FDIC *Federal Deposit Insurance Corporation*

Deputy to the Chairman and Chief Financial Officer

February 23, 2021

MEMORANDUM TO: The Board of Directors

FROM: Bret Edwards
Deputy to the Chairman
and Chief Financial Officer

SUBJECT: Fourth Quarter 2020 CFO Report to the Board

The attached report highlights the FDIC's financial activities and results for the quarter ended December 31, 2020.

Executive Summary

- During the fourth quarter of 2020, the Deposit Insurance Fund (DIF) balance rose to a record $117.9 billion as of December 31, 2020, up $1.5 billion from the September 30, 2020 balance of $116.4 billion. The quarterly increase was primarily due to $1.9 billion in assessment revenue, partially offset by $470 million in operating expenses.

- The reserve ratio, which is the ratio of the DIF balance to estimated insured deposits, was 1.29 percent at December 31, 2020, down one basis point from September 30, 2020. Strong estimated insured deposit growth more than offset the growth in the DIF.

- During the fourth quarter of 2020, the FDIC was named receiver for two failed financial institutions. The combined assets at inception for these failed institutions were $205 million with estimated losses to the DIF as of December 31, 2020, of $28 million. The corporate cash outlay during the fourth quarter for these failures was approximately $70 million.

- Through December 31, 2020, overall FDIC Operating Budget expenditures were below the full-year budget by seven percent ($148 million). This variance was primarily the result of underspending in the Travel, Outside Services – Personnel, and Salaries and Compensation expense categories in the Ongoing Operations budget component and the Outside Services – Personnel expense category in the Receivership Funding budget component.

I. <u>Financial Results</u> (See pages 8 – 9 for detailed data and charts.)

Deposit Insurance Fund

- The DIF's comprehensive income totaled $7.5 billion for 2020 compared to comprehensive income of $7.7 billion during 2019. While assessment revenue increased year-over-year by $2.2 billion, this was fully offset by a year-over-year reduction in the negative provision for insurance losses of $1.1 billion and a decrease in interest and unrealized gains on U.S. Treasury securities of $1.2 billion.

- The provision for insurance losses was a negative $157 million for 2020, compared to negative $1.3 billion for 2019. The negative provision of $157 million in 2020 reflected adjustments to loss estimates for prior year failures largely as a result of unanticipated recoveries from professional liability claims and litigation settlements by receiverships, as well as reductions to receivership future liquidation expense estimates. The provision balance for 2019 reflected much larger decreases in loss estimates for prior year bank failures primarily arising from shared-loss liability reductions as well as unanticipated recoveries from litigation settlements and professional liability claims by receiverships.

- Interest revenue on U.S. Treasury securities for 2020 was $1.7 billion, compared to $2.1 billion in 2019. The $0.4 billion year-over-year decrease resulted from reinvestment at record low yields even though the investment in U.S. Treasury securities was $10.4 billion larger at year-end 2020 than year-end 2019.

- During 2020, the DIF recognized an unrealized gain on U.S. Treasury securities of $483 million, down from a $1.2 billion unrealized gain in 2019. This decline is due to the fact that a significant portion of the securities in the portfolio with unrealized gains matured during 2020 (or will do so in the first quarter of 2021).

Assessments

- During December, the DIF recognized assessment revenue of $1.9 billion for the estimate of fourth quarter 2020 insurance coverage. Additionally, the DIF recognized a $69 million adjustment for lower-than-estimated collections for the third quarter 2020 insurance coverage, which decreased assessment revenue.

- On December 30, 2020, the FDIC collected $1.8 billion in DIF assessments for third quarter 2020 insurance coverage.

II. <u>Investment Results</u> (See pages 10 – 11 for detailed data and charts.)

DIF Investment Portfolio

- On December 31, 2020, the total liquidity (also total market value) of the DIF investment portfolio stood at $114.9 billion, up $7.9 billion from its December 31, 2019, balance of $107.0 billion. During the quarter, interest revenue, receivership dividends, and deposit insurance assessment collections far exceeded resolution-related outlays and operating expenses.

- On December 31, 2020, the DIF investment portfolio's yield was 1.11 percent, down 87 basis points from its 1.98 percent yield on December 31, 2019. The new Treasury securities purchased during the fourth quarter of the year had significantly lower yields than the maturing securities' yields.

- In accordance with the approved fourth quarter 2020 DIF portfolio investment strategy, staff purchased seven conventional Treasury securities. The seven securities had a total par value of $12.8 billion, a weighted average yield of 0.208 percent, and a weighted average maturity of 1.5 years.

III. <u>Budget Results</u> (See pages 12 – 13 for detailed data.)

Approved Budget Modifications

The 2020 Budget Resolution delegated to the Chief Financial Officer (CFO) and selected other officials the authority to make certain modifications to the 2020 FDIC Operating Budget. The following budget reallocations were approved during the fourth quarter in accordance with the authority delegated by the Board of Directors:

- In November, the CFO approved adjustments to the Ongoing Operations budgets of multiple organizations, as follows, resulting in a net increase of about $500,000 in the Corporate Unassigned contingency reserve for that budget component:

    - In conjunction with a periodic review by the Division of Finance, adjustments were made to align the Salaries and Compensation budgets of individual divisions and offices with their projected full-year salaries and benefits expenses and to add funding for the year-end accrual of projected 2020 employee bonus payments under the FDIC's new Performance Management Program. Funding was also added to the Division of Risk Management Supervision (RMS) budget to cover expenses incurred under the leave buyback program for examiners. These adjustments resulted in a net increase of $6.9 million to the Salaries and Compensation budget at the corporate level.

    - A decrease of $8.0 million in the RMS Travel budget, consistent with pandemic-related travel restrictions implemented in early 2020.

    - An increase of $600,000 in the Legal Division's Outside Services-Personnel budget to provide funding for financial advisory services related to the establishment of the new Mission-Driven Bank Fund.

- As part of that same November budget adjustment, the CFO approved an increase of $833,715 in the Salaries and Compensation category of the Legal Division's Receivership Funding budget to address unbudgeted overtime expenses, with a corresponding reduction in the Corporate Unassigned contingency reserve in that budget component.

- In November, the CFO approved an increase of $85,000 in the Salaries and Compensation category of RMS's Ongoing Operations budget to increase funding for employee awards. This increase was offset by a corresponding decrease in the Travel category of that budget.

- In December, the CFO approved increases totaling $2,282,774 to the Salaries and Compensation budgets of multiple organizations in the Ongoing Operations budget component for possible increases in the funds available for 2020 employee performance bonuses. These increases were more than offset by decreases totaling $3,385,000 in the Travel budgets of the Division of Depositor and Consumer Protection (DCP), Division of Complex Institution Supervision & Resolution (CISR), and Corporate University (CU), with the balance reprogrammed to the Corporate Unassigned contingency reserve.

- In December, the CFO also approved the reprogramming of funds from the Corporate Unassigned contingency reserve to increase the Division of Information Technology (DIT) total Ongoing Operations budget by a total of $14.3 million to address overspending and projected budget shortfalls in multiple expense categories.

Following these fourth quarter budget modifications, the balances in the Corporate Unassigned contingency reserves declined from $16,703,552 to $4,018,761 in the Ongoing Operations budget component and from $18,917,515 to $18,083,800 in the Receivership Funding budget component.

Approved Staffing Modifications

The 2020 Budget Resolution delegated to the CFO the authority to modify approved 2020 staffing authorizations for divisions and offices, as long as those modifications did not increase the total approved 2020 FDIC Operating Budget.

- In October, the CFO approved an increase of six permanent positions in RMS's 2020 staffing authorization for the new Communications and Training Section (as reported in the Third Quarter CFO Report, seven positions were approved in July 2020 to provide initial staffing for that section).

Subsequent to this adjustment, authorized 2020 staffing for the Corporation totaled 5,728 (5,723 permanent and 5 non-permanent).

Spending Variances

Significant spending variances by major expense category and division/office are discussed below. Significant spending variances for the full year are defined as those that either (1) exceeded the annual budget for a major expense category or division/office; or (2) were under the annual budget for a major expense category or division/office by more than $5 million and represented more than five percent of the major expense category or total division/office budget.

Significant Spending Variances by Major Expense Category

<u>Ongoing Operations</u>

Overall spending for the Ongoing Operations budget component totaled almost $1.8 billion, or 6 percent, below budget for 2020. There were significant spending variances in three expense categories:

- Spending in the Travel expense category was under budget by $43.1 million, or 64 percent. The variance in the Travel expense category was primarily attributable to FDIC's travel restrictions during mandatory telework, which suspended most business travel including travel related to onsite examinations, regulatory meetings, and in-person training. The variance primarily reflected underspending in RMS, DCP, CU, and CISR.

- Spending in the Outside Services – Personnel expense category was under budget by $29.6 million, or 10 percent. The variance was attributable to underspending in multiple divisions and offices. The primary contributors to the variance included the following:

  - Division of Administration (DOA) underspent its budget by $5.9 million due to reduced requirements for onsite support, delayed contract execution, limited onsite access by contractors due to mandatory telework, and challenges in filling contractor vacancies due to the pandemic.

- FDiTech Lab underspent its budget by $3.8 million because of the delayed start of Rapid Phased Prototyping initiatives.

- CISR underspent its budget by $3.3 million because of delays in initiating procurement actions to acquire executive search/leadership consulting advisory services and subject matter expertise to assist in developing bridge bank procedures, cross-border simulations, and resolution playbooks.

- DIT underspent its budget by $3.0 million due to billing corrections, delays in various planned initiatives, and a decision to reduce contractor work hours in November and December to address budget concerns.

- Division of Resolutions and Receiverships (DRR) underspent its budget by $2.0 million due to unfilled contractor positions for accounting services and a delay in awarding a new tax consulting contract.

- CU underspent its budget by $1.8 million due to reduced requirements for in-classroom training facilitation and instructor-led training development during mandatory telework.

- Office of Chief Information Security Officer underspent its budget by $1.6 million due to delayed contract awards and challenges in filling contractor vacancies.

- DCP underspent its budget by $1.3 million due to reduced use of contractual services for MoneySmart.

- The $4.0 million in unused Corporate Unassigned contingency funding also contributed to the total variance in this major expense category.

- Spending in the Other Expenses category was under budget by $5.8 million, or 38 percent. The variance was attributable primarily to lower-than-expected utilization of professional learning accounts by employees in RMS, DCP, and the Legal Division and reduced expenses for supplies, materials, books and manuals during mandatory telework.

Receivership Funding

Overall spending for the Receivership Funding budget component was about $40.6 million, or 46 percent, below budget for 2020. There were significant spending variances in four major expense categories, including three in which the budget was overspent by small amounts.

- Spending in the Outside Services – Personnel was under budget by $33.5 million, or 49 percent. Most of the variance ($18.0 million) was attributable to unused funding in the Corporate Unassigned contingency reserve. The remaining variance was primarily attributable to underspending for contractual services by the Legal Division ($12.3 million, or 47 percent of its budget) and DRR ($3.2 million, or 14 percent of its budget). The Legal Division's underspending was largely the result of settlements, a decision to perform new professional liability investigations with FDIC staff, and delays in pending litigation due to the COVID-19 pandemic. DRR's underspending was largely due to the smaller and relatively simpler bank failures that occurred during 2020 compared to planning estimates.

- Spending in the Buildings and Leased Space expense category was over budget by $158,065, or 7 percent. The variance was mostly attributable to taxes and fees associated with the sale of a multi-million dollar owned real estate property.

- Spending in the Equipment expense category was over budget by $2,130, or 25 percent. The variance was attributable to an accounting error that is being corrected.

- Spending in the Other Expenses category was over budget by $147,139 or 13 percent. The variance was mostly attributable to receivership-related administrative and post-closing settlement expenses for 2019 and 2020 bank failures that were billed well after closing. These expenses were not accrued at closing because they were difficult to estimate accurately.

Office of Inspector General

There were three expense categories in which the Office of Inspector General (OIG) slightly overspent its corporate budget during 2020, creating reportable variances: Outside Services-Personnel ($12,762), Equipment ($14,233) and Outside Services-Other ($3,747). The OIG remained within its annual appropriation during both FY 2020 (October 2019 through September 2020) and the first quarter of FY 2021 (October 2020 through December 2020).

Significant Spending Variances by Division/Office[1]

Eight organizations had significant spending variances through the end of fourth quarter.

- RMS underspent its budget by $35.9 million, or 6 percent, primarily in the Travel, Other Expenses, and Outside Services – Personnel expense categories in the Ongoing Operations budget component. About $27.9 million reflected reduced travel expenses during mandatory telework. The underspending in the Other Expenses category was the result of lower-than-anticipated PLA participation and a tuition adjustment for FFIEC examiner training which was applied during the fourth quarter. The variance in the Outside Services-Personnel category resulted from suspension of the Cyber Threat Hunting project due to lack of access to the Sensitive Compartmented Information Facility (SCIF).

- The Legal Division underspent its budget by $17.4 million, or 11 percent, primarily due to underspending of its Outside Services – Personnel budget in the Receivership Funding budget component because of the factors referenced above. Underspending in the Salaries and Compensation category in the Ongoing Operations component due to vacancies in budgeted positions also contributed to the overall variance.

- DOA underspent its budget by $13.4 million, or 5 percent, mostly in four major expense categories in the Ongoing Operations budget component. Underspending in the Outside Services – Personnel expense category of $5.9 million, or 11 percent, was primarily due to reduced contractual expenses during mandatory telework, as explained above. Underspending in the Buildings and Lease Space expense category of $4.4 million, or 5 percent, was attributable to delayed execution of contracts for several headquarters and regional office building improvement projects and lower utility expenses due to limited onsite employee presence and lower equipment usage during mandatory telework. Underspending in the Equipment expense category of $2 million, or 8 percent, was due to delays in an upgrade of the Electronic Security System and the planned purchase of licenses for human resources application modules as well as reduced spending for corporate shuttles among FDIC buildings. Underspending in the Other Expenses category of $1.8 million, or 34 percent, was largely due to reduced expenses for supplies, materials, books, manuals and employee use of Professional Learning Accounts during mandatory telework.

[1]Information on division/office variances reflects variances in the FDIC Operating Budget and does not include variances related to approved multi-year investment projects.

- DCP underspent its budget by $13.0 million, or 7 percent, primarily in the Travel, Outside Services – Personnel, and Other Expenses categories in the Ongoing Operations budget component. About $7.4 million of this variance reflected reduced travel expenses during mandatory telework. The remainder was the result of underspending of contractual services for MoneySmart and low utilization of the PLA training budget during the pandemic.

- CISR underspent its budget by $8.5 million, or 10 percent, primarily in the Travel and Outside Services-Personnel expense categories in the Ongoing Operations budget component. The underspending for travel reflected the cancellation of planned international and domestic travel as a result of the COVID-19 pandemic. The underspending in the Outside Services – Personnel category ($3.3 million) was due to delays in initiating procurement actions to acquire executive search/leadership consulting advisory services and subject matter expertise to assist in developing bridge bank procedures, cross-border simulations, and resolution playbooks.

- DRR underspent its budget by $8.4 million, or 6 percent of its budget. In the Receivership Funding budget component, DRR underspent in the Outside Services – Personnel expense category by $3.2 million largely due to the smaller size and relatively simpler bank failures that occurred during 2020. In the Ongoing Operations budget component, DRR underspent its Outside Services – Personnel budget by $2.0 million due to unfilled accounting services contractor positions and a delay in awarding a new tax consulting contract, and its Salaries and Compensation budget by $1.7 million due to higher-than-projected attrition and lower overtime expenses.

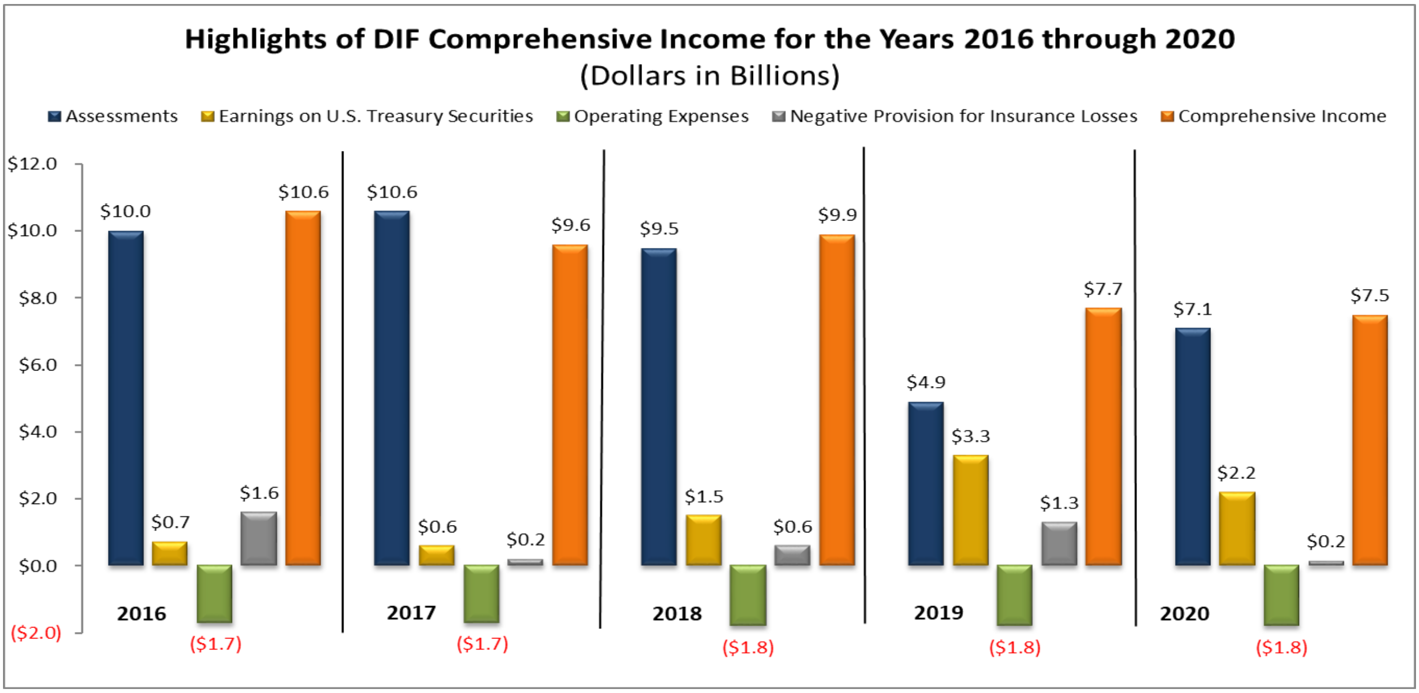
- CU underspent its budget by $6.5 million, or 21 percent, primarily in the Travel and Outside Services–Personnel expense categories in the Ongoing Operations budget component. About $3.1 million of this amount reflected reduced travel during mandatory telework. Another $1.8 million resulted from reduced contractual expenses for in-classroom training facilitation and instructor-led training development during this period.

- Among the Executive Support offices, the FDiTech Lab underspent its budget by $4.0 million, or 84 percent, due to delays in filling its authorized positions and the delayed start of Rapid Phased Prototyping initiatives.

Fund Financial Results

($ in Millions)

Balance Sheet	Deposit Insurance Fund Dec-20	Sep-20	Quarterly Change	Dec-19	Year-Over-Year Change
Cash and cash equivalents	$ 3,311	$ 6,801	$ (3,490)	$ 5,991	$ (2,680)
Investment in U.S. Treasury securities	110,464	105,830	4,634	100,072	10,392
Assessments receivable	1,949	1,902	47	1,242	707
Interest receivable on investments and other assets, net	1,159	864	295	1,021	138
Receivables from resolutions, net	1,367	1,352	15	2,669	(1,302)
Property and equipment, net	321	314	7	330	(9)
Operating lease right-of-use assets	112	115	(3)	0	112
Total Assets	$ 118,683	$ 117,178	$ 1,505	$ 111,325	$ 7,358
Accounts payable and other liabilities	251	234	17	215	36
Operating lease liabilities	119	122	(3)	0	119
Liabilities due to resolutions	1	5	(4)	346	(345)
Postretirement benefit liability	336	289	47	289	47
Contingent liability for anticipated failures	79	62	17	94	(15)
Contingent liability for guarantee payments and litigation losses	0	32	(32)	34	(34)
Total Liabilities	$ 786	$ 744	$ 42	$ 978	$ (192)
FYI: Unrealized gain (loss) on U.S. Treasury securities, net	1,070	1,370	(300)	587	483
FYI: Unrealized postretirement benefit (loss) gain	(98)	(61)	(37)	(61)	(37)
Fund Balance	$ 117,897	$ 116,434	$ 1,463	$ 110,347	$ 7,550



While 2020 comprehensive income was relatively consistent with 2019, the contribution mix from 3 of the 4 components varied significantly. Assessment revenue increased in 2020, however, the negative provision for insurance losses and earnings on UST securities decreased. The increase in assessment revenue resulted from the combination of assessment base growth, higher assessment rates, and the wind-down of small bank credit usage. The negative provision for losses declined in 2020 as a result of lower reductions to the estimated losses for prior year failures. In addition, the decrease in earnings on UST securities was attributable to the reinvestment of matured securities at record low yields.

Fund Financial Results - continued

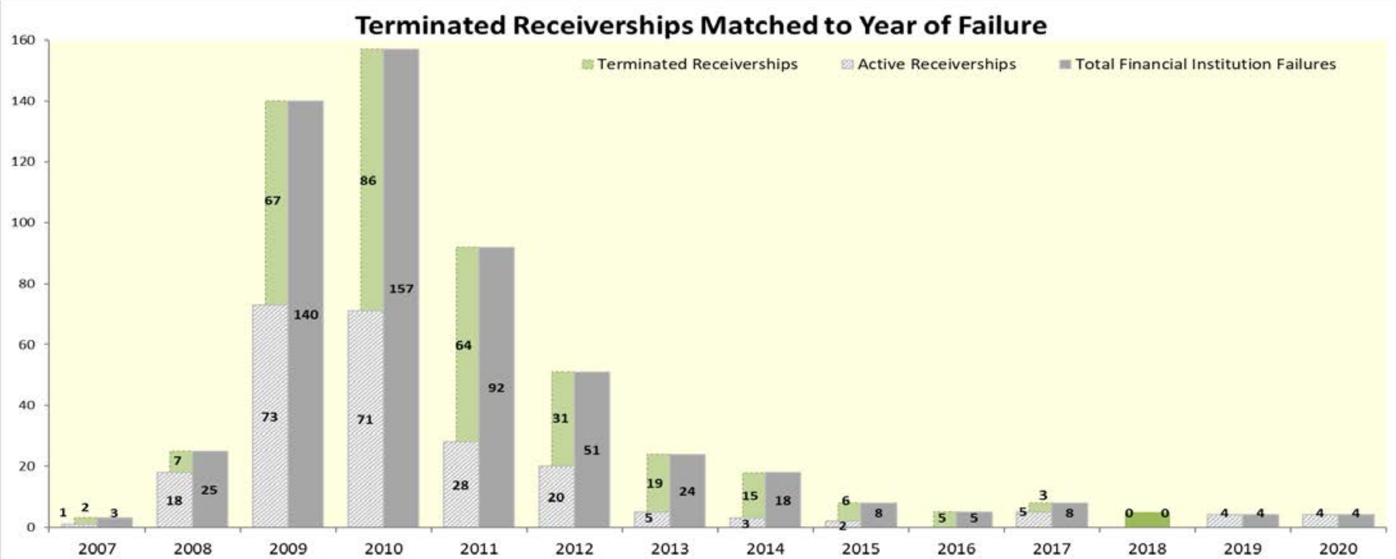
($ in Millions)

Income Statement (year-to-date)	Deposit Insurance Fund				
	Dec-20	Sep-20	Quarterly Change	Dec-19	Year-Over-Year Change
Assessments	$ 7,093	$ 5,209	$ 1,884	$ 4,939	$ 2,154
Interest on U.S. Treasury securities	1,683	1,353	330	2,117	(434)
Other revenue	20	12	8	39	(19)
Total Revenue	$ 8,796	$ 6,574	$ 2,222	$ 7,095	$ 1,701
Operating expenses	1,846	1,376	470	1,796	50
Provision for insurance losses	(157)	(109)	(48)	(1,286)	1,129
Insurance and other expenses	3	3	0	3	0
Total Expenses and Losses	$ 1,692	$ 1,270	$ 422	$ 513	$ 1,179
Net Income	$ 7,104	$ 5,304	$ 1,800	$ 6,582	$ 522
Unrealized gain (loss) on U.S. Treasury securities, net	483	783	(300)	1,203	(720)
Unrealized postretirement benefit gain (loss)	(37)	0	(37)	(47)	10
Comprehensive Income	$ 7,550	$ 6,087	$ 1,463	$ 7,738	$ (188)

Selected Financial Data	FSLIC Resolution Fund				
	Dec-20	Sep-20	Quarterly Change	Dec-19	Year-Over-Year Change
Cash and cash equivalents	$ 907	$ 907	$ 0	$ 923	$ (16)
Accumulated deficit	(124,562)	(124,562)	0	(124,566)	4
Total resolution equity	907	907	0	923	(16)
Total revenue	4	4	0	20	(16)
Operating expenses	0	0	0	1	(1)
Recovery of tax benefits	0	0	0	(1)	1
Losses related to thrift resolutions	0	0	0	0	0
Net Income (Loss)	$ 4	$ 4	$ 0	$ 21	$ (17)

Receivership Selected Statistics December 2020 vs. December 2019

	DIF			FRF			ALL FUNDS		
($ in millions)	Dec-20	Dec-19	*Change*	Dec-20	Dec-19	*Change*	Dec-20	Dec-19	*Change*
Total Receiverships	234	248	(14)	0	0	0	234	248	(14)
Assets in Liquidation	$ 282	$ 524	$ (242)	$ 1	$ 0	$ 1	$ 283	$ 524	$ (241)
YTD Collections	$ 512	$ 1,341	$ (829)	$ 1	$ 2	$ (1)	$ 513	$ 1,343	$ (830)
YTD Dividend/Other Pmts - Cash	$ 1,433	$ 1,675	$ (242)	$ 0	$ 0	$ 0	$ 1,433	$ 1,675	$ (242)



The FDIC, as receiver, manages failed banks with the goal of expeditiously winding up their affairs. The oversight and prompt termination of receiverships help to preserve value for the uninsured depositors and other creditors by reducing overhead and other holding costs. Once the assets of a failed institution have been sold, the final distribution of any proceeds is made and the FDIC terminates the receivership. As of December 31, 2020, the FDIC has terminated 305 receiverships (or 57 percent) of the 539 receiverships created from 2007 through 2020.

Deposit Insurance Fund Portfolio Summary (Dollar Values in Millions)			
	12/31/20	12/31/19	Change
Par Value	$110,403	$104,429	$5,974
Amortized Cost	$112,698	$105,464	$7,234
Total Market Value (including accrued interest)	$114,910	$107,024	$7,886
Primary Reserve [1]	$114,910	$107,024	$7,886
Primary Reserve % of Total Portfolio	100.0%	100.0%	0.0%
Yield-to-Maturity	1.11%	1.98%	-0.87%
Weighted Average Maturity (in years)	1.19	1.18	0.01
Effective Duration (in years)			
Total Portfolio	1.16	1.15	0.01
Available-for-Sale Securities [2]	1.20	1.22	-0.02

[1] Primary Reserve is the total market value (including accrued interest) of overnight investments, all available-for-sale securities, and held-to-maturity securities maturing within three months.

[2] Excludes any overnight investments.

Summary of Other Corporate Investment Portfolios (Dollar Values in Millions)			
	12/31/20	12/31/19	Change
FRF-FSLIC			
Book Value [3]	$882	$878	$4
Yield-to-Maturity	0.06%	1.51%	-1.45%
Weighted Average Maturity	overnight	overnight	no change

[3] Due to the current short-term nature of this portfolio, its respective Par, Book, and Market Values are identical for reporting purposes.

National Liquidation Fund (NLF) Investment Portfolio Summary (Dollar Values in Millions)			
	12/31/20	12/31/19	Change
Book Value [4]	$1,761	$2,128	($367)
Effective Annual Yield	0.14%	1.76%	-1.62%
Weighted Average Maturity (in days)	1	32	(31)

[4] Due to the short-term nature of the NLF portfolio, its Book and Market Values are identical for reporting purposes.

Investment Strategies

DEPOSIT INSURANCE FUND	**Strategy for the 4th Quarter 2020**
	Invest up to $17 billion (par value) in AFS securities with maturities between March 31, 2021 and October 1, 2025.
	Strategy Changes for the 1st Quarter 2021
	Invest up to $26 billion (par value) in AFS securities with maturities between June 30, 2021 and January 1, 2026.
NATIONAL LIQUIDATION FUND	**Strategy for the 4th Quarter 2020**
	Maintain an overnight deposit target floor balance within a range of $50 million to $200 million. Strategically invest the remaining funds in the zero- to 12-month maturity sector.
	Strategy Changes for the 1st Quarter 2021
	No strategy changes for the first quarter of 2021.

Executive Summary of 2020 Budget and Expenditures by Budget Component and Major Expense Category Through December 31, 2020 (Dollars in Thousands)					
Major Expense Category	Annual Budget	YTD Budget	YTD Expenditures	% of YTD Budget Used	YTD Variance
FDIC Operating Budget					
Ongoing Operations					
Salaries & Compensation	$1,282,028	$1,282,028	$1,257,696	98%	($24,331)
Outside Services - Personnel	310,204	310,204	280,612	90%	(29,592)
Travel	66,931	66,931	23,862	36%	(43,069)
Buildings	99,534	99,534	95,212	96%	(4,322)
Equipment	108,142	108,142	104,826	97%	(3,316)
Outside Services - Other	17,177	17,177	16,775	98%	(402)
Other Expenses	15,424	15,424	9,611	62%	(5,813)
Total Ongoing Operations	**$1,899,440**	**$1,899,440**	**$1,788,594**	**94%**	**(110,845)**
Receivership Funding					
Salaries & Compensation	$1,599	$1,599	$1,326	83%	($273)
Outside Services - Personnel	68,466	68,466	34,983	51%	(33,483)
Travel	1,030	1,030	441	43%	(589)
Buildings	2,227	2,227	2,385	107%	158
Equipment	8	8	10	125%	2
Outside Services - Other	571	571	160	28%	(411)
Other Expenses	1,099	1,099	1,246	113%	147
Total Receivership Funding	**$75,000**	**$75,000**	**$40,551**	**54%**	**($34,449)**
Office of Inspector General					
Salaries & Compensation	$37,033	$37,033	$34,629	94%	($2,404)
Outside Services - Personnel	2,400	2,400	2,413	101%	13
Travel	1,035	1,035	815	79%	(220)
Buildings	0	0	0		0
Equipment	1,888	1,888	1,903	101%	14
Outside Services - Other	0	0	4		4
Other Expenses	626	626	467	75%	(159)
Total Office of Inspector General	**$42,982**	**$42,982**	**$40,231**	**94%**	**($2,752)**
Total FDIC Operating Budget	**$2,017,422**	**$2,017,422**	**$1,869,376**	**93%**	**($148,046)**

Executive Summary of 2020 Budget and Expenditures by Division/Office Through December 31, 2020 (Dollars in Thousands)					
Division/Office	Annual Budget	YTD Budget	YTD Expenditures	% of YTD Budget Used	YTD Variance
FDIC Operating Budget					
Risk Management Supervision	$ 556,751	$ 556,751	$ 520,821	94%	$ (35,930)
Information Technology	333,122	333,122	326,768	98%	(6,354)
Administration	270,353	270,353	256,936	95%	(13,417)
Depositor & Consumer Protection	185,351	185,351	172,373	93%	(12,978)
Legal	156,530	156,530	139,147	89%	(17,383)
Resolutions & Receiverships	146,934	146,934	138,486	94%	(8,448)
Complex Institution Supervision & Resolution	87,359	87,359	78,866	90%	(8,493)
Insurance & Research	59,244	59,244	57,015	96%	(2,229)
Inspector General	42,982	42,982	40,230	94%	(2,752)
Finance	41,368	41,368	39,665	96%	(1,703)
Chief Information Security Officer	40,093	40,093	38,215	95%	(1,878)
Executive Support [1]	29,957	29,957	23,878	80%	(6,079)
Corporate University - Corporate	23,070	23,070	19,410	84%	(3,660)
Executive Offices [2]	13,644	13,644	11,838	87%	(1,806)
Corporate University - CEP	8,561	8,561	5,728	67%	(2,833)
Corporate Unassigned	22,103	22,103	0	0%	(22,103)
Total FDIC Operating Budget	**$2,017,422**	**$2,017,422**	**$1,869,376**	**93%**	**($148,046)**

1) Executive Support includes the Offices of Minority and Women Inclusion, Communications, Ombudsman, Legislative Affairs, Financial Institution Adjudication, CIO Management Services, and FDiTech Lab .

2) Executive Offices include the offices of the Chairman, Vice Chairman, Independent Director, Deputy to the Chairman and Chief Operating Officer, Deputy to the Chairman and Chief Financial Officer, Deputy to the Chairman for Policy, Deputy to the Chairman for External Affairs, Deputy to the Chairman for Financial Stability, Deputy to the Chairman for Consumer Protection and Innovation, and Chief Information Officer/Chief Privacy Officer.