemic and continue to be broadly consistent with the FOMC's longer-run objective of 2 percent.

**The labor market.** The labor market continued to rebalance over the first half of this year, and it remained strong. Job gains were solid, averaging 248,000 per month over the first five months of the year, and the unemployment rate remained low. Labor demand has eased, as job openings have declined in many sectors of the economy, and labor supply has continued to increase, supported by a strong pace of immigration. With cooling labor demand and rising labor supply, the unemployment rate edged up to 4.0 percent in May. The balance between labor demand and supply appears similar to that in the period immediately before the pandemic, when the labor market was relatively tight but not overheated. Nominal wage growth continued to slow in the first part of the year but remains above a pace consistent with 2 percent inflation over the longer term, given prevailing trends in productivity growth.

**Economic activity.** Real GDP growth is reported to have moderated in the first quarter after having increased at a robust pace in the second half of last year. Much of the slowdown was due to sizable drags in the volatile categories of net exports and inventory investment; growth in private domestic final purchases—which includes consumer spending, business fixed investment, and residential investment—also moved a little lower in the first quarter but remained solid. Real consumption growth slowed in the first quarter from a strong pace in the second half of last year, reflecting a decline in goods spending. Real business fixed investment grew at a moderate pace in the first quarter despite high interest rates, supported by strong sales growth and improvements in business sentiment and profit expectations. Activity in the housing sector picked up sharply in the first quarter as a result of a jump in existing home sales and rising construction of single-family homes.

**Financial conditions.** Financial conditions appear somewhat restrictive on balance. Treasury yields and the market-implied expected path of the federal funds rate have moved up, on net, since the beginning of the year, while broad equity prices have increased. Credit remains generally available to most households and businesses but at elevated interest rates, which have weighed on financing activity. The pace of bank lending to households and businesses increased in the first five months of the year but continues to be somewhat tepid. Delinquency rates on small business loans stayed slightly above pre-pandemic levels, and delinquency rates for credit cards, auto loans, and commercial real estate loans continued to increase in the first quarter of 2024 to levels above their longer-run averages.

**Financial stability.** The financial system remains sound and resilient. The balance sheets of non-financial businesses and households stayed strong, with the combined credit-to-GDP ratio standing near its two-decade low. Business debt continued to decline in real terms, and debt-servicing capacity remained solid for most public firms, in large part due to strong earnings, large cash buffers, and low borrowing costs on existing debt. However, there were also signs of vulnerabilities building in the financial system. In asset markets, corporate bond spreads narrowed,

equity prices rose faster than expected earnings, and residential property prices remained high relative to market rents. Moreover, in the banking sector, some banks' fair value losses on fixed-rate assets remained sizable, despite most of them continuing to report solid capital levels. Additionally, parts of banks' commercial real estate portfolios are facing stress. Some banks' reliance on uninsured deposits remained high. Even so, liquidity at most domestic banks remained ample, with limited reliance on short-term wholesale funding. Bond mutual funds' exposure to interest rate risk stayed elevated, and data through the third quarter of 2023 show that hedge fund leverage had grown to historical highs, driven primarily by borrowing by the largest hedge funds. (See the box "[Developments Related to Financial Stability](#)" on pages 33–34 of the July 2024 *Monetary Policy Report*.)

**International developments.** Foreign economic activity appears to have improved in the first quarter after a soft patch in the second half of last year. In advanced foreign economies, growth rates returned to moderate levels despite the effects of restrictive monetary policy as lower inflation improved real household incomes. In emerging market economies, growth was supported by a recovery in exports and rising global demand for high-tech products, with the rise in activity in China in the first quarter being particularly outsized. Nonetheless, other factors continued to weigh on economic growth: Data indicated ongoing weakness in China's property sector, and in Europe, energy-intensive sectors continue to struggle, reflecting their ongoing adjustment to past increases in energy prices following Russia's 2022 invasion of Ukraine.

Foreign headline inflation has continued to decline since the middle of last year, but the pace of disinflation has been gradual and uneven across countries and economic sectors. Still, many foreign central banks have noted this progress in lowering inflation, and some have begun to cut their policy rates. A notable exception is Japan, which ended its negative interest rate policy and yield curve control in March amid persistently high inflation. The trade-weighted exchange value of the dollar rose significantly, consistent with widening gaps between U.S. and foreign interest rates.

## Monetary Policy

**Interest rate policy.** The FOMC has maintained the target range for the policy rate at  $5\frac{1}{4}$  to  $5\frac{1}{2}$  percent since its July 2023 meeting. The Committee judges that the risks to achieving its employment and inflation goals have moved toward better balance over the past year. The Committee perceives the economic outlook to be uncertain and remains highly attentive to inflation risks. The Committee has indicated that it does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2 percent. Policy is well positioned to deal with the risks and uncertainties the Committee faces in pursuing both sides of its dual mandate. In considering any adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.

**Balance sheet policy.** The Federal Reserve has continued the process of significantly reducing its holdings of Treasury and agency securities in a predictable manner.<sup>3</sup> Beginning in June 2022, principal payments from securities held in the System Open Market Account have been reinvested only to the extent that they exceeded monthly caps. Under this policy, the Federal Reserve has reduced its securities holdings about \$1.7 trillion since the start of balance sheet reduction. The FOMC has stated that it intends to maintain securities holdings at amounts consistent with implementing monetary policy efficiently and effectively in its ample-reserves regime. To ensure a smooth transition from abundant to ample reserve balances, the FOMC slowed the pace of decline of its securities holdings at the beginning of June and intends to stop reductions when reserve balances are somewhat above the level that the Committee judges to be consistent with ample reserves.

## Special Topics

**Housing services inflation.** The PCE price index for housing services started accelerating in 2021, notably increasing its contribution to core PCE inflation. Because this index calculates average rent for all tenants—both new tenants and existing tenants—its changes tend to lag changes in market rent measures for new leases. Therefore, measures of market rent growth for new leases can help predict future changes in the PCE price index. Since mid-2022, market rents have decelerated and returned to a growth rate similar to or below their average pre-pandemic pace, while the PCE index continues to show elevated inflation, reflecting the gradual pass-through of market rates to existing tenants. As this process continues, PCE housing services inflation should gradually decline, though much uncertainty remains about the extent and timing. (See the box “[Housing Services Inflation and Market Rent Measures](#)” on pages 9–11 of the July 2024 *Monetary Policy Report*.)

**Employment and earnings across groups.** A strong labor market over the past two years has been beneficial across all demographics of workers. Moreover, many of the long-standing disparities in employment and wages by sex, race, ethnicity, and education have narrowed, and some gaps reached historical lows in 2023 and the first half of 2024. However, despite this narrowing, significant disparities in absolute levels across groups remain. (See the box “[Employment and Earnings across Demographic Groups](#)” on pages 16–19 of the July 2024 *Monetary Policy Report*.)

**Monetary policy independence, transparency, and accountability.** Congress has established a statutory framework that specifies the long-run objectives of monetary policy—maximum employment and stable prices—and gives the Federal Reserve operational independence in conducting monetary policy. In this framework, the Federal Reserve makes determinations about the mon-

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<sup>3</sup> See the May 4, 2022, press release regarding the Plans for Reducing the Size of the Federal Reserve’s Balance Sheet, available on the Board’s website at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20220504b.htm>.

etary policy actions that are most appropriate for achieving the dual-mandate goals that Congress has assigned to it. The Federal Reserve recognizes that independence is a trust given to it by Congress and the American people and that with independence comes the need to be transparent about, and accountable for, its monetary policy decisions. Transparency also improves monetary policy's effectiveness. The Federal Reserve promotes transparency by providing information about FOMC decisions through policy communications and a variety of publications. The means by which the Federal Reserve informs the American people about its monetary policy decisions include official FOMC statements, monetary policy reports, and Committee meeting minutes and transcripts, as well as speeches, press conferences, and congressional testimony given by Federal Reserve officials. (See the box "[Monetary Policy Independence, Transparency, and Accountability](#)" on pages 42–44 of the July 2024 *Monetary Policy Report*.)

**Federal Reserve's balance sheet and money markets.** The size of the Federal Reserve's balance sheet has continued to decrease since February as the FOMC has reduced its securities holdings. Reserve balances, the largest liability on the Federal Reserve's balance sheet, and usage of the overnight reverse repurchase agreement facility—another Federal Reserve liability—both declined. (See the box "[Developments in the Federal Reserve's Balance Sheet and Money Markets](#)" on pages 47–49 of the July 2024 *Monetary Policy Report*.)

**Monetary policy rules.** Simple monetary policy rules, which prescribe a setting for the policy interest rate in response to the behavior of a small number of economic variables, can provide useful guidance to policymakers. With inflation easing over the past year, the policy rate prescriptions of most simple monetary policy rules have decreased recently and now call for levels of the federal funds rate that are close to or below the current target range for the federal funds rate. (See the box "[Monetary Policy Rules in the Current Environment](#)" on pages 50–52 of the July 2024 *Monetary Policy Report*.)



## 3 | Financial Stability

The Federal Reserve monitors financial system risks and engages at home and abroad to help ensure that the system supports a healthy economy for U.S. households, communities, and businesses.

In order to maintain a resilient financial system, the Federal Reserve monitors the potential buildup of risks to financial stability; uses such analyses to inform Federal Reserve responses, including the design of stress-test scenarios and decisions regarding other policies; works with other domestic agencies directly and through the Financial Stability Oversight Council (FSOC); and engages with the global community in monitoring, supervision, and regulation efforts that mitigate the risks and consequences of financial instability domestically and abroad.<sup>1</sup>

This section discusses key financial stability activities undertaken by the Federal Reserve over 2024, which include the following:

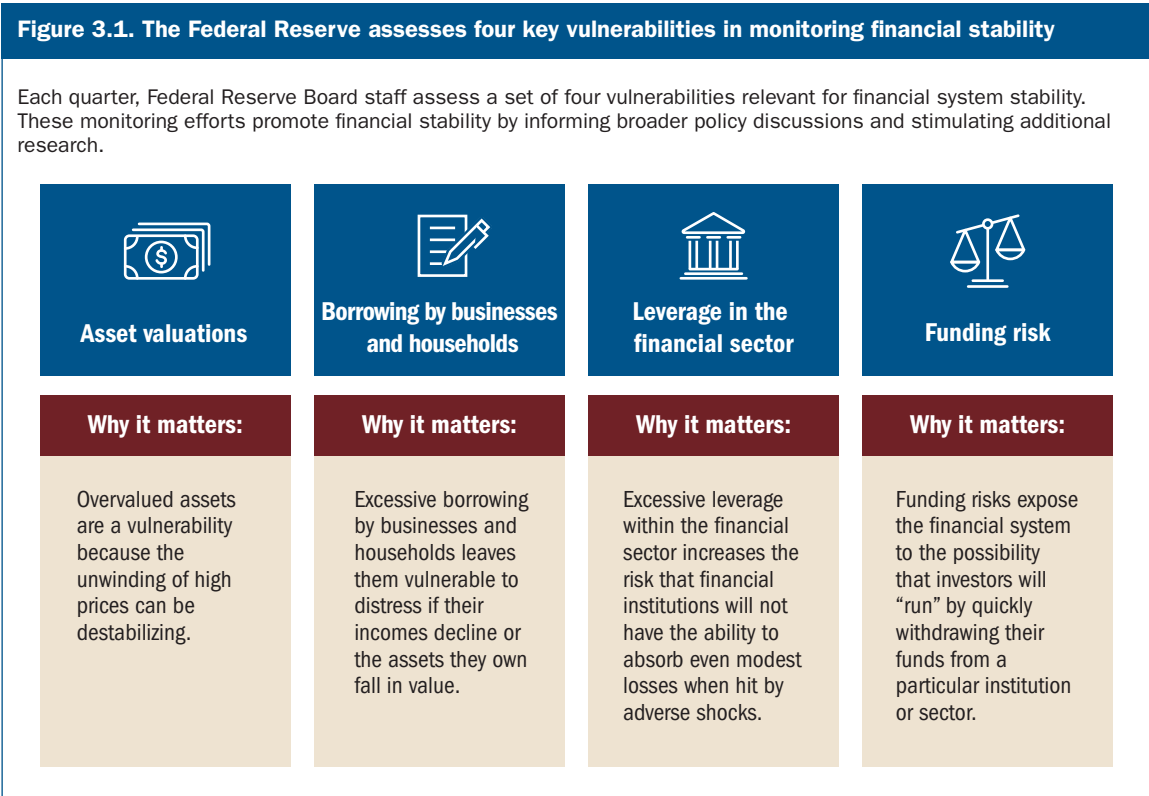
1. [monitoring vulnerabilities](#) that affect financial stability (see [figure 3.1](#) for a summary of key vulnerabilities);
2. promoting a perspective on the supervision and regulation of large, complex financial institutions that accounts for the potential spillovers from distress at such institutions to the financial system and broader economy; and
3. engaging in [domestic and international cooperation and coordination](#).

Periodically, Federal Reserve Board staff comprehensively assess potential vulnerabilities relevant for financial system stability. The results of these comprehensive assessments are communicated to the Board, the Federal Open Market Committee (FOMC), and the public through the *Financial Stability Report* (FSR), the *Monetary Policy Report*, and the FOMC minutes. These monitoring efforts promote financial stability by informing broader policy discussions and stimulating additional research.

Some of these activities are also discussed elsewhere in this annual report. A broader set of economic and financial developments are discussed in [section 2](#), “Monetary Policy and Economic Developments,” with the discussion that follows concerning surveillance of economic and financial developments focused on financial stability. The full range of activities associated with supervision

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<sup>1</sup> For more information on how the Federal Reserve promotes a stable financial system, see the section “Promoting Financial System Stability” in *The Fed Explained: What the Central Bank Does*, available on the Board’s website at <https://www.federalreserve.gov/aboutthefed/files/the-fed-explained.pdf>.



of systemically important financial institutions and designated financial market utilities is discussed in [section 4](#), “Supervision and Regulation.”

## Monitoring Financial Vulnerabilities

This section describes the Federal Reserve’s monitoring of vulnerabilities in the financial system during 2024.

Financial institutions are linked together through a complex set of relationships, and their resilience depends on the economic condition of households and businesses. In turn, the condition of households and businesses hinges on the strength of financial institutions’ balance sheets, as the nonfinancial sector obtains funding through the financial sector. The Federal Reserve’s efforts to measure and monitor risks to financial stability are designed to better understand these complex linkages and are an important part of the Federal Reserve’s efforts to achieve overall economic stability.

A stable financial system, when hit by adverse events, or “shocks,” is able to continue meeting demands for financial services from households and businesses, such as credit provision and payment services. By contrast, in an unstable system, these same shocks are likely to have much

larger effects, disrupting the flow of credit and leading to declines in employment and economic activity.

Consistent with this view of financial stability, the Federal Reserve Board's monitoring framework distinguishes between shocks to and vulnerabilities of the financial system. Shocks, such as sudden changes to financial or economic conditions, are inherently hard to predict. Vulnerabilities tend to build up over time and are the aspects of the financial system that are most expected to cause widespread problems in times of stress. Accordingly, the Federal Reserve maintains a flexible, forward-looking financial stability monitoring program focused on assessing how the level and configuration of those vulnerabilities affect the financial system's resilience to a wide range of potential adverse shocks.

Each quarter, Federal Reserve Board staff assess a set of vulnerabilities relevant for financial stability, including, but not limited to, asset valuation pressures, borrowing by households and businesses, leverage in the financial sector, and funding risk. These monitoring efforts inform discussions concerning policies to promote financial stability, such as monetary policy, payment systems, and supervision and regulation. They also inform Federal Reserve interactions with broader monitoring efforts, such as those by the FSOC and the Financial Stability Board (FSB).

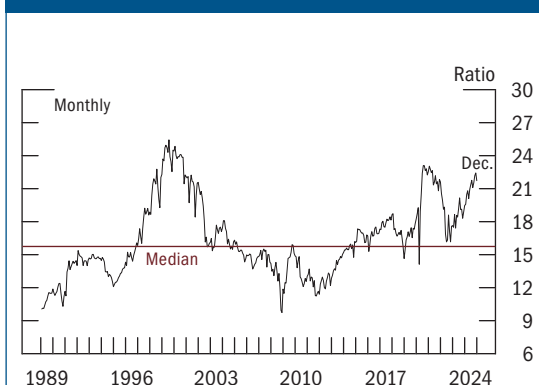
Since 2018, the Federal Reserve Board has also published its FSR, which summarizes the Board's framework for assessing the resilience of the U.S. financial system and presents the Board's current assessment of financial system vulnerabilities.<sup>2</sup> It aims to promote public understanding about Federal Reserve views on this topic and thereby increase transparency and accountability. The Federal Reserve Board provides a shorter summary and update on how conditions related to financial stability have evolved since publication of the previous FSR in the *Monetary Policy Report*. The FSR also complements the annual report of the FSOC, which is chaired by the Secretary of the Treasury and includes the Federal Reserve Chair and other financial regulators.

## Asset Valuation Pressures

When asset prices are high relative to their historical relationship with fundamentals, vulnerabilities related to a rapid decline in price increase. A rapid unwinding of prices can be destabilizing, especially if the assets are widely held and the values are supported by excessive leverage, maturity transformation, or risk opacity. Moreover, stretched asset valuations may be an indicator of a broader buildup in risk-taking.

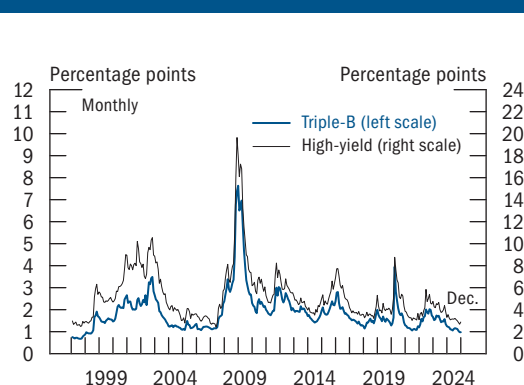
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<sup>2</sup> See Board of Governors of the Federal Reserve System, *Financial Stability Report* (Washington: Board of Governors, April 2024), <https://www.federalreserve.gov/publications/files/financial-stability-report-20240419.pdf>; and Board of Governors of the Federal Reserve System, *Financial Stability Report* (Washington: Board of Governors, November 2024), <https://www.federalreserve.gov/publications/files/financial-stability-report-20241122.pdf>.

**Figure 3.2. Forward price-to-earnings ratio of S&P 500 firms**

Note: The figure shows the aggregate forward price-to-earnings ratio of S&P 500 firms based on expected earnings for 12 months ahead. The median value is 15.7.

Source: Federal Reserve Board staff calculations using Refinitiv, Institutional Brokers' Estimate System estimates.

**Figure 3.3. Corporate bond spreads to similar-maturity Treasury securities**

Note: The triple-B series reflects the option-adjusted spread of the ICE Bank of America Merrill Lynch (BofAML) triple-B U.S. Corporate Index (COA4), and the high-yield series reflects the option-adjusted spread of the ICE BofAML U.S. High Yield Index (H0A0).

Source: ICE Data Indices, LLC, used with permission.

The economy remained strong over 2024, and the economic outlook centered on continued growth. Against this backdrop, valuation pressures remained elevated in a range of markets. Equity prices relative to earnings continued to rise toward the high end of their historical range (figure 3.2). Spreads on corporate bonds and loans remained low relative to their historical distributions (figure 3.3).

Valuation pressures in the residential real estate sector remained elevated. Despite high borrowing costs and tightened lending standards, various house price indexes continued to increase over the year. The price-to-rent ratio remained at the upper end of its historical distribution.

Commercial real estate (CRE) market conditions remain challenging despite some signs of improvement. The pace of declines in CRE prices slowed in 2024, but a substantial volume of office loans and multifamily property loans are set to reprice or mature through 2026.

### Borrowing by Households and Businesses

Excessive borrowing by households and businesses has been an important contributor to past financial crises. A commonly used measure of the financial position of households and businesses is the ratio of the combined total debt of nonfinancial businesses and households relative to gross domestic product (GDP). Growth in nominal GDP outpaced the modest growth in total debt in 2024, leaving the credit-to-GDP ratio close to its lowest level in 20 years (figure 3.4). This

development suggests that, in the aggregate, households and businesses do not appear to have borrowed excessively.

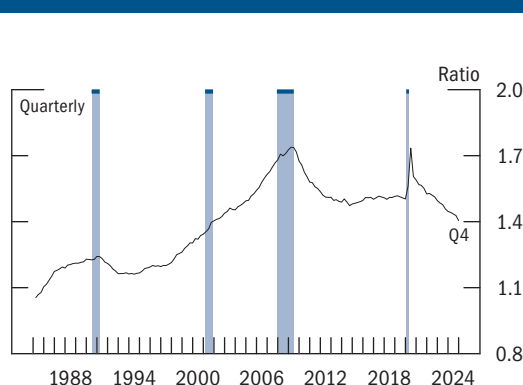
In the business sector, gross leverage—the ratio of debt to assets for all publicly traded nonfinancial firms—remained elevated by historical standards. Net leverage—the ratio of debt less cash to assets—showed a similar trend. The ability of public firms to service their debt, as measured by the interest coverage ratio, remained flat at moderate levels, in part reflecting resilient earnings. The cumulative pass-through of increases in interest rates during 2022 and 2023 remained moderate, reflecting record issuance of fixed-rate corporate bonds—which account for the majority of the debt of public firms—during the pandemic, when interest rates were low. However, businesses with floating-rate obligations have experienced significant increases in interest expenses since 2022.

In the household sector, household debt relative to GDP continued to edge down to a 20-year low. Mortgage debt accounts for roughly three-fourths of total household debt, with new mortgage extensions skewed toward prime borrowers in recent years. Most of the remaining one-fourth of household debt is consumer credit, which consists primarily of student loans, auto loans, and credit card debt. Although the strength of households' balance sheets held up through 2024, credit card and auto delinquency rates remained above historical averages. Meanwhile, lenders have tightened credit standards on those types of loans.

## Leverage in the Financial System

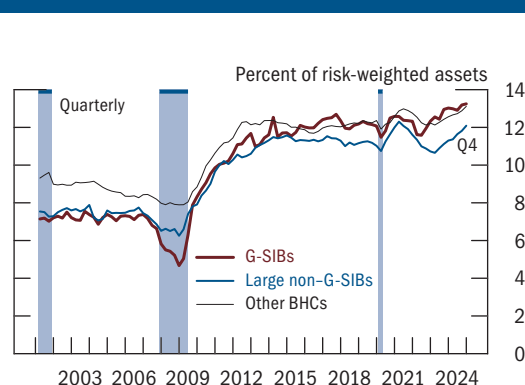
The banking system remained sound and resilient overall in 2024. Common equity tier 1 ratios—regulatory risk-based measures of bank capital adequacy—at the largest banks were near or above the top quartile of their range throughout the past decade (figure 3.5). Nonetheless, fair value losses on fixed-income assets remained sizable at some banks, and delinquency rates on credit cards, auto loans, and some CRE categories remained elevated relative to the pre-pandemic level.

**Figure 3.4. Private nonfinancial-sector credit-to-GDP ratio**



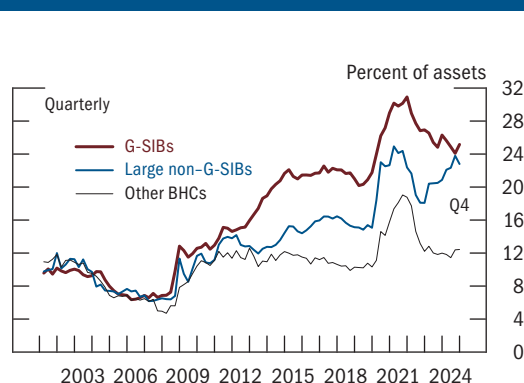
Note: The shaded bars indicate periods of business recession as defined by the National Bureau of Economic Research: July 1990 to March 1991, March 2001 to November 2001, December 2007 to June 2009, and February 2020 to April 2020. GDP is gross domestic product.

Source: Federal Reserve Board staff calculations based on Bureau of Economic Analysis, national income and product accounts, and Federal Reserve Board, Statistical Release Z.1, "Financial Accounts of the United States."

**Figure 3.5. Common equity tier 1 ratio of banks**

Note: The data are seasonally adjusted by Federal Reserve Board staff. Before 2014:Q1, the numerator of the common equity tier 1 ratio is tier 1 common capital for advanced-approaches bank holding companies (BHCs) and intermediate holding companies (IHCs) (before 2015:Q1, for non-advanced-approaches BHCs). Afterward, the numerator is common equity tier 1 capital. G-SIBs are global systemically important U.S. banks. Large non-G-SIBs are other BHCs and IHCs with greater than \$100 billion in total assets that are not G-SIBs. The denominator is risk-weighted assets. The shaded bars indicate periods of business recession as defined by the National Bureau of Economic Research: March 2001 to November 2001, December 2007 to June 2009, and February 2020 to April 2020.

Source: Federal Reserve Board, Form FR Y-9C, Consolidated Financial Statements for Holding Companies.

**Figure 3.6. Liquid assets held by banks**

Note: Liquid assets are cash plus estimates of securities that qualify as high-quality liquid assets as defined by the liquidity coverage ratio requirement. Some discounts and restrictions on Level 2 assets are incorporated into the estimate. G-SIBs are global systemically important U.S. banks. Large non-G-SIBs are other bank holding companies (BHCs) and intermediate holding companies with greater than \$100 billion in total assets.

Source: Federal Reserve Board, Form FR Y-9C, Consolidated Financial Statements for Holding Companies.

Outside the banking sector, leverage at large life insurance companies in 2024 remained above its historical average, and those insurers continued to allocate a substantial share of assets to less liquid instruments. Based on a number of measures, leverage at hedge funds during 2024 was near the top of its historical range, as the Treasury cash-futures basis trade continued to be near historical highs. The volatility spike in August 2024 appeared to be related to some hedge funds having to deleverage their positions to meet internal volatility targets. The event led to a deterioration in liquidity across a broad range of markets, but market conditions quickly recovered. Nevertheless, this event showed how high leverage can amplify adverse shocks.

## Funding Risk

Overall, banks' liquidity positions remained ample compared with the risk of their funding structures. High-quality liquid assets measured relative to total assets were still at or above pre-pandemic levels at most banks during 2024 (figure 3.6). During the March 2023 banking-sector stresses, high reliance on funding from uninsured deposits was a key vulnerability among some of

the most affected banks. Since then, the share of uninsured deposits relative to total bank funding has decreased for most banks, especially at those that previously relied heavily on uninsured deposits.

Outside the banking sector, assets under management (AUM) of money market funds (MMFs) continued to increase in 2024, as MMFs continued to provide more attractive yields relative to most bank deposits. However, the level of institutional prime MMFs remained below levels 10 years ago. Combined AUM in other cash-management vehicles—such as offshore prime MMFs, short-term investment funds, private liquidity funds, and ultrashort bond funds—continued to increase and remained at a historically high level.

## Financial Stability Cooperation and Coordination

The Federal Reserve continued its engagement with both domestic and international institutions in 2024 to promote U.S. financial stability.

### Financial Stability Oversight Council Activities

As mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act, the FSOC was created in 2010. The FSOC is chaired by the Secretary of the Treasury and includes the Chair of the Board of Governors of the Federal Reserve System as one of its 10 voting members. The FSOC established an institutional framework for identifying and responding to sources of systemic risk. Through collaborative participation in the FSOC, U.S. financial regulators monitor not only institutions, but also the financial system as a whole. The Federal Reserve, in conjunction with other participants, assists in monitoring financial risks, analyzing the implications of those risks for financial stability, and identifying steps that can be taken to mitigate those risks. In addition, if the FSOC designates an institution as systemically important, the Federal Reserve assumes responsibility for supervising that institution. Federal Reserve staff regularly contribute to FSOC committees, working groups, and initiatives and brief principals on the Federal Reserve's key conclusions.

The FSOC's 2024 annual report reviewed significant financial market developments, described potential emerging threats to U.S. financial stability, identified vulnerabilities in the financial system, and made recommendations to mitigate them.<sup>3</sup>

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<sup>3</sup> See Financial Stability Oversight Council, *Annual Report* (Washington: FSOC, 2024), <https://home.treasury.gov/system/files/261/FSOC2024AnnualReport.pdf>.

**Financial Stability Board Activities**

In light of the interconnected global financial system and the global activities of large U.S. financial institutions, the Federal Reserve participates in international bodies, such as the FSB. The FSB monitors the global financial system and promotes international financial stability by coordinating with national financial authorities and international standard-setting bodies on information exchanges and work focused on developing strong global financial-sector policies.

## 4 | Supervision and Regulation

The Federal Reserve promotes a safe, sound, and efficient banking and financial system that supports the growth and stability of the U.S. economy. The Federal Reserve carries out its supervisory and regulatory responsibilities and supporting functions primarily by

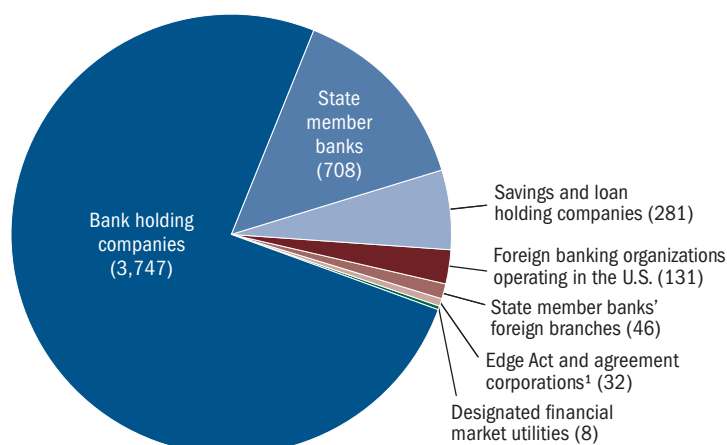
- **supervising the activities of financial institutions** to promote their safety and soundness (see [figure 4.1](#));
- **developing regulatory policy** (rulemakings, supervision and regulation letters, policy statements, and guidance) and acting on applications filed by banking organizations; and
- **monitoring trends in the banking sector** by collecting and analyzing data (see [box 4.1](#)).

### Box 4.1. Banking Sector Conditions

For information on banking sector conditions, see the *Supervision and Regulation Report*, which is generally submitted semiannually to the Senate Committee on Banking, Housing, and Urban Affairs and to the House Committee on Financial Services. The reports are available on the Board's website at <https://www.federalreserve.gov/publications/supervision-and-regulation-report.htm>.

**Figure 4.1. The Federal Reserve oversees a broad range of financial entities**

Bank holding companies constitute the largest segment of institutions supervised by the Federal Reserve, but the Federal Reserve also supervises state member banks, savings and loan holding companies, foreign banks operating in the United States, and other entities. See “[Supervised and Regulated Institutions](#)” in this section.



<sup>1</sup> Edge Act and agreement corporations are subsidiaries of banks or bank holding companies, organized to allow international banking and financial business.

## Supervised and Regulated Institutions

The Federal Reserve categorizes banking organizations into portfolios by size and entity type, as described in [table 4.1](#).

### State Member Banks

At year-end 2024, a total of 1,402 banks (excluding non-depository trust companies and private banks) were members of the Federal Reserve System, of which 708 were state chartered. Federal Reserve System member banks operated 47,434 branches, accounting for 35 percent of all commercial banks in the United States and 70 percent of all commercial banking offices. State-chartered commercial banks that are members of the Federal Reserve, commonly referred to as state member banks, represented approximately 18 percent of all insured U.S. commercial banks and held approximately 18 percent of all insured commercial bank assets in the United States.

**Table 4.1. Summary of supervised institutions (as of December 31, 2024)**

Portfolio	Definition	Number of institutions	Total assets (\$ trillions)
<b>Community banking organizations (CBOs)</b>	<b>Total assets less than \$10 billion</b>	<b>3,408*</b>	<b>3.0</b>
State member banks (SMBs)	SMBs within CBO organizations	651	0.6
<b>Regional banking organizations (RBOs)</b>	<b>Total assets between \$10 billion and \$100 billion</b>	<b>105**</b>	<b>3.0</b>
SMBs	SMBs within RBO organizations	43	1.2
<b>Large and foreign banking organizations (LFBs)</b>	<b>Non-LISCC U.S. firms with total assets \$100 billion and greater and foreign banking organizations (FBOs)</b>	<b>172</b>	<b>10.4</b>
Large banking organizations (LBOs)	Non-LISCC U.S. firms with total assets \$100 billion and greater	18	5.1
Large FBOs (with intermediate holding companies (IHC))	FBOs with combined U.S. assets \$100 billion and greater	11	3.1
Large FBOs (without IHC)	FBOs with combined U.S. assets \$100 billion and greater	6	1.0
Small FBOs (excluding rep offices)	FBOs with combined assets less than \$100 billion	105	1.2
Small FBOs (rep offices)	FBO U.S. representative offices	32	0.0
SMBs	SMBs within LFB organizations	10	1.1
<b>Large Institution Supervision Coordinating Committee (LISCC)</b>	<b>Eight U.S. global systemically important banks (G-SIBs)</b>	<b>8</b>	<b>15.2</b>
SMBs	SMBs within LISCC organizations	4	1.2
<b>Insurance and commercial savings and loan holding companies (SLHCs)</b>	<b>SLHCs primarily engaged in insurance or commercial activities</b>	<b>5 insurance 3 commercial</b>	<b>0.5</b>
* Includes 3,360 holding companies and 48 state member banks that do not have holding companies.			
** Includes 103 holding companies and 2 state member banks that do not have holding companies.			

## Bank Holding Companies

At year-end 2024, a total of 3,747 U.S. bank holding companies (BHCs) were in operation, of which 3,362 were top-tier BHCs. These organizations controlled 3,421 insured commercial banks and held approximately 95 percent of all insured commercial bank assets in the United States.

BHCs that meet certain capital, managerial, and other requirements may elect to become financial holding companies (FHCs). FHCs can generally engage in a broader range of financial activities than other BHCs. As of year-end 2025, a total of 497 domestic BHCs and 46 foreign banking organizations (FBOs) had FHC status. Of the domestic FHCs, 23 had consolidated assets of \$100 billion or more; 59 between \$10 billion and \$100 billion; 190 between \$1 billion and \$10 billion; and 225 less than \$1 billion.

## Savings and Loan Holding Companies

At year-end 2024, a total of 281 savings and loan holding companies (SLHCs) were in operation, of which 146 were top-tier SLHCs. These SLHCs controlled 153 depository institutions. Approximately 97 percent of SLHCs engage primarily in depository or broker-dealer activities. These firms hold approximately 63 percent (\$853.8 billion) of the total combined assets of all SLHCs. The Office of the Comptroller of the Currency (OCC) or the Federal Deposit Insurance Corporation (FDIC) is the primary federal regulator for subsidiary savings associations of SLHCs. Some SLHCs are engaged primarily in nonbanking activities, such as insurance underwriting (five SLHCs) and commercial activities (three SLHCs). The 25 largest SLHCs accounted for almost \$1.3 trillion of total combined assets.

## Supervised Insurance Organizations

At year-end 2024, the Federal Reserve supervised five companies that own depository institutions and are significantly engaged in insurance activities (supervised insurance organizations). All five of these institutions were SLHCs, although one has made the covered savings association election and is therefore treated as a BHC. As of December 31, 2024, they had approximately \$450 billion in total assets. Two of these firms have total assets greater than \$100 billion, and insured depository assets represent less than half of total assets for four of the five supervised insurance organizations. Supervision of these insurance organizations follows the risk-based approach described in supervision and regulation (SR) letter 22-8, “Framework for the Supervision of Insurance Organizations.”

## Financial Market Utilities

Financial market utilities (FMUs) manage or operate multilateral systems for the purpose of transferring, clearing, or settling payments, securities, or other financial transactions among financial institutions or between financial institutions and the FMU. The Federal Reserve supervises FMUs

that are chartered as member banks or Edge Act corporations, and coordinates with other federal banking supervisors to supervise FMUs considered bank service providers under the Bank Service Company Act.

In July 2012, the Financial Stability Oversight Council (FSOC) voted to designate eight FMUs as systemically important under title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). As a result of these designations, the Board assumed an expanded set of responsibilities related to these designated FMUs that includes promoting uniform risk-management standards, playing an enhanced role in the supervision of designated FMUs, reducing systemic risk, and supporting the stability of the broader financial system. For certain designated FMUs, the Board established risk-management standards and expectations that are articulated in the Board's Regulation HH.

In addition to setting minimum risk-management standards, Regulation HH establishes advance notice requirements for proposed material changes to the rules, procedures, or operations of a designated FMU for which the Board is the supervisory agency under title VIII. Finally, Regulation HH also establishes minimum conditions and requirements for a Federal Reserve Bank to establish and maintain an account for, and provide services to, a designated FMU.<sup>1</sup> Where the Board is not the title VIII supervisory agency, the Federal Reserve works closely with the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission to promote robust FMU risk management and monitor systemic risks across the designated FMUs.

In March 2024, the Board approved a final rule that updates operational risk-management requirements in Regulation HH. The final updates provide additional clarity and specificity to existing requirements in four key areas of operational risk management: (1) incident management and notification, (2) business continuity management and planning, (3) third-party risk management, and (4) review and testing of operational risk-management measures.

## International Activities

**Foreign operations of U.S. banking organizations.** At the end of 2024, a total of 26 member and nonmember banks were operating 243 branches in foreign countries and overseas areas of the United States. Ten national banks were operating 190 of these branches, 11 state member banks were operating 42 of these branches, and 5 nonmember banks were operating the remaining 11.

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<sup>1</sup> The Federal Reserve Banks maintain accounts for and provide services to several designated FMUs.

**Edge Act and agreement corporations.** At year-end 2024, out of 32 banking organizations chartered as Edge Act or agreement corporations, 3 such organizations operated 6 Edge Act and agreement branches. These corporations are examined annually.

**U.S. activities of foreign banks.** As of September 30, 2024, 131 foreign banks from 47 countries operated U.S. banking offices. These banking offices included 135 state-licensed branches and agencies, of which 6 were insured by the FDIC, and 49 OCC-licensed branches and agencies, of which 4 were insured by the FDIC. These foreign banks also owned 6 Edge Act and agreement corporations. In addition, they held a controlling interest in 33 U.S. commercial banks. Altogether, the U.S. offices of these foreign banks controlled approximately 16.4 percent of U.S. commercial banking assets. These 131 foreign banks also operated 91 representative offices; an additional 33 banks operated in the United State through a representative office.

The Federal Reserve conducted or participated with state and federal regulatory authorities in 678 examinations of foreign banks in 2024.

## Supervisory Developments

### Supervisory Activities

Efforts noted in the following sections reflect work completed by the Federal Reserve in 2024 exclusively.

The Federal Reserve's supervision activities include examinations and inspections to help ensure that financial institutions operate in a safe and sound manner and comply with laws and regulations, including with certain ones relating to consumer protection. These include an assessment of a financial institution's risk-management systems, financial conditions, governance and controls, and compliance. The Federal Reserve tailors its supervisory approach based on the size and complexity of firms. Supervisory oversight ranges from a continuous supervisory presence with dedicated teams of examiners for large firms to regular point-in-time and targeted periodic examinations for small, noncomplex firms.

Supervisory priorities are focused on core and material financial risks, previously identified supervisory findings, and emerging concerns arising from changing economic conditions. Examiners monitor and assess a supervised institution's remediation of supervisory findings in areas, such as independent risk management and controls, compliance, operational and cyber resilience, and information technology.

In 2024, the Federal Reserve conducted 316 examinations of state member banks, 2,894 inspections of bank holding companies, and 120 inspections of savings and loan holding companies.

Tables 4.2 and 4.3 provide information on examinations and inspections conducted by the Federal Reserve during the past five years.

**Table 4.2. Savings and loan holding companies, 2020–24**

Entity/item	2024	2023	2022	2021	2020
<b>Top-tier savings and loan holding companies</b>					
<i>Assets of more than \$1 billion</i>					
Total number	48	48	50	47	50
Total assets (billions of dollars)	1,326	1,334	1,741	1,856	2,026
Number of inspections	46	51	50	63	55
By Federal Reserve System	46	51	50	63	55
<i>Assets of \$1 billion or less</i>					
Total number	98	100	102	107	119
Total assets (billions of dollars)	38	39	36	37	39
Number of inspections	67	69	74	78	91
By Federal Reserve System	67	69	74	78	91

**Table 4.3. State member banks and bank holding companies, 2020–24**

Entity/item	2024	2023	2022	2021	2020
<b>State member banks</b>					
Total number	708	706	701	705	734
Total assets (billions of dollars)	4,174	3,894	3,997	4,016	3,568
Number of examinations	540	559	524	471	502
By Federal Reserve System	327	316	289	288	263
By state banking agency	213	243	235	183	239
<b>Top-tier bank holding companies</b>					
<i>Assets of more than \$1 billion</i>					
Total number	844	824	809	795	746
Total assets (billions of dollars)	26,495	25,979	25,275	25,185	23,811
Number of inspections	1,029	1,051	966	996	875
By Federal Reserve System <sup>1</sup>	956	989	891	919	814
By state (or other) banking agency	73	62	75	77	61
<i>Assets of \$1 billion or less</i>					
Total number	2,552	2,613	2,672	2,762	2,887
Total assets (billions of dollars)	875	886	883	900	883
Number of inspections	1,765	1,694	1,768	1,801	1,967
By Federal Reserve System	1,640	1,589	1,699	1,727	1,890
By state (or other) banking agency	125	106	69	74	77
<b>Financial holding companies</b>					
Domestic	497	502	505	504	502
Foreign	46	45	46	45	44

<sup>1</sup> For bank holding companies subject to continuous, risk-focused supervision, includes multiple targeted reviews.

## ***Specialized Examinations***

The Federal Reserve conducts specialized examinations of supervised financial institutions in the areas of capital planning and stress testing, fiduciary activities, transfer agent activities, government and municipal securities dealing and brokering, Bank Secrecy Act and anti-money laundering, operational resilience, information technology, cybersecurity, and shared national credits, among other things.

### **Capital Planning and Stress Testing**

Since the 2007–09 financial crisis, the Federal Reserve has instituted supervisory stress testing to strengthen capital positions of the largest banking organizations. In March 2020, the Board integrated the supervisory stress test with its non-stress capital requirements through the stress capital buffer.

In June 2024, the Federal Reserve released the results of its annual stress test, which showed that the large banking firms tested had sufficient levels of capital and could continue lending to households and businesses during a severe recession. In August 2024, the Federal Reserve announced the individual capital requirements for large banks, which include the stress capital buffer requirement based on the results of the 2024 stress test. These requirements became effective as of October 1, 2024.

The Federal Reserve also published an exploratory analysis of risks to the banking system.<sup>2</sup> The exploratory analysis offered further insight into the resilience of the U.S. banking system by providing information about vulnerabilities of the financial system under a wider range of stresses than the supervisory stress test. Consistent with the nature of an exploratory exercise, the exploratory analysis did not contribute to the capital requirements set by the 2024 stress test. For stress testing publications released in 2024, see [box 4.2](#).

In December 2024, the Board notified the public that it would soon seek public comment on significant changes to improve transparency of the stress test and reduce the volatility of the resulting capital buffer requirements.<sup>3</sup> The announcement noted the Board's intention to propose changes that include, but are not limited to, disclosing and seeking public comment on all of the models that determine the hypothetical losses and revenues of banks under stress; averaging results over two years to reduce the year-over-year changes in the capital requirements that result from the stress test; and ensuring that the public can comment on the hypothetical scenarios used annually for the test, before the scenarios are finalized.

<sup>2</sup> The exploratory analysis included four elements: bank funding stress under moderate and severe stagflation, and two exploratory market shocks with different interest rate movements and a hedge fund default component.

<sup>3</sup> For more information, see Board of Governors of the Federal Reserve System, "Due to Evolving Legal Landscape & Changes in the Framework of Administrative Law, Federal Reserve Board Will Soon Seek Public Comment on Significant Changes to Improve Transparency of Bank Stress Tests & Reduce Volatility of Resulting Capital Requirements," press release, December 23, 2024, <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241223a.htm>.

### Box 4.2. Stress Testing Publications Released in 2024

More details on the 2024 stress test scenarios are available at <https://www.federalreserve.gov/publications/files/2024-stress-test-scenarios-20240215.pdf>.

More details on the 2024 exploratory analysis parameters are available at <https://www.federalreserve.gov/publications/files/exploratory-analysis-of-risks-to-the-banking-system-20240215.pdf>.

More details on the 2024 stress test model methodologies are available at <https://www.federalreserve.gov/publications/files/2024-march-supervisory-stress-test-methodology.pdf>.

More details on the 2024 stress test results are available at <https://www.federalreserve.gov/publications/files/2024-dfast-results-20240626.pdf>.

More details on the 2024 exploratory analysis results are available at <https://www.federalreserve.gov/publications/files/exploratory-analysis-results-20240626.pdf>.

More details on the stress capital buffer requirements published in 2024 are available at <https://www.federalreserve.gov/publications/files/large-bank-capital-requirements-20240828.pdf>.

### Fiduciary Activities

In 2024, Federal Reserve examiners conducted 79 fiduciary examinations of state member banks and non-depository trust companies.

### Transfer Agents

During 2024, the Federal Reserve conducted transfer agent examinations at two state member banks and one BHC, each of which were registered as transfer agents.

### Government and Municipal Securities Dealers and Brokers

The Federal Reserve is responsible for examining state member banks and foreign banks for compliance with the Government Securities Act of 1986 and with the U.S. Treasury regulations governing dealing and brokering in government securities. During 2024, the Federal Reserve conducted five examinations of government securities activities at these organizations.

The Federal Reserve is also responsible for ensuring that state member banks and BHCs that act as municipal securities dealers comply with the Securities Act Amendments of 1975. Municipal securities dealers are examined, pursuant to the Municipal Securities Rulemaking Board's rule G-16, at least once every two calendar years. During 2024, the Federal Reserve examined three entities that dealt in municipal securities.

### Bank Secrecy Act and Anti-Money-Laundering Compliance

The Federal Reserve is responsible for examining institutions for compliance with the Bank Secrecy Act (BSA) and applicable anti-money-laundering (AML) laws and regulations and conducts

examinations in accordance with the Federal Financial Institutions Examination Council's (FFIEC) *Bank Secrecy Act/Anti-Money-Laundering Examination Manual*. During 2024, the Federal Reserve continued to participate in an ongoing interagency effort to update this manual. Many of the revisions are designed to emphasize and enhance the risk-focused approach to BSA/AML supervision and to continue to provide transparency into the BSA/AML and Office of Foreign Assets Control examination process.

To implement a significant part of the Anti-Money-Laundering Act of 2020 (AML Act), Financial Crimes Enforcement Network (FinCEN) and the federal banking agencies issued proposed rules in 2024 to amend AML/CFT program requirements for financial institutions.<sup>4</sup>

The Federal Reserve continued to participate in the U.S. Treasury-led BSA Advisory Group, which includes representatives of regulatory agencies, law enforcement, and the financial services industry.

### **Operational Resilience, Information Technology, and Cybersecurity**

Effective operational risk management and resilience are vital to the safety and soundness of financial institutions and the stability of the U.S. financial system.<sup>5</sup> The Federal Reserve examines and monitors supervised institutions for operational risks as part of its safety and soundness supervision. For example, in 2024

- Federal Reserve examiners, in close coordination with the other federal banking agencies, conducted examinations of information technology (IT) activities (inclusive of cyber risk-management activities) and targeted cybersecurity assessments of the large financial institutions, and service providers.
- Federal Reserve examiners also conducted tailored cybersecurity assessments at community and regional banking organizations.
- Under the authority of the Bank Service Company Act, the federal banking agencies examined regulated technology service providers that provide services subject to the Act for their regulated client financial institutions.
- Examiners also conducted a coordinated review of the IT and cybersecurity activities of supervised insurance organizations.

The Federal Reserve collaborated with other financial regulators, U.S. Treasury, and private industry to promote effective safeguards against operational and cyber risks to the financial services

<sup>4</sup> See Anti-Money Laundering and Countering the Financing of Terrorism Programs, 89 Fed. Reg. 55,428 (proposed July 3, 2024), <https://www.federalregister.gov/documents/2024/07/03/2024-14414/anti-money-laundering-and-countering-the-financing-of-terrorism-programs> and Anti-Money Laundering and Countering the Financing of Terrorism Program Requirements, 89 Fed. Reg. 65,242 (proposed August 9, 2024), <https://www.federalregister.gov/documents/2024/08/09/2024-16546/anti-money-laundering-and-countering-the-financing-of-terrorism-program-requirements>.

<sup>5</sup> Operational risk management includes risk management of information technology, cyber, and third-party risks.

sector and its critical infrastructure. This included contributions to the FFIEC's Information Technology Subcommittee and Cybersecurity and Critical Infrastructure Subcommittee, the Financial and Banking Information Infrastructure Committee (FBIIIC), the Cybersecurity Forum for Independent and Executive Branch Regulators, the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency's Cyber Incident Reporting Council, and Cyber Incident Reporting for Critical Infrastructure Act-related deliberations. The Federal Reserve, together with the other members of the FBIIIC and the Financial Services Sector Coordinating Council, collaborated on financial sector resilience initiatives, including participation in the Cloud Executive Steering Group.<sup>6</sup>

The Board led or contributed to cybersecurity activities undertaken by various international groups. Board staff continued to participate in the work of the Financial Stability Board (FSB) to address current and emerging operational risks. This resulted in the publication of the policy documents, *Final Report on Enhancing Third-Party Risk Management and Oversight: A Toolkit for Financial Institutions and Financial Authorities* and *Recommendations to Achieve Greater Convergence in Cyber Incident Reporting: Final Report*.<sup>7</sup>

### **Complex Bank-Fintech Arrangements**

There has been an increase in the number and complexity of banks' arrangements with nonbank entities, such as financial technology companies that provide access to, or facilitate the provision of, banking products and services to customers (bank-fintech arrangements). Bank-fintech arrangements have the potential to increase competition and efficiency by enabling banking organizations to meet evolving customer expectations, deploy products and services to the market more effectively, and access new or expanded customers and resources.

In July 2024, the agencies published a joint statement on arrangements with third parties to deliver bank deposit products and services (statement).<sup>8</sup> The statement notes potential risks related to such arrangements and highlights examples of risk-management practices by banks to manage such risks. The agencies contemporaneously issued a request for information (RFI) on bank-fintech arrangements.<sup>9</sup> The RFI sought information on a broad range of such arrangements, including with respect to deposit, payment, and lending products and services. Commenters offered valuable insights on these arrangements' risks and effective practices.

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<sup>6</sup> See U.S. Department of the Treasury, "U.S. Department of the Treasury Kicks Off Public-Private Executive Steering Group to Address Cloud Report Recommendations," news release, May 25, 2023, <https://home.treasury.gov/news/press-releases/jy1503>. The Federal Reserve and other members of the FBIIIC contributed to a Treasury report that assesses the opportunities and challenges the financial sector faces by adopting cloud-based technologies, in which this working group was first announced.

<sup>7</sup> See Financial Stability Board, *Final Report on Enhancing Third-Party Risk Management and Oversight – A Toolkit for Financial Institutions and Financial Authorities* (Basel: FSB, December 2023), <https://www.fsb.org/2023/12/final-report-on-enhancing-third-party-risk-management-and-oversight-a-toolkit-for-financial-institutions-and-financial-authorities/> and *Recommendations to Achieve Greater Convergence in Cyber Incident Reporting: Final Report* (Basel: FSB, April 2023), <https://www.fsb.org/2023/04/recommendations-to-achieve-greater-convergence-in-cyber-incident-reporting-final-report/>.

<sup>8</sup> See <https://www.federalreserve.gov/supervisionreg/srletters/SR2405.htm>.

<sup>9</sup> See <https://www.federalregister.gov/documents/2024/07/31/2024-16838/request-for-information-on-bank-fintech-arrangements-involving-banking-products-and-services>.

**Shared National Credit Program**

The Shared National Credit (SNC) program is an interagency review and assessment of risk in the largest and most complex credits shared by multiple regulated financial institutions. The SNC program is governed by an interagency agreement among the Board, FDIC, and OCC. SNC reviews were completed in the first and third quarters of the 2024 calendar year. More information on the 2023 Shared National Credit review is available at <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240216a.htm>.

**Securities Credit Lenders**

Under the Securities Exchange Act of 1934, the Board is responsible for regulating credit in certain transactions involving the purchasing or carrying of securities. As part of its general examination program, the Federal Reserve examines the banks under its jurisdiction for compliance with the Board's Regulation U. In addition, the Federal Reserve maintains a registry of persons other than banks, brokers, and dealers who extend credit subject to Regulation U. Throughout the year, Federal Reserve examiners conducted specialized examinations of these lenders if they were not already subject to supervision by the Farm Credit Administration or the National Credit Union Administration.

**Enforcement Actions**

The Federal Reserve has enforcement authority over the financial institutions it supervises and their affiliated parties. Enforcement actions may be taken to address unsafe or unsound practices and violations of law or regulation. Formal enforcement actions include cease and desist orders, written agreements, prompt corrective action directives, removal and prohibition orders, civil money penalties, and letters sent pursuant to 12 U.S.C. § 1829, known as Section 19 letters. Informal enforcement actions include memoranda of understanding, commitment letters, supervisory letters, and board of directors' resolutions.

In 2024, the Federal Reserve completed 58 formal enforcement actions. Civil money penalties totaling \$372,065,956 were assessed. As directed by statute, all civil money penalties are remitted to either the U.S. Treasury or the Federal Emergency Management Agency. The Reserve Banks completed 113 informal enforcement actions.

Formal enforcement actions are made public and posted on the Board's website (<https://www.federalreserve.gov/apps/enforcementactions/search.aspx>).

**Financial Disclosures by State Member Banks**

Under the Securities Exchange Act of 1934 and the Federal Reserve's Regulation H, certain state member banks are required to make financial disclosures to the Federal Reserve using the

same reporting forms that are normally used by publicly held entities to submit information to the SEC.<sup>10</sup>

In 2023, one state member bank was required to submit data to the Federal Reserve. These data are made available upon request and are primarily used for disclosure to the bank's shareholders and public investors.

### ***Internal Appeals of Material Supervisory Determinations***

The Board is committed to maintaining an independent, intra-agency process to review appeals of material supervisory determinations (MSDs) that complies with section 309 of the Riegle Community Development and Regulatory Improvement Act of 1994.<sup>11</sup> The appeals process includes two levels of review. A panel of Federal Reserve staff not employed by the Reserve Bank with supervisory responsibility of the financial institution that issued the appealed MSD conducts the initial review. This panel determines whether the appealed MSD is consistent with applicable laws, regulations, and policy, and is supported by a preponderance of the evidence in the record. If the appealing institution disagrees with the initial review panel's decision, the institution may request a final review of the MSD. A panel of senior Board staff conducts the final review. The final review panel determines whether the decision of the initial review panel is reasonable. Additional information is available regarding the Federal Reserve Board's appeals process and Ombuds policy on the Board's website.<sup>12</sup>

In 2024, the Board received four safety and soundness MSD appeals—one from a regional bank holding company, one from a community bank holding company, and two from state member community banking organizations. One of the four safety and soundness MSD appeals received went to final review.

### ***Assessments for Supervision and Regulation***

BHCs and SLHCs with total consolidated assets of \$100 billion or more, as well as any nonbank financial companies designated by the FSOC for supervision by the Board, are subject to assessments for the cost of the Board's supervision and regulation. As a collecting entity, the Board does not recognize the supervision and regulation assessments as revenue, nor does the Board use the collections to fund Board expenses; the funds are transferred to the U.S. Treasury. The Board

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<sup>10</sup> Under section 12(g) of the Securities Exchange Act, certain companies that have issued securities are subject to SEC registration and filing requirements that are similar to those that apply to public companies. Per section 12(i) of the Securities Exchange Act, the powers of the SEC over banking entities that fall under section 12(g) are vested with the appropriate banking regulator. Specifically, state member banks with 2,000 or more shareholders and more than \$10 million in total assets are required to register with, and submit data to, the Federal Reserve. For more information on the Board's Regulation H policy action, see [appendix E](#), "Record of Policy Actions."

<sup>11</sup> U.S.C. § 4806.

<sup>12</sup> See <https://www.federalreserve.gov/supervisionreg/srletters/SR2028.htm> and <https://www.federalreserve.gov/aboutthefed/ombpolicy.htm>.

collected and transferred to the U.S. Treasury \$777,662,355 from 52 institutions for the 2023 S&R Regulation TT assessment in 2024.

### ***Training and Technical Assistance***

The Federal Reserve provides training and technical assistance to foreign supervisors and minority-owned depository institutions as well as engages in industry outreach in connection with supervisory objectives.

#### **International Training and Technical Assistance**

The Federal Reserve provides training and technical assistance on supervisory matters to foreign central banks and supervisory authorities. Technical assistance normally involves visits by Federal Reserve staff members to foreign authorities as well as consultations with foreign supervisors who visit the Board of Governors or the Reserve Banks. In 2024, the Federal Reserve organized 27 training seminars, held both onshore and overseas, for the benefit of foreign supervisory authorities. Approximately 900 financial institution supervisors from foreign central banks and supervisory agencies attended these training events.

In 2024, Federal Reserve staff also collaborated with the International Monetary Fund and the World Bank to organize two training events for senior supervisory officials. The Federal Reserve also collaborated with the Association of Bank Supervisors of the Americas and the European Central Bank on training events.

#### **Efforts to Support Minority-Owned Depository Institutions**

The Federal Reserve System implements its congressionally mandated responsibilities under section 367 of the Dodd-Frank Act primarily through its Partnership for Progress (PFP) program.<sup>13</sup> Established in 2008, this program promotes the viability of minority depository institutions (MDIs) by facilitating activities designed to strengthen their business strategies, maximize their resources, and increase their awareness and understanding of supervisory expectations.

The Federal Reserve maintains the PFP website, which supports MDIs by providing them with technical information and links to useful resources.<sup>14</sup> Representatives from each of the 12 Federal Reserve Districts, along with staff from the Divisions of Supervision & Regulation and Consumer & Community Affairs at the Board of Governors, offer technical assistance tailored to MDIs by providing targeted supervisory guidance, identifying additional resources, and fostering mutually ben-

<sup>13</sup> Section 367 of the Dodd-Frank Act requires the Board to submit an annual report to Congress detailing the actions taken to fulfill the requirements outlined in section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989, as amended by the Dodd-Frank Act in 2010. In addition to the annual reporting requirement, FIRREA section 308 requires the Federal Reserve System to devote efforts toward preserving and promoting minority ownership of MDIs. See also "Annual Report on Promoting Minority Depository Institutions," Board of Governors of the Federal Reserve System, last modified April 8, 2025, <https://www.federalreserve.gov/publications/preserving-minority-depository-institutions.htm>.

<sup>14</sup> See <https://www.fedpartnership.gov>.

official partnerships between MDIs and community organizations and/or other banks. As of 2024:Q4, the Federal Reserve’s MDI portfolio consisted of 16 state member banks.

Throughout 2024, the System supported MDIs and conducted a number of outreach initiatives, webinars, and conferences specific to MDIs.

## Staff Development Programs

The Federal Reserve’s staff development program supports the ongoing development of nearly 4,200 professional supervisory staff, ensuring that they have the requisite skills necessary to meet their evolving supervisory responsibilities. The Federal Reserve also provides certain programs to staff at state banking agencies. Training activities in 2024 are summarized in [table 4.4](#).

Table 4.4. Training for supervision and regulation, 2024				
Course sponsor or type	Number of enrollments		Instructional time (approximate training days) <sup>2</sup>	Number of course offerings
	Federal Reserve personnel	State and federal banking agency personnel <sup>1</sup>		
Federal Reserve System	1,126	0	250	78
FFIEC (virtual) <sup>3</sup>	746	1,871	600	150
FFIEC (in-person)	237	196	244	61
Rapid Response <sup>4</sup>	18,040	1,247	4.5	35
<sup>1</sup> State personnel reflects total state attendees, sponsored by each federal agency. <sup>2</sup> Training days are approximate. System courses were calculated using five days as an average, with FFIEC courses calculated using four days as an average. <sup>3</sup> Virtual training is offered through three alternative delivery methods: (1) virtual, instructor-led classes; (2) the FFIEC Examiner Exchange Program; and (3) self-study programs. <sup>4</sup> Rapid Response is a virtual program created by the Federal Reserve System as a means of providing information on emerging topics to Federal Reserve and state bank examiners.				

## Examiner Commissioning Program

An overview of the Federal Reserve System’s Examiner Commissioning Program for assistant examiners is set forth in SR letter 17-6/CA letter 17-1, “Overview of the Federal Reserve’s Supervisory Education Programs.” Three examiner commissioning tracks are available: (1) community banking organization, (2) consumer compliance, and (3) large financial institutions (LFI). On average, individuals move through a combination of in-person training, self-paced learning, virtual instruction, and on-the-job training over a period of about three to four years. Achievement is measured by completing the required course content, demonstrating on-the-job knowledge, and passing a professionally validated proficiency examination.

In 2024, 73 examiners passed proficiency examination (34 in community bank organization, 11 in consumer compliance, and 28 in LFI), becoming eligible to earn a commission from the Federal Reserve.

### **Continuing Professional Development**

The Federal Reserve provides supervisory staff (and, in many cases, state examiners through existing partnerships with the Conference of State Banking Supervisors and FFIEC) with opportunities to maintain job knowledge after commissioning, learn about emerging concepts and practices, and expand knowledge into highly specialized supervisory topics. A number of learning and communication solutions are developed or curated, including Rapid Response webinars, podcasts, self-guided learning plans on specialty topics, and other content produced for just-in-time communication to supervisory staff about emerging issues and regulatory policy.

## **Regulatory Developments**

The Federal Reserve carries out its regulatory responsibilities by developing regulatory policy (rulemakings, supervision and regulation letters, policy statements, and guidance) and reviewing and acting on a variety of applications filed by banking organizations.

### **Rulemakings and Guidance**

The Federal Reserve issues new regulations or revises existing regulations in response to laws enacted by Congress or because of evolving conditions in the financial marketplace. Over 2024, the Federal Reserve, working with the other federal banking agencies, announced a variety of policy actions to promote the safety and soundness, transparency, and efficiency of the financial system. The Federal Reserve issued the following rules and statements in 2024 (see [table 4.5](#)).

### **Banking Applications**

The Federal Reserve reviews applications submitted by BHCs, state member banks, SLHCs, foreign banking organizations, and other entities for approval to undertake various transactions and to engage in new activities. In 2024, the Federal Reserve acted on 807 applications filed under the six relevant statutes.

The Federal Reserve publishes the *Semiannual Report on Banking Applications Activity*, which provides aggregate information on proposals filed by banking organizations and reviewed by the Federal Reserve. The current report as well as historical reports are available at <https://www.federalreserve.gov/publications/semiannual-report-on-banking-applications-activity.htm>.

### **Public Notice of Federal Reserve Decisions and Filings Received**

The Board's website provides information on orders and announcements (<https://www.federalreserve.gov/newsevents/pressreleases.htm>) as well as a guide for U.S. and foreign banking organizations that wish to submit applications (<https://www.federalreserve.gov/bankinfo/af/afi.htm>).

**Table 4.5. Federal Reserve or interagency rulemakings/statements/guidance (proposed and final), 2024**

Date issued	Rulemaking/statement/guidance
1/17/2024	Agencies extend resolution plan submission deadline for some large financial institutions. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240117a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240117a.htm</a>
1/22/2024	Federal Reserve Board announces it will extend the comment period on its interchange fee proposal until May 12, 2024, and published additional related data. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240122a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240122a.htm</a>
2/6/2024	Federal bank regulatory agencies seek comment on interagency effort to reduce regulatory burden. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240206a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240206a.htm</a>
2/15/2024	Federal Reserve Board releases hypothetical scenarios for its annual stress test. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240215a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240215a.htm</a>
2/16/2024	Agencies issue 2023 Shared National Credit Program report. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240216a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240216a.htm</a>
3/8/2024	Federal Reserve Board announces final rule that updates risk management requirements for certain systemically important financial market utilities (FMUs) supervised by the Board. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240308a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240308a.htm</a>
3/21/2024	Agencies extend applicability date of certain provisions of their Community Reinvestment Act final rule. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240321a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240321a.htm</a>
4/24/2024	Federal Reserve Board announces it will extend through May 31, 2024, the public comment period for the application by Capital One Financial Corporation to acquire Discover Financial Services. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240424a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240424a.htm</a>
5/3/2024	Federal Reserve Board requests comment on proposal to expand the operating days of the Federal Reserve Banks' two large-value payments services, Fedwire Funds Service and the National Settlement Service, to include weekends and holidays. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240503a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240503a.htm</a>
5/3/2024	Agencies issue guide to assist community banks to develop and implement third-party risk management practices. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240503b.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240503b.htm</a>
5/7/2024	SR 24-2 / CA 24-1: Third-Party Risk Management: A Guide for Community Banks. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2402.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2402.htm</a>
5/9/2024	Federal Reserve Board releases summary of the exploratory pilot Climate Scenario Analysis (CSA) exercise that it conducted with six of the nation's largest banks. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/other20240509a.htm">https://www.federalreserve.gov/newsevents/pressreleases/other20240509a.htm</a>
5/13/2024	Agencies announce inflation-adjusted dollar thresholds for Regulation CC funds availability. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240513a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240513a.htm</a>
5/14/2024	Agencies announce public meeting on proposed acquisition by Capital One of Discover; public comment period extended. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/other20240514a.htm">https://www.federalreserve.gov/newsevents/pressreleases/other20240514a.htm</a>
5/17/2024	Federal Reserve Board announces its denial of two rulemaking petitions due to legal and policy considerations. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240517a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240517a.htm</a>
5/31/2024	Agencies issue host state loan-to-deposit ratios. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240531a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240531a.htm</a>
6/6/2024	Federal Reserve Board announces that results from its annual bank stress tests will be released on Wednesday, June 26, at 4:30 p.m. EDT. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240606a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240606a.htm</a>
6/21/2024	Agencies announce results of resolution plan review for largest and most complex banks. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240621a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240621a.htm</a>
6/21/2024	Federal Reserve Board announces it will extend until September 6, 2024, the comment period on proposal to expand operating days of the Federal Reserve Banks' two large-value payments services, Fedwire Funds Service and the National Settlement Service. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240621b.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240621b.htm</a>
6/26/2024	Federal Reserve Board annual bank stress test showed that while large banks would endure greater losses than last year's test, they are well positioned to weather a severe recession and stay above minimum capital requirements. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240626a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240626a.htm</a>
7/12/2024	Agencies release list of distressed or underserved nonmetropolitan middle-income geographies. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240712a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240712a.htm</a>

(continued)

Table 4.5—continued

Date issued	Rulemaking/statement/guidance
7/17/2024	Agencies issue final rule to help ensure credibility and integrity of automated valuation models. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240717a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240717a.htm</a>
7/18/2024	Agencies finalize interagency guidance on reconsiderations of value for residential real estate valuations. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240718a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240718a.htm</a>
7/18/2025	SR 24-3 / CA 24-4: Interagency Guidance on Reconsiderations of Value of Residential Real Estate Valuations. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2403.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2403.htm</a>
7/19/2024	Agencies request comment on anti-money laundering/countering the financing of terrorism proposed rule. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240719a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240719a.htm</a>
7/22/2024	SR 24-4: Interagency Statement on the Issuance of the AML/CFT Program Notices of Proposed Rulemaking. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2404.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2404.htm</a>
7/25/2024	Federal bank regulatory agencies seek comment on interagency effort to reduce regulatory burden. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725a.htm</a>
7/25/2024	Agencies announce public outreach meeting as part of their review of regulations. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725b.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725b.htm</a>
7/25/2024	Agencies remind banks of potential risks associated with third-party deposit arrangements and request additional information on bank-fintech arrangements. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725c.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240725c.htm</a>
7/25/2024	SR 24-5: Joint Statement on Banks' Arrangements with Third Parties to Deliver Bank Deposit Products and Services. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2405.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2405.htm</a>
8/2/2024	Federal Reserve Board requests comment on a proposed rule that would establish data standards for certain information collections. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240802a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240802a.htm</a>
8/5/2024	Federal Reserve Board issues final joint guidance to help certain large banks further develop their resolution plans. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240805a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240805a.htm</a>
8/28/2024	Federal Reserve Board announces final individual capital requirements for all large banks, effective on October 1. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240828a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240828a.htm</a>
8/29/2024	SR 24-6: FFIEC Information Technology Examination Handbook – Development, Acquisition, and Maintenance. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2406.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2406.htm</a>
9/5/2024	Federal Reserve Board requests comment around operational practices of the discount window. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240905a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240905a.htm</a>
9/13/2024	Agencies extend comment period on request for information on bank-fintech arrangements. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240913a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20240913a.htm</a>
10/4/2024	Agencies announce dollar thresholds for smaller loan exemption from appraisal requirements for higher-priced mortgage loans. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004a.htm</a>
10/4/2024	Agencies announce dollar thresholds for applicability of truth in lending and consumer leasing rules for consumer credit and lease transactions. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004b.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004b.htm</a>
11/13/2024	Federal Reserve Board invites comment on a report, as prescribed by law, that discusses the impact of a proposed international capital standard. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241113a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241113a.htm</a>
11/22/2024	Federal Reserve Board announces pricing, effective January 1, 2025, for payment services the Federal Reserve Banks provide to banks and credit unions. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/other20241122a.htm">https://www.federalreserve.gov/newsevents/pressreleases/other20241122a.htm</a>
11/22/2024	SR 24-7: FFIEC Cybersecurity Assessment Tool Sunset Statement. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/sr2407.htm">https://www.federalreserve.gov/supervisionreg/srletters/sr2407.htm</a>
12/3/2024	Federal bank regulatory agencies seek further comment on interagency effort to reduce regulatory burden. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241203a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241203a.htm</a>
12/4/2024	Agencies issue statement on elder financial exploitation. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241204a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241204a.htm</a>
12/5/2024	SR 24-8 / CA 24-6: Interagency Statement on Elder Financial Exploitation. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/sr2408.htm">https://www.federalreserve.gov/supervisionreg/srletters/sr2408.htm</a>

(continued)

**Table 4.5—continued**

Date issued	Rulemaking/statement/guidance
12/9/2024	Federal Reserve Board provides technical clarification that its account access guidelines apply to excess balance accounts. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241209a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241209a.htm</a>
12/19/2024	Agencies release annual asset-size thresholds under Community Reinvestment Act regulations. Joint press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241219a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241219a.htm</a>
12/23/2024	Due to evolving legal landscape & changes in the framework of administrative law, Federal Reserve Board will soon seek public comment on significant changes to improve transparency of bank stress tests & reduce volatility of resulting capital requirements. Press release: <a href="https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241223a.htm">https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241223a.htm</a>
12/27/2024	SR 24-9: Status of Certain Investment Funds and their Portfolio Investments for Purposes of Regulation O and Reporting Requirements under Part 363 of FDIC Regulations. Release: <a href="https://www.federalreserve.gov/supervisionreg/srletters/SR2409.htm">https://www.federalreserve.gov/supervisionreg/srletters/SR2409.htm</a>

## Participation in Financial Standards-Setting Bodies and Other Organizations

As a member of the FSB and several international financial standard-setting bodies, the Federal Reserve actively participates in efforts to share information and advance sound supervisory policies for internationally active financial organizations and to enhance the strength, stability, and resilience of the international financial system.

### Financial Stability Board

In 2024, the Federal Reserve continued its participation in a variety of activities of the FSB, an organization whose mission is to promote international financial stability. The FSB helps coordinate the work of national financial authorities and international standard-setting bodies and shares information on supervisory and regulatory practices. Priority areas for the year included enhancing cross-border payments, finalizing recommendations for regulating and supervising crypto-assets and stablecoins, and revising recommendations to address vulnerabilities of open-ended funds. The full range of the Federal Reserve's FSB activities is discussed in [section 3](#), "Financial Stability."

The FSB also produces a variety of publications, including progress reports, monitoring reports, guidance, consultative documents, and compendia of better practice. A comprehensive list of FSB publications is available at <https://www.fsb.org/publications>.

### Basel Committee on Banking Supervision

During 2024, the Federal Reserve contributed to Basel Committee on Banking Supervision (BCBS) supervisory policy recommendations, reports, papers, and consultations designed to improve the supervision of banking organizations' practices.<sup>15</sup> In 2024, the BCBS was particularly focused on supporting the implementation of Basel III reforms, reviewing the 2023 banking turmoil, analyzing

<sup>15</sup> The BCBS provides a forum for regular cooperation on banking supervisory matters. Its 45 members comprise central banks and bank supervisors from 28 jurisdictions.

the digitalization of finance, and tracking emerging risks to the banking system. A comprehensive list of BCBS publications is available at <https://www.bis.org/bcbs/publications.htm>.

### ***International Association of Insurance Supervisors***

In 2024, the Federal Reserve continued its participation in the development of international supervisory standards for the insurance industry. The Federal Reserve participates actively in standard-setting at the International Association of Insurance Supervisors (IAIS) in consultation and collaboration with state insurance regulators, the National Association of Insurance Commissioners, and the Federal Insurance Office. The Federal Reserve's participation focuses on financial stability and standards that have the potential to significantly impact the U.S. insurance market.

In 2024, the IAIS adopted the Insurance Capital Standard (ICS) and recognized that the U.S.-developed Aggregation Method (AM) “provides a basis for implementation of the ICS to produce comparable outcomes.”<sup>16</sup> The ICS is a risk-based capital measure to evaluate the financial soundness of internationally active insurance groups. U.S. state insurance regulators plan to implement the AM in place of the ICS. Further information can be found in a joint Federal Reserve and U.S. Department of the Treasury study on the ICS's potential impact on U.S. consumers and markets.<sup>17</sup>

The IAIS also made progress on other projects in 2024. The IAIS completed its five-year strategic plan, which will cover the period from 2025 to 2029. Notably, this strategic plan envisions the IAIS pivoting significantly towards implementation issues after the finalization of the revision of standards in response to the global financial crisis. The IAIS also issued its annual Global Insurance Market Report (GIMAR) detailing the results of its Global Monitoring Exercise and highlighting insurance sector's key risks and trends. The IAIS also revised and updated several Insurance Core Principles and elements of its Common Framework for the Supervision of Internationally Active Insurance Groups.

### ***International Coordination on Sanctions, Anti-Money-Laundering, and Counter-Terrorism Financing***

The Federal Reserve participated in a number of international coordination initiatives related to sanctions, money laundering, and terrorism financing. The Federal Reserve continued to monitor and share information with relevant groups regarding the changing sanctions landscape.

<sup>16</sup> International Association of Insurance Supervisors, “IAIS Adopts Insurance Capital Standard and Other Enhancements to Its Global Standards to Promote a Resilient Insurance Sector,” news release, December 5, 2024, <https://www.iais.org/2024/12/iais-adopts-insurance-capital-standard-and-other-enhancements-to-its-global-standards-to-promote-a-resilient-insurance-sector/>.

<sup>17</sup> Board of Governors of the Federal Reserve System, *The Impact of the International Insurance Capital Standard on Consumers and Markets in the United States* (Board of Governors, November 2024), <https://www.federalreserve.gov/publications/files/ics-impact-report-202411.pdf>.

Additionally, the Federal Reserve has a long-standing role in the U.S. delegation to the intergovernmental Financial Action Task Force and its working groups, contributing a banking supervisory perspective to the formulation of international standards. The Federal Reserve also continued to participate in the work of the FSB that resulted in publication of several reports, including

- G-20 Roadmap for Enhancing Cross-border Payments Consolidated Progress Report for 2024;<sup>18</sup>
- Recommendations to Promote Alignment and Interoperability Across Data Frameworks Related to Cross-Border Payments: Final Report;<sup>19</sup> and
- Recommendations for Regulating and Supervising Bank and Non-Bank Payment Service Providers Offering Cross-Border Payment Services: Final Report.<sup>20</sup>

The Federal Reserve also continued to participate in committees and subcommittees through the BIS. Specifically, the Federal Reserve actively participated in the AML Experts Group under the BCBS that focuses on AML and CFT issues. The Federal Reserve participated in meetings and roundtables during the year to discuss AML/CFT issues with delegations from countries and regions, such as Australia, Canada, the European Union, Japan, Mexico, New Zealand, the United Kingdom, and member countries of the Pacific Islands Forum. These dialogues are designed to promote information sharing and understanding of AML/CFT issues between U.S. and country-specific financial sectors.

## **Regulatory Reports**

The Federal Reserve, along with the other member FFIEC agencies, requires banking organizations to periodically submit reports that provide information about their financial condition and structure.

### ***Federal Reserve Regulatory Reports***

The Federal Reserve requires that U.S. holding companies periodically submit reports that provide information about their financial condition and structure.<sup>21</sup> For more information on the various reporting forms, see <https://www.federalreserve.gov/apps/reportforms/>.

The following regulatory reporting forms had substantive revisions that became effective in 2024:

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<sup>18</sup> See <https://www.fsb.org/2024/10/g20-roadmap-for-enhancing-cross-border-payments-consolidated-progress-report-for-2024/>.

<sup>19</sup> See <https://www.fsb.org/2024/12/recommendations-to-promote-alignment-and-interoperability-across-data-frameworks-related-to-cross-border-payments-final-report/>.

<sup>20</sup> See <https://www.fsb.org/2024/12/recommendations-for-regulating-and-supervising-bank-and-non-bank-payment-service-providers-offering-cross-border-payment-services-final-report/>.

<sup>21</sup> Holding companies are defined as BHCs, intermediate holding companies (IHCs), SLHCs, and securities holding companies.

- **Financial Statements for Holding Companies (FR Y-9 series)**—The Board revised the Consolidated Financial Statements for Holding Companies (FR Y-9C) effective December 31, 2024, to align with the U.S. generally accepted accounting principles (GAAP) treatment of modifications to borrowers experiencing financial difficulty.<sup>22</sup> Additionally, the Board updated the FR Y-9C effective March 31, 2024, to remove references to the allowance for loan and lease losses under the incurred loss methodology.<sup>23</sup> This change was consistent with Accounting Standards Update (ASU) 2016-13, “Measurement of Credit Losses on Financial Instruments,” which introduced the current expected credit losses methodology for estimating allowances for credit losses. In addition to the FR Y-9C, the Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP) and Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP) were revised as a result of ASU 2016-13, effective March 31, 2024, and June 30, 2024, respectively.
- **Capital Assessments and Stress Testing (FR Y-14)**—The Board revised the FR Y-14 to incorporate changes consistent with ASU 2016-13, effective March 31, 2024.
- **Financial Statements of U.S. Nonbank Subsidiaries of U.S. Holding Companies (FR Y-11), Financial Statements of Foreign Subsidiaries of U.S. Banking Organizations (FR 2314), and Financial Statements of U.S. Nonbank Subsidiaries Held by Foreign Banking Organizations (FR Y-7N)**—The Board revised the FR Y-11, the FR 2314, and the FR Y-7N to incorporate changes consistent with ASU 2016-13, effective March 31, 2024.
- **Holding Company Report of Insured Depository Institutions’ Section 23A Transactions with Affiliates (FR Y-8)**—The Board revised the FR Y-8 to incorporate changes consistent with ASU 2016-13, effective March 31, 2024.
- **Quarterly Savings and Loan Holding Company Report (FR 2320)**—The Board revised the FR 2320 to incorporate changes consistent with ASU 2016-13, effective March 31, 2024.
- **Domestic Finance Company Report of Consolidated Assets and Liabilities (FR 2248)**—The Board revised the FR 2248 to incorporate changes consistent with ASU 2016-13, effective March 31, 2024.
- **Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644)**—The Board revised the FR 2644 to incorporate changes consistent with ASU 2016-13, effective April 3, 2024.
- **Consolidated Report of Condition and Income for Edge and Agreement Corporations (FR 2886b)**—The Board revised the FR 2886b to incorporate changes consistent with ASU 2016-13, effective March 31, 2024. Additionally, the Board revised the FR 2886b to incorporate changes consistent with ASU 2022-02, effective December 31, 2024.

<sup>22</sup> The revisions are consistent with Accounting Standards Update (ASU) No. 2022-02, Financial Instruments—Credit Losses (Topic 326) Troubled Debt Restructurings and Vintage Disclosures (ASU 2022-02).

<sup>23</sup> 84 Fed. Reg. 11,783 (March 28, 2019), <https://www.govinfo.gov/content/pkg/FR-2019-03-28/pdf/2019-05933.pdf>.

- **Annual Report of Foreign Banking Organizations (FR Y-7)**—The Board revised the FR Y-7 report by adding an electronic submission option and adding standard templates for reporting (1) financial statements, (2) organizational charts, (3) information about shares and shareholders, (4) eligibility as a qualified FBO, and (5) compliance with prudential standards. The effective date for the electronic submission option and the revised due date was December 31, 2024. The effective date for the standard templates is December 31, 2025. The effective date for the automation of the FR Y-7 report is December 31, 2026.

### **FFIEC Regulatory Reports**

The Federal Reserve works with the other FFIEC member agencies to develop various uniform regulatory reports submitted by financial institutions.<sup>24</sup> This information is essential to formulating and conducting supervision and regulation and for the ongoing assessment of the overall soundness of the nation's financial system. For more information on FFIEC reporting forms, see [https://www.ffiec.gov/ffiec\\_report\\_forms.htm](https://www.ffiec.gov/ffiec_report_forms.htm).

During 2024, the FFIEC member agencies revised FFIEC reports to improve the monitoring of certain exposures and to incorporate changes to U.S. GAAP. Each revision included requests for public comment and approval by the Office of Management and Budget (OMB).

- **Consolidated Reports of Condition and Income (FFIEC 031, 041, 051)**—Effective March 31, 2024, the FFIEC member entities incorporated accounting changes related to ASU 2016-13. The FFIEC member agencies also incorporated accounting for loan modifications to borrowers experiencing financial difficulty as required under U.S. GAAP, clarified and adjusted the reporting of internet website addresses of depository institution trade names, and adopted standards for electronic signatures, which may be used as an alternative to physical signatures. These revisions were effective as of June 30, 2024. Finally, the agencies implemented the collection of additional data on loans to nondepository financial institutions and other loans to improve the consistency and granularity of reporting these exposures, and adjusted the reporting on certain structured financial products that are guaranteed by the U.S. government or government-sponsored agencies. These revisions were effective as of December 31, 2024.<sup>25</sup>
- **Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002)**—In addition to incorporating changes for ASU 2016-13, effective March 31, 2024, the FFIEC member agencies revised the FFIEC 002 to be consistent with changes made to the Call Reports, as applicable, resulting from other changes to U.S. GAAP and reporting of loans for purchasing or carrying securities. These changes were effective as of December 31, 2024.<sup>26</sup>

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<sup>24</sup> The law establishing the FFIEC and defining its functions requires the FFIEC to develop uniform reporting systems for federally supervised financial institutions. See 12 U.S.C. § 3305.

<sup>25</sup> 89 Fed. Reg. 45,046 (May 22, 2024), <https://www.govinfo.gov/content/pkg/FR-2024-05-22/pdf/2024-11221.pdf>.

<sup>26</sup> 89 Fed. Reg. 45,046 (May 22, 2024), <https://www.govinfo.gov/content/pkg/FR-2024-05-22/pdf/2024-11221.pdf>.

- **Foreign Branch Report of Condition/Abbreviated Foreign Branch Report of Condition (FFIEC 030)**— The FFIEC agencies revised the FFIEC 030 to incorporate changes related to ASU 2016-13, effective March 31, 2024, and in December 2024 received OMB approval to add line items related to the Board's Quarterly Report of Assets and Liabilities of Large Foreign Offices of U.S. Banks (FR 2502q).<sup>27</sup> The line item additions will assist the agencies in analyzing lending by foreign branches of U.S. banks and are scheduled to become effective March 31, 2025.
- **Regulatory Capital Reporting for Institutions Subject to the Advanced Capital Adequacy Framework (FFIEC 101)**—The agencies revised the FFIEC 101, effective March 31, 2024, to incorporate changes consistent with ASU 2016-13.

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<sup>27</sup> 89 Fed. Reg. 81,137 (October 7, 2024), <https://www.govinfo.gov/content/pkg/FR-2024-10-07/pdf/2024-23125.pdf>.



## 5 | Payment System and Reserve Bank Oversight

The Federal Reserve performs key functions to maintain the integrity of the U.S. payment and settlement system. These functions help keep cash, check, and electronic transactions moving reliably through the U.S. economy on behalf of households and businesses and the U.S. Treasury.

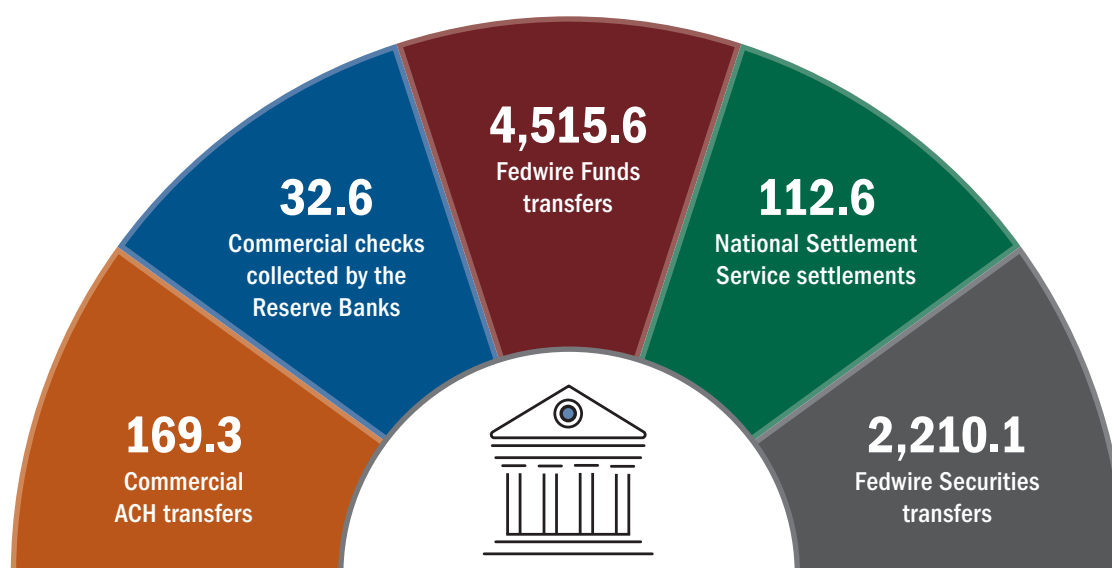
This section discusses the key payment system and Reserve Bank oversight activities undertaken by the Federal Reserve during 2024:

- providing [payment services to depository and certain other institutions](#), including the new FedNow® Service to support instant payments (see [figure 5.1](#))
- distributing the [nation's currency and coin to depository institutions](#)
- serving as [fiscal agents and depositories for the U.S. government and other entities](#)
- serving as a catalyst for [payment system improvements](#)
- conducting [Reserve Bank oversight](#) to ensure effective internal controls, operations, and management

**Figure 5.1. Average daily value of Federal Reserve payment services to depository and other institutions**

Billions of dollars

The Federal Reserve provides “priced services” to depository and other institutions (see [“Payments Services to Depository and Other Institutions”](#)). These payment and related services are operated as separate business lines and costs are tracked accordingly (see [box 5.1](#)).



## Payment Services to Depository and Other Institutions

Reserve Banks provide a range of payment and related services to depository and certain other institutions under an integrated organization within the Federal Reserve known as Federal Reserve Financial Services (FRFS); these “priced services” include collecting checks, operating an automated clearinghouse (ACH) service, transferring funds and securities, providing a multilateral settlement service, and operating a round-the-clock payment and settlement service to support instant payments in the United States (see [box 5.1](#)).<sup>1</sup>

In addition to implementing the FedNow Service to support instant payments in 2023, the Reserve Banks have been focused on technology initiatives that will enhance their priced-services processing platforms. These initiatives are expected to enhance efficiency, the overall quality of operations, and the Reserve Banks’ ability to offer additional services, consistent with the long-standing principles of fostering efficiency and safety, to depository institutions. The Reserve Banks continued to enhance the resiliency and information security posture of wholesale payment systems through Reserve Bank-led cyber initiatives to respond to environmental threats and cyber threats. In 2024, the Reserve Banks advanced the safety and security of FedLine Solutions by making progress on key infrastructure upgrades, as well as through proactive monitoring of an evolving threat environment.

### Commercial Check-Collection Service

The commercial check-collection service provides a suite of electronic and paper processing options for forward and return collections.<sup>2</sup>

In 2024, the Reserve Banks recovered 104.2 percent of the total costs of their commercial check-collection service, including the related private-sector adjustment factor (PSAF). The Reserve Banks’ operating expenses and imputed costs totaled \$104.5 million. Revenue from operations totaled \$111.1 million, resulting in a net income of \$6.6 million. Reserve Banks handled 2.98 billion checks in 2024, a decrease of 5.4 percent from 2023 (see [table 5.1](#)). The average daily value of checks collected by the Reserve Banks in 2024 was approximately \$32.6 billion, a decrease of 3.6 percent from the previous year. The Reserve Banks expect volumes to continue to decline because of substitution away from checks to other payment instruments, although the rate of decline is uncertain.

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<sup>1</sup> *Depository institutions* are defined as commercial banks, thrifts, and credit unions. Besides playing an important role in the broader economy by providing transaction accounts, such as checking accounts, to consumers, households, and businesses, these institutions play an important role in the Federal Reserve System’s payment and settlement system function.

<sup>2</sup> Forward check collection services provide financial institutions with the ability to deposit checks drawn on other institutions when initially presented for payment. Return check collection services allow financial institutions to send the check back to the bank where it was first deposited if the bank the check is drawn on decides not to pay the check.

## Box 5.1. Priced Services and Cost Recovery

The Federal Reserve must (under the Monetary Control Act of 1980) establish fees for “priced services” to recover, over the long run, all the direct and indirect costs associated with its payment and settlement system services. Costs include those actually incurred as well as the imputed costs that would have been incurred—including financing costs, taxes, and certain other expenses—and the return on equity (profit) that would have been earned if a private business firm had provided the services.<sup>1</sup> The imputed costs and imputed profit are collectively referred to as the private-sector adjustment factor (PSAF).

From 2015 through 2024, the Reserve Banks recovered 103.5 percent of the total priced services costs, including the PSAF (see [table A](#)). In 2024, Reserve Banks recovered 110.6 percent of the total priced services costs, including the PSAF. The Reserve Banks’ operating expenses and imputed costs totaled \$464.2 million. Revenue from operations totaled \$524.3 million, resulting in a net income from priced services of \$60.1 million. In 2024, all services achieved full cost recovery. The FedNow Service revenue and expenses were excluded from the overall performance projections because new services initially do not have stable volumes, costs, and revenues.<sup>2</sup>

**Table A. Priced services cost recovery, 2015–24**

Millions of dollars, except as noted

Year	Revenue from services <sup>1</sup>	Operating expenses and imputed costs <sup>2</sup>	Targeted return on equity	Total costs	Cost recovery (percent) <sup>3</sup>
2015	429.1	397.8	5.6	403.4	106.4
2016	434.1	410.5	4.1	414.7	104.7
2017	441.6	419.4	4.6	424.0	104.1
2018	442.5	428.1	5.2	433.3	102.1
2019	444.0	441.2	5.4	446.5	99.4
2020	446.9	434.0	5.9	439.9	101.6
2021	456.0	452.8	4.4	457.2	99.7
2022	466.8	462.8	7.2	470.0	99.3
2023	507.3	467.1	8.4	475.5	106.7
2024	524.3	464.2	9.7	473.9	110.6
2015–24	4,592.9	4,378.0	60.5	4,438.5	103.5

Note: Here and elsewhere in this section, components may not sum to totals or yield percentages shown because of rounding. Excludes amounts related to development of the FedNow Service, reported as \$545 million: [https://www.federalreserve.gov/paymentsystems/fednow\\_faq.htm](https://www.federalreserve.gov/paymentsystems/fednow_faq.htm).

<sup>1</sup> For the 10-year period, includes revenue from services of \$4,589.4 million and other income and expense (net) of \$3.5 million.

<sup>2</sup> For the 10-year period, includes operating expenses of \$4,312.2 million, imputed costs of \$9.6 million, and imputed income taxes of \$56.1 million.

<sup>3</sup> Revenue from services divided by total costs. For the 10-year period, cost recovery is 102.9 percent, including the effect of accumulated other comprehensive income (AOCI) reported by the priced services under ASC 715, Compensation—Retirement Benefits.

<sup>1</sup> According to the Accounting Standards Codification (ASC) Topic 715 (ASC 715), Compensation—Retirement Benefits, the Reserve Banks recognized a \$574.5 million reduction in equity related to the priced services’ benefit plans through 2024. For details on how implementing ASC 715 affected the pro forma financial statements, refer to note 3 to the pro forma financial statements at the end of this section.

<sup>2</sup> The Board communicated in its 2019 Notice Federal Reserve Actions to Support Interbank Settlement of Instant Payments that it expects the FedNow Service to achieve its first instance of long-run cost recovery outside the 10-year time frame typically applied to mature services. See Federal Reserve Actions to Support Interbank Settlement of Instant Payments, 84 Fed. Reg. 39,297 (August 9, 2019), available at <https://www.govinfo.gov/content/pkg/FR-2019-08-09/pdf/2019-17027.pdf>.

**Table 5.1. Activity in Federal Reserve priced services, 2022–24**

Thousands of items, except as noted

Service	2024	2023	2022	Percent change	
				2023–24	2022–23
Commercial check	2,977,825	3,146,474	3,373,580	–5.4	–6.7
Commercial ACH	20,109,461	18,858,315	18,517,858	6.6	1.8
Fedwire funds transfer	209,917	193,317	196,052	8.6	–1.4
National settlement	586	582	586	0.7	–0.8
Fedwire Securities	28,876	25,373	3,410	13.8	644.2

Note: Activity in commercial check is the total number of commercial checks collected, including processed and fine-sort items; in commercial ACH, the total number of commercial items processed; in Fedwire funds transfer and securities transfer, the number of transactions originated online and offline; and in national settlement, the number of settlement entries processed. Before 2023, the priced component of the Fedwire Securities Service consisted of revenues, expenses, and volumes associated with the transfer of all non-Treasury securities. Starting in 2023, the revenues, expenses, and volumes associated with the transfer of Treasury securities are also included in the priced component of this service.

## Commercial Automated Clearinghouse Service

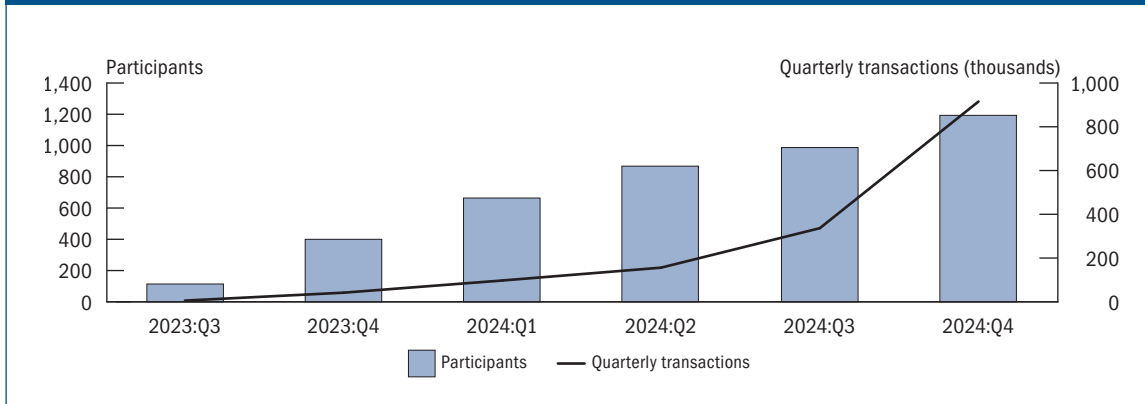
The commercial ACH service provides batched payment options for same-day and next-day settlement, enabling depository institutions and their customers to process large volumes of payments through electronic batch processes.

In 2024, the Reserve Banks recovered 111.7 percent of the total costs of their commercial ACH services, including the related PSAF. The Reserve Banks' operating expenses and imputed costs totaled \$166.5 million. Revenue from operations totaled \$190.0 million, resulting in a net income of \$23.5 million. The Reserve Banks processed 20.1 billion commercial ACH transactions in 2024, an increase of nearly 6.6 percent from 2023 (see [table 5.1](#)). The average daily value of commercial FedACH transfers in 2024 was approximately \$169.3 billion, an increase of 7.2 percent from the previous year.

## FedNow Service

The FedNow Service, which launched in July 2023, is a new interbank service for instant payments, or payments that can be made at any hour of the day, every day of the year, with immediate funds availability for receivers. Depository institutions that elect to join the service can offer new payment capabilities to their consumer and business customers, for a wide variety of needs. Instant payments provide tangible benefits for consumers and businesses, such as in cases where rapid access to funds is critical or where just-in-time payments help manage cash flows in bank accounts.

By the end of 2024, 1,192 institutions—including large banks, community banks, and credit unions—joined the service, an increase of 33.5 percent from the end of 2023 (see [figure 5.2](#)).

**Figure 5.2. FedNow Service quarterly volume and participants**

The Reserve Banks processed 1.5 million FedNow transactions in 2024, the first full year of the FedNow Service. The average daily value of FedNow transactions in 2024 was approximately \$104.1 million. The number and the value of transactions processed by the FedNow Service in 2024 are consistent with the Federal Reserve’s expectation for a new service line, and the Board expects volume to accelerate over time as more financial institutions join the network.

In 2024, the Reserve Banks’ operating expenses and imputed costs for the FedNow Service totaled \$231.1 million.

### **Fedwire Funds and National Settlement Services**

In 2024, the Reserve Banks recovered 110.1 percent of their costs of the Fedwire Funds and National Settlement Services, including the related PSAF. The Reserve Banks’ operating expenses and imputed costs totaled \$151.7 million. Revenue from operations totaled \$170.3 million, resulting in a net income of \$18.6 million.

#### ***Fedwire Funds Service***

The Fedwire Funds Service allows depository institutions and their customers to send or receive domestic time-critical, and often high-value, payments using their balances at Reserve Banks to transfer funds interbank in real time.

From 2023 to 2024, the number of Fedwire funds transfers originated by depository institutions increased 8.6 percent, to approximately 210 million (see [table 5.1](#)). The average daily value of Fedwire funds transfers in 2024 was \$4.5 trillion, an increase of 3.8 percent from the previous year.

### **National Settlement Service**

The National Settlement Service (NSS) is a multilateral settlement system that allows participants in private-sector clearing arrangements to settle transactions using their balances at Reserve Banks.

In 2024, NSS processed settlement files for 13 private-sector arrangements that have been established by financial market utilities, check clearinghouse associations, and automated clearinghouse networks. The Reserve Banks processed 8,526 files that contained about 586,000 settlement entries (see [table 5.1](#)). Settlement file activity in 2024 decreased 0.5 percent from 2023, while settlement entry activity increased 0.7 percent from 2023. The total value of settlement processed by NSS increased 6.6 percent, to \$28.2 trillion.

### **Fedwire Securities Service**

The Fedwire Securities Service is a central securities depository and real-time securities settlement system that allows its participants to transfer electronically to other service participants certain securities issued by the U.S. Department of the Treasury, federal government agencies, government-sponsored enterprises, and certain international organizations. It also provides for the issuance, safekeeping, and maintenance of those securities. The Reserve Banks provide transfer services for securities issued by the U.S. Treasury, federal government agencies, government-sponsored enterprises, and certain international institutions. Before 2023, the priced component of this service consisted of revenues, expenses, and volumes associated with the transfer and safekeeping of all non-Treasury securities. Starting in 2023, the revenues, expenses, and volumes associated with the transfer of Treasury securities are also included in the priced component of this service.

In 2024, the Reserve Banks recovered 124.8 percent of the costs of their Fedwire Securities Service, including the related PSAF. The Reserve Banks' operating expenses and imputed costs totaled \$41.6 million. Revenue from operations totaled \$53.0 million, resulting in a net income of \$11.4 million. In 2024, the number of securities transfers processed via the service increased approximately 13.8 percent from 2023, to approximately 28.9 million (see [table 5.1](#)). The average daily value of all Fedwire Securities transfers in 2024 was more than \$2.2 trillion, an increase of approximately 27.2 percent from the previous year.

The Reserve Banks, as fiscal agents for Fedwire Securities issuers, facilitate the principal and interest payments to the Fedwire Securities Service participants holding securities. In 2024, the total cash value of principal and interest payments was \$37.9 trillion (an increase of 25.5 percent from 2023).

The Fedwire Securities Service is the central securities depository for securities issued over the Fedwire Securities Service. At the end of 2024, there was approximately \$114 trillion (par value) of Fedwire Securities held in securities accounts maintained by the Reserve Banks as part of the service, a 4.0 percent increase from 2023. At the end of 2024, there were approximately 1.58 million unique securities outstanding on the service, an increase of 5.0 percent from 2023.

### **FedLine Solutions: Access to Reserve Bank Services**

The Reserve Banks' FedLine Solutions provide depository institutions with a variety of connections for accessing the Reserve Banks' payment and information services.

For priced services, the Reserve Banks charge fees for these connections and allocate the associated costs and revenue to the various services. There are currently five FedLine Solutions through which depository institutions can access the Reserve Banks' priced services. These FedLine Solutions are designed to meet the individual connectivity, security, and contingency requirements of depository institution customers.

### **Federal Reserve Intraday Credit**

The Federal Reserve Board governs the use of Federal Reserve Bank intraday credit, also known as daylight overdrafts.<sup>3</sup> A daylight overdraft occurs when an institution's account activity creates a negative balance in the institution's Federal Reserve account at any time in the operating day. Daylight overdrafts enable an institution to send payments more freely throughout the day than if it were limited strictly by its available intraday funds balance, increasing efficiency and reducing payment system risk.

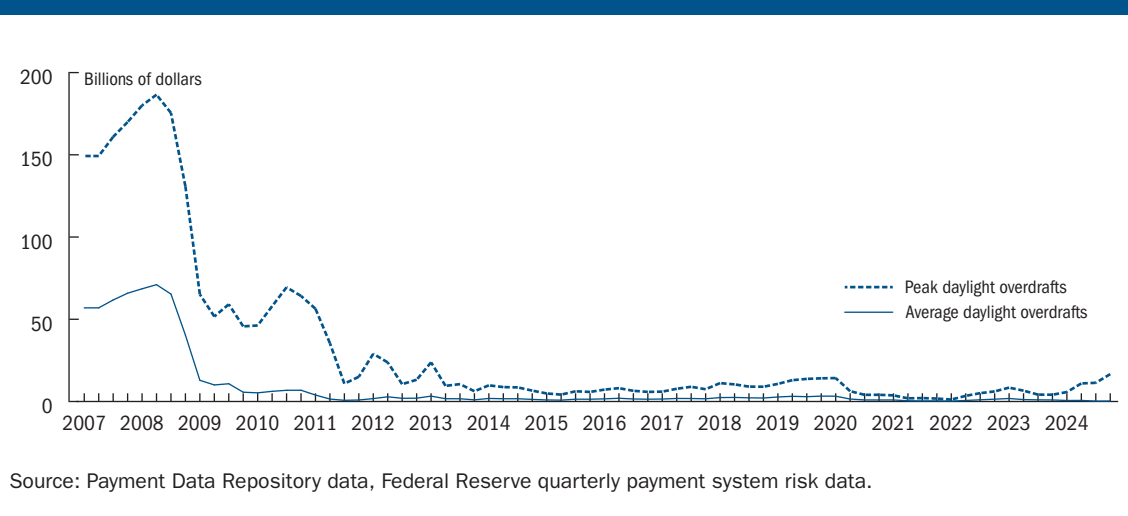
Given the high level of overnight balances institutions hold at the Federal Reserve Banks, daylight overdrafts have remained relatively low, as shown in [figure 5.3](#).<sup>4</sup>

Fees collected for daylight overdrafts are also at low levels. These fees as well as the use of intraday credit are expected to remain relatively low given the high levels of overnight balances under the ample reserves regime. Additionally, a 2011 policy revision that eliminated fees for collateralized daylight overdrafts has further contributed to the decrease in fees.<sup>5</sup>

<sup>3</sup> See the Payment System Risk policy: [https://www.federalreserve.gov/paymentsystems/psr\\_about.htm](https://www.federalreserve.gov/paymentsystems/psr_about.htm). The Payment System Risk policy recognizes explicitly the role of the central bank in providing intraday balances and credit to healthy institutions; under the policy, the Reserve Banks provide collateralized intraday credit at no cost.

<sup>4</sup> Increases in the overnight balances institutions held at the Reserve Banks have decreased the demand for intraday credit. Use of intraday credit is expected to remain low given the FOMC's decision to continue to implement monetary policy within a regime of ample reserves.

<sup>5</sup> See the September 30, 2010, press release available on the Board's website at <https://www.federalreserve.gov/newsevents/pressreleases/other20100930a.htm>.

**Figure 5.3. Aggregate daylight overdrafts 2007–24**

## Currency and Coin

The Federal Reserve Board issues the nation's currency (in the form of Federal Reserve notes) to the 12 Federal Reserve Banks. The Reserve Banks, in turn, distribute Federal Reserve notes to depository institutions in response to public demand and the needs of commerce. Together, the Board and Reserve Banks work to maintain the integrity of and confidence in Federal Reserve notes.

In 2024, Board staff continued to work with the Reserve Banks and Bureau of Engraving and Printing (BEP) on several strategic initiatives to modernize the U.S. Currency Program over the next decade. These updates are crucial to ensuring the ongoing security and availability of U.S. currency to meet public demand (see [box 5.2](#)).

The Reserve Banks distributed 30.6 billion Federal Reserve notes into circulation in 2024, a 0.8 percent decrease from 2023, and received 29.8 billion Federal Reserve notes from circulation, a 1.6 percent decrease from 2023. The greater decrease in receipts relative to payments resulted in an increase in net payments of 0.2 billion notes, or 41.2 percent from 2023. However, net payments remain about half of 2019 levels, primarily because of decreased net payments of \$100 notes. The continued positive net payments contributed to the continued growth of currency in circulation. The value of Federal Reserve notes issued and outstanding at year-end 2024 totaled \$2.3 trillion, a 1.1 percent increase from 2023.

## Box 5.2. U.S. Currency Program Initiatives

The Federal Reserve Board of Governors is the issuing authority for Federal Reserve notes. Its staff works closely with the Bureau of Engraving and Printing (BEP) and Reserve Banks to ensure that the production of U.S. currency remains secure and that the notes circulated are high quality and in a quantity sufficient to meet public demand, supporting the Board's mission to provide a variety of safe and secure payment methods for the public.<sup>1</sup>

To meet our statutory responsibility as issuing authority of Federal Reserve notes, the Federal Reserve has been collaborating with the BEP and Reserve Banks on several multiyear initiatives to ensure the public continues to have confidence in the security and availability of U.S. currency, and that the Federal Reserve can respond to a range of demand scenarios.

For example, the NextGen Program is a multiphase, multiyear program to replace the current fleet of Reserve Bank banknote-processing equipment that is more than 30 years old with next-generation processing machines and improved sensors for authenticating currency deposited at Reserve Banks. This equipment plays a critical role in the Federal Reserve's ability to maintain currency quality and integrity. During 2024, the Federal Reserve began the pilot-testing phase of the project in four cash offices to test the high-speed banknote-processing equipment. As part of implementing the new machines, the Federal Reserve is assessing the potential strategic benefits of realigning some cash-processing activities, which could offer increased resiliency, sustainability, and efficiency in operations.

Long-term planning for vault and processing capacities with a regional and national perspective is also driving updates to individual facilities, including the Federal Reserve Bank of New York's East Rutherford Operations Center that is undersized for the scope of necessary operations. The facility serves the New York metro area market, processes the highest volume of currency in the Federal Reserve System, and is one of two key offices that services international distribution and circulation of U.S. currency and coin. A new facility located in Warren, New Jersey, will replace the East Rutherford Operations Center.

The Miami Branch of the Federal Reserve Bank of Atlanta serves a prominent role as a partner for the Federal Reserve Bank of New York's international cash function, provides international cash services to certain central banks, and is the third-largest cash operation in the Federal Reserve System. To accommodate the volume of cash that flows through the facility, the vault is undergoing expansion and automation. The Branch's currency operations currently use a manual currency vault that has not been updated in over four decades.

The U.S. Currency Program is developing the next family of U.S. banknotes. The goal of the development process is to produce banknotes that are secure, manufacturable, and functional in commerce for each denomination. The notes must be secure against identified and anticipated counterfeiting threats, with easily recognizable security features that are authenticatable by domestic and international users, and must be manufacturable to meet anticipated demand. Following Treasury's guidance on the release of new note designs, the first denomination planned for production will be the \$10 note, with targeted issuance at the end of 2026.

<sup>1</sup> Currency issuance is a mission essential function of the Board, and U.S. currency is the dominant reserve currency in the world. Under the Federal Reserve Act, the Board reimburses the BEP for their expenses necessarily incurred by producing U.S. currency for the Board to issue into commerce.

The Reserve Banks also distribute coin to depository institutions on behalf of the U.S. Mint.<sup>6</sup> In 2024, Reserve Banks distributed 44.1 billion coins into circulation, a 0.5 percent decrease from 2023, and received 37.0 billion coins from circulation, no change compared with 2023.

## **Banknote Development**

During 2024, Federal Reserve Board staff continued to support efforts related to the development of the next family of U.S. currency. For example, the Advanced Counterfeit Deterrence Steering Committee, composed of the Treasury, the U.S. Secret Service, and Federal Reserve System staff, provided advice on currency design changes to the Secretary of the Treasury, who has sole statutory authority to approve the final currency design.

Over the past year, Federal Reserve Board staff, alongside other U.S. Currency Program partners (the Bureau of Engraving and Printing (BEP), FRFS, and the U.S. Secret Service), collaborated on banknote and technology development. Banknote development focuses on meeting requirements based on user needs, security needs, and manufacturing capabilities. Technology development focuses on security features that can further bolster the counterfeit resistance of U.S. currency. To support these efforts, and like many other central banks, the Federal Reserve Board led an adversarial analysis program to increase the counterfeit resilience of U.S. currency and to research counterfeit-deterrence technologies. These activities work in concert to meet the goal of developing the next family of banknotes with new, robust security features effectively integrated into their design, features that are easy to authenticate and difficult for counterfeiters to simulate. The first denomination in the new family of banknotes, the \$10, will be ready for issuance at the end of 2026.

## **Currency Education**

The Federal Reserve Board's U.S. Currency Education Program (CEP) is responsible for building confidence in U.S. currency by providing education, training, and information about Federal Reserve notes to the global public. The CEP works closely with the U.S. Secret Service, the U.S. Department of State, and the BEP to raise awareness about the designs and security features of Federal Reserve notes.

In 2024, the CEP increased engagement with stakeholders who play a critical role in blocking counterfeit currency from entering circulation. In response to the needs of the program's domestic and international audience, the CEP hosted 10 virtual outreach programs and 7 in-person events, garnering more than 1,400 attendees from three continents (North America, South America, and Africa).

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<sup>6</sup> The Federal Reserve Board is the issuing authority for Federal Reserve notes, while the U.S. Mint, a bureau of the U.S. Treasury, is the issuing authority for coin.

Coverage on both traditional and social media contributed to ongoing engagement with the CEP's website and mobile applications. *Uscurrency.gov* ended 2024 with more than 3 million web visitors and more than 5.8 million pages viewed on the website. More than 264,000 resources were downloaded from the website. In addition to website resource downloads, 321,300 print resources were shipped out to the global public. CEP's *Cash Assist* mobile application was downloaded more than 40,000 times, bringing the lifetime total downloads to more than 317,000.

## External Engagements

Federal Reserve Board staff continued to serve on the Central Bank Counterfeit Deterrence Group and the Five Nations and chaired the United States Cash Machine Group. The Central Bank Counterfeit Deterrence Group is a group of central banks that collaborates to develop and deploy measures to combat digital counterfeiting. The Five Nations is a group of central banks, including the Board, that works on common projects and shares lessons learned in banknote development, distribution, public education, and circulation. The United States Cash Machine Group works closely with manufacturers of cash authentication machines to ensure that new and existing banknotes function in commerce. The Board collaborates with these domestic and international partners to maintain worldwide confidence in U.S. currency.

## Fiscal Agency and Government Depository Services

The Federal Reserve Banks, upon the direction of the Secretary of the Treasury, act as fiscal agents of the U.S. government.<sup>7</sup> The Reserve Banks, in their role as fiscal agents, develop, operate, maintain, or host a number of applications that support Treasury's payment services, debt financing and securities services, and financial accounting and reporting services. To support these fiscal agent services, the Reserve Banks provide associated technology infrastructure services.

As fiscal agent, the Reserve Banks also maintain the Treasury's operating cash account, commonly referred to as the Treasury's general account, or TGA. Additionally, the Reserve Banks provide certain fiscal agency and depository services to other entities.

Reserve Bank expenses for providing fiscal agency and depository services totaled \$859.3 million, an increase of \$88.9 million, or 11.5 percent (see [table 5.2](#)). This increase is primarily attributable to Treasury's request that the Reserve Banks, as fiscal agents, modernize legacy applications or migrate applications to a cloud platform for all fiscal agent services in alignment with the

<sup>7</sup> In accordance with section 15 of the Federal Reserve Act, the Treasury and Reserve Banks operate under a principal-agent relationship where the Treasury, as principal, provides direction to the Reserve Banks, as agent, and monitors the Reserve Banks' progress against Treasury's priorities. See <https://www.federalreserve.gov/aboutthefed/section15.htm>.

federal government's cloud computing strategy.<sup>8</sup> The Treasury and other entities reimburse the Reserve Banks for the expense of providing fiscal agency and depository services. Costs for Treasury-related programs accounted for 98.6 percent of expenses, and costs for other entities accounted for the remaining 1.4 percent.

**Table 5.2. Expenses of the Federal Reserve Banks for fiscal agency and depository services, 2022–24**

Thousands of dollars

Agency and service	2024	2023	2022
<b>Department of the Treasury</b>			
Payment services	339,597	336,377	375,606
Debt financing and securities services	244,194	194,413	207,805
Financial accounting and reporting services	86,550	81,136	73,481
Technology infrastructure services	177,052	143,598	147,856
<b>Total, Treasury</b>	<b>847,392</b>	<b>755,524</b>	<b>804,748</b>
Services provided to other entities	11,930	14,849	16,130
<b>Total reimbursable expenses</b>	<b>859,322</b>	<b>770,374</b>	<b>820,878</b>
Note: Service costs include reimbursable pension costs, where applicable. Previous versions of the <i>Annual Report</i> provided a separate line item for pension expenses.			

## Payment Services

The Reserve Banks, as fiscal agents, support the Treasury's payment services by developing, operating, maintaining, or hosting applications that allow the public to receive payments from the Treasury and other federal agencies. In general, agencies send payment instructions to the Treasury, which in turn sends the payment instructions to the Reserve Banks. The Reserve Banks then process those payment instructions, primarily through the Federal Reserve's FedACH Service, and then settle those payments in the TGA. These payment instructions can include payments to the public such as federal payroll, Social Security benefits, and income tax refunds. The Reserve Banks, as fiscal agents, also develop, operate, maintain, or host applications that allow Treasury and other federal agencies to detect and prevent improper payments.

Additionally, the Reserve Banks, as fiscal agents, develop, operate, maintain, or host applications that allow the public to make payments to the Treasury and other federal agencies. The public can send payment instructions to the Treasury and other federal agencies, who in turn send those payment instructions primarily to the Federal Reserve's FedACH Service and then those payments settle in the TGA. These instructions can include fees, taxes, and non-tax payments owed to the government.

<sup>8</sup> The Federal Cloud Computing Strategy—Cloud Smart—is a long-term, high-level strategy to drive federal agency cloud adoption. Additional information can be found at <https://www.cio.gov/policies-and-priorities/cloud-smart/>.

In 2024, the Federal Reserve's ACH service processed nearly 1.8 billion Treasury payments valued at approximately \$8.5 trillion.

Reserve Bank expenses for providing Treasury payment services were \$339.6 million in 2024, an increase of \$3.2 million, or 0.9 percent, which is primarily attributable to migrating applications to a cloud platform.

## Financing and Securities Services

The Reserve Banks, as fiscal agents, work closely with the Treasury to raise the financing needed to operate the federal government, which includes functions such as cash forecasting, auction operations, and retail securities support. The Treasury uses the Federal Reserve's Fedwire Securities Service to issue, maintain, transfer and settle all marketable Treasury securities (bills, notes, and bonds). In 2024, the Treasury, supported by the Reserve Banks, conducted 440 auctions that resulted in the Treasury awarding \$28.5 trillion in wholesale Treasury marketable securities to investors. Additionally in 2024, the Treasury issued and serviced \$612.0 billion in marketable securities to retail investors, which the Reserve Banks supported through contact center operations. The Reserve Banks also supported the Treasury's issuance and servicing of \$18.0 billion in U.S. savings bonds in 2024 through contact center operations and fulfillment services.

Reserve Bank expenses for financing and securities services were \$244.2 million in 2024, an increase of \$49.8 million, or 25.6 percent, which is primarily attributable to development efforts to modernize legacy applications.

## Accounting and Reporting Services

The Reserve Banks, as fiscal agents, develop, operate, maintain, or host applications to support Treasury's accounting and reporting services. Specifically, the Reserve Banks, as fiscal agents, manage the TGA by forecasting, monitoring, reconciling, and reporting the government's overall cash requirements and cash flow. The Reserve Banks, as fiscal agents, also support the Treasury's publication of *Your Guide to America's Finances*; the daily and monthly Treasury statements; the Combined Statement of Receipts, Outlays, and Balances of the United States Government; and the *Financial Report of the United States Government*.<sup>9</sup>

<sup>9</sup> Your Guide to America's Finances provides data on federal revenue, spending, deficit, and the national debt and can be found at <https://fiscaldata.treasury.gov/americas-finance-guide/>. The Daily Treasury Statement summarizes the U.S. Treasury's cash and debt operations for the federal government on a modified cash basis and can be found at <https://fiscal.treasury.gov/reports-statements/dts/>. The Monthly Treasury Statement summarizes the financial activities of the federal government and off-budget federal entities and can be found at <https://www.fiscal.treasury.gov/reports-statements/mts/>. The Combined Statement of Receipts, Outlays, and Balances of the United States Government is recognized as the official publication of the government's receipts and outlays and can be found at <https://fiscal.treasury.gov/reports-statements/combined-statement/>. The Financial Report of the United States Government provides the President, Congress, and the American people with a comprehensive view of the federal government's finances and can be found at <https://fiscal.treasury.gov/reports-statements/financial-report/>.

Reserve Bank expenses for accounting and reporting services were \$86.6 million in 2024, an increase of \$5.5 million, or 6.8 percent, which is primarily attributable to migrating applications to a cloud platform.

### **Infrastructure and Technology Services**

The Reserve Banks design, build, and maintain the technology infrastructures and environments that host the majority of applications that the Reserve Banks develop, operate, or maintain as fiscal agent.

To align with Treasury's cloud computing strategy, the Reserve Banks, as fiscal agents, continued to build out and migrate applications to a cloud platform. The Reserve Banks, as fiscal agents, continued to effectively operate infrastructures, plan for end-of-life issues, increase automation, and strengthen their applications against a host of new and evolving cybersecurity threats.

Reserve Bank expenses for infrastructure and technology services were \$177.0 million in 2024, an increase of \$33.4 million, or 23.3 percent, which is primarily attributable to ongoing investments in a cloud platform.

### **Services Provided to Other Entities**

The Reserve Banks, when permitted by federal statute or when required by the Secretary of the Treasury, also provide fiscal agent services to other domestic and international entities with U.S.-dollar-denominated banking services, which include funds, securities, and gold safekeeping; securities clearing, settlement, and investment; and correspondent banking.

The Reserve Banks, as fiscal agents, also issue and maintain, in electronic form, many federal agency, government-sponsored enterprise, and certain international organizations securities. The majority of securities services are performed for the Government National Mortgage Association (Ginnie Mae).

Reserve Bank expenses for services provided to other entities were \$11.9 million in 2024, a decrease of \$3.0 million, or 20.1 percent, primarily because these other entities paid lower fees for their use of Federal Reserve Financial Services.

## **Evolutions and Improvements to the System**

In addition to its role as payment system operator, the Federal Reserve performs several other functions in the payment system, including supervisor and regulator of financial institutions and systemically important financial market utilities, researcher, and catalyst for payment system improvements.

## Payment System Research and Analysis

The Federal Reserve conducts research on a wide range of topics related to the design and activities of payment, clearing, and settlement systems and financial market infrastructures, as well as the role of these systems in the commercial activities of consumers, businesses, and governments.

In 2024, topics examined in Federal Reserve research included the following:

- measurement and analysis of short-run developments and long-run trends in the use of new and established payment methods<sup>10</sup>
- drivers and potential effects of innovations in the payment system
- design, oversight, and regulation of financial market infrastructures
- developments related to payments fraud

For more information, see the Board's Payments Research website at [https://www.federalreserve.gov/paymentsystems/payres\\_about.htm](https://www.federalreserve.gov/paymentsystems/payres_about.htm).

## Digital Innovations Research

Federal Reserve staff conducts policy and analytical research to provide perspectives on the future of money and payments shaped by innovation. Staff research covers market developments that could materially impact the payment system in the future such as stablecoins, tokenization, crypto-assets, and AI in payments, as well as new technologies and business models to improve cross-border payments or to facilitate the settlement of wholesale payment transactions.

To carry out this work the Federal Reserve engages with a wide variety of domestic and international stakeholders, such as those from the private sector, academia, and the government, to gather perspectives and expertise on innovations topics such as tokenization, distributed ledger technology, application programming interfaces, and digital payments. This includes engagement with multilateral institutions, such as the Bank for International Settlements, G7, and Financial Stability Board, and bilateral engagements with other central banks.

## Payment System Regulation

Congress has assigned to the Board responsibility for implementing [the Federal Reserve Act](#) and certain other laws pertaining to a wide range of banking and financial activities, including those related to the payment and settlement system. The Board implements those laws in part through its regulations (see the Board's website at <https://www.federalreserve.gov/supervisionreg/reglisting.htm>).

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<sup>10</sup> In particular, see information about recent releases by the Federal Reserve Payments Study, available at <https://www.federalreserve.gov/paymentsystems/fr-payments-study.htm>.

In October 2023, the Board requested comment on proposed revisions to Regulation II. Pursuant to the Durbin Amendment to the Dodd-Frank Act, Regulation II is the Board's rule concerning debit card transactions. The proposal would lower the maximum interchange fee that a large debit card issuer can receive for a debit card transaction. The proposal would also establish a regular process for updating the maximum amount every other year going forward. The Board received more than 3,500 public comments on the proposed revisions and is considering the input received.

In December 2022, Congress passed legislation requiring the Board to create and maintain a public database of entities with access to Reserve Bank master accounts and services as well as entities that submit requests for access moving forward. In June 2023, the Federal Reserve Board introduced the [Master Account and Services Database](#), a comprehensive and searchable resource that discloses information on financial institutions' access to master accounts and financial services provided by the Federal Reserve Banks. Detailed information on the guidelines used by Reserve Banks in evaluating access requests can be found in the associated [FAQ](#).

### **Other Improvements and Efforts**

The improvement of the efficiency, effectiveness, and security of information technology (IT) services and operations continued to be a central focus of the Reserve Banks. This included continuing priorities for moving applications to the cloud, building out co-location sites with the purpose of closing data centers, aligning IT direction and resources to meet key System objectives, and ensuring that IT leaders and team members are working toward a common set of goals. The highest-level goals—security, agility, and value—guide a set of priorities focused on operating secure and reliable systems, accelerating business outcomes, and enhancing the business-driven digital experience and collaboration. A key enabler in achieving these goals is a multiyear modernization effort launched in 2023, which aims to contemporize infrastructure and improve application delivery and management.

In 2024, the Board of Governors collected public input on a proposal to expand the operating days of the Fedwire Funds Service from 22 hours per day, Monday–Friday to 22 hours per day, 7 days per week, every day of the year (22x7x365) and to correspondingly expand the operating days of NSS, with NSS closing 30 minutes earlier than the Fedwire Funds Service.<sup>11</sup> As technological advancements and globalization of commerce continue to drive change in the large-value payment landscape, expanding the availability of the Fedwire Funds Service and NSS would support the Board's long-standing policy objective to foster a safe and efficient U.S. payment system by extending the hours in which settlement in risk-free central bank money can occur. The Board is currently evaluating public comments on the proposal and plans to announce a decision on expanded operating hours in a subsequent *Federal Register* notice.

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<sup>11</sup> The Board collected public comments during a comment period that lasted from May 3, 2024, to September 6, 2024.

The Reserve Banks maintained a robust cybersecurity posture throughout 2024, avoiding disruptions from major cybersecurity events and breaches. The Banks remain steadfast in their commitment to combating cyber threats with emphasis on risk mitigation, proactive monitoring, and conducting thorough assessments of cyber risks to enterprise operations and data protection. Over the past year, the Federal Reserve System has significantly bolstered security capabilities through a series of high-priority information security initiatives. Key achievements include the completion of multifactor authentication implementation across all applications in its environment, the enhancement of policies and practices to address Insider Risk Management, and adoption of advanced automated tools to strengthen vulnerability management efforts. These accomplishments reflect the Reserve Banks ongoing dedication to collaborating with business partners to further elevate the overall state of information security across the Federal Reserve System.

## Oversight of Federal Reserve Banks

The combined financial statements of the Reserve Banks and the financial statements of each of the 12 Reserve Banks are audited annually by an independent public accounting firm retained by the Board of Governors.<sup>12</sup> In addition, the Reserve Banks are subject to oversight by the Board of Governors, which performs its own reviews.

The Reserve Banks use the 2013 framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to assess their internal controls over financial reporting, including the safeguarding of assets. The management of each Reserve Bank annually provides an assertion letter to its board of directors that confirms adherence to COSO standards.

The Federal Reserve Board engaged KPMG LLP (KPMG) to audit the 2024 combined and individual financial statements of the Reserve Banks and the financial statements of one limited liability company (LLC) that is associated with the Board of Governors' actions to address the coronavirus pandemic and is consolidated in the statements of the Federal Reserve Bank of Boston.<sup>13</sup> In 2024, KPMG also conducted audits of internal controls over financial reporting for each of the Reserve Banks. Fees for KPMG services totaled \$9.0 million, of which approximately \$0.2 million was for the audit of the LLC.<sup>14</sup> The audits are conducted in accordance with the Public Company Accounting Oversight Board and auditing standards generally accepted in the United States. To ensure auditor independence, the Board of Governors requires that KPMG be independent in all

<sup>12</sup> See "Federal Reserve Banks Combined Financial Statements" at <https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm>.

<sup>13</sup> In March 2024, two LLCs were terminated after all holdings were liquidated, final obligations were satisfied, and final distributions of proceeds were made.

In addition, KPMG audited the Retirement Plan for Employees of the Federal Reserve System (System Plan), and the Thrift Plan for Employees of the Federal Reserve System (Thrift Plan). The System Plan and the Thrift Plan provide retirement benefits to employees of the Board, the Federal Reserve Banks, and the Consumer Financial Protection Bureau.

<sup>14</sup> The LLC will reimburse the Board of Governors for the fees related to the audit of its financial statements from the entity's available assets.

matters relating to the audits. Specifically, KPMG may not perform services for the Reserve Banks or affiliated entities that would place it in a position of auditing its own work, making management decisions on behalf of the Reserve Banks, or in any other way impairing its audit independence. In 2024, the Reserve Banks did not engage KPMG for significant non-audit services.

The Board's reviews of the Reserve Banks include a wide range of oversight activities, conducted primarily by its Division of Reserve Bank Operations and Payment Systems. Division personnel monitor, on an ongoing basis, the activities of each Reserve Bank, National Information Technology, and FRFS. The oversight program identifies the most strategically important Reserve Bank current and emerging risks and defines specific approaches to achieve a comprehensive evaluation of the Reserve Banks' controls, operations, and management effectiveness.

The comprehensive reviews include an assessment of the internal audit function's effectiveness and its conformance to the Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing, applicable policies and guidance, and the IIA's code of ethics.

The Board also reviews the System Open Market Account (SOMA) annually to

- determine whether the Federal Reserve Bank of New York, while conducting the related transactions and associated controls, complies with the policies established by the Federal Open Market Committee (FOMC); and
- assess the SOMA-related IT project management and application development, vendor management, and system resiliency and contingency plans.

In addition, KPMG audits the year-end schedule of the SOMA participated asset and liability accounts and the related schedule of participated income accounts. The FOMC is provided with the external audit reports and a report on the Board review.

## **Income and Expenses**

Annually, the Board releases the combined Reserve Banks financial statements with financial information as of December 31, which include the accounts and results of operations of each of the 12 Reserve Banks.

In 2024, current income was \$159.3 billion, compared with \$175.1 billion in 2023; expenses totaled \$236.9 billion, compared with \$289.5 billion in 2023; and net loss before providing remittances to the Treasury totaled \$77.6 billion, compared with \$114.3 billion in 2023.

In accordance with the Federal Reserve Act, the Reserve Banks remit excess earnings to the Treasury after providing for the cost of operations, payment of dividends, and reservation of an

amount necessary to maintain aggregate surplus. During a period when earnings are not sufficient to provide for those costs, a deferred asset is recorded. A deferred asset represents the shortfall in earnings from the most recent point that remittances were suspended and is the amount of net excess earnings Reserve Banks will need to realize in the future before remittances to the Treasury resume. The Reserve Banks continued to accumulate a deferred asset during 2024 and 2023. Nonetheless, some Reserve Banks continued to periodically remit excess earnings to the Treasury during 2024 and 2023 because remittances are calculated weekly on an individual Reserve Bank basis.<sup>15</sup>

Table 5.3 summarizes the income, expenses, and distributions of the Reserve Banks for 2024 and 2023. Appendix G of this report, “Statistical Tables,” provides more detailed financial information on the Reserve Banks, including the consolidated LLC.<sup>16</sup> Additionally, appendix G summarizes the Reserve Banks’ 2024 budget performance and 2025 budgets, budgeting processes, and trends in expenses and employment.

<b>Table 5.3. Income, expenses, and distribution of net earnings of the Federal Reserve Banks, 2024 and 2023</b>		
Millions of dollars		
Item	2024	2023
Current income	159,324	175,136
Loan interest income	5,121	10,438
SOMA interest income	153,635	164,087
Other current income <sup>1</sup>	568	611
Net expenses	232,365	286,480
Operating expenses	5,864	5,648
Reimbursements	-886	-812
System pension service cost	621	548
Interest paid on depository institutions deposits and others	186,478	176,755
Interest expense on securities sold under agreements to repurchase	40,288	104,341
Current net (loss)	-73,041	-111,344
Net additions to (deductions from) current net income	-1,222	-130
Treasury securities (losses), net	-37	-32
Federal agency and government-sponsored enterprise mortgage-backed securities (losses), net	-70	-56
Foreign currency translation (losses), net	-1,478	-67
Other additions or deductions	363	25
Assessments by the Board of Governors <sup>2</sup>	3,343	2,912
For Board expenditures	1,438	1,144
For currency costs	1,242	1,047
For Consumer Financial Protection Bureau costs <sup>3</sup>	663	721

(continued)

<sup>15</sup> The Reserve Banks transferred \$3.5 billion and \$670 million to the Treasury during 2024 and 2023, respectively.

<sup>16</sup> Table G.8A is a statement of condition for each Reserve Bank, table G.9 details the income and expenses of each Reserve Bank for 2024, table G.10 shows a condensed statement for each Reserve Bank for the years 1914 through 2024, and table G.12 gives the number and annual salaries of officers and employees for each Reserve Bank.

**Table 5.3—continued**

Item	2024	2023
Reserve Bank net (loss) from operations	-77,606	-114,386
Consolidated variable interest entities: Income, net	22	1,124
Consolidated variable interest entities: Non-controlling interest (income), net	-37	-1,038
Reserve Bank and consolidated variable interest entities net (loss) before providing for remittances to the Treasury	-77,621	-114,300
Earnings remittances to the Treasury	-79,104	-116,063
Net income after providing for remittances to the Treasury	1,483	1,763
Other comprehensive income (loss)	140	-276
Comprehensive income	1,623	1,487
<b>Total distribution of net (loss)</b>	<b>-77,481</b>	<b>-114,576</b>
Dividends on capital stock	1,623	1,487
Remittances transferred to the Treasury <sup>4</sup>	3,533	670
Deferred asset (increase)	-82,637	-116,733
Earnings remittances to the Treasury, net	-79,104	-116,063
<sup>1</sup> Includes income from priced services and securities lending fees. <sup>2</sup> A detailed account of the assessments and expenditures of the Board of Governors appears in the Board of Governors Financial Statements (see <a href="https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm">https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm</a> ). <sup>3</sup> The Board of Governors assesses the Reserve Banks to fund the operations of the Consumer Financial Protection Bureau. <sup>4</sup> Represents excess earnings remitted to the Treasury after providing for the cost of operations, payment of dividends, and reservation of surplus. On a weekly basis, if earnings become less than the cost of operations, payment of dividends, and any amount necessary to maintain surplus, the Reserve Banks suspend weekly remittances to the Treasury and record a deferred asset.		

## SOMA Holdings

The FOMC has authorized and directed the Federal Reserve Bank of New York to execute open market transactions to the extent necessary to carry out the domestic policy directive adopted by the FOMC. The Federal Reserve Bank of New York, on behalf of the Reserve Banks, holds in the SOMA the resulting securities, which include U.S. Treasuries, federal agency and government-sponsored enterprise debt securities, federal agency and government-sponsored enterprise mortgage-backed securities, investments denominated in foreign currencies, and commitments to buy or sell related securities.<sup>17</sup>

Table 5.4 summarizes the average daily assets (liabilities), current income (expenses), and average interest rate of the SOMA holdings for 2024 and 2023.

<sup>17</sup> See table G.2 in appendix G for a list of Federal Reserve holdings of U.S. Treasuries and federal agency securities.

## **Lending**

In 2024, the average daily balance and the average rate of interest earned for Reserve Bank lending programs were as follows:

- Primary, secondary, and seasonal credit extended was \$3,774 million and 5.41 percent.
- Bank Term Funding Program (BTFP) was \$101,647 million and 4.83 percent.
- Paycheck Protection Program Liquidity Facility (PPPLF) was \$2,704 million and 0.35 percent.

In addition, the Federal Reserve Bank of Boston provided loans to a special purpose vehicle (SPV), Main Street Lending Program, that was established in response to the coronavirus pandemic. This SPV provided liquidity to market participants through the purchase of assets in accordance with the terms of the liquidity program.



## Pro Forma Financial Statements for Federal Reserve Priced Services

**Table 5.5. Pro forma balance sheet for Federal Reserve priced services, December 31, 2024 and 2023**  
Millions of dollars

Item	2024	2023
<b>Short-term assets (note 1)</b>		
Imputed investments	1,089.8	556.3
Receivables	49.3	47.2
Inventory	0.1	0.1
Prepaid expenses	29.0	37.8
Items in process of collection	<u>88.2</u>	<u>67.6</u>
Total short-term assets	1,256.5	709.0
<b>Long-term assets (note 2)</b>		
Premises	97.4	94.7
Furniture and equipment	54.3	34.9
Leases, leasehold improvements, and long-term prepayments	71.7	72.5
Prepaid pension costs	93.2	115.1
Deferred tax asset	<u>132.6</u>	<u>130.4</u>
Total long-term assets	<u>449.2</u>	<u>447.6</u>
Total assets	1,705.7	1,156.6
<b>Short-term liabilities (note 3)</b>		
Deferred-availability items	1,178.0	623.8
Short-term debt	27.4	36.2
Short-term payables	<u>51.0</u>	<u>48.9</u>
Total short-term liabilities	1,256.5	709.0
<b>Long-term liabilities (note 3)</b>		
Long-term debt	91.5	102.2
Accrued benefit costs	<u>272.4</u>	<u>274.7</u>
Total long-term liabilities	<u>363.9</u>	<u>376.9</u>
Total liabilities	1,620.4	1,085.9
Equity (including accumulated other comprehensive loss of \$574.5 million and \$548.6 million at December 31, 2024 and 2023, respectively)	85.3	70.7
Total liabilities and equity (note 3)	<u>1,705.7</u>	<u>1,156.6</u>

Note: Components may not sum to totals because of rounding. The accompanying notes are an integral part of these pro forma priced services financial statements.

**Table 5.6. Pro forma income statement for Federal Reserve priced services, 2024 and 2023**

Millions of dollars

Item	2024	2023
Revenue from services provided to depository institutions (note 4)	524.3	505.3
Operating expenses (note 5)	457.2	462.7
Income from operations	67.2	42.5
Imputed costs (note 6)		
Interest on debt	5.7	1.2
Interest on float	-17.2	-11.6
Sales taxes	<u>4.5</u>	<u>5.3</u>
Income from operations after imputed costs	74.1	47.7
Other income and expenses (note 7)		
Investment income	0.0	2.0
Income before income taxes	74.1	49.7
Imputed income taxes (note 6)	<u>14.0</u>	<u>9.6</u>
Net income	60.1	40.1
Memo: Targeted return on equity (note 6)	9.7	8.4

Note: Components may not sum to totals because of rounding. The accompanying notes are an integral part of these pro forma priced services financial statements.

**Table 5.7. Pro forma income statement for Federal Reserve priced services, by service, 2024**

Millions of dollars

Item	Total	Commercial check collection	Commercial ACH	Fedwire funds	Fedwire securities
Revenue from services (note 4)	524.3	111.1	190.0	170.3	53.0
Operating expenses (note 5) <sup>1</sup>	457.2	100.4	174.6	144.1	38.1
Income from operations	67.2	10.7	15.4	26.2	14.9
Imputed costs (note 6)	-6.9	2.6	-13.6	3.3	0.9
Income from operations after imputed costs	74.1	8.1	29.0	22.9	14.1
Other income and expenses, net (note 7)	0.0	0.0	0.0	0.0	0.0
Income before income taxes	74.1	8.1	29.0	22.9	14.1
Imputed income taxes (note 6)	14.0	1.5	5.5	4.3	2.6
Net income	60.1	6.6	23.5	18.6	11.4
Memo: Targeted return on equity (note 6)	9.7	2.1	3.7	3.0	0.9
Cost recovery (percent) (note 8)	110.6	104.2	111.7	110.1	124.8

Note: Components may not sum to totals because of rounding. Excludes amounts related to development of the FedNow Service. The accompanying notes are an integral part of these pro forma priced services financial statements.

<sup>1</sup> Operating expenses include pension costs, Board expenses, and reimbursements for certain nonpriced services.

## Notes to Pro Forma Financial Statements for Priced Services

### **(1) Short-Term Assets**

Receivables are composed of fees due the Reserve Banks for providing priced services and the share of suspense- and difference-account balances related to priced services.

Items in process of collection are gross Federal Reserve cash items in process of collection (CIPC), stated on a basis comparable to that of a commercial bank. They reflect adjustments for intra-Reserve Bank items that would otherwise be double-counted on the combined Federal Reserve balance sheet and adjustments for items associated with nonpriced items (such as those collected for government agencies). Among the costs to be recovered under the Monetary Control Act is the cost of float, or net CIPC during the period (the difference between gross CIPC and deferred-availability items, which is the portion of gross CIPC that involves a financing cost), valued at the federal funds rate. Investments of excess financing derived from credit float are assumed to be invested in federal funds.

### **(2) Long-Term Assets**

Long-term assets consist of long-term assets used solely in priced services and the priced-service portion of long-term assets shared with nonpriced services, including a deferred tax asset related to the priced services pension and postretirement benefits obligation. The tax rate associated with the deferred tax asset was 18.8 percent for 2024 and 19.3 percent for 2023.

Long-term assets also consist of an estimate of the assets of the Board of Governors used in the development of priced services.

### **(3) Liabilities and Equity**

Under the matched-book capital structure for assets, short-term assets are financed with short-term payables and imputed short-term debt, if needed. Long-term assets are financed with long-term liabilities, imputed long-term debt, and imputed equity, if needed. To meet the Federal Deposit Insurance Corporation (FDIC) requirements for a well-capitalized institution, in 2024 equity is imputed at 5.0 percent of total assets and 11.8 percent of risk-weighted assets, and 2023 equity is imputed at 6.1 percent of total assets and 11.4 percent of risk-weighted assets.

The Board's Payment System Risk policy reflects the international standards for financial market infrastructures developed by the Committee on Payment and Settlement Systems and the Technical Committee of the International Organization of Securities Commissions in the Principles for Financial Market Infrastructures. The policy outlines the expectation that the Fedwire Services will meet or exceed the applicable risk-management standards. Although the Fedwire Funds Service does not face the risk that a business shock would cause the service to wind down in a disorderly

manner and disrupt the stability of the financial system, in order to foster competition with private-sector financial market infrastructures, the Reserve Banks' priced services will hold six months of the Fedwire Funds Service's current operating expenses as liquid net financial assets and equity on the pro forma balance sheet and, if necessary, impute additional assets and equity to meet the requirement. The imputed assets held as liquid net financial assets are cash items in process of collection, which are assumed to be invested in federal funds. In 2024 and 2023, there were sufficient assets and equity such that additional imputed balances were not required.

In accordance with ASC 715, *Compensation-Retirement Benefits*, the Reserve Banks record the funded status of pension and other benefit plans on their balance sheets. To reflect the funded status of their benefit plans, the Reserve Banks recognize the deferred items related to these plans, which include prior service costs and actuarial gains or losses, on the balance sheet. This results in an adjustment to the pension and other benefit plan liabilities related to priced services and the recognition of an associated deferred tax asset with an offsetting adjustment, net of tax, to accumulated other comprehensive income (AOCI), which is included in equity. The Reserve Bank priced services recognized a pension asset, which is a component of accrued benefit costs, of \$93.2 million in 2024 and \$115.1 million in 2023. The change in the funded status of the pension and other benefit plans resulted in a corresponding decrease in accumulated other comprehensive loss of \$25.9 million in 2024.

#### **(4) Revenue**

Revenue represents fees charged to depository institutions for priced services and is realized from each institution through direct charges to an institution's account.

#### **(5) Operating Expenses**

Operating expenses consist of the direct, indirect, and other general administrative expenses of the Reserve Banks for priced services (that is, Check, ACH, Fedwire Funds, and Fedwire Securities) and the expenses of the Board related to the development of priced services. Board expenses were \$7.6 million in 2024 and \$6.8 million in 2023. Operating expenses exclude amounts related to the FedNow Service.

In accordance with ASC 715, the Reserve Bank priced services recognized qualified pension-plan service costs of \$30.9 million in 2024 and \$30.3 million in 2023. Operating expenses also include the nonqualified service costs of \$2.2 million in 2024 and \$2.1 million in 2023. In 2019 Reserve Banks adopted an update to ASC 715 requiring disaggregation of other components of net benefit expense from service costs. The adoption of ASC 715 does not change the systematic approach required by generally accepted accounting principles to recognize the expenses associated with the Reserve Banks' benefit plans in the income statement. As a result, these expenses

do not include amounts related to changes in the funded status of the Reserve Banks' benefit plans, which are reflected in AOCI.

The income statement by service reflects revenue, operating expenses, imputed costs, other income and expenses, and cost recovery. The tax rate associated with imputed taxes was 18.8 percent in 2024 and 19.3 percent for 2023.

## **(6) Imputed Costs**

Imputed costs consist of income taxes, return on equity, interest on debt, sales taxes, and interest on float. Many imputed costs are derived from the PSAF model. The 2024 cost of short-term debt imputed in the PSAF model is based on nonfinancial commercial paper rates; the cost of imputed long-term debt is based on Merrill Lynch Corporate and High Yield Index returns; and the effective tax rate is derived from U.S. publicly traded firm data, which serve as the proxy for the financial data of a representative private-sector firm. The after-tax rate of return on equity is based on the returns of the equity market as a whole.<sup>18</sup>

Interest is imputed on the debt assumed necessary to finance priced-service assets. These imputed costs are allocated among priced services according to the ratio of operating expenses for each service to the total expenses for all services.

Interest on float is derived from the value of float to be recovered for the check and ACH services, Fedwire Funds Service, and Fedwire Securities Service through per-item fees during the period. Float income or cost is based on the actual float incurred for each priced service.

The following shows the daily average recovery of actual credit float by the Reserve Banks for 2024 and 2023, in millions of dollars:<sup>19</sup>

Daily average recovery of actual float	2024	2023
Total float	-340.8	-239.9
Float not related to priced services <sup>1</sup>	-10.3	-11.9 <sup>r</sup>
Float subject to recovery through per-item fees	-330.5	-228.0
<sup>r</sup> Revised.		
<sup>1</sup> Float not related to priced services includes float generated by services to government agencies and by other central bank services.		

<sup>18</sup> See Federal Reserve Bank Services Private-Sector Adjustment Factor, 77 Fed. Reg. 67,007 (November 8, 2012), <https://www.gpo.gov/fdsys/pkg/FR-2012-11-08/pdf/2012-26918.pdf>, for details regarding the PSAF methodology.

<sup>19</sup> Credit float occurs when the Reserve Banks debit the paying bank for checks and other items before providing credit to the depositing bank.

Float that is created by account adjustments due to transaction errors and the observance of non-standard holidays by some depository institutions was recovered from the depository institutions through charging institutions directly. Float subject to recovery is valued at the federal funds rate. Certain ACH funding requirements and check products generate credit float; this float has been subtracted from the cost base subject to recovery in 2024 and 2023.

#### **(7) Other Income and Expenses**

Other income consists of income on imputed investments. Excess financing resulting from additional equity imputed to meet the FDIC well-capitalized requirements is assumed to be invested and earning interest at the 3-month Treasury bill rate.

#### **(8) Cost Recovery**

Annual cost recovery is the ratio of revenue, including other income, to the sum of operating expenses, imputed costs, imputed income taxes, and after-tax targeted return on equity.

## 6 | Consumer and Community Affairs

The Federal Reserve is committed to promoting fair and transparent financial service markets, protecting consumers' rights, and ensuring that its policies and research benefit from consumer and community perspectives. The Board promotes consumer protection, financial inclusion, and community development through targeted work in supervision, regulatory policy, research and analysis, and public engagement (see [figure 6.1](#)). This section discusses the Federal Reserve's key consumer and community affairs activities during 2024:

- [formulating and carrying out supervision and examination policy](#) in collaboration with the Federal Reserve System to promote compliance by financial institutions with consumer protection laws and regulations
- [writing and reviewing regulations](#) that implement consumer protection and community reinvestment laws
- [conducting research, analysis, and data collection](#) to identify and assess emerging consumer and community development issues and risks to inform policy decisions
- [identifying issues and advancing effective community development](#) by engaging, convening, and informing key stakeholders

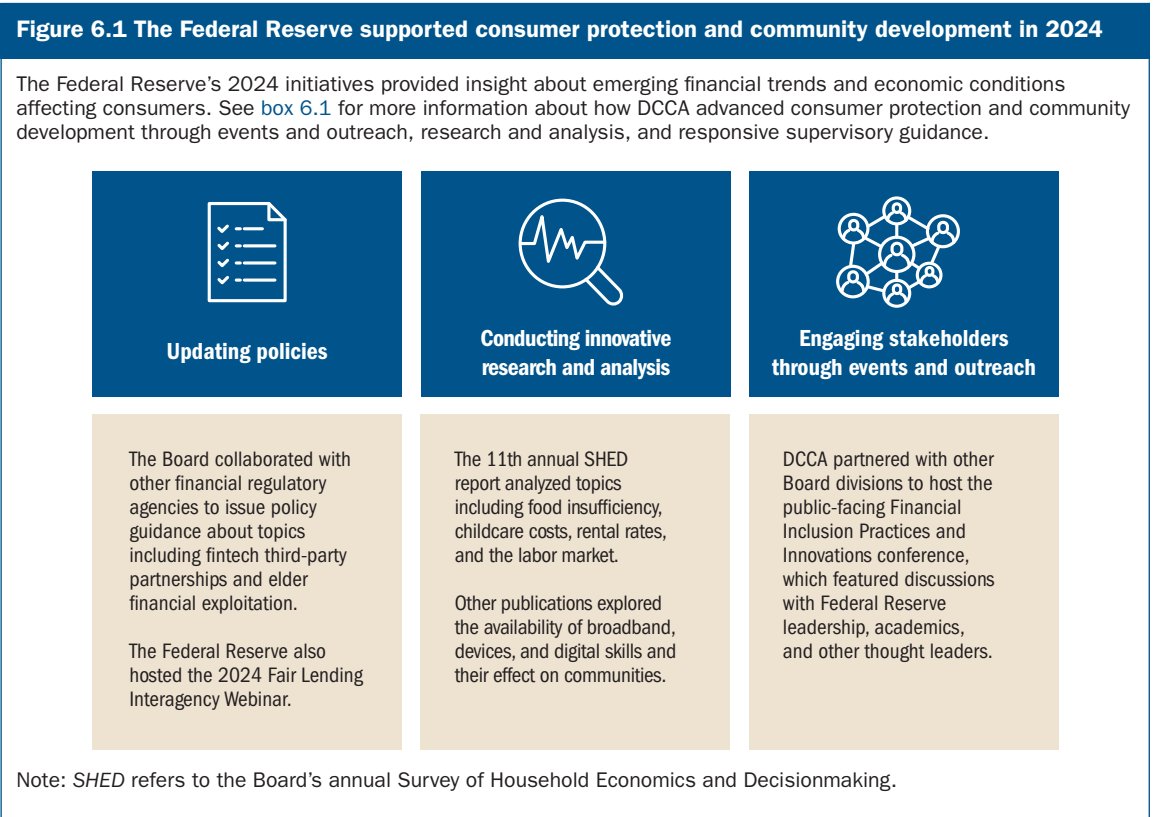
To better understand consumer financial circumstances, the Federal Reserve conducted the yearly Survey on Household Economics and Decisionmaking (SHED) in October 2024. For more information on our consumer and community research, see "[Consumer Research and Analysis of Emerging Issues and Policy](#)" later in this section.

### Consumer Compliance Supervision

The Federal Reserve's consumer protection supervision program assesses compliance by state member banks with a wide range of consumer protection laws and regulations including, but not limited to, the Truth in Lending Act (TILA), the Electronic Fund Transfer Act, the Equal Credit Opportunity Act (ECOA), the Fair Housing Act (FHA), and the prohibition on unfair or deceptive acts or practices (UDAP) in the Federal Trade Commission Act (FTC Act). The program also enforces these laws and regulations and reviews state member banks' performance under the Community Reinvestment Act (CRA).

The Board's Division of Consumer and Community Affairs develops policies that govern and establish requirements for oversight of the Reserve Banks' programs for consumer compliance and CRA

supervision and examination of state member banks and bank holding companies (BHCs), as well as participating in some Large Institution Supervision Coordinating Committee initiatives.



In addition, the Board works with the prudential regulators and the Consumer Financial Protection Bureau (CFPB) as part of the supervisory coordination requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) and ensures that consumer compliance risk is appropriately incorporated into financial institutions’ consolidated risk-management programs.

The Board also oversees the development and delivery of examiner training and supervision-related budget and technology efforts; analyzes bank and BHC applications related to consumer protection, convenience and needs, and the CRA; and oversees the handling of certain types of consumer complaints by the Reserve Banks and directly processes related appeals, in addition to processing constituent casework matters provided by congressional offices.

## Consumer Compliance Examinations

Examinations are the Federal Reserve's primary method of promoting compliance with consumer protection laws and assessing the adequacy of consumer compliance risk-management systems within regulated entities.<sup>1</sup>

In 2024, the Board's regulatory efforts supported compliance by financial institutions by clarifying examination guidelines and procedures.<sup>2</sup> In June, the Federal Reserve and its Federal Financial Institutions Examination Council (FFIEC) partners revised the guide to Home Mortgage Disclosure Act (HMDA) reporting.<sup>3</sup> The updated guide summarizes key requirements to assist financial institutions complying with HMDA as implemented by the CFPB's Regulation C.

The Federal Reserve continued to monitor financial institutions for regulatory compliance. The Reserve Banks completed 394 examinations in 2024. The breakdown of consumer compliance examinations completed by Reserve Banks in 2024 included 204 consumer compliance examinations of state member banks.

## Community Reinvestment Act Performance Evaluation and Regulations

The CRA requires that the Federal Reserve Board and the other federal banking agencies assess a bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations. To carry out this mandate and to encourage banks to help meet the credit needs of the local communities in which they are chartered, the Federal Reserve

- examines state member banks and certain other financial institutions to assess their performance under the CRA,
- considers banks' CRA performance in context with other supervisory information when analyzing applications for mergers and acquisitions, and
- disseminates information about community development practices to bankers and the public through community development offices at the Reserve Banks.<sup>4</sup>

<sup>1</sup> The Federal Reserve has examination and enforcement authority for federal consumer financial laws and regulations for insured depository institutions with assets of \$10 billion or less that are state member banks and not affiliates of covered institutions, as well as for conducting CRA examinations for all state member banks regardless of size. The Federal Reserve also has examination and enforcement authority for certain federal consumer financial laws and regulations for insured depository institutions that are state member banks regardless of asset size, while the CFPB has examination and enforcement authority for many federal consumer financial laws and regulations for insured depository institutions with over \$10 billion in assets and their affiliates (covered institutions), as mandated by the Dodd-Frank Act. For data on state member banks and other institutions supervised by the Federal Reserve (including number and assets of), see section 4, "Supervision and Regulation."

<sup>2</sup> See <https://www.federalreserve.gov/supervisionreg/caletters/caletters.htm> for consumer compliance supervisory guidance issued in 2024.

<sup>3</sup> See Consumer Affairs (CA) letter 24-3, "Revised 'A Guide to HMDA Reporting: Getting It Right!,'" <https://www.federalreserve.gov/supervisionreg/caletters/caltr2403.htm>.

<sup>4</sup> For more information on various community development activities of the Federal Reserve System, see <https://www.fedcommunities.org/>.

The Federal Reserve assesses and rates the CRA performance of state member banks and certain other institutions during performance evaluations conducted by staff at the 12 Reserve Banks. During the 2024 reporting period, the Reserve Banks completed 174 CRA examinations of state member banks. Of those banks examined, 23 were rated “Outstanding,” 151 were rated “Satisfactory,” none were rated “Needs to Improve,” and none were rated “Substantial Non-Compliance.”<sup>5</sup>

## **Consumer Compliance Enforcement Activities**

### ***Fair Lending and UDAP Enforcement***

The Federal Reserve is committed to ensuring that the institutions it supervises comply fully with the federal fair lending and consumer protection laws, including ECOA, the FHA, and the FTC Act, which prohibits unfair or deceptive acts or practices. The ECOA prohibits creditors from discriminating against any applicant, in any aspect of a credit transaction, on the basis of race, color, religion, national origin, sex, marital status, or age. In addition, creditors may not discriminate against an applicant because the applicant receives income from a public assistance program or has exercised, in good faith, any right under the Consumer Credit Protection Act. The FHA prohibits discrimination in residential real estate–related transactions, including the making and purchasing of mortgage loans, on the basis of race, color, religion, sex, handicap, familial status, or national origin.

The Federal Reserve supervises all state member banks for compliance with the FHA. The Federal Reserve and the CFPB have supervisory authority for compliance with the ECOA. For state member banks with assets of \$10 billion or less, the Board has the authority to enforce ECOA. For state member banks with assets over \$10 billion, the CFPB has this authority.

With respect to the FTC Act, the Federal Reserve has supervisory and enforcement authority over all state member banks, regardless of asset size, and consults with the CFPB with regard to state member banks over \$10 billion in assets. An act or practice may be found to be unfair if it causes or is likely to cause substantial injury to consumers that is not reasonably avoidable by consumers and is not outweighed by countervailing benefits to consumers or to competition. A representation, omission, or practice is deceptive if it is likely to mislead a consumer acting reasonably

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<sup>5</sup> On October 24, 2023, the Board, the FDIC, and the OCC jointly issued a final rule to amend the current CRA regulations. The final rule is published in the *Federal Register* at 89 Fed. Reg. 6574, and available at <https://www.federalregister.gov/documents/2024/02/01/2023-25797/community-reinvestment-act>. Certain trade associations filed a complaint with the U.S. District Court for the Northern District of Texas seeking declaratory and injunctive relief from the CRA final rule. On March 29, 2024, the District Court stayed the final rule. The current CRA regulations remain in effect, and the agencies continue to assess banks’ CRA performance under the current regulatory framework until further notice.

under the circumstances and is material, and thus likely to affect a consumer's conduct or decision regarding a product or service.<sup>6</sup>

With respect to fair lending, if the Board has reason to believe that a creditor has engaged in a pattern or practice of discrimination in violation of ECOA, the matter must be referred to the Department of Justice (DOJ). The DOJ reviews the referral and determines whether further investigation is warranted. A DOJ investigation may result in a public civil enforcement action. Alternatively, the DOJ may decide to return the matter to the Board for administrative action. If a matter is returned to the Board, staff ensure that the institution takes all appropriate corrective action. In 2024, the Board referred no fair lending matters to the DOJ.

If there is a fair lending violation that does not constitute a pattern or practice of discrimination or if there is a UDAP violation, the Federal Reserve takes action to ensure that the violation is remedied by the bank. The Federal Reserve uses a range of supervisory and enforcement tools, including nonpublic and public enforcement actions, to resolve any ECOA, FHA, or UDAP violations and ensure that the institution takes appropriate corrective action. For example, the Federal Reserve can also use informal supervisory tools such as memoranda of understanding between banks' boards of directors and the Reserve Banks to ensure that violations are corrected. When necessary, the Board can bring public enforcement actions.

When examiners find evidence of potential discrimination or potential UDAP violations, Board and Reserve Bank staff collaborate to provide additional legal and statistical expertise and ensure that fair lending and UDAP laws are enforced consistently and rigorously throughout the Federal Reserve System.

In July 2024, the Board announced the issuance of a public enforcement action for numerous UDAP violations, compliance risk-management deficiencies, and Bank Secrecy Act-related concerns. The UDAP violations related to unfair and deceptive practices involving the marketing, selling, and servicing of prepaid debit card products and to deceptive practices related to tax return preparation payment services. The consent order assessed a civil money penalty in the amount of \$44 million and required the institution to take various other corrective actions.<sup>7</sup>

Given the complexity of this area of supervision, the Federal Reserve seeks to provide transparency on its perspectives and processes to the industry and the public. Fair Lending and UDAP Enforcement staff meet with supervised institutions, consumer advocates, and industry represen-

<sup>6</sup> For additional information on the standards used by the Federal Reserve when enforcing the FTC Act prohibition on unfair or deceptive acts and practices, see Board of Governors of the Federal Reserve System & Federal Deposit Insurance Corp., Unfair or Deceptive Acts or Practices by State-Chartered Banks (Mar. 11, 2004), available at <https://www.federalreserve.gov/boarddocs/caletters/2004/0402/CA04-2Attach.pdf>.

<sup>7</sup> For more information, see announcement at <https://www.federalreserve.gov/newsevents/pressreleases/enforcement20240719b.htm>.

tatives to discuss fair lending and UDAP issues and receive feedback. Through this outreach, the Board can address emerging fair lending and UDAP issues and promote sound fair lending and UDAP compliance. This includes staff participation in numerous meetings, conferences, and training events.

The Federal Reserve's outreach included the annual Board-sponsored Fair Lending Interagency Webinar, which attracted more than 7,200 registrants in 2024. See [box 6.1](#) for more information about fair lending topics covered at the event.<sup>8</sup>

### ***Flood Insurance Enforcement***

The National Flood Insurance Act imposes certain requirements on loans secured by buildings or mobile homes located in, or to be located in, areas determined to have special flood hazards. Under the Federal Reserve's Regulation H, which implements the act, state member banks are generally prohibited from making, extending, increasing, or renewing any such loan unless the building or mobile home, as well as any personal property securing the loan, are covered by flood insurance for the term of the loan. The law requires the Board and other federal financial institution regulatory agencies to impose civil money penalties when they find a pattern or practice of violations of the regulation.

In 2024, the Federal Reserve issued four orders, assessing approximately \$115,400 in civil money penalties against four state member banks to address flood insurance regulatory violations.<sup>9</sup>

### **Mergers and Acquisitions**

The Board is required by law to consider specific factors when evaluating proposed mergers and acquisitions, including competitive considerations, financial condition, managerial resources (including compliance with laws and regulations), convenience and needs of the community to be served (including the record of performance under the CRA), and financial stability.

In evaluating bank applications, the Federal Reserve relies on the banks' overall compliance record, including recent fair lending examinations. In addition, the Federal Reserve considers the CRA records of the relevant depository institutions, assessments of other relevant supervisors, the supervisory views of examiners, and information provided by the applicant and public commenters. If warranted, the Federal Reserve will also conduct pre-membership exams for a transac-

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<sup>8</sup> To view the webinar, see <https://consumercomplianceoutlook.org/outlook-live/archives/>.

<sup>9</sup> To view press releases for enforcement actions, see <https://www.federalreserve.gov/newsevents/pressreleases.htm>.

## Box 6.1. Supporting Financial Inclusion through Consumer Protection, Research, and Community Development

Throughout 2024, the Board's Division of Consumer and Community Affairs (DCCA) worked to foster an inclusive financial system that enables consumers' access to banking products and services. DCCA's publications, research, and outreach offered insight into economic circumstances and on key consumer topics, including food and childcare costs, housing, and broadband access in rural and underserved communities. Furthermore, DCCA developed a guide for community banks to help them manage risks of working with third parties and guidance to help prevent elder financial exploitation and on other topics related to consumer protection.

### Conducting Innovative Research

As some households faced high prices and other challenges in managing their finances, DCCA's research and policy analysis offered multifaceted perspectives on how families and communities were faring. Released in May, the *Economic Well-Being of U.S. Households in 2023* report analyzed responses to the annual Survey of Household Economics and Decisionmaking (SHED) fielded in fall 2023. The survey included questions about overall financial well-being, emergency expenses, the labor market, inflation experiences, housing situations, and retirement savings, as well as about new topics including food sufficiency and caregiving.<sup>1</sup> Board staff led a Connecting Communities webinar to share the SHED findings.<sup>2</sup> DCCA economists also published papers on a range of topics including financial literacy, job changes, income growth, higher education, ways to measure poverty geographically, use of Buy Now, Pay Later (BNPL) products, and other factors affecting consumers' financial resiliency.<sup>3</sup>

In addition to broad measures of financial well-being, DCCA's policy analysis initiatives provided insight into rural economic and community development, including broadband access and job opportunities. A *Consumer & Community Context* issue released in July examined the importance of internet connectivity and digital skills for participating in the economy and how lack of access to broadband affects underserved communities.<sup>4</sup> Other articles by DCCA staff explored differences in rural and urban employment.<sup>5</sup>

### Promoting Sound Risk-Management Practices and Consumer Education among Banks

DCCA's consumer protection and supervision initiatives prioritized both effective risk-management strategies for financial institutions and broadening awareness of payment fraud and scams. In collaboration with other financial regulatory agencies, the Board released *Third-Party Risk Management: A Guide for Community Banks*. Issued in May, the guide offers potential resources, considerations, and examples

(continued)

<sup>1</sup> See <https://www.federalreserve.gov/consumerscommunities/shed.htm>.

<sup>2</sup> See <https://fedcommunities.org/connecting-communities-economic-well-being-us-households-2023/>.

<sup>3</sup> See <https://www.federalreserve.gov/econres/notes/feds-notes/default.htm> and <https://www.federalreserve.gov/econres/feds/index.htm> for more information.

<sup>4</sup> See <https://www.federalreserve.gov/publications/consumer-community-context.htm>.

<sup>5</sup> See Andrew Dumont, "Changes in the U.S. Economy and Rural-Urban Employment Disparities," FEDS Notes (Washington: Board of Governors of the Federal Reserve System, January 19, 2024), <https://doi.org/10.17016/2380-7172.3428>, and Andrew Dumont, "Rural Employment Disparities by Race, Ethnicity, and Region," FEDS Notes (Washington: Board of Governors of the Federal Reserve System, May 31, 2024), <https://doi.org/10.17016/2380-7172.3510>.

**Box 6.1—continued**

for community banks partnering with third-party vendors that provide access to new technologies, delivery channels, products, and markets.<sup>6</sup> To support responsible innovation further, the Board also released an interagency statement noting examples of risk-management practices banks can use for third-party relationships that deliver bank deposit products and services to end users.<sup>7</sup> At the 2024 Fair Lending Interagency Webinar, DCCA and other federal supervisory and enforcement agencies focused on topics including strategies to identify and mitigate redlining risk in delineating assessment areas, marketing, and outreach and enforcement of the Home Mortgage Disclosure Act.<sup>8</sup>

In addition to providing responsive insights on emerging issues, the Board also shared resources to help consumers and financial institutions identify, prevent, and respond to financial fraud. In December, the Board and other financial regulatory agencies issued an interagency statement to assist financial institutions in combatting elder financial exploitation. The statement outlined strategies including governance and oversight, employee training, and consumer outreach and awareness, as well as ways to engage with elder abuse prevention networks and report financial exploitation to authorities, as appropriate.<sup>9</sup>

**Exploring Issues Affecting Consumers and Communities through Events and Outreach**

The Board's events and outreach efforts focused on understanding growth in financially inclusive products and practices and on how post-pandemic economic conditions have shaped the economy and workforce. In July, DCCA co-hosted the Financial Inclusion Practices and Innovations conference with the Divisions of Reserve Bank Operations and Payment Systems and Supervision and Regulation. The conference considered a range of topics and opportunities to advance financial inclusion, including how small-dollar loans, the use of alternative data for cash-flow underwriting, payment services, and other emerging products and practices may expand consumers' access to financial services.<sup>10</sup> In March, the Board also convened *Fed Listens: Transitioning to the Post-Pandemic Economy*, with community development practitioners, economists, and other thought leaders discussing evolving conditions for families and job seekers.<sup>11</sup> Governor Michelle W. Bowman participated in a subsequent *Fed Listens* event about childcare and working parents at the Federal Reserve Bank of Chicago.<sup>12</sup>

Further outreach initiatives helped DCCA gain insight into the effects of current economic conditions on lower-income households and communities. At meetings in May and October, members of the Board's Community Advisory Council offered perspectives on how trends in small business and consumer lending, housing supply, and childcare availability were affecting their respective regions.<sup>13</sup>

<sup>6</sup> See SR letter 24-2/CA letter 24-1, "Third-Party Risk Management: A Guide for Community Banks," <https://www.federalreserve.gov/supervisionreg/srletters/SR2402.htm>. The Board and other agencies released the guide as a complementary resource for June 2023 interagency guidance on managing third-party relationships to all banking organizations under the agencies' supervisions. See CA letter 24-2, "Interagency Guidance on Third-Party Relationships: Risk Management," <https://www.federalreserve.gov/supervisionreg/caletters/caltr2402.htm>.

<sup>7</sup> See CA letter 24-5, "Joint Statement on Banks' Arrangements with Third Parties to Deliver Bank Deposit Products and Services," <https://www.federalreserve.gov/supervisionreg/caletters/caltr2405.htm>.

<sup>8</sup> See <https://www.consumercomplianceoutlook.org/Outlook-Live/2024/2024-Fair-Lending-Interagency-Webinar/>.

<sup>9</sup> See SR letter 24-8/CA letter 24-6, "Interagency Statement on Elder Financial Exploitation," <https://www.federalreserve.gov/supervisionreg/srletters/sr2408.htm>.

<sup>10</sup> See <https://www.federalreserve.gov/conferences/financial-inclusion-practices-and-innovations.htm> for more information about the conference. A video recording of the conference is available at <https://www.youtube.com/watch?v=2jn3WXPjHJew>.

<sup>11</sup> For the agenda and video recording of this event, see <https://www.federalreserve.gov/conferences/fed-listens-transitioning-to-the-post-pandemic-economy-032024.htm>.

<sup>12</sup> See <https://www.federalreserve.gov/fedlistens.htm>.

<sup>13</sup> See <https://www.federalreserve.gov/aboutthefed/cac.htm>.

tion in which an insured depository institution will become a state member bank or in which the surviving entity of a merger would be a state member bank.<sup>10</sup>

The Board provides information on its actions associated with these merger and acquisition transactions, issuing press releases and Board Orders for each.<sup>11</sup> The Federal Reserve also publishes semiannual reports that provide pertinent information on applications and notices filed with the Federal Reserve.<sup>12</sup> The reports include statistics on the number of proposals that were approved, denied, and withdrawn as well as general information about the length of time taken to process proposals. Additionally, the reports discuss common reasons that proposals have been withdrawn from consideration. Furthermore, the reports compare processing times for merger and acquisition proposals that received adverse public comments and those that did not.

## **Coordination with Other Agencies**

### ***Coordination with the Consumer Financial Protection Bureau***

During 2024, staff continued to coordinate on supervisory matters with the CFPB in accordance with the Interagency Memorandum of Understanding on Supervision Coordination. The agreement is intended to establish arrangements for coordination and cooperation among the CFPB and the Board of Governors, the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Association (NCUA). The agreement strives to minimize unnecessary regulatory burden and to avoid unnecessary duplication of effort and conflicting supervisory directives among the prudential regulators and the CFPB. The regulators work cooperatively to share exam schedules for covered institutions and covered activities to plan simultaneous exams, provide final drafts of examination reports for comment, and share supervisory information.

### ***Coordination with Other Federal Banking Agencies***

The Board regularly coordinates with other federal banking agencies, including through the development of interagency guidance, to clearly communicate supervisory expectations. The Federal Reserve also works with the other member agencies of the FFIEC to develop consistent examination principles, standards, procedures, and report formats.<sup>13</sup> In addition, the Federal Reserve participates in the Joint Task Force on Fair Lending, composed of all the prudential regulators, the

<sup>10</sup> The Federal Reserve has issued guidance providing further explanation on its criteria for waiving or conducting such pre-merger or pre-membership examinations. For more information, see <https://www.federalreserve.gov/supervisionreg/srletters/SR1511.htm>.

<sup>11</sup> To access the Board's Orders on Banking Applications, see <https://www.federalreserve.gov/newsevents/pressreleases.htm>.

<sup>12</sup> For these reports, see <https://www.federalreserve.gov/supervisionreg/semiannual-reports-banking-applications-activity.htm>.

<sup>13</sup> For more information, see <https://www.ffiec.gov/>.

CFPB, the DOJ, the Federal Housing Finance Agency, the Federal Trade Commission, and the Department of Housing and Urban Development.

In May 2024, the Board joined the FDIC and OCC in issuing a guide intended to assist community banks when developing and implementing their third-party risk management practices.<sup>14</sup> In July 2024, the Board, along with the CFPB, FDIC, NCUA, and OCC, adopted guidance on reconsiderations of residential real estate valuations, which described the risks of deficient valuations and provided examples of processes that financial institutions could incorporate into existing risk-management functions.<sup>15</sup> In August 2024, the Board joined the FDIC and OCC in issuing a joint statement on banks' arrangements with third parties to deliver bank deposit products and services, which noted potential risks related to these arrangements and highlighted examples of effective risk-management practices a bank may consider when participating in such arrangements.<sup>16</sup> Finally, in December 2024, the Board, along with the CFPB, FDIC, NCUA, OCC, state financial regulators, and the Financial Crimes Enforcement Network (FinCEN), issued a statement to financial institutions for the purpose of raising awareness and providing strategies for combating elder financial exploitation.<sup>17</sup> See [box 6.1](#) for more information about the Board's coordination with other federal regulators to promote sound risk-management practices and consumer education.

## Outreach

The Federal Reserve maintains a comprehensive public outreach program to promote consumer protection, financial inclusion, and community reinvestment. During 2024, the Board continued to enhance its program, delivering timely, relevant compliance information to the banking industry, experienced examiners, and other regulatory personnel.

In 2024, three issues of *Consumer Compliance Outlook* were released, discussing regulatory and supervisory topics of interest to compliance professionals.<sup>18</sup> This publication is distributed to state member banks as well as to BHCs and savings and loan holding companies supervised by the Federal Reserve, among other subscribers. In addition, the Federal Reserve offered two Outlook Live seminars: the 2024 Fair Lending Interagency Webinar and a Compliance Resources webinar for bankers.<sup>19</sup> See [box 6.1](#) for more information about the Fair Lending Interagency Webinar and other Board events.

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<sup>14</sup> See <https://www.federalreserve.gov/supervisionreg/srletters/SR2402.htm>.

<sup>15</sup> See <https://www.federalreserve.gov/supervisionreg/srletters/SR2403.htm>.

<sup>16</sup> See <https://www.federalreserve.gov/supervisionreg/caletters/caltr2405.htm>.

<sup>17</sup> See <https://www.federalreserve.gov/supervisionreg/srletters/sr2408.htm>.

<sup>18</sup> See <https://www.consumercomplianceoutlook.org/2023/second-third-issue/top-compliance-violations/>.

<sup>19</sup> For more information and to access the webinar, see <https://consumercomplianceoutlook.org/outlook-live/archives/>.

## Examiner Training

The Federal Reserve's Examiner Training program supports the ongoing professional development of consumer compliance supervisory staff, from an initial introduction to the Federal Reserve System through the development of proficiency in consumer compliance topics sufficient to earn an examiner's commission and beyond. The goal of these efforts is to ensure that examiners have the skills necessary to meet their supervisory responsibilities now and in the future.

### ***Consumer Compliance Examiner Commissioning Program***

The Consumer Compliance Examiner Commissioning Program is designed to provide an examiner with (1) a foundation for supervision in the Federal Reserve System and (2) the skills necessary to effectively perform examiner-in-charge responsibilities at a noncomplex community bank.<sup>20</sup> On average, examiners progress through a combination of self-paced online learning, classroom offerings, virtual instruction, and on-the-job training over a period of two to three years. Achievement is measured by completing the required course content, demonstrating adequate on-the-job knowledge, and passing a professionally validated proficiency examination.

In 2024, 11 examiners passed the Consumer Compliance Proficiency Examination. The combination of multiple training delivery channels offers learners and Reserve Banks an ability to customize learning and meet training demands more individually and cost effectively.

### ***Continuing Professional Development***

In addition to providing core examiner training, continuing, career-long learning is offered across the Federal Reserve System. Opportunities for continuing professional development (CPD) include online learning modules, special projects and assignments, self-study programs, rotational assignments, instruction at System courses, mentoring programs, and the Consumer Compliance Senior Forum held every 18 months. Staff have access to CPD resources on a variety of topics, including learning assets for examiners moving into examiner responsibilities at larger financial institutions and other curated learning content.

In 2024, the System continued to offer Rapid Response and similar sessions to provide timely training to examiners through webinars and case studies on emerging issues or to address urgent training needs that result from, for example, the implementation of new laws or regulations. Four Rapid Response sessions with an exclusive consumer compliance focus were designed, developed, and presented to System staff during 2024. An additional 24 CPD offerings were delivered that addressed a broader range of supervisory issues, including consumer compliance topics.

<sup>20</sup> An overview of the Federal Reserve System's Examiner Commissioning Program for assistant examiners is set forth in supervision and regulation (SR) letter 17-6/CA 17-1, "Overview of the Federal Reserve's Supervisory Education Programs." See <https://www.federalreserve.gov/supervisionreg/srletters/sr1706.htm>.

## Responding to Consumer Complaints and Inquiries

The Federal Reserve investigates complaints against state member banks and selected nonbank subsidiaries of BHCs (Federal Reserve–regulated entities), and forwards complaints against other creditors and businesses to the agency with relevant authority. Each Reserve Bank investigates complaints against Federal Reserve–regulated entities in its District. The Federal Reserve also responds to consumer inquiries on a broad range of banking topics, including consumer protection questions.

Federal Reserve Consumer Help (FRCH) processes consumer complaints and inquiries centrally. In 2024, FRCH processed 34,198 cases. Of these cases, 17,237 were inquiries and the remainder (16,961) were complaints, with most cases received directly from consumers and involving financial institutions other than state member banks supervised by the Federal Reserve. Approximately 22 percent of cases were referred to the Federal Reserve from other federal and state agencies.

Consumers contacted FRCH by a variety of different channels: 49 percent of the FRCH consumer contacts occurred by telephone, and 49 percent of complaint and inquiry submissions were made electronically (via email, online submissions, and fax). The online form page received 46,356 visits during the year.

### Consumer Complaints

Complaints against Federal Reserve–regulated entities totaled 9,700 in 2024. Of the total, 74 percent (7,219) were closed, and 26 percent were still under investigation as of January 24, 2025.

Less than 1 percent (56) of the closed complaints were pending the receipt of additional information from consumers, referred to another regulatory agency, or withdrawn by the consumer.

### Complaints about Products and Practices

During 2024, the Federal Reserve monitored consumer complaints by product and common subjects of complaint (see [table 6.1](#)).

The Board also tracked complaints that cite discrimination. Ten complaints alleging credit discrimination based on prohibited borrower traits or rights were received in 2024. Five discrimination complaints were related to the race, color, national origin, or ethnicity of the applicant or borrower. Two discrimination complaints were related to either the age or sex of the applicant or borrower. The remainder were related to handicap. Of the closed complaints alleging credit discrimination based on a prohibited basis in 2024, five found no violation, one was referred internally, and another involved a matter in litigation/arbitration.

**Table 6.1. Complaints against state member banks and selected nonbank subsidiaries of bank holding companies by product and subject of complaint, 2024**

Product/subject of complaint	Percent
<b>Deposit/bank products</b>	<b>57</b>
Restricted/blocked accounts	25
Fraud/forgery	9
Deposit error resolution	8
Funds availability not as expected	8
Other	7
<b>Prepaid accounts</b>	<b>25</b>
Restricted/blocked accounts	16
Error resolution	3
Fraud/forgery	3
Inability to withdraw funds on the card	2
Other	1
<b>Credit card accounts</b>	<b>14</b>
Inaccurate credit reporting	5
Fraud/forgery	4
Request to validate the debt owed	1
Other	4
<b>Nondeposit &amp; bank services</b>	<b>2</b>
<b>Other products</b>	<b>1</b>
<b>Real estate loans</b>	<b>1</b>
<b>Total complaints across categories</b>	<b>100</b>
Note: Other products include commercial products, nondeposit products, vehicle loans, customer service, and bank services. Real estate loans include adjustable-rate mortgages, residential construction loans, open-end home equity lines of credit, home improvement loans, home purchase loans, home refinance/closed-end loans, and reverse mortgages.	

Of the total investigated complaints against Federal Reserve–regulated entities, 82 percent did not reveal an error or violation; 7 percent were deemed regulatory concerns or violations of law; 11 percent were identified errors that were corrected by the bank; and the remainder included matters involving litigation, externally and internally referred complaints, complaints resolved by the bank after the consumer filed the complaint with FRCH, or information was provided to the consumer.

## Consumer Laws and Regulations

Throughout 2024, the Board continued to administer its regulatory responsibilities with respect to certain entities and specific statutory provisions of the consumer financial services and fair lending laws. This included drafting regulations and issuing compliance guidance for the industry

and the Reserve Banks and fulfilling its role in consulting with the CFPB on consumer financial services and fair lending regulations for which the CFPB has rulemaking responsibility.

## **Updating Annual Indices for Consumer Regulations**

### ***Annual Indexing of Exempt Consumer Credit and Lease Transactions***

In October 2024, the Board and the CFPB announced that the dollar thresholds in Regulation Z (Truth in Lending) and Regulation M (Consumer Leasing) that will apply in 2025 for determining exempt consumer credit and lease transactions will increase from \$69,500 in 2024 to \$71,900 for 2025. These thresholds are set pursuant to statutory changes enacted by the Dodd-Frank Act that require adjusting these thresholds annually based on the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Transactions at or below the thresholds are subject to the protections of the regulations.<sup>21</sup>

### ***Annual Indexing of Threshold for Small Loan Exemption from Appraisal Requirements for Higher-Priced Mortgage Loans***

In October 2024, the Board, the CFPB, and the OCC announced that the threshold for exempting loans from special appraisal requirements for higher-priced mortgage loans would increase from \$32,400 for 2024 to \$33,500 for 2025.<sup>22</sup> The Dodd-Frank Act amended TILA to add special appraisal requirements for higher-priced mortgage loans, including a requirement that creditors obtain a written appraisal based on a physical visit to the home's interior before making a higher-priced mortgage loan. The rules implementing these requirements contain an exemption for loans of \$25,000 or less and also provide that the exemption threshold will be adjusted annually to reflect increases in the CPI-W.

### ***Annual Adjustment to Community Reinvestment Act Asset-Size Thresholds for Small and Intermediate Small Banks***

In December 2024, the Board and the FDIC announced the annual adjustment to the asset-size thresholds used to define *small bank* and *intermediate small bank* under the CRA regulations.<sup>23</sup>

Financial institutions are evaluated under different CRA examination procedures based on their asset-size classification. Those meeting the small and intermediate small bank asset-size thresh-

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<sup>21</sup> For more information, see "Agencies Announce Dollar Thresholds for Applicability of Truth in Lending and Consumer Leasing Rules for Consumer Credit and Lease Transactions," press release, October 4, 2024, <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004b.htm>.

<sup>22</sup> For more information, see "Agencies Announce Dollar Thresholds for Smaller Loan Exemption from Appraisal Requirements for Higher-Priced Mortgage Loans," press release, October 4, 2024, <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241004a.htm>.

<sup>23</sup> For more information, see "Agencies Release Annual Asset-Size Thresholds under Community Reinvestment Act Regulations," press release, December 19, 2024, <https://www.federalreserve.gov/newsevents/pressreleases/bcreg20241219a.htm>.

olds are not subject to the reporting requirements applicable to large banks unless they choose to be evaluated as a large bank.

Annual adjustments to these asset-size thresholds are based on the change in the average of the CPI-W, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

As a result of the 2.91 percent increase in the CPI-W for the period ending in November 2024, the definitions of small bank and intermediate small bank for CRA examinations were changed as follows:

- *Small bank* means a bank that, as of December 31 of either of the prior two calendar years, had assets of less than \$1.609 billion.
- *Intermediate small bank* means a small bank with assets of at least \$402 million as of December 31 of both of the prior two calendar years and less than \$1.609 billion as of December 31 of either of the prior two calendar years.

These asset-size threshold adjustments took effect on January 1, 2025.

## Consumer Research and Analysis of Emerging Issues and Policy

Throughout 2024, the Board analyzed emerging issues in consumer financial services practices in order to understand their implications for consumers and the Federal Reserve's responsibilities.

### Researching Issues Affecting Consumers and Communities

In 2024, the Board explored various issues related to consumers and communities by convening experts, conducting original research, and fielding surveys as part of its continuing commitment to gain insights into consumers' financial and communities' economic development experiences. This work was essential to identifying emerging issues and understanding how consumers have responded to economic challenges.

### *Household Economics and Decisionmaking*

The Board conducts an annual survey of consumers to gather data on their experiences and perspectives through the Survey of Household Economics and Decisionmaking (SHED). The SHED collects information to better understand household financial activity and perceptions.

Results of the Board's 10th annual SHED were published in the *Economic Well-Being of U.S. Households in 2023* report, released in May 2024.<sup>24</sup> The survey results reflected the self-reported financial conditions of over 11,000 respondents at the end of 2023.

The survey asked respondents about specific aspects of their financial lives, including:

- employment
- expenses and experiences with inflation
- income and savings
- economic preparedness
- banking and credit
- housing and living arrangements
- higher education and student loans
- retirement

The 2023 survey found that despite the moderating pace of inflation, many adults continued to indicate that higher prices were a challenge in managing their finances. Both the share of adults who spent less than their income in the month before the survey and the share who would pay for an unexpected \$400 expenses with cash or the equivalent were nearly unchanged from 2022, yet both were down from 2021. Additionally, the rates at which workers started new jobs and received pay raises were consistent with those seen a year earlier.

The report also highlights several new and expanded topics in the 2023 survey, including caregiving responsibilities, food sufficiency, and homeowners' insurance. These new questions provide additional context on the experiences of U.S. adults across various dimensions of their financial lives. Additionally, the report continued to include information on emerging financial products, including cryptocurrencies and "Buy Now, Pay Later" products.

The survey and report also provided insights into long-standing issues related to individuals' personal financial circumstances, including returns to education, housing situations, and retirement savings. The survey found that differences by education, race and ethnicity, and income generally persisted in 2023.

In addition to fielding and analyzing these surveys, researchers in the Division of Consumer and Community Affairs published articles throughout the year in various publications and journals, contributing to a body of research exploring issues affecting consumers and communities. In 2023,

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<sup>24</sup> For the report and related data from the Survey of Household Economics and Decisionmaking, see <https://www.federalreserve.gov/consumerscommunities/shed.htm>.

research staff published 15 working papers and notes in the Board's Finance and Economics Discussion Series, had 3 papers accepted for publication at economics journals, and released several additional working papers in other working paper series.<sup>25</sup> See [box 6.1](#) for more insight into Board research publications.

## Analysis of Emerging Issues

Board staff analyze data and anticipate trends, monitor policy developments, form working groups, and organize expert roundtables to identify emerging consumer risks and inform supervision, research, and policy.

In 2024, the Board analyzed a broad range of issues in financial services markets that potentially pose risks to consumers. Topics of interest included

- the implications of increased use of generative artificial intelligence for consumers,
- understanding the effects of inflation on low-income families,
- tracking housing trends, and
- monitoring credit trends for small businesses.

In July, DCCA co-hosted the Financial Inclusion Practices and Innovations conference in partnership with the Divisions of Supervision and Regulation and Reserve Bank Operations and Payments Systems.<sup>26</sup> The conference was livestreamed on the Federal Reserve Board's YouTube channel and considered a range of topics and opportunities to advance financial inclusion, including how small-dollar loans, the use of alternative data for cash-flow underwriting, payment services, and other emerging products and practices may expand consumers' access to financial services. The Board also convened a consumer risk-focused workshop series for staff from the Board, Reserve Banks, and other federal agencies in September. The discussion considered a range of responses and actions aimed at addressing and preventing consumer payments fraud. In addition, subject matter experts published a new issue of the Board's *Consumer & Community Context* article series examining the availability of broadband, devices, and digital skills and their effects on communities.<sup>27</sup> See [box 6.1](#) for more information about *Consumer & Community Context* and Board events.

<sup>25</sup> See <https://www.federalreserve.gov/econres/notes/feds-notes/default.htm> and <https://www.federalreserve.gov/econres/feds/index.htm> for more information.

<sup>26</sup> See <https://www.federalreserve.gov/conferences/financial-inclusion-practices-and-innovations.htm> for the agenda and <https://www.youtube.com/watch?v=2jn3WXPtHJew> for the video replay of the conference.

<sup>27</sup> See "Expanding America's Bandwidth: Gaps in Rural and Underserved Communities," <https://www.federalreserve.gov/publications/files/consumer-community-context-20240715.pdf>. For more information about *Consumer & Community Context*, see <https://www.federalreserve.gov/publications/consumer-community-context.htm>.

## Community Development

The Federal Reserve System's community development function promotes economic growth and financial stability for underserved households and communities through research and public outreach. Community development is largely a decentralized function within the Federal Reserve System, and the Community Affairs Officers at each of the 12 Reserve Banks design strategies to respond to the specific needs and interests of community development stakeholders in their respective Districts. Board staff provide oversight for alignment with Board objectives and coordination of System priorities.

### Understanding Outcomes in the Labor Market

The community development function works to ensure that the perspectives of consumers and communities inform policy and research and solicits a broad range of views on issues affecting the economy and financial markets. These insights help improve research, policies, and transparency.

In 2024, the Board's community development initiatives explored multiple aspects of workforce development. In February, the Board and the Federal Reserve Banks of Atlanta, Boston, Cleveland, Philadelphia, and St. Louis convened the Uneven Outcomes in the Labor Market conference.<sup>28</sup> The conference's four sessions focused on topics including economic returns on educational investment, labor force participation decisions, employer characteristics such as structure and financing, and federal, state, and local employment policies. Board staff analyzed long-term shifts in the economy and their relationship to employment rates across urban and rural communities as well as differences between demographic groups and regions.<sup>29</sup> In addition to monitoring the impact of economic outcomes, the Federal Reserve participated in efforts to support the viability of minority depository institutions (MDIs), women depository institutions (WDIs), and community development financial institutions (CDFIs) as required by statute.

During the semiannual Community Advisory Council (CAC) meetings, the Council discussed ongoing credit and economic conditions in regional housing, small business, and labor markets. Council members noted disaster and recovery impacts across their communities, such as the Maui wildfires. They also shared their perspectives on the effect of costs related to property, commercial, auto, and health insurance on low- and moderate-income household budgets.<sup>30</sup>

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<sup>28</sup> See <https://fedcommunities.org/uneven-outcomes-labor-market-conference/> for agendas and video replays of each session.

<sup>29</sup> See <https://www.federalreserve.gov/econres/notes/feds-notes/changes-in-the-us-economy-and-rural-urban-employment-disparities-20240119.html>. And see <https://www.federalreserve.gov/econres/notes/feds-notes/rural-employment-disparities-by-race-ethnicity-and-region-20240531.html>.

<sup>30</sup> Records of the meetings of the CAC are available at <https://www.federalreserve.gov/aboutthefed/cac.htm>.

## Appendixes



# A | Federal Reserve System Organization

Congress designed the Federal Reserve System to give it a broad perspective on the economy and on economic activity in all parts of the nation. As such, the System is composed of a central, governmental agency—the Board of Governors—in Washington, D.C., and 12 regional Federal Reserve Banks. This section lists key officials across the System, including the Board of Governors, [its officers](#), [Federal Open Market Committee members](#), [several System councils](#), and [Federal Reserve Bank and Branch directors and officers](#) for 2024.

## Board of Governors

### Members

The Board of Governors of the Federal Reserve System is composed of seven members, who are nominated by the President and confirmed by the Senate. The Chair and the Vice Chair of the Board are named by the President from among the members and are confirmed by the Senate. This section lists Board members who served in 2024. For a full list of Board members from 1914 through the present, see [www.federalreserve.gov/aboutthefed/bios/board/boardmembership.htm](http://www.federalreserve.gov/aboutthefed/bios/board/boardmembership.htm).

**Jerome H. Powell**

Chair

**Michael S. Barr**

Vice Chair for Supervision

**Lisa D. Cook**

**Adriana D. Kugler**

**Philip N. Jefferson**

Vice Chair

**Michelle W. Bowman**

**Christopher J. Waller**

### Divisions and Officers

Fifteen divisions support and carry out the mission of the Board of Governors, which is based in Washington, D.C.

#### *Division of Board Members*

**Michelle A. Smith**

Assistant to the Board  
and Director

**Terrence E. Fischer**

Special Assistant to the Board  
for Public Information

**Kirk O. Schwarzbach**

Special Assistant to the Board  
(as of April 7, 2024)

**Jennifer C. Gallagher**

Assistant to the Board

**Eric J. Kollig**

Special Assistant to the Board  
(as of April 7, 2024)

**Jon Faust**

Senior Special Adviser  
to the Chair (through  
February 29, 2024)

---

**Legal Division****Mark E. Van Der Weide**

General Counsel

**Jean C. Anderson**

Deputy General Counsel

**Richard M. Ashton**

Deputy General Counsel

**Charles C. Gray**

Deputy General Counsel (through August 9, 2024)

**Reena Sahni**

Deputy General Counsel

**Alvin D. Williams**Senior Associate  
General Counsel**Alicia S. Foster**

Associate General Counsel

**Sean D. Croston**

Deputy Associate General Counsel

**Jason A. Gonzalez**Deputy Associate  
General Counsel**Asad L. Kudiya**Deputy Associate  
General Counsel**Jay R. Schwartz**Deputy Associate  
General Counsel**Dafina V. Stewart**Deputy Associate  
General Counsel**Evan H. Winerman**Deputy Associate  
General Counsel**Joshua P. Chadwick**

Assistant General Counsel (as of November 3, 2024)

**Lucy O. Chang**

Assistant General Counsel

**Michelle A. Kapoor**

Assistant General Counsel (as of November 3, 2024)

---

**Office of the Secretary****Ann Misback**

Secretary of the Board

**Yao-Chin Chao**

Deputy Associate Secretary

**Michele T. Fennell**

Associate Secretary

**Erin M. Cayce**

Assistant Secretary

**Benjamin W. McDonough**

Deputy Secretary and Ombuds (as of April 8, 2024)

---

**Division of International Finance****Beth Anne Wilson**

Director

**Shaghil Ahmed**

Deputy Director

**Stephanie E. Curcuru**

Deputy Director

**Brian M. Doyle**

Deputy Director

**James A. Dahl**

Senior Associate Director

**Etienne Gagnon**

Senior Associate Director

**Luca Guerrieri**

Senior Associate Director

**Matteo Iacoviello**

Senior Associate Director

**Daniel Beltran**

Deputy Associate Director

**Jennifer S. Crystal**Deputy Associate Director  
(as of June 24, 2024)**Andrea De Michellis**

Deputy Associate Director

**Jasper J. Hoek**

Deputy Associate Director

**Viktors Stebunovs**

Deputy Associate Director

**Emre Yoldas**

Deputy Associate Director

**Martin R. Bodenstein**

Assistant Director

**Deepa Datta**

Assistant Director

**Andrea Pastore**

Assistant Director

**Brett D. Berger**

Senior Adviser

**Carol C. Bertaut**

Senior Adviser

**Ricardo Correa**

Senior Adviser

**Paul R. Wood**

Senior Adviser

**Dario Caldara**

Adviser

---

**Division of Financial Stability**

**Andreas W. Lehnert**  
Director

**Michael T. Kiley**  
Deputy Director

**William F. Bassett**  
Senior Associate Director

**Elizabeth C. Klee**  
Senior Associate Director

**Namirembe E. Mukasa**  
Associate Director and  
Chief of Staff

**Skander J. Van den Heuvel**  
Associate Director

**David Arseneau**  
Deputy Associate Director

**Ceyhun Durdu**  
Deputy Associate Director

**Seung Jung Lee**  
Deputy Associate Director

**Jose Berrospide**  
Assistant Director

**Fang Cai**  
Assistant Director

**Jacque J. Hightower**  
Assistant Director (as of  
June 3, 2024)

**Alfonso Ventoso**  
Assistant Director

**Adele Cecile Morris**  
Senior Adviser

**Todd Vermilyea**  
Senior Adviser

**Andrew M. Cohen**  
Adviser

---

**Division of Monetary Affairs**

**Trevor A. Reeve**  
Director

**James A. Clouse**  
Deputy Director

**Nelly Ramdass**  
Deputy Director

**Joshua Gallin**  
Secretary of the FOMC

**David H. Bowman**  
Senior Associate Director

**Margaret G. DeBoer**  
Senior Associate Director

**J. David Lopez-Salido**  
Senior Associate Director

**Matthew M. Luecke**  
Senior Associate Director

**Katherine Sickbert**  
Senior Associate Director

**Min Wei**  
Senior Associate Director

**Eric C. Engstrom**  
Associate Director

**Christopher J. Gust**  
Associate Director

**Brian Bonis**  
Deputy Associate Director

**Karen L. Brooks**  
Deputy Associate Director

**Giovanni Favara**  
Deputy Associate Director

**Dan Li**  
Deputy Associate Director

**Laura Lipscomb**  
Deputy Associate Director

**Elizabeth L. Marx**  
Deputy Associate Director

**Andrew C. Meldrum**  
Deputy Associate Director

**Zeynep Senyuz**  
Deputy Associate Director

**Rebecca E. Zarutskie**  
Deputy Associate Director (through  
August 23, 2024)

**Benjamin Johannsen**  
Assistant Director

**Keith Kudrycki**  
Assistant Director

**Rochelle M. Edge**  
Senior Adviser

**Jane E. Ihrig**  
Senior Adviser

**Don H. Kim**  
Senior Adviser

**Edward M. Nelson**  
Senior Adviser

**Robert J. Tetlow**  
Senior Adviser

**Annette Vissing-Jorgensen**  
Senior Adviser

**Mark A. Carlson**  
Adviser

**Kurt F. Lewis**  
Adviser (as of August 11, 2024)

---

**Division of Research and Statistics****Stacey Tevlin**

Director

**Jeffrey C. Campione**

Deputy Director

**Daniel M. Covitz**

Deputy Director

**William L. Wascher III**

Deputy Director

**Stephanie Aaronson**

Senior Associate Director

**Nicole E. Bennett**

Senior Associate Director

**Eric M. Engen**

Senior Associate Director

**Diana Hancock**

Senior Associate Director

**Elizabeth K. Kiser**

Senior Associate Director

**David E. Lebow**

Senior Associate Director

**Michael G. Palumbo**

Senior Associate Director

**John J. Stevens**

Senior Associate Director

**Burcu Duygan-Bump**

Associate Director

**J. Andrew Figura**

Associate Director

**Glenn R. Follette**

Associate Director

**Norman J. Morin**

Associate Director

**Timothy A. Mullen**

Associate Director

**Shane M. Sherlund**

Associate Director

**Shawn M. Buckner**

Deputy Associate Director

**Erik A. Heitfield**

Deputy Associate Director

**Byron F. Lutz**

Deputy Associate Director

**Patrick E. McCabe**

Deputy Associate Director

**Raven S. Molloy**

Deputy Associate Director

**Paul A. Lengermann**

Deputy Associate Director

**Karen M. Pence**

Deputy Associate Director

**Paul A. Smith**

Deputy Associate Director

**Gustavo Suarez**

Deputy Associate Director

**Binoy K. Agarwal**

Assistant Director and Chief

**Giovanni G. Amisano**

Assistant Director

**Celso Brunetti**

Assistant Director

**Marco Cagetti**

Assistant Director

**Deborah M. Flores**

Assistant Director

**Jacob Gramlich**

Assistant Director

**Karen Krugman**

Assistant Director

**Christopher J. Kurz**

Assistant Director

**Geng Li**

Assistant Director

**Kevin B. Moore**

Assistant Director

**Matthias Paustian**

Assistant Director

**Ekaterina Peneva**

Assistant Director and Chief

**Charles Fleischman**

Senior Adviser

**S. Wayne Passmore**

Senior Adviser (through September 30, 2024)

**Jeremy Rudd**

Senior Adviser

**Steven A. Sharpe**

Senior Adviser (through July 31, 2024)

**Clara Vega**

Senior Adviser

**Wendy E. Dunn**

Adviser

---

### ***Division of Supervision and Regulation***

**Michael S. Gibson**  
Director

**Jennifer J. Burns**  
Deputy Director

**Kate M. Fulton**  
Deputy Director

**Arthur W. Lindo**  
Deputy Director

**Mary L. Aiken**  
Senior Associate Director

**Marta Chaffee**  
Senior Associate Director

**Molly E. Mahar**  
Senior Associate Director

**Nathan Ragan**  
Senior Associate Director

**Lisa H. Ryu**  
Senior Associate Director

**Kevin M. Bertsch**  
Associate Director (through February 29, 2024)

**Christopher Finger**  
Associate Director

**Jeffery W. Gunther**  
Associate Director

**Anna L. Hewko**  
Associate Director

**Kavita Jain**  
Associate Director

**Richard A. Naylor II**  
Associate Director

**Robert F. Sarama**  
Associate Director

**Uzma Wahhab**  
Associate Director

**John Beebe**  
Deputy Associate Director

**Dana L. Burnett**  
Deputy Associate Director

**Anthony B. Cain**  
Deputy Associate Director

**Karen A. Caplan**  
Deputy Associate Director

**Juan C. Climent**  
Deputy Associate Director

**James Diggs**  
Deputy Associate Director

**Christine E. Graham**  
Deputy Associate Director

**Eric L. Kennedy**  
Deputy Associate Director

**Ryan P. Lordos**  
Deputy Associate Director

**Lara K. Lylozian**  
Deputy Associate Director/  
Chief Accountant

**David K. Lynch**  
Deputy Associate Director

**T. Kirk Odegard**  
Deputy Associate Director

**Brent Richards**  
Deputy Associate Director

**Vaishali D. Sack**  
Deputy Associate Director

**Margaret A. Sherry**  
Deputy Associate Director  
(as of February 12, 2024)

**Steven M. Spurry**  
Deputy Associate Director

**Catherine A. Tilford**  
Deputy Associate Director

**Donna J. Webb**  
Deputy Associate Director (through  
March 31, 2024)

**Suzanne L. Williams**  
Deputy Associate Director

**Kathryn L. Ballantine**  
Assistant Director

**Joseph B. Cox**  
Assistant Director

**Stephen Curren**  
Assistant Director

**Kwayne Jennings**  
Assistant Director

**Elizabeth K. MacDonald**  
Assistant Director

**Doriana Ruffino**  
Assistant Director

**April C. Snyder**  
Assistant Director

**Norah M. Barger**  
Senior Adviser

**Fang Du**  
Adviser

**William F. Treacy**  
Adviser

---

### ***Division of Consumer and Community Affairs***

**Eric S. Belsky**  
Director

**V. Nicole Bynum**  
Deputy Director

**David L. Newville**  
Senior Associate Director

**Benjamin K. Olson**  
Senior Associate Director

**David E. Buchholz**  
Associate Director

**Angelyque Campbell**  
Associate Director

**Joseph A. Firschein**

Associate Director

**Phyllis L. Harwell**

Associate Director

**Drew D. Kohan**

Associate Director

**Marisa A. Reid**

Associate Director

**Caterina Petrucco-Littleton**

Deputy Associate Director

**Amy B. Henderson**

Assistant Director

**Susan Torzilli**

Assistant Director (as of May 5, 2024)

---

**Division of Reserve Bank Operations and Payment Systems****Matthew J. Eichner**

Director

**Susan V. Foley**

Deputy Director

**Jennifer K. Liu**

Deputy Director

**Gregory L. Evans**

Senior Associate Director (through August 31, 2024)

**Brian A. Lawler**

Senior Associate Director

**Jennifer A. Lucier**

Senior Associate Director

**David C. Mills**

Senior Associate Director

**Jeffrey D. Walker**

Senior Associate Director

**Mark D. Manuszak**

Associate Director

**Casey H. Clark**

Associate Director

**Jason A. Hinkle**

Associate Director

**Rebecca L. Royer**

Associate Director (through April 30, 2024)

**Stuart E. Sperry**

Associate Director

**Mouneer I. Ahmad**

Deputy Associate Director (as of December 2, 2024)

**Sonja R. Danburg**

Deputy Associate Director

**Michael V. Derry**

Deputy Associate Director (as of January 2, 2024)

**Brian R. Gattoni**

Deputy Associate Director

**Laura Howard Mayer**

Deputy Associate Director

**Caio P. Peixoto**

Deputy Associate Director

**Ian C. Spear**

Deputy Associate Director

**Shannon Hulsandra**

Assistant Director/Manager

**Travis D. Nesmith**

Assistant Director and Chief

**Edward L. Anderson**

Assistant Director

**Alyssa Arute**

Assistant Director (as of July 14, 2024)

**Emily A. Caron**

Assistant Director

**Doreen S. Chappell**

Assistant Director

**Sonia Irvine**

Assistant Director/Manager (as of July 14, 2024)

**James D. Noonan**

Assistant Director

**Krzysztof Wozniak**

Assistant Director and Chief (as of July 14, 2024)

**Kimberly A. Zaikov**

Assistant Director (as of November 3, 2024)

**Frederick L. Zevin**

Assistant Director/Manager (as of July 14, 2024)

---

**Office of the Chief Operating Officer****Patrick J. McClanahan**

Chief Operating Officer

**Katherine Tom**

Chief Data Officer

**Sheila Clark**

EEO Programs and OMWI Director

**Phillip C. Daher**

Associate Director

**Andrew Leonard**

Associate Director

**Pamela C. Harris**

Deputy Associate Director

---

## Division of Financial Management

**Ricardo Aguilera**

Director and Chief  
Financial Officer (through  
July 31, 2024)

**Stephen J. Bernard**

Deputy Director

**Monica Y. Manning**

Associate Director

**Thomas Murphy**

Associate Director

**Jeffrey R. Peirce**

Associate Director

**Karen L. Vassallo**

Associate Director (through  
May 31, 2024)

**Kimberly Briggs**

Deputy Associate Director

---

## Division of Management

**Winona Varnon**

Director

**Kendra Gastright**

Deputy Director

**Tameika L. Pope**

Deputy Director  
and Chief Human Capital Officer

**Tara Tinsley-Pelitere**

Deputy Director and Chief Technol-  
ogy Officer

**Ann Buckingham**

Senior Associate Director

**Reginald V. Roach**

Associate Director

**Donna J. Butler**

Associate Director and  
Chief of Staff

**Donald C. Hayes**

Associate Director and Chief, LEU (as  
of February 12, 2024)

**Timothy E. Markey**

Associate Director

**Stephen E. Pearson**

Associate Director

**Catherine Jack**

Deputy Associate Director

**Tim Ly**

Deputy Associate Director

**Lewis Andrews**

Assistant Director

**Stewart A. Carroll**

Assistant Director

**Melissa M. Catterall**

Assistant Director (as of Decem-  
ber 15, 2024)

**Alfonso M. Dyson**

Assistant Director and  
Assistant Chief, LEU

**Leah Middleton**

Assistant Director

---

## Division of Information Technology

**Jeffrey M. Riedel**

Director

**Stephen Olden**

Deputy Director

**Kofi A. Sapong**

Deputy Director (through Febru-  
ary 29, 2024)

**Deborah Prespare**

Senior Associate Director

**Sheryl Lynn Warren**

Senior Associate Director

**Rajasekhar R. Yelisetty**

Senior Associate Director

**Charles B. Young**

Senior Associate Director

**Jonathan F. Shrier**

Associate Director

**Virginia M. Wall**

Associate Director

**Edgar Wang**

Associate Director

**Muazzam Ali**

Deputy Associate Director  
(as of November 18, 2024)

**William K. Dennison**

Deputy Associate Director

**Tannaz Haddadi**

Deputy Associate Director

**Amy Kelley**

Deputy Associate Director

**Brian Lester**

Deputy Associate Director

**Scott Meyerle**

Deputy Associate Director

**Can Xuan Nguyen**

Deputy Associate Director

**Nischala N. Nimmakayala**

Deputy Associate Director

**Langston Shaw**

Deputy Associate Director

**Fred Vu**

Deputy Associate Director

**Arsema K. Dejene**

Assistant Director  
(as of February 11, 2024)

**Michelle L. Bagg**

Assistant Director

**Herman Ip**

Assistant Director

---

***Office of Inspector General***

**Mark Bialek**

Inspector General

**Stephen Carroll**

Associate Inspector General

**Khalid A. Hassan**

Assistant Inspector General

**Fred Gibson**

Deputy Inspector General

**Michael VanHuysen**

Associate Inspector General

**Jina Hwang**

Assistant Inspector General

**Cynthia Gray**

Deputy Associate Inspector General

**Jason A. Derr**

Assistant Inspector General

**Jacqueline M. Becker**

Senior Adviser

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## Federal Open Market Committee

The Federal Open Market Committee is made up of the seven members of the Board of Governors; the president of the Federal Reserve Bank of New York; and four of the remaining eleven Federal Reserve Bank presidents, who serve one-year terms on a rotating basis. During 2024, the Federal Open Market Committee held eight regularly scheduled meetings (see [Appendix B](#), “Minutes of Federal Open Market Committee Meetings”).

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### Members

**Jerome H. Powell**

Chair, Board of Governors

**John C. Williams**

Vice Chair, President,  
Federal Reserve Bank of New York

**Thomas I. Barkin**

President, Federal Reserve Bank  
of Richmond

**Michael S. Barr**

Member, Board of Governors

**Raphael W. Bostic**

President, Federal Reserve Bank  
of Atlanta

**Michelle W. Bowman**

Member, Board of Governors

**Lisa D. Cook**

Member, Board of Governors

**Beth M. Hammack**

Member, Federal Reserve Bank of  
Cleveland (as of August 21, 2024)

**Mary C. Daly**

President, Federal Reserve Bank of  
San Francisco

**Philip N. Jefferson**

Member, Board of Governors

**Adriana D. Kugler**

Member, Board of Governors

**Loretta J. Mester**

Member, Federal Reserve Bank of  
Cleveland (through June 30, 2024)

**Christopher J. Waller**

Member, Board of Governors

---

### Alternate Members

**Susan M. Collins**

President, Federal Reserve Bank  
of Boston

**Austan D. Goolsbee**

President, Federal Reserve Bank  
of Chicago

**Alberto G. Musalem**

President, Federal Reserve Bank of  
St. Louis

**Jeffrey R. Schmid**

President, Federal Reserve Bank of  
Kansas City

**Sushmita Shukla**

First Vice President, Federal Reserve  
Bank of New York

---

## Officers

**Joshua Gallin**

Secretary

**Matthew M. Luecke**

Deputy Secretary

**Brian J. Bonis**

Assistant Secretary

**Michelle A. Smith**

Assistant Secretary

**Mark E. Van Der Weide**

General Counsel

**Richard Ostrander**

Deputy General Counsel

**Charles C. Gray**

Assistant General Counsel (through  
August 9, 2024)

**Trevor A. Reeve**

Economist

**Stacey Tevlin**

Economist

**Beth Anne Wilson**

Economist

**Shaghil Ahmed**

Associate Economist

**Kartik B. Athreya**

Associate Economist

**James A. Clouse**

Associate Economist

**Brian M. Doyle**

Associate Economist

**Edward S. Knotek II**

Associate Economist

**David E. Lebow**

Associate Economist

**Sylvain Leduc**

Associate Economist

**Paula Tkac**

Associate Economist

**William L. Wascher**

Associate Economist

**Alexander L. Wolman**

Associate Economist

**Roberto Perli**

Manager, System Open Mar-  
ket Account

**Julie Ann Remache**

Deputy Manager, System Open  
Market Account

## Board of Governors Advisory Councils

The Federal Reserve Board uses advisory committees in carrying out its varied responsibilities. To learn more, visit <https://www.federalreserve.gov/aboutthefed/advisorydefault.htm>.

### Federal Advisory Council

The Federal Advisory Council—a statutory body established under the Federal Reserve Act—consults with and advises the Board of Governors on all matters within the Board’s jurisdiction. It is composed of one representative from each Federal Reserve District, chosen by the Reserve Bank in that District. The president and vice president of the council are selected from amongst council members. The Federal Reserve Act requires the council to meet in Washington, D.C., at least four times a year. In 2024, the council met on February 7–8, May 22–23, September 4–5, and December 4–5. The council met with the Board on February 8, May 23, September 5, and December 5, 2024.

### Members

#### District 1

##### Robert F. Rivers

Chairman and Chief Executive Officer,  
Eastern Bank, Boston, MA

#### District 2

##### Marianne Lake

CEO of Consumer & Community  
Banking, JPMorgan Chase & Co.,  
New York, NY

#### District 3

##### Jeffrey M. Schweitzer

President and Chief Executive Officer,  
Univest Bank and Trust Co.,  
Souderton, PA

#### District 4

##### William S. Demchak

Chairman, President, and Chief  
Executive Officer, PNC Financial  
Services Group, Pittsburgh, PA

#### District 5

##### William H. Rogers Jr.

Chairman and Chief Executive Officer,  
Truist Financial Corp., Charlotte, NC

#### District 6

##### John M. Turner Jr.

President and Chief Executive Officer,  
Regions Financial Corp., Birmingham,  
AL

#### District 7

##### Darrel Hackett

President and Chief Executive Officer,  
BMO Financial Group, BMO Bank,  
N.A., Chicago, IL

#### District 8

##### Jeffrey Ludwig

President and Chief Executive Officer,  
Midland States Bancorp., Inc.,  
Effingham, IL

#### District 9

##### Andrew Cecere

Chairman, President, and Chief  
Executive Officer, U.S. Bancorp,  
Minneapolis, MN

#### District 10

##### Jill Castilla

President and Chief Executive Officer,  
Citizens Bank of Edmond, Edmond, OK

#### District 11

##### David Zalman

Senior Chairman and Chief Executive  
Officer, Prosperity Bancshares/  
Prosperity Bank, El Campo, TX

#### District 12

##### Robert Harrison

Chairman, President and Chief  
Executive Officer, First Hawaiian, Inc.,  
Honolulu, HI

---

### Officers

**Andrew Cecere**

President

**Herb Taylor**

Secretary

**Luba Romanyuk**

Deputy Secretary

**Jill Castilla**Vice President

---

### Community Depository Institutions Advisory Council

The Community Depository Institutions Advisory Council advises the Board of Governors on the economy, lending conditions, and other issues of interest to community depository institutions. Members are selected from among representatives of banks, thrift institutions, and credit unions who are serving on local advisory councils at the 12 Federal Reserve Banks. One member of each of the Reserve Bank councils serves on the Community Depository Institutions Advisory Council. The president and vice president are selected from amongst council members. The council usually meets with the Board twice a year in Washington, D.C. In 2024, the council met on April 11 and November 14.

---

### Members

**District 1****Anne P. Tangen**President and Chief Executive Officer,  
BankFive, Fall River, MA**District 2****James S. Vaccaro**Chair, President, and Chief Executive  
Officer, Manasquan Bank, Wall  
Township, NJ**District 3****Jeffrey A. Stopko**President and Chief Executive Officer,  
AmeriServ Financial Inc., Johnstown,  
PA**District 4****Chuck Sulerzyski**

Adviser, Peoples Bank, Marietta, OH

**District 5****Daniel P. Berry**President and Chief Executive Officer,  
Duke University Federal Credit Union,  
Durham, NC**District 6****Tyler K. Clinch**Chief Executive Officer and President,  
First Community Bank of East  
Tennessee, Kingsport, TN**District 7****Ronald Justice**President and Chief Executive Officer,  
The State Bank, Fenton, MI**District 8****Luanne Cundiff**President and Chief Executive Officer,  
First State Bank of St. Charles,  
St. Charles, MO**District 9****Dylan S. Clarkson**President and Chief Executive Officer,  
Pioneer Bank & Trust, Spearfish, SD**District 10****Kim DeVore**President and Chief Executive Officer,  
Jonah Bank of Wyoming, Casper, WY**District 11****Byron K. Bexley**Vice Chairman, American Bank, N.A.,  
Universal City, TX**District 12****Catherine Ngo**Board of Directors, Central Pacific  
Bank, Honolulu, HI

---

## Officers

**Chuck Sulerzyski**  
President

**Kim DeVore**  
Vice President

---

## Community Advisory Council

The Community Advisory Council was formed in 2015 to advise the Board of Governors on the economic circumstances and financial services needs of consumers and communities, with a particular focus on the concerns of low- and moderate-income populations. The council is composed of a diverse group of experts and representatives of consumer and community development organizations and interests, including from such fields as affordable housing, community and economic development, employment and labor, financial services and technology, small business, and asset and wealth building. One member of the council serves as its chair. The council first met with the Board in November 2015, and meets with the Board twice each year. In 2024, the council met with the Board on May 30 and October 10.

---

## Members

### Ivy Allen

President (retired), Foundation for the Mid South, Jackson, MS

### Carlos J. Contreras III

President and CEO, Goodwill Industries of San Antonio, San Antonio, TX

### Roberto Gallardo

Vice President for Engagement & Associate Professor, Agricultural Economics, Purdue University, West Lafayette, IN

### Fearn Gupton

Rural Development Manager, South Carolina Department of Commerce, Columbia, SC

### Melanie Hogan

Executive Director, Linking Employment, Abilities, and Potential (LEAP), Cleveland, OH

### Michelle Ka’uhane

Senior Vice President & Chief Impact Officer, Hawaii Community Foundation, Honolulu, HI

### Renata B. Kowalczyk

CEO, Wilmington Alliance, Wilmington, DE

### Megan Langley

Executive Director, Strengthen North Dakota, Souris, ND

### Chan U. Lee

President and CEO, Devine & Gong, Inc., Oakland, CA

### Christie McCravy

Executive Director, Louisville Metro Affordable Housing Trust Fund, Louisville, KY

### Ceyl Prinster

President and CEO, Colorado Enterprise Fund, Denver, CO

### Jose Quinonez

CEO, Mission Asset Fund, San Francisco, CA

### Eric Robertson

Executive Director, The Formanek Foundation, Memphis, TN

### Bruce Schultz

Vice President, Community Development Banking Strategy, Gateway First Bank, Tulsa, OK

### Justin Slattery

Executive Director, Belknap Economic Development Council, Laconia, NH

---

## Officers

**Christie McCravy**  
Chair

**Carlos Contreras**  
Vice Chair

---

## Model Validation Council

The Model Validation Council was established in 2012 by the Board of Governors to provide expert and independent advice on its process to rigorously assess the models used in stress tests of banking institutions. The Dodd-Frank Wall Street Reform and Consumer Protection Act required the Federal Reserve to conduct annual stress tests of large bank holding companies and systemically important, nonbank financial institutions supervised by the Board. The Model Validation Council provides input on the Board's efforts to assess the effectiveness of the models used in the stress tests. The council is intended to improve the quality of the Federal Reserve's model assessment program and to strengthen the confidence in the integrity and independence of the program.

---

### Members

**George G. Pennacchi**

Professor, University of Illinois

**Gonzalo Maturana**

Associate Professor, Emory University

**Arpit Gupta**

Associate Professor, New York University

**Juliane Begenau**

Associate Professor, Stanford University

**Vivian W. Fang**

Professor, Indiana University

**Haresh Sapra**

Professor, University of Chicago

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## Insurance Policy Advisory Committee

The Insurance Policy Advisory Committee (IPAC) was established at the Board of Governors in 2018 by section 211(b) of the Economic Growth, Regulatory Relief, and Consumer Protection Act. The IPAC provides information, advice, and recommendations to the Board of Governors of the Federal Reserve on international insurance capital standards and other insurance issues. In 2024, the IPAC provided extensive advice to the Board on the negotiations related to the International Association of Insurance Supervisors' (IAIS's) insurance capital standard (ICS) leading up to its adoption. This advice included a report on scalars, an integral component of the U.S.-developed aggregation method, and perspectives on potential outcomes of the negotiations. The IPAC also advised the Board on issues related to the affordability and availability of property insurance, including by researching different aspects of the insurance markets in five key states.

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### Members

**Ralph Blanchard**

Member, American Academy of Actuaries, Casualty Actuarial Society, and International Actuarial Association

**Elizabeth Brill**

Senior Vice President &amp; CFO Foundational Business, New York Life Insurance Company

**Nick Gerhart**

Executive Vice President and Chief Innovation Officer, Homesteaders Life Company

**John Golden**

Global Head of Insurance Regulation,  
Apollo Global Management

**Martin Hansen**

Senior Managing Director, Policy,  
Planning, & Strategy (retired),  
American International Group, Inc.

**Robert Hartwig**

Clinical Associate Professor of Finance  
and Insurance & Director, Risk and  
Uncertainty Management Center,  
University of South Carolina

**John Howard**

Vice Chairman, TIH

**Steven Jackson**

Assistant Director for Research,  
American Academy of Actuaries

**Shweta Jhanji**

Senior Vice President and Treasurer,  
Ameriprise Financial

**Peter Kochenburger**

Executive Director of Insurance Law  
LLM, Program Deputy Director of the  
Insurance Law Center, NAIC Funded  
Consumer Liaison Representative,  
University of Connecticut School of  
Law

**Julie Mix McPeak**

Senior Vice President & General  
Counsel, Insurance, United Services  
Automobile Association

**Alessandro Papa**

Executive Vice President, Chief Risk  
Officer, Pacific Life

**Pooja Rahman**

Chief Risk Officer, Transamerica

**Kristin Ricci**

Partner, Oliver Wyman

**Aaron Sarfatti**

Head of Institutional Business and  
Inforce and Chief Strategy Officer,  
Equitable Holdings Inc.

**Kenneth Selzer**

Board Member, Federal Crop Insurance  
Corporation

**Dean Stamp**

Head of Capital Strategy and  
Initiatives, Manulife Financial

**William D. Torchiana**

Partner, Sullivan & Cromwell LLP

**Andrew Vedder**

Vice President – Enterprise Risk  
Management, Northwestern Mutual

**Sarah Williams**

Chief Risk Officer, Guardian Life  
Insurance Company

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## Federal Reserve Banks and Branches

To carry out the day-to-day operations of the Federal Reserve System, the nation has been divided into 12 Federal Reserve Districts, each with a Reserve Bank. The majority of Reserve Banks also have at least one Branch.

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### Reserve Bank and Branch Directors

As required by the Federal Reserve Act, each Federal Reserve Bank is supervised by a nine-member board with three different classes of three directors each: Class A directors, who are nominated and elected by the member banks in that District to represent the stockholding banks; Class B directors, who are nominated and elected by the member banks to represent the public; and Class C directors, who are appointed by the Board of Governors to represent the public. Class B and Class C directors are selected with due, but not exclusive, consideration to the interests of agriculture, commerce, industry, services, labor, and consumers. Each Federal Reserve Bank Branch also has a board with either five or seven directors. A majority of the directors on each Branch board are appointed by the Federal Reserve Bank, with the remaining directors appointed by the Board of Governors.

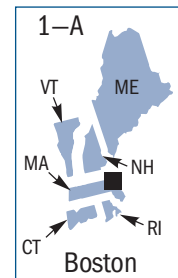
For more information on Reserve Bank and Branch directors, see <https://www.federalreserve.gov/aboutthefed/directors/about.htm>.

Reserve Bank and Branch directors are listed below. For each director, the class of directorship, the director's principal place of business, and the expiration date of the director's current term are shown. Also shown are maps that identify Federal Reserve Districts by their official number, city, and letter designation. For more information on the Federal Reserve indicator letters, see <https://www.uscurrency.gov/denominations/bank-note-identifiers>.

### **District 1–Boston**

Covers the states of Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; and all but Fairfield County in Connecticut.

For more information on this District and to learn more about the Federal Reserve Bank of Boston's operations, visit <https://www.bostonfed.org>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/bostonfinstmt2024.pdf>.



#### **Class A**

**Sushil K. Tuli**, 2024  
Chairman and Chief Executive Officer,  
Leader Bank, N.A., Arlington, MA

**Ronald P. O'Hanley**, 2025  
Chairman and Chief Executive Officer,  
State Street, Boston, MA

**Jeanne A. Hulit**, 2026  
President and Chief Executive Officer,  
Maine Community Bank, Biddeford, ME

#### **Class B**

**Lauren A. Smith**, 2024  
VP Strategic Portfolios, Robert Wood  
Johnson Foundation, Boston, MA

**Vacancy**, 2025

**Kimberly Sherman Stamler**,  
2026  
President, Related Beal, Boston, MA

#### **Class C**

**Corey Thomas**, 2024  
Chairman and Chief Executive Officer,  
Rapid7, Inc., Boston, MA

**Lizanne Kindler**, 2025  
Executive Chair and Chief Executive  
Officer, KnitWell Group, Hingham, MA

**Roger W. Crandall**, 2026  
Chairman, President, and Chief  
Executive Officer, Massachusetts  
Mutual Life Insurance Company,  
Springfield, MA

**District 2–New York**

Covers the state of New York, Fairfield County in Connecticut, and 12 counties in northern New Jersey, and serves the Commonwealth of Puerto Rico and the U.S. Virgin Islands.

For more information on this District and to learn more about the Federal Reserve Bank of New York's operations, visit <https://www.newyorkfed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/newyorkfinstmt2024.pdf>.

**Class A****René F. Jones, 2024**

Chairman and Chief Executive Officer,  
M&T Bank Corporation, Buffalo, NY

**Douglas L. Kennedy, 2025**

President and Chief Executive Officer,  
Peapack-Gladstone Bank,  
Bedminster, NJ

**John H. Buhrmaster, 2026**

President and Chief Executive Officer,  
1st National Bank of Scotia and  
Glenville Bank Holding Company,  
Scotia, NY

**Class B****Scott Rechler, 2024**

Chairman and Chief Executive Officer,  
RXR, New York, NY

**Adena T. Friedman, 2025**

President and Chief Executive Officer,  
Nasdaq, New York, NY

**Arvind Krishna, 2026**

Chairman and Chief Executive Officer,  
IBM, New York, NY

**Class C****Vincent Alvarez, 2024**

President, New York City Central Labor  
Council, AFL-CIO, New York, NY

**Pat Wang, 2025**

President and Chief Executive Officer,  
Healthfirst, New York, NY

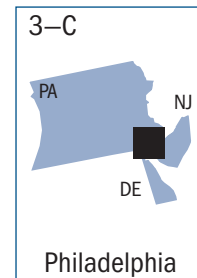
**Rajiv J. Shah, 2026**

President, The Rockefeller Foundation,  
New York, NY

### **District 3–Philadelphia**

Covers the state of Delaware, 9 counties in southern New Jersey, and 48 counties in the eastern two-thirds of Pennsylvania.

For more information on this District and to learn more about the Federal Reserve Bank of Philadelphia's operations, visit <https://www.philadelphiafed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/philadelphiafinstmt2024.pdf>.



#### **Class A**

**Timothy Snyder**, 2024  
President and Chief Executive Officer,  
Fleetwood Bank, Fleetwood, PA

**Vacancy**, 2025

**Randall E. Black**, 2026  
President and Chief Executive Officer,  
Citizens Financial Services Inc. and  
First Citizen's Community Bank,  
Mansfield, PA

#### **Class B**

**Julia H. Klein**, 2024  
Chairwoman and Chief Executive  
Officer, C. H. Briggs Company,  
Reading, PA

**John Fry**, 2025  
President, Drexel University,  
Philadelphia, PA

**Bret S. Perkins**, 2026  
Senior Vice President, External and  
Government Affairs, Comcast  
Corporation, Philadelphia, PA

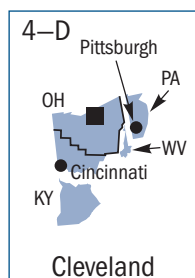
#### **Class C**

**Sharmain Matlock-Turner**,  
2024  
Chief Executive Officer, Urban Affairs  
Coalition, Philadelphia, PA

**Anthony Ibargüen**, 2025  
Chief Executive Officer, Quench USA,  
Inc., and Executive Chair, Culligan  
Latin America, King of Prussia, PA

**William Lo**, 2026  
President, Crystal Steel Fabricators,  
Inc., Delmar, DE

## District 4–Cleveland



Covers the state of Ohio, 56 counties in eastern Kentucky, 19 counties in western Pennsylvania, and 6 counties in northern West Virginia.

For more information on this District and to learn more about the Federal Reserve Bank of Cleveland's operations, visit <https://www.clevelandfed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/clevelandfinstmt2024.pdf>.

### Class A

#### Eddie L. Steiner, 2024

President and Chief Executive Officer, CSB Bancorp, Inc., Millersburg, OH

#### Helga Houston, 2025

Senior Executive Vice President and Chief Risk Officer, Huntington Bancshares Inc., Columbus, OH

#### James H. Nicholson, 2026

President and Chief Executive Officer, North Valley Bank, Zaneville, OH

### Class B

#### Jacqueline Gamblin, 2024

Chief Executive Officer, JYG Innovations, Dayton, OH

#### Holly B. Wiedemann, 2025

Founder, AU Associates, Inc., Lexington, KY

#### Darrell McNair, 2026

President, MVP Plastics, Inc., Middlefield, OH

### Class C

#### Richard J. Kramer, 2024

Former Chairman, Chief Executive Officer, and President, The Goodyear Tire & Rubber Company, Akron, OH

#### Heidi L. Gartland, 2025

Chief Government and Community Relations Officer, University Hospitals, Cleveland, OH

#### Ramona Hood, 2026

Retired President and Chief Executive Officer, FedEx Custom Critical, Uniontown, OH

### Cincinnati Branch

[Appointed by the Federal Reserve Bank](#)

#### Archie M. Brown, 2024

President and Chief Executive Officer, First Financial Bancorp, Cincinnati, OH

#### Gina McFarlane-El, 2025

Chief Executive Officer, Five Rivers Health Centers, Dayton, OH

#### Mary Meixelsperger, 2026

Chief Financial Officer, Valvoline, Inc., Lexington, KY

#### Bimal Patel, 2026

President, Rolling Hills Hospitality, Cincinnati, OH

[Appointed by the Board of Governors](#)

#### Rachid Abdallah, 2024

Chairman and Chief Executive Officer, Jedson Engineering, Cincinnati, OH

#### Jill Meyer, 2025

Chief Operating and Relationships Officer and Managing Director—Cincinnati, The O.H.I.O. Fund, Cincinnati, OH

#### Melvin Gravely, 2026

Chief Executive Officer, TriVersity Construction, Cincinnati, OH

### Pittsburgh Branch

[Appointed by the Federal Reserve Bank](#)

#### Nishan J. Vartanian, 2024

Chairman of the Board, MSA Safety Incorporated, Cranberry Township, PA

#### Sanjay Chopra, 2025

Co-Founder and Chief Executive Officer, Cognistx, Pittsburgh, PA

#### Earl Buford, 2026

President, CAEL, Indianapolis, IN

#### Christina A. Cassotis, 2026

Chief Executive Officer, Allegheny County Airport Authority, Pittsburgh, PA

[Appointed by the Board of Governors](#)

#### Vera Krekanova, 2024

Chief Strategy and Research Officer, Allegheny Conference on Community Development, Pittsburgh, PA

#### Eugene Boyer III, 2025

Brokerage Advisor, NAI Burns Scalo, Pittsburgh, PA

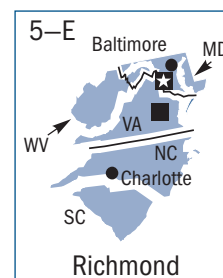
#### Kathy Wilson Humphrey, 2026

President, Carlow University, Pittsburgh, PA

## District 5–Richmond

Covers the states of Maryland, Virginia, North Carolina, and South Carolina; 49 counties constituting most of West Virginia; and the District of Columbia.

For more information on this District and to learn more about the Federal Reserve Bank of Richmond's operations, visit <https://www.richmond.fed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/richmondfinstmt2024.pdf>.



### Class A

**James H. Sills III**, 2024  
President and Chief Executive Officer,  
Mechanics and Farmers Bank,  
Durham, NC

**Alice P. Frazier**, 2025  
President and Chief Executive Officer,  
Bank of Charles Town,  
Charles Town, WV

**Jennifer LaClair**, 2026  
Head of Global Business Solutions,  
Fiserv, Charlotte, NC

### Class B

**Barbara Humpton**, 2024  
President and Chief Executive Officer,  
Siemens Corporation USA, Washing-  
ton, DC

**Scott Werry**, 2025  
Managing Partner, Atlas, Chapel Hill,  
NC

**Robert M. Blue**, 2026  
President and Chief Executive Officer,  
Dominion Energy, Richmond, VA

### Class C

**Halsey M. Cook**, 2024  
President and Chief Executive Officer,  
Milliken, Spartanburg, SC

**Jodie McLean**, 2025  
Chief Executive Officer, EDENS,  
Washington, DC

**Lisa M. Hamilton**, 2026  
President and Chief Executive Officer,  
The Annie E. Casey Foundation,  
Baltimore, MD

### Baltimore Branch

*Appointed by the Federal Reserve Bank*

**Tom Geddes**, 2024  
Partner and Portfolio Manager, Brown  
Advisory, Baltimore, MD

**Anthony Jenkins**, 2024  
President, Coppin State University,  
Baltimore, MD

**Cecilia A. Hodges**, 2025  
Regional President Greater Washing-  
ton and Virginia, M&T Bank,  
Falls Church, VA

**Brenda Galgano**, 2026  
Senior Vice President and Chief  
Financial Officer, Perdue, Salis-  
bury, MD

*Appointed by the Board of Governors*

**Brian McLaughlin**, 2024  
Founder and Managing Partner,  
PlanitWorks, Silver Spring, MD

**William J. McCarthy**, 2025  
Executive Director, Catholic Charities  
of Baltimore, Baltimore, MD

**Leslie D. Hale**, 2026  
President and Chief Executive Officer,  
RLJ Lodging Trust, Bethesda, MD

### Charlotte Branch

*Appointed by the Federal Reserve Bank*

**Samuel L. Erwin**, 2024  
Executive Vice President, First Horizon  
Bank, Greenville, SC

**George Dean Johnson III**, 2024  
Chief Executive Officer, Johnson  
Development Associates, Inc.,  
Spartanburg, SC

**Dionne Nelson**, 2025  
President and Chief Executive Officer,  
Laurel Street Residential,  
Charlotte, NC

**Lori Hudson**, 2026  
Vice President and Chief Financial  
Officer, National Gypsum Company,  
Charlotte, NC

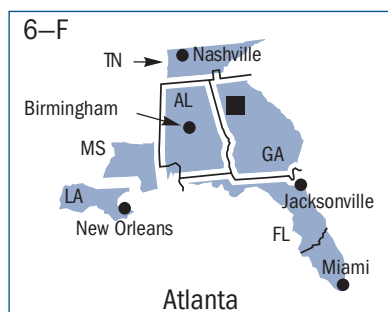
*Appointed by the Board of Governors*

**Bernett William Mazyck**, 2024  
President and Chief Executive Officer,  
South Carolina Association for  
Community Economic Development,  
Charleston, SC

**James F. Goodman Jr.**, 2025  
President and Chief Operating Officer,  
Capitol Broadcasting Company,  
Raleigh, NC

**Barbara Melvin**, 2026  
President and Chief Executive Officer,  
South Carolina Ports Authority, Mount  
Pleasant, SC

## District 6–Atlanta



Covers the states of Alabama, Florida, and Georgia; 74 counties in the eastern two-thirds of Tennessee; 38 parishes of southern Louisiana; and 43 counties of southern Mississippi.

For more information on this District and to learn more about the Federal Reserve Bank of Atlanta's operations, visit <https://www.frbatlanta.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/atlantafinstmt2024.pdf>.

### Class A

**William Y. Carroll, Jr.**, 2024  
President and Chief Executive Officer,  
SmartBank, Knoxville, TN

**Cynthia N. Day**, 2025  
President and Chief Executive Officer,  
Citizens Trust Bank, Atlanta, GA

**Rajinder P. Singh**, 2026  
Chairman, President, and Chief  
Executive Officer, BankUnited, Inc.,  
Miami Lakes, FL

### Class B

**Michael Russell**, 2024  
Chief Executive Officer, H.J. Russell  
and Company, Atlanta, GA

**Nicole B. Thomas**, 2025  
Hospital President, Baptist Medical  
Center Jacksonville, Jacksonville, FL

**Michael E. Longo**, 2026  
President and Chief Executive Officer,  
Hibbett, Inc., Birmingham, AL

### Class C

**Claire Lewis Arnold**, 2024  
Chief Executive Officer, Leapfrog  
Services, Inc., Atlanta, GA

**James O. Etheredge**, 2025  
Former Special Advisor to the Chief  
Executive Officer, Accenture North  
America, Atlanta, GA

**Gregory A. Haile**, 2026  
Former President, Broward College,  
Fort Lauderdale, FL

### Birmingham Branch

*Appointed by the Federal Reserve Bank*

**Michelle Lewis**, 2024  
Chief Financial Officer, AAA Cooper  
Transportation, Dothan, AL

**David L. Nast**, 2024  
President, Alabama/Florida Pan-  
handle, United Community Bank,  
Huntsville, AL

**Melanie Bridgeforth**, 2025  
President and Chief Executive Officer,  
Women's Foundation of Alabama,  
Birmingham, AL

**Samuel N. Addy**, 2026  
Senior Research Economist, The  
University of Alabama, Tuscaloosa, AL

*Appointed by the Board of Governors*

**Christy Thomas**, 2024  
Chief Financial Officer, McKinney  
Communications Corporation,  
Birmingham, AL

**Randall P. Breaux**, 2025  
Group President, Genuine Parts  
Company of North America, Birming-  
ham, AL

**Hafiz Chandiwalla**, 2026  
Executive Vice President and Chief  
Administrative Officer, Coca Cola  
Bottling Company United, Inc.,  
Birmingham, AL

### Jacksonville Branch

*Appointed by the Federal Reserve Bank*

### Vacancy, 2024

**Brian E. Wolfburg**, 2024  
President and Chief Executive Officer,  
VyStar Credit Union, Jacksonville, FL

**R. Andrew Watts**, 2025  
Executive Vice President, Chief  
Financial Officer, and Treasurer, Brown  
& Brown, Inc., Daytona Beach, FL

**Dana Kilborne**, 2026  
Chief Executive Officer, Cypress  
Capital Group, and President and  
Chief Executive Officer, Cypress Bank  
and Trust, Melbourne, FL

[Appointed by the Board of Governors](#)**Timothy P. Cost**, 2024

President, Jacksonville University,  
Jacksonville, FL

**Lisa Palmer**, 2025

President and Chief Executive Officer,  
Regency Centers Corporation,  
Jacksonville, FL

**Edward A. Moratin**, 2026

President, LIFT Orlando, Orlando, FL

**Miami Branch**[Appointed by the Federal Reserve Bank](#)**Ginger Martin**, 2024

President and Chief Executive Officer,  
American National Bank, Oakland  
Park, FL

**Jose Cueto**, 2025

President and Chief Operating Officer,  
Grove Bank and Trust, Miami, FL

**Ignacio Garcia-Menocal**, 2026

Co-Founder and Chief Executive  
Officer, Grove Bay Hospitality Group,  
Miami, FL

**Daniel Lavender**, 2026

Chief Executive Officer, Moorings Park  
Institute, Inc., Naples, FL

[Appointed by the Board of Governors](#)**Kathleen Cannon**, 2024

President and Chief Executive Officer,  
United Way of Broward County,  
Fort Lauderdale, FL

**Rita Case**, 2025

President and Chief Executive Officer,  
Rick Case Automotive Group,  
Sunrise, FL

**Diane Bessette**, 2026

Vice President and Chief Financial  
Officer, Lennar Corporation, Miami, FL

**Nashville Branch**[Appointed by the Federal Reserve Bank](#)**Kelly M. Dilts**, 2024

Executive Vice President and Chief  
Financial Officer, Dollar General,  
Goodlettsville, TN

**Leif M. Murphy**, 2024

Chief Executive Officer, TeamHealth  
Holdings, Inc., Knoxville, TN

**Michael Honious**, 2025

President and Chief Executive Officer,  
GEODIS in Americas, Brentwood, TN

**Marshall E. Crawford Jr.**, 2026

President and Chief Executive Officer,  
The Housing Fund, Inc., Nashville, TN

[Appointed by the Board of Governors](#)**Thomas Zacharia**, 2024

Senior Vice President, Strategic  
Technology Partnerships and Public  
Policy, AMD, Lenoir City, TN

**Amanda Hite**, 2025

President, STR, Hendersonville, TN

**William Bradley Southern**,

2026

Chair and Chief Executive Officer,  
Louisiana-Pacific Corporation,  
Nashville, TN

**New Orleans Branch**[Appointed by the Federal Reserve Bank](#)**Vacancy**, 2024**David T. Darragh**, 2024

Operating Partner, LongueVue Capital,  
Metairie, LA

**William J. Bynum**, 2025

Chief Executive Officer, Hope Credit  
Union, Hope Enterprise Corp., and  
Hope Policy Institute, Jackson, MS

**William G. Yates III**, 2026

President and Chief Executive Officer,  
W.G. Yates & Sons Construction  
Company, Biloxi, MS

[Appointed by the Board of Governors](#)**John C. Driscoll**, 2024

Director and Chief Executive Officer,  
Alabama Port Authority,  
Mobile, AL

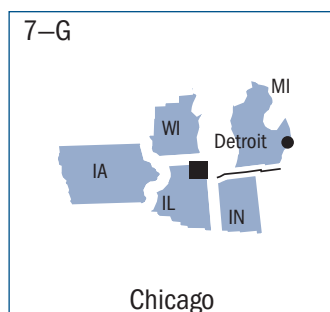
**Melissa B. Rogers**, 2025

President and Founder, Noble Plastics,  
Grand Coteau, LA

**Ajith Kumaran**, 2026

Co-Chief Executive Officer, Raising  
Cane's, Baton Rouge, LA

## District 7—Chicago



Covers the state of Iowa, 68 counties of northern Indiana, 50 counties of northern Illinois, 68 counties of southern Michigan, and 46 counties of southern Wisconsin.

For more information on this District and to learn more about the Federal Reserve Bank of Chicago's operations, visit <https://www.chicagofed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/chicagofinstmt2024.pdf>.

### Class A

**Christopher J. Murphy III**, 2024  
Chairman and Chief Executive Officer,  
1st Source Bank, South Bend, IN

**Susan Whitson**, 2025  
Chief Executive Officer, First Bank, and  
President, First of Waverly Corpora-  
tion, Waverly, IA

**Michael O'Grady**, 2026  
Chairman, President, and Chief  
Executive Officer, Northern Trust,  
Chicago, IL

### Class B

**Linda P. Hubbard**, 2024  
President and Chief Executive Officer,  
Carhartt, Inc., Dearborn, MI

**Linda Jojo**, 2025  
Executive Vice President, Chief  
Customer Officer, United Airlines, Inc.,  
Chicago, IL

**David Cyril Habiger**, 2026  
President and Chief Executive Officer,  
J.D. Power, Troy, MI

### Class C

**Juan Salgado**, 2024  
Chancellor, City Colleges of Chicago,  
Chicago, IL

**Maurice Smith**, 2025  
President, Chief Executive Officer, and  
Vice Chair, Health Care Service  
Corporation, Chicago, IL

**Jennifer Scanlon**, 2026  
President and Chief Executive Officer,  
UL Solutions, Northbrook, IL

### Detroit Branch

[Appointed by the Federal Reserve Banks](#)

**Anika Goss**, 2024  
Chief Executive Officer, Detroit Future  
City, Detroit, MI

**Kofi Bonner**, 2025  
Chief Executive Officer, Bedrock  
Management Service LLC, Detroit, MI

**JoAnn Chavez**, 2026  
Senior Vice President and Chief Legal  
Officer, DTE Energy, Detroit, MI

**Lisa Lunsford**, 2026  
Chief Executive Officer and Co-  
Founder, Global Strategic Supply  
Solutions (GS3 Global), Livonia, MI

[Appointed by the Board of Governors](#)

**James M. Nicholson**, 2024  
Co-Chairman, PVS Chemicals, Inc.,  
Detroit, MI

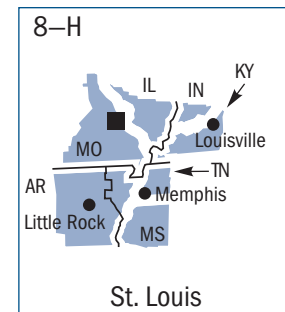
**Ronald E. Hall**, 2025  
President and Chief Executive Officer,  
Bridgewater Interiors, LLC, Detroit, MI

**Richard Keyes**, 2026  
President and Chief Executive Officer,  
Meijer, Grand Rapids, MI

## District 8—St. Louis

Covers the state of Arkansas, 44 counties in southern Illinois, 24 counties in southern Indiana, 64 counties in western Kentucky, 39 counties in northern Mississippi, 71 counties in central and eastern Missouri, the city of St. Louis, and 21 counties in western Tennessee.

For more information on this District and to learn more about the Federal Reserve Bank of St. Louis's operations, visit <https://www.stlouisfed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/stlouisfinstmt2024.pdf>.



### Class A

**Misty Borrowman**, 2024  
President and Chief Executive Officer,  
Bank of Hillsboro, Hillsboro, IL

**C. Mitchell Waycaster**, 2025  
President and Chief Executive Officer,  
Renasant Bank, Tupelo, MS

**Mardie R. Herndon Jr.**, 2026  
President and Chief Executive Officer,  
Paducah Bank and Trust Company,  
Paducah, KY

### Class B

**Michael Ugwueke**, 2024  
President and Chief Executive Officer,  
Methodist Le Bonheur Healthcare,  
Memphis, TN

**Penelope Pennington**, 2025  
Managing Partner, Edward Jones,  
St. Louis, MO

**R. Andrew Clyde**, 2026  
President and Chief Executive Officer,  
Murphy USA Inc., El Dorado, AR

### Class C

**Lal Karsanbhai**, 2024  
Chief Executive Officer, Emerson  
Electric Co., St. Louis, MO

**Carolyn Chism Hardy**, 2025  
President and Chief Executive Officer,  
Chism Hardy Investments, LLC,  
Collierville, TN

**Gregory A. Heckman**, 2026  
Chief Executive Officer, Bunge Global  
SA, Chesterfield, MO

### Little Rock Branch

*Appointed by the Federal Reserve Bank*

**Jeff Lynch**, 2024  
President and Chief Executive Officer,  
Eagle Bank & Trust Co., Little Rock,  
AR

**Christopher B. Hegi**, 2025  
President and Chief Executive Officer,  
First Financial Bank, El Dorado, AR

**Denise Thomas**, 2026  
Chief Executive Officer, World Trade  
Center Arkansas, University of  
Arkansas, Rogers, AR

**Darrin Williams**, 2026  
Chief Executive Officer, Southern  
Bancorp, Inc., Little Rock, AR

*Appointed by the Board of Governors*

**Jamie J. Henry**, 2024  
Vice President Finance, Emerging  
Payments, Walmart Inc.,  
Bentonville, AR

**Allison J. H. Thompson**, 2025  
President and Chief Executive Officer,  
Economic Development Alliance for  
Jefferson County, Arkansas,  
Pine Bluff, AR

**Jennifer J. Anglin**, 2026  
Senior Director Fort Smith Operations,  
Pernod Ricard USA, Fort Smith, AR

### Louisville Branch

*Appointed by the Federal Reserve Bank*

**Dave W. Christopher, Sr.**, 2024  
Founder and Executive Director,  
AMPED Louisville, Louisville, KY

**James A. Hillebrand**, 2025  
Chairman and Chief Executive Officer,  
Stock Yards Bank & Trust,  
Louisville, KY

### Vacancy, 2026

**Carrie A. Warren**, 2026  
President, Bank of Buffalo, Buffalo, KY

*Appointed by the Board of Governors*

**Emerson M. Goodwin**, 2024  
Senior Vice President of Business  
Development, ARcare, Bentonville, AR

**David Tatman**, 2025  
Assistant Plant Manager and Director  
of Engineering, Bendix Commercial  
Vehicle Systems, Bowling Green, KY

**Condrad Daniels**, 2026  
President, HJI Supply Chain Solutions,  
Louisville, KY

**Memphis Branch**

*Appointed by the Federal Reserve Bank*

**Tyrone Burroughs**, 2024  
President and Chief Executive Officer,  
First Choice Sales and Marketing  
Group Inc., Memphis, TN

**R. Davy Carter**, 2025  
Regional President, Home  
BancShares, Inc., Jonesboro, AR

**Jeff Agee**, 2026  
Chairman and Chief Executive Officer,  
First Citizens National Bank,  
Dyersburg, TN

**Henry N. Reichle Jr.**, 2026  
President and Chief Executive Officer,  
Staplcotn, Greenwood, MS

*Appointed by the Board of Governors*

**Tracy D. Hall**, 2024  
President, Southwest Tennessee  
Community College, Memphis, TN

**Vacancy**, 2025

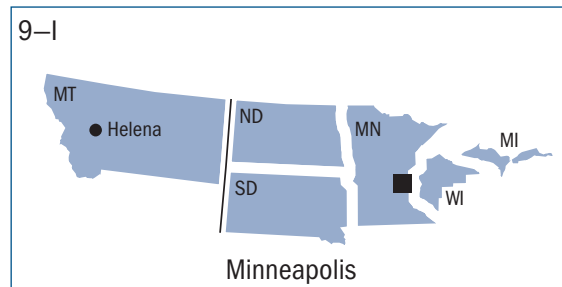
**Vacancy**, 2026

### District 9–Minneapolis

Covers the states of Minnesota, Montana, North Dakota, and South Dakota; the Upper Peninsula of Michigan; and 26 counties in northern Wisconsin.

For more information on this District and to learn more about the Federal Reserve Bank of Minneapolis's operations, visit <https://www.minneapolisfed.org/>.

Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/minneapolisfstmt2024.pdf>.



#### Class A

**Jeanne H. Crain**, 2024  
President and Chief Executive Officer,  
Bremer Financial Corporation,  
St. Paul, MN

**Brenda K. Foster**, 2025  
Chairman, President, and Chief  
Executive Officer, First Western Bank  
and Trust, Minot, ND

**Gerald H. Jacobson**, 2026  
President, Northwestern Bank,  
Chippewa Falls, WI

#### Class B

**Sarah Walsh**, 2024  
Chief Executive Officer, MMA  
Northwest, Marsh McLennan Agency,  
Helena, MT

**Lakota Vogel**, 2025  
Executive Director, Four Bands  
Community Fund, Eagle Butte, SD

**Chelsie Glaubitz Gabiou**, 2026  
President, Minneapolis Regional Labor  
Federation, AFL-CIO, Minneapolis, MN

#### Class C

**Paul D. Williams**, 2024  
President and Chief Executive Officer,  
Project for Pride in Living,  
Minneapolis, MN

**Chris Hilger**, 2025  
Chairman, President, and Chief  
Executive Officer, Securian Financial,  
St. Paul, MN

**Jay Debertin**, 2026  
President and Chief Executive Officer,  
CHS Inc., Inner Grove Heights, MN

#### Helena Branch

[Appointed by the Federal Reserve Bank](#)

**Jason Adams**, 2024  
Owner and Consultant, Ace Housing  
and Development, LLC, Polson, MT

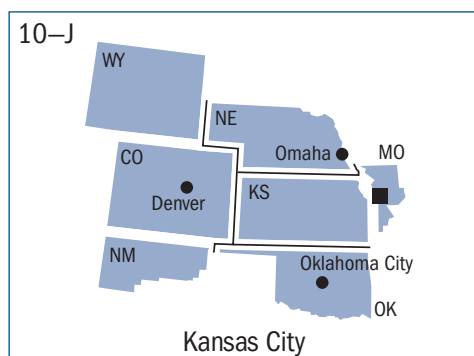
**Mary Rutherford**, 2025  
President and Chief Executive Officer,  
Montana Community Foundation,  
Helena, MT

**William C. Keller**, 2026  
President and Chief Executive Officer,  
Independence Bank, Havre, MT

[Appointed by the Board of Governors](#)

**Bobbi Wolstein**, 2024  
Chief Financial Officer, LHC, Inc.,  
Kalispell, MT

**Alan D. Ekblad**, 2026  
Senior and Managing Partner,  
Strategic Labor Partnerships,  
Helena, MT

**District 10–Kansas City**

Covers the states of Colorado, Kansas, Nebraska, Oklahoma, and Wyoming; 43 counties in western Missouri; and 14 counties in northern New Mexico.

For more information on this District and to learn more about the Federal Reserve Bank of Kansas City's operations, visit <https://www.kansascityfed.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>.

Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/kansascityfinstmt2024.pdf>.

**Class A**

**Kyle Heckman**, 2024  
Chairman and Chief Executive Officer,  
Flatirons Bank, Boulder, CO

**Alex Williams**, 2025  
Chairman, Chief Executive Officer, and  
President, Halstead Bank,  
Halstead, KS

**Susan Chapman Plumb**, 2026  
Board Chair and Chief Executive  
Officer, Local Bank, Hulbert, OK

**Class B**

**Ramin Cherafat**, 2024  
Chief Executive Officer, McCownGor-  
don Construction, Kansas City, MO

**Carmen Tapio**, 2025  
Owner, President, and Chief Executive  
Officer, North End Teleservices, LLC,  
Omaha, NE

**Ruben Alonso III**, 2026  
Chief Executive Officer, AltCap,  
Kansas City, MO

**Class C**

**Jandel Allen-Davis, MD**, 2024  
President and Chief Executive Officer,  
Craig Hospital, Englewood, CO

**Patrick A. Dujakovich**, 2025  
President, Greater Kansas City  
AFL-CIO, Kansas City, MO

**Paul Maass**, 2026  
Chief Executive Officer, Scoular,  
Omaha, NE

**Denver Branch**

[Appointed by the Federal Reserve Bank](#)

**Nicole Glaros**, 2024  
Founder and Chief Executive Officer,  
Phos, Boulder, CO

**Vacancy**, 2024

**John J. Coyne III**, 2025  
Chairman, Chief Executive Officer, and  
President, Big Horn Federal Savings  
Bank, Greybull, WY

**Rachel Gerlach**, 2026  
Chief Credit Officer, Alpine Bank,  
Glenwood Springs, CO

[Appointed by the Board of Governors](#)

**Janice J. Lucero**, 2024  
President and Chief Executive Officer,  
Motor Vehicle Division Express,  
Albuquerque, NM

**Del Esparza**, 2025  
Chief Executive Officer, Esparza Digital  
& Advertising, Albuquerque, NM

**Navin Dimond**, 2026  
Founder and Chief Executive Officer,  
Stonebridge Companies, Denver, CO

**Oklahoma City Branch**

[Appointed by the Federal Reserve Bank](#)

**J. Walter Duncan IV**, 2024  
President, Duncan Oil Properties, Inc.,  
Oklahoma City, OK

**Mark Burrage**, 2025  
Chief Executive Officer, FirstBank,  
Atoka, OK

**Terry Salmon, 2025**

President, Computer System  
Designers, Oklahoma City, OK

**Brady Sidwell, 2026**

Owner and Principal, Sidwell  
Strategies, LLC, Enid, OK

[Appointed by the Board of Governors](#)

**Rhonda Hooper, 2024**

President and Chief Executive Officer,  
Jordan Advertising, Oklahoma City, OK

**Dana S. Weber, 2025**

Chief Executive Officer and Chairman  
of the Board, Webco Industries, Inc.,  
Sand Springs, OK

**Scott Case, 2026**

President, Case & Associates  
Properties, Inc., Tulsa, OK

**Omaha Branch**

[Appointed by the Federal Reserve Bank](#)

**Zac Karpf, 2024**

President, Platte Valley Bank,  
Scottsbluff, NE

**Susan L. Martin, 2024**

President and Secretary-Treasurer,  
Nebraska State AFL-CIO, Lincoln, NE

**Clark Lauritzen, 2025**

Chairman and President, First National  
Bank of Omaha, Omaha, NE

**DJ Eihusen, 2026**

Chair, Chief Executive Officer, and  
President, Chief Industries, Inc., Grand  
Island, NE

[Appointed by the Board of Governors](#)

**Joanne Li, 2024**

Chancellor, University of Nebraska at  
Omaha, Omaha, NE

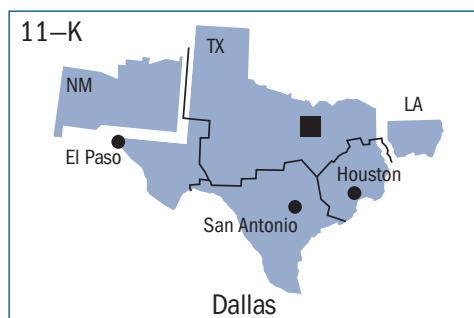
**L. Javier Fernandez, 2025**

President and Chief Executive Officer,  
Omaha Public Power District,  
Omaha, NE

**David Roth, 2026**

Chief Executive Officer, Omaha Airport  
Authority, Omaha, NE

## District 11–Dallas



Covers the state of Texas, 26 parishes in northern Louisiana, and 18 counties in southern New Mexico.

For more information on this District and to learn more about the Federal Reserve Bank of Dallas's operations, visit <https://www.dallasfed.org>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's

financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/dallasfinstmt2024.pdf>.

### Class A

#### Kelly A. Barclay, 2024

President and Chief Executive Officer, Ozona Bank, Wimberly, TX

#### Joe Quiroga, 2025

President, Texas National Bank, Edinburg, TX

#### Robert A. Hulsey, 2026

President and Chief Executive Officer, American National Bank of Texas, Terrell, TX

### Class B

#### James K. Hill, 2024

President, James Hill Consulting, and Director, Neeley Center for Real Estate, Texas Christian University, Fort Worth, TX

#### Cynthia Taylor, 2025

President and Chief Executive Officer, Oil States International Inc., Houston, TX

#### Pascal Desroches, 2026

Senior Executive Vice President and Chief Financial Officer, AT&T, Inc., Dallas, TX

### Class C

#### Gary C. Kelly, 2024

Executive Chairman, Southwest Airlines, Dallas, TX

#### Thomas J. Falk, 2025

Retired Chairman and Chief Executive Officer, Kimberly-Clark Corporation, Dallas, TX

#### Claudia Aguirre, 2026

President and Chief Executive Officer, BakerRipley, Houston, TX

### El Paso Branch

[Appointed by the Federal Reserve Bank](#)

#### William Serrata, 2024

President, El Paso Community College, El Paso, TX

#### Kari Mitchell, 2025

Chief Executive Officer, Las Cruces Machine Mfg. & Engineering, Inc., Mesilla Park, NM

#### Christian Perez Giese, 2026

Senior Vice President, CBRE, Inc., El Paso, TX

### James Walter, 2026

Co-Chief Executive Officer, Permian Resources, Midland, TX

[Appointed by the Board of Governors](#)

#### Tracy J. Yellen, 2024

Chief Executive Officer, Paso del Norte Community Foundation, El Paso, TX

#### Von C. Washington Sr., 2025

President, IDA Technology, El Paso, TX

#### Leila Melendez, 2026

Chief Executive Officer, Workforce Solutions Boderplex, El Paso, TX

### Houston Branch

[Appointed by the Federal Reserve Bank](#)

#### Peter Rodriguez, 2024

Dean and Professor of Strategic Management, Rice University, Houston, TX

#### Gary R. Petersen, 2025

Managing Partner and Founder, EnCap Investments L.P., Houston, TX

**Marc Boom, 2026**

President and Chief Executive Officer,  
Houston Methodist, Houston, TX

**Bhaves V. Patel, 2026**

Former President, Standard Industries,  
Houston, TX

[Appointed by the Board of Governors](#)

**Cynthia N. Colbert, 2024**

President and Chief Executive Officer,  
Catholic Charities Archdiocese of  
Galveston-Houston, Houston, TX

**Ric Campo, 2025**

Chairman and Chief Executive Officer,  
Camden Property Trust, Houston, TX

**Ruth J. Simmons, 2026**

Former President, Prairie View A&M  
University, Prairie View, TX

**San Antonio Branch**

[Appointed by the Federal Reserve Bank](#)

**Gabriel Guerra, 2024**

President and Chief Executive Officer,  
Kleberg Bank, Kingsville, TX

**Denise Rodriguez Hernandez, 2025**

Owner and Chief Executive Officer, The  
Eatery Culinary Group, San Antonio, TX

**Bradley Barron, 2026**

Former President and Chief Executive  
Officer, NuStar Energy, San Antonio, TX

**Tyson Tuttle, 2026**

Founder and Chief Executive Officer,  
Circuit, Austin, TX

[Appointed by the Board of Governors](#)

**Monica Salinas, 2024**

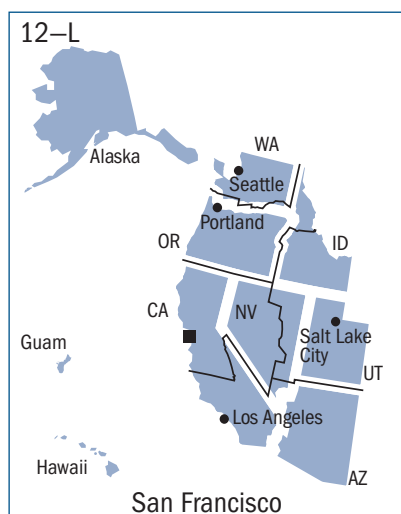
Chief Executive Officer, Operations,  
Cromex Forwarding Inc., Laredo, TX

**Rosa Santana, 2025**

Founder and Chief Executive Officer,  
Santana Group, San Antonio, TX

**Veronica Muzquiz Edwards, 2026**

Chief Executive Officer, InGenesis,  
Inc., San Antonio, TX

**District 12—San Francisco**

Covers the states of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington, and serves American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

For more information on this District and to learn more about the Federal Reserve Bank of San Francisco's operations, visit <http://www.frbsf.org/>. Information on economic conditions for this District can be found in the Federal Reserve System's Beige Book at <https://www.federalreserve.gov/monetarypolicy/beige-book-default.htm>. Also find the Reserve Bank's financial statements for 2024 at <https://www.federalreserve.gov/aboutthefed/files/sanfranciscofinstmt2024.pdf>.

**Class A****Clint E. Stein, 2024**

Chief Executive Officer, Umpqua Bank, Portland, OR

**Vacancy, 2025****Laura Lee Stewart, 2026**

President and Chief Executive Officer, Sound Community Bank and Sound Financial Bancorporation, Seattle, WA

**Class B****Arthur F. Oppenheimer, 2024**

Chairman and Chief Executive Officer, Oppenheimer Companies, Inc., and President, Oppenheimer Development Corporation, Boise, ID

**Maritza Diaz, 2025**

Chief Executive Officer, ITJ USA, Inc., San Marcos, CA

**Karen Kimbrough, 2026**

Chief Economist, LinkedIn, Sunnyvale, CA

**Class C****David P. White, 2024**

Chief Executive Officer, 3CG Ventures, and Former National Executive Director, Screen Actors Guild, Los Angeles, CA

**Mario Cordero, 2025**

Executive Director, Port of Long Beach, Long Beach, CA

**Russell A. Childs, 2026**

Chief Executive Officer and President, SkyWest, Inc., St. George, UT

**Los Angeles Branch**

[Appointed by the Federal Reserve Bank](#)

**Selena S. Cuffe, 2024**

Co-Founder, Heritage Link Brands, and Chief Growth Officer, Blackstone Consulting, Inc., Los Angeles, CA

**Zach Moon, 2024**

General Manager, California Steel Industries, Inc., Fontana, CA

**Chang M. Liu, 2025**

President and Chief Executive Officer, Cathay Bank, Los Angeles, CA

**Vacancy, 2026**

[Appointed by the Board of Governors](#)

**Jack L. Sinclair, 2024**

Chief Executive Officer, Sprouts Farmers Market, Phoenix, AZ

**Rosemary A. Vassiliadis, 2025**

Director of Aviation, Harry Reid International Airport, Las Vegas, NV

**Carlos Gonzalez, 2026**

Division President, Clark Construction Group, Irvine, CA

**Portland Branch**[Appointed by the Federal Reserve Bank](#)**Stacey M. L. Dodson**, 2024

Market President, Portland and Southwest Washington, U.S. Bank, Portland, OR

**Maria Pope**, 2025

President and Chief Executive Officer, Portland General Electric Company, Portland, OR

**Alicia Chapman**, 2026

Owner and Chief Executive Officer, Willamette Technical Fabricators, Portland, OR

**Andrew Colas**, 2026

President, Colas Construction, Inc., Portland, OR

[Appointed by the Board of Governors](#)**Gale Castillo**, 2024

President, Canopy, Portland, OR

**Vacancy**, 2025**Graciela Gomez-Cowger**, 2026

Chief Executive Officer, Schwabe, Williamson & Wyatt, Portland, OR

**Salt Lake City Branch**[Appointed by the Federal Reserve Bank](#)**Lisa Ann Grow**, 2024

President and Chief Executive Officer, IdaCorp & Idaho Power, Boise, ID

**Jose Enriquez**, 2025

Founder and Chief Executive Officer, Latinos In Action, Sandy, UT

**Melanie Cox**, 2026

Chief Executive Officer, Backcountry.com, Park City, UT

**Mark Packard**, 2026

President and Chief Executive Officer, Central Bank, Provo, UT

[Appointed by the Board of Governors](#)**O. Randall Woodbury**, 2024

President and Chief Executive Officer, Woodbury Corporation, Salt Lake City, UT

**Vacancy**, 2025**Susan D. Morris**, 2026

Executive Vice President and Chief Operations Officer, Albertsons Companies, Boise, ID

**Seattle Branch**[Appointed by the Federal Reserve Bank](#)**Michael S. Senske**, 2024

President and Chief Executive Officer, Pearson Packaging Systems, Spokane, WA

**Robert C. Donegan**, 2025

President, Ivar's Inc., Seattle, WA

**Gabriel Kompkoff**, 2026

President and Chief Financial Officer, Grant Aviation, Anchorage, AK

**Eric Pearson**, 2026

President and Chief Executive Officer, Community First Bank, Kennewick, WA

[Appointed by the Board of Governors](#)**Pallavi Mehta Wahi**, 2024

Seattle Managing Partner and Co-United States Managing Partner, K&L Gates LLP, Seattle, WA

**Sheila Edwards Lange**, 2025

Chancellor, University of Washington Tacoma, Tacoma, WA

**John Wolfe**, 2026

Chief Executive Officer, Northwest Seaport Alliance, Tacoma, WA

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## Reserve Bank and Branch Leadership

Each year, the Board of Governors designates one Class C director to serve as chair and one Class C director to serve as deputy chair of each Reserve Bank board. Reserve Banks also have a president and first vice president who are appointed by the Bank's Class C (and certain Class B) directors, subject to approval by the Board of Governors. Each Reserve Bank selects a chair for every Branch in its District from among the directors on the Branch board who were appointed by the Board of Governors. For each Branch, an officer from its Reserve Bank is also charged with the oversight of Branch operations.

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### Boston

**Corey Thomas**, Chair

**Roger W. Crandall**, Deputy Chair

**Susan M. Collins**, President and  
Chief Executive Officer

**Karen A. Pennell**,  
First Vice President and  
Chief Operating Officer

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### New York

**Vincent Alvarez**, Chair

**Pat Wang**, Deputy Chair

**John C. Williams**, President and  
Chief Executive Officer

**Sushmita Shukla**, First Vice  
President and Chief Operating Officer

[Additional office at East Rutherford, NJ](#)

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### Philadelphia

**Anthony Ibarguen**, Chair

**Sharmain Matlock-Turner**,  
Deputy Chair

**Patrick T. Harker**, President and  
Chief Executive Officer

**Jeanne R. Rentezelas**, First Vice  
President and Chief Operating Officer

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### Cleveland

**Heidi L. Gartland**, Chair

**Richard J. Kramer**, Deputy Chair

**Beth M. Hammack**, President  
and Chief Executive Officer

**Mark S. Meder**, First Vice  
President and Chief Operating Officer

**Cincinnati**

**Rachid Abdallah**, Chair

**Julianne Dunn**, Vice President  
and Senior Regional Officer

**Pittsburgh**

**Vera Krekanova**, Chair

**Russell Mills**, Vice President and  
Senior Regional Officer

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**Richmond****Jodie McLean**, Chair**Lisa M. Hamilton**, Deputy Chair**Thomas I. Barkin**, President and Chief Executive Officer**Becky Bareford**, First Vice President and Chief Operating Officer**Baltimore****William J. McCarthy**, Chair**Andy Bauer**, Vice President and Baltimore Regional Executive**Charlotte****Bernett William Mazyck**, Chair**Matthew A. Martin**, Vice President and Charlotte Regional Executive

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**Atlanta****Claire Lewis Arnold**, Chair**Gregory A. Haile**, Deputy Chair**Raphael W. Bostic**, President and Chief Executive Officer**Cheryl Venable**, First Vice President and Chief Operating Officer**Birmingham****Randall P. Breaux**, Chair**Anoop Mishra**, Vice President and Regional Executive**Jacksonville****Lisa Palmer**, Chair**Michelle Dennard**, Vice President and Regional Executive**Miami****Kathleen Cannon**, Chair**Shari Bower**, Vice President and Regional Executive**Nashville****Thomas Zacharia**, Chair**Laurel Graefe**, Vice President and Regional Executive**New Orleans****John C. Driscoll**, Chair**Adrienne C. Slack**, Vice President and Regional Executive

---

**Chicago****Jennifer Scanlon**, Chair**Juan Salgado**, Deputy Chair**Austan Goolsbee**, President and Chief Executive Officer**Ellen Bromagen**, First Vice President and Chief Operating Officer[Additional office at Des Moines, IA](#)**Detroit****Ronald E. Hall**, Chair**Rick Mattoon**, Vice President of Regional Analysis and Engagement, Detroit Regional Executive

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**St. Louis****Carolyn Chism Hardy**, Chair**Lal Karsanbhai**, Deputy Chair**Alberto G. Musalem**, President and Chief Executive Officer**François G. Henriquez II**, First Vice President and Chief Operating Officer**Little Rock****Jamie J. Henry**, Chair**Matuschka Lindo Briggs**, Senior Vice President and Regional Executive**Louisville****Emerson M. Goodwin**, Chair**Seema Sheth**, Senior Vice President and Regional Executive**Memphis****Tracy D. Hall**, Chair**Douglas G. Scarboro**, Senior Vice President and Regional Executive

**Minneapolis****Chris Hilger**, Chair**Paul D. Williams**, Deputy Chair**Neel Kashkari**, President and  
Chief Executive Officer**Ron J. Feldman**, First Vice  
President and Chief Operating Officer**Helena****Alan D. Ekblad**, Chair**Kansas City****Patrick A. Dujakovich**, Chair**Jandel Allen-Davis**, Deputy Chair**Jeffrey Schmid**, President  
and Chief Executive Officer**Kim Robbins**, First Vice President  
and Chief Operating Officer**Denver****Navin Dimond**, Chair**Nicholas Sly**, Assistant Vice  
President and Branch Executive**Oklahoma City****Dana S. Weber**, Chair**Chad R. Wilkerson**, Senior Vice  
President and Branch Executive**Omaha****L. Javier Fernandez**, Chair**Nathan Kauffman**, Senior Vice  
President and Branch Executive**Dallas****Thomas J. Falk**, Chair**Claudia Aguirre**, Deputy Chair**Lorie K. Logan**, President and  
Chief Executive Officer**Robert L. Triplett, III**, First Vice  
President and Chief Operating Officer**El Paso****Tracy J. Yellen**, Chair**Roberto A. Coronado**, Senior  
Vice President and Senior Economist;  
Interim Regional Executive**Houston****Ruth J. Simmons**, Chair**Daron D. Peschel**, Senior Vice  
President and Regional Executive**San Antonio****Veronica Muzquiz Edwards**,  
Chair**Armida Riojas**, Assistant Vice  
President and Regional Executive**San Francisco****David P. White**, Chair**Russell A. Childs**, Deputy Chair**Mary C. Daly**, President and Chief  
Executive Officer**Sarah Devany**, First Vice President  
and Chief Operating OfficerAdditional office at [Phoenix, AZ](#)**Los Angeles****Jack L. Sinclair**, Chair**Qiana Charles**, Vice President and  
Regional Executive**Portland****Gale Castillo**, Chair**Ian Galloway**, Vice President and  
Regional Executive**Salt Lake City****O. Randall Woodbury**, Chair**Abby McLennan**, Vice President  
and Regional Executive**Seattle****John Wolfe**, Chair**Christina Prkic**, Vice President  
and Regional Executive

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## Leadership Conferences

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### *Conference of Chairs*

The chairs of the Federal Reserve Banks are organized into the Conference of Chairs, which meets to consider matters of common interest and to consult with and advise the Board of Governors. Such meetings, also attended by the deputy chairs, were held in Washington, D.C., on May 8 and 9, 2024, and November 19 and 20, 2024. The conference's executive committee members for 2024 are listed below.<sup>1</sup>

#### **Conference of Chairs Executive Committee—2024**

**Corey Thomas**, Chair,  
Federal Reserve Bank of  
Boston

**Patrick A. Dujakovich**, Vice  
Chair, Federal Reserve Bank of  
Kansas City

**Jodie McLean**, Member,  
Federal Reserve Bank of Richmond

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### *Conference of Presidents*

The presidents of the Federal Reserve Banks are organized into the Conference of Presidents, which meets periodically to identify, define, and deliberate issues of strategic significance to the Federal Reserve System; to consider matters of common interest; and to consult with and advise the Board of Governors. The chief executive officer of each Reserve Bank was originally labeled governor and did not receive the title of president until the passage of the Banking Act of 1935. Consequently, when the Conference was first established in 1914 it was known as the Conference of Governors. Conference officers for 2024 are listed below.

#### **Conference of Presidents—2024**

**John C. Williams**, Chair,  
Federal Reserve Bank of New York

**Heidy Medina**, Secretary, Federal  
Reserve Bank of New York

**Neel Kashkari**, Vice Chair,  
Federal Reserve Bank of Minneapolis

**Karmi Mattson**, Assistant  
Secretary, Federal Reserve Bank  
of Minneapolis

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<sup>1</sup> On November 19, 2024, the Conference of Chairs elected Patrick A. Dujakovich, chair of the Federal Reserve Bank of Kansas City, as chair of the conference's executive committee for 2025. The conference also elected Lisa M. Hamilton, deputy chair of the Federal Reserve Bank of Richmond, as vice chair of the executive committee for 2025, and Pat Wang, deputy chair of the Federal Reserve Bank of New York, as the executive committee's third member for 2025.

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***Conference of First Vice Presidents***

The Conference of First Vice Presidents of the Federal Reserve Banks was organized in 1969 to meet periodically for the consideration of operations and other matters. Conference officers for 2024 are listed below.<sup>2</sup>

**Conference of First Vice Presidents—2024**

**Ron Feldman**, Chair,  
Federal Reserve Bank of Minneapolis

**Jamica Quillin**, Secretary,  
Federal Reserve Bank of Minneapolis

**Becky Bareford**, Vice Chair,  
Federal Reserve Bank of Richmond

**Nina Mantilla**, Assistant Secretary,  
Federal Reserve Bank of Richmond

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<sup>2</sup> On November 25, 2024, the conference elected Becky Bareford, Federal Reserve Bank of Richmond, as chair and Robert L. Triplett, III, Federal Reserve Bank of Dallas, as vice chair for 2025. The conference also elected Nina Mantilla, Federal Reserve Bank of Richmond, as secretary and Jordann Roberson, Federal Reserve Bank of Dallas, as assistant secretary.

## B | Minutes of Federal Open Market Committee Meetings

The policy actions of the Federal Open Market Committee, recorded in the minutes of its meetings, are available in the Annual Report of the Board of Governors pursuant to the requirements of section 10 of the Federal Reserve Act. That section provides that the Board shall keep a complete record of the actions taken by the Board and by the Federal Open Market Committee on all questions of policy relating to open market operations, that it shall record therein the votes taken in connection with the determination of open market policies and the reasons underlying each policy action, and that it shall include in its annual report to Congress a full account of such actions. Links to the minutes for each of the eight regularly scheduled meetings held in 2024 are in the list below.

### Meeting Minutes

- Meeting held on January 30–31, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240131.pdf>
- Meeting held on March 19–20, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240320.pdf>
- Meeting held on April 30–May 1, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240501.pdf>
- Meeting held on June 11–12, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240612.pdf>
- Meeting held on July 30–31, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240731.pdf>
- Meeting held on September 17–18, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20240918.pdf>
- Meeting held on November 6–7, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20241107.pdf>
- Meeting held on December 17–18, 2024  
<https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20241218.pdf>

The minutes of the meetings contain the votes on the policy decisions made at those meetings, as well as a summary of the information and discussions that led to the decisions. The descriptions of economic and financial conditions in the minutes are based solely on the information that was available to the Committee at the time of the meetings.

Members of the Committee voting for a particular action may differ among themselves as to the reasons for their votes; in such cases, the range of their views is noted in the minutes. When members dissent from a decision, they are identified in the minutes and a summary of the reasons for their dissent is provided.

Policy directives of the Federal Open Market Committee are issued to the Federal Reserve Bank of New York as the Bank selected by the Committee to execute transactions for the System Open Market Account. Adoption of the policy directives during the year are reported in the minutes for the individual meetings.<sup>1</sup>

For more information about the Federal Open Market Committee's meetings, statements, and minutes, visit the Board's website at <https://www.federalreserve.gov/monetarypolicy/fomccalendars.htm>.

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<sup>1</sup> The Federal Open Market Committee's standard rules and authorizations in effect as of January 1, 2024, are available at [https://www.federalreserve.gov/monetarypolicy/files/FOMC\\_RulesAuthPamphlet\\_202301.pdf](https://www.federalreserve.gov/monetarypolicy/files/FOMC_RulesAuthPamphlet_202301.pdf). The rules and authorizations put into effect subsequently in 2024 are available at [https://www.federalreserve.gov/monetarypolicy/files/FOMC\\_RulesAuthPamphlet\\_202401.pdf](https://www.federalreserve.gov/monetarypolicy/files/FOMC_RulesAuthPamphlet_202401.pdf).

## C | Federal Reserve System Audits

The Board of Governors, the Federal Reserve Banks, and the Federal Reserve System as a whole are all subject to several levels of audit and review.

The Board's financial statements and internal controls over financial reporting are audited annually by an independent outside auditor retained by the Board's Office of Inspector General (OIG). The outside auditor also tests the Board's compliance with certain provisions of laws, regulations, and contracts affecting those statements.

The Reserve Banks' financial statements are audited annually by an independent outside auditor retained by the Board of Governors. In addition, the Reserve Banks are subject to annual examination by the Board. As discussed in [section 5](#), "Payment System and Reserve Bank Oversight," the Board's examination includes a wide range of ongoing oversight activities conducted on site and off site by staff of the Board's Division of Reserve Bank Operations and Payment Systems.

The audited annual financial statements of the Board of Governors, the Reserve Banks, and the Federal Reserve System as a whole are available on the Board's website at <https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm>.

In addition, the [OIG conducts audits, evaluations, investigations, and other reviews](#) relating to the Board's programs and operations as well as to Board functions delegated to the Reserve Banks. Certain aspects of Federal Reserve operations are also subject to [review by the Government Accountability Office](#).

### Office of Inspector General Activities

The OIG for the Federal Reserve Board, which is also the OIG for the Consumer Financial Protection Bureau (CFPB), operates in accordance with the Inspector General Act of 1978, as amended. The OIG plans and conducts audits, evaluations, investigations, and other reviews relating to Board and CFPB programs and operations, including functions that the Board has delegated to the Federal Reserve Banks. It also retains an independent public accounting firm to annually audit the Board's and the Federal Financial Institutions Examination Council's financial statements. These activities promote economy and efficiency; enhance policies and procedures; and prevent and detect waste, fraud, and abuse. In addition, the OIG keeps Congress, the Board of Governors, and the CFPB director fully and currently informed about serious abuses and deficiencies.

During 2024, the OIG issued 22 reports, including 9 reports about Board programs and operations (table C.1). Because of the sensitive nature of some of the material, 2 of the 9 reports are nonpublic, as indicated. In addition, the OIG issued 6 information technology–related memorandum reports—3 on data analytics, which are posted to its website, and 3 on cybersecurity issues, which are not publicly available because of the sensitive nature of the information contained in them. The OIG also issued 2 semiannual reports to Congress and conducted follow-up reviews to evaluate the corrective actions taken to address its recommendations. Regarding the OIG’s investigative work related to the Board and the CFPB, 27 investigations were opened and 60 investigations were closed during the year. OIG investigative work resulted in 39 arrests, 7 criminal complaints, 27 criminal informations,<sup>1</sup> 15 indictments, 46 convictions, and 6 prohibitions from the banking industry, as well as more than \$352 million in criminal fines, restitution, and special assessments. Although the federal government announced an end to the COVID-19 public health emergency on May 11, 2023, the OIG will continue its investigative work concerning the pandemic-related lending programs—in particular, investigations of alleged fraud—for the foreseeable future. Finally, the OIG performed 21 reviews of legislation and regulations related to the operations of the Board, the CFPB, or the OIG.

For more information and to view the OIG’s publications, visit the OIG’s website at <https://oig.federalreserve.gov>. Specific details about the OIG’s body of work also may be found in the OIG’s *Work Plan* and semiannual reports to Congress.

**Table C.1. Board reports issued by the OIG in 2024**

Report title	Month issued
The Board Should Provide Staff With Guidance on Controlled Unclassified Information	January
Material Loss Review of Heartland Tri-State Bank	February
Results of Security Control Testing of the Board’s Projection Collection System (nonpublic)	February
Federal Financial Institutions Examination Council Financial Statements as of and for the Years Ended December 31, 2023 and 2022, and Independent Auditors’ Report	February
Board of Governors of the Federal Reserve System Financial Statements as of and for the Years Ended December 31, 2023 and 2022, and Independent Auditors’ Reports	March
Results of Security Control Testing of the Board’s Embargo Application (nonpublic)	April
FRB Minneapolis Followed Its Paycheck Protection Program Liquidity Facility Collateral Risk Management Processes and Can Enhance Monitoring and Collection Processes	September
The Board Can Strengthen Its Hiring Practices to Help Mitigate Bias and Reinforce Its Commitment to Ensuring a Diverse Workforce	September
2024 Audit of the Board’s Information Security Program	October

<sup>1</sup> A *criminal information* is a written accusation made by a public prosecutor, without the intervention of a grand jury.

## Government Accountability Office Reviews

The Federal Banking Agency Audit Act (Pub. L. No. 95–320) authorizes the Government Accountability Office (GAO) to audit certain aspects of Federal Reserve System operations. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the Coronavirus Aid, Relief, and Economic Security Act of 2020 direct the GAO to conduct additional audits with respect to these operations. In 2024, the GAO completed 12 projects that involved the Federal Reserve ([table C.2](#)). Fourteen projects were ongoing as of December 31, 2024 ([table C.3](#)).

For more information and to view GAO reports, visit the GAO's website at <https://www.gao.gov>.

**Table C.2. GAO reports issued in 2024**

Report title	Report number	Month publicly released
Evictions: National Data Are Limited and Challenging to Collect	GAO-24-106637	February
Bank Supervision: More Timely Escalation of Supervisory Action Needed	GAO-24-106974	March
Federal Home Loan Banks: Actions Related to the Spring 2023 Bank Failures	GAO-24-106957	April
Economic Development: Additional Training Could Help Small Lenders Implement Technology	GAO-24-106226	April
Financial Services Regulations: Improvements Needed to Policies and Procedures for Regulatory Analysis	GAO-24-106206	July
Payment Scams: Information on Financial Industry Efforts	GAO-24-107107	July
Commercial Real Estate: Trends, Risks, and Federal Monitoring Efforts	GAO-24-107282	September
Financial Audit: Bureau of the Fiscal Service's FY 2024 and FY 2023 Schedules of Federal Debt	GAO-25-107138	November
Bank Supervision: Federal Reserve and FDIC Should Address Weaknesses in Their Process for Escalating Supervisory Concerns	GAO-25-106771	November
Debt Limit: Statutory Changes Could Avert the Risk of a Government Default and Its Potentially Severe Consequences	GAO-25-107089	December
Currency Transaction Reports: Improvements Could Reduce Filer Burden While Still Providing Useful Information to Law Enforcement	GAO-25-106500	December
Federal Reserve Lending Programs: Nearly Half of Main Street Program Loans Are Fully Repaid, but Losses Have Increased	GAO-25-107246	December

**Table C.3. Projects active at year-end 2024**

Subject of project	Month initiated	Status
Use of minority- and women-owned asset management firms in federal retirement plans and endowments	June 2023	Open
The 2023 systemic risk determinations	August 2023	Closed 1/23/25
Older workers' employment and finances during the pandemic	September 2023	Open
Executive compensation at failed banks	October 2023	Closed 2/20/25
Peer-to-peer payment app scams	November 2023	Closed 4/8/25
Artificial intelligence in financial services	January 2024	Open
Basel III endgame standards	February 2024	Closed 3/26/25
Federal Home Loan Banks' liquidity role during financial crises	March 2024	Open
Bureau of Labor Statistics' Employment Situation Report	June 2024	Open
Banking services for cannabis businesses	July 2024	Open
Treasury debt management practices	August 2024	Open
Bankruptcies of financial companies	September 2024	Open
The role of independent auditors in bank failures	October 2024	Open
Veteran lending and access to credit	November 2024	Open

## D | Federal Reserve System Budgets

The Federal Reserve Board of Governors and the Federal Reserve Banks prepare annual budgets as part of their efforts to demonstrate strong stewardship and provide appropriate transparency.<sup>1</sup> This section presents information on the 2024 budget performance of the Board and Reserve Banks and on their 2025 budgets (box 1), budgeting processes, and trends in expenses and employment. This section also presents information on the costs of new currency.

### Box 1. Implementation of the System's 2025 Budget

The Federal Reserve System's budget represents the maximum amount that is authorized for particular purposes. It does not constitute an obligation to spend funds, and actual spending on budget items may be reduced or eliminated without formal amendment to the budget. Since the Board adopted its 2025 budget, a number of budget items have been reduced or eliminated, including not proceeding with certain information technology modernization initiatives at their originally budgeted levels. Similarly, since the adoption of the 2025 Reserve Bank budgets, the Reserve Banks initiated a reduction to the 2025 full-time equivalents (FTE) forecast to align with the underrun in actual 2024 year-end performance.

As it has done historically, the Federal Reserve System has sought to align itself where appropriate and within the law with executive orders, including with the federal government hiring freeze. The Federal Reserve System also announced that it initiated a plan to reduce its overall headcount by 10 percent over the next few years. Initial Board efforts to this objective include offering a voluntary deferred resignation program and reevaluating its staffing needs related to the United States hosting the G-20 in 2026 and G-7 in 2027. Additionally, the Board and Reserve Banks are conducting a strategic evaluation to standardize operations and align operations to most strategic priorities to achieve staffing reductions.

## System Budgets Overview

Tables D.1 and D.2 summarize the Federal Reserve Board of Governors' and Federal Reserve Banks' 2024 budgeted, 2024 actual, and 2025 budgeted operating expenses and employment.<sup>2</sup>

<sup>1</sup> Before 2013, information about the budgeted expenses of the Board and Reserve Banks was presented in a separate report titled *Annual Report: Budget Review*. The report is available at <https://www.federalreserve.gov/publications/budget-review/default.htm>. Each budget covers one calendar year.

<sup>2</sup> Substantially all employees of the Board and Reserve Banks participate in the Retirement Plan for Employees of the Federal Reserve System (System Plan). Reserve Bank employees at certain compensation levels participate in the Benefit Equalization Plan, and certain Reserve Bank officers participate in the Supplemental Retirement Plan for Select Officers of the Reserve Banks. The operating expenses of the Reserve Banks presented in this section do not include expenses related to the retirement plans; however, the 2024 claims for reimbursement include the allocated portion of the pension. Additional information about these expenses can be found in Appendix G, "Statistical Tables." Board employees also participate in the Benefit Equalization Plan, and Board officers participate in the Pension Enhancement Plan for Officers of the Board of Governors of the Federal Reserve System (PEP). The operating expenses of the Board presented in this section include expenses related to Board participants in the Benefit Equalization Plan and PEP but do not include expenses related to the System Plan.

**Table D.1. Total operating expenses of the Federal Reserve System, net of receipts and claims for reimbursement, 2024–25**

Millions of dollars, except as noted

Item	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Board <sup>1</sup>	1,070.2	1,049.9	-20.3	-1.9	1,168.6	118.6	11.3
Office of Inspector General <sup>2</sup>	39.6	40.1	0.5	1.4	41.3	1.2	3.0
Reserve Banks <sup>3</sup>	6,053.2	5,865.4	-187.7	-3.1	6,382.5	517.1	8.8
Currency <sup>4</sup>	1,368.6	1,242.3	-126.3	-9.2	1,263.6	21.3	1.7
Total System operating expenses	8,531.6	8,197.7	-333.8	-3.9	8,856.0	658.2	8.0
Revenue from priced services	501.4	524.4	23.0	4.6	531.7	7.3	1.4
Claims for reimbursement <sup>5</sup>	879.8	835.8	-43.9	-5.0	915.0	79.2	9.5
Revenue and claims for reimbursement <sup>6</sup>	1,381.2	1,360.2	-20.9	-1.5	1,446.7	86.5	6.4
<b>Total System operating expenses, net of revenue and claims for reimbursement</b>	<b>7,150.4</b>	<b>6,837.5</b>	<b>-312.9</b>	<b>-4.4</b>	<b>7,409.3</b>	<b>571.7</b>	<b>8.4</b>

Note: Here and in subsequent tables, components may not sum to totals and may not yield percentages shown because of rounding.

<sup>1</sup> In December 2024, the Board approved an amended 2024 budget authority of \$1,070.2 million.

<sup>2</sup> In 2024, the Board approved a budget authority of \$59.8 million. Total expenses, excluding operating income, were \$58.7 million, which was \$1.1 million, or 1.9 percent, lower than the budget authority. Operating income from the CFPB was \$18.6 million, which was \$1.6 million, or 8.1 percent, lower than the forecasted amount of \$20.2 million. The OIG conducted more work related to the Board than planned, resulting in less operating income from the CFPB. This resulted in the net operating budget of \$39.6 million and actual net expenses of \$40.1 million.

<sup>3</sup> Excludes Reserve Bank assessments by the Board of Governors for costs related to currency and the operations of the Board of Governors, OIG, and CFPB.

<sup>4</sup> The 2024 and 2025 currency values reflect the sum of single-cycle and multicycle project costs. However, the Bureau of Engraving and Printing's single-cycle and multicycle project budgets are tracked separately, as shown in tables D.13 and D.14, respectively.

<sup>5</sup> Reimbursable claims include the expenses of fiscal agency. In 2024 actual, the fiscal agency allocated portion of the pension is also included but is not included for the budget. The fiscal agency budgeted pension expense is \$47.4 million in 2024 and \$51.9 million in 2025.

<sup>6</sup> Excludes annual assessment fees for the supervision of large financial companies pursuant to Regulation TT. These fees are not recognized as revenue or used to fund Board expenses. In 2024, the Board collected and transferred \$777.7 million to the U.S. Treasury.

## 2024 Budget Performance

In carrying out its responsibilities in 2024, the Federal Reserve System incurred \$6,837.5 million in net expenses. Total System operating expenses of \$8,197.7 million were offset by \$1,360.2 million in revenue from priced services and claims for reimbursement. Total 2024 System operating expenses, net of revenue and reimbursements, were \$312.9 million, or 4.4 percent, less than the amount budgeted for 2024.

**Table D.2. Employment in the Federal Reserve System, 2024–25**

Item	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Board <sup>1</sup>	3,198	3,176	-22	-0.7	3,291	115	3.6
Office of Inspector General <sup>2</sup>	141	140	-1	-1.0	146	7	4.7
Reserve Banks	21,238	20,840	-398	-1.9	21,411	571	2.7
Currency	24	23	-1	-4.2	27	4	17.4
<b>Total System employment</b>	<b>24,602</b>	<b>24,179</b>	<b>-423</b>	<b>-1.7</b>	<b>24,875</b>	<b>696</b>	<b>2.9</b>

Note: Employment numbers are represented in full-time equivalents (FTE) to better align with Reserve Banks and industry. FTE represent an employee's scheduled hours divided by the employer's hours for a full-time workweek. Part-time workers' hours can be fractional, which means the variance may be off slightly.

<sup>1</sup> In December 2024, the Board approved an amended 2024 budget authority. The 2024 budget amount is updated to reflect the Board's forecasted 2024 FTE amount.

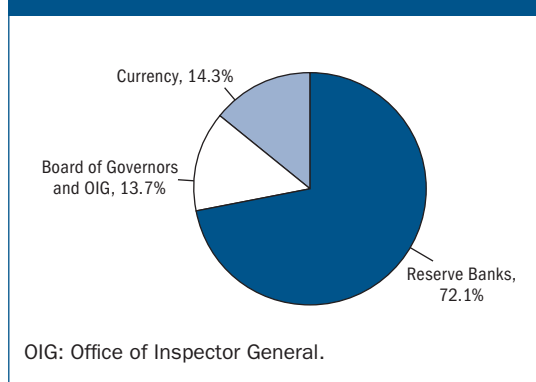
<sup>2</sup> In December 2024, the Board approved an amended 2024 budget authority. The 2024 budget amount is updated to reflect the OIG's forecasted 2024 FTE amount.

## 2025 Operating Expense Budget

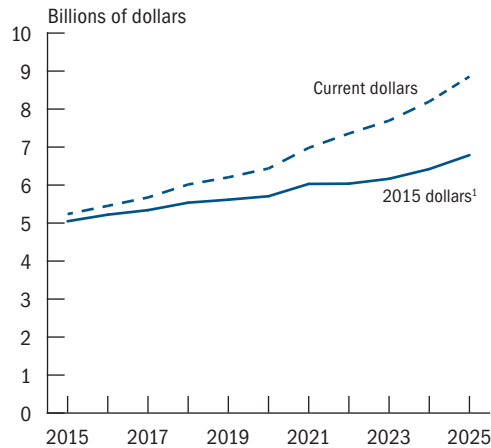
Budgeted 2025 System operating expenses of \$7,409.3 million, net of revenue and reimbursements, are \$571.7 million, or 8.4 percent, higher than 2024 actual expenses. The Reserve Bank budgets comprise almost three-quarters of the System budget (figure D.1).

## Trends in Expenses and Employment

From the actual 2015 amount to the budgeted 2025 amount, the total operating expenses of the Federal Reserve System have increased an average of 5.4 percent annually (figure D.2), which is slightly higher than the 10-year growth rate between 2014 and 2024. The total rate of growth in Federal Reserve System expenses reflects investments in technology initiatives, payment infrastructure modernization efforts, the next-generation currency-processing program NextGen, and resources to support the supervision portfolio and other national strategic initiatives (figure D.3).<sup>3</sup>

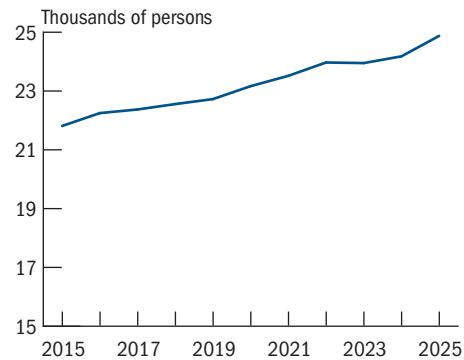
**Figure D.1. Distribution of budgeted expenses of the Federal Reserve System, 2025**

<sup>3</sup> The System is implementing a strategy to transition the current fleet of high-speed currency processing machines and the associated sensor suite from the Banknote Processing System platform to the future NextGen processing technologies (machines and sensor technologies).

**Figure D.2. Total expenses of the Federal Reserve System, 2015–25**

Note: For 2024–25, budgeted. Includes expenses of the OIG.

1. Calculated with the GDP price deflator.

**Figure D.3. Employment in the Federal Reserve System, 2015–25**

Note: For 2025, budgeted. From 2015 to 2018, employment numbers presented include position counts for the Board and the OIG and average number of personnel (ANP) for the Reserve Banks. From 2019 to 2020, employment numbers for all entities are represented in ANP. For 2021 to 2022, employment numbers presented include ANP for the Board and OIG and headcount for the Reserve Banks. For 2023 through 2025, employment numbers for all entities are represented by FTE.

Expense growth in the monetary policy area represents continued investment in regional economic research and resources to support effective market operations and monitoring activities.

Treasury services expenses have increased in response to Treasury's request that Reserve Banks, as fiscal agents, modernize legacy applications and align with the federal government's cloud computing strategy.

Expenses for services to financial institutions have increased as a result of the System's initiative to replace the existing, decades-old high-speed currency processing equipment with new equipment and technology. Growth in services to financial institutions and the public is also attributable to the addition of resources in support of the credit and liquidity facilities created in response to the COVID-19 pandemic.

Supervision has experienced moderate growth over the past 10 years. Growth driven by changes in the state member bank portfolio, the buildout of the cybersecurity supervision program, and support for other national strategic initiatives was partially offset by adjustments to supervisory mandates from the Economic Growth, Regulatory Reform, and Consumer Protection Act, the identification and realization of operational efficiencies, and the prioritization of resources toward higher-

risk activities and emerging risks. In particular, resources were temporarily shifted from supervision in 2020 and 2021 to support the credit and liquidity facilities responding to the COVID-19 pandemic. Most recently, resources have been added to align with supervisory portfolio growth, increased complexity of institutions, and other strategic initiatives impacting the banking industry.

Growth in fee-based services is primarily for investments in payment infrastructure modernization efforts, including the FedNow<sup>SM</sup> Service initiative, and investments associated with multiyear technology initiatives to modernize processing platforms for Fedwire and automated clearinghouse (ACH).<sup>4</sup>

## 2025 Capital Budgets

The capital budgets for the Board and Reserve Banks total \$531.8 million and \$942.7 million, respectively.<sup>5</sup> As in previous years, the 2025 capital budgets include funding for projects that support the strategic direction outlined by the Board, System leadership, and each Reserve Bank. These strategic goals emphasize investments that continue to improve operational efficiencies, enhance services to Bank customers, and ensure a safe and productive work environment.

## Board of Governors Budgets

### Board of Governors

The Board's budget is based on the principles established by the *Strategic Plan 2024–27* and provides funding to advance the plan's goals and objectives.<sup>6</sup> This functional alignment helps ensure organizational resources are used to advance the Board's mission and provides a structure to fund strategic priorities over the four-year time horizon.

The Board's budget process is as follows:

- At the start of the budget process, the chief operating officer and chief financial officer meet with the Committee on Board Affairs (CBA) to discuss budget recommendations for the Board's operating budget. After engagement with the CBA, Division of Financial Management (DFM) staff communicate the budget recommendations to the Executive Committee, which comprises the directors of each division.

<sup>4</sup> In July 2023, the Federal Reserve launched a new round-the-clock, real-time payment and settlement service called the FedNow Service to support faster payments in the United States. The initiative to modernize the ACH processing platform was completed in early 2021.

<sup>5</sup> The capital budget reported for the Board includes single-year capital expenditures and 2025 expected capital expenditures from multiyear projects of the Board and the OIG. The capital budget reported for the Reserve Banks includes the amounts budgeted for the National Information Technology support function.

<sup>6</sup> The Board approved the plan published in December 2023 and is located at <https://www.federalreserve.gov/publications/files/2024-2027-gpra-strategic-plan.pdf>.

- Divisions develop budget proposals and allocate resources to highest priority areas and seek tradeoffs and efficiencies. In some instances, new initiatives are proposed, reviewed, and prioritized against existing operations and budgets.
- DFM staff review initial budget requests submitted by divisions and collaborate with all divisions across all functional areas to develop budget recommendations.<sup>7</sup>
- The chief operating officer and chief financial officer subsequently brief the CBA on the budget submissions and recommendations. Once a final budget proposal is finalized, the Administrative Governor submits the budget to the full Board for review and final approval.
- Throughout the year, DFM staff monitor expenses through financial forecasts that provide insight into budgetary trends. Staff analyze budgetary variances and trends and communicate the results to senior management.

[Tables D.3](#), [D.4](#), and [D.5](#) summarize the Board's 2024 budgeted and actual expenses and its 2025 budgeted expenses by operating area; division, office, or special account; and account classification, respectively. [Table D.6](#) summarizes the Board's 2024 budgeted and actual authorized positions and its budgeted positions for 2025. Each table includes a line item for the Office of Inspector General (OIG), which is discussed later in this section.

## 2024 Budget Performance

During 2024, uncontrollable factors within centrally managed benefits drove upward pressure to the 2024 budget. While staff use the latest and best estimates available when the budget is finalized, actuarial and demographic assumptions, economic conditions, and other factors contribute to variations in these benefits. In December 2024, the Board approved a 2024 budget authority of \$1,070.2 million. Total expenses for Board operations were \$1,049.9 million, which were \$20.3 million, or 1.9 percent, lower than the budget authority.

The Board's 2024 single-year capital spending was \$16.8 million, \$8.2 million or nearly 32.9 percent less than budgeted. This variance was driven primarily by lower spending on equipment purchases, life-cycle replacements, and deferred automation projects. Multiyear capital projects spending in 2024 was higher than budgeted by \$27.4 million, or 7.5 percent, driven by long-lead items received earlier than expected within building improvement projects. Although 2024

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<sup>7</sup> Monetary Policy and Financial Stability, Supervision and Regulation, Payment System and Reserve Bank Oversight, Consumer Protection and Community Development, and Mission Advancement.

**Table D.3. Operating expenses of the Board of Governors, by operating area, 2024–25**

Millions of dollars, except as noted

Item	2024 budget <sup>1</sup>	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Monetary policy and financial stability <sup>2</sup>	457.4	449.4	-8.0	-1.7	518.5	69.1	15.4
Supervision and regulation	447.0	438.0	-9.1	-2.0	465.7	27.7	6.3
Payment system and Reserve Bank oversight	89.0	87.2	-1.9	-2.1	89.8	2.6	3.0
Consumer protection and community development <sup>3</sup>	76.7	75.4	-1.3	-1.7	94.6	19.2	25.5
<b>Total, Board operations</b>	<b>1,070.2</b>	<b>1,049.9</b>	<b>-20.3</b>	<b>-1.9</b>	<b>1,168.6</b>	<b>118.6</b>	<b>11.3</b>
Office of Inspector General	39.6	40.1	0.5	1.4	41.3	1.2	3.0

Note: This table presents financial performance for the Board's operating areas, which align with the Reserve Banks. Payment system and Reserve Bank oversight is an operating area unique to the Board.

<sup>1</sup> In December 2024, the Board approved an amended 2024 budget authority for the Board and OIG. OIG totals reflect the total operating budget net of expected earned income from the CFPB.

<sup>2</sup> Includes the Survey of Consumer Finances.

<sup>3</sup> 2025 growth within Consumer Protection and Community Development is affected by shifting of IT resources to the statistics function.

expenditures for multiyear capital projects were higher than budgeted, multiyear projects are still projected to be within their total project budgets. [Table D.7](#) summarizes the Board's budgeted and actual capital expenditures for 2024 and 2025.

## 2025 Operating Expense Budget

The 2025 budget for Board operations is \$1,168.6 million, which is \$118.6 million, or 11.3 percent, higher than 2024 actual expenses. The operating budget reflects investments to advance the Board's priorities across five goal areas to maintain the stability, integrity, and efficiency of the nation's monetary, financial, and payment systems.

The 2025 budget includes strategic investments in the Board's data and technology environment and the processes used for forecasting and modeling, short-term (non-permanent) support for upcoming G-20 and G-7 meetings, and funding to support the Board's triennial Survey of Consumer Finances.

Authorized positions for 2025 are 3,057, an increase of 47 positions from the 2024 authorized number.

**Table D.4. Operating expenses of the Board of Governors, by division, office, or special account, 2024–25**

Millions of dollars, except as noted

Division, office, or special account	2024 budget <sup>1</sup>	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Research and Statistics	116.9	117.3	0.4	0.3	125.3	8.0	6.8
International Finance	47.9	47.7	-0.2	-0.4	55.9	8.2	17.1
Monetary Affairs	55.7	55.2	-0.5	-0.9	58.9	3.7	6.7
Financial Stability	23.7	23.5	-0.1	-0.6	26.9	3.3	14.1
Supervision and Regulation	141.9	139.8	-2.0	-1.4	152.3	12.4	8.9
Consumer and Community Affairs	43.3	43.4	0.1	0.2	47.6	4.2	9.7
Reserve Bank Operations and Payment Systems	55.8	55.6	-0.2	-0.3	59.7	4.0	7.2
Board Members	33.6	33.2	-0.4	-1.1	35.2	2.0	6.1
Secretary	13.7	13.5	-0.2	-1.5	15.5	2.0	14.8
Legal	41.5	40.9	-0.6	-1.3	44.3	3.4	8.3
Chief Operating Officer	20.0	19.9	-0.1	-0.5	23.1	3.2	15.9
Financial Management	17.6	17.4	-0.2	-1.1	18.7	1.3	7.7
Information Technology	187.0	187.5	0.5	0.3	209.9	22.4	12.0
Management	200.4	200.9	0.5	0.3	218.8	17.9	8.9
Centrally managed benefits <sup>2</sup>	38.6	35.7	-2.9	-7.4	42.4	6.7	18.8
Extraordinary items <sup>3</sup>	43.7	40.6	-3.0	-7.0	39.8	-0.8	-2.1
Savings and reallocations <sup>4</sup>	-12.3	-23.8	-11.5	93.4	-25.4	-1.6	6.7
Survey of Consumer Finances <sup>5</sup>	1.4	1.5	0.1	6.4	19.8	18.3	1,217.4
<b>Total, Board operations</b>	<b>1,070.2</b>	<b>1,049.9</b>	<b>-20.3</b>	<b>-1.9</b>	<b>1,168.6</b>	<b>118.6</b>	<b>11.3</b>
Office of Inspector General	39.6	40.1	0.5	1.4	41.3	1.2	3.0

<sup>1</sup> In December 2024, the Board approved an amended 2024 budget authority for the Board and OIG. OIG totals reflect the total operating budget net of expected earned income from the CFPB.

<sup>2</sup> Includes retirement and post-retirement benefits, accrued annual leave, and Office of Employee Benefits administrative assessment.

<sup>3</sup> Includes the NextGen transformation project, centralized position pool, centralized data accounts, and other programs.

<sup>4</sup> Includes Board support and overhead allocations to the OIG and Currency. Includes the amended budget authority.

<sup>5</sup> The survey collects information about family incomes, net worth, balance sheet components, credit use, and other financial outcomes, and is conducted every three years.

**Table D.5. Operating expenses of the Board of Governors, by account classification, 2024–25**

Millions of dollars, except as noted

Account classification	2024 budget <sup>1</sup>	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Personnel services							
Salaries	617.4	616.2	-1.2	-0.2	659.2	43.0	7.0
Outside agency help	53.1	51.5	-1.6	-3.0	51.1	-0.4	-0.8
Retirement, insurance, and benefits	118.9	120.6	1.7	1.4	128.3	7.8	6.4
Pension and post-retirement benefits	22.2	21.5	-0.8	-3.5	25.8	4.3	20.1
Subtotal, personnel services	811.6	809.7	-1.8	-0.2	864.4	54.7	6.7
Goods and services							
Contractual services and professional fees	47.4	44.2	-3.2	-6.8	66.6	22.4	50.8
Rentals	44.6	44.1	-0.5	-1.1	39.3	-4.9	-11.0
Data, news, and research	26.3	25.3	-0.9	-3.6	48.9	23.6	93.2
Software	43.3	43.6	0.3	0.6	58.0	14.4	33.1
Furniture, equipment, postage, and supplies	6.4	6.4	0.0	-0.1	7.6	1.2	19.0
Repairs and maintenance	15.2	15.0	-0.2	-1.1	16.1	1.0	7.0
Utilities	9.2	9.2	0.0	-0.3	8.1	-1.1	-11.5
Travel	8.8	8.1	-0.7	-7.9	10.7	2.6	32.1
Other expenses	18.7	15.8	-2.9	-15.8	23.8	8.0	51.1
Depreciation/amortization	57.1	57.5	0.3	0.6	55.4	-2.1	-3.6
Support and overhead allocations <sup>2</sup>	-12.5	-23.8	-11.3	90.7	-25.4	-1.6	6.7
Earned revenue	-5.9	-5.1	0.8	-13.5	-4.9	0.2	-3.6
Subtotal, goods and services	258.6	240.2	-18.4	-7.1	304.2	64.0	26.6
Total, Board operations	1,070.2	1,049.9	-20.3	-1.9	1,168.6	118.6	11.3
Office of Inspector General (OIG)							
Personnel services	37.4	36.7	-0.7	-1.9	39.4	2.7	7.4
Goods and services <sup>3</sup>	22.4	22.0	-0.4	-1.8	23.1	1.1	5.2
Subtotal, excluding operating income	59.8	58.7	-1.1	-1.9	62.5	3.8	6.6
Operating income <sup>4</sup>	-20.2	-18.6	1.6	-8.1	-21.2	-2.6	14.2
Total, OIG operations	39.6	40.1	0.5	1.4	41.3	1.2	3.0

<sup>1</sup> In December 2024, the Board approved an amended 2024 budget authority for the Board and OIG.

<sup>2</sup> Includes a net zero transfer of costs from the Board operating budget to the OIG and Currency operating budgets for Board support and overhead expenses attributable to the OIG and Currency. Includes the amended budget authority.

<sup>3</sup> Includes Board support and overhead allocations to the OIG.

<sup>4</sup> Represents earned income from the CFPB.

## 2025 Capital Budgets

The Board's 2025 single-year capital budget is \$20.9 million, which is \$4.0 million, or 24 percent, higher than 2024 actual capital expenditures. The growth is driven by routine building life-cycle replacements and an accounting threshold change for bulk purchases.

The Board's multiyear capital budget is driven by building improvements and funding for information technology investments. Expected capital expenditures in 2025 total \$510.7 million and reflect the Board's commitment to provide a secure, modern environment that meets the needs of

**Table D.6. Positions authorized by the Board of Governors, by division, office, or special account, 2024–25**

Division, office, or special account	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Research and Statistics	368	368	0	0.0	370	2	0.5
International Finance	170	171	1	0.6	172	1	0.6
Monetary Affairs	190	191	1	0.5	192	1	0.5
Financial Stability	83	83	0	0.0	84	1	1.2
Supervision and Regulation	499	499	0	0.0	499	0	0.0
Consumer and Community Affairs	139	139	0	0.0	139	0	0.0
Reserve Bank Operations and Payment Systems	191	191	0	0.0	191	0	0.0
Board Members	127	127	0	0.0	127	0	0.0
Secretary	55	55	0	0.0	55	0	0.0
Legal	139	139	0	0.0	139	0	0.0
Chief Operating Officer	64	66	2	3.1	71	5	7.6
Financial Management	72	72	0	0.0	74	2	2.8
Information Technology	420	420	0	0.0	438	18	4.3
Management	485	485	0	0.0	487	2	0.4
Extraordinary items <sup>1</sup>	5	4	-1	-20.0	19	15	375.0
<b>Total, Board operations</b>	<b>3,007</b>	<b>3,010</b>	<b>3</b>	<b>0.1</b>	<b>3,057</b>	<b>47</b>	<b>1.6</b>
Office of Inspector General	152	152	0	0.0	152	0	0.0
Currency	24	24	0	0.0	27	3	12.5

Note: Budget represents authorized position count at the beginning of the year, and actual represents authorized position count at year-end.

<sup>1</sup> Centralized position pool used for strategic areas of growth.

the Board's workforce and leverages opportunities to increase collaboration, efficiency, and productivity. [Table D.7](#) summarizes the Board's budgeted and actual capital expenditures for 2024 and 2025.

## Office of Inspector General

The budget for the Board's OIG is grounded in the goals established in its strategic plan. In keeping with its statutory independence, the OIG prepares its proposed budget separate and apart from the Board's budget. The OIG presents its budget directly to the Board for approval.

## 2024 Budget Performance

In December 2024, the Board approved a budget authority of \$59.8 million. Total expenses for OIG operations, excluding operating income, were \$58.7 million, which was \$1.1 million, or 1.9 percent, lower than the budget authority.

**Table D.7. Capital expenditures of the Board of Governors, by capital type, 2024–25**

Item	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Board							
Single-year capital expenditures	25.1	16.8	-8.2	-32.9	20.9	4.0	24.0
Multiyear capital expenditures	364.3	391.7	27.4	7.5	510.7	119.0	30.4
Total capital expenditures	389.4	408.5	19.2	4.9	531.6	123.1	30.1
Office of Inspector General (OIG)							
Single-year capital expenditures	0.5	0.2	-0.3	-63.4	0.2	0.0	3.1
Multiyear capital expenditures	0.0	0.0	0.0	n/a	0.0	0.0	n/a
Total capital expenditures	0.5	0.2	-0.3	-63.4	0.2	0.0	3.1
Board and OIG total capital expenditures	389.9	408.7	18.8	4.8	531.8	123.1	30.1
Note: The amount reported for the multiyear capital budget represents the expected expenditure for the budget year. n/a Not applicable.							

The OIG provides independent oversight of the Board and the Consumer Financial Protection Bureau (CFPB). Both agencies contribute to the OIG's budget based on the allocation of work attributed to each. Operating income from the CFPB was \$18.6 million, which was \$1.6 million, or 8.1 percent, lower than the forecasted amount of \$20.2 million. The OIG conducted more work related to the Board than planned, resulting in less operating income from the CFPB. Including operating income from the CFPB, total expenses for OIG operations were \$40.1 million in 2024.

The OIG's single-year capital spending was \$0.2 million, which was \$0.3 million, or 63.4 percent, less than the budgeted amount. [Table D.5](#) summarizes the OIG's 2024 budgeted and actual expenses and [table D.7](#) summarizes the OIG's 2024 budgeted and actual capital expenditures.

## 2025 Operating Expense Budget

The 2025 budget for OIG operations, excluding operating income, is \$62.5 million, which is \$3.8 million, or 6.6 percent, higher than 2024 actual expenses. Including operating income from the CFPB, the 2025 budget for OIG operations is \$41.3 million.

The OIG has 152 authorized positions for 2025, which is no change from the 2024 authorized number.

## 2025 Capital Budget

The OIG's single-year capital budget is \$0.2 million, which is consistent with 2024 actual capital expenditures. The budget includes funding for equipment purchases and life-cycle replacements.

Table D.5 summarizes the OIG's 2025 budgeted expenses, and table D.7 summarizes the OIG's budgeted capital expenditures for 2025.

## Federal Reserve Banks Budgets

Each Reserve Bank establishes operating goals for the coming year that reflect the System's key strategic objectives as endorsed by the Board of Governors, to devise strategies for attaining those goals, to estimate required resources, and to monitor results. The Reserve Banks structure their budgets around specific functional areas reflecting the core responsibilities of the Federal Reserve:

- contributing to the formulation of monetary policy and enhancing monetary policy implementation to become more effective, flexible, and resilient
- promoting financial stability through effective monitoring, analysis, and policy development
- promoting safety and soundness of financial institutions through effective supervision
- leading efforts to enhance the security, resiliency, functionality, and efficiency of services provided to financial institutions, to the U.S. Treasury as its fiscal agent, and to the public

The Reserve Bank budget process is as follows:

- The Conference of Presidents, working closely with the Conference of First Vice Presidents (CFVP), structured itself such that five umbrella committees would be responsible for major operational and functional areas.<sup>8</sup> The umbrella committees are chaired by Reserve Bank Presidents and comprise Presidents and First Vice Presidents. These committees matured their roles in the budgeting process by setting budget priorities that aligned with the System's long-term strategies.
- The chair of each umbrella committee sits on the Committee on Spend Stewardship (CSS). The CSS defines, in close consultation with the Board's Committee on Federal Reserve Bank Affairs (BAC), key strategic objectives for the System. Considering long-term environmental trends and historical growth rates of expense, these governance bodies articulate an aggregate System-level growth expectation for the budget year.
- With guidance from the CSS, the 12 Reserve Banks develop budgets that reflect the System's strategic priorities, relying heavily on framing and making appropriate tradeoffs. These budgets are reviewed by each Reserve Bank's senior leadership and respective board of directors.
- The Reserve Banks submit for Board review preliminary budget information, including documentation to support the budget request.

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<sup>8</sup> The five umbrella committees are (1) Governance and Risk; (2) People; (3) Payments; (4) Technology and Operations; and (5) Research, Banking, Communities, and Communications.

- Board staff analyzes these budgets, both individually and in the aggregate, with a focus on the overall System strategy and its articulation through resource decisions before providing its recommendations to the BAC.
- Expenses associated with services provided to the Treasury require authorization from the Bureau of the Fiscal Service.
- The BAC reviews the Banks' budgets.
- The Reserve Banks make any needed changes and the BAC chair submits the revised budgets to Board members for review and final approval.
- Throughout the year, Reserve Bank and Board staffs monitor actual performance and compare it with approved budgets and forecasts.

In addition to the budget approval process, the Reserve Banks must submit proposals for certain capital expenditures to the Board for further review and approval.

Tables D.8, D.9, and D.10 summarize the Reserve Banks' 2024 budgeted and actual expenses and 2025 budgeted expenses by Reserve Bank, functional area, and account classification.<sup>9</sup> Table D.11 shows the Reserve Banks' budgeted and actual employment for 2024 and budgeted employment for 2025. In addition, table D.12 shows the Reserve Banks' budgeted and actual capital expenditures for 2024 and budgeted capital for 2025.

## 2024 Budget Performance

Total 2024 operating expenses for the Reserve Banks were \$5,865.4 million, which is \$187.7 million, or 3.1 percent, less than the approved 2024 budget of \$6,053.2 million. Budget performance reflects slower-than-expected onboarding of planned incremental resources, increased turnover, and program delays related to the Accelerate: Cloud and Colo Program (ACC), Common Data Platform (CDP), and Federal Reserve Financial Services (FRFS) cloud migration. Actual full-time equivalents (FTE) was 20,840, an underrun of 398 FTE, or 1.9 percent, from 2024 budgeted staffing levels. The Reserve Banks' 2024 capital expenditures were less than budgeted by \$136.6 million, or 15.0 percent, primarily driven by delays in critical System investments.

## 2025 Operating Expense Budget

The 2025 operating budgets of the Reserve Banks total \$6,382.5 million, which is \$517.1 million, or 8.8 percent, higher than 2024 actual expenses.<sup>10</sup> Growth in monetary policy expense reflects staffing to support regional economic research. Treasury growth is primarily attributable to the Treasury's request that Reserve Banks, as fiscal agents, modernize legacy applications and migrate applications to a cloud platform in alignment with the federal government's cloud

<sup>9</sup> Additional information about the operating expenses of each of the Reserve Banks can be found in Appendix G, "Statistical Tables" (see "Table G.9. Income and expenses of the Federal Reserve Banks, by Bank").

<sup>10</sup> On December 15, 2024, the Board approved the 2025 Reserve Bank operating budgets totaling \$6,382.5 million. Additional information is available at <https://www.federalreserve.gov/foia/budgets.htm>.

**Table D.8. Operating expenses of the Federal Reserve Banks, by District, 2024–25**

Millions of dollars, except as noted

District	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Boston	438.2	431.0	-7.2	-1.7	460.0	29.0	6.7
New York	1,364.1	1,315.6	-48.5	-3.6	1,428.1	112.5	8.6
Philadelphia	243.9	242.9	-1.0	-0.4	257.9	15.0	6.2
Cleveland	330.0	310.6	-19.4	-5.9	345.9	35.3	11.4
Richmond	418.4	394.7	-23.7	-5.7	429.9	35.2	8.9
Atlanta	530.4	516.2	-14.2	-2.7	552.2	36.0	7.0
Chicago	557.6	541.4	-16.2	-2.9	578.9	37.5	6.9
St. Louis	491.6	476.8	-14.9	-3.0	518.7	41.9	8.8
Minneapolis	302.2	307.2	5.0	1.7	331.5	24.3	7.9
Kansas City	484.9	460.5	-24.5	-5.0	503.7	43.2	9.4
Dallas	334.5	330.6	-3.9	-1.2	376.2	45.6	13.8
San Francisco	557.2	538.1	-19.2	-3.4	599.6	61.5	11.4
<b>Total Reserve Bank operating expenses</b>	<b>6,053.2</b>	<b>5,865.4</b>	<b>-187.7</b>	<b>-3.1</b>	<b>6,382.5</b>	<b>517.1</b>	<b>8.8</b>

Note: Includes expenses of the National IT (NIT) support function and reflects allocations for all indirect services. Excludes Reserve Bank capital expenditures as well as assessments by the Board of Governors for costs related to currency and the operations of the Board of Governors and the Consumer Financial Protection Bureau.

**Table D.9. Operating expenses of the Federal Reserve Banks, by operating area, 2024–25**

Millions of dollars, except as noted

Operating area	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Monetary and economic policy	928.8	902.9	-25.9	-2.8	961.1	58.2	6.4
Services to the U.S. Treasury and other government agencies	819.8	774.6	-45.2	-5.5	852.0	77.3	10.0
Services to financial institutions and the public <sup>1</sup>	1,744.7	1,712.5	-32.3	-1.8	1,870.1	157.6	9.2
Supervision and regulation	1,784.5	1,732.5	-52.1	-2.9	1,902.0	169.5	9.8
Fee-based services to financial institutions <sup>2</sup>	775.2	742.7	-32.6	-4.2	797.4	54.7	7.4
<b>Total Reserve Bank operating expenses<sup>3</sup></b>	<b>6,053.2</b>	<b>5,865.4</b>	<b>-187.7</b>	<b>-3.1</b>	<b>6,382.5</b>	<b>517.4</b>	<b>8.8</b>

<sup>1</sup> Includes cash services.

<sup>2</sup> Includes expenses associated with the priced services, including Check, FedACH, Fedwire Funds and National Settlement, Fedwire Securities, and FedNow.

<sup>3</sup> Excludes the pension costs, reimbursements, and operating expense of the Board of Governors (see [table D.4](#)).

**Table D.10. Operating expenses of the Federal Reserve Banks, by account classification, 2024–25**

Millions of dollars, except as noted

Account classification	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Salaries and other benefits <sup>1</sup>	4,436.6	4,321.2	-115.4	-2.6	4,670.8	349.6	8.1
Building	313.4	314.3	0.9	0.3	318.6	4.3	1.4
Software costs	579.6	548.8	-30.8	-5.3	662.2	113.4	20.7
Equipment	267.3	264.0	-3.3	-1.2	278.8	14.8	5.6
Recoveries	-241.9	-242.0	-0.1	0.1	-245.7	-3.6	1.5
Expenses capitalized	-202.0	-160.8	41.1	-20.4	-206.6	-45.7	28.4
All other <sup>2</sup>	900.1	820.0	-80.1	-8.9	904.4	84.4	10.3
<b>Total Reserve Bank operating expenses</b>	<b>6,053.2</b>	<b>5,865.4</b>	<b>-187.7</b>	<b>-3.1</b>	<b>6,382.5</b>	<b>517.1</b>	<b>8.8</b>
<sup>1</sup> Includes salaries, other personnel expense, and retirement and other employment benefit expenses. It does not include pension expenses related to all the participants in the Retirement Plan for Employees of the Federal Reserve System and the Reserve Bank participants in the Benefit Equalization Plan and the Supplemental Retirement Plan for Select Officers of the Federal Reserve Banks. These expenses are recorded as a separate line item in the financial statements; see “Table G.9. Income and expenses of the Federal Reserve Banks, by Bank” in <a href="#">Appendix G, “Statistical Tables.”</a>							
<sup>2</sup> Includes fees, materials and supplies, travel, communications, and shipping.							

**Table D.11. Employment at the Federal Reserve Banks, by District, and of FRIT, 2024–25**

District	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Boston	1,296	1,276	-19	-1.5	1,321	45	3.5
New York	3,073	2,997	-76	-2.5	3,095	98	3.3
Philadelphia	884	877	-7	-0.7	905	28	3.2
Cleveland	1,114	1,084	-31	-2.8	1,156	73	6.7
Richmond	1,617	1,570	-47	-2.9	1,607	37	2.3
Atlanta	1,780	1,745	-35	-2.0	1,765	20	1.2
Chicago	1,726	1,645	-80	-4.7	1,731	86	5.2
St. Louis	1,508	1,525	17	1.2	1,523	-2	-0.1
Minneapolis	1,147	1,127	-19	-1.7	1,173	46	4.1
Kansas City	2,072	2,028	-44	-2.1	2,075	47	2.3
Dallas	1,343	1,352	9	0.7	1,342	-10	-0.7
San Francisco	1,910	1,864	-46	-2.4	1,928	64	3.4
<b>Total, all Districts</b>	<b>19,468</b>	<b>19,090</b>	<b>-378</b>	<b>-1.9</b>	<b>19,622</b>	<b>531</b>	<b>2.8</b>
Federal Reserve Information Technology (FRIT) <sup>1</sup>	1,770	1,750	-20	-1.1	1,789	39	2.3
<b>Total</b>	<b>21,238</b>	<b>20,840</b>	<b>-398</b>	<b>-1.9</b>	<b>21,411</b>	<b>571</b>	<b>2.7</b>

<sup>1</sup> Reflects a subset of National IT employees.

**Table D.12. Capital expenditures of the Federal Reserve Banks, by District, and of NIT, 2024–25**  
Millions of dollars, except as noted

District	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
Boston	59.3	22.4	-36.8	-62.1	33.2	10.8	47.9
New York	183.1	145.9	-37.2	-20.3	180.3	34.4	23.6
Philadelphia	22.4	12.7	-9.7	-43.4	30.3	17.6	138.7
Cleveland	31.4	26.3	-5.1	-16.2	48.3	21.9	83.3
Richmond	18.2	18.6	0.4	2.1	21.9	3.3	17.6
Atlanta	145.9	84.3	-61.7	-42.3	180.2	96.0	113.9
Chicago	30.3	30.6	0.3	0.9	34.4	3.8	12.6
St. Louis	32.9	34.6	1.7	5.2	28.6	-6.0	-17.3
Minneapolis	30.7	18.2	-12.5	-40.6	32.6	14.3	78.7
Kansas City	63.9	59.2	-4.7	-7.4	65.7	6.5	10.9
Dallas	48.1	47.6	-0.5	-1.0	71.1	23.4	49.2
San Francisco	118.2	145.0	26.8	22.7	155.9	10.9	7.5
<b>Total, all Districts</b>	<b>784.4</b>	<b>645.5</b>	<b>-138.9</b>	<b>-17.7</b>	<b>882.4</b>	<b>236.9</b>	<b>36.7</b>
National IT	129.5	131.7	2.3	1.8	60.2	-71.5	-54.3
<b>Total</b>	<b>913.9</b>	<b>777.2</b>	<b>-136.6</b>	<b>-15.0</b>	<b>942.7</b>	<b>165.4</b>	<b>21.3</b>

computing strategy. Cash investments reflect increases across several Districts to support local implementations for the NextGen program.<sup>11</sup> Supervision resource additions align with portfolio growth. Investments in fee-based services are for resource needs to meet cloud migration deadlines and software costs for FedLine and the project to implement ISO 20022 for the Fedwire Funds service.

Total 2025 budgeted employment for the Reserve Banks and Federal Reserve Information Technology (FRIT) is 21,411 FTE, an increase of 571, or 2.7 percent, from 2024 actual employment levels.<sup>12</sup>

Reserve Bank officer and staff personnel expenses for 2025 total \$4,670.8 million, an increase of \$349.6 million, or 8.1 percent, from 2024 actual expenses. The increase reflects expenses associated with additional staff, salary administration, variable pay, and retirement and other benefit costs.<sup>13</sup>

<sup>11</sup> FedCash is transitioning the existing fleet of high-speed currency processing machines and the sensor suite from the Banknote Processing System platform to the future NextGen processing infrastructure.

<sup>12</sup> FRIT is the portion of National IT, at the Richmond Bank, that supplies national infrastructure and business line technology services to the Federal Reserve System.

<sup>13</sup> The salary administration program includes a budgeted pool for merit increases, equity adjustments, and promotions.

The 2025 Reserve Bank budgets include a salary administration program for eligible officers, senior professionals, and staff totaling \$135.4 million and a variable pay program totaling \$294.2 million.

## **2025 Capital Budgets**

The 2025 capital budgets for the Reserve Banks and National IT total \$942.7 million. The increase in the 2025 capital budget is \$165.4 million, or 21.3 percent, greater than the 2024 actual levels of \$777.2 million, and includes ongoing, multiyear, strategic IT initiatives, investments in cash services, and building projects. Initiatives in the 2025 capital budget support ongoing multiyear building investments related to the maintenance of aging buildings, construction of a new cash services center, deployment of currency processors as part of the NextGen program, and the expansion of a cash vault. Increases are also for IT infrastructure investments, including the ACC Program.

### ***Capital Expenditures Designated for Conditional Approval***

The BAC chair designated projects with an aggregate cost of \$312.4 million in 2025 for conditional approval, requiring additional review and approval by the director of the Board's Division of Reserve Bank Operations and Payment Systems (RBOPS) before the funds are committed.<sup>14</sup> The expenditures designated for conditional approval comprise investments in technology related to the System's ACC Program as well as large-scale projects related to the development and deployment of currency processors as part of the NextGen program, markets-related initiatives, the Treasury Retail Investment Manager (TRIM), and building upgrades related to the future of work and certain building renovation programs.

### ***Other Capital Expenditures***

Significant capital expenditures (typically expenditures exceeding \$1 million) that are not designated for conditional approval include total multiyear budgeted expenditures of \$1,645.4 million for 2025 and future years, of which the single-year 2025 budgeted expenditures are \$557.6 million. This category includes necessary infrastructure investments for building and IT projects, and applications support for cash, fee-based services, monetary policy, and supervision initiatives.

Capital initiatives that are individually less than \$1 million are budgeted at an aggregate amount of \$72.7 million for 2025 and include building maintenance expenditures, scheduled software and equipment upgrades, and equipment and furniture replacements.

<sup>14</sup> Generally, capital expenditures that are designated for conditional approval include certain building projects, District expenditures that substantially affect or influence future System direction or the manner in which significant services are performed, expenditures that may be inconsistent with System direction or vary from previously negotiated purchasing agreements, and local expenditures that duplicate national efforts.

## Currency Budget

The currency budget provides funds to reimburse the Treasury's Bureau of Engraving and Printing (BEP) for expenses necessarily incurred related to the production of banknotes, and the Board's activities related to its role as issuing authority of the nation's currency in the form of Federal Reserve notes.<sup>15</sup> As the issuing authority, the Board is responsible for ensuring that there is an adequate supply of banknotes in circulation, that the banknotes meet defined quality standards to function in commerce, and that any security features or new designs are robust against counterfeiting.

To support the Board's role, the budget includes BEP note production costs, consistent with the annual calendar year print order submitted by the director of RBOPS on behalf of the Board. The budget also funds Board costs to ship new currency from the BEP to Reserve Banks, ship currency between the Reserve Banks, and cover program management expenses to support long-term issuance strategies and resiliency.<sup>16</sup>

Program management expenses include work by Board staff, done in collaboration with the Reserve Banks, the Treasury Department, the BEP, and the U.S. Secret Service, to ensure that notes meet quality standards to be able to function in commerce and have suitable security and design features to discourage or prevent counterfeiting.

In addition, the Board plays a central role in protecting the integrity of, and maintaining public confidence in, U.S. currency. The U.S. Currency Program (USCP) stakeholders perform development and testing of security features and designs in support of the next banknote family.<sup>17</sup> Board staff monitors counterfeiting threats for each denomination and conducts adversarial analysis to ensure resistance to counterfeiting.

The currency budget also funds the currency education program, which aims to protect and maintain confidence in U.S. currency worldwide by facilitating counterfeit-detection trainings for Reserve Bank and foreign central bank staff and educating the public about banknote security features. The currency education program also conducts outreach on USCP initiatives to key stakeholders, including commercial banks, retailers, cash-intensive industries, and law enforcement agencies.

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<sup>15</sup> As mandated by the Federal Reserve Act, section 16, the Board reimburses the BEP for all necessary costs related to the production of Federal Reserve notes. Section 16 of the Federal Reserve Act also requires that all costs necessarily incurred for the issuing of notes shall be paid for by the Board and included in its assessments to the Reserve Banks. BEP operations expenses and capital investments have been generally financed by a revolving fund that is reimbursed through product sales, nearly all of which are sales of Federal Reserve notes to the Board to fulfill its annual print order.

<sup>16</sup> The Board delivers the annual print order to the BEP director every year which is available on the Board's website at [https://www.federalreserve.gov/paymentsystems/coin\\_currency\\_orders.htm](https://www.federalreserve.gov/paymentsystems/coin_currency_orders.htm).

<sup>17</sup> USCP stakeholders include the Federal Reserve, BEP, Treasury Department, and U.S. Secret Service.

The annual currency budget process is as follows:

- Each year, under authority delegated by the Board, the director of RBOPS submits a calendar year print order for banknotes to the director of the BEP.
- The BEP forecasts expenses for the single-cycle calendar-year and multicycle project budgets. The single-cycle budget includes fixed and variable costs for printing Federal Reserve notes and support costs. The multicycle budget includes costs related to significant capital investments.
- Board staff develops budgets for Board expenses consistent with strategic guidance set by the RBOPS officer responsible for the cash program of work.
- The sections of the budget are independently reviewed by Board staff members, who also prepare a consolidated budget recommendation for BAC and Board approval.
- The BAC reviews the proposed currency budget.
- The BAC chair submits the proposed currency budget to Board members for review and final approval.

## 2024 Budget Performance

### *BEP Single-Cycle Operating Costs*

BEP single-cycle operating costs were \$976.6 million, which was \$57.1 million, or 5.5 percent, below the budgeted amount for 2024. The budget underrun was primarily attributable to lower variable printing costs as BEP and Board staff agreed to reduce the print order to reflect updated demand trends for certain denominations. BEP fixed printing costs were below budget because of a mix of IT and facilities capital project expenditures that were pushed to 2025.

### *Board Single-Cycle Operating Costs*

Board costs were \$56.7 million, which was \$13.5 million, or 19.3 percent, under the budgeted amount for 2024. The primary drivers were lower currency issuance costs for banknote transportation and an underrun in banknote development. Lower currency issuance costs were due to reduced demand, healthy inventory levels across the System, and lower-than-expected transportation contract price increases. Banknote development's underrun was primarily due to scope changes to contracts and decreased membership fees for the Central Bank Counterfeit Deterrence Group.

## 2025 Budget

Table D.13 summarizes the 2025 single-cycle currency operating budget of \$1,040.0 million.<sup>18</sup>

The 2025 single-cycle operating budget reflects an increase of \$6.7 million, or 0.7 percent, from 2024 actual expenses. BEP costs associated with the printing of Federal Reserve notes are

<sup>18</sup> For 2025, the Board approved a \$50,000 single-cycle capital budget to replace aging adversarial laboratory equipment.

**Table D.13. Federal Reserve single-cycle currency budget, 2024–25**

Millions of dollars, except as noted

Item	2024 budget	2024 actual	Variance 2024 actual to 2024 budget		2025 budget	Variance 2025 budget to 2024 actual	
			Amount	Percent		Amount	Percent
<b>BEP costs<sup>1</sup></b>	<b>1,033.7</b>	<b>976.6</b>	<b>-57.1</b>	<b>-5.5</b>	<b>976.9</b>	<b>0.3</b>	<b>0.0</b>
<b>Printing Federal Reserve notes</b>	<b>1,027.4</b>	<b>972.5</b>	<b>-54.9</b>	<b>-5.3</b>	<b>972.0</b>	<b>-0.5</b>	<b>-0.1</b>
BEP fixed printing costs	665.5	659.5	-6.0	-0.9	688.6	29.0	4.4
BEP variable printing costs	361.9	313.0	-48.9	-13.5	283.4	-29.6	-9.4
<b>BEP support costs</b>	<b>6.3</b>	<b>4.1</b>	<b>-2.2</b>	<b>-35.4</b>	<b>5.0</b>	<b>0.9</b>	<b>20.8</b>
Currency reader	1.1	1.1	-0.1	-4.5	1.2	0.1	7.8
Mutilated currency <sup>2</sup>	5.2	3.0	-2.2	-42.2	3.8	0.8	25.5
<b>Board costs<sup>3</sup></b>	<b>70.2</b>	<b>56.7</b>	<b>-13.5</b>	<b>-19.3</b>	<b>63.1</b>	<b>6.4</b>	<b>11.3</b>
Currency issuance	31.7	20.9	-10.7	-33.9	25.0	4.1	19.6
Banknote development	32.6	29.7	-2.8	-8.6	24.7	-5.1	-17.0
Currency education	6.0	6.0	0.0	0.3	7.1	1.0	16.9
Counterfeit threat analysis <sup>4</sup>	n/a	n/a	n/a	n/a	6.3	6.3	n/a
<b>Operating budget</b>	<b>1,104.0</b>	<b>1,033.3</b>	<b>-70.6</b>	<b>-6.4</b>	<b>1,040.0</b>	<b>6.7</b>	<b>0.7</b>
n/a Not applicable.							
<sup>1</sup> BEP costs (budget and actual) reflect Board reimbursements to the BEP, which may vary from BEP's actual expenses. Annually, a true-up process is in place to account for any variance between Board reimbursement and BEP actual expenses.							
<sup>2</sup> Previously named destruction and compliance. Beginning in 2025, this category will only include costs for mutilated currency.							
<sup>3</sup> Includes personnel, travel, and training costs applicable to the categories that they support.							
<sup>4</sup> Counterfeit threat analysis is a new category that was included as part of the 2025 currency budget.							

93.9 percent of the operating budget. Board expenses for currency issuance, banknote development, currency education, and counterfeit threat analysis comprise the remaining 6.1 percent of the operating budget. [Table D.14](#) provides an overview of the multicycle project budget that funds the BEP's capital investments.

### **BEP Single-Cycle Operating Costs**

The proposed 2025 budget to fund the BEP printing and support costs is \$976.9 million, which is \$0.3 million, or 0.03 percent, higher than 2024 actual expenses.

The budget for fixed printing costs is \$688.6 million, which is \$29.0 million, or 4.4 percent, higher than 2024 actual expenses. Fixed costs are growing to support cybersecurity efforts and information technology upgrades, and to fund increased staffing levels for manufacturing support.

**Table D.14. Multicycle projects in the currency budget, 2024–25**

Millions of dollars, except as noted

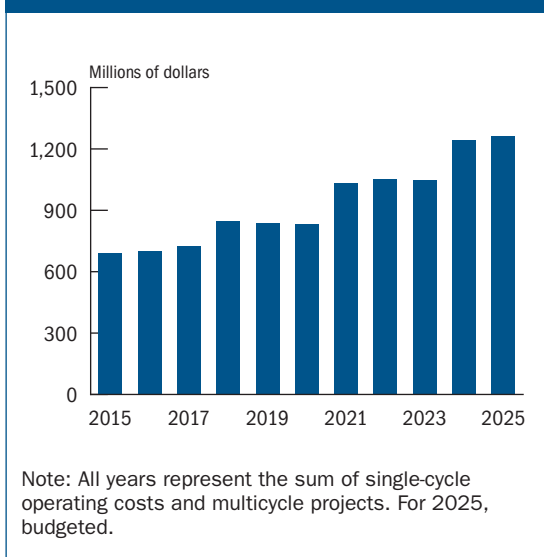
Item	2023 and prior actual	2024 budget	2024 actual	2025 budget	Lifetime project budget
<b>BEP project funding<sup>1</sup></b>					
Fort Worth facility expansion <sup>2</sup>	272.6	10.2	n/a	n/a	282.8
Washington, D.C. replacement facility <sup>3</sup>	120.9	39.2	25.4	117.9	1,784.1
Note production equipment <sup>4</sup>	190.9	215.3	183.6	105.6	1,265.0
<b>Total</b>	<b>460.6</b>	<b>264.7</b>	<b>209.0</b>	<b>223.5</b>	<b>3,331.9</b>
n/a Not applicable.					
<sup>1</sup> BEP costs (budget and actual) reflect Board reimbursements to the BEP, which may vary from BEP's actual expenses. Annually, a true-up process is in place to account for any variance between Board reimbursement and BEP actual expenses.					
<sup>2</sup> In August of 2021, the Board approved a lifetime project budget of \$282.8 million. This project was successfully completed in 2024. 2024 spending on the Fort Worth, Texas, western currency facility was minimal and covered by prior reimbursements.					
<sup>3</sup> In December of 2022, the Board approved \$134.1 million. In October of 2023, the Board approved an additional \$1,650.0 million.					
<sup>4</sup> In August of 2023, under delegated authority, the director of RBOPS approved \$746.8 million. In May of 2024, under delegated authority, the director of RBOPS approved an additional \$478.0 million. There is \$40.2 million remaining in contingency funding that has not been released.					

The budget for variable printing costs is \$283.4 million, which is \$29.6 million, or 9.4 percent, lower than 2024 actual expenses. The decrease is primarily a result of fewer expected note deliveries in 2025.

### ***BEP Multicycle Project Operating Costs***

The 2025 budget includes two multicycle projects: the BEP's Washington, D.C., replacement facility (DCRF) and modernization of BEP note production equipment. The combined lifetime project budget for DCRF and note production equipment is \$3,049.1 million. The Fort Worth, Texas, western currency facility expansion project was successfully completed in 2024 and is therefore no longer reflected in the 2025 budget. The Board has reimbursed the BEP \$272.6 million for the project.

As of May 2024, there is a total of \$3,049.1 million in approved multicycle project funding, which includes \$1,784.1 million for the new DCRF facility and \$1,265.0 million for a generational upgrade of note production equipment for both BEP facilities. Within the lifetime project budget for note production equipment, there is \$40.2 million remaining in contingency funding that has not been released and requires additional review and approval by the director of RBOPS when funding

**Figure D.4. Federal Reserve costs for currency, 2015–25**

is required. The lifetime project budget of \$1,265.0 for note production equipment funds the replacement of nearly all the production equipment at the BEP through 2033.<sup>19</sup>

The multicycle project budget includes 2025 components for each of the two budgeted projects: \$117.9 million to complete the DCRF design and prepare for the awarding of the construction contract, and \$105.6 million for note production equipment to support the BEP and Board's joint commitment to replacing aging equipment.

### **Board Single-Cycle Operating Costs**

The Board costs budget is \$63.1 million, which is \$6.4 million, or 11.3 percent, higher than 2024 actual costs. The year-over-year change is primarily driven by increases to support the U.S. currency program's strategic initiatives.

The currency issuance budget increases are primarily attributable to increased transportation costs due to updated contract pricing, increased shipments to rebalance Reserve Bank inventories given the reduced print order, increased shipments to support Reserve Bank cash offices during renovations to support deployment of new currency processing machines, and development of a new currency ordering application.

The banknote development decrease is primarily attributable to the successful completion of a counterfeit-detection project and reduced contractual support for overseeing and identifying risks in executing major cross-program initiatives. The decrease is slightly offset by increased Central Bank Counterfeit Deterrence Group membership fees to fund work that was deferred from 2024.

The currency education program will focus on efforts to protect and maintain confidence in U.S. currency worldwide through public outreach, expansion of domestic and international stakeholder education, and brand strategy to prepare for the release of the next family of notes.

<sup>19</sup> BEP staff estimates that the equipment will have a life expectancy of 15 to 20 years and will require mid-lifecycle upgrades 7 to 10 years after it has been placed in service.

The 2025 currency budget includes funding for three new positions and additional contract resources to support counterfeit threat analysis efforts. The three additional positions will support analyzing and curating intelligence analysis in support of the Board's currency issuance role, which includes banknote issues such as security features and circulation patterns. The additional contract resources will assist with assessing options for counterfeit processing performed by the Reserve Banks and U.S. Secret Service and identifying ways to better respond to counterfeiting threats.

The currency issuance, banknote development, currency education, and counterfeit threat analysis budget categories also include personnel, travel, training, and support and overhead costs.<sup>20</sup>

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<sup>20</sup> The currency budget includes support and overhead costs for enterprise IT, facilities, law enforcement, human resources, and other services.



## E | Record of Policy Actions of the Board of Governors

Policy actions of the Board of Governors are presented pursuant to section 10 of the Federal Reserve Act. That section provides that the Board shall keep a record of all questions of policy determined by the Board and shall include in its annual report to Congress a full account of such actions. This appendix provides a summary of policy actions in 2024. Board members' votes are provided after each summary. Policy actions were implemented through (1) [rules and regulations](#), (2) [policy statements and other actions](#), and (3) [discount rates for depository institutions](#). More information on the actions is available from the relevant *Federal Register* notices or other documents (see links in footnotes) or on request from the Board's Freedom of Information Office. This appendix also provides information on the [Board and the Government Performance and Results Act](#).

For information on the Federal Open Market Committee's (FOMC's) policy actions relating to open market operations, see [Appendix B](#), "Minutes of Federal Open Market Committee Meetings."

### Rules and Regulations

#### Regulation Y (Bank Holding Companies and Change in Bank Control)

**Effective October 1, 2025.** On July 11, 2024, the Board approved a final rule (Docket No. R-1807), issued jointly with the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), the Consumer Financial Protection Bureau (CFPB), and the Federal Housing Finance Agency, to implement quality control standards, as mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act, related to automated valuation models (AVMs) used in determining the value of real estate collateral securing mortgage loans.<sup>1</sup> Under the final rule ("Quality Control Standards for Automated Valuation Models Used for Mortgage Lending Purposes," subpart O of Regulation Y), Board-regulated institutions that engage in certain credit decisions or securitization determinations must adopt policies, practices, procedures, and control systems to ensure that the AVMs used in these transactions adhere to quality control standards designed to ensure a high level of confidence in the estimates produced; protect against manipulation of data; seek to avoid conflicts of interest; require random sample testing and reviews; and comply with applicable non-discrimination laws.

<sup>1</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-08-07/pdf/2024-16197.pdf>.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### **Regulation BB (Community Reinvestment)**

**Effective April 1, 2024.** On March 20, 2024, the Board approved a supplemental rule (Docket No. R-1830), issued jointly with the OCC and the FDIC (together with the Board, the agencies), related to the agencies' Community Reinvestment Act final rule that was issued on October 24, 2023 (the 2023 CRA final rule). The supplemental rule has two components.<sup>2</sup> First, the agencies adopted an interim final rule that extends the applicability date of two provisions of the 2023 CRA final rule, from April 1, 2024, to January 1, 2026, and requests comment on this extension. Second, the agencies adopted a final rule that makes various technical amendments to the 2023 CRA final rule and related regulations.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### **Regulation HH (Designated Financial Market Utilities)**

**Effective April 15, 2024.** On March 1, 2024, the Board approved a final rule (Docket No. R-1782) to amend the requirements relating to operational risk management for certain financial market utilities (FMUs) that have been designated as systemically important (designated FMUs).<sup>3</sup> The amendments update, refine, and add specificity to existing requirements, including those for business continuity planning and third-party risk management, to reflect changes in the operational risk, technology, and regulatory landscape in which designated FMUs operate. The final rule also adopts specific incident-notification requirements.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

## **Policy Statements and Other Actions**

### **Bank Term Funding Program**

On January 23, 2024, the Board approved a modification to the interest rate applicable to new Bank Term Funding Program (BTFP) loans such that the BTFP rate would not be lower than the interest on reserve balances rate in effect on the day the loan was made.<sup>4</sup> The Board also announced that the BTFP would cease making new loans on March 11, 2024, as scheduled.

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<sup>2</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-03-29/pdf/2024-06497.pdf>.

<sup>3</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-03-15/pdf/2024-05322.pdf>.

<sup>4</sup> See press release at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20240124a.htm>. See also press releases at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20230312a.htm> and <https://www.federalreserve.gov/newsevents/pressreleases/monetary20230312b.htm>.

**Voting for these actions:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### Disaster-Related Appraisal Exceptions

**Effective March 12, 2024.** On March 4, 2024, the Board approved a statement and order (Docket No. OP-1829), issued jointly with the OCC, the FDIC, and the NCUA, granting temporary exceptions to certain regulatory appraisal requirements for transactions involving real property located in a designated disaster area of Hawaii, provided the transactions meet certain criteria.<sup>5</sup> The exceptions were intended to facilitate disaster recovery as a result of the 2023 wildfires in Maui County and will expire three years after the date of the disaster declaration.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### Reconsiderations of Value for Residential Real Estate Valuations

**Effective July 26, 2024.** On July 11, 2024, the Board approved final interagency guidance (Docket No. OP-1809) that highlights risks associated with deficient residential real estate valuations and describes how financial institutions may incorporate reconsiderations of value processes and controls into established risk-management functions.<sup>6</sup> The guidance, issued jointly with the OCC, the FDIC, the NCUA, and the CFPB, also provides examples of policies and procedures that a financial institution may choose to implement to help identify, address, and mitigate the risk of discrimination impacting residential real estate valuations.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### Resolution Plan Guidance

On August 2, 2024, the Board approved final guidance (Docket Nos. OP-1816 and OP-1817), issued jointly with the FDIC, to assist certain large banking organizations with their 2025 and subsequent resolution plan submissions.<sup>7</sup> In the guidance, which generally applies to domestic and foreign banking organizations with more than \$250 billion in total consolidated assets but that are not the largest and most complex banks, the Board and FDIC provide their expectations for the resolution plans of these banking organizations regarding their capital, liquidity, governance mechanisms, and other key areas of potential vulnerabilities. The content of the guidance depends on a banking organization's status as a domestic or foreign firm and its chosen resolution plan strategy, whether single point of entry or multiple point of entry. In addition, the Board

<sup>5</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-03-12/pdf/2024-05159.pdf>.

<sup>6</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-07-26/pdf/2024-16200.pdf>.

<sup>7</sup> See *Federal Register* notices at <https://www.govinfo.gov/content/pkg/FR-2024-08-15/pdf/2024-18191.pdf> and <https://www.govinfo.gov/content/pkg/FR-2024-08-15/pdf/2024-18186.pdf>.

extended the deadline for these domestic and foreign banking organizations to submit their resolution plans from March 31 to October 1, 2025.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### **Guidelines for Evaluating Account and Services Requests**

**Effective December 12, 2024.** On December 5, 2024, the Board approved a technical clarification (Docket No. OP-1747) that its account access guidelines also apply to excess balance accounts (EBAs).<sup>8</sup> An EBA is a limited-purpose account at a Federal Reserve Bank established for maintaining the reserve balances of eligible institutions. An EBA is managed by an agent on behalf of the participating institutions. The Board's account access guidelines, which were implemented in 2022, establish a transparent, risk-based, and consistent set of factors for reviewing requests for accounts and services.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

### **Interest on Reserves**

On September 18, 2024, the Board approved lowering the interest rate paid on reserve balances from 5.4 percent to 4.9 percent, effective September 19, 2024.<sup>9</sup> This action was taken to support the FOMC's decision on September 18, 2024, to lower the target range for the federal funds rate by 50 basis points, to a range of 4¾ to 5 percent.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

On November 7, 2024, the Board approved lowering the interest rate paid on reserve balances from 4.9 percent to 4.65 percent, effective November 8, 2024.<sup>10</sup> This action was taken to support the FOMC's decision on November 7, 2024, to lower the target range for the federal funds rate by 25 basis points, to a range of 4½ to 4¾ percent.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

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<sup>8</sup> See *Federal Register* notice at <https://www.govinfo.gov/content/pkg/FR-2024-12-12/pdf/2024-29250.pdf>.

<sup>9</sup> See press release at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20240918a.htm>.

<sup>10</sup> See press release at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20241107a1.htm>.

On December 18, 2024, the Board approved lowering the interest rate paid on reserve balances from 4.65 percent to 4.4 percent, effective December 19, 2024.<sup>11</sup> This action was taken to support the FOMC's decision on December 18, 2024, to lower the target range for the federal funds rate by 25 basis points, to a range of 4¼ to 4½ percent.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

## Discount Rates for Depository Institutions in 2024

Under the Federal Reserve Act, the boards of directors of the Federal Reserve Banks must establish rates on discount window loans to depository institutions at least every 14 days, subject to review and determination by the Board of Governors. Therefore, about every two weeks the Board considers proposals by the Reserve Banks for the level of the primary credit rate and for the formulas used to compute the secondary and seasonal credit rates.<sup>12</sup> For the levels of Federal Reserve Bank interest rates on loans to depository institutions at year-end, see [table E.1](#).<sup>13</sup>

Table E.1. Federal Reserve Bank interest rates on loans to depository institutions, December 31, 2024			
Percent			
Reserve Bank	Primary credit	Secondary credit	Seasonal credit
All Reserve Banks	4.50	5.00	4.50

### Primary, Secondary, and Seasonal Credit

Primary credit, the Federal Reserve's main lending program for depository institutions, is extended at the primary credit rate. It is made available, with minimal administration, as a source of liquidity to depository institutions that, in the judgment of the lending Federal Reserve Bank, are in generally sound financial condition. During 2024, the Board approved three decreases in the primary credit rate, bringing the rate from 5½ percent to 4½ percent.

Following changes to the primary credit program announced by the Board on March 15, 2020, depository institutions may borrow primary credit for periods as long as 90 days, prepayable and renewable by the borrower daily.<sup>14</sup>

<sup>11</sup> See press release at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20241218a1.htm>.

<sup>12</sup> See the minutes of the Board of Governors discount rate meetings at <https://www.federalreserve.gov/monetarypolicy/discountrate.htm>.

<sup>13</sup> For current and historical discount rates, see <https://www.frbdiscountwindow.org>.

<sup>14</sup> See press release at <https://www.federalreserve.gov/newsevents/pressreleases/monetary20200315b.htm>.

Secondary credit is available in appropriate circumstances to depository institutions that do not qualify for primary credit. The secondary credit rate is set at a spread above the primary credit rate. Throughout 2024, the spread was set at 50 basis points. At year-end, the secondary credit rate was 5 percent.

Seasonal credit is available to smaller depository institutions to meet liquidity needs that arise from regular swings in their loans and deposits. The rate on seasonal credit is calculated every two weeks as an average of selected money market yields, typically resulting in a rate close to the target range for the federal funds rate. At year-end, the seasonal credit rate was 4.50 percent.

### **Votes on Changes to Discount Rates for Depository Institutions**

During 2024, there were three decreases in the primary credit rate, and the Board approved proposals by the Reserve Banks to renew the formulas used to compute the secondary and seasonal credit rates. Each FOMC meeting associated with a change in the primary credit rate is listed below with the details of the Board's actions to approve those changes. Reserve Bank requests to establish the primary credit rate may be submitted on varying dates, up to and including the effective date.

**FOMC meeting ending on September 18, 2024.** At the meeting, the Board approved an action taken by the board of directors of the Federal Reserve Bank of Atlanta to decrease the primary credit rate from 5½ percent to 5 percent, effective September 19, 2024. After the meeting and before the close of business on the effective date, the Board approved identical actions taken by the boards of directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, and San Francisco, effective September 19, 2024.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

**FOMC meeting ending on November 7, 2024.** At the meeting, the Board approved actions taken by the boards of directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, Minneapolis, Dallas, and San Francisco to decrease the primary credit rate from 5 percent to 4¾ percent, effective November 8, 2024. After the meeting and before the close of business on the effective date, the Board approved identical actions taken by the boards of directors of the Federal Reserve Banks of St. Louis and Kansas City, effective November 8, 2024.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

**FOMC meeting ending on December 18, 2024.** At the meeting, the Board approved actions taken by the boards of directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, and San Francisco to decrease the primary credit rate from 4¾ percent to 4½ percent, effective December 19, 2024. After the meeting and before the close of business on the effective date, the Board approved identical actions taken by the boards of directors of the Federal Reserve Banks of St. Louis, Minneapolis, Kansas City, and Dallas, effective December 19, 2024.

**Voting for this action:** Chair Powell, Vice Chair Jefferson, Vice Chair for Supervision Barr, and Governors Bowman, Waller, Cook, and Kugler.

## The Board of Governors and the Government Performance and Results Act

### Overview

The Government Performance and Results Act (GPRA) of 1993, as amended by the GPRA Modernization Act of 2010, requires federal agencies to prepare a strategic plan covering a multiyear period and to submit an annual performance plan and an annual performance report. Although the Board is not covered by GPRA, the Board voluntarily complies with the spirit of GPRA and, like other federal agencies, publishes a multiyear strategic plan as well as an annual performance plan and an annual performance report. These reports are publicly available among the Board's publications.<sup>15</sup>

### Four-Year Strategic Plan, Annual Performance Plan, and Annual Performance Report

On December 15, 2023, the Board published the *Strategic Plan 2024–27*, which outlined the organization's priorities across five functional areas—Monetary Policy and Financial Stability, Supervision and Regulation, Payment System and Reserve Bank Oversight, Consumer Protection and Community Development, and Mission Advancement. In formulating the *Strategic Plan 2024–27*, the Board identified and prioritized the goals and objectives paramount to advancing the organization's mission while allowing for appropriate flexibility to respond to emerging and evolving challenges.

The *Annual Performance Plan* sets forth the projects and initiatives in support of the Board's *Strategic Plan*'s goals and objectives during a one-year period. The *Annual Performance Plan* helps the organization identify and prioritize investments and dedicate sufficient resources across the five functions to meet its mission-critical work, while maintaining ongoing operations.

<sup>15</sup> The *Strategic Plan*, *Annual Performance Plan*, and *Annual Performance Report* are available on the Federal Reserve Board's website at <https://www.federalreserve.gov/publications/gpra.htm>.

The *Annual Performance Report* summarizes the Board's accomplishments throughout the performance year toward achieving the projects and initiatives identified in that year's *Annual Performance Plan*. The *Annual Performance Report* provides transparency into the organization's high-priority activities.

Ultimately, the organization's planning and performance reporting processes enable the Board to identify, prioritize, and progress those activities most critical to advancing the organization's work and communicate this to the public.

## F | Litigation

The Board of Governors was a party in 13 lawsuits or appeals filed in 2024 and was a party in 13 other cases pending from previous years, for a total of 26 cases. In 2023, the Board was a party in a total of 16 cases. As of December 31, 2024, 16 cases were pending.

### Pending

*Abdullah v. Powell*, No. 24-cv-2778 (D. District of Columbia, removed from D.C. Superior Court September 30, 2024), is an employment discrimination case.

*Banco San Juan Internacional, Inc. v. Board of Governors and Federal Reserve Bank of New York*, No. 23-cv-6414 (S.D. New York, filed July 25, 2023), is an Administrative Procedure Act and constitutional law challenge regarding the termination of a Reserve Bank master account.

*Bank Policy Institute et al. v. Board of Governors*, No. 24-cv-4300 (S.D. Ohio, filed December 24, 2024), is an Administrative Procedure Act challenge regarding bank stress testing requirements.

*Bauersachs v. Board of Governors et al.*, No. 24-1796 (1st Circuit, filed August 28, 2024), is an appeal of an order dismissing an Administrative Procedure Act and constitutional law challenge regarding monetary policy actions.

*Bennett v. Board of Governors et al.*, No. 24-cv-362 (W.D. Missouri, filed May 24, 2024), is an employment case.

*Board of Governors v. Smith*, No. 23-cv-2747 (D. District of Columbia, filed September 19, 2023), is a breach of contract and debt collection action.

*Bobowicz v. Powell et al.*, No. 24-cv-246 (W.D. North Carolina, filed November 18, 2024), is an employment discrimination case.

*Bogolub v. Board of Governors*, No. 24-cv-6806 (N.D. California, filed September 27, 2024), is an action under the Freedom of Information Act.

*Corner Post v. Board of Governors*, No. 21-cv-95 (D. North Dakota, filed April 29, 2021), is an Administrative Procedure Act challenge to the debit interchange fee provisions of the Board's Regulation II.

*Custodia Bank v. Board of Governors and Federal Reserve Bank of Kansas City*, No. 24-8024 (10th Circuit, filed April 26, 2024), is an appeal of an order granting judgment to the Board in an Administrative Procedure Act and constitutional law challenge regarding the issuance of a Reserve Bank master account.

*Employee Retirement System for the City of Providence v. Board of Governors*, No. 24-mc-349 (S.D. New York, filed July 31, 2024), is an Administrative Procedure Act challenge regarding Board confidential supervisory information.

*Judicial Watch v. Board of Governors et al.*, No. 23-cv-1174 (D. District of Columbia, filed April 27, 2023), is an action under the Freedom of Information Act.

*Leopold and Bloomberg L.P. v. Board of Governors*, No. 23-cv-2004 (D. District of Columbia, filed July 12, 2023), is an action under the Freedom of Information Act.

*Linney's Pizza, LLC v. Board of Governors*, No. 22-cv-71 (E.D. Kentucky, filed December 9, 2022), is an Administrative Procedure Act challenge to the debit interchange fee provisions of the Board's Regulation II.

*Texas Bankers Association et al. v. Board of Governors et al.*, No. 24-cv-25 (N.D. Texas, filed February 5, 2024), is an Administrative Procedure Act challenge to agency rules implementing the Community Reinvestment Act.

*Texas Bankers Association et al. v. Board of Governors et al.*, No. 24-10367 (5th Circuit, filed April 18, 2024), is an appeal of a preliminary injunction in an Administrative Procedure Act challenge to agency rules implementing the Community Reinvestment Act.

## Resolved

*Banco San Juan Internacional, Inc. v. Board of Governors and Federal Reserve Bank of New York*, No. 23-7558 (2d Circuit, filed October 30, 2023), was an appeal of an order denying a preliminary injunction in an Administrative Procedure Act and constitutional law challenge regarding the termination of a Reserve Bank master account. On February 12, 2024, the court of appeals granted Banco San Juan Internacional's motion to withdraw the appeal.

*Bauersachs v. Board of Governors et al.*, No. 24-cv-10869 (D. Massachusetts, filed April 4, 2024), was an Administrative Procedure Act and constitutional law challenge regarding monetary policy actions. On August 9, 2024, the district court granted the Board's motion to dismiss.

*Corner Post v. Board of Governors*, No. 22-1008 (U.S. Supreme Court, certiorari granted September 29, 2023), was a review of an order affirming dismissal of an Administrative Procedure Act challenge to the debit interchange fee provisions of the Board's Regulation II. On July 1, 2024, the Supreme Court reversed the dismissal of the case and remanded for further proceedings.

*Cunningham v. Board of Governors*, No. 22-1311 (D.C. Circuit, filed December 8, 2022), was a petition for review of a Board order approving the acquisition of a bank under the Bank Holding Company Act. On May 7, 2024, the court of appeals dismissed the case.

*Custodia Bank v. Board of Governors and Federal Reserve Bank of Kansas City*, No. 22-cv-125 (D. Wyoming, filed June 7, 2022), was an Administrative Procedure Act and constitutional law challenge regarding the issuance of a Reserve Bank master account. On March 29, 2024, the district court denied the plaintiff's claims.

*Informed Consent Action Network v. Board of Governors*, No. 24-cv-1031 (D. District of Columbia, filed April 10, 2024), was an action under the Freedom of Information Act. On August 21, 2024, the case was dismissed pursuant to a stipulation of the parties.

*Judicial Watch v. Board of Governors*, No. 22-cv-40 (D. District of Columbia, filed January 18, 2022), was an action under the Freedom of Information Act. On June 24, 2024, the case was dismissed pursuant to a stipulation of the parties.

*Linney's Pizza, LLC v. Board of Governors*, No. 23-5993 (6th Circuit, filed November 8, 2023), was an appeal of an order dismissing an Administrative Procedure Act challenge to the debit interchange fee provisions of the Board's Regulation II. On September 5, 2024, the court of appeals granted the parties' stipulation to remand for further proceedings.

*Smith v. Board of Governors*, No. 24-cv-17189 (E.D. Pennsylvania, removed from Pennsylvania state court April 24, 2024), was an invasion of privacy claim. On August 28, 2024, the court granted the Board's motion to dismiss.

*The Revolving Door Project v. Board of Governors*, No. 22-cv-3620 (D. District of Columbia, filed December 2, 2022), was an action under the Freedom of Information Act. On October 9, 2024, the case was dismissed pursuant to a stipulation of the parties.



## G | Statistical Tables

This appendix includes 13 statistical tables that provide updated historical data concerning Board and System operations and activities.

<b>Table G.1. Federal Reserve open market transactions, 2024</b>													
<b>Millions of dollars</b>													
Type of security and transaction	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
<b>U.S. Treasury securities<sup>1</sup></b>													
<i>Outright transactions<sup>2</sup></i>													
<i>Treasury bills</i>													
Gross purchases	0	0	0	0	75	75	0	0	0	0	0	50	200
Gross sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Exchanges	41,376	70,514	3,611	42,528	70,592	12,349	39,657	67,643	9,205	62,800	53,958	12,266	486,499
For new bills	41,376	70,514	3,611	42,528	70,592	12,349	39,657	67,643	9,205	62,800	53,958	12,266	486,499
Redemptions	6,616	0	15,210	0	0	0	0	0	0	0	0	0	21,826
<i>Others up to 1 year</i>													
Gross purchases	75	0	0	0	0	0	0	0	75	0	0	50	200
Gross sales	0	0	0	0	0	0	0	0	0	0	0	0	0
Exchanges	0	-17,342	0	-3,150	-30,138	-3,849	-39,668	-23,772	-21,358	-5,850	-30,378	-16,532	-192,037
Redemptions	53,391	60,000	44,790	59,989	60,000	25,000	24,986	25,000	25,000	24,998	25,000	25,000	453,154
<i>Over 1 to 5 years</i>													
Gross purchases	0	0	20	0	25	0	0	25	0	0	0	0	70
Gross sales	0	17	0	0	0	0	0	0	0	0	75	0	92
Exchanges	0	9,488	0	1,872	17,205	1,876	23,582	11,030	14,477	4,052	14,095	11,453	109,130
<i>Over 5 to 10 years</i>													
Gross purchases	0	0	30	50	0	0	0	0	0	0	0	0	80
Gross sales	0	33	0	0	0	0	0	0	0	0	0	0	33
Exchanges	0	4,923	0	853	8,841	1,261	11,342	7,988	5,130	1,277	10,207	3,705	55,527
<i>More than 10 years</i>													
Gross purchases	0	48	0	0	0	0	50	0	0	75	0	0	173
Gross sales	0	0	0	0	0	25	0	50	0	0	0	0	75
Exchanges	0	2,931	0	425	4,092	712	4,744	4,754	1,751	521	6,076	1,374	27,380
<i>All maturities</i>													
Gross purchases	75	48	50	50	100	75	50	25	75	75	0	100	723
Gross sales	0	50	0	0	0	25	0	50	0	0	75	0	200
Redemptions	60,007	60,000	60,000	59,989	60,000	25,000	24,986	25,000	25,000	24,998	25,000	25,000	474,980
Net change in U.S. Treasury securities	-59,932	-60,002	-59,950	-59,939	-59,900	-24,950	-24,936	-25,025	-24,925	-24,923	-25,075	-24,900	-474,457

(continued)

Table G.1—continued

[illegible]

**Table G.2. Federal Reserve Bank holdings of U.S. Treasury and federal agency securities, December 31, 2022–24**

Millions of dollars

Description	December 31			Change	
	2024	2023	2022	2023–24	2022–23
U.S. Treasury securities <sup>1</sup>					
<b>Held outright<sup>2</sup></b>	<b>4,291,106</b>	<b>4,785,138</b>	<b>5,499,354</b>	<b>-494,032</b>	<b>-714,216</b>
<i>By remaining maturity</i>					
<i>Bills</i>					
1–90 days	116,436	131,254	177,692	-14,818	-46,438
91 days to 1 year	78,907	85,715	111,833	-6,808	-26,118
<i>Notes and bonds</i>					
1 year or less	544,845	676,304	892,496	-131,459	-216,192
More than 1 year through 5 years	1,465,857	1,614,977	1,915,468	-149,120	-300,491
More than 5 years through 10 years	548,993	771,726	937,231	-222,733	-165,505
More than 10 years	1,536,068	1,505,162	1,464,634	30,906	40,528
<i>By type</i>					
Bills	195,343	216,969	289,525	-21,626	-72,556
Notes	2,364,266	2,863,795	3,521,904	-499,529	-658,109
Bonds	1,731,497	1,704,374	1,687,925	27,123	16,449
<b>Federal agency securities<sup>1</sup></b>					
<b>Held outright<sup>2</sup></b>	<b>2,347</b>	<b>2,347</b>	<b>2,347</b>	<b>0</b>	<b>0</b>
<i>By remaining maturity</i>					
<i>Discount notes</i>					
1–90 days	0	0	0	0	0
91 days to 1 year	0	0	0	0	0
<i>Coupons</i>					
1 year or less	0	0	0	0	0
More than 1 year through 5 years	486	0	0	486	0
More than 5 years through 10 years	1,861	2,347	2,347	-486	0
More than 10 years	0	0	0	0	0
<i>By type</i>					
Discount notes	0	0	0	0	0
Coupons	2,347	2,347	2,347	0	0

(continued)

Table G.2—continued

Description	December 31			Change	
	2024	2023	2022	2023-24	2022-23
<i>By issuer</i>					
Federal Home Loan Mortgage Corporation	529	529	529	0	0
Federal National Mortgage Association	1,818	1,818	1,818	0	0
Federal Home Loan Banks	0	0	0	0	0
<b>Mortgage-backed securities<sup>3, 4</sup></b>					
<b>Held outright<sup>2</sup></b>	<b>2,233,263</b>	<b>2,431,773</b>	<b>2,641,403</b>	<b>-198,510</b>	<b>-209,630</b>
<i>By remaining maturity</i>					
1 year or less	33	23	38	10	-15
More than 1 year through 5 years	3,811	4,895	4,020	-1,084	875
More than 5 years through 10 years	25,003	32,350	49,979	-7,347	-17,629
More than 10 years	2,204,416	2,394,505	2,587,366	-190,089	-192,861
<i>By issuer</i>					
Federal Home Loan Mortgage Corporation	854,837	927,035	1,001,274	-72,198	-74,239
Federal National Mortgage Association	921,151	1,004,336	1,091,106	-83,185	-86,770
Government National Mortgage Association	457,275	500,402	549,023	-43,127	-48,621
<b>Temporary transactions<sup>5</sup></b>					
<b>Repurchase agreements<sup>6</sup></b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Repo operations	0	0	0	0	0
FIMA Repo Facility	0	0	0	0	0
<b>Reverse repurchase agreements<sup>6</sup></b>	<b>888,395</b>	<b>1,390,671</b>	<b>2,889,555</b>	<b>-502,276</b>	<b>-1,498,884</b>
Foreign official and international accounts	414,935	372,188	335,839	42,747	36,349
Primary dealers and expanded counterparties	473,460	1,018,483	2,553,716	-545,023	-1,535,233
Note: Components may not sum to totals because of rounding.					
<sup>1</sup> Par value.					
<sup>2</sup> Excludes the effect of temporary transactions—repurchase agreements and reverse repurchase agreements.					
<sup>3</sup> Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae.					
<sup>4</sup> The par amount shown is the remaining principal balance of the securities.					
<sup>5</sup> Contract amount of agreements.					
<sup>6</sup> Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.					

**Table G.3. Reserve requirements of depository institutions, December 31, 2024**

Liability type <sup>1</sup>	Requirement	
	Percentage of liabilities	Effective date
Net transaction accounts	0	3/26/2020
Nonpersonal time deposits	0	12/27/1990
Eurocurrency liabilities	0	12/27/1990
<p>Note: The table reflects the liability types and percentages of those liabilities subject to requirements for the maintenance period that contains the year end.</p> <p><sup>1</sup> For a description of these deposit types, see <a href="#">Regulation D</a>.</p>		

Type of office	Total	Commercial banks <sup>1</sup>					Savings bank
		Member				Nonmember	
		Total	Total	Nat'l	State		
Banks							
Number, Dec. 31, 2023	4,228	4,018	1,375	696	679	2,643	210
Changes during 2024	0	0	0	0	0	0	0
New banks	6	5	0	0	0	5	1
Banks converted into branches	-69	-69	-20	-11	-9	-49	0
Ceased banking operations <sup>2</sup>	-22	-22	-4	-2	-2	-18	0
Other <sup>3</sup>	0	2	15	2	13	-13	-2
Net change	-85	-84	-9	-11	2	-75	-1
Number, Dec. 31, 2024	4,143	3,934	1,366	685	681	2,568	209
Branches and additional offices							
Number, Dec. 31, 2023	70,703	68,699	47,141	35,122	12,019	21,558	2,004
Changes during 2024	0	0	0	0	0	0	0
New branches	848	830	562	435	127	268	18
Banks converted to branches	69	69	26	9	17	43	0
Discontinued <sup>2</sup>	-1,661	-1,635	-1,252	-1,029	-223	-383	-26
Other <sup>3</sup>	0	-18	957	58	899	-975	18
Net change	-744	-754	293	-527	820	-1,047	10
Number, Dec. 31, 2024	69,959	67,945	47,434	34,595	12,839	20,511	2,014
Banks affiliated with BHCs							
Number, Dec. 31, 2023	3,653	3,548	1,262	626	636	2,286	105
Changes during 2024	0	0	0	0	0	0	0
BHC-affiliated new banks	19	16	5	3	2	11	3
Banks converted into branches	-58	-58	-17	-10	-7	-41	0
Ceased banking operations <sup>2</sup>	-22	-22	-4	-2	-2	-18	0
Other <sup>3</sup>	0	2	13	2	11	-11	-2
Net change	-61	-62	-3	-7	4	-59	1
Number, Dec. 31, 2024	3,592	3,486	1,259	619	640	2,227	106

<sup>1</sup> For purposes of this table, banks are entities that are defined as banks in the Bank Holding Company Act, as amended, which is implemented by Federal Reserve Regulation Y. Generally, a bank is any institution that accepts demand deposits and is engaged in the business of making commercial loans or any institution that is defined as an insured bank in section 3(h) of the Federal Deposit Insurance Corporation Act.

<sup>3</sup> Interclass changes and sales of branches.

**Table G.5A. Reserves of depository institutions, Federal Reserve Bank credit, and related items, year-end 1984–2024 and month-end 2024**

Millions of dollars

Period	Factors supplying reserve funds								
	Federal Reserve Bank credit outstanding						Gold stock	Special drawing rights certificate account	Treasury coin and currency outstanding <sup>5</sup>
	Securities held outright <sup>1</sup>	Repurchase agreements <sup>2</sup>	Loans and other credit extensions <sup>3</sup>	Float	Other Federal Reserve assets <sup>4</sup>	Total <sup>4</sup>			
1984	167,612	2,015	3,577	833	12,347	186,384	11,096	4,618	16,418
1985	186,025	5,223	3,060	988	15,302	210,598	11,090	4,718	17,075
1986	205,454	16,005	1,565	1,261	17,475	241,760	11,084	5,018	17,567
1987	226,459	4,961	3,815	811	15,837	251,883	11,078	5,018	18,177
1988	240,628	6,861	2,170	1,286	18,803	269,748	11,060	5,018	18,799
1989	233,300	2,117	481	1,093	39,631	276,622	11,059	8,518	19,628
1990	241,431	18,354	190	2,222	39,897	302,091	11,058	10,018	20,402
1991	272,531	15,898	218	731	34,567	323,945	11,059	10,018	21,014
1992	300,423	8,094	675	3,253	30,020	342,464	11,056	8,018	21,447
1993	336,654	13,212	94	909	33,035	383,904	11,053	8,018	22,095
1994	368,156	10,590	223	-716	33,634	411,887	11,051	8,018	22,994
1995	380,831	13,862	135	107	33,303	428,239	11,050	10,168	24,003
1996	393,132	21,583	85	4,296	32,896	451,992	11,048	9,718	24,966
1997	431,420	23,840	2,035	719	31,452	489,466	11,047	9,200	25,543
1998	452,478	30,376	17	1,636	36,966	521,475	11,046	9,200	26,270
1999	478,144	140,640	233	-237	35,321	654,100	11,048	6,200	28,013
2000	511,833	43,375	110	901	36,467	592,686	11,046	2,200	31,643
2001	551,685	50,250	34	-23	37,658	639,604	11,045	2,200	33,017
2002	629,416	39,500	40	418	39,083	708,457	11,043	2,200	34,597
2003	666,665	43,750	62	-319	40,847	751,005	11,043	2,200	35,468
2004	717,819	33,000	43	925	42,219	794,007	11,045	2,200	36,434
2005	744,215	46,750	72	885	39,611	831,532	11,043	2,200	36,540
2006	778,915	40,750	67	-333	39,895	859,294	11,041	2,200	38,206
2007	740,611	46,500	72,636	-19	41,799	901,528	11,041	2,200	38,681
2008	495,629	80,000	1,605,848	-1,494	43,553	2,223,537	11,041	2,200	38,674
2009	1,844,838	0	281,095	-2,097	92,811	2,216,647	11,041	5,200	42,691
2010	2,161,094	0	138,311	-1,421	110,255	2,408,240	11,041	5,200	43,542
2011	2,605,124	0	144,098	-631	152,568	2,901,159	11,041	5,200	44,198
2012	2,669,589	0	11,867	-486	218,296	2,899,266	11,041	5,200	44,751
2013	3,756,158	0	2,177	-962	246,947	4,004,320	11,041	5,200	45,493
2014	4,236,873	0	3,351	-555	239,238	4,478,908	11,041	5,200	46,301
2015	4,241,958	0	2,830	-36	221,448	4,466,199	11,041	5,200	47,567
2016	4,221,187	0	7,325	-804	206,551	4,434,259	11,041	5,200	48,536
2017	4,223,528	0	13,914	-920	194,288	4,430,809	11,041	5,200	49,381
2018	3,862,079	0	4,269	-770	173,324	4,038,902	11,041	5,200	49,801
2019	3,739,957	255,619	3,770	-643	156,304	4,155,007	11,041	5,200	50,138

(continued)

Table G.5A—continued

Period	Factors supplying reserve funds								
	Federal Reserve Bank credit outstanding						Gold stock	Special drawing rights certificate account	Treasury coin and currency outstanding <sup>5</sup>
	Securities held outright <sup>1</sup>	Repurchase agreements <sup>2</sup>	Loans and other credit extensions <sup>3</sup>	Float	Other Federal Reserve assets <sup>4</sup>	Total <sup>4</sup>			
2020	6,730,743	1,000	216,669	-567	393,420	7,341,265	11,041	5,200	50,535
2021	8,270,436	0	77,621	-582	389,982	8,737,457	11,041	5,200	50,942
2022	8,143,103	0	47,288	-539	343,400	8,533,252	11,041	5,200	51,471
2023	7,219,258	0	153,881	-556	311,982	7,684,565	11,041	5,200	52,616
2024	6,526,715	0	19,009	-1,089	278,964	6,823,599	11,041	15,200	53,103
<b>2024, month-end</b>									
Jan.	7,112,224	0	187,050	-1,008	313,062	7,611,328	11,041	5,200	52,672
Feb.	7,037,833	1	183,648	-769	297,095	7,517,808	11,041	5,200	52,742
Mar.	7,005,123	3	155,567	-636	302,501	7,462,558	11,041	5,200	52,798
Apr.	6,892,206	2	149,140	-615	303,747	7,344,480	11,041	5,200	52,854
May	6,817,921	0	129,203	-382	289,069	7,235,811	11,041	5,200	52,924
June	6,792,122	3	128,274	-640	295,392	7,215,151	11,041	10,200	52,980
July	6,734,152	5	122,788	-1,029	298,719	7,154,635	11,041	10,200	53,036
Aug.	6,700,881	0	114,275	-429	286,505	7,101,232	11,041	10,200	53,031
Sept.	6,648,782	2,600	91,679	-678	288,754	7,031,137	11,041	10,200	53,087
Oct.	6,608,126	0	71,987	-885	291,098	6,970,326	11,041	10,200	53,157
Nov.	6,574,511	1	31,714	-558	276,842	6,882,510	11,041	10,200	53,047
Dec.	6,526,715	0	19,009	-1,089	278,964	6,823,599	11,041	15,200	53,103
Note: Components may not sum to totals because of rounding.									
<sup>1</sup> Includes U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities (MBSs). U.S. Treasury securities and federal agency debt securities include securities lent to dealers, which are fully collateralized by U.S. Treasury securities, federal agency securities, and other highly rated debt securities.									
<sup>2</sup> Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and MBS.									
<sup>3</sup> Includes central bank liquidity swaps; primary, seasonal, secondary credit; and other credit extensions. From 2020 to 2024, included the following liquidity program and 13(3) facility: Paycheck Protection Program Liquidity Facility and MS Facilities 2020 LLC. From 2023 to 2024, also included the Bank Term Funding Program. From 2020 to 2023, also included the Municipal Facility LLC and Term Asset-Backed Securities Loan Facility II LLC. From 2020 to 2021, also included Money Market Mutual Fund Liquidity Facility; Primary Dealer Credit Facility; Commercial Paper Funding Facility II LLC; and Corporate Credit Facilities LLC. From 2015 to 2019, included Maiden Lane LLC. For disaggregated loans and other credit extensions from 1984 to 2014, refer to “Table 5B. Loans and other credit extensions, by type, year-end 1984–2014 and month-end 2014” of the <a href="#">2014 Annual Report</a> .									
<sup>4</sup> As of 2013, unamortized discounts on securities held outright are included as a component of “Other Federal Reserve assets.” Previously, they were included in “Other Federal Reserve liabilities and capital.”									
<sup>5</sup> Includes currency and coin (other than gold) issued directly by the U.S. Treasury. The largest components are fractional and dollar coins. For details, refer to “U.S. Currency and Coin Outstanding and in Circulation,” <i>Treasury Bulletin</i> .									

**Table G.5A. Reserves of depository institutions, Federal Reserve Bank credit, and related items, year-end 1984–2024 and month-end 2024—continued**

Millions of dollars

Period	Factors absorbing reserve funds										Reserve balances with Federal Reserve Banks
	Currency in circulation	Reverse repurchase agreements <sup>6</sup>	Treasury cash holdings <sup>7</sup>	Deposits with Federal Reserve Banks, other than reserve balances					Required clearing balances <sup>9</sup>	Other Federal Reserve liabilities and capital <sup>4,10</sup>	
				Term deposits	Treasury General Account	Treasury supplementary financing account	Foreign	Other <sup>8</sup>			
1984	183,796	0	513	n/a	5,316	n/a	253	867	1,126	5,952	20,693
1985	197,488	0	550	n/a	9,351	n/a	480	1,041	1,490	5,940	27,141
1986	211,995	0	447	n/a	7,588	n/a	287	917	1,812	6,088	46,295
1987	230,205	0	454	n/a	5,313	n/a	244	1,027	1,687	7,129	40,097
1988	247,649	0	395	n/a	8,656	n/a	347	548	1,605	7,683	37,742
1989	260,456	0	450	n/a	6,217	n/a	589	1,298	1,618	8,486	36,713
1990	286,963	0	561	n/a	8,960	n/a	369	528	1,960	8,147	36,081
1991	307,756	0	636	n/a	17,697	n/a	968	1,869	3,946	8,113	25,051
1992	334,701	0	508	n/a	7,492	n/a	206	653	5,897	7,984	25,544
1993	365,271	0	377	n/a	14,809	n/a	386	636	6,332	9,292	27,967
1994	403,843	0	335	n/a	7,161	n/a	250	1,143	4,196	11,959	25,061
1995	424,244	0	270	n/a	5,979	n/a	386	2,113	5,167	12,342	22,960
1996	450,648	0	249	n/a	7,742	n/a	167	1,178	6,601	13,829	17,310
1997	482,327	0	225	n/a	5,444	n/a	457	1,171	6,684	15,500	23,447
1998	517,484	0	85	n/a	6,086	n/a	167	1,869	6,780	16,354	19,164
1999	628,359	0	109	n/a	28,402	n/a	71	1,644	7,481	17,256	16,039
2000	593,694	0	450	n/a	5,149	n/a	216	2,478	6,332	17,962	11,295
2001	643,301	0	425	n/a	6,645	n/a	61	1,356	8,525	17,083	8,469
2002	687,518	21,091	367	n/a	4,420	n/a	136	1,266	10,534	18,977	11,988
2003	724,187	25,652	321	n/a	5,723	n/a	162	995	11,829	19,793	11,054
2004	754,877	30,783	270	n/a	5,912	n/a	80	1,285	9,963	26,378	14,137
2005	794,014	30,505	202	n/a	4,573	n/a	83	2,144	8,651	30,466	10,678
2006	820,176	29,615	252	n/a	4,708	n/a	98	972	6,842	36,231	11,847
2007	828,938	43,985	259	n/a	16,120	n/a	96	1,830	6,614	41,622	13,986
2008	889,898	88,352	259	n/a	106,123	259,325	1,365	21,221	4,387	48,921	855,599
2009	928,249	77,732	239	n/a	186,632	5,001	2,411	35,262	3,020	63,219	973,814
2010	982,750	59,703	177	0	140,773	199,964	3,337	13,631	2,374	99,602	965,712
2011	1,075,820	99,900	128	0	85,737	n/a	125	64,909	2,480	72,766	1,559,731
2012	1,169,159	107,188	150	0	92,720	n/a	6,427	27,476	n/a	66,093	1,491,044
2013	1,241,228	315,924	234	0	162,399	n/a	7,970	26,181	n/a	63,049	2,249,070
2014	1,342,957	509,837	201	0	223,452	n/a	5,242	20,320	n/a	61,447	2,377,995
2015	1,424,967	712,401	266	0	333,447	n/a	5,231	31,212	n/a	45,320	1,977,163
2016	1,509,440	725,210	166	0	399,190	n/a	5,165	53,248	n/a	46,943	1,759,675
2017	1,618,006	563,958	214	0	228,933	n/a	5,257	77,762	n/a	47,876	1,954,426

(continued)

Table G.5A—continued

Period	Factors absorbing reserve funds										Reserve balances with Federal Reserve Banks
	Currency in circulation	Reverse repurchase agreements <sup>6</sup>	Treasury cash holdings <sup>7</sup>	Deposits with Federal Reserve Banks, other than reserve balances					Required clearing balances <sup>9</sup>	Other Federal Reserve liabilities and capital <sup>4, 10</sup>	
				Term deposits	Treasury General Account	Treasury supplementary financing account	Foreign	Other <sup>8</sup>			
2018	1,719,302	304,012	214	0	402,138	n/a	5,245	73,073	n/a	45,007	1,555,954
2019	1,807,740	336,649	171	0	403,853	n/a	5,182	74,075	n/a	44,867	1,548,849
2020	2,089,224	216,051	28	0	1,728,569	n/a	21,838	194,327	n/a	163,075	2,994,932
2021	2,236,789	2,183,041	65	0	406,108	n/a	9,331	255,263	n/a	69,766	3,644,277
2022	2,309,128	2,889,555	99	0	446,685	n/a	8,935	218,227	n/a	43,522	2,684,814
2023	2,347,852	1,390,671	396	0	768,590	n/a	9,692	177,530	n/a	-76,067	3,134,759
2024	2,373,845	888,395	316	0	721,892	n/a	9,687	178,912	n/a	-162,469	2,892,363
2024, month-end											
Jan.	2,326,951	977,603	413	0	865,481	n/a	9,688	175,387	n/a	-86,998	3,411,717
Feb.	2,333,473	833,149	477	0	837,099	n/a	9,692	160,260	n/a	-94,932	3,507,571
Mar.	2,343,890	976,765	444	0	775,268	n/a	13,908	174,831	n/a	-99,208	3,345,698
Apr.	2,346,160	932,236	451	0	962,428	n/a	9,695	162,595	n/a	-105,210	3,105,216
May	2,352,875	821,101	421	0	718,926	n/a	9,687	158,310	n/a	-118,799	3,362,455
June	2,352,915	1,053,066	409	0	777,798	n/a	9,686	166,476	n/a	-124,784	3,053,806
July	2,348,663	813,261	404	0	854,001	n/a	9,685	154,673	n/a	-130,475	3,178,700
Aug.	2,353,994	849,463	358	0	709,513	n/a	9,683	157,520	n/a	-136,440	3,231,413
Sept.	2,351,207	900,044	315	0	885,725	n/a	9,682	176,163	n/a	-142,193	2,924,521
Oct.	2,356,723	600,537	347	0	921,042	n/a	9,685	163,433	n/a	-153,792	3,146,749
Nov.	2,363,630	602,204	352	0	756,878	n/a	9,688	155,689	n/a	-158,106	3,226,462
Dec.	2,373,845	888,395	316	0	721,892	n/a	9,687	178,912	n/a	-162,469	2,892,363
<sup>6</sup> Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and GSE MBSS.											
<sup>7</sup> Coin and paper currency held by the Treasury.											
<sup>8</sup> As of 2014, includes deposits of designated financial market utilities.											
<sup>9</sup> Required clearing balances were discontinued in July 2012.											
<sup>10</sup> From 2020 to 2024, includes equity investments for outstanding LLCs. Negative amounts include the cumulative deferred asset position, which is incurred during a period when earnings are not sufficient to provide for the cost of operations, payment of dividends, and maintenance of surplus. The deferred asset is the amount of net earnings that the Federal Reserve Banks need to realize before remittances to the U.S. Treasury resume. In 2010, included funds from American International Group, Inc. asset dispositions, held as agent.											
n/a Not applicable.											

**Table G.5B. Reserves of depository institutions, Federal Reserve Bank credit, and related items, year-end 1918-83**

Millions of dollars

Period	Factors supplying reserve funds									
	Federal Reserve Bank credit outstanding							Gold stock <sup>6</sup>	Special drawing rights certificate account	Treasury coin and currency outstanding <sup>7</sup>
	Securities held outright <sup>1</sup>	Repurchase agreements <sup>2</sup>	Loans	Float <sup>3</sup>	All other <sup>4</sup>	Other Federal Reserve assets <sup>5</sup>	Total			
1918	239	0	1,766	199	294	0	2,498	2,873	n/a	1,795
1919	300	0	2,215	201	575	0	3,292	2,707	n/a	1,707
1920	287	0	2,687	119	262	0	3,355	2,639	n/a	1,709
1921	234	0	1,144	40	146	0	1,563	3,373	n/a	1,842
1922	436	0	618	78	273	0	1,405	3,642	n/a	1,958
1923	80	54	723	27	355	0	1,238	3,957	n/a	2,009
1924	536	4	320	52	390	0	1,302	4,212	n/a	2,025
1925	367	8	643	63	378	0	1,459	4,112	n/a	1,977
1926	312	3	637	45	384	0	1,381	4,205	n/a	1,991
1927	560	57	582	63	393	0	1,655	4,092	n/a	2,006
1928	197	31	1,056	24	500	0	1,809	3,854	n/a	2,012
1929	488	23	632	34	405	0	1,583	3,997	n/a	2,022
1930	686	43	251	21	372	0	1,373	4,306	n/a	2,027
1931	775	42	638	20	378	0	1,853	4,173	n/a	2,035
1932	1,851	4	235	14	41	0	2,145	4,226	n/a	2,204
1933	2,435	2	98	15	137	0	2,688	4,036	n/a	2,303
1934	2,430	0	7	5	21	0	2,463	8,238	n/a	2,511
1935	2,430	1	5	12	38	0	2,486	10,125	n/a	2,476
1936	2,430	0	3	39	28	0	2,500	11,258	n/a	2,532
1937	2,564	0	10	19	19	0	2,612	12,760	n/a	2,637
1938	2,564	0	4	17	16	0	2,601	14,512	n/a	2,798
1939	2,484	0	7	91	11	0	2,593	17,644	n/a	2,963
1940	2,184	0	3	80	8	0	2,274	21,995	n/a	3,087
1941	2,254	0	3	94	10	0	2,361	22,737	n/a	3,247
1942	6,189	0	6	471	14	0	6,679	22,726	n/a	3,648
1943	11,543	0	5	681	10	0	12,239	21,938	n/a	4,094
1944	18,846	0	80	815	4	0	19,745	20,619	n/a	4,131
1945	24,262	0	249	578	2	0	25,091	20,065	n/a	4,339
1946	23,350	0	163	580	1	0	24,093	20,529	n/a	4,562
1947	22,559	0	85	535	1	0	23,181	22,754	n/a	4,562
1948	23,333	0	223	541	1	0	24,097	24,244	n/a	4,589
1949	18,885	0	78	534	2	0	19,499	24,427	n/a	4,598
1950	20,725	53	67	1,368	3	0	22,216	22,706	n/a	4,636
1951	23,605	196	19	1,184	5	0	25,009	22,695	n/a	4,709
1952	24,034	663	156	967	4	0	25,825	23,187	n/a	4,812
1953	25,318	598	28	935	2	0	26,880	22,030	n/a	4,894
1954	24,888	44	143	808	1	0	25,885	21,713	n/a	4,985
1955	24,391	394	108	1,585	29	0	26,507	21,690	n/a	5,008
1956	24,610	305	50	1,665	70	0	26,699	21,949	n/a	5,066
1957	23,719	519	55	1,424	66	0	25,784	22,781	n/a	5,146
1958	26,252	95	64	1,296	49	0	27,755	20,534	n/a	5,234
1959	26,607	41	458	1,590	75	0	28,771	19,456	n/a	5,311
1960	26,984	400	33	1,847	74	0	29,338	17,767	n/a	5,398
1961	28,722	159	130	2,300	51	0	31,362	16,889	n/a	5,585
1962	30,478	342	38	2,903	110	0	33,871	15,978	n/a	5,567

(continued)

Table G.5B—continued

Period	Factors supplying reserve funds									
	Federal Reserve Bank credit outstanding							Gold stock <sup>6</sup>	Special drawing rights certificate account	Treasury coin and currency outstanding <sup>7</sup>
	Securities held outright <sup>1</sup>	Repurchase agreements <sup>2</sup>	Loans	Float <sup>3</sup>	All other <sup>4</sup>	Other Federal Reserve assets <sup>5</sup>	Total			
1963	33,582	11	63	2,600	162	0	36,418	15,513	n/a	5,578
1964	36,506	538	186	2,606	94	0	39,930	15,388	n/a	5,405
1965	40,478	290	137	2,248	187	0	43,340	13,733	n/a	5,575
1966	43,655	661	173	2,495	193	0	47,177	13,159	n/a	6,317
1967	48,980	170	141	2,576	164	0	52,031	11,982	n/a	6,784
1968	52,937	0	186	3,443	58	0	56,624	10,367	n/a	6,795
1969	57,154	0	183	3,440	64	2,743	63,584	10,367	n/a	6,852
1970	62,142	0	335	4,261	57	1,123	67,918	10,732	400	7,147
1971	69,481	1,323	39	4,343	261	1,068	76,515	10,132	400	7,710
1972	71,119	111	1,981	3,974	106	1,260	78,551	10,410	400	8,313
1973	80,395	100	1,258	3,099	68	1,152	86,072	11,567	400	8,716
1974	84,760	954	299	2,001	999	3,195	92,208	11,652	400	9,253
1975	92,789	1,335	211	3,688	1,126	3,312	102,461	11,599	500	10,218
1976	100,062	4,031	25	2,601	991	3,182	110,892	11,598	1,200	10,810
1977	108,922	2,352	265	3,810	954	2,442	118,745	11,718	1,250	11,331
1978	117,374	1,217	1,174	6,432	587	4,543	131,327	11,671	1,300	11,831
1979	124,507	1,660	1,454	6,767	704	5,613	140,705	11,172	1,800	13,083
1980	128,038	2,554	1,809	4,467	776	8,739	146,383	11,160	2,518	13,427
1981	136,863	3,485	1,601	1,762	195	9,230	153,136	11,151	3,318	13,687
1982	144,544	4,293	717	2,735	1,480	9,890	163,659	11,148	4,618	13,786
1983	159,203	1,592	918	1,605	418	8,728	172,464	11,121	4,618	15,732

Note: For a description of figures and discussion of their significance, see *Banking and Monetary Statistics, 1941–1970* (Board of Governors of the Federal Reserve System, 1976), pp. 507–23. Components may not sum to totals because of rounding.

<sup>1</sup> In 1969 and thereafter, includes securities loaned—fully guaranteed by U.S. government securities pledged with Federal Reserve Banks—and excludes securities sold and scheduled to be bought back under matched sale–purchase transactions. On September 29, 1971, and thereafter, includes federal agency issues bought outright.

<sup>2</sup> On December 1, 1966, and thereafter, includes federal agency obligations held under repurchase agreements.

<sup>3</sup> In 1960 and thereafter, figures reflect a minor change in concept; refer to *Federal Reserve Bulletin*, vol. 47 (February 1961), p. 164.

<sup>4</sup> Principally acceptances and, until August 21, 1959, industrial loans, the authority for which expired on that date.

<sup>5</sup> For the period before April 16, 1969, includes the total of Federal Reserve capital paid in, surplus, other capital accounts, and other liabilities and accrued dividends, less the sum of bank premises and other assets, and is reported as “Other Federal Reserve accounts”; thereafter, “Other Federal Reserve assets” and “Other Federal Reserve liabilities and capital” are shown separately.

<sup>6</sup> Before January 30, 1934, includes gold held in Federal Reserve Banks and in circulation.

<sup>7</sup> Includes currency and coin (other than gold) issued directly by the Treasury. The largest components are fractional and dollar coins. For details refer to “U.S. Currency and Coin Outstanding and in Circulation,” *Treasury Bulletin*.

n/a Not applicable.

**Table G.5B. Reserves of depository institutions, Federal Reserve Bank credit, and related items, year-end 1918-83—continued**

Millions of dollars

Period	Factors absorbing reserve funds								Member bank reserves <sup>9</sup>			
	Currency in circulation	Treasury cash holdings <sup>8</sup>	Deposits with Federal Reserve Banks, other than reserve balances			Other Federal Reserve accounts <sup>5</sup>	Required clearing balances	Other Federal Reserve liabilities and capital <sup>5</sup>				
			Treasury	Foreign	Other				With Federal Reserve Banks	Currency and coin <sup>10</sup>	Required <sup>11</sup>	Excess <sup>11,12</sup>
1918	4,951	288	51	96	25	118	0	0	1,636	n/a	1,585	51
1919	5,091	385	31	73	28	208	0	0	1,890	n/a	1,822	68
1920	5,325	218	57	5	18	298	0	0	1,781	n/a	n/a	n/a
1921	4,403	214	96	12	15	285	0	0	1,753	n/a	1,654	99
1922	4,530	225	11	3	26	276	0	0	1,934	n/a	n/a	n/a
1923	4,757	213	38	4	19	275	0	0	1,898	n/a	1,884	14
1924	4,760	211	51	19	20	258	0	0	2,220	n/a	2,161	59
1925	4,817	203	16	8	21	272	0	0	2,212	n/a	2,256	-44
1926	4,808	201	17	46	19	293	0	0	2,194	n/a	2,250	-56
1927	4,716	208	18	5	21	301	0	0	2,487	n/a	2,424	63
1928	4,686	202	23	6	21	348	0	0	2,389	n/a	2,430	-41
1929	4,578	216	29	6	24	393	0	0	2,355	n/a	2,428	-73
1930	4,603	211	19	6	22	375	0	0	2,471	n/a	2,375	96
1931	5,360	222	54	79	31	354	0	0	1,961	n/a	1,994	-33
1932	5,388	272	8	19	24	355	0	0	2,509	n/a	1,933	576
1933	5,519	284	3	4	128	360	0	0	2,729	n/a	1,870	859
1934	5,536	3,029	121	20	169	241	0	0	4,096	n/a	2,282	1,814
1935	5,882	2,566	544	29	226	253	0	0	5,587	n/a	2,743	2,844
1936	6,543	2,376	244	99	160	261	0	0	6,606	n/a	4,622	1,984
1937	6,550	3,619	142	172	235	263	0	0	7,027	n/a	5,815	1,212
1938	6,856	2,706	923	199	242	260	0	0	8,724	n/a	5,519	3,205
1939	7,598	2,409	634	397	256	251	0	0	11,653	n/a	6,444	5,209
1940	8,732	2,213	368	1,133	599	284	0	0	14,026	n/a	7,411	6,615
1941	11,160	2,215	867	774	586	291	0	0	12,450	n/a	9,365	3,085
1942	15,410	2,193	799	793	485	256	0	0	13,117	n/a	11,129	1,988
1943	20,449	2,303	579	1,360	356	339	0	0	12,886	n/a	11,650	1,236
1944	25,307	2,375	440	1,204	394	402	0	0	14,373	n/a	12,748	1,625
1945	28,515	2,287	977	862	446	495	0	0	15,915	n/a	14,457	1,458
1946	28,952	2,272	393	508	314	607	0	0	16,139	n/a	15,577	562
1947	28,868	1,336	870	392	569	563	0	0	17,899	n/a	16,400	1,499
1948	28,224	1,325	1,123	642	547	590	0	0	20,479	n/a	19,277	1,202
1949	27,600	1,312	821	767	750	706	0	0	16,568	n/a	15,550	1,018
1950	27,741	1,293	668	895	565	714	0	0	17,681	n/a	16,509	1,172
1951	29,206	1,270	247	526	363	746	0	0	20,056	n/a	19,667	389
1952	30,433	1,270	389	550	455	777	0	0	19,950	n/a	20,520	-570
1953	30,781	761	346	423	493	839	0	0	20,160	n/a	19,397	763
1954	30,509	796	563	490	441	907	0	0	18,876	n/a	18,618	258
1955	31,158	767	394	402	554	925	0	0	19,005	n/a	18,903	102
1956	31,790	775	441	322	426	901	0	0	19,059	n/a	19,089	-30
1957	31,834	761	481	356	246	998	0	0	19,034	n/a	19,091	-57
1958	32,193	683	358	272	391	1,122	0	0	18,504	n/a	18,574	-70
1959	32,591	391	504	345	694	841	0	0	18,174	310	18,619	-135
1960	32,869	377	485	217	533	941	0	0	17,081	2,544	18,988	637
1961	33,918	422	465	279	320	1,044	0	0	17,387	2,823	20,114	96

(continued)

Table G.5B—continued

Period	Factors absorbing reserve funds								Member bank reserves <sup>9</sup>			
	Currency in circulation	Treasury cash holdings <sup>8</sup>	Deposits with Federal Reserve Banks, other than reserve balances			Other Federal Reserve accounts <sup>5</sup>	Required clearing balances	Other Federal Reserve liabilities and capital <sup>5</sup>				
			Treasury	Foreign	Other				With Federal Reserve Banks	Currency and coin <sup>10</sup>	Required <sup>11</sup>	Excess <sup>11,12</sup>
1962	35,338	380	597	247	393	1,007	0	0	17,454	3,262	20,071	645
1963	37,692	361	880	171	291	1,065	0	0	17,049	4,099	20,677	471
1964	39,619	612	820	229	321	1,036	0	0	18,086	4,151	21,663	574
1965	42,056	760	668	150	355	211	0	0	18,447	4,163	22,848	-238
1966	44,663	1,176	416	174	588	-147	0	0	19,779	4,310	24,321	-232
1967	47,226	1,344	1,123	135	653	-773	0	0	21,092	4,631	25,905	-182
1968	50,961	695	703	216	747	-1,353	0	0	21,818	4,921	27,439	-700
1969	53,950	596	1,312	134	807	0	0	1,919	22,085	5,187	28,173	-901
1970	57,093	431	1,156	148	1,233	0	0	1,986	24,150	5,423	30,033	-460
1971	61,068	460	2,020	294	999	0	0	2,131	27,788	5,743	32,496	1,035
1972	66,516	345	1,855	325	840	0	0	2,143	25,647	6,216	32,044	98
1973	72,497	317	2,542	251	1491 <sup>13</sup>	0	0	2,669	27,060	6,781	35,268	-1,360
1974	79,743	185	3,113	418	1275 <sup>13</sup>	0	0	2,935	25,843	7,370	37,011	-3,798
1975	86,547	483	7,285	353	1,090	0	0	2,968	26,052	8,036	35,197	-1,103 <sup>14</sup>
1976	93,717	460	10,393	352	1,357	0	0	3,063	25,158	8,628	35,461	-1,535
1977	103,811	392	7,114	379	1,187	0	0	3,292	26,870	9,421	37,615	-1,265
1978	114,645	240	4,196	368	1,256	0	0	4,275	31,152	10,538	42,694	-893
1979	125,600	494	4,075	429	1,412	0	0	4,957	29,792	11,429	44,217	-2,835
1980	136,829	441	3,062	411	617	0	0	4,671	27,456	13,654	40,558	675
1981	144,774	443	4,301	505	781	0	117	5,261	25,111	15,576	42,145	-1,442
1982	154,908	429	5,033	328	1,033	0	436	4,990	26,053	16,666	41,391	1,328
1983	171,935	479	3,661	191	851	0	1,013	5,392	20,413	17,821	39,179	-945

<sup>8</sup> Coin and paper currency held by the Treasury, as well as any gold in excess of the gold certificates issued to the Reserve Bank.

<sup>9</sup> In November 1979 and thereafter, includes reserves of member banks, Edge Act corporations, and U.S. agencies and branches of foreign banks. On November 13, 1980, and thereafter, includes reserves of all depository institutions.

<sup>10</sup> Between December 1, 1959, and November 23, 1960, part was allowed as reserves; thereafter, all was allowed.

<sup>11</sup> Estimated through 1958. Before 1929, data were available only on call dates (in 1920 and 1922 the call date was December 29). Since September 12, 1968, the amount has been based on close-of-business figures for the reserve period two weeks before the report date.

<sup>12</sup> For the week ending November 15, 1972, and thereafter, includes \$450 million of reserve deficiencies on which Federal Reserve Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended, effective November 9, 1972. Allowable deficiencies are as follows (beginning with first statement week of quarter, in millions): 1973:Q1, \$279; Q2, \$172; Q3, \$112; Q4, \$84; 1974:Q1, \$67; Q2, \$58. The transition period ended with the second quarter of 1974.

<sup>13</sup> For the period before July 1973, includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with Federal Reserve Banks in connection with voluntary participation by nonmember institutions in the Federal Reserve System program of credit restraint. As of December 12, 1974, the amount of voluntary nonmember bank and foreign-agency and branch deposits at Federal Reserve Banks that are associated with marginal reserves is no longer reported. However, two amounts are reported: (1) deposits voluntarily held as reserves by agencies and branches of foreign banks operating in the United States and (2) Eurodollar liabilities.

<sup>14</sup> Adjusted to include waivers of penalties for reserve deficiencies, in accordance with change in Board policy, effective November 19, 1975.

n/a Not applicable.

**Table G.6. Principal assets and liabilities of insured commercial banks, by class of bank,  
June 30, 2024 and 2023**

Millions of dollars, except as noted

Item	Total	Member banks			Nonmem- ber banks
		Total	National	State	
2024					
Loans and investments	16,321,724	13,024,770	10,514,583	2,510,187	3,296,954
Loans, gross	11,337,743	8,722,961	6,958,111	1,764,850	2,614,782
Net	11,335,984	8,721,993	6,957,445	1,764,548	2,613,991
Investments	4,983,981	4,301,809	3,556,472	745,337	682,171
U.S. government securities	1,335,703	1,224,844	1,075,755	149,089	110,859
Other	3,648,278	3,076,965	2,480,717	596,248	571,313
Cash assets, total	2,062,783	1,788,199	1,361,598	426,602	274,584
Deposits, total	16,299,539	13,256,900	10,653,073	2,603,827	3,042,638
Interbank	274,581	249,512	203,587	45,926	25,069
Other transactions	5,847,301	4,829,886	3,671,813	1,158,074	1,017,414
Other nontransactions	10,177,657	8,177,501	6,777,674	1,399,827	2,000,156
Equity capital	2,241,821	1,826,814	1,474,718	352,096	415,007
Number of banks	3,976	1,363	697	666	2,613
2023					
Loans and investments	16,002,235	12,680,706	10,334,322	2,346,384	3,321,529
Loans, gross	11,093,598	8,506,055	6,873,360	1,632,695	2,587,543
Net	11,091,897	8,505,192	6,872,801	1,632,391	2,586,705
Investments	4,908,637	4,174,651	3,460,962	713,689	733,986
U.S. government securities	1,186,453	1,072,804	937,116	135,688	113,649
Other	3,722,184	3,101,847	2,523,846	578,001	620,337
Cash assets, total	2,017,543	1,736,694	1,292,155	444,539	280,849
Deposits, total	16,100,360	13,031,368	10,593,233	2,438,135	3,068,992
Interbank	268,855	244,501	198,869	45,632	24,355
Other transactions	5,709,111	4,668,171	3,599,737	1,068,434	1,040,940
Other nontransactions	10,122,394	8,118,696	6,794,626	1,324,070	2,003,697
Equity capital	2,143,219	1,747,361	1,428,569	318,792	395,857
Number of banks	4,065	1,373	712	661	2,692
Note: Includes U.S.-insured commercial banks located in the United States but not U.S.-insured commercial banks operating in U.S. territories or possessions. Data are domestic assets and liabilities (except for those components reported on a consolidated basis only). Components may not sum to totals because of rounding. Data for 2023 have been revised.					

**Table G.7. Initial margin requirements under Regulations T, U, and X**

Percent of market value

Effective date	Margin stocks	Convertible bonds	Short sales, T only <sup>1</sup>
1934, Oct. 1	25-45	n/a	n/a
1936, Feb. 1	25-55	n/a	n/a
1936, Apr. 1	55	n/a	n/a
1937, Nov. 1	40	n/a	50
1945, Feb. 5	50	n/a	50
1945, July 5	75	n/a	75
1946, Jan. 21	100	n/a	100
1947, Feb. 1	75	n/a	75
1949, Mar. 3	50	n/a	50
1951, Jan. 17	75	n/a	75
1953, Feb. 20	50	n/a	50
1955, Jan. 4	60	n/a	60
1955, Apr. 23	70	n/a	70
1958, Jan. 16	50	n/a	50
1958, Aug. 5	70	n/a	70
1958, Oct. 16	90	n/a	90
1960, July 28	70	n/a	70
1962, July 10	50	n/a	50
1963, Nov. 6	70	n/a	70
1968, Mar. 11	70	50	70
1968, June 8	80	60	80
1970, May 6	65	50	65
1971, Dec. 6	55	50	55
1972, Nov. 24	65	50	65
1974, Jan. 3	50	50	50

Note: These regulations, adopted by the Board of Governors pursuant to the Securities Exchange Act of 1934, limit the amount of credit that may be extended for the purpose of purchasing or carrying margin securities (as defined in the regulations) when the loan is collateralized by such securities. The margin requirement, expressed as a percentage, is the difference between the market value of the securities being purchased or carried (100 percent) and the maximum loan value of the collateral as prescribed by the Board. Regulation T was adopted effective October 1, 1934; Regulation U, effective May 1, 1936; and Regulation X, effective November 1, 1971. The former Regulation G, which was adopted effective March 11, 1968, was merged into Regulation U, effective April 1, 1998.

<sup>1</sup> From October 1, 1934, to October 31, 1937, the requirement was the margin "customarily required" by the brokers and dealers.

n/a Not applicable.

**Table G.8A. Statement of condition of the Federal Reserve Banks, by Bank, December 31, 2024 and 2023**  
Millions of dollars

Item	Total		Boston		New York		Philadelphia		Cleveland		Richmond	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Assets</b>												
Gold certificates	11,037	11,037	367	361	3,311	3,357	307	315	524	515	791	775
Special drawing rights certificates	15,200	5,200	528	196	4,798	1,818	490	210	709	237	1,120	412
Coin	1,478	1,423	53	48	44	39	167	134	49	54	198	177
<b>Loans and securities</b>												
Loans to depository institutions	3,255	3,473	119	144	459	122	88	138	75	12	378	474
Other loans	6,373	132,628	328	6,162	420	9,206	77	2,259	860	3,182	436	10,916
Securities purchased under agreements to resell <sup>1</sup>	0	0	0	0	0	0	0	0	0	0	0	0
Treasury securities, net <sup>2, 3</sup>	4,473,035	4,988,327	93,038	96,374	2,407,122	2,785,732	66,643	82,214	174,426	153,293	445,865	347,135
Federal agency and government-sponsored enterprise mortgage-backed securities, net <sup>2</sup>	2,277,127	2,481,336	47,363	47,939	1,225,415	1,385,702	33,927	40,896	88,797	76,252	226,981	172,675
Government-sponsored enterprise debt securities, net <sup>2, 3</sup>	2,529	2,557	53	49	1,361	1,428	38	42	99	79	252	178
Total loans and securities	6,762,319	7,608,321	140,901	150,668	3,634,777	4,182,190	100,773	125,549	264,257	232,818	673,912	531,378
Consolidated variable interest entities: Assets held, net <sup>4</sup>	7,996	16,098	7,996	15,839	0	259	n/a	n/a	n/a	n/a	n/a	n/a
Accrued interest receivable—System Open Market Account	29,941	32,357	624	627	16,103	18,053	447	535	1,171	1,000	2,989	2,263
Foreign currency denominated investments, net <sup>5</sup>	17,422	18,587	727	800	6,024	6,613	613	668	1,854	1,753	3,437	3,764
Central bank liquidity swaps <sup>6</sup>	1,120	1,357	47	58	387	483	39	49	119	128	221	275
<b>Other assets</b>												
Bank premises and equipment, net	3,168	2,897	117	123	527	471	156	161	144	146	479	431
Items in process of collection	88	69	0	0	*	*	*	*	0	0	0	0
Deferred asset—remittances to the Treasury	215,955	133,318	4,383	2,561	130,985	85,206	3,276	1,228	9,703	5,084	34,850	20,396
Interdistrict settlement account	0	0	62,918	19,074	-233,617	-150,680	33,771	-7,801	26,211	68,582	-96,452	100,368
All other assets <sup>7</sup>	2,989	4,895	94	196	274	393	18	62	93	118	356	431
<b>Total assets</b>	<b>7,068,713</b>	<b>7,835,559</b>	<b>218,755</b>	<b>190,551</b>	<b>3,563,613</b>	<b>4,148,202</b>	<b>140,057</b>	<b>121,110</b>	<b>304,834</b>	<b>310,435</b>	<b>621,901</b>	<b>660,670</b>
<b>Liabilities</b>												
Federal Reserve notes outstanding	2,784,931	2,706,634	92,743	89,844	817,169	806,499	81,839	75,591	132,978	127,980	196,084	191,807
Less: Notes held by Federal Reserve Bank	462,399	409,583	7,414	10,062	67,456	61,224	25,659	25,098	17,025	17,942	29,008	30,771
Federal Reserve notes outstanding, net	2,322,532	2,297,050	85,329	79,782	749,713	745,275	56,180	50,493	115,953	110,038	167,076	161,036
Securities sold under agreements to repurchase <sup>1</sup>	888,395	1,390,671	18,478	26,868	478,081	776,620	13,236	22,920	34,643	42,736	88,554	96,776
<b>Deposits</b>												
Depository institutions	2,892,363	3,134,759	108,465	73,516	1,533,361	1,769,847	68,942	46,039	149,398	152,842	356,465	393,404
Treasury, General Account	721,892	768,590	n/a	n/a	721,892	768,590	n/a	n/a	n/a	n/a	n/a	n/a

(continued)

Table G.8A—continued

Item	Total		Boston		New York		Philadelphia		Cleveland		Richmond	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Other deposits <sup>8</sup>	188,599	187,222	11	54	63,644	70,582	1	1	40	38	538	383
<b>Total deposits</b>	<b>3,802,854</b>	<b>4,090,571</b>	<b>108,476</b>	<b>73,570</b>	<b>2,318,897</b>	<b>2,609,019</b>	<b>68,943</b>	<b>46,040</b>	<b>149,438</b>	<b>152,880</b>	<b>357,003</b>	<b>393,787</b>
<b>Other liabilities</b>												
Accrued remittances to the Treasury <sup>9</sup>	0	0	0	0	0	0	0	0	0	0	0	0
Deferred credit items	1,178	624	0	0	0	0	0	0	0	0	0	0
Consolidated variable interest entities: Other liabilities	28	52	28	52	0	0	n/a	n/a	n/a	n/a	n/a	n/a
All other liabilities <sup>10</sup>	5,404	5,212	232	195	2,094	2,240	176	148	240	222	704	616
<b>Total liabilities</b>	<b>7,020,391</b>	<b>7,784,180</b>	<b>212,543</b>	<b>180,467</b>	<b>3,548,785</b>	<b>4,133,154</b>	<b>138,535</b>	<b>119,601</b>	<b>300,274</b>	<b>305,876</b>	<b>613,337</b>	<b>652,215</b>
<b>Capital accounts</b>												
Capital paid-in	37,182	36,065	1,571	1,505	12,540	12,469	1,287	1,270	3,856	3,837	7,242	7,116
Surplus (including accumulated other comprehensive loss)	6,785	6,785	286	283	2,288	2,346	235	239	704	722	1,322	1,339
Total Reserve Bank capital	43,967	42,850	1,857	1,788	14,828	14,815	1,522	1,509	4,560	4,559	8,564	8,455
Consolidated variable interest entities formed to administer credit and liquidity facilities: Non-controlling interest	4,355	8,529	4,355	8,296	0	233	n/a	n/a	n/a	n/a	n/a	n/a
Total Reserve Bank capital and consolidated variable interest entities non-controlling interest	48,322	51,379	6,212	10,084	14,828	15,048	1,522	1,509	4,560	4,559	8,564	8,455
<b>Total liabilities and capital accounts</b>	<b>7,068,713</b>	<b>7,835,559</b>	<b>218,755</b>	<b>190,551</b>	<b>3,563,613</b>	<b>4,148,202</b>	<b>140,057</b>	<b>121,110</b>	<b>304,834</b>	<b>310,435</b>	<b>621,901</b>	<b>660,670</b>

Note: Components may not sum to totals because of rounding.

<sup>1</sup> Contract amount of agreements.

<sup>2</sup> Treasury securities, government-sponsored enterprise (GSE) debt securities, and federal agency and GSE mortgage-backed securities (MBS) are presented at amortized cost, net of unamortized premiums and unamortized discounts.

<sup>3</sup> Treasury securities and GSE debt securities may be lent to primary dealers to facilitate the effective conduct of open market operations. Holdings are presented net of securities lent.

<sup>4</sup> The Federal Reserve Bank of Boston is the primary beneficiary of MS Facilities 2020 LLC (Main Street Lending Program), and the Federal Reserve Bank of New York is the primary beneficiary of Municipal Liquidity Facility LLC and Term Asset-Backed Securities Loan Facility II LLC. As a result, the accounts and results of operations of those LLCs are included in the combined financial statements of the Federal Reserve Banks.

<sup>5</sup> Valued daily at market exchange rates.

<sup>6</sup> Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.

<sup>7</sup> Includes depository institution overdrafts.

<sup>8</sup> Includes deposits of GSEs and international and designated financial market utilities, certain deposit accounts for services provided by the Reserve Banks as fiscal agents of the United States, and foreign official deposit accounts.

<sup>9</sup> Represents the estimated weekly remittances to the U.S. Treasury.

<sup>10</sup> Includes accrued benefit costs and cash collateral posted by counterparties under commitments to purchase and sell federal agency and GSE MBS.

\* Less than \$500,000.

n/a Not applicable.

**Table G.8A. Statement of condition of the Federal Reserve Banks, by Bank, December 31, 2024 and 2023—continued**

Millions of dollars

Item	Atlanta		Chicago		St. Louis		Minneapolis		Kansas City		Dallas		San Francisco	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Assets</b>														
Gold certificates	1,614	1,633	684	680	334	329	182	174	307	299	1,029	1,008	1,587	1,591
Special drawing rights certificates	2,116	654	1,042	424	452	150	256	90	431	153	1,232	282	2,026	574
Coin	108	101	247	252	35	34	57	54	96	97	192	177	230	257
<i>Loans and securities</i>														
Loans to depository institutions	73	313	249	95	63	277	33	318	89	48	244	477	1,386	1,055
Other loans	606	9,919	465	8,924	380	7,867	864	7,611	270	8,418	552	13,487	1,113	44,678
Securities purchased under agreements to resell <sup>1</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Treasury securities, net <sup>2, 3</sup>	299,264	337,930	246,857	310,954	62,591	74,622	27,944	33,823	49,182	64,494	195,334	243,216	404,769	458,541
Federal agency and government-sponsored enterprise mortgage-backed securities, net <sup>2</sup>	152,349	168,096	125,670	154,678	31,864	37,119	14,226	16,825	25,038	32,081	99,440	120,983	206,060	228,091
Government-sponsored enterprise debt securities, net <sup>2, 3</sup>	169	173	140	159	35	38	16	17	28	33	110	125	229	235
Total loans and securities	452,461	516,431	373,381	474,810	94,933	119,923	43,083	58,594	74,607	105,074	295,680	378,288	613,557	732,600
Consolidated variable interest entities: Assets held, net <sup>4</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Accrued interest receivable—System Open Market Account	2,002	2,189	1,652	2,015	419	485	187	219	329	418	1,307	1,575	2,711	2,979
Foreign currency denominated investments, net <sup>5</sup>	571	557	855	647	392	418	109	118	190	197	419	392	2,231	2,660
Central bank liquidity swaps <sup>6</sup>	37	41	55	47	25	31	7	9	12	14	27	29	143	194
<i>Other assets</i>														
Bank premises and equipment, net	328	259	226	228	114	108	114	115	263	252	266	254	434	350
Items in process of collection	88	68	0	0	0	0	0	0	0	0	0	0	0	0
Deferred asset—remittances to the Treasury	0	386	15,583	9,789	43	61	323	215	851	491	1,471	1,711	15,081	6,191
Interdistrict settlement account	33,416	-11,406	10,844	-63,151	16,593	-5,274	9,095	-3,763	776	-11,024	44,306	-33,248	92,139	98,323
All other assets <sup>7</sup>	1,371	1,217	63	166	145	190	156	300	149	326	83	282	185	1,212
<b>Total assets</b>	<b>494,112</b>	<b>512,130</b>	<b>404,632</b>	<b>425,907</b>	<b>113,485</b>	<b>116,455</b>	<b>53,569</b>	<b>56,125</b>	<b>78,011</b>	<b>96,297</b>	<b>346,012</b>	<b>350,750</b>	<b>730,324</b>	<b>846,931</b>
<b>Liabilities</b>														
Federal Reserve notes outstanding	399,096	395,722	173,020	167,274	87,400	81,908	49,328	44,757	79,026	75,426	268,083	256,949	408,167	392,876
Less: Notes held by Federal Reserve Bank	34,529	38,966	64,566	43,786	9,234	8,932	18,741	11,745	46,215	27,494	66,603	66,860	75,950	66,703
Federal Reserve notes outstanding, net	364,567	356,756	108,454	123,488	78,166	72,976	30,587	33,012	32,811	47,932	201,480	190,089	332,217	326,173
Securities sold under agreements to repurchase <sup>1</sup>	59,437	94,210	49,029	86,689	12,431	20,803	5,550	9,429	9,768	17,980	38,795	67,805	80,392	127,834
<i>Deposits</i>														
Depository institutions	66,482	58,701	120,256	97,642	21,592	21,553	16,849	13,171	34,739	29,671	104,141	91,466	311,674	386,906
Treasury, General Account	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(continued)

Table G.8A—continued

Item	Atlanta		Chicago		St. Louis		Minneapolis		Kansas City		Dallas		San Francisco	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Other deposits <sup>8</sup>	28	138	124,017	115,614	14	18	168	135	34	88	67	139	36	31
<b>Total deposits</b>	<b>66,510</b>	<b>58,839</b>	<b>244,273</b>	<b>213,256</b>	<b>21,606</b>	<b>21,571</b>	<b>17,017</b>	<b>13,306</b>	<b>34,773</b>	<b>29,759</b>	<b>104,208</b>	<b>91,605</b>	<b>311,710</b>	<b>386,937</b>
<i>Other liabilities</i>														
Accrued remittances to the Treasury <sup>9</sup>	593	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred credit items	1,177	624	0	0	0	0	0	0	*	0	0	0	0	0
Consolidated variable interest entities: Other liabilities	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
All other liabilities <sup>10</sup>	338	297	421	370	168	140	132	110	172	159	246	221	482	501
<b>Total liabilities</b>	<b>492,622</b>	<b>510,726</b>	<b>402,177</b>	<b>423,803</b>	<b>112,371</b>	<b>115,490</b>	<b>53,286</b>	<b>55,857</b>	<b>77,524</b>	<b>95,830</b>	<b>344,729</b>	<b>349,720</b>	<b>724,801</b>	<b>841,445</b>
<i>Capital accounts</i>														
Capital paid-in	1,260	1,182	2,076	1,771	942	812	239	226	412	393	1,085	867	4,671	4,617
Surplus (including accumulated other comprehensive loss)	230	222	379	333	172	153	44	42	75	74	198	163	852	869
Total Reserve Bank capital	1,490	1,404	2,455	2,104	1,114	965	283	268	487	467	1,283	1,030	5,523	5,486
Consolidated variable interest entities formed to administer credit and liquidity facilities: Non-controlling interest	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Reserve Bank capital and consolidated variable interest entities non-controlling interest	1,490	1,404	2,455	2,104	1,114	965	283	268	487	467	1,283	1,030	5,523	5,486
<b>Total liabilities and capital accounts</b>	<b>494,112</b>	<b>512,130</b>	<b>404,632</b>	<b>425,907</b>	<b>113,485</b>	<b>116,455</b>	<b>53,569</b>	<b>56,125</b>	<b>78,011</b>	<b>96,297</b>	<b>346,012</b>	<b>350,750</b>	<b>730,324</b>	<b>846,931</b>

Note: Components may not sum to totals because of rounding.

<sup>1</sup> Contract amount of agreements.

<sup>2</sup> Treasury securities, government-sponsored enterprise (GSE) debt securities, and federal agency and GSE mortgage-backed securities (MBS) are presented at amortized cost, net of unamortized premiums and unamortized discounts.

<sup>3</sup> Treasury securities and GSE debt securities may be lent to primary dealers to facilitate the effective conduct of open market operations. Holdings are presented net of securities lent.

<sup>4</sup> The Federal Reserve Bank of Boston is the primary beneficiary of MS Facilities 2020 LLC (Main Street Lending Program), and the Federal Reserve Bank of New York is the primary beneficiary of Municipal Liquidity Facility LLC and Term Asset-Backed Securities Loan Facility II LLC. As a result, the accounts and results of operations of those LLCs are included in the combined financial statements of the Federal Reserve Banks.

<sup>5</sup> Valued daily at market exchange rates.

<sup>6</sup> Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.

<sup>7</sup> Includes depository institution overdrafts.

<sup>8</sup> Includes deposits of GSEs and international and designated financial market utilities, certain deposit accounts for services provided by the Reserve Banks as fiscal agents of the United States, and foreign official deposit accounts.

<sup>9</sup> Represents the estimated weekly remittances to the U.S. Treasury.

<sup>10</sup> Includes accrued benefit costs and cash collateral posted by counterparties under commitments to purchase and sell federal agency and GSE MBS.

\* Less than \$500,000.

n/a Not applicable.

**Table G.8B. Statement of condition of the Federal Reserve Banks, December 31, 2024 and 2023 supplemental information—collateral held against Federal Reserve notes: Federal Reserve agents' accounts**

Millions of dollars

Item	2024	2023
Federal Reserve notes outstanding	2,784,931	2,706,633
Less: Notes held by Federal Reserve Banks not subject to collateralization	462,399	409,583
<b>Collateralized Federal Reserve notes</b>	<b>2,322,532</b>	<b>2,297,050</b>
<b>Collateral for Federal Reserve notes</b>		
Gold certificates	11,037	11,037
Special drawing rights certificates	15,200	5,200
U.S. Treasury securities <sup>1</sup>	2,296,295	2,280,813
<b>Total collateral</b>	<b>2,322,532</b>	<b>2,297,050</b>
<sup>1</sup> Face value. Includes compensation to adjust for the effect of inflation on the original face value of inflation-indexed securities.		

**Table G.9. Income and expenses of the Federal Reserve Banks, by Bank, 2024**

Thousands of dollars

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond
<b>Current income</b>						
<i>Interest income</i>						
Primary, secondary, and seasonal loans	204,217	8,977	82,643	4,498	147	8,478
Other loans, net	4,916,539	467,317	364,321	105,747	114,722	430,940
Interest income on securities purchased under agreements to resell	828	17	447	12	32	81
Treasury securities, net	100,517,873	2,051,468	54,631,681	1,539,593	3,700,382	9,221,029
Federal agency and government-sponsored enterprise mortgage-backed securities, net	52,647,654	1,072,290	28,644,241	808,731	1,925,867	4,785,009
Government-sponsored enterprise debt securities, net	130,000	2,650	70,695	1,994	4,770	11,869
Foreign currency denominated investments, net	327,729	13,785	114,149	11,600	33,859	65,095
Central bank liquidity swaps <sup>1</sup>	10,802	455	3,769	383	1,108	2,149
Total interest income	158,755,642	3,616,959	83,911,946	2,472,558	5,780,887	14,524,650
Income from priced services	524,403	61	173,721	0	0	0
Securities lending fees	42,501	867	23,110	652	1,560	3,883
Other income	1,162	40	998	3	1	1
Total other income	568,066	968	197,829	655	1,561	3,884
<b>Total current income</b>	<b>159,323,708</b>	<b>3,617,927</b>	<b>84,109,775</b>	<b>2,473,213</b>	<b>5,782,448</b>	<b>14,528,534</b>
<b>Net expenses</b>						
Salaries and other benefits	4,353,361	298,101	855,810	170,591	204,655	662,579
Building	347,283	39,863	73,423	15,281	17,400	34,041
Equipment	264,028	8,696	23,630	9,448	9,652	130,511
Software costs	548,780	31,298	43,823	3,941	17,976	315,948
Recoveries	-304,472	-39,427	-18,503	-21,866	-7,533	-22,825
Expenses capitalized <sup>2</sup>	-160,840	-6,674	-27,953	-2,616	-11,960	-7,141
Other expenses	815,361	161,763	430,098	66,710	72,429	-761,984
Total operating expenses before pension expense and reimbursements	5,863,501	493,620	1,380,328	241,489	302,619	351,129
System pension service costs <sup>3</sup>	621,001	0	0	0	0	0
Reimbursable services to government agencies	-886,395	-3,964	-115,962	-1,754	-110,122	-9,768
Operating expenses	5,598,107	489,656	1,264,366	239,735	192,497	341,361
Interest expense on securities sold under agreements to repurchase	40,288,036	818,448	21,948,653	621,130	1,461,962	3,618,764
Interest to depository institutions and others	186,477,412	3,811,919	104,586,368	3,417,321	8,108,558	23,808,419
Other expenses	66	1	36	1	3	6
Net expenses	232,363,621	5,120,024	127,799,423	4,278,187	9,763,020	27,768,550
Current net income	-73,039,913	-1,502,097	-43,689,648	-1,804,974	-3,980,572	-13,240,016
<i>Additions to (+) and deductions from (-) current net income</i>						
Profit on sales of Treasury securities	-37,021	-760	-20,059	-562	-1,388	-3,488
Losses on sales of federal agency and government-sponsored enterprise mortgage-backed securities	-69,617	-1,448	-37,468	-1,038	-2,713	-6,933
Foreign currency translation (losses)	-1,478,124	-62,659	-518,536	-52,587	-148,244	-295,515

(continued)

Table G.9—continued

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond
Other components of net benefit cost	434,873	3,607	35,990	2,554	3,225	13,608
Net additions or deductions	-72,458	-2,058	-36,374	-1,752	-5,782	-12,163
Net additions or deductions to current net income	-1,222,347	-63,318	-576,447	-53,385	-154,902	-304,491
Assessments by Board						
Board expenditures <sup>4</sup>	1,438,000	60,440	495,537	50,392	152,422	283,742
Cost of currency	1,242,377	55,701	262,940	45,482	81,757	106,243
Consumer Financial Protection Bureau <sup>5</sup>	663,300	28,008	228,953	23,355	69,767	131,044
Assessments by the Board of Governors	3,343,677	144,149	987,430	119,229	303,946	521,029
<b>Consolidated variable interest entities</b>						
Net income from consolidated variable interest entities	22,949	22,505	444	0	0	0
Non-controlling interest in consolidated variable interest entities (income), net	-36,650	-36,250	-400	0	0	0
<i>Reserve Bank and consolidated variable interest entities net income before providing for remittances to the Treasury</i>	-77,619,638	-1,723,309	-45,253,481	-1,977,588	-4,439,420	-14,065,536
Earnings remittances to the Treasury	-79,104,507	-1,822,024	-45,779,266	-2,047,746	-4,619,380	-14,453,505
Net (loss) income after providing for remittances to the Treasury	1,484,869	98,715	525,785	70,158	179,960	387,969
Other comprehensive income	138,061	-26,362	-38,070	-17,521	-28,457	-89,793
Comprehensive income	1,622,930	72,353	487,715	52,637	151,503	298,176
<b>Distribution of comprehensive income</b>						
Dividends on capital stock	1,622,536	68,870	545,345	56,753	169,632	314,174
Transferred to/from surplus and change in accumulated other comprehensive income	0	3,485	-57,633	-4,113	-18,129	-16,996
Remittances transferred to the Treasury <sup>6</sup>	3,531,982	0	0	0	0	0
Deferred asset (increase) decrease	-82,636,489	-1,822,024	-45,779,266	-2,047,746	-4,619,380	-14,453,505
Earnings remittances to the Treasury, net	-79,104,507	-1,822,024	-45,779,266	-2,047,746	-4,619,380	-14,453,505
<b>Total distribution of comprehensive income</b>	<b>-77,481,971</b>	<b>-1,749,669</b>	<b>-45,291,554</b>	<b>-1,995,106</b>	<b>-4,467,877</b>	<b>-14,156,327</b>

Note: Components may not sum to totals because of rounding.

<sup>1</sup> Represents interest income recognized on swap agreements with foreign central banks.

<sup>2</sup> Includes expenses for labor and materials capitalized and depreciated or amortized as charges to activities in the periods benefited.

<sup>3</sup> Reflects the effect of the Financial Accounting Standards Board's Codification Topic (ASC 715) Compensation-Retirement Benefits. Pension service costs for the System Retirement Plan is recorded on behalf of the System in the books of the Federal Reserve Bank of Atlanta.

<sup>4</sup> For additional details, see the Board of Governors Financial Statements at <https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm>.

<sup>5</sup> The Board of Governors assesses the Reserve Banks to fund the operations of the Consumer Financial Protection Bureau. These assessments are allocated to each Reserve Bank based on each Reserve Bank's capital and surplus balances as of the most recent quarter.

<sup>6</sup> Represents excess earnings remitted to the Treasury after providing for the cost of operations, payment of dividends, and reservation of surplus. On a weekly basis, if earnings become less than the cost of operations, payment of dividends, and any amount necessary to maintain surplus, the Reserve Banks suspend weekly remittances to the Treasury and record a deferred asset.

**Table G.9. Income and expenses of the Federal Reserve Banks, by Bank, 2024—continued**

Thousands of dollars

Item	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
<b>Current income</b>							
<i>Interest income</i>							
Primary, secondary, and seasonal loans	11,148	7,450	7,948	3,453	948	5,525	63,002
Other loans, net	416,798	361,978	262,581	234,025	393,940	486,366	1,277,804
Interest income on securities purchased under agreements to resell	56	46	12	5	9	36	75
Treasury securities, net	6,747,344	5,737,057	1,432,188	642,099	1,156,533	4,524,542	9,133,957
Federal agency and government-sponsored enterprise mortgage-backed securities, net	3,535,263	3,015,469	751,562	337,100	608,619	2,377,340	4,786,163
Government-sponsored enterprise debt securities, net	8,728	7,433	1,854	831	1,499	5,861	11,816
Foreign currency denominated investments, net	10,507	14,895	7,380	2,057	3,546	7,634	43,222
Central bank liquidity swaps <sup>1</sup>	344	481	243	68	117	250	1,435
Total interest income	10,730,188	9,144,809	2,463,768	1,219,638	2,165,211	7,407,554	15,317,474
Income from priced services	248,879	101,742	0	0	0	0	0
Securities lending fees	2,853	2,429	606	272	490	1,916	3,863
Other income	27	46	3	8	20	14	1
Total other income	251,759	104,217	609	280	510	1,930	3,864
<b>Total current income</b>	<b>10,981,947</b>	<b>9,249,026</b>	<b>2,464,377</b>	<b>1,219,918</b>	<b>2,165,721</b>	<b>7,409,484</b>	<b>15,321,338</b>
<b>Net expenses</b>							
Salaries and other benefits	328,927	360,149	281,601	206,775	334,929	236,907	412,337
Building	21,715	33,718	16,314	14,087	22,166	27,715	31,560
Equipment	14,179	13,821	6,611	5,187	11,509	13,032	17,752
Software costs	19,959	10,434	10,415	12,844	35,882	16,706	29,554
Recoveries	-16,842	-18,915	-8,225	-11,742	-54,619	-30,824	-53,151
Expenses capitalized <sup>2</sup>	-3,054	-6,580	-13,770	-12,551	-34,340	-7,004	-27,197
Other expenses	207,996	119,665	181,827	71,853	88,788	65,979	110,237
Total operating expenses before pension expense and reimbursements	572,880	512,292	474,773	286,453	404,315	322,511	521,092
System pension service costs <sup>3</sup>	621,001	0	0	0	0	0	0
Reimbursable services to government agencies	-76,224	-4,741	-248,308	-112,190	-182,300	-18,629	-2,433
Operating expenses	1,117,657	507,551	226,465	174,263	222,015	303,882	518,659
Interest expense on securities sold under agreements to repurchase	2,706,519	2,317,749	576,503	258,722	468,497	1,826,489	3,664,600
Interest to depository institutions and others	3,329,563	11,796,918	1,204,044	819,288	1,735,758	4,735,762	19,123,494
Other expenses	4	4	1	0	1	3	6
Net expenses	7,153,743	14,622,222	2,007,013	1,252,273	2,426,271	6,866,136	23,306,759
Current net income	3,828,204	-5,373,196	457,364	-32,355	-260,550	543,348	-7,985,421
<i>Additions to (+) and deductions from (-) current net income</i>							
Profit on sales of Treasury securities	-2,482	-2,091	-525	-235	-420	-1,651	-3,360
Profit losses on sales of federal agency and government-sponsored enterprise mortgage-backed securities	-4,658	-3,843	-974	-435	-766	-3,041	-6,300
Foreign currency translation (losses)	-46,356	-61,906	-33,282	-9,299	-15,892	-33,334	-200,514
Other components of net benefit cost	367,812	11,246	1,166	3,570	-199	1,910	-9,616

(continued)

Item	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Net additions or deductions	-853	-2,568	-1,180	-307	-550	-1,538	-7,333
Net additions or deductions to current net income	313,463	-59,162	-34,795	-6,706	-17,827	-37,654	-227,123
Assessments by Board							
Board expenditures <sup>4</sup>	47,785	70,743	32,518	9,025	15,481	36,520	183,395
Cost of currency	200,614	94,921	42,712	20,725	31,628	100,512	199,142
Consumer Financial Protection Bureau <sup>5</sup>	22,279	32,201	15,020	4,188	7,286	16,868	84,331
Assessments by the Board of Governors	270,678	197,865	90,250	33,938	54,395	153,900	466,868
<b>Consolidated variable interest entities</b>							
Net income from consolidated variable interest entities	0	0	0	0	0	0	0
Non-controlling interest in consolidated variable interest entities (income), net	0	0	0	0	0	0	0
<i>Reserve Bank and consolidated variable interest entities net income before providing for remittances to the Treasury</i>	3,870,989	-5,630,223	332,319	-72,999	-332,772	351,794	-8,679,412
Earnings remittances to the Treasury	4,284,483	-5,793,711	245,000	-107,803	-360,293	239,354	-8,889,616
Net (loss) income after providing for remittances to the Treasury	-413,494	163,488	87,319	34,804	27,521	112,440	210,204
Other comprehensive income	477,534	-32,759	-28,478	-21,572	-5,566	-29,889	-21,006
Comprehensive income	64,040	130,729	58,841	13,232	21,955	82,551	189,198
<i>Distribution of comprehensive income</i>							
Dividends on capital stock	56,492	84,911	39,761	12,090	20,616	47,661	206,231
Transferred to/from surplus and change in accumulated other comprehensive income	7,545	45,818	19,080	1,141	1,339	34,892	-16,429
Remittances transferred to the Treasury <sup>6</sup>	3,898,273	0	226,744	0	0	0	0
Deferred asset (increase) decrease	386,209	-5,793,711	18,256	-107,803	-360,293	239,354	-8,889,616
Earnings remittances to the Treasury, net	4,284,483	-5,793,711	245,000	-107,803	-360,293	239,354	-8,889,616
<b>Total distribution of comprehensive income</b>	<b>4,348,520</b>	<b>-5,662,982</b>	<b>303,841</b>	<b>-94,572</b>	<b>-338,338</b>	<b>321,907</b>	<b>-8,699,814</b>

- <sup>1</sup> Represents interest income recognized on swap agreements with foreign central banks.
- <sup>2</sup> Includes expenses for labor and materials capitalized and depreciated or amortized as charges to activities in the periods benefited.
- <sup>3</sup> Reflects the effect of the Financial Accounting Standards Board's Codification Topic (ASC 715) Compensation-Retirement Benefits. Pension service costs for the System Retirement Plan is recorded on behalf of the System in the books of the Federal Reserve Bank of Atlanta.
- <sup>4</sup> For additional details, see the Board of Governors Financial Statements at <https://www.federalreserve.gov/aboutthefed/audited-annual-financial-statements.htm>.
- <sup>5</sup> The Board of Governors assesses the Reserve Banks to fund the operations of the Consumer Financial Protection Bureau. These assessments are allocated to each Reserve Bank based on each Reserve Bank's capital and surplus balances as of the most recent quarter.
- <sup>6</sup> Represents excess earnings remitted to the Treasury after providing for the cost of operations, payment of dividends, and reservation of surplus. On a weekly basis, if earnings become less than the cost of operations, payment of dividends, and any amount necessary to maintain surplus, the Reserve Banks suspend weekly remittances to the Treasury and record a deferred asset.

**Table G.10. Income and expenses of the Federal Reserve Banks, 1914–2024**

Thousands of dollars

Federal Reserve Bank and period	Current income	Net expenses	Net additions or deductions (–) <sup>1</sup>	Assessments by the Board of Governors			Other comprehensive income (loss)	Dividends paid	Distributions to the U.S. Treasury		Transferred to/from surplus <sup>4</sup>	Transferred to/from surplus and change in accumulated other comprehensive income <sup>5</sup>
				Board expenditures	Costs of currency	Consumer Financial Protection Bureau and Office of Financial Research <sup>2</sup>			Statutory transfers <sup>3</sup>	Interest on Federal Reserve notes		
All banks												
1914–15	2,173	2,018	6	302	n/a	n/a	n/a	217	n/a	n/a	n/a	n/a
1916	5,218	2,082	–193	192	n/a	n/a	n/a	1,743	n/a	n/a	n/a	n/a
1917	16,128	4,922	–1,387	238	n/a	n/a	n/a	6,804	1,134	n/a	n/a	1,134
1918	67,584	10,577	–3,909	383	n/a	n/a	n/a	5,541	n/a	n/a	n/a	48,334
1919	102,381	18,745	–4,673	595	n/a	n/a	n/a	5,012	2,704	n/a	n/a	70,652
1920	181,297	27,549	–3,744	710	n/a	n/a	n/a	5,654	60,725	n/a	n/a	82,916
1921	122,866	33,722	–6,315	741	n/a	n/a	n/a	6,120	59,974	n/a	n/a	15,993
1922	50,499	28,837	–4,442	723	n/a	n/a	n/a	6,307	10,851	n/a	n/a	–660
1923	50,709	29,062	–8,233	703	n/a	n/a	n/a	6,553	3,613	n/a	n/a	2,546
1924	38,340	27,768	–6,191	663	n/a	n/a	n/a	6,682	114	n/a	n/a	–3,078
1925	41,801	26,819	–4,823	709	n/a	n/a	n/a	6,916	59	n/a	n/a	2,474
1926	47,600	24,914	–3,638	722	1,714	n/a	n/a	7,329	818	n/a	n/a	8,464
1927	43,024	24,894	–2,457	779	1,845	n/a	n/a	7,755	250	n/a	n/a	5,044
1928	64,053	25,401	–5,026	698	806	n/a	n/a	8,458	2,585	n/a	n/a	21,079
1929	70,955	25,810	–4,862	782	3,099	n/a	n/a	9,584	4,283	n/a	n/a	22,536
1930	36,424	25,358	–93	810	2,176	n/a	n/a	10,269	17	n/a	n/a	–2,298
1931	29,701	24,843	311	719	1,479	n/a	n/a	10,030	n/a	n/a	n/a	–7,058
1932	50,019	24,457	–1,413	729	1,106	n/a	n/a	9,282	2,011	n/a	n/a	11,021
1933	49,487	25,918	–12,307	800	2,505	n/a	n/a	8,874	n/a	n/a	n/a	–917
1934	48,903	26,844	–4,430	1,372	1,026	n/a	n/a	8,782	n/a	n/a	–60	6,510
1935	42,752	28,695	–1,737	1,406	1,477	n/a	n/a	8,505	298	n/a	28	607
1936	37,901	26,016	486	1,680	2,178	n/a	n/a	7,830	227	n/a	103	353
1937	41,233	25,295	–1,631	1,748	1,757	n/a	n/a	7,941	177	n/a	67	2,616
1938	36,261	25,557	2,232	1,725	1,630	n/a	n/a	8,019	120	n/a	–419	1,862
1939	38,501	25,669	2,390	1,621	1,356	n/a	n/a	8,110	25	n/a	–426	4,534
1940	43,538	25,951	11,488	1,704	1,511	n/a	n/a	8,215	82	n/a	–54	17,617
1941	41,380	28,536	721	1,840	2,588	n/a	n/a	8,430	141	n/a	–4	571
1942	52,663	32,051	–1,568	1,746	4,826	n/a	n/a	8,669	198	n/a	50	3,554
1943	69,306	35,794	23,768	2,416	5,336	n/a	n/a	8,911	245	n/a	135	40,327
1944	104,392	39,659	3,222	2,296	7,220	n/a	n/a	9,500	327	n/a	201	48,410
1945	142,210	41,666	–830	2,341	4,710	n/a	n/a	10,183	248	n/a	262	81,970
1946	150,385	50,493	–626	2,260	4,482	n/a	n/a	10,962	67	n/a	28	81,467
1947	158,656	58,191	1,973	2,640	4,562	n/a	n/a	11,523	36	75,284	87	8,366
1948	304,161	64,280	–34,318	3,244	5,186	n/a	n/a	11,920	n/a	166,690	n/a	18,523
1949	316,537	67,931	–12,122	3,243	6,304	n/a	n/a	12,329	n/a	193,146	n/a	21,462

(continued)

Table G.10—continued

Federal Reserve Bank and period	Current income	Net expenses	Net additions or deductions (-) <sup>1</sup>	Assessments by the Board of Governors			Other comprehensive income (loss)	Dividends paid	Distributions to the U.S. Treasury		Transferred to/from surplus <sup>4</sup>	Transferred to/from surplus and change in accumulated other comprehensive income <sup>5</sup>
				Board expenditures	Costs of currency	Consumer Financial Protection Bureau and Office of Financial Research <sup>2</sup>			Statutory transfers <sup>3</sup>	Interest on Federal Reserve notes		
1950	275,839	69,822	36,294	3,434	7,316	n/a	n/a	13,083	n/a	196,629	n/a	21,849
1951	394,656	83,793	-2,128	4,095	7,581	n/a	n/a	13,865	n/a	254,874	n/a	28,321
1952	456,060	92,051	1,584	4,122	8,521	n/a	n/a	14,682	n/a	291,935	n/a	46,334
1953	513,037	98,493	-1,059	4,100	10,922	n/a	n/a	15,558	n/a	342,568	n/a	40,337
1954	438,486	99,068	-134	4,175	6,490	n/a	n/a	16,442	n/a	276,289	n/a	35,888
1955	412,488	101,159	-265	4,194	4,707	n/a	n/a	17,712	n/a	251,741	n/a	32,710
1956	595,649	110,240	-23	5,340	5,603	n/a	n/a	18,905	n/a	401,556	n/a	53,983
1957	763,348	117,932	-7,141	7,508	6,374	n/a	n/a	20,081	n/a	542,708	n/a	61,604
1958	742,068	125,831	124	5,917	5,973	n/a	n/a	21,197	n/a	524,059	n/a	59,215
1959	886,226	131,848	98,247	6,471	6,384	n/a	n/a	22,722	n/a	910,650	n/a	-93,601
1960	1,103,385	139,894	13,875	6,534	7,455	n/a	n/a	23,948	n/a	896,816	n/a	42,613
1961	941,648	148,254	3,482	6,265	6,756	n/a	n/a	25,570	n/a	687,393	n/a	70,892
1962	1,048,508	161,451	-56	6,655	8,030	n/a	n/a	27,412	n/a	799,366	n/a	45,538
1963	1,151,120	169,638	615	7,573	10,063	n/a	n/a	28,912	n/a	879,685	n/a	55,864
1964	1,343,747	171,511	726	8,655	17,230	n/a	n/a	30,782	n/a	1,582,119	n/a	-465,823
1965	1,559,484	172,111	1,022	8,576	23,603	n/a	n/a	32,352	n/a	1,296,810	n/a	27,054
1966	1,908,500	178,212	996	9,022	20,167	n/a	n/a	33,696	n/a	1,649,455	n/a	18,944
1967	2,190,404	190,561	2,094	10,770	18,790	n/a	n/a	35,027	n/a	1,907,498	n/a	29,851
1968	2,764,446	207,678	8,520	14,198	20,474	n/a	n/a	36,959	n/a	2,463,629	n/a	30,027
1969	3,373,361	237,828	-558	15,020	22,126	n/a	n/a	39,237	n/a	3,019,161	n/a	39,432
1970	3,877,218	276,572	11,442	21,228	23,574	n/a	n/a	41,137	n/a	3,493,571	n/a	32,580
1971	3,723,370	319,608	94,266	32,634	24,943	n/a	n/a	43,488	n/a	3,356,560	n/a	40,403
1972	3,792,335	347,917	-49,616	35,234	31,455	n/a	n/a	46,184	n/a	3,231,268	n/a	50,661
1973	5,016,769	416,879	-80,653	44,412	33,826	n/a	n/a	49,140	n/a	4,340,680	n/a	51,178
1974	6,280,091	476,235	-78,487	41,117	30,190	n/a	n/a	52,580	n/a	5,549,999	n/a	51,483
1975	6,257,937	514,359	-202,370	33,577	37,130	n/a	n/a	54,610	n/a	5,382,064	n/a	33,828
1976	6,623,220	558,129	7,311	41,828	48,819	n/a	n/a	57,351	n/a	5,870,463	n/a	53,940
1977	6,891,317	568,851	-177,033	47,366	55,008	n/a	n/a	60,182	n/a	5,937,148	n/a	45,728
1978	8,455,309	592,558	-633,123	53,322	60,059	n/a	n/a	63,280	n/a	7,005,779	n/a	47,268
1979	10,310,148	625,168	-151,148	50,530	68,391	n/a	n/a	67,194	n/a	9,278,576	n/a	69,141
1980	12,802,319	718,033	-115,386	62,231	73,124	n/a	n/a	70,355	n/a	11,706,370	n/a	56,821
1981	15,508,350	814,190	-372,879	63,163	82,924	n/a	n/a	74,574	n/a	14,023,723	n/a	76,897
1982	16,517,385	926,034	-68,833	61,813	98,441	n/a	n/a	79,352	n/a	15,204,591	n/a	78,320
1983	16,068,362	1,023,678	-400,366	71,551	152,135	n/a	n/a	85,152	n/a	14,228,816	n/a	106,663
1984	18,068,821	1,102,444	-412,943	82,116	162,606	n/a	n/a	92,620	n/a	16,054,095	n/a	161,996
1985	18,131,983	1,127,744	1,301,624	77,378	173,739	n/a	n/a	103,029	n/a	17,796,464	n/a	155,253
1986	17,464,528	1,156,868	1,975,893	97,338	180,780	n/a	n/a	109,588	n/a	17,803,895	n/a	91,954

(continued)

Table G.10—continued

Federal Reserve Bank and period	Current income	Net expenses	Net additions or deductions (-) <sup>1</sup>	Assessments by the Board of Governors			Other comprehensive income (loss)	Dividends paid	Distributions to the U.S. Treasury		Transferred to/from surplus <sup>4</sup>	Transferred to/from surplus and change in accumulated other comprehensive income <sup>5</sup>
				Board expenditures	Costs of currency	Consumer Financial Protection Bureau and Office of Financial Research <sup>2</sup>			Statutory transfers <sup>3</sup>	Interest on Federal Reserve notes		
1987	17,633,012	1,146,911	1,796,594	81,870	170,675	n/a	n/a	117,499	n/a	17,738,880	n/a	173,771
1988	19,526,431	1,205,960	-516,910	84,411	164,245	n/a	n/a	125,616	n/a	17,364,319	n/a	64,971
1989	22,249,276	1,332,161	1,254,613	89,580	175,044	n/a	n/a	129,885	n/a	21,646,417	n/a	130,802
1990	23,476,604	1,349,726	2,099,328	103,752	193,007	n/a	n/a	140,758	n/a	23,608,398	n/a	180,292
1991	22,553,002	1,429,322	405,729	109,631	261,316	n/a	n/a	152,553	n/a	20,777,552	n/a	228,356
1992	20,235,028	1,474,531	-987,788	128,955	295,401	n/a	n/a	171,763	n/a	16,774,477	n/a	402,114
1993	18,914,251	1,657,800	-230,268	140,466	355,947	n/a	n/a	195,422	n/a	15,986,765	n/a	347,583
1994	20,910,742	1,795,328	2,363,862	146,866	368,187	n/a	n/a	212,090	n/a	20,470,011	n/a	282,122
1995	25,395,148	1,818,416	857,788	161,348	370,203	n/a	n/a	230,527	n/a	23,389,367	n/a	283,075
1996	25,164,303	1,947,861	-1,676,716	162,642	402,517	n/a	n/a	255,884	5,517,716	14,565,624	n/a	635,343
1997	26,917,213	1,976,453	-2,611,570	174,407	364,454	n/a	n/a	299,652	20,658,972	0	n/a	831,705
1998	28,149,477	1,833,436	1,906,037	178,009	408,544	n/a	n/a	343,014	17,785,942	8,774,994	n/a	731,575
1999	29,346,836	1,852,162	-533,557	213,790	484,959	n/a	n/a	373,579	n/a	25,409,736	n/a	479,053
2000	33,963,992	1,971,688	-1,500,027	188,067	435,838	n/a	n/a	409,614	n/a	25,343,892	n/a	4,114,865
2001	31,870,721	2,084,708	-1,117,435	295,056	338,537	n/a	n/a	428,183	n/a	27,089,222	n/a	517,580
2002	26,760,113	2,227,078	2,149,328	205,111	429,568	n/a	n/a	483,596	n/a	24,495,490	n/a	1,068,598
2003	23,792,725	2,462,658	2,481,127	297,020	508,144	n/a	n/a	517,705	n/a	22,021,528	n/a	466,796
2004	23,539,942	2,238,705	917,870	272,331	503,784	n/a	n/a	582,402	n/a	18,078,003	n/a	2,782,587
2005	30,729,357	2,889,544	-3,576,903	265,742	477,087	n/a	n/a	780,863	n/a	21,467,545	n/a	1,271,672
2006	38,410,427	3,263,844	-158,846	301,014	491,962	n/a	n/a	871,255	n/a	29,051,678	n/a	4,271,828
2007	42,576,025	3,510,206	198,417	296,125	576,306	n/a	324,481	992,353	n/a	34,598,401	n/a	3,125,533
2008	41,045,582	4,870,374	3,340,628	352,291	500,372	n/a	-3,158,808	1,189,626	n/a	31,688,688	n/a	2,626,053
2009	54,463,121	5,978,795	4,820,204	386,400	502,044	n/a	1,006,813	1,428,202	n/a	47,430,237	n/a	4,564,460
2010	79,300,937	6,270,420	9,745,562	422,200	622,846	42,286	45,881	1,582,785	n/a	79,268,124	n/a	883,724
2011	85,241,366	7,316,643	2,015,991	472,300	648,798	281,712	-1,161,848	1,577,284	n/a	75,423,597	n/a	375,175
2012	81,586,102	7,798,353	18,380,835	490,001	722,301	387,279	-52,611	1,637,934	n/a	88,417,936	n/a	460,528
2013	91,149,953	9,134,656	-1,029,750	580,000	701,522	563,200	2,288,811	1,649,277	n/a	79,633,271	n/a	147,088
2014	116,561,512	10,714,872	-2,718,283	590,000	710,807	563,000	-1,611,569	1,685,826	n/a	96,901,695	n/a	1,064,952
2015	114,233,676	11,139,956	-1,305,513	705,000	689,288	489,700	366,145	1,742,745	25,955,921	91,143,493	n/a	-18,571,798
2016	111,743,998	17,262,620	-114,255	709,000	700,728	596,200	-183,232	711,423	91,466,545	n/a	n/a	0
2017	114,193,573	33,397,138	1,932,579	740,000	723,534	573,000	650,808	783,599	80,559,689	n/a	n/a	0
2018	112,861,657	47,353,636	-382,959	838,000	848,807	337,100	41,831	998,703	65,319,280	n/a	n/a	-3,175,000
2019	103,220,435	45,423,825	-169,458	814,000	836,975	518,600	148,923	713,931	54,892,569	n/a	n/a	0
2020	102,036,168	13,454,957	2,266,152	947,000	831,133	517,300	-1,275,509	386,312	86,890,110	n/a	n/a	0
2021	123,058,495	11,007,927	-1,489,296	970,000	1,035,105	627,500	1,639,423	583,417	109,024,672	n/a	n/a	-40,000
2022	170,683,732	107,849,830	-1,207,343	1,015,000	1,053,616	722,200	1,818,927	1,209,101	59,445,569	n/a	n/a	0
2023	175,136,109	286,480,845	-131,200	1,144,000	1,047,430	720,500	-275,578	1,488,823	-116,063,336	n/a	n/a	0

(continued)

Table G.10—continued

Federal Reserve Bank and period	Current income	Net expenses	Net additions or deductions (-) <sup>1</sup>	Assessments by the Board of Governors			Other comprehensive income (loss)	Dividends paid	Distributions to the U.S. Treasury		Transferred to/from surplus <sup>4</sup>	Transferred to/from surplus and change in accumulated other comprehensive income <sup>5</sup>
				Board expenditures	Costs of currency	Consumer Financial Protection Bureau and Office of Financial Research <sup>2</sup>			Statutory transfers <sup>3</sup>	Interest on Federal Reserve notes		
2024	159,323,708	232,363,621	-1,222,347	1,438,000	1,242,377	663,300	138,061	1,622,536	-79,104,507	n/a	n/a	0
<b>Total 1914–2024</b>	<b>2,589,305,790</b>	<b>914,675,928</b>	<b>36,971,762</b>	<b>17,614,118</b>	<b>22,826,000</b>	<b>7,602,877</b>	<b>750,950</b>	<b>30,722,654</b>	<b>422,500,470</b>	<b>1,198,433,402</b>	<b>-4</b>	<b>12,727,389<sup>6</sup></b>
<b>Aggregate for each Bank, 1914–2024</b>												
Boston	80,852,184	22,122,051	218,563	762,846	1,153,407	335,137	7,953	1,342,741	10,069,668	44,842,511	135	494,876
New York	1,242,761,385	489,201,198	26,533,956	5,358,045	5,650,366	2,508,562	216,098	8,951,276	208,087,862	545,077,826	-433	4,719,091
Philadelphia	72,373,273	19,811,564	667,811	934,097	1,005,442	399,873	36,519	1,945,271	12,272,167	36,308,189	291	401,222
Cleveland	101,001,487	32,172,768	344,519	1,444,162	1,347,136	649,382	38,900	2,411,227	12,735,420	49,612,575	-10	1,005,316
Richmond	186,452,697	86,651,150	1,574,309	3,447,837	1,971,942	1,590,409	68,638	6,153,727	4,581,753	81,295,580	-72	2,422,420
Atlanta	171,334,971	41,205,813	2,074,363	1,001,581	2,768,802	375,017	189,280	1,851,165	50,231,818	75,616,315	5	580,326
Chicago	192,160,301	61,510,185	1,750,993	1,012,895	2,210,401	278,512	59,315	1,760,204	16,593,999	109,806,844	12	795,178
St. Louis	54,713,929	11,620,380	343,953	307,844	778,948	112,156	23,423	525,400	10,291,205	31,149,772	-27	277,727
Minneapolis	30,004,834	8,851,785	409,547	246,428	439,319	45,528	31,999	506,723	4,718,789	15,436,029	65	197,121
Kansas City	59,257,926	14,819,664	537,937	279,198	768,875	78,562	20,548	519,331	8,676,481	34,476,668	-9	195,778
Dallas	110,487,465	31,707,759	1,031,572	441,227	1,552,632	133,573	36,251	779,497	26,684,720	49,889,286	55	324,105
San Francisco	287,905,328	95,001,613	1,484,240	2,377,961	3,178,728	1,096,173	22,027	3,976,091	57,556,591	124,921,807	-17	1,314,232
<b>Total</b>	<b>2,589,305,790</b>	<b>914,675,928</b>	<b>36,971,762</b>	<b>17,614,118</b>	<b>22,826,000</b>	<b>7,602,877</b>	<b>750,950</b>	<b>30,722,654</b>	<b>422,500,470</b>	<b>1,198,433,402</b>	<b>-4</b>	<b>12,727,389</b>

Note: Components may not sum to totals because of rounding.

<sup>1</sup> For 1987 and subsequent years, includes the cost of services provided to the Treasury by Federal Reserve Banks for which reimbursement was not received.

<sup>2</sup> Starting in 2010, as required under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the Board of Governors began assessing the Reserve Banks to fund the operations of the Consumer Financial Protection Bureau and, for a two-year period beginning July 21, 2010, the Office of Financial Research. These assessments are allocated to the Reserve Banks based on each Reserve Bank's capital and surplus balances as of the most recent quarter.

<sup>3</sup> Represents transfers made as a franchise tax from 1917 through 1932; transfers made under section 13b of the Federal Reserve Act from 1935 through 1947; transfers made under section 7 of the Federal Reserve Act for 1996, 1997, and 2015 to present. Starting in 2022, represents earnings remittances to the Treasury, net of the deferred asset change.

<sup>4</sup> Transfers made under section 13b of the Federal Reserve Act.

<sup>5</sup> Transfers made under section 7 of the Federal Reserve Act. Beginning in 2006, accumulated other comprehensive income is reported as a component of surplus.

<sup>6</sup> The \$12,727,389 thousand transferred to surplus was reduced by direct charges of \$500 thousand for charge-off on Bank premises (1927); \$139,300 thousand for contributions to capital of the Federal Deposit Insurance Corporation (1934); \$4 thousand net upon elimination of section 13b surplus (1958); \$106,000 thousand (1996), \$107,000 thousand (1997), and \$3,752,000 thousand (2000) transferred to the Treasury as statutorily required; and \$1,848,716 thousand related to the implementation of SFAS No. 158 (2006) and was increased by a transfer of \$11,131 thousand from reserves for contingencies (1955), leaving a balance of \$6,785,000 thousand on December 31, 2021.

n/a Not applicable.

**Table G.11. Operations in principal departments of the Federal Reserve Banks, 2021–24**

Operation	2024	2023	2022	2021
<b>Millions of pieces</b>				
Currency processed	28,768	29,347	29,695	28,172
Currency destroyed	5,276	3,639	3,884	1,351
Coin received	37,015	37,028	31,932	30,370
<i>Checks handled</i>				
U.S. government checks <sup>1</sup>	36	40	46	131
Postal money orders	57	62	65	70
Commercial	2,978	3,146	3,374	3,657
Fedwire securities transfers <sup>2</sup>	29	26	22	19
Fedwire funds transfers <sup>3</sup>	210	193	196	204
National Settlement	1	1	1	1
FedNow instant payment transfer <sup>4</sup>	2	*	n/a	n/a
<i>Automated clearinghouse transactions</i>				
Commercial	20,109	18,858	18,518	17,895
Government	1,848	1,708	1,661	1,959
<b>Millions of dollars</b>				
Currency processed	740,228	738,523	707,947	657,495
Currency destroyed	91,735	81,914	83,906	20,426
Coin received	3,604	3,500	2,770	2,811
<i>Checks handled</i>				
U.S. government checks <sup>1</sup>	175,406	286,054	220,813	272,637
Postal money orders	18,227	19,522	19,467	20,161
Commercial	8,172,937	8,448,698	8,947,734	8,757,539
Fedwire securities transfers <sup>2</sup>	554,727,113	434,469,882	341,806,733	310,827,220
Fedwire funds transfers <sup>3</sup>	1,133,419,684	1,087,195,950	1,060,257,294	991,810,545
National Settlement	28,274,424	26,518,830	26,408,526	25,025,757
FedNow instant payment transfer <sup>4</sup>	38,197	18	n/a	n/a
<i>Automated clearinghouse transactions</i>				
Commercial	42,497,390	39,464,185	38,685,527	31,446,232
Government	8,532,630	8,001,098	7,890,609	8,118,875
<sup>1</sup> Includes government checks handled electronically (electronic checks). <sup>2</sup> Data on securities transfers do not include reversals. <sup>3</sup> Data on funds transfers do not include non-value transfers. <sup>4</sup> The FedNow Service began operating in July 2023. Data on instant payment transfers do not include non-value transfers. * Less than \$500,000. n/a Not applicable.				

**Table G.12. Number and annual salaries of officers and employees of the Federal Reserve Banks, December 31, 2024**

Federal Reserve Bank (including Branches)	President	Other officers		Employees				Total	
	Annual salary (dollars) <sup>1</sup>	Number	Annual salaries (dollars) <sup>1</sup>	Number			Annual salaries (dollars) <sup>1</sup>	Number	Annual salaries (dollars) <sup>1</sup>
				Full time	Part time	Temporary/ hourly <sup>2</sup>			
Boston	496,700	112	35,238,505	1,159	5	3	171,994,427	1,280	207,729,632
New York	568,100	576	183,650,390	2,408	10	0	399,623,734	2,995	583,842,224
Philadelphia	495,900	72	19,482,000	796	5	16	99,853,117	890	119,831,017
Cleveland	447,500	69	18,466,300	1,001	10	21	118,337,080	1,102	137,250,880
Richmond	462,500	105	27,554,290	1,461	4	7	174,264,581	1,578	202,281,371
Atlanta	476,000	130	35,422,175	1,605	8	24	188,622,072	1,768	224,520,246
Chicago	478,400	166	48,044,580	1,463	14	5	199,077,206	1,649	247,600,186
St. Louis	445,000	105	29,015,700	1,413	9	5	169,996,558	1,533	199,457,258
Minneapolis	496,000	63	17,041,237	1,038	39	19	115,576,110	1,160	133,113,347
Kansas City	444,900	113	27,714,900	1,901	16	3	194,477,818	2,034	222,637,618
Dallas	473,300	100	27,128,120	1,245	8	4	138,536,193	1,358	166,137,613
San Francisco	550,300	130	40,324,650	1,719	7	14	240,291,923	1,871	281,166,873
Federal Reserve Information Technology <sup>3</sup>	n/a	93	26,274,400	1,654	2	1	242,035,466	1,750	268,309,866
<b>Total</b>	<b>5,834,600</b>	<b>1,834</b>	<b>535,357,247</b>	<b>18,863</b>	<b>137</b>	<b>122</b>	<b>2,452,686,284</b>	<b>20,968</b>	<b>2,993,878,131</b>

Note: Components may not sum to totals because of rounding.

<sup>1</sup> Annual salary (excluding outside agency costs) based on salaries effective on December 31, 2024.

<sup>2</sup> Temporary/hourly employees are paid by the Bank, generally work less than 780 hours, and are employed on a temporary basis (such as interns).

<sup>3</sup> Reflects a subset of National IT employees.

n/a Not applicable.

**Table G.13. Acquisition costs and net book value of the premises of the Federal Reserve Banks and Branches, December 31, 2024**

Thousands of dollars

Federal Reserve Bank or Branch	Acquisition costs			Net book value	Other real estate
	Land	Buildings (including vaults) <sup>1</sup>	Total		
Boston	27,293	247,767	275,060	91,543	n/a
New York	137,994	673,523	811,517	429,983	n/a
Philadelphia	8,146	178,955	187,101	73,397	n/a
Cleveland	4,591	174,550	179,141	81,514	n/a
Cincinnati	4,877	37,190	42,067	10,691	n/a
Richmond	32,524	211,214	243,738	89,036	n/a
Baltimore	7,916	50,348	58,264	23,919	n/a
Charlotte	7,884	51,058	58,942	25,309	n/a
Atlanta	26,149	173,251	199,400	113,460	n/a
Birmingham	5,597	15,329	20,926	10,964	n/a
Jacksonville	2,185	34,286	36,471	16,297	n/a
New Orleans	3,785	19,586	23,371	10,121	n/a
Miami	15,619	105,099	120,718	94,501	n/a
Chicago	7,459	292,459	299,918	111,802	n/a
Detroit	13,812	80,182	93,994	60,170	n/a
St. Louis	9,467	159,510	168,977	75,954	n/a
Memphis	2,763	26,674	29,437	12,884	n/a
Minneapolis	28,199	135,497	163,696	89,916	n/a
Helena	3,316	10,756	14,072	5,854	n/a
Kansas City	39,504	224,333	263,837	179,143	n/a
Denver	6,054	36,849	42,903	29,321	n/a
Omaha	5,605	16,390	21,995	11,688	n/a
Dallas	37,960	176,900	214,860	109,214	n/a
El Paso	518	8,433	8,951	3,129	n/a
Houston	32,893	110,157	143,050	94,053	n/a
San Francisco	21,423	177,490	198,913	82,395	n/a
Los Angeles	6,306	118,796	125,102	60,920	n/a
Salt Lake City	1,294	6,917	8,211	2,086	n/a
Seattle	13,101	58,723	71,824	50,365	n/a
<b>Total</b>	<b>514,234</b>	<b>3,612,222</b>	<b>4,126,456</b>	<b>2,049,629</b>	<b>n/a</b>
<sup>1</sup> Includes expenditures for construction at some offices, pending allocation to appropriate accounts. n/a Not applicable.					



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