

SUBCHAPTER A—OFHEO ORGANIZATION AND FUNCTIONS

PART 1700—ORGANIZATION AND FUNCTIONS

Sec.

1700.1 Office of Federal Housing Enterprise Oversight.

1700.2 Organization of the Office of Federal Housing Enterprise Oversight.

1700.3 Official logo and seal.

AUTHORITY: 5 U.S.C. 552; 12 U.S.C. 4513, 4526.

SOURCE: 59 FR 62304, Dec. 5, 1994, unless otherwise noted.

§ 1700.1 Office of Federal Housing Enterprise Oversight.

(a) *Scope and authority.* The Office of Federal Housing Enterprise Oversight (referred to as OFHEO) is an independent office within the Department of Housing and Urban Development. OFHEO was created by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Act), Title XIII of the Housing and Community Development Act of 1992 (Pub. L. 102-550, October 28, 1992; 106 Stat. 3943; 12 U.S.C. 4501, *et seq.*). OFHEO is responsible for the examination and financial regulation of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (collectively, the Enterprises). OFHEO is charged with ensuring that the Enterprises are adequately capitalized and operating in a safe and sound manner. OFHEO's costs and expenses are funded by annual assessments paid by the Enterprises. OFHEO is headed by a Director, who is appointed by the President and confirmed by the Senate for a five-year term.

(b) *Location.* OFHEO is located at 1700 G Street NW., 4th Floor, Washington, DC 20552. OFHEO's hours of business are 8:30 a.m.–5:00 p.m. (eastern standard time), Monday through Friday, excluding Federal holidays.

§ 1700.2 Organization of the Office of Federal Housing Enterprise Oversight.

(a) *Director.* The Director has exclusive authority under the Act with respect to the management of OFHEO, and is responsible for directing the de-

velopment, implementation, and review of all OFHEO programs and functions. The Director appoints such personnel as may be necessary to carry out the functions of OFHEO. The Director may delegate to OFHEO officers and employees any of the functions, powers, and duties of the Director, as the Director considers appropriate. The Director may establish and fix the responsibilities of the offices within OFHEO as the Director deems necessary for the efficient functioning of OFHEO.

(b) *Deputy Director.* The Deputy Director of OFHEO is appointed by the Director in accordance with the Act. In the event of the absence, sickness, death or resignation of the Director, the Deputy Director serves as acting Director until the Director's return or the confirmation of a successor. The Deputy Director performs such functions, powers and duties as the Director determines are necessary with respect to OFHEO's management and the development and implementation of OFHEO's programs and functions.

(c) *Executive Director and Chief of Staff.* The Executive Director and Chief of Staff of OFHEO heads the Office of Executive Director. The Executive Director and Chief of Staff reports to the Director and the Deputy Director. The Executive Director and Chief of Staff is the chief administrative officer of OFHEO, serves as a legal advisor on administrative matters, and coordinates communication and cooperation on administrative issues with the Office of General Counsel.

(d) *Offices and functions.* (1) Office of Executive Director. The Office of Executive Director consists of the Office of Budget and Financial Management, the Office of Human Resources Management, the Office of Technology and Information Management, and the Office of Strategic Planning and Management. The Office of Executive Director is responsible for OFHEO-wide management and oversight of all administrative matters.

(2) *Office of Examination.* The Office of Examination plans and conducts examinations of the Enterprises, as required by the Act, prepares and issues reports of examination summarizing the financial condition and management practices of each Enterprise, and seeks preventative and corrective actions as appropriate. The Office complements its on-site examination activities with off-site financial safety and soundness monitoring.

(3) *Office of Capital Supervision.* The Office of Capital Supervision ensures the comprehensive evaluation and classification of the capital adequacy of the Enterprises, the assessment of risks that impact capital and the development of tools to measure such risks. The Office ensures the integrity of capital classifications by effectively producing results under the minimum and risk based capital models and systems and by implementing appropriate enhancements to those measures. The Office assesses new GSE activities under the capital regime and addresses changes in accounting standards. The Office supports its responsibilities as well as other OFHEO offices through research on alternative models and measurements of risk and capital adequacy.

(4) *Office of General Counsel.* The Office of General Counsel advises the Director and OFHEO staff on all legal matters concerning the functions, activities, and operations of OFHEO and of the Enterprises under the Act. The Office is responsible for interpreting the Act and other applicable law, including financial institutions regulatory issues, securities and corporate law principles, and administrative and general legal matters. This Office also coordinates the preparation of legislation and agency regulations and works with other counsels in the government.

(5) *Office of External Relations.* The Office of External Relations is responsible for coordinating and communicating on behalf of OFHEO with the Congress, for monitoring relevant legislative developments, and for analyzing and assisting the Director in developing legislative proposals. The Office also is responsible for directing and coordinating communication with the news media and the public as well

as participating in planning programs for OFHEO.

(6) *Office of Policy Analysis and Research.* The Office of Policy Analysis and Research conducts policy analysis and research to assess the short- and long-term impact on the regulatory and supervisory functions of OFHEO of trends and developments in Enterprise activities, housing finance and financial regulation. The Office also prepares data series, reports and research papers; works with other OFHEO offices to develop policy options; and, makes recommendations to the Director on a broad range of policy issues.

(7) *Office of Compliance.* The Office of Compliance assists the Director in ensuring that the Enterprises operate in compliance with applicable laws, regulations and safety and soundness standards. The Office conducts special review and examinations on focused issues that may arise at the enterprises or that are of concern to OFHEO, often in coordination with other OFHEO offices, to assess compliance and obtain information. The Office also assists in providing information for enforcement actions and other activities as requested by the Director.

(8) *Office of Chief Accountant.* The Office of Chief Accountant advises the Director and OFHEO staff on all accounting matters related to the Enterprises. The Office develops policies regarding accounting and financial reporting and monitors accounting standards that affect the Enterprises, working with the Enterprises at a policy level on emerging issues. The Office supports and coordinates accounting resources within the agency to assure the best and most efficient use of those resources. The Office supports other offices in providing consistent accounting policy interpretation across OFHEO and works with external constituencies on accounting issues.

(e) *Additional information.* Current information on the organization of OFHEO may be obtained by mail from the Office of External Affairs, 1700 G Street NW, 4th Floor, Washington, DC 20552. Such information, as well as other OFHEO information, also may be obtained electronically by accessing

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OFHEO's website located at *www.OFHEO.gov*.

[59 FR 62304, Dec. 5, 1994, as amended at 65 FR 39787, June 28, 2000; 69 FR 18809, Apr. 9, 2004; 70 FR 59629, Oct. 13, 2005]

§ 1700.3 Official logo and seal.

The section describes and displays the logo adopted by the Director as the official symbol representing the Office of Federal Housing Enterprise Oversight. It is displayed on correspondence, selected documents, and signage. The logo serves as the official seal to authenticate official documents of the Agency.

(a) *Description.* The logo is a disc consisting of two concentric circles enclosing the words "Office of Federal Housing Enterprise Oversight" and the inaugural year, 1993. In the center of the disc is a stylized image of a structure consisting of a solid two-tiered pedestal base topped by a solid triangular shape, which represents the roof of the structure. Placed between the base and the top are the letters "OFHEO." These letters spell out the acronym of the Office of Federal Housing Enterprise Oversight and act as a visual link between the top and bottom of the structure.

(b) *Display.* The Office of Federal Housing Enterprise Oversight's official logo and seal appears below:



[68 FR 32629, June 2, 2003]

PART 1701—ASSESSMENTS

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1701.1 Purpose.

1701.2 Definitions.

1701.3 Annual assessment.

1701.4 Increase in semiannual payment.

1701.5 Notice and review.

1701.6 Delinquent payment.

1701.7 Enforcement of payment.

1701.8 Deposit in fund.

AUTHORITY: 12 U.S.C. 4513(b)(1) and 12 U.S.C. 4516.

SOURCE: 66 FR 18039, Apr. 5, 2001, unless otherwise noted.

§ 1701.1 Purpose.

This part sets forth the policy and procedures of OFHEO with respect to the establishment and collection of the annual assessments of the Enterprises under section 1316 of the Act (12 U.S.C. 4516).

§ 1701.2 Definitions.

For purposes of this part, the term—

(a) *Act* means the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, Title XIII of the Housing and Community Development Act of 1992, Pub. L. 102-550, section 1301, Oct. 28, 1992, 106 Stat. 3672, 3941-4012 (1993) (12 U.S.C. 4501 *et seq.*).

(b) *Adequately capitalized* means the adequately capitalized capital classification under section 1364 of the Act (12 U.S.C. 4614).

(c) *Director* means the Director of the Office of Federal Housing Enterprise Oversight or his or her designee.

(d) *Enterprise* means the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation; and the term "Enterprises" means, collectively, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(e) *Surplus funds* means funds that are not obligated as of September 30 of each fiscal year that were collected from any Enterprise pursuant to § 1701.3 or § 1701.4.

(f) *Total assets* means the sum, as of the most recent June quarterly minimum capital report of the Enterprise, of the amounts of the following assets that are used to calculate the quarterly minimum capital requirement of the Enterprise under 12 CFR part 1750:

- (1) On-balance sheet assets;
- (2) Off-balance sheet mortgage-backed securities; and
- (3) Other off-balance sheet obligations.