

2026

ANNUAL REPORT

FEDERAL FINANCING BANK

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November 16, 2026

Dear Reader,

I am pleased to present the Federal Financing Bank's (FFB) 2026 Annual Report, which summarizes the FFB's performance and accomplishments for the year. The FFB is committed to providing timely and reliable information to its stakeholders.

The FFB closed fiscal year 2026 with net loans receivable of $226.67 billion and a net position of $7.51 billion. During the year, the FFB executed 53 new lending commitments totaling $325.92 billion and made 353 loan disbursements totaling $8.66 billion. Net income for fiscal year 2026 was $321.81 million.

Strong financial management and effective internal controls are our highest priorities. This year, the FFB achieved a significant milestone with the issuance of its inaugural SOC 1® Type 2 report. An independent public accounting firm examined the FFB's description of its loan services system and the design and operating effectiveness of its related controls for the period July 1, 2025 through June 30, 2026. The examination concluded that the FFB's system description was fairly presented, the controls were suitably designed, and the controls operated effectively throughout the examination period.

The FFB received an unmodified opinion from its independent auditors on its financial statements for the fiscal years ended September 30, 2026, and 2025. This represents the Bank's thirty-third consecutive year of receiving an unmodified or equivalent audit opinion. No material weaknesses in internal control over financial reporting were identified during the audit.

Together, these independent examinations provide our customer agencies with additional confidence in the FFB's loan management practices and related internal controls. The FFB's financial statement audit and SOC 1 report are available on the Treasury Office of Inspector General's website: https://oig.treasury.gov/reports/audit-and-evaluation.

Looking ahead, the FFB will enhance its loan management system, strengthen cybersecurity, and develop new loan pricing capabilities. Most importantly, we will focus on providing our customer agencies with efficient access to capital and expert financial advice, helping to reduce federal borrowing costs and deliver savings to taxpayers.

Sincerely,
Christopher L. Tuttle



Chief Financial Officer

Management's Discussion and Analysis

Overview

The Federal Financing Bank (FFB) is a government corporation under the general supervision and direction of the Secretary of the Treasury. Congress created the FFB in 1973 at the request of the U.S. Department of the Treasury (Treasury). The FFB borrows from Treasury and lends to Federal agencies and private entities that have Federal guarantees. The FFB also has debt obligations issued to the Civil Service Retirement and Disability Fund (CSR&DF).

Mission of the Federal Financing Bank

The mission of the FFB is to reduce the administrative and borrowing costs of Federal and federally assisted borrowings, to coordinate such borrowings with the Government's overall fiscal policy, and to ensure that programs execute borrowings in ways that least disrupt private markets. To accomplish this mission, the FFB exercises its statutory authority to purchase obligations issued, sold, or guaranteed by Federal agencies.

Federal Financing Bank Objectives

The FFB is the vehicle through which Federal agencies finance programs involving the sale or placement of credit market instruments including agency securities, guaranteed obligations, participation agreements, and the sale of assets, consistent with the Federal Financing Bank Act of 1973 (12 U.S.C. § 2281 et seq.) and its legislative history.

The FFB makes funds available to Federal agencies and to federally guaranteed borrowers as required by the relevant Federal agency program rules and regulations. The FFB can provide a lending rate consistent with Treasury's costs of funds for any loan amount and any repayment terms. The FFB applies terms such as prepayment provisions and service charges consistently for all borrowers.

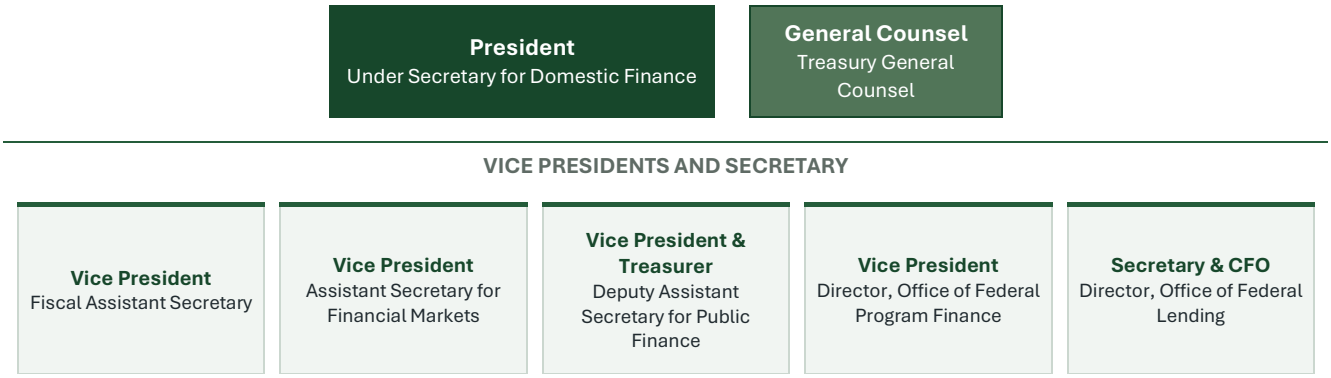
The lending policy and operating capability of the FFB are flexible such that Federal agencies do not need to borrow and accumulate pools of funds for future use. However, the policy does not preclude the maintenance of liquidity reserves by agencies with such a need. The lending policy precludes agencies from borrowing from the FFB to invest in private credit instruments, unless provided for in agency lending programs, or to speculate in the market for public securities.

Organizational Structure

The FFB is subject to the general supervision and direction of the Secretary of the Treasury. The FFB's Board of Directors includes the incumbents of the following Treasury offices: The Secretary of the Treasury, who, as provided by law, is the Chairman; the Deputy Secretary; the Under Secretary for Domestic Finance; the General Counsel; and the Fiscal Assistant Secretary.

The FFB's officers are the incumbents of the following Treasury positions (corresponding FFB offices are in parentheses): the Under Secretary for Domestic Finance (President); the General Counsel (General Counsel); the Fiscal Assistant Secretary (Vice President); the Assistant Secretary for Financial Markets (Vice President); the Deputy Assistant Secretary for Public Finance (Vice President and Treasurer); the Director of the Office of Federal Program Finance (Vice President); and the Director of the Office of Federal Lending (Secretary and Chief Financial Officer). A delegation by the FFB President authorizes any FFB Vice President, in conjunction with any other FFB officer, to exercise the powers of the Presidency.

FFB Officers



Management Structure

The FFB's management structure consists of four lines of functional accountability: Accounting, Information Technology, Lending, and Operations. Each of these four lines forms a department, led by a director; all directors report to *the Chief Financial Officer*. Below is a description of each director's responsibilities:

- The *Director of Accounting* is responsible for loan transactions, overseeing loan disbursements and repayments, as well as managing accounting and financial reporting.
- The *Director of Information Technology* is responsible for management and oversight of IT infrastructure, including software development and maintenance of mission critical applications that support lending and accounting functions.
- The *Director of Lending* is responsible for loan administration functions including loan origination, loan structuring, credit analysis, and managing customer relationships.
- The *Director of Operations* is responsible for the general management functions of the FFB, including budgeting, procurement, human resources, external affairs, strategic planning, executive correspondence, and facilities management.

Financial Highlights

The FFB received an unmodified opinion from its independent auditors on its fiscal year 2026 financial statements.

As of September 30, 2026, net loans receivable was $226.67 billion. For the fiscal year ending September 30, 2026, interest on loans was $8.92 billion, interest on borrowings was $8.59 billion, revenue from servicing loans totaled $0.46 million, and administrative expenses totaled $12.59 million.

Net income was $321.81 million for the fiscal year 2026. The Bank's net position stood at $7.51 billion at September 30, 2026.

Loan Portfolio

The FFB makes funds available to Federal agencies and to federally guaranteed borrowers as required by the relevant Federal agency program rules and regulations. Excluding the United States Postal Service (USPS), all loans in the FFB's portfolio are full faith and credit obligations of the United States. As of September 30, 2026, the FFB's loan portfolio, measured as net loans receivable, totaled $226.67 billion.

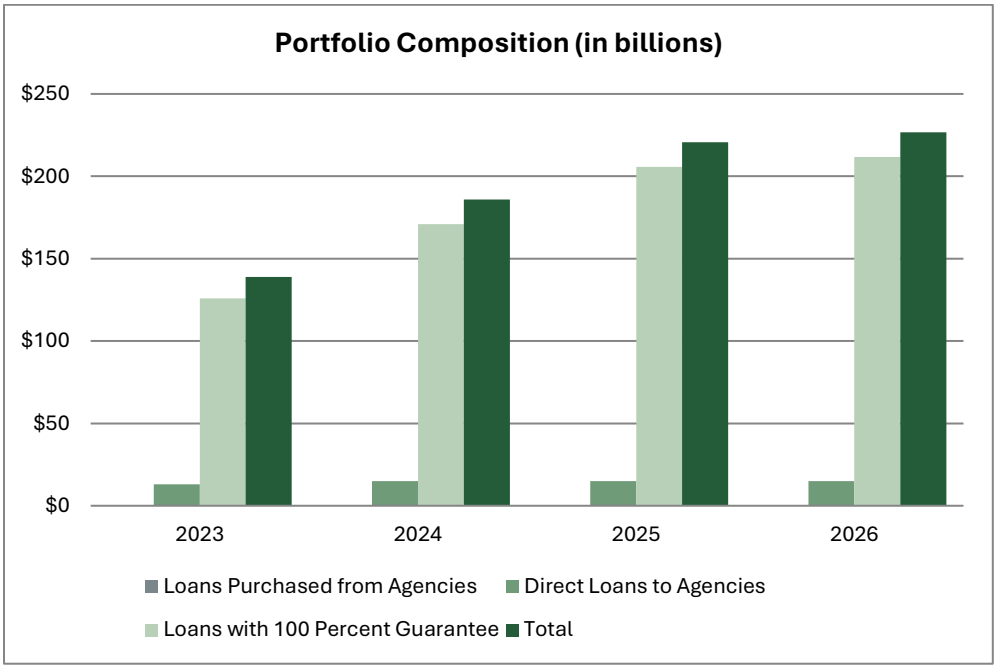
Below is a summary of our activity by customer agency:

- The ***Rural Utilities Service (RUS)*** loan program is an important FFB guarantor with an outstanding balance at $54.33 billion.
- The FFB purchased 11 new guaranteed commitments offered for purchase under two ***Department of Energy (DOE)*** programs in fiscal year 2026. As of September 30, 2026, the DOE loan portfolio totaled $32.41 billion.

- The ***United States Postal Service (USPS)*** Note Purchase Agreement (NPA) with the FFB was renewed in 2026. The USPS has utilized its full borrowing authority of $15.0 billion as of September 30, 2026.
- The ***Housing and Urban Development (HUD)*** Section 542 Risk Share Program portfolio was $3.62 billion as of September 30, 2026; with sixteen Housing Finance Agencies (HFAs) participating in 2026.
- The loan portfolio of the ***Community Development Financial Institution (CDFI) Fund***, Department of the Treasury, was $1.46 billion as of September 30, 2026.
- The ***Historically Black Colleges and Universities (HBCU)*** loan portfolio was $1.19 billion as of September 30, 2026.
- The FFB purchased its third guaranteed loan commitment for $4 billion under the ***Defense Security Cooperation Agency's (DSCA)*** Foreign Military Financing (FMF) program in fiscal year 2026. No loans have been issued yet under these commitments, as of the date of this report.
- On January 20, 2026, the FFB executed a Guaranteed Loan Financing Agreement with the ***Office of Strategic Capital (OSC)***, an office within the Department of Defense. No guaranteed loan commitments have been offered for purchase under this agreement, as of the date of this report.

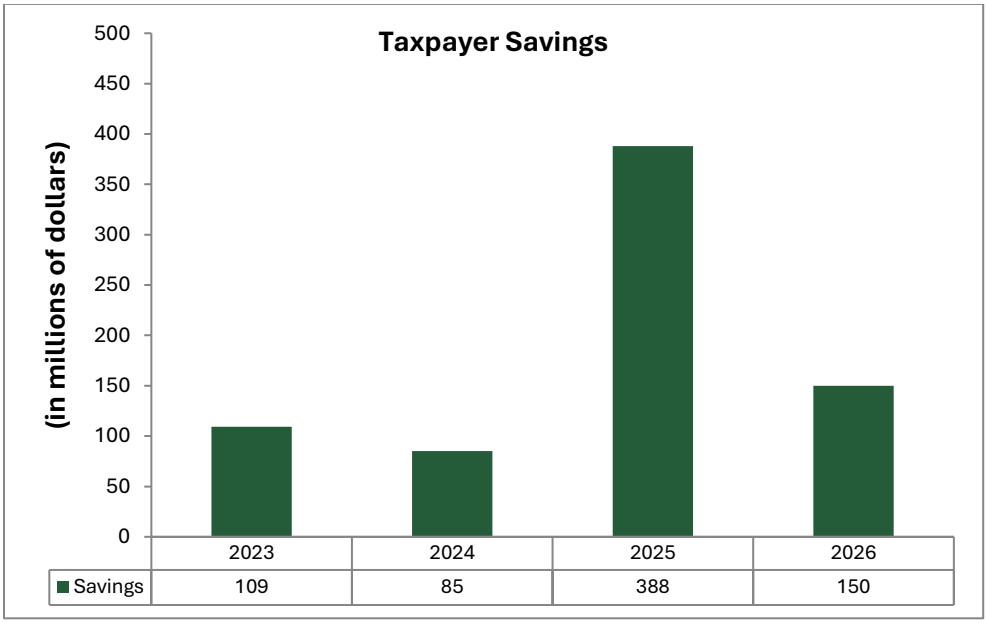
Separately, no new loans were disbursed for the *Maritime Administration, Department of Transportation (MARAD)*, *Federal Deposit Insurance Corporation (FDIC)*, acting in its capacity as Receiver, or the *U.S. Agency for International Development (USAID)*, although interest was capitalized on certain FDIC and USAID loans disbursed in prior years.

In closing, the FFB's borrowings from Treasury were $224.54 billion as of the end of fiscal year 2026.



Taxpayer Savings

The FFB achieves taxpayer savings by reducing the costs of Federal and federally assisted borrowings. Each year, the FFB measures two factors to estimate the annual taxpayer savings generated by its lending activities. First, for loans to Federal agencies, it measures the present value of the difference between the estimated amount of interest that the agency would have paid had the loan been financed in the market and the amount of interest that the FFB pays to Treasury. Second, for guaranteed loans, it measures the present value of fees charged to borrowers on new loans which offset potential losses to guarantor agencies.



The FFB estimates that its lending activities generated $150.0 million in taxpayer savings in fiscal year 2026. These savings were driven primarily by activity under the Department of Energy Title XVII loan program, followed by REA loan guarantee activity:

- Department of Energy Title XVII loan program—11 new commitments totaling $37.86 billion and 20 disbursements totaling $2.33 billion during fiscal year 2026.
- REA loan guarantee activity—16 new commitments totaling $1.71 billion and 206 disbursements totaling $2.43 billion during fiscal year 2026.

Management's Report on Internal Controls over Financial Reporting

The Chief Financial Officers Act of 1990 requires the annual management report of a government corporation to include a statement on internal accounting and administrative control systems, consistent with the requirements for statements on such systems from government agencies under the amendments to the Accounting and Auditing Act of 1950 made by the Federal Managers' Financial Integrity Act of 1982, as amended (FMFIA).

FMFIA requires each government agency to establish internal accounting and administrative control systems that provide reasonable assurance that:

- obligations and costs comply with applicable law,
- all assets are safeguarded against waste, loss, unauthorized use, and misappropriation,
- revenues and expenditures applicable to agency operations are recorded and accounted for properly; and
- reliable, complete financial and statistical reports are prepared and accountability for assets is maintained.

FMFIA also requires each agency to conduct an evaluation of its internal accounting and administrative control systems in accordance with the guidelines established by the Office of Management and Budget (OMB) in consultation with the Government Accountability Office (GAO) and requires the head of each agency to state whether the agency's systems provide reasonable assurance that they are achieving their intended objectives.

The FFB conducted its assessment of the effectiveness of internal control over financial reporting which includes the safeguarding of assets and compliance with applicable laws and regulations, in accordance with the requirements of OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*. Based on the results of this evaluation, the FFB can provide reasonable assurance that its internal control over financial reporting, as of September 30, 2026, was operating effectively and no material weaknesses were found in the design or operation of the internal control over financial reporting. In addition, Treasury's Office of the Inspector General engaged an independent auditor, KPMG, LLP, to report on the FFB Financial Statements. As part of that work, the independent auditor found no material weaknesses in internal control over financial reporting for fiscal year 2026. A full report of the auditors' findings and analysis can be found online on the Office of the Inspector General's website: https://oig.treasury.gov/reports/audit-and-evaluation.

Accordingly, we believe that the FFB's systems of internal accounting and administrative control fully comply with the requirements for agency internal accounting and administrative control systems, providing reasonable assurance that they are achieving the intended objectives.

Sincerely,
Gary Grippo



Vice President and Treasurer

Summary of Financial Statement Audit and Management Assurances

During the fiscal year 2026 audit, the FFB's independent auditor, KPMG LLP, issued an unmodified opinion on the FFB's financial statements. The following tables summarize the results of the financial statement audit and management's assurances under the Federal Managers' Financial Integrity Act and the Federal Financial Management Improvement Act.

The independent auditor's full report is available on the Department of the Treasury Office of Inspector General's Audit and Evaluation webpage.

Summary of Financial Statement Audit

Audit Opinion		Unmodified			
Restatement		No			
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0

Effectiveness of Internal Control over Financial Reporting (FMFIA Section 2)

Statement of Assurance		Unmodified				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0	0

Effectiveness of Internal Control over Operations (FMFIA Section 2)

Statement of Assurance		Unmodified				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0	0

Conformance with Federal Financial Management System Requirements (FMFIA Section 4)

Statement of Assurance		Federal systems conform to financial management system requirements				
Non-Conformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Non-Conformances	0	0	0	0	0	0

Compliance with Section 803(a) of the Federal Financial Management Improvement Act

FFMIA Requirement	Agency Conclusion	Auditor Conclusion
1. Federal Financial Management System Requirements	No lack of substantial compliance noted.	N/A
2. Applicable Federal Accounting Standards	No lack of substantial compliance noted.	N/A
3. U.S. Standard General Ledger at the Transaction Level	No lack of substantial compliance noted.	N/A

Budget Reconciliation

The Statement of Budgetary Resources (SBR) for fiscal year 2025 has been reconciled to fiscal year 2025 actual amounts on the Program and Financing (P&F) Schedule presented in the *Budget of the United States Government, Fiscal Year 2027 - Appendix*. The table on page 15 shows this comparison.

The FFB will reconcile the Statement of Budgetary Resources and the P&F Schedule for fiscal year 2026 after OMB publishes the actual 2026 amounts in the *Budget of the United States Government, Fiscal Year 2028 – Appendix*.

FEDERAL FINANCING BANK

Fiscal Year 2025 Budget Reconciliation – Unaudited (millions of dollars)

	SBR Amount	P&F Amount	Difference
Obligations by program activity:			
Total new obligations	**6,337**	**6,337**	**0**
Budgetary Resources:			
Unobligated balance:			
Unobligated balance brought forward Oct 1	3,612	3,612	0
Borrowing authority	0	0	0
Adjustment for change in net principal (+ or -)	510	510	0
Unobligated balances applied to repay debt	(421)	(421)	
Unobligated balance (total)	3,701	3,701	0
Spending authority from offsetting collections, mandatory:			
Collected	6,471	6,471	0
Total budgetary resources available	**10,172**	**10,172**	**0**
Total new obligations	**6,337**	**6,337**	**0**
Unexpired unobligated balance, end of year	**3,835**	**3,835**	**0**
Change in obligated balance:			
Unpaid obligations:			
Obligations incurred, unexpired accounts	6,337	6,337	0
Outlays (gross)	(6,337)	(6,337)	0
Budgetary authority and outlays, net:			
Mandatory:			
Budget authority gross	6,471	6,471	0
Outlays, gross:			
Outlays from new mandatory authority	6,337	6,337	0
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
Federal sources	(6,471)	(6,471)	0
Outlays, net (total)	**(135)**	**(135)**	**0**

Annual Performance Report

Strategic Goals

Following OMB and Treasury guidance, the FFB published its Strategic Plan for 2026–2030 to help guide operations over the next five years.

The FFB's Strategic Plan has four strategic goals:

1. ***Provide effective means of financing for federal programs.***
2. ***Deliver expert financial advice to support fiscal sustainability.***
3. ***Advance Strategic Priorities.***
4. ***Drive a Culture of Performance and Accountability.***

The Strategic Plan outlines the long-term objectives of the FFB and informs the annual performance goals listed in this report.

Strategic-Operational Relationship

The following chart shows the relationship between the FFB's strategic goals and its annual performance goals.

Strategic Goals (2026-2030)	Annual Performance Goals for 2026
1. ***Provide effective means of financing for federal programs***	Ensure financial services offered by the FFB are managed prudently, while expanding the FFB's customer base.
2. ***Deliver expert financial advice to support fiscal sustainability***	Ensure the FFB delivers expert financial advice while maintaining strong financial integrity, audit readiness, and reliable reporting.
3. ***Advance strategic priorities***	Ensure the FFB advances strategic priorities through legislative and stakeholder engagement, and improved loan-management capabilities.
4. ***Drive a culture of performance and accountability***	Ensure FFB employees are accountable, prepared, and supported by effective performance management and workforce development.

For each strategic goal, the annual performance plan identifies supporting annual performance goals and measures used to monitor accomplishments.

The strategies used to achieve the performance plan rely on the processes, systems, and specialized expertise developed by the FFB since its establishment in 1973. The FFB combines federal financing expertise, financial and operational controls, loan-management capabilities, and interagency coordination to provide reliable financing and financial advice to Federal program agencies.

As required by the Government Performance and Results Act Modernization Act of 2010, Federal agencies identify critical activities, establish performance goals and measures, monitor results, and report performance.

The FFB has identified the following measures to monitor its operations, evaluate progress, and demonstrate accountability for results:

Annual Performance Goals and Measures and Report for FY 2026

Goal 1: Ensure financial services offered by the FFB are managed prudently, while expanding the FFB's customer base.

Each year, the FFB processes tens of thousands of payments, collections, pricing transactions, new lending notes, reconciliations, reports, and other financial transactions. Day-to-day operations are the organization's most important priority. Strategic Goal 1 addresses the FFB's operational performance and responsibility for stewarding public money while expanding services to new customers. The FFB will meet this goal by (1) executing loan transactions in an accurate and efficient manner and (2) expanding Federal financing to new customers.

In addition to the performance measures below, the FFB will report the number and dollar volume of commitments and disbursements and compare those results with prior-year lending activity.

Performance Measure 1A: Percentage of lending transactions processed accurately and promptly.

This measure evaluates the percentage of covered lending transactions that the FFB processes accurately and within applicable deadlines. Covered transactions may include commitments, disbursements, repayments, prepayments, pricings, and other lending transactions identified in FFB procedures.

Fiscal Year 2026 Target:

- ➢ Process 100 percent of covered lending transactions accurately and on time.

Result:

- ✓ In fiscal year 2026, the FFB achieved its performance goal of completing 100 percent of loan transactions accurately and on time. The FFB successfully processed 53 new commitments, 353 new loan requests, 89 loan prepayments, 49,757 loan repayments, and 1,506 pricings.

Performance Measure 1B: Number of new or expanded Federal financing opportunities.

This measure tracks the FFB's progress in identifying and developing new financing relationships or expanding services provided to existing Federal program partners. Opportunities may be identified through agency stakeholder engagement, interagency working groups, collaboration with Treasury and OMB, or requests from current or prospective program agencies.

A formal milestone may include a documented request for FFB assistance, completion of a financing assessment, establishment of a technical working group, development of proposed financing terms, preparation of an agreement, or another management-approved onboarding or implementation step.

Fiscal Year 2026 Target:

- ➢ At least one new or expanded Federal financing opportunity reaches a documented formal milestone.

Results:

- ✓ During fiscal year 2026, the FFB exceeded its performance target by advancing two Federal financing opportunities to documented formal milestones. In January 2026, the FFB and the Office of Strategic Capital in the Department of Defense executed a Guaranteed Loan Financing Agreement. In April 2026, the FFB and the Defense Security Cooperation Agency executed the First Amendment to the Program Financing Agreement, marking a formal milestone in the continued development and expansion of the existing financing relationship.
- ✓ Accordingly, the FFB exceeded its target of advancing at least one new or expanded Federal financing opportunity to a documented formal milestone.

Performance Measure 1C: Number of substantive stakeholder outreach, interagency collaboration, and financial advisory engagements with Federal customers.

This measure tracks substantive meetings, presentations, working-group participation, interagency forums, customer meetings, and continuing technical discussions involving the FFB and Federal program partners. Qualifying engagements may address financing structures, program design, potential cost savings, loan servicing, FFB financing capabilities, customer service, service effectiveness, or the development and implementation of Federal credit programs.

Fiscal Year 2026 Target:

- ➢ Conduct at least three substantive and documented engagements.

Result:

- ✓ During fiscal year 2026, the FFB conducted eleven substantive and documented engagements with Federal program partners, exceeding its target of at least three. The FFB maintained engagement with the Office of Strategic Capital and the Defense Security Cooperation Agency through working-group meetings, presentations, system demonstrations and walkthroughs, program-development sessions, and continuing technical discussions.

Goal 2: Ensure the FFB delivers expert financial advice while maintaining strong financial integrity, audit readiness, and reliable reporting.

The FFB delivers expert financial advice through its specialized federal credit, capital markets, and financing expertise. This advice supports sound decision-making, effective transaction structuring, program design, cost savings, and responsible stewardship of Federal resources.

The FFB will meet this goal by maintaining effective internal controls, completing its annual financial statement audit and SOC 1® Type 2 examination, conducting OMB Circular A-123 and other control-testing activities, resolving matters requiring management action, and providing timely and accurate information about FFB operations and lending activity. Financial-advice and customer-engagement activities supporting this goal are reported under Performance Measure 1C to avoid duplicate counting.

Performance Measure 2A: Results of the annual independent financial statement audit.

This measure evaluates the opinion issued by the independent auditor on the FFB's annual financial statements.

Fiscal Year 2026 Target

- Obtain an unmodified audit opinion on the FFB's fiscal year 2026 financial statements.

Result

- During fiscal year 2026, the FFB received an unmodified opinion on its financial statements for the thirty-third consecutive year. Accordingly, the FFB met this goal.

Performance Measure 2B: Completion and results of the annual A-123 assessment and SOC 1® Type 2 examination.

This measure evaluates whether the FFB completes management's annual assessment of internal control under OMB Circular A-123 and the annual SOC 1® Type 2 examination. The two activities have separate scopes and conclusions and are reported separately. This measure also evaluates whether the FFB appropriately addresses any matters requiring management follow-up.

Fiscal Year 2026 Target:

- Complete management's annual OMB Circular A-123 assessment and the SOC 1® Type 2 examination according to their planned schedules. Provide reasonable assurance that internal control over financial reporting is effective and assign an accountable owner, documented corrective action, and target completion date for all matters requiring management follow-up.

Result:

- ✓ During fiscal year 2026, the FFB completed its annual assessment of internal control in accordance with OMB Circular A-123. Management concluded that internal control over

financial reporting was operating effectively as of September 30, 2026 and identified no material weaknesses.

- ✓ The FFB also completed its inaugural SOC 1® Type 2 examination. The independent service auditor concluded, in all material respects, that the description of the FFB's loan services system was fairly presented, the controls were suitably designed, and the controls operated effectively throughout the examination period. All matters requiring management follow-up were assigned an accountable owner, documented corrective action, and target completion date. Accordingly, The FFB met this performance goal.

Performance Measure 2C: Percentage of lending and operational reports issued accurately and promptly.

This measure evaluates the timeliness and accuracy of recurring reports and communications concerning the FFB's operations and lending activity. A report is considered successfully completed when it is materially accurate and issued within its established reporting deadline.

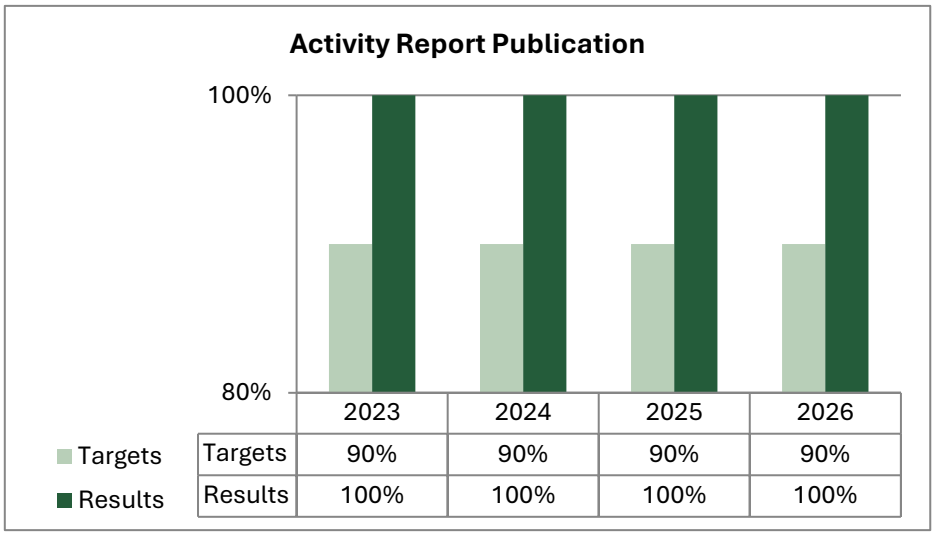
The FFB's monthly activity report helps inform the public and other stakeholders about the FFB's lending activity. These reports provide information about the FFB's total outstanding obligations and program-specific lending activity. The FFB met this goal for fiscal year 2026.

Fiscal Year 2026 Target:

- ➢ Issue at least 90 percent of required lending and operational reports accurately and within established deadlines.

Result:

- ✓ During fiscal year 2026, the FFB published all required monthly financial reports within the established reporting deadlines. The reports were materially accurate and did not require substantive correction or reissuance.
- ✓ Accordingly, 100 percent of the required reports were issued accurately and on time, exceeding the fiscal year 2026 target of 90 percent, shown below:



	2023	2024	2025	2026
Targets	90%	90%	90%	90%
Results	100%	100%	100%	100%

Goal 3: Ensure the FFB advances strategic priorities through legislative and stakeholder engagement, and improved loan-management capabilities.

The FFB supports strategic priorities by helping Federal agencies, Treasury, and OMB turn authorized programs into workable financing arrangements. These programs may involve critical minerals, energy, defense, infrastructure, shared financial services, and other Federal priorities.

The FFB will meet this goal by monitoring legislative and policy developments, documenting relevant effects on Federal credit programs, strengthening loan-management capabilities, updating procedures to support audit compliance and internal controls, and coordinating with Treasury partners on enterprise risk and security priorities.

Stakeholder outreach, interagency forums, and engagement with current and prospective program partners supporting this goal are reported under Performance Measure 1C to avoid duplicate counting.

Performance Measure 3A: Percentage of loan management system change requests processed in accordance with documented change-management policies and procedures.

This measure evaluates the percentage of applicable system change requests processed in accordance with the FFB's documented requirements for review, approval, testing, implementation, and deployment. Applicable requests include loan-management enhancements, cybersecurity-related changes, and other system activities supporting FFB operations.

Fiscal Year 2026 Target:

- Process 100 percent of applicable change requests in accordance with documented change-management policies and procedures.

Result:

- ✓ In fiscal year 2026, the FFB processed 100 percent of its 935 change requests in conformance with its procedures. The FFB met this goal.

Performance Measure 3B: Number of legislative and policy reviews completed.

This new measure evaluates whether the FFB consistently monitors legislative and policy developments that may affect the FFB, its agency partners, or Federal credit programs. A completed review includes an update to the legislative and policy monitoring tracker, an assessment of relevant developments and potential effects, and communication or escalation to FFB and Treasury leadership when appropriate.

Fiscal Year 2026 Target:

- Maintain regular, consistent reviews of legislative and policy developments relevant to the operations of the FFB.

Result:

- ✓ The FFB created an intelligence monitoring tool that runs automatically on a weekly basis to collect publicly available information and provide a report to management; this information is then filtered and raised to executive leadership when necessary.

Goal 4: Ensure FFB employees are accountable, prepared, and supported by effective performance management and workforce development.

Meeting the FFB's growing responsibilities requires reliable execution, clear priorities, defined ownership, timely feedback, and objective measures of completion. Managers are responsible for setting priorities and improving performance, while employees are responsible for the accuracy, timeliness, and documentation of their work.

The FFB will meet this goal by setting clear performance expectations, recognizing significant employee contributions, developing workforce capabilities, incorporating cross-training, and maintaining an inventory of key personnel risks and backup candidates. The FFB will also apply lessons from the annual SOC 1® Type 2 examination, review activities that do not improve mission delivery, and identify opportunities to improve operations through data analytics and artificial intelligence technologies.

The operational measures under Goals 1 through 3 evaluate the accuracy, timeliness, controls, and results of critical FFB work. The measures below evaluate the workforce capacity, development, and continuity arrangements needed to sustain that performance.

Performance Measure 4A: Percentage of employees completing annual professional development training aligned with FFB mission.

This measure evaluates employee completion of annual training and development plans designed to strengthen the financial, technical, analytical, supervisory, or operational competencies needed to accomplish the FFB's mission.

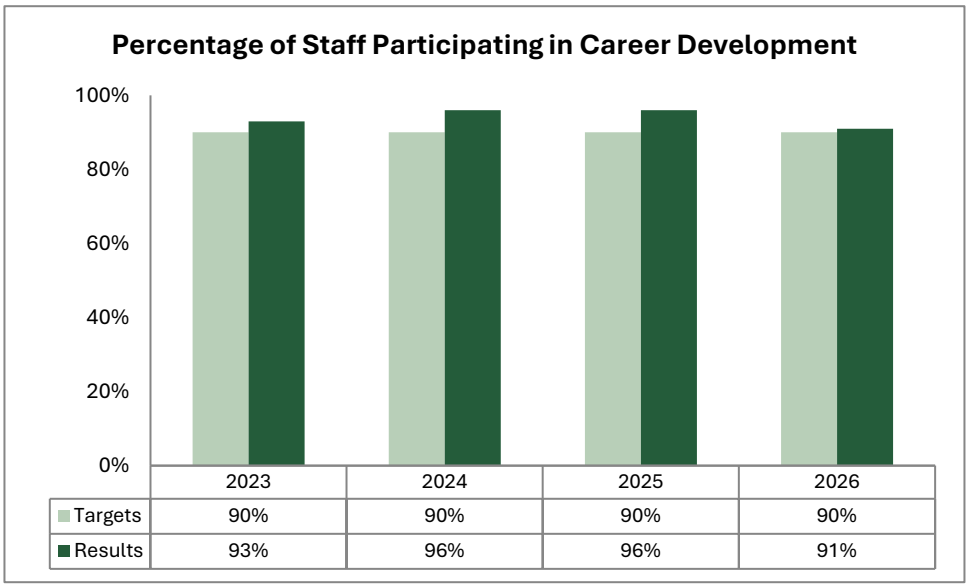
Qualifying development may include internal training, external courses, professional certification requirements, group training, technical instruction, leadership development, knowledge-transfer activities, and other approved employee-development activities included in or supporting an employee's annual development plan.

Fiscal Year 2026 Target:

- ➢ At least 90 percent of eligible FFB employees complete their documented annual training and development plans or the qualifying development activities established for the fiscal year.

Result:

- ✓ During fiscal year 2026, approximately 91 percent of eligible FFB employees completed professional development training. The FFB exceeded its target of at least 90 percent and met this performance goal for fiscal year 2026.



Performance Measure 4B: Percentage of identified critical roles and key positions documented in annual succession plan.

This new measure evaluates the FFB's preparedness to maintain continuity of operations when employees responsible for critical roles, key positions, or essential business functions are unavailable.

A critical role or key position is considered covered when it is included in the FFB's current inventory of key personnel risks, has an identified backup candidate or another documented continuity arrangement, has documented essential duties or procedures, and has completed or formally scheduled appropriate cross-training or knowledge-transfer activities.

Fiscal Year 2026 Target:

- ➢ Issue an annual, comprehensive succession plan outlining critical roles and key positions and review annually.

Result:

- ✓ Fiscal year 2026 served as the implementation year for this new measure. The FFB began identifying critical roles, assessing backup coverage, and documenting cross-training needs to establish a baseline for future reporting.

Performance Measures: Definition, Verification and Validation, and Accuracy

Performance Measure 1A: Percentage of lending transactions processed accurately and promptly.

Definition: *The percentage of covered lending transactions processed accurately and within applicable deadlines. Covered transactions include commitments, disbursements, repayments, prepayments, pricings, and other lending transactions identified in FFB procedures. A transaction is counted as successful only when both the accuracy and timeliness requirements are met. Success is 100 percent of covered transactions processed accurately and on time.*

Verification and Validation: *Transaction-level records will be verified using the FFB's loan-management and accounting systems, approval records, reconciliations, exception reports, correction records, and other applicable documentation. Management will review the completeness of the transaction population and validate the calculation before the result is reported.*

Accuracy: *The underlying transaction counts will be exact.*

Performance Measure 1B: Number of new or expanded Federal financing opportunities.

Definition: *The number of distinct new or expanded Federal financing opportunities that reach a documented formal milestone during the fiscal year. A formal milestone may include a documented request for FFB assistance, completion of a financing assessment, establishment of a technical working group, development of proposed financing terms, preparation of a financing agreement, or another management-approved onboarding or implementation step. Each financing opportunity will be counted only once during the fiscal year. Success is at least one opportunity reaching a documented formal milestone.*

Verification and Validation: *Results will be verified using agency requests, financing assessments, proposed terms, project or opportunity trackers, meeting records, draft or executed agreements, and documented management approvals.*

Accuracy: *The measurement will be exact based on the number of distinct financing opportunities supported by documentation showing that the required formal milestone was achieved.*

Performance Measure 1C: Number of substantive stakeholder outreach, interagency collaboration, and financial advisory engagements with Federal customers.

Definition: *The number of substantive and documented engagements conducted with current or prospective Federal program partners. Qualifying activities may include advisory meetings, presentations, working-group participation, interagency forums, customer meetings, recurring service reviews, documented feedback sessions, or continuing technical discussions concerning financing structures, program design, cost savings, loan servicing, service effectiveness, FFB financing capabilities, or Federal credit program implementation.*

Routine administrative contacts, scheduling communications, and duplicate follow-up communications will not be counted as separate substantive engagements. Success is at least three qualifying engagements during the fiscal year.

Verification and Validation: *Engagements will be verified through meeting agendas, briefing materials, attendance records, correspondence, outreach trackers, meeting notes, feedback records, and documented follow-up actions or next steps. Management will review the documentation to confirm that each activity meets the definition of a substantive engagement.*

Accuracy: *The measurement will be exact. Each distinct qualifying engagement will be counted once.*

Performance Measure 2A: Results of the annual independent financial statement audit.

Definition: *The opinion issued by the independent auditor on the FFB's annual financial statements. Success is obtaining an unmodified audit opinion.*

Verification and Validation: *The result will be verified using the final independent auditor's report and the FFB's audited financial statements.*

Accuracy: *The measurement will be exact because the audit opinion will be taken directly from the final independent auditor's report.*

Performance Measure 2B: Completion and results of the annual A-123 assessment and SOC 1® Type 2 examination.

Definition: *Whether the FFB completes management's annual OMB Circular A-123 assessment and the annual SOC 1® Type 2 examination and appropriately addresses any matters requiring management follow-up. The results of the A-123 assessment and SOC 1® examination will be evaluated and reported separately.*

A matter is considered addressed when an accountable owner, documented corrective action, and target completion date have been assigned. A matter is considered timely when it is resolved within the established timeframe or remains on an approved corrective-action schedule. If no matters require follow-up, the follow-up component of the measure will be considered achieved.

Verification and Validation: *Completion and results of the A-123 assessment will be verified using management's assessment documentation and final statement of assurance. Completion and results of the SOC 1® examination will be verified using the final SOC 1® Type 2 examination report. Follow-up actions, if applicable, will be verified through management responses, corrective-action records, assigned ownership, and target completion dates.*

Accuracy: *The conclusions and number of matters requiring follow-up will be taken directly from the final A-123 and SOC 1® documentation.*

Performance Measure 2C: Percentage lending and operational reports issued accurately and promptly.

Definition: *The percentage of required lending and operational reports that are materially accurate and issued by their established deadlines. Covered reports are those identified in an approved reporting calendar or another documented management requirement. A report is counted as successful only when it is issued on time and does not require a substantive correction or reissuance. Success is at least 90 percent.*

Verification and Validation: *Results will be verified using the approved reporting calendar or documented reporting requirements, final issued reports, publication or transmission dates, review and approval records, and records of substantive corrections or reissuances.*

Accuracy: *The underlying report counts will be exact. The percentage will be calculated by dividing the number of covered reports issued accurately and on time by the total number of covered reports due during the fiscal year.*

Performance Measure 3A: Percentage of loan management system change requests processed in accordance with documented change-management policies and procedures

Definition: *The percentage of applicable loan-management system change requests processed in accordance with the FFB's documented requirements for review, approval, testing, implementation, deployment, and related evidence. Applicable requests may include system enhancements, cybersecurity-related changes, maintenance activities, and other approved changes supporting FFB lending and operational systems. Success is 100 percent compliance.*

Verification and Validation: *Results will be verified using the FFB's change-management records, including change requests, approvals, testing documentation, implementation records, deployment evidence, and applicable security or internal-control documentation. Management will reconcile the reported population to the complete inventory of applicable change requests.*

Accuracy: *The underlying counts will be exact. The percentage will be calculated by dividing the number of applicable change requests processed in accordance with documented procedures by the total number of applicable change requests processed during the fiscal year.*

Performance Measure 3B: Number of legislative and policy reviews completed.

Definition: *The number of documented reviews of legislative and policy developments that may affect the FFB, its agency partners, or Federal credit programs. A completed review includes an update to the legislative and policy monitoring tracker, an assessment of relevant developments and potential effects, and communication or escalation to FFB leadership when appropriate. Success is completion of at least four documented reviews during the fiscal year.*

Verification and Validation: *Completion will be verified using the legislative and policy monitoring tracker, review records, briefing materials, memoranda, correspondence, and other documentation showing management review or communication of relevant developments.*

Accuracy: *The measurement will be exact based on the number of completed reviews supported by documentation.*

Performance Measure 4A: Percentage of employees completing annual professional development training aligned with FFB mission.

Definition: *The percentage of eligible FFB employees who complete their documented annual training and development plans or the qualifying development activities established for the fiscal year. Qualifying development may include internal or external training, professional certification requirements, group training, technical instruction, leadership development, knowledge-transfer activities, or other approved employee-development activities. Success is at least 90 percent.*

Verification and Validation: *Completion will be verified using official staffing records, annual development plans, learning-management system records, certificates of completion, attendance records, professional certification records, and other approved training or development documentation. The eligible employee population and any exclusions will be documented and applied consistently.*

Accuracy: *The underlying employee and completion counts will be exact. The percentage will be calculated by dividing the number of eligible employees completing their annual training and development requirements by the total number of eligible employees.*

Performance Measure 4B: Percentage of identified critical roles and key positions documented in annual succession plan.

Definition: *The percentage of identified critical roles and key positions with documented continuity coverage. A role or position is considered covered when it is included in the FFB's current inventory of key personnel risks, has an identified backup candidate or another documented continuity arrangement, has documented essential duties or procedures, and has completed or formally scheduled appropriate cross-training or knowledge-transfer activities. Success is 100 percent coverage of identified critical roles and key positions.*

Verification and Validation: *Coverage will be verified using the FFB's inventory of key personnel risks, succession or continuity-planning records, documented backup assignments, position or operating procedures, and records of completed or scheduled cross-training and knowledge-transfer activities. Management will review and certify the inventory and coverage status before the result is reported.*

Accuracy: *The underlying counts will be exact. The percentage will be calculated by dividing the number of identified critical roles and key positions meeting all coverage criteria by the total number of critical roles and key positions identified.*