



**Title: Risk Based Capital
OFHEO Public Release of RBC Code and Instructions and
Responding to External Questions**

Approved By: Armando Falcon, Jr.

Date: 10/02/2002

I. PURPOSE:

This guideline establishes procedures governing the release of RBC information and software in response to external requests for information. This guideline supplements OFHEO Guideline 105 "Releasing Information."

II. Scope:

This guideline is applicable to disclosure of information by OFHEO employees and contractor personnel to non-OFHEO individuals, and organizations.

This policy is applicable to all Risk Based Capital (RBC) related information created or received by OFHEO including information related to the software, RBC Report Instructions, and correspondence, including information related to stress test for Fannie Mae and Freddie Mac.

This policy is not applicable to disclosure of information within OFHEO among employees and contractor personnel, to requests for information from Congress or other agencies of the Federal Government, or to the Enterprises.

The Director of OFHEO may amend this guideline at his/her discretion.

III. Authority And References:

Federal Housing Enterprises Financial Safety and Soundness Act (12 U.S.C. 4611); Freedom of Information Act (FOIA) (5 U.S.C. § 552) Privacy Act (5 U.S.C. § 552a); Trade Secrets Act (18 U.S.C.A. §1905); and OFHEO regulation entitled "Releasing Information," (12 C.F.R. part 1703).

IV. Effective Date:

This guideline is effective immediately upon approval by the Director of OFHEO.

V. Policy:

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OFHEO shall release information in accordance with OFHEO Guideline No. 105, which names those OFHEO positions authorized to release information, and which directs OFHEO employees to balance proactively the freedom of information, the right to privacy, and the need to protect proprietary, business-sensitive information and other types of information that are exempted from disclosure by law.

The Director of OFHEO has authority under 12 U.S.C. 4611(e)(3) to establish the appropriate level of confidentiality for information that enables the stress test to be applied. Nevertheless, how OFHEO responds to a request for information may limit OFHEO's choices in deciding how to respond to similar requests subsequently received. For example, disclosure of data and documents to one individual may require disclosure of the same type of data and documents to other similarly situated individuals who subsequently submit an identical request. Therefore, authorized OFHEO employees must consult with OGC in determining how to respond to requests for nonpublic information.¹

Requests for agency records related to RBC should be directed to the OFHEO FOIA officer in accordance with 12 C.F.R. part 1703 and OFHEO Guideline No. 105. OFHEO provides many such records to the public, which can be accessed through online requests for information at the official OFHEO website <http://www.ofheo.gov> through self-selecting email addresses. On the **OFHEO Public Documents** web page, visitors may elect to receive RBC information from several sources. Press inquiries are directed to a designated address, general questions are directed to another. To request a copy of the rule, site visitors are directed to ofheoinquiries@ofheo.gov. For technical questions, site visitors are directed to rbcquestions@ofheo.gov. For a copy of the RBC software, including data preparation instructions, site visitors are directed to a link to download risk-based capital code and instructions. For records not addressed here, requestors should file a FOIA request under 12 C.F.R. part 1703 - Release of Information.

1) Policy regarding public availability of RBC software

The RBC software is continually evolving with periodic upgrades being made to accommodate the changing business practices and program activities of the Enterprises. Also, OFHEO continues to develop improvements to this code that improve speed and functionality. For these reasons, the version of the code

¹ Nonpublic information is defined in OFHEO Guideline #105.



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released to the public will be updated regularly. The updates will be made in accordance with OFHEO's Guideline 409 on "Change Management Processes" and provided to interested parties via the OFHEO website, as described above.

1.1 RBC software components

Each RBC software release will include the following:

- a) RBC code;
- b) System requirements and installation instructions;
- c) RBC stylized data and related cash flow results;
- d) RBC Report instructions, including RBC database schema; and
- e) Statement of level of technical support.

The Office of Information Technology (OIT), working with staff in the Office of Risk Analysis and Model Development (ORAMD), creates and compiles the RBC software components. The Associate Director of OIT designates an OIT staff person as lead to facilitate this task. The Change Management Control Board (CMCB) oversees the control and coordination of such efforts.

1.2 Periodic updates of RBC software

In order to improve the operability and maintain the dynamic structure of the RBC software, OFHEO updates it periodically. Per guidelines established by the CMCB, these updates will be distributed and available on a periodic basis. The available releases will be the most current software version used for the quarterly capital classification of the Enterprises. Subsequent releases will be linked to specific quarters of applicability.

1.3 Method of distribution of RBC code

RBC code will be made available to the public through the OFHEO web site. Requestors who write or phone OFHEO will be referred to the web site for the request. The components of the RBC software release will be available for computer download on the OFHEO web site.

1.4 Technical support to requestors of RBC code

Although an OFHEO representative will be available to the public to answer technical questions, OFHEO's primary mission is to regulate the safety and

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soundness of Fannie Mae and Freddie Mac. The extent of OIT's availability for technical support will be detailed in a statement of technical support released in tandem with the software. OIT, working with staff in the Office of the General Counsel (OGC), will develop a statement of technical support to be provided to requestors of public RBC software. The Associate Director of OIT will be responsible for designating OIT staff to provide this support.

2) Procedures for responding to technical RBC assistance requests from the public

OER is the official OFHEO contact point for public inquiries, including requests for technical RBC assistance. Depending upon the nature and complexity of the request, OER staff, after review, will refer the assistance request to the appropriate OFHEO staff person in one of the following offices -- ORAMD, OIT, OGC, or the Office of Policy Analysis and Research (OPAR). Frequently, these same OFHEO staff persons in ORAMD, OIT, OGC, or OPAR receive phone or email requests directly from the public. Often these inquiries can be answered quickly and do not require a referral to another OFHEO Office. In these circumstances, the appropriate OFHEO staff person will provide assistance and notify OER, in writing or by e-mail, of the contact and response.

2.1 Processing public requests for technical assistance

OER staff will monitor, record, and review incoming requests for technical RBC assistance, including the OFHEO email account rbcquestions@ofheo.gov, on an ongoing basis. OER staff will refer (by email) telephone requests for information to the appropriate designated staff person in ORAMD, OIT, OGC, or OPAR. OER will also establish response and review deadlines for each request to insure timely responses. The lead office by default will be ORAMD. The Associate Directors of ORAMD, OIT, OGC, and OPAR will each be responsible for designating a staff person to respond to these inquiries. Once notified by OER, the lead office is responsible for drafting the official response and clearing that response with its Associate Director. If appropriate, the draft response will be circulated to other OFHEO offices for review and comment. If appropriate, the Deputy Director and/or Director's input and approval should be sought prior to dissemination of the information.



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Once appropriate offices have agreed with the content of the response, the response is sent back to OER for dissemination to the requester. OFHEO will respond to public requests for assistance within 7 days.

VI. Definitions:

The definitions set forth in OFHEO Guideline No. 105 are incorporated by reference.

VII. Responsibilities:

Guideline No. 105 specifically lists the responsibilities of the Office of External Relations, the FOIA Officer, the FOIA Appeals Officer, the Privacy Act Officer, the Privacy Act Appeals Officer, and the Records Management Officer with respect to requests made to OFHEO. This guideline supplements and more specifically defines the responsibilities for RBC software and technical assistance as follows:

Office of Information Technology (OIT) – is responsible for:

- ❑ Maintaining the current production version of the RBC software to facilitate access by external parties.
- ❑ Developing and maintaining a technical support guide, as needed, to ensure use of the software by external parties.
- ❑ Creating and maintaining a computer-based information request tracking system on the OFHEO network.

Office of Policy Analysis & Research (OPAR) – is responsible for:

- ❑ Coordinating with ORAMD on an OFHEO response to public requests for technical RBC assistance.
- ❑ Providing OER with an OFHEO-cleared response to public requests regarding RBC.
- ❑ Providing OER with a monthly status report of all outstanding responses to public requests for assistance assigned.

Office of Research and Model Development (ORAMD) – is responsible for:



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- ❑ Developing responses to public requests for technical RBC assistance and other public inquiries regarding RBC.
- ❑ Providing OER with an OFHEO-cleared response to public requests for technical RBC assistance.
- ❑ Being the lead office in responding to technical assistance requests.
- ❑ Providing OER with a monthly status report of all outstanding responses.

Office of External Relations (OER) – is responsible for:

- ❑ Monitoring rbcquestions@ofheo.gov on an ongoing basis.
- ❑ Ensuring OFHEO's web site contains appropriate links to RBC software, RBC Report Instructions, questions and answers, and other guidelines deemed appropriate for public access.
- ❑ Communicating OFHEO's responses to questions received via the web site.
- ❑ Directing phone requests for information or assistance to the website to facilitate appropriate tracking and response.

Office of General Counsel (OGC) – is responsible for:

- ❑ Reviewing questions and responses generated prior to dissemination to the public.
- ❑ OGC may also be responsible for generating the response to public inquiries depending upon the content.

Change Management Control Board (CMCB) – is responsible for ensuring that:

- ❑ The current production version of the software made available to the public conforms to approved standards and functionality.
- ❑ New versions of the production software are appropriately controlled and disseminated in a timely manner.
- ❑ The same standards of control and dissemination applied to the software are also applied to the RBC Report Instructions.

VIII. Types of Records Created:

- ❑ Information Tracking Reports.
- ❑ Public Response documents.

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OIT is responsible for creating and maintaining a computer-based system on the OFHEO network to track technical RBC assistance requests. OER and designated ORAMD, OIT, OGC and OPAR staff will have read/write access to this system. All other OFHEO staff will have read only access. This tracking system is intended for OFHEO's internal use and will contain the following information:

- a) Originator – the name of the person (including the entity represented) initiating the communication;
- b) Recipient – the name (and Office) of the OFHEO employee receiving the request;
- c) Date and method of contact – the date the request was received and the method of communication (memorandum, email, phone call, fax, etc.);
- d) Contact address – the phone number or email address of person initiating request;
- e) Description of inquiry – an explanation of the inquiry, including a discussion of the issue, topic or request;
- f) Assigned to – the name of the person or office assigned to follow up on the inquiry;
- g) Start date – the date the inquiry was received by OFHEO;
- h) Estimated completion date – staff estimate of time to comply with request;
- i) Status of inquiry – a description of the action undertaken by designated OFHEO employee; and
- j) Finish date – the date the OFHEO response is completed and assistance is provided.

OFHEO response to public inquiries

The designated staff person in ORAMD, OIT, or OPAR will acknowledge receipt of the request from OER. Under normal circumstances, OFHEO will respond within 7 days of the request. If OFHEO is unable to fully answer the question within 7 days, communication to the requestor must include a time estimate of how long OFHEO may take to complete a response to the inquiry. Under some circumstances, an acceptable response may be that OFHEO does not have the resources to answer the question raised.



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OER staff will monitor the tracking system, and provide a log of all outstanding inquiries to the Deputy Director and Associate Directors of ORAMD, OIT, OGC, and OPAR monthly.