

# IV.

## BUDGET AND SPENDING



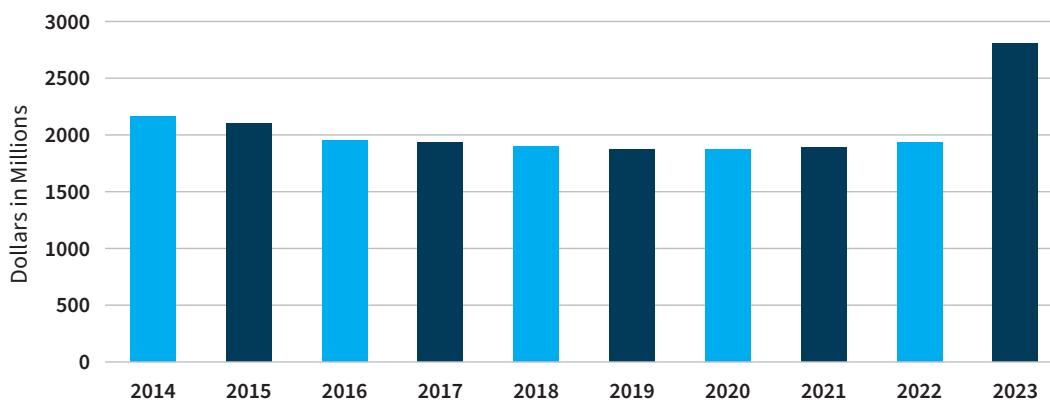
## 2023 FDIC Operating Budget

The FDIC segregates its corporate operating budget and expenditures into three separate components: ongoing operations, receivership funding, and the Office of Inspector General (OIG). The receivership funding component represents expenditures resulting from financial institution failures. It is, therefore, largely driven by external forces and is less controllable and estimable. FDIC operating expenditures totaled \$2.8 billion in 2023, including \$2.1 billion in ongoing operations, \$684 million in receivership funding, and \$47 million for the OIG. This represented approximately 91 percent of the approved budget for ongoing operations, 83 percent of the approved budget for receivership funding, and 98 percent of the approved budget for the OIG for the year.

The approved 2024 FDIC Operating Budget of approximately \$3.0 billion consists of \$2.6 billion for ongoing operations, \$350 million for receivership funding, and \$51 million for the OIG. The approved ongoing operations budget for 2024 is approximately \$275 million (12 percent) higher than the 2023 ongoing operations budget, while the approved receivership funding budget is approximately \$475 million (58 percent) lower than the 2023 receivership funding budget. The 2024 OIG budget is \$2 million (5 percent) higher than the 2023 OIG budget.

As in prior years, the 2024 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 approved 2024 FDIC Operating Budget is approximately \$198 million (six percent) lower than the 2023 FDIC Operating Budget. The Receivership Funding budget is \$475 million (58 percent) lower, while the Ongoing Operations budget is \$275 million (12 percent) higher due to an increase in authorized staffing in 2024 and scheduled employee salary and benefit increases needed to recruit, hire, and retain the diverse pool of highly qualified people the agency relies upon to carry out its mission.

### FDIC EXPENDITURES



## BUDGET AND SPENDING

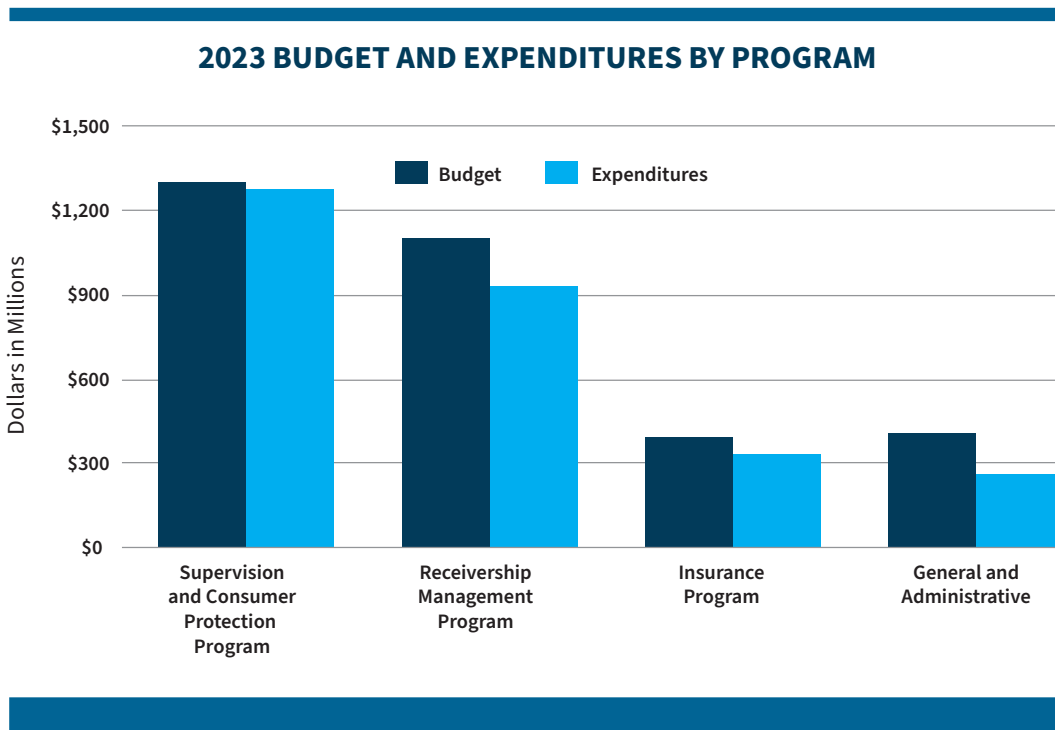
The FDIC's Strategic Plan and Annual Performance Plan provide the basis for annual budgeting for needed resources. The original 2023 aggregate budget (for ongoing operations, receivership funding, OIG, and investment spending) was \$2.4 billion. The budget was increased by \$750 million in the Receivership component in May 2023 to provide the resources necessary to respond to three large regional bank failures. This brought the 2023 budget to \$3.2 billion, while actual expenditures for the year were \$2.8 billion, about \$875 million higher than 2022 expenditures.

## 2023 Budget and Expenditures by Program

### (EXCLUDING INVESTMENTS)

The FDIC's \$3.2 billion 2023 corporate operating budget was allocated by program as follows: \$1.3 billion or 40 percent, to the Supervision and Consumer Protection program; \$1.1 billion or 35 percent, to the Receivership Management program; \$392 million, or 12 percent, to the Insurance program; and \$407 million, or 13 percent, to Corporate General and Administrative expenditures.

Actual expenditures for the year totaled \$2.8 billion. Actual expenditures occurred as follows: \$1.27 billion, or 46 percent, to the Supervision and Consumer Protection program; \$930 million, or 33 percent, to the Receivership Management program; \$333 million, or 12 percent, to the Insurance program; and \$261 million, or 9 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 agency’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 2014-2023 investment spending totaled \$107 million, and is estimated at \$14 million for 2024.

