



FCA Board Meeting June 11, 2026

Tab 3

Semi-Annual Report on Office of Examination Operations

Angela Hanson, EGD Director
Gerard Gunner, OCE Examiner
Office of Examination





OE Operations Agenda Topics



▶ Fiscal Year 2026 Operating Plan Objectives

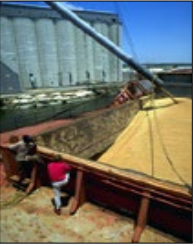
- Risk Supervision and Examination Activities
- Public Mission
- Operational Efficiency and Effectiveness
- Human Capital

▶ Office of Examination Budget Results



Risk Supervision & Examination

- ▶ Conducted **onsite** examination activities as planned at 4 funding banks, 36 associations (65%), and 2 other entities
- ▶ Issued 20 reports of examination, 11 interim activity letters, and 35 FIRS Letters
- ▶ Maintained a higher level of supervisory oversight at 2 institutions
- ▶ Issued examination guidance

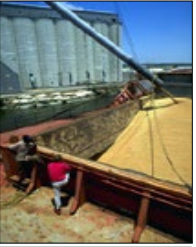




Risk Supervision & Examination (continued)

- ▶ FY2026 National Oversight Plan Focus Areas
 - Serving Agriculture in Volatile Times
 - Operational Resilience
 - Public Mission and Young, Beginning, and Small (YBS) Farmer and Rancher Programs
 - System Loan Data Reporting

- ▶ Completed or on target to complete the 5 systemic risk strategies and 1 institution risk strategy





Public Mission

▶ YBS Programs

- Examiners evaluated compliance with YBS regulations at select institutions

▶ Quantitative YBS Rating

- Continued working with the System to improve YBS lending and non-lending data
- Participated in the new FCA YBS data group with members from the Office of Data and Analytics, Office of Information Technology, and Office of Regulatory Policy





Operational Efficiency and Effectiveness



▶ EDGe Enhancement

- Continued to enhance the EDGe applications, tools, and reports

▶ Microsoft Teams Collaboration

- Continued to collaborate with OIT on improvements and provide training to examiners on best practices

▶ FCS Loan Database Improvements

- Continued to work with the System to add new data fields and assess and improve data reliability

▶ GIS Process Automation



Human Capital

- ▶ We are on target to complete strategies related to training, development, recruitment, retention and knowledge transfer
 - Hired 3 associate examiners, 1 commissioned examiner, and 2 technical specialists during the first half of the fiscal year
 - Experienced attrition of 11 employees or 6 percent in the first two quarters of the fiscal year
 - Compared to 4 percent during the same period in 2025





Human Capital (continued)

- ▶ We project to be below planned levels for total staff and commissioned examiners at fiscal yearend 2026



Total OE Staff¹

Total OE Staff	Planned	Projected	Variance
Beginning FY 2026	180	178	(2)
Attrition Retirements	(13)	(17)	(4)
Hirings	19	19	0
Ending FY 2026	186	180	(6)

Commissioned Examiners

Commissioned Examiners	Planned	Projected	Variance
Beginning FY 2026	87	87	0
Attrition Retirements	(4)	(5)	(1)
Promotion to EMT	(2)	(2)	0
Hirings	1	4	3
Newly Commissioned	14	8	(6)
Ending FY 2026	96	92	(4)

¹ We hired 10 people and had 4 separations since March 31, 2026

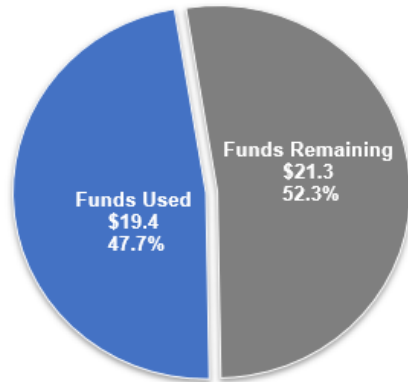


OE Budget Results

► Fiscal YTD as of 3/31/2026

- Actual expenses were below our net budget
- Full Time Equivalents (FTEs) are above budget due to approved hiring

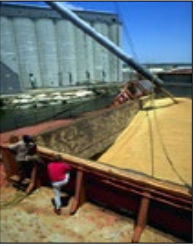
FY 2026 OE Budget
As of 3/31/2026



FTEs

◆ Projected Full Year FTE's	178.99
◆ Budgeted Full Year FTE's	177.42

Budget Variance	1.57
------------------------	-------------





Summary

- ▶ Effectively conducted examination and oversight activities through the first half of FY 2026
- ▶ On target to complete FY 2026 Operating Plan objectives
- ▶ Ensured OE had sufficient levels of highly skilled staff to accomplish our mission
- ▶ Operated within our budget





Discussion



THANK YOU