



For Immediate Release
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FCA Board Receives Report on Agency's Fiscal Year 2017 Financial Statements

McLEAN, Va., Jan. 11, 2018 — The Farm Credit Administration board today heard the auditor's report on the audit of FCA's financial statements as of Sept. 30, 2017 and 2016.

FCA's inspector general contracted with Harper, Rains, Knight & Company, P.A., an independent accounting firm, to perform the financial audit. The firm issued an unmodified opinion on the agency's financial statements. The firm concluded that the financial statements presented fairly, in all material respects, the financial position of FCA as of Sept. 30, 2017 and 2016, in conformity with generally accepted accounting principles.

In addition, the firm did not identify any deficiencies in internal controls considered to be material weaknesses, any instances of noncompliance, or any other matters required to be reported. FCA's inspector general provided oversight of the audit firm's performance, and the review disclosed no instances in which the audit firm did not comply, in all material respects, with auditing standards.

Closed Session

During the closed session, the FCA board held an executive meeting with the auditor.

Notational Votes

Since the December FCA board meeting, the following notational votes have occurred. Notational votes are actions taken by the FCA board between board meetings.

- On Dec. 19, the board approved FCA's 2018 compensation and benefits program.
- On Dec. 21, the board approved the request of Compeer Financial, ACA, to invest up to \$4 million in Certificates of Participation to be issued by a healthcare center in rural South Dakota. Approval is subject to certain conditions.
- On Dec. 21, the board voted to approve a request by AgFirst Farm Credit Bank to redeem the stock of two other financing institutions (OFIs). OFIs are non-System lenders that make short- and intermediate-term loans to farmers and ranchers under provisions of the Farm Credit Act.

- On Jan. 4, the board approved a final rule to increase the maximum civil money penalties that may be imposed under sections 5.25, 5.26, and 5.32(a) of the Farm Credit Act of 1971, as amended, and the Flood Disaster Protection Act of 1973, as amended. The amount of the increase is prescribed by statute and OMB guidance, and as a result, FCA did not seek public comment on this rule.

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The Farm Credit Administration is the safety and soundness regulator of the Farm Credit System. The System consists of two government-sponsored enterprises — a nationwide network of cooperative banks and associations established in 1916, and a secondary market entity known as the Federal Agricultural Mortgage Corporation (Farmer Mac) that was established in 1988. The System's borrower-owned banks and associations provide credit to farmers, ranchers, residents of rural communities, agricultural and rural utility cooperatives, and other eligible and creditworthy borrowers. Farmer Mac provides a secondary market for agricultural real estate loans, rural housing mortgage loans, and certain rural utility loans. Members of the FCA board are Dallas P. Tonsager, board chairman and CEO, Jeffery S. Hall, and Glen R. Smith.

Note: FCA news releases are available on the web at <http://www.fca.gov>.