Senior Financial Officer Survey

Preface

The Board of Governors of the Federal Reserve System, under delegated authority from the Office of Management and Budget (OMB), is conducting a Senior Financial Officer Survey (FR 2023; OMB No. 7100-0223) in collaboration with the Federal Reserve Bank of New York. Surveys conducted under FR 2023 have been used intermittently to obtain information about deposit pricing and behavior, bank liability management, the provision of financial services, and reserve management strategies and practices. Approval for this survey expires August 31, 2027.

The purpose of this survey is to systematically gather views from a number of depository institutions (DIs) concerning their individual DI's balance sheet and reserve management behavior. This information, along with other data, will provide useful information for the Federal Reserve in monitoring and interpreting developments in financial markets and the banking system as the level of reserve balances in the banking system changes. The Federal Reserve System regards the information provided by each respondent as confidential. A summary of aggregated survey results will be published.

Please respond by September 28, 2026, to the questions below. Your voluntary cooperation in submitting this report is needed to make the results comprehensive, accurate, and timely. All answers will be used solely for analytical, not supervisory, purposes. Your time and input are greatly appreciated.

Disclaimer

This survey is authorized under sections 2A, 12A, and 11 of the Federal Reserve Act (12 U.S.C. 225(a), 263, and 248(a)). The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The public reporting burden for this information collection is estimated to average one hour and twenty six minutes, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0223), Washington, DC 20503.

Part 1: Preferred Reserve Levels

Questions in Part 1 ask about your institution's lowest comfortable level of reserves (LCLOR) – the lowest dollar level of reserve balances your institution would feel comfortable holding before it began taking active steps to maintain or increase its reserve balances. "Active steps" could include, but are not limited to, borrowing in the federal funds or other wholesale funding markets or bidding more aggressively in those markets, reducing holdings of other liquid assets, or raising deposit rates.

1) Given the constellation of short-term interest rates relative to the interest on reserve balances (IORB) rate over the past month, what is the estimated LCLOR (in $ millions) your institution would feel comfortable holding before it "takes active steps" to maintain or increase its reserve balance position?

Estimated LCLOR ($ millions)

2) Given the constellation of short-term interest rates relative to the IORB rate over the past month, if your institution prefers to hold additional reserves above its LCLOR, please provide an estimated amount of preferred additional reserves (in $ millions). If your institution does not prefer to hold additional reserves above its LCLOR, **please enter "0."**

Estimated preferred additional reserves ($ millions)

3) Which statement best characterizes your institution's reserve management strategy over the past few months? (select one)

   I. My institution has taken actions intended to decrease, or limit the growth in, the amount of its reserves.
   II. My institution has taken actions intended to maintain the current amount of its reserves.
   III. My institution has taken actions intended to increase, or limit the decline in, the amount of its reserves.
   IV. My institution has taken limited or no actions intended to affect the amount of its reserves.

4) A: Please rank the top three most important factors from the table listed below in determining your banks' preferred reserve level (LCLOR + preferred additional reserves) on a scale of 1 (most important) to 3 (third most important).

   The factor that you ranked as 1 (most important) should also be the binding constraint of your preferred reserve level, or the factor absent which your preferred reserve level would decline.

	Factors	**Rank**
i.	Meeting intraday payments or settlement needs	
ii.	Meeting projected outflows over a certain window (more than one business day and under normal market conditions)	
iii.	Satisfying internal liquidity stress metrics (meeting projected outflows under stressed market conditions)	
iv.	Lack of depth in late day funding markets	

v.	Other (use comment box)

B. Please elaborate on why the factor that you ranked as most important in part A is the binding constraint on your preferred reserve level.
[comment box]

C. Assume the factor you ranked as most important in part A is no longer binding, how would your preferred reserve level change?
[sliding scale that can be set at:
0 (no change)
decrease 1-10 percent
decrease 11-20 percent
decrease 21-30 percent
decrease more than 30 percent]

Note for burden estimate: for question 5, a respondents would only be asked to answer parts A and B or parts C and D.

5) Question 5 asks about how your institution's LCLOR has changed over a longer period of time.

A. [gated for banks whose log change in LCLOR/assets has ***increased*** by greater than 20 percent since 2020] Your institution's LCLOR as a share of your assets has increased from February 2020 to March 2026. Please rate the importance of each factor listed below in explaining the increase in your institution's LCLOR over this time period. Please rate the importance of each factor on a scale of 1 (not important) to 5 (very important).

Factors		Rating
i.	Meeting intraday payments or settlement needs	
ii.	Meeting projected outflows over a certain window (more than one business day and under normal market conditions)	
iii.	Satisfying internal liquidity stress metrics (meeting projected outflows under stressed market conditions)	
iv.	Lack of depth in late day funding markets	
v.	Our institution's interpretation of LCLOR has changed	
vi.	Other (use comment box)	

B. Please explain in more detail the factors that you rated 4 or 5.
[comment box]

C. [gated for banks whose log change in LCLOR/assets has ***decreased*** by greater than 20 percent since 2020]: Your institution's LCLOR as a share of your assets has decreased from February 2020 to March 2026. Please rate the importance of each factor listed below in explaining the decrease in your institution's LCLOR over this time period. Please rate the importance of each factor on a scale of 1 (not important) to 5 (very important).

Factors		Rating
i.	Meeting intraday payments or settlement needs	

ii.	Meeting projected outflows over a certain window (more than one business day and under normal market conditions)
iii.	Satisfying internal liquidity stress metrics (meeting projected outflows under stressed market conditions)
iv.	Lack of depth in late day funding markets
v.	Our institution's interpretation of LCLOR has changed
vi.	Other (use comment box)

D. Please explain in more detail the factors that you rated 4 or 5.
[comment box]

Part 2: Balance Sheet Management

6) For each hypothetical spread between SOFR and IORB shown in the first column of the following table in basis points, please provide an approximate forecast of your institution's reserve balance in $ millions.

Spread between SOFR and IORB on average is:	Approximate level of reserve balances ($ million):
I. - 5 basis points (in this scenario the opportunity cost of holding reserves *decreases)*	
0 basis points (near the spread over the past month)	[import recent level]
II. + 5 basis points	
III. + 10 basis points	
IV. + 15 basis points	
V. + 20 basis points	

7) Question 7 asks about your expectations for the potential changes in your institution's total balance sheet size, deposit levels, and preferred reserve levels over the next 12 months. Please estimate the percentage likelihood (on a scale of 0 to 100 percent) that each of the scenarios occurs in the next 12 months. (The total percentage points must add up to 100.)

A. "Over the next 12 months, the size of my institution's balance sheet will..."

Possible scenarios	**Total balance sheet size** (percentage points; total must sum to 100)
i. increase more than 5 percent from its current level	
ii. remain flat or increase less than or equal to 5 percent	
iii. decrease from its current level	

B. "Over the next 12 months, the level of my institution's total deposit levels will..."

Possible scenarios	Deposit levels (percentage points; total must sum to 100)
i. increase more than 5 percent from its current level	
ii. remain flat or increase less than or equal to 5 percent	
iii. decrease from its current level	

C. "Over the next 12 months, the level of my institution's estimated preferred reserve level will… "

Possible scenarios	Preferred reserve level (percentage points; total must sum to 100)
i. increase more than 20 percent from its current level	
ii. increase between 5 to 20 percent	
iii. remain within + or – 5 percent from its current level	
iv. decrease between 5 to 20 percent	
v. decrease more than 20 percent from its current level	

Part 3: Money Market Activity

8) This question asks about your institution's borrowing and lending activity in wholesale funding markets. For the purpose of this question, consider an "active borrower (lender)" as an institution that borrows (lends) for non-test purposes at least once per month.

   A. Is your institution an active borrower in the federal funds market? (yes/no)
   B. Is your institution an active cash borrower in repo? (yes/no)
   C. Is your institution an active lender in fed funds? (yes/no)
   D. Is your institution an active cash lender in repo? (yes/no)

Note for burden estimations– respondents will be asked to answer only 4 of the following 8 questions based on their responses to each part of question 8. For example, they would only be asked question 9 or question 10 – but not both. This is true for the following pairs: 9 or 10; 11 or 12; 13 or 14, 15 or 16.

9) [gated for yes in 8A]: A. Please rank up to three of the following factors/frictions that may limit your **borrowing in fed funds**. (Please rank the most important factor as 1.)

[active fed funds borrower]	Ranking
i. Price	
ii. Limited counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and funding need	
v. Internal risk-management guidelines / approval process	

vi. Preference for alternative overnight funding source (please specify in comment box)	
vii. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [Comment box]

10) [gated for no in 8A]: A. Please rank up to three of the following factors/frictions that affect your institution's decision not to participate as an active **borrower in fed funds**. (Please rank the most important factor as 1.)

[banks that are NOT active fed funds borrower]	Ranking
i. Price	
ii. Limited or no counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and funding need	
v. Internal risk-management guidelines / approval process	
vi. Limited-to-no recent experience operating or high barriers to entry in this market	
vii. Preference for alternative overnight funding source (comment box)	
viii. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [Comment box]

11) [gated for yes in 8B]: A. Please rank up to three of the following factors/that limit your institution's **borrowing in repo**. (Please rank the most important factor as 1.)

[active repo borrower]	Ranking
i. Price	
ii. Limited counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and funding need	
v. Internal risk-management guidelines / approval process	
vi. Preference for alternative overnight funding source (please specify in comment box	
vii. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [Comment box]

12) [gated for no in 8B]: A. Please rank up to three of the following factors/frictions that affect your institution's decision not to participate as an active **borrower in repo**. (Please rank the most important factor as 1.)

[banks that are NOT active repo borrower]	Ranking
i. Price	
ii. Limited or no counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and funding need	
v. Internal risk-management guidelines / approval process	
vi. Limited-to-no recent experience operating or high barriers to entry in this market	
vii. Preference for alternative overnight funding source (comment box)	
viii. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [Comment box]

13) A. [gated for yes in 8C]: Please rank up to three of the following factors/frictions that limit your institution's **lending in fed funds**.

[active fed funds lender]	Ranking
i. Price	
ii. Limited counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and borrower funding need	
v. Internal risk-management guidelines / approval process	
vi. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [Comment box]

14) A. [gated for no in 8C]: Please rank up to three of the following factors/frictions that affect your institution's decision not to participate as an active **lender in fed funds**. (Please rank the most important factor as 1.)

[banks that are not active fed fund lender]	Ranking
i. Price	
ii. Limited or no counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and borrower funding need	

v.	Internal risk-management guidelines / approval process	
vi.	Limited-to-no recent experience operating or high barriers to entry in this market	
vii.	Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [comment box]

15) A. [gated for yes in 8D]: Please rank up to three of the following factors/frictions that limit your institution's **lending in repo**. (Please rank the most important factor as 1.)

[active repo lender]	Ranking
i. Price	
ii. Limited counterparties	
iii. Regulatory treatment	
iv. Timing mismatch between availability of funds and borrower funding need	
v. Internal risk-management guidelines / approval process	
vi. Approval process	
vii. Other (comment box)	

B. Please use the comment box to explain in more detail the factors/frictions that you ranked. [comment box]

16) [gated for no in 8D]: Please rank up to three of the following factors/frictions that affect your institution's **decision not to participate** as an active **lender in repo**. (Please rank the most important factor as 1.)

[banks that are not active repo lender]		Ranking
i.	Price	
ii.	Limited or no counterparties	
iii.	Regulatory treatment	
iv.	Timing mismatch between availability of funds and borrower funding need	
v.	Internal risk-management guidelines / approval process	
vi.	Limited-to-no recent experience operating or high barriers to entry in this market	
vii.	Other (comment box)	

B. Please use the comment box to explain "other".

[comment box]

Part 4: Expanded operating hours

17) A) Has the financial sector industry's movement towards operating on weekends and holidays affected your institution's current operations? Please select all actions that apply to your institution.

   i. More liquidity operations staff are working on weekends and holidays
   ii. Have increased or plans to increase spending on technology infrastructure to anticipate potential expansion of liquidity operations to weekends and holidays
   iii. Is offering or is planning to offer our clients more options for payments and other liquidity management tools on weekends and holidays
   iv. More staff resources have been devoted to planning for expansion to weekend and holidays operations
   v. Have had more management discussions on this topic
   vi. Other [use comment box]

   B) [Comment box]

18) A) Has the financial sector industry's movement towards operating on weekends and holidays affected the level of your institution's high quality liquidity assets (HQLA), all else equal? Please indicate the effect for your institution for each asset type on a scale of -3 (significant decrease) to +3 (significant increase).

Assets	Effect
i. Reserves	
ii. Treasury securities	
iii. All other HQLA	

19) In the context of the October 2025 Federal Register notice announcing expanded operating days for Fedwire Funds and NSS to include Sundays and weekday holidays, which of the following statements best characterizes your institution's views on the ability to request and receive loans from the discount window? [1] (Note: Under the current Federal Reserve Policy on System Risk, intraday credit is available up to 24 hours a day, seven days a week, including weekends and holidays.) (select one)

   i. It is important that my institution is able to request and receive loans from the discount window on Sundays and weekday holidays during the s**ame hours** as it is currently able to on Mondays through Fridays.
   ii. It is important that my institution is able to request and receive loans from the discount window during at least **some hours** on Sundays and weekday holidays.

[1] See *Federal Reserve Action To Expand Fedwire® Funds Service and National Settlement Service Operating Hours* https://www.federalregister.gov/d/2025-19942.

iii. It is **not important that** my institution be able to request and receive loans from the discount window on Sundays and weekday holidays. The current availability of credit from the discount window on Mondays through Fridays (and intraday credit under its existing terms) should be sufficient to meet the liquidity needs of my institution on days that Fedwire Funds operates, including Sundays and weekday holidays.

iv. I currently do not have enough information to have a view on the importance of the ability to request and receive loans from the discount window for my institution on Sundays and weekday holidays.

20) A) In the context of expanded operating days for Fedwire Funds and NSS, do you anticipate temporarily increasing reserves ahead of weekends and holidays? Select one: yes/no/unsure

    B) Would your response to part A differ if discount window loans were available on Sundays and weekday holidays? Select one: yes/no/unsure

21) Are there any other considerations related to discount window operating days that you would like the Federal Reserve to understand?

    [comment box]