Office of the Comptroller of the Currency
Minority Depository Institutions Advisory Committee

Membership Balance Plan

Pursuant to 41 CFR 102-3.30(c) and 41 CFR 3.60(b)(3), this Membership Balance Plan for the Minority Depository Institutions Advisory Committee (MDIAC) of the Office of the Comptroller of the Currency (OCC) is being provided as part of the charter amendment plan and describes how the OCC intends to maintain a fairly balanced membership for the MDIAC.

(1) Name. The Office of the Comptroller of the Currency Minority Depository Institutions Advisory Committee.

(2) Authority. The MDIAC's charter has been prepared and filed in accordance with the provisions of the Federal Advisory Committee Act (FACA), 5 USC App. 2.

(3) Mission/Function. The MDIAC's purpose is to provide advice and recommendations to the Department of Treasury, OCC, on meeting the goals established by section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), Pub. L. No. 101-73, Title III, 103 Stat. 353, 12 USC section 1463 note, to preserve the present number of minority depository institutions, preserve the minority character of minority-owned institutions in cases involving mergers or acquisitions, provide technical assistance, and encourage the creation of new minority institutions.

The MDIAC will advise the OCC on the current condition of minority depository institutions, what regulatory changes or other steps the OCC may be able to take to fulfill the mandate of section 308 and address other issues or concerns of OCC-supervised minority depository institutions.

(4) Points of View.
(a) Subject Matter/Technical Expertise. The subject matter or technical expertise that is necessary to accomplish the tasks of the MDIAC includes an understanding of the organization, operations, focus and challenges of minority depository institutions. Expertise and familiarity with the unique issues facing these institutions is critical for the MDIAC's members. Experience as a senior management official of a minority depository institution is important in obtaining this subject matter and technical expertise.

(b) Areas of Expertise. The members of the MDIAC should represent minority depository institutions with a variety of ethnic and geographical communities and representatives of diverse sizes and types of institutions. Members should represent different segments of the minority depository institution industry.

(c) Service as Representative Members. Representative members of advisory committees are specifically appointed to provide the committee with the points of view of nongovernmental entities or a recognizable group of persons who have interests in the subject matter under the committee's charge. In contrast, committee members who are designated as Special Government Employees (SGEs) are appointed to exercise their own individual best judgment on behalf of the Government.

When the MDIAC was established, it was determined that a committee composed of representative members would best support OCC's mission as a regulator with the views and experiences of individuals actually working within the minority depository institution industry. This is because such representative individuals have an understanding of the background, history, focus and challenges of minority depository institutions, as well as expertise and familiarity with the unique issues facing minority depository institutions.

The factors to be considered in making an employment status determination for advisory committee members include the express language of the advisory committee's enabling documents; whether the prospective committee member will receive compensation other than travel expenses for his or her services on the committee; whether the prospective committee member was selected through an appointment process that used outside recommendations; whether the prospective committee member will act as a spokesperson for a recognizable nongovernmental group or stakeholder; and whether the prospective committee member will be supervised by a federal government employee. After analyzing these factors, OCC's Ethics Counsel determined that each of the persons who has served on the MDIAC is a Representative member rather than an SGE. Any new members will be reviewed using the same standard that was used for the previous members.

Other Balance Factors. The other balance factors that OCC identified as important for the MDIAC's membership include geographic diversity, diversity in institution size, and ethnic diversity of the ownership and the community served of the members of the MDIAC.

(5) Candidate Identification Process.

(a) Cross-section. OCC will solicit nominations for the MDIAC by placing a notice in the *Federal Register*, contact national and state banking groups, and contact other groups interested in the continued operations of minority depository institutions. In response to this solicitation, OCC expects to receive names from nationally chartered banks and federal savings associations. The majority of these will be senior officers of minority depository institutions. In developing the slate of nominees, OCC will seek geographic diversity, ethnic diversity and size diversity. OCC also will seek diversity in operating and business strategies and will seek to include senior management from institutions that represent a variety of operating and community strategies. Finally, OCC will seek to ensure that the composition of the committee will represent size diversity, including

ensuring large bank representation. The slate of names that will be submitted for concurrence will represent the preceding categories of diversity.

In reviewing the names to be submitted through the nomination process, OCC will look for individuals who have experience in operating minority depository institutions in different economic circumstances and who understand the needs of the diverse communities being served.

(b) Agency staff involved. The review process for the membership of the MDIAC will be performed on behalf of the Comptroller by senior OCC officials including, Toney M. Bland, Senior Deputy Comptroller for Midsize and Community Bank Supervision and Beverly Cole, Senior Advisor to the Senior Deputy Controller for Midsize and Community Bank Supervision, who will serve as the Designated Federal Officer. In addition, staff from OCC's district offices will be consulted to ensure that the agency selected the best candidates from among the available pool. Future selections of MDIAC members will be made by senior management officials in Washington and the district offices.

(c) Vacancies. Vacancies will be filled as promptly as possible, using a process to match as closely as possible the balance and diversity characteristics of the departing member.

(d) Term limits. Each member will be appointed for a term of two years.

(6) Subcommittee Balance. The MDIAC is authorized to seat subcommittees but does not currently have any subcommittees. If subcommittees are seated in the future, the membership will be selected using the same process as used for the MDIAC itself.

(7) Other. The OCC will take whatever other steps are necessary to ensure a balanced membership on the MDIAC.

(8) Date Prepared. This Membership Balance Plan was updated on May 26, 2016.