

FDIC



OFFICE OF THE
OMBUDSMAN

2023

2023 Annual Report of Activities

ACTING DIRECTOR'S MESSAGE

Since January 1, 2024, I have been honored to lead the Office of the Ombudsman as the Acting Director. To this role, I bring experiences in various management capacities in risk management, internal controls, and auditing, since joining the FDIC in 2009.

Our annual report captures and aggregates the work of the Office of the Ombudsman during 2023. This report shares common themes of stakeholder feedback and requests for assistance that we received in 2023. Our Regional Ombudsmen continued a robust outreach program to help ensure all FDIC-supervised institutions are aware of the services offered by the Office.

The Office continues to fulfill its responsibilities on the Supervision Appeals Review Committee (SARC). The SARC reviews appeals of material supervisory determinations from insured depository institutions (IDI). As a non-voting member of the SARC, the Ombudsman is a neutral advocate for a fair appeals process and provides the Office's perspective on the matters presented.

Former Director Anthony Lowe retired in November 2023, and we are focused on re-establishing permanent leadership in the Office and continuing to ensure that institutions are treated fairly throughout the FDIC's examination, supervisory, and resolution processes. We welcome your feedback on this report and stand ready to assist your institution.



Sincerely,

JILL A. LENNOX
Acting Director

 703-562-6040

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OUR MISSION

The Office of the Ombudsman serves as an **independent, neutral, and confidential** liaison for the banking industry and general public by facilitating the resolution of problems and complaints against the FDIC related to its regulatory activities in a fair, impartial, and timely manner. The Office provides **meaningful feedback** to influence **positive change**.

REGIONS



WHO ARE WE

The Office of the Ombudsman is a team of highly qualified, experienced, and dedicated staff who help bankers, and others affected by the FDIC's regulatory or resolution-related activities, when they experience difficulty interacting with the FDIC. Our diverse backgrounds and credentials make us uniquely qualified to assist bankers. In addition to our regulatory experience, team members provide diversity of thought from prior experience as bank employees and consultants. We also hold accounting, fraud, regulatory compliance, risk management, public leadership, and Ombudsman professional credentials. We are independent from the FDIC's supervisory activities, and our work is not controlled or overseen by personnel responsible for directing those activities. We support a stakeholder's right to question agency decisions or actions without fear of retaliation. We advocate for the fair and consistent application of laws and regulations, as well as fair treatment of all stakeholders throughout the FDIC's supervisory and resolution processes.



PRIMARY EXTERNAL STAKEHOLDERS

Bankers
Banking Trade Associations
State Banking Authorities



PRIMARY INTERNAL STAKEHOLDERS

FDIC Chairman
SARC
FDIC Division Directors
FDIC Office Directors

OUR CORE VALUES



INDEPENDENT

We are independent of the FDIC's supervision, resolution, and receivership processes.



NEUTRAL

We do not take sides. We advocate for fair processes.



CONFIDENTIAL

We will not disclose complainant information without permission, unless required by law.



INFORMAL

We act as a liaison to resolve issues in an informal manner. We facilitate productive communication for mutual understanding and cooperation.

BY THE Numbers

31

Average tenure of staff (years)



6

Number of regions

2,930

Number of FDIC-supervised institutions



Each FDIC-supervised institution has a dedicated Regional Ombudsman. [CLICK HERE](#) to find your Regional Ombudsman.

WHAT CAN WE DO FOR YOU?

The Office of the Ombudsman helps to address questions or concerns that may arise when FDIC stakeholders interact with the FDIC on regulatory-related matters. We provide an informal, impartial, and confidential channel to address these matters. As a liaison, we listen, answer questions, facilitate discussions, provide information, identify opportunities for positive change, and help external stakeholders to connect with the right people. We will keep your identity and the information you share with us confidential, unless you give us permission to disclose it to someone outside our office.

Our Office also analyzes case findings and feedback from industry stakeholders to identify common themes and trends. We report these, without identifying individuals or institutions, to the FDIC Chairman, Vice Chairman, and appropriate FDIC leadership.



	HAVING DIFFICULTIES?
<input type="checkbox"/>	You disagree with examination findings or ratings.
<input type="checkbox"/>	You believe an examination was not performed in accordance with published standards.
<input type="checkbox"/>	You believe supervisory decisions did not appropriately consider your institution's risk profile.
<input type="checkbox"/>	You believe your institution has been the subject of retaliation, abuse, or retribution after disputing supervisory findings, ratings, or determinations.
<input type="checkbox"/>	You have been unable to obtain regulatory information, or clarification on regulatory requirements, from your case manager or other supervisory personnel.
<input checked="" type="checkbox"/>	IF STANDARD RESOLUTION PROCESSES HAVE NOT WORKED, CALL AN OMBUDSMAN!

LEADERSHIP

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JILL A. LENNOX

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Associate Ombudsman
AMY BROWN

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WHAT DID WE DO?

HOW WE ACHIEVED OUR MISSION IN 2023

574
NUMBER OF
STAKEHOLDER
MEETINGS

Regional Ombudsmen met with 574 external stakeholders during 2023 to:

- Provide awareness of our services
- Initiate or strengthen relationships with the Office
- Share direct contact information



OF THE BANKERS
THAT RESPONDED
TO OUR CUSTOMER
SATISFACTION SURVEY

98%
WOULD UTILIZE
THE OMBUDSMAN'S
SERVICES IF NEEDED

85%
SAID THE SERVICES
THEY USED WERE
MOSTLY OR VERY
EFFECTIVE

33
NUMBER OF
STAKEHOLDER
CONSULTATIONS

Stakeholders sought advice or assistance for a variety of supervision-related problems. A large majority of these stakeholders were bankers who wanted to understand the options or specific FDIC processes for resolving a problem on their own.

Other stakeholders, with similar problems, asked the Regional Ombudsmen to facilitate communication or take other actions to advance a resolution. While each situation was unique, two themes were the most prevalent:



**APPROXIMATELY ONE
QUARTER OF THE
STAKEHOLDERS SAID**

they received no communication about a report of examination or a pending application when the processing timeframes extended beyond published guidelines or reasonable expectations.



**APPROXIMATELY
ONE-THIRD OF THE
STAKEHOLDERS**

disagreed with examination conclusions, ratings, expected corrective actions, or application decisions.

87
NUMBER OF
INFORMATION
REQUESTS

Stakeholders requested a wide variety of information during 2023. Requests about regulatory requirements remained the most common, but no specific regulation or guidance dominated the requests. Similarly, each request for information about FDIC policy requirements differed from the other requests. Approximately half of the requests for FDIC contact information were for regional office personnel.

MOST FREQUENT REQUESTS:



REGULATIONS
OR GUIDANCE



FDIC POLICIES
OR PROCEDURES



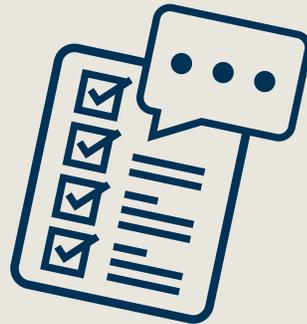
FDIC CONTACT
INFORMATION

WHAT? DID WE DO

41%
**POST-
EXAMINATION
SURVEY
RESPONSE RATE**

The Office administers the Post-Examination Survey (PES) for the divisions of Risk Management Supervision (RMS) and Depositor and Consumer Protection (DCP). The PES solicits candid feedback from bankers about their most recent examination.

IN 2023, 901 BANKERS, OR 41% OF BANKERS SURVEYED, RESPONDED TO THE PES. The survey statement with which the largest proportion of bankers agreed (95%) was that examiners treated bank personnel professionally. The survey statement with which the smallest proportion of bankers agreed (87%) was that the examination was completed in a timely manner.



To preserve the confidentiality of respondents, we consolidate response results and anonymize narrative comments before sharing the information with RMS and DCP Divisions Directors.

2
**SARC
DETERMINATIONS**



**THE OMBUDSMAN PARTICIPATED
IN SARC APPEALS FILED BY
TWO BANKS.**

As a non-voting member of the SARC, we verify that both parties to each appeal receive all materials considered by the SARC, monitor the supervision process after the submission a SARC appeal for possible retaliation against the appealing institution, and periodically report to the FDIC's Board or Directors about the monitoring process and any signs of retaliation. [Click here to learn more about the SARC process.](#)



WHAT DID WE HEAR

472

**NUMBER OF BANKER
FEEDBACK SESSIONS**



Regional Ombudsmen offer bankers private, confidential sessions to provide feedback and observations on FDIC supervisory processes. This candid feedback helps to ensure FDIC supervision remains fair. Each month, the Office analyzes feedback and reports common themes and trends, in an anonymized manner, to the FDIC Chairman and Vice Chairman, as well as RMS and DCP leadership.

We continue to hear more favorable than unfavorable feedback about examiners and the supervisory process. Examiners are frequently described as professional, knowledgeable, and helpful. The branch application process is usually described as smooth and efficient. Within the unfavorable feedback we noted three recurring themes: risk focused examinations; NSF re-presentation violations; and timely communication with bankers.

NON-SUFFICIENT FUNDS RE-PRESENTMENT



Although less prevalent than in 2022, bankers continued to express concerns regarding the agency's NSF re-presentation reviews in 2023. Industry concerns included a perceived change in regulatory expectations absent advance notice and a grace period to comply with re-presentation guidance. Bankers also noted cumbersome "look-back" reviews.

RISK FOCUSED EXAMINATIONS

Bankers noted that reports of examination criticized practices or conditions that did not violate regulations or pose undue risk to their bank's operations or financial condition. Bankers also described occasions where examiners did not sufficiently tailor document request lists and examination procedures to the bank's business model and risk profile. They reported that this "one size fits all" approach often produced preliminary criticisms that did not reflect an understanding of their bank's specific compliance or risk management processes.



TIMELY COMMUNICATION WITH BANKERS

Bankers reported frustration over prolonged periods with no communication from the FDIC, after an onsite examination concluded or an application was submitted. The silence may produce distrust, confusion, and uncertainty for the bankers. Organizers and bankers filing deposit insurance, merger, or change-in-control applications, noted that they incurred sizeable legal and other costs while waiting for a response from the FDIC.



HOW CAN YOU RESPOND?

SHARE YOUR FEEDBACK ABOUT THIS REPORT



ACCESS THE ANONYMOUS [ONLINE FORM](#)



HELP IMPROVE FDIC PROCESSES

Your thoughts and opinions about supervisory or resolution processes are important to FDIC leadership. Please **contact the Ombudsman** to share your comments, suggestions, or observations.

CONTACT THE **OMBUDSMAN**
WHEN YOU NEED SERVICE THAT IS:

CONFIDENTIAL
NEUTRAL
INDEPENDENT
INFORMAL



ACCESS THE ANONYMOUS [ONLINE FORM](#)

**OFFICE OF THE
Ombudsman**



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