

IV.

BUDGET AND SPENDING



2022 FDIC OPERATING BUDGET

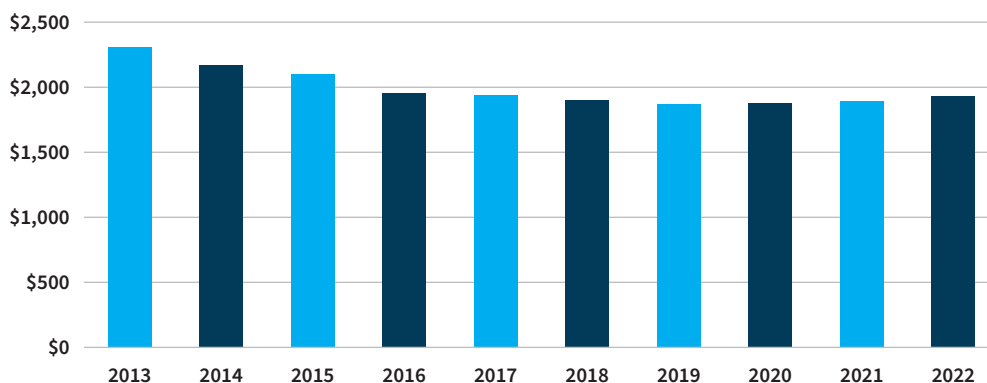
The FDIC segregates its corporate operating budget and expenses into three separate components: ongoing operations, receivership funding, and the Office of Inspector General (OIG). The receivership funding component represents expenses resulting from financial institution failures and is, therefore, largely driven by external forces and is less controllable and estimable. FDIC operating expenditures totaled \$1.9 billion in 2022, including \$1.9 billion in ongoing operations, \$25 million in receivership funding, and \$42 million for the OIG. This represented approximately 87 percent of the approved budget for ongoing operations, 33 percent of the approved budget for receivership funding, and 90 percent of the approved budget for the OIG for the year.

The approved 2023 FDIC Operating Budget of approximately \$2.4 billion consists of \$2.3 billion for ongoing operations, \$75 million for receivership funding, and \$48 million for the OIG. The level of approved ongoing operations budget for 2023 is approximately \$146 million (7 percent) higher than the 2022 ongoing operations budget, while the approved receivership funding budget is unchanged from the 2022 receivership funding budget. The 2022 OIG budget is \$1 million (2 percent) higher than the 2022 OIG budget.

As in prior years, the 2023 budget was formulated primarily on the basis of an analysis of projected workload for each of the Corporation’s three major business lines and its program support functions. The total proposed operating budget is \$147 million (6 percent) higher than the 2022 FDIC Operating Budget, largely needed in order to recruit, hire, and retain the diverse pool of highly qualified people the agency relies upon to carry out its mission, and on IT investments to meet the operational and information security needs of the FDIC.

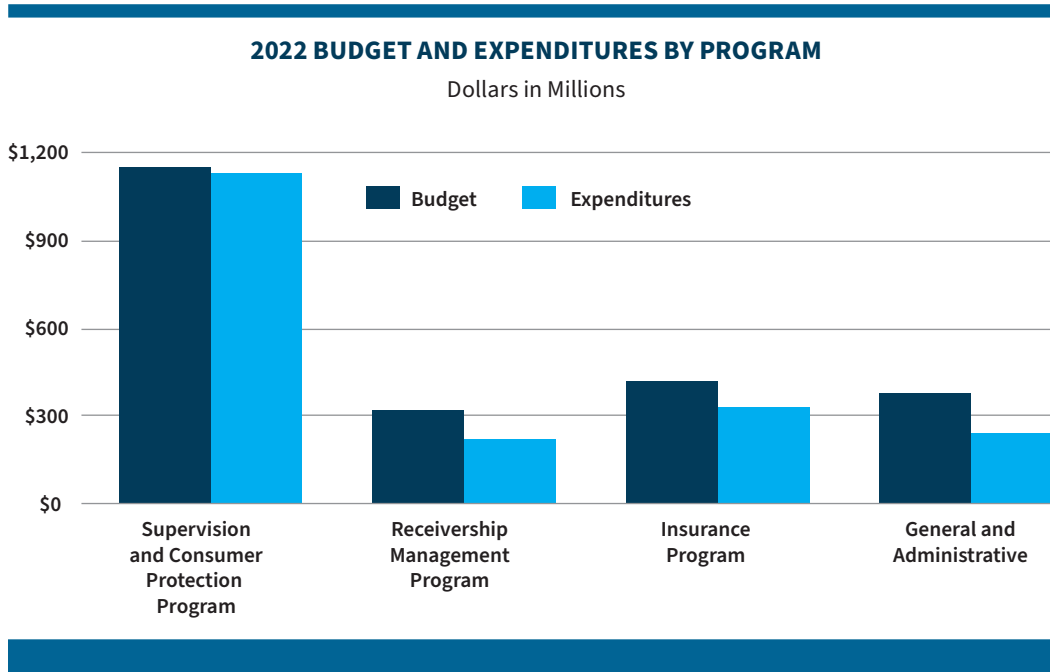
FDIC EXPENDITURES

Dollars in Millions



BUDGET AND SPENDING

The FDIC's Strategic Plan and Annual Performance Plan provide the basis for annual planning and budgeting for needed resources. The 2022 aggregate budget (for ongoing operations, receivership funding, OIG, and investment spending) was \$2.3 billion, while actual expenditures for the year were \$1.9 billion, about \$41 million higher than 2021 expenditures.



2022 BUDGET AND EXPENDITURES BY PROGRAM

(EXCLUDING INVESTMENTS)

The FDIC Operating Budget for 2022 totaled approximately \$2.3 billion. Budget amounts were allocated as follows: \$1.1 billion or 51 percent, to the Supervision and Consumer Protection program; \$319 million or 14 percent, to the Receivership Management program; \$417 million, or 18 percent, to the Insurance program; and \$378 million, or 17 percent, to Corporate General and Administrative expenditures.

Actual expenditures for the year totaled \$1.9 billion. Actual expenditures occurred as follows: \$1.1 billion, or 59 percent, to the Supervision and Consumer Protection program; \$221 million, or 11 percent, to the Receivership Management program; \$329 million, or 17 percent, to the Insurance program; and \$241 million, or 13 percent, to Corporate General and Administrative expenditures.

INVESTMENT SPENDING

The FDIC instituted a separate Investment Budget in 2003 to provide enhanced governance of major multi-year development efforts. It has a disciplined process for reviewing proposed new investment projects and managing the construction and implementation of approved projects. Proposed IT projects are carefully reviewed to ensure that they are consistent with the Corporation’s enterprise architecture. The project approval and monitoring processes also enable the FDIC to be aware of risks to the major capital investment projects and facilitate appropriate, timely intervention to address these risks throughout the development process. An investment portfolio performance review is provided to the FDIC’s Board of Directors on a quarterly basis. From 2013-2022 investment spending totaled \$121 million, and is estimated at \$6 million for 2023.

