

III.

BUDGET AND SPENDING

2024 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 ongoing operations and OIG budget components fund regular operating expenses for the FDIC and the OIG, respectively. The receivership funding component represents marginal expenses resulting from financial institution failures and is, therefore, largely driven by external forces and is less controllable and estimable. The table below displays FDIC operating expenditures for 2024.

FDIC Budget Component	Expenditures (in millions)	Percent of Budget
Ongoing Operations	\$2,333	91%
Receivership Funding	\$102	29%
Office of Inspector General	\$49	98%
FDIC Total*	\$2,485	84%

*Note: Totals may not foot due to rounding.

As in prior years, the 2025 budget was formulated primarily based on an analysis of projected workload for each of the agency's three components. The approved 2025 FDIC Operating Budget is approximately \$64 million, or 2.2 percent, higher than the 2024 Operating Budget, as detailed in the table below.

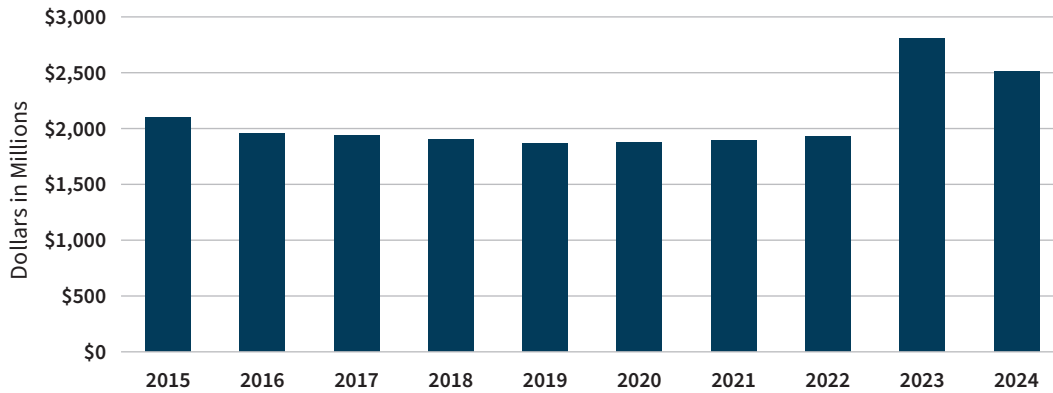
FDIC Budget Component	2025 Budget (in millions)	Change from 2024 Budget (in millions)	Percent Change from 2024 Budget
Ongoing Operations	\$2,722	\$161	6.3%
Receivership Funding	\$250	(\$100)	(28.6%)
Office of Inspector General	\$53	\$3	5.5%
FDIC Total*	\$3,026	\$64	2.2%

*Note: Totals may not foot due to rounding.

The increase in the total proposed operating budget is largely due to scheduled salary and benefit increases provided under the existing compensation agreement with the FDIC's employee union, other inflationary impacts, and additional resources needed to implement the Action Plan for a Safe Work Environment. These increases were partially offset by lower Receivership Funding costs associated with residual workload from elevated 2023 bank failure activity.

Major investment projects have multi-year funding and are approved by the FDIC Board of Directors separately from the annual budget process. In 2024, the FDIC incurred \$24 million in investment project costs. The total expenditures from 2015 to 2024, including investment spending, is reflected in the chart on the following page.

FDIC EXPENDITURES 2015-2024



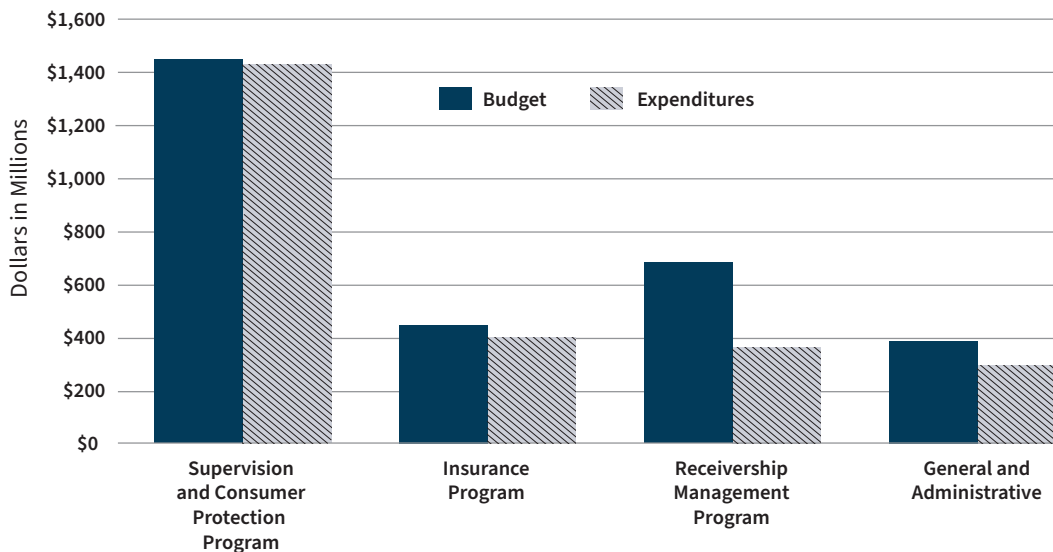
2024 Budget and Expenditures by Program

(EXCLUDING INVESTMENTS)

The FDIC 2024 Corporate Operating Budget totaled approximately \$3.0 billion, with salaries and compensation accounting for more than 60 percent of the total budget. Almost half of the 2024 budget was concentrated in the Supervision and Consumer Protection program.

The chart below shows the 2024 budget and expenditures by program.

2024 BUDGET AND EXPENDITURES BY PROGRAM

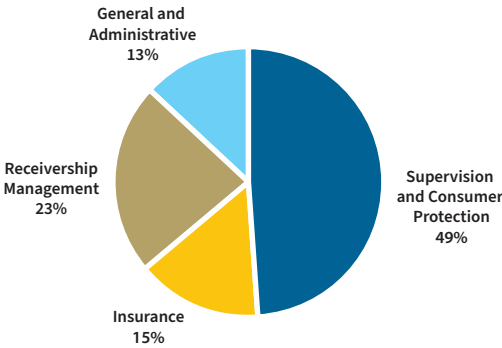


BUDGET AND SPENDING

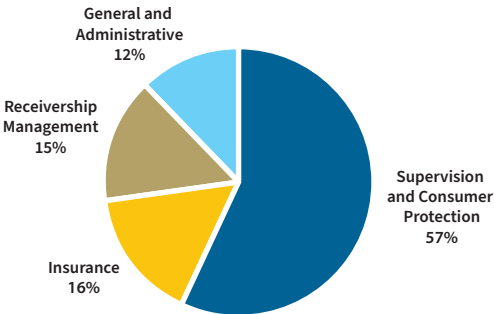
The pie charts below show the portion of the 2024 budget and expenditures represented by each program.

2024 BUDGET AND EXPENDITURES BY PROGRAM

BUDGET BY PROGRAM



EXPENDITURES BY PROGRAM



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 monitoring the development and implementation of approved projects. Throughout development, the FDIC continually evaluates risks to major investment projects and takes appropriate timely steps to mitigate these risks as they arise. An investment portfolio performance review is provided to the FDIC Board of Directors on a quarterly basis. From 2015-2024 investment spending totaled \$112 million and is estimated at \$52 million for 2025.

INVESTMENT SPENDING

