

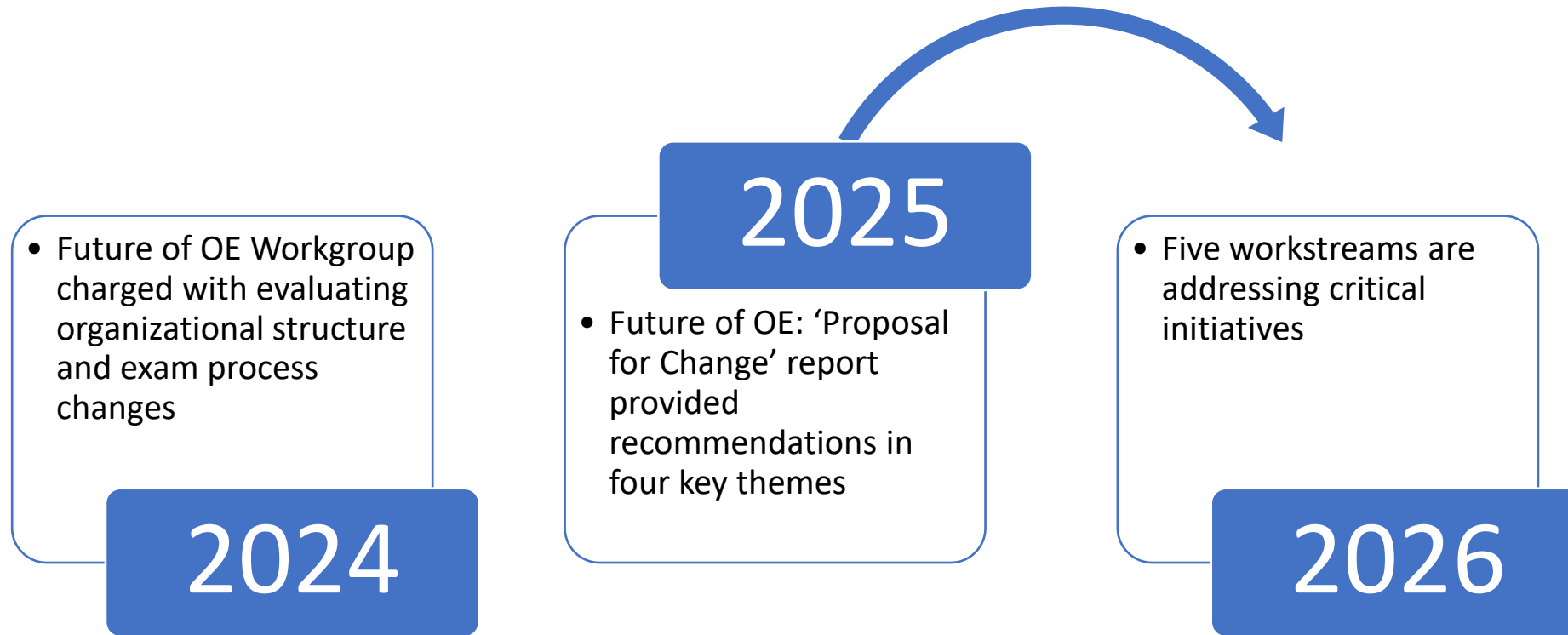


Future of the Office of Examination – Workgroup Update

Mindy Stultz, Senior Enforcement Examiner
Office of Examination



Future of OE Workgroup – Background





Exam Process Optimization and Workflow Analysis Workstream



Members

- EMT Sponsor
 - ✓ Bri Tomlinson
- Chair
 - ✓ Clayton Milburn

- Members:
 - ✓ Mindy Stultz
 - ✓ Jessica Campbell
 - ✓ John Stephens



Workstream objective to assess OE structure and exam processes

- OE engaged a vendor to support a comprehensive assessment of OE's current organizational structure and exam processes to help inform future-state design and long-term planning.
- Objectives of the engagement were defined to address recommendations coming out of the internally developed "Future OE: Proposal for Change" report.
- Importantly, while efficiency is one of the stated objectives of this work, OE is approaching that goal through the lens of strengthening our ability to deliver on our core mission to the highest standard.



Vendor report confirmed OE strengths while identifying meaningful opportunities

Workforce Optimization

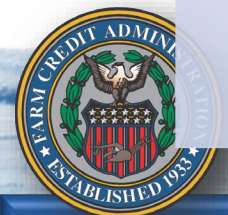
- Institute a principles-based exam framework
- Clarify accountabilities
- Modernize reporting
- Improve mid-career onboarding

Technology Opportunities

- Leverage SI to reduce manual tasks
- Modernize internal search retrieval
- SI-assisted report analysis and synthesis
- Intelligent meeting capture

Organizational Structure Options

- Flatten reporting relationships
- Reduce silos
- Support succession planning



Principles-based examination framework

- Develop and implement a structure to guide the examination lifecycle rooted in shared principles
- The goal is to drive a common understanding of:
 - core processes and deliverables, and
 - the related expectations for all stakeholders in the exam lifecycle



Core examination process refinement

- The principles-based examination framework may include core process refinements, such as:
 - Workpaper documentation
 - Levels of work product review
 - Role clarity



Looking Forward

- By addressing these recommendations, OE will
 - strengthen organizational effectiveness,
 - optimize examiner capacity, and
 - evolve its operating model to support risk-based supervision and carry out our mission.





Information Access and Centralization Workstream

Erin Cork, Commissioned Examiner
Office of Examination



Members

- EMT Sponsor
 - ✓ Angela Hanson
- FOE Consultant
 - ✓ Mindy Stultz
- Chairs
 - ✓ Rachel Connolly
 - ✓ Reyna Kandahari
- Members:
 - ✓ Chelsea Mercer
 - ✓ Liz Thies
 - ✓ Betsy States



Objectives

- Improve how examiners find and access information.
- Reorganize and cleanup the Office of Examination's (OE) online workspaces and OE shared drives.
- Draft processes to keep OE's shared areas maintained and organized.
- Support the SI initiatives led by the Office of Information Technology and the Office of Data Analytics and Economics.



Notable Milestones and Accomplishments

- Identified ways and developed a plan to reorganize and improve OE's internal sites.
- Created new and updated existing technical program sites.
- Cleaned up the OE Announcements site and added new announcement categories.



Next Steps

- Finalize the cleanup of OE online worksites and OE Shared Drives.
- Create a Staff Development Division site.
- Create internal FAQ sites for all technical program sites.
- Continue coordinating with the Office of Information Technology and the Office of Data Analytics and Economics to improve examiner applications. This includes assisting with super intelligence initiatives.
- Continue to coordinate with OIT on the migration of online worksites to the cloud and planning workstream efforts around the migration.





Feedback Training and Reform Workstream



Members

- EMT Sponsor
 - ✓ Angela Greenlee
 - FOE Consultant
 - ✓ Jessica Campbell
 - Chair
 - ✓ Trent Henry
- Members:
 - ✓ Cris Beckers
 - ✓ Carly Buckley
 - ✓ Erin Cork
 - ✓ Scott Fatula
 - ✓ Erica King
 - ✓ Kaileen Rouin



Background and Objectives

The existing feedback process included a rating and was perceived by staff as performance documentation rather than a means for growth and improvement. Objectives include:

- Eliminating the rating, establishing ongoing and frequent feedback training, and encouraging a culture of development.
- Implementing 360 feedback on the examination process.
- Promoting and incorporating team-level debriefs after exams.



Present Focus

- Decouple performance ratings from feedback
- Increase avenues for feedback delivery
- Work with the Office of Agency Services on development of feedback training
- Align internal guidance with changes



Next Steps

- Finalize examiner feedback and 360 feedback processes
- Update the digital feedback platform
- Update existing OE guidance (OE Directive 56)
- Conduct feedback training
- Develop ongoing feedback training cadence





Strengthening IT Examination Capabilities Workstream

Grant Gaither, IT Specialist Program Manager
Office of Examination



IT Examination Capabilities Workgroup Members

- EMT Sponsor
 - ✓ Curtis Bednarz
- FOE Consultant
 - ✓ John Stephens
- Chair
 - ✓ Evan Beemer

- Members:
 - ✓ Regina Cacciavillani
 - ✓ Ryan Hellen
 - ✓ Devin Bryant
 - ✓ Grant Gaither



Background & Objective

- IT operations, information security, systems development and implementation, data governance, model risk, vendor risk, and other technology related areas of operations are emerging as preeminent risk concerns for most System institutions.
- Our objective is to develop and implement strategies to improve OE examiners' expertise in examining IT and related operational areas and risks



Notable Milestones and Accomplishments

- Developed a comprehensive universe of IT examination areas
- Defined expectations for Exam Management examiners versus IT Specialists
- Aligned examination expectations with institution IT risk and complexity
- Expanded the IT risk-tiering framework from two tiers to three
- Developed tier definitions and criteria
- Developed and delivered the post-commissioned IT internal controls course



What's in progress

- Implementing the three-tier IT risk framework into the institution profile page and scoping tool
- Developing and implementing pre-commissioning IT training and on-the-job training
- Delivering our 2nd offering of post-commissioned IT internal controls course in Denver field office
- Establishing training requirements for EICs and ROs
- Continuing to expand IT specialist program staffing



Next Steps

- Finalize institution profile and scoping tool enhancements supporting the new IT risk tiers – January 2027
- Fully implement pre-commissioning IT training – Date to be determined
- Continue expanding IT Specialist program capacity – November 2026
- Reassess examiner training and specialist coverage as technology risks evolve – Ongoing in 2027 and beyond





Super Intelligence and Innovative Partnerships Workstream



Members

- EMT Sponsor
 - ✓ Dan Fennewald and Hillary Cooper
- FOE Consultant
 - ✓ Clayton Milburn
- Chair
 - ✓ Matt Alizadeh
- Members:
 - ✓ Grant Gaither
 - ✓ Scott Mennenga
 - ✓ Brandon Arnold



Background

Staff expressed the need for super intelligence (SI) and other innovations to make examination processes more effective and efficient.



Objectives

-  **Prioritizing SI Initiatives** – Focus on SI use cases and user activities that are needs based and high value
-  **Cross-Agency Partnerships** – Formal partnerships align strategic goals with technical capabilities
-  **Leverage Existing Work** – Identify synergies and ways to leverage existing work being completed to accelerate deliverable of projects
-  **Safe and Strategic Integration** – Help ensure SI technologies are integrated securely and strategically to improve examination effectiveness while managing associated risks



Objective #1 – Prioritizing SI Initiatives

- Workgroup developed a list of use cases and solicited OE's feedback on what would be helpful for examiners
- Analyzed which cases would benefit examiners the most as well as which cases could be achieved with current technology
- Discussed results with OIT and ODAE to determine what use cases would provide greatest impact
- Set timelines based on the complexity of each use case and whether new technology would be required



Objective #2 – Cross-Agency Partnerships

- Set up monthly meetings with OIT and ODAE to discuss current project status and priority
- Define what OE business requirements are and determine best ways to achieve the results
- Partner with OIT and ODAE to test functionality and provide feedback on results



Objective #3 – Leverage Existing Work

- Many of the OE use cases can leverage existing SI platform
- Migrating to our online workspace to the cloud will expand SI functionality
- Customized chatbots are being created using existing platform licenses



Objective #4 – Safe and Strategic Integration

- Working closely with Information Security / Data Privacy to ensure sensitive data protection
- Provide guidance to staff on appropriate SI use and associated risks including completeness, accuracy, privacy, bias, hallucinations, and other related risks



Notable Milestones and Accomplishments

- Several efforts underway across different parts of the SI landscape.
- As mentioned, many of the workstream's milestones and accomplishments were developed collaboratively with FCALabs, OIT, and ODAE.
- Additional details will be covered in the upcoming FCALabs presentation.



Next Steps

- **OE Tailored SI Training** – Continue delivering SI training to OE staff
- **Ongoing Coordination Meetings** – Continue to meet with ODAE and OIT monthly to monitor progress and provide testing feedback
- **Ongoing Testing Facilitation** – Currently testing customized chatbots for completeness and accuracy of results

