

Department of the Treasury  
Office of the Comptroller of the  
Currency

Congressional Budget  
Justification and Annual  
Performance Plan and Report

FY 2025

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## **Section I – Budget Request**

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### **A – Mission Statement**

To ensure that national banks and federal savings associations operate in a safe and sound manner, provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

### **B – Summary of the Request**

The Office of the Comptroller of the Currency (OCC) was created by Congress in 1863 to charter national banks; oversee a nationwide system of banking institutions; and ensure national banks are safe and sound, competitive and profitable, and capable of serving in the best possible manner the banking needs of their customers. Effective on July 21, 2011, Title III of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), transferred to the OCC the responsibility for the supervision of federal savings associations and rulemaking authority for all federal savings associations.

As of September 30, 2023, the OCC supervised 765 national bank charters, 49 federal branches and agencies, and 248 federal savings associations. In total, the OCC supervises approximately \$16.2 trillion in financial institution assets.

#### *Goals:*

The OCC's priorities focus on strengthening the resiliency of the institutions subject to its jurisdiction through its supervisory and regulatory programs and activities. The OCC has established three strategic goals to affirm its mission: 1) The OCC's culture, talent management, tools, and practices provide an environment for agility and continuous learning; 2) The OCC earns and consistently safeguards the public's trust by being highly credible to a wide range of stakeholders; 3) Peer agencies and international bodies view the OCC as a leader on both traditional and emerging bank supervision issues. To achieve its strategic goals and objectives, the OCC organizes its programs under three activities: 1) Supervise; 2) Regulate; and 3) Charter. Effective supervision and a comprehensive regulatory framework are the key tools that the OCC uses to ensure that national banks and federal savings associations operate in a safe and sound manner and that they provide fair access to financial services and fair treatment of their customers. A robust chartering program allows new entrants into the financial services sector while ensuring that they have the necessary capital, managerial, and risk management processes to conduct activities in a safe and sound manner.

The OCC receives no appropriated funds from congress for any portion of its operations. Operations are funded primarily (approximately 96 percent) from semiannual assessments levied on national banks and federal savings associations. Revenue from investments in Treasury securities and other income comprise the remaining four percent of the OCC's funding.

### **FY 2024 and 2025 Priorities**

The mission of the OCC is to ensure that national banks and federal savings associations operate in a safe and sound manner, provide fair access to financial services, treat customers fairly and comply with applicable laws and regulations. To meet this mission, the OCC has four priorities:

1) guarding against complacency by banks; 2) reducing inequality in banking; 3) adapting to digitalization; and 4) managing climate-related financial risks.

The overall strength of the national banking system remains sound, despite challenges from the current uncertain economic environment. The OCC expects banks to remain diligent and adhere to prudent risk management practices across all risk areas. Banks should continue to guard against complacency to ensure they maintain the ability to withstand potential future economic challenges. Proactive risk management, including stress testing at large banks and preparedness for economic uncertainty, can help ensure that banks remain strong and are able to meet the credit needs of their customers through a range of scenarios. In addition, the OCC, FDIC, and Federal Reserve (collectively, the Federal Banking Agencies or FBAs) requested comment on proposed rules to strengthen and enhance the resilience of the banking system by modifying large bank capital requirements to better reflect underlying risks and increase the consistency of how banks measure their risks.<sup>1</sup>

Banks that remain vigilant and guard against complacency in these and other areas will promote a safe, sound, and fair banking system that continues to support the individuals, communities, and businesses they serve.

Persistent inequality in access to financial services can erode trust in the banking system. Americans who lack access to traditional financial products and services or feel exploited by banks may conclude that the system is working against them, rather than for them. The OCC is focused on several initiatives to address this problem. The FBAs jointly issued a final rule to modernize and strengthen the Community Reinvestment Act (CRA) regulations.<sup>2</sup> The final rule updates the CRA regulations by encouraging banks to expand access to credit, investment, and banking services in low- and moderate-income communities; adapting to changes in the banking industry, including internet and mobile banking; providing greater clarity and consistency in the application of the CRA regulations; and tailoring CRA evaluations and data collection to banking size and type. Where the OCC finds evidence of potential discrimination, those matters are referred to the Department of Justice and the Department of Housing and Urban Development, as applicable. Redlining and other forms of lending discrimination are unacceptable, and the OCC will not hesitate to take enforcement actions if necessary.

Banks' relationships with third parties, including financial technology (fintech) companies, continue to expand. The use of third parties has significant potential benefits, but poor third-party risk management can hurt consumers, weaken banks, and contribute to an unlevel playing field. In June, the FBAs jointly issued interagency guidance addressing risk management of third-party relationships. This document reminded banks of their responsibility to operate in a safe and sound manner and in compliance with applicable laws and regulations regardless of whether their activities are performed in-house or outsourced. The guidance also recognizes that not all third-party relationships reflect the same level of risk and therefore not all require the same level of risk management.

The OCC continues to work with stakeholders to address the risks and opportunities presented by digital assets while working to protect consumers and businesses and ensure the continued

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<sup>1</sup> [OCC News Release 2023-80.](#)

<sup>2</sup> [OCC News Release 2023-117.](#)

stability of the U.S. financial system. The FBAs issued two joint statements reminding banks of supervisory risk management and liquidity expectations regarding crypto-assets and exposures, and the OCC has emphasized the importance of financial regulators not lowering their standards.<sup>3</sup> Tokenization of real-world assets and liabilities, on the other hand, is driven by solving real-world settlement problems and can be developed in a safe and sound manner and fully compliant with anti-money laundering rules. It has the potential to improve settlement efficiency by minimizing lags and reducing the associated frictions, costs, and risks.

The OCC's focus on climate-related financial risk is firmly rooted in its mandate to ensure that national banks operate in a safe and sound manner. In October 2023, the FBAs jointly finalized principles that provide a high-level framework for the safe and sound management of exposures to climate-related financial risks for large financial institutions (those with \$100 billion or more in total assets).<sup>4</sup> The principles are intended to support efforts by the largest financial institutions to focus on key aspects of climate-related financial risk management. Additionally, the principles describe how climate-related financial risks can be addressed in the management of traditional risk areas, including credit, market, liquidity, operational, and legal risks. The OCC is monitoring the development of banks' climate-related financial risk frameworks for safety and soundness and engaging with bank management and other regulators to better understand the challenges banks face in this effort, including data and metrics, governance and oversight, policies, procedures, limits, strategic planning, and scenario analysis capabilities and techniques.

The OCC is committed to ensuring that OCC-supervised banks operate in a safe, sound, and fair manner, meet the credit needs of their communities, treat all customers fairly, and comply with laws and regulations. As the OCC works to ensure that the national banking system remains a source of strength to the U.S. economy, we will continue to advance key agency priorities to ensure the national banking system is well positioned to respond to community and consumer needs well into the future.

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<sup>3</sup> [OCC News Release 2023-1](#); [OCC News Release 2023-18](#).

<sup>4</sup> [OCC News Release 2023-118](#).

## 1.1 – Resource Detail Table

Dollars in Thousands

Budgetary Resources	FY 2023		FY 2024		FY 2025		FY 2024 to FY 2025	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>Revenue/Offsetting Collections</b>								
Assessments	0	1,111,990	0	\$1,119,847	0	\$1,119,847	NA	0.0%
Interest	0	41,106	0	\$51,453	0	\$51,453	NA	0.0%
Other Income	0	16,803	0	\$19,721	0	\$19,721	NA	0.0%
Unobligated Balances from Prior Years	0	1,851,690	0	\$1,812,566	0	\$1,661,587	NA	-8.3%
<b>Total Revenue/Offsetting Collections</b>	<b>0</b>	<b>\$3,021,589</b>	<b>0</b>	<b>\$3,003,587</b>	<b>0</b>	<b>\$2,852,608</b>	<b>NA</b>	<b>-5.0%</b>
<b>Obligations</b>								
Supervise	3,045	\$1,059,145	3,189	\$1,176,121	3,189	\$1,193,166	0.0%	1.4%
Regulate	365	\$126,758	382	\$140,758	382	\$142,798	0.0%	1.4%
Charter	65	\$22,625	68	\$25,124	68	\$25,488	0.0%	1.4%
<b>Total Expenses/Obligations</b>	<b>3,475</b>	<b>\$1,208,528</b>	<b>3,639</b>	<b>\$1,342,002</b>	<b>3,639</b>	<b>\$1,361,451</b>	<b>0.0%</b>	<b>1.4%</b>
<b>Net Results</b>	<b>3,475</b>	<b>\$1,813,061</b>	<b>3,639</b>	<b>\$1,661,585</b>	<b>3,639</b>	<b>\$1,491,157</b>	<b>0.0%</b>	<b>-10.3%</b>

- The Comptroller may impose and collect assessments, fees, or other charges as necessary or appropriate to carry out his responsibilities and to meet the expenses of the OCC. 12 U.S.C. 482. As of September 30, 2023, the net position of the OCC was \$1,808.6 million.
- The Comptroller has sole authority to determine how OCC funds are obligated and its expenses incurred and paid. 12 U.S.C. 16.
- OCC funds are not appropriated funds or government monies. 12 U.S.C. 481.

### 1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2023 Actual Obligations	FY 2024 Revised Estimated Obligations	FY 2025 Estimated Obligations
11.1 - Full-time permanent	593,593	659,996	673,195
11.3 - Other than full-time permanent	4,259	3,585	3,657
11.5 - Other personnel compensation	3,855	3,909	3,987
<b>11.9 - Personnel Compensation (Total)</b>	<b>601,707</b>	<b>667,490</b>	<b>680,839</b>
12.0 - Personnel benefits	265,459	304,959	311,059
13.0 - Benefits for former personnel	54	240	240
<b>Total Personnel and Compensation Benefits</b>	<b>\$867,221</b>	<b>\$972,689</b>	<b>\$992,138</b>
21.0 - Travel and transportation of persons	26,972	30,662	30,662
22.0 - Transportation of things	1,637	1,712	1,712
23.1 - Rental payments to GSA	356	136	136
23.2 - Rental payments to others	56,106	55,127	55,127
23.3 - Communications, utilities, and miscellaneous charges	15,153	20,438	20,438
24.0 - Printing and reproduction	760	682	682
25.1 - Advisory and assistance services	30,554	32,202	32,202
25.2 - Other services from non-Federal sources	30,730	45,269	45,269
25.3 - Other goods and services from Federal sources	7,070	8,204	8,204
25.4 - Operation and maintenance of facilities	5,370	6,225	6,225
25.7 - Operation and maintenance of equipment	83,300	92,262	92,262
26.0 - Supplies and materials	6,701	19,745	19,745
31.0 - Equipment	53,964	39,573	39,573
32.0 - Land and structures	16,690	16,566	16,566
33.0 - Investments and loans	842	509	509
42.0 - Insurance claims and indemnities	5,098	0	0
<b>Total Non-Personnel</b>	<b>\$341,307</b>	<b>\$369,313</b>	<b>\$369,313</b>
<b>Total Obligations</b>	<b>\$1,208,528</b>	<b>\$1,342,002</b>	<b>\$1,361,451</b>
<b>Full-time Equivalents (FTE)</b>	<b>3,475</b>	<b>3,639</b>	<b>3,639</b>

### D – Appropriations Language and Explanation of Changes

The OCC receives no appropriated funds from Congress.

### E – Legislative Proposals

The OCC has no legislative proposals.

## **Section II – Annual Performance Plan and Report**

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### **A – Strategic Alignment**

OCC is continuing to align budget activities and performance measures to the objectives in the Treasury FY 2022 – 2026 Strategic Plan. This work will include benchmarking performance and may result in changes to performance measures in the FY 2026 budget. The OCC published a new Strategic Plan for FY 2023 - 2027 in September 2022. OCC supports the following Department of the Treasury FY 2022 – 2026 strategic goals and objectives:

- **Goal 3: Protect Financial Stability and Resiliency**
  - Strategic Objective 3.1: Financial System Vulnerabilities
  - Strategic Objective 3.3: Financial Innovation
- **Goal 4: Combat Climate Change**
  - Strategic Objective 4.3: Climate-Related Financial Risks

The OCC's nationwide staff of bank examiners conducts on-site and off-site reviews of banks and provides sustained supervision of these institutions' operations. Examiners have used enhanced off-site tools and processes during the pandemic to support their supervision responsibilities. Examiners analyze asset quality, capital adequacy, earnings, liquidity, and sensitivity to market risk for all banks, and assess compliance with federal consumer protection laws and regulations. Examiners also evaluate management's ability to identify and control risk and assess banks' performance in meeting the credit needs of the communities in which they operate, pursuant to the Community Reinvestment Act (CRA).

In addition, under the bank supervision program, the OCC will also:

- Approve or deny applications for new charters, branches, capital, or other changes in corporate or banking structure;
- Take supervisory and enforcement actions against banks that do not comply with laws and regulations or that otherwise engage in unsafe or unsound practices;
- Remove and prohibit officers and directors, negotiate agreements—both formal (i.e., public) and informal (i.e., non-public)—to change banking practices, and issue cease-and-desist orders as well as Civil Money Penalties (CMPs); and
- Issue rules and regulations, legal interpretations, supervisory guidance, and corporate decisions governing investments, lending, and other practices.



## B – Budget and Performance by Budget Activity

### 2.1.1 – Supervise Resources and Measures

Dollars in Thousands

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Resource Level	Actual	Actual	Actual	Actual	Actual	Revised Estimate	Estimate
Expenses/Obligations	\$939,193	\$953,433	\$978,890	\$991,454	\$1,059,145	\$1,176,121	\$1,193,166
<b>Budget Activity Total</b>	<b>\$939,193</b>	<b>\$953,433</b>	<b>\$978,890</b>	<b>\$991,454</b>	<b>\$1,059,145</b>	<b>\$1,176,121</b>	<b>\$1,193,166</b>
<b>Full-time Equivalents (FTE)</b>	<b>3,289</b>	<b>3,202</b>	<b>3,073</b>	<b>3,061</b>	<b>3,045</b>	<b>3,189</b>	<b>3,189</b>

Performance Measure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Percentage of National Banks and Federal Savings Associations with Composite CAMELS Rating 1 or 2	96	96	96	96	95	90	90	90
Percentage of National Banks and Federal Savings Associations That Are Categorized as Well Capitalized	98	99	99	99	99	95	95	95
Percentage of National Banks and Federal Savings Associations with Consumer Compliance Rating of 1 or 2	98	98	98	98	98	94	94	94
Total OCC Costs Relative to Every \$100,000 in Bank and Federal Savings Associations Assets Regulated (\$)	8.07	7.78	6.79	6.78	7.04	7.21	7.86	7.86

### Supervise Budget and Performance

*(\$1,193,166,000 from revenue/offsetting collections):*

An effective supervision program is the cornerstone of the OCC's activities that support its strategic goals. Specifically, the Supervise Program consists of ongoing supervision and enforcement activities that directly support the OCC's mission to foster a safe, sound, and fair system of national banks, federal savings associations and federal branches of foreign banks and agencies of foreign banks that is a source of economic strength and opportunity that meets the evolving needs of consumers, businesses, and communities. The condition and risk management practices of national banks and federal savings associations, and requiring corrective actions when weaknesses are found, directly supports Treasury's goal to promote financial stability. In FY 2023, the OCC updated its policies and procedures manual for bank enforcement actions against large banks that exhibit or fail to correct persistent weaknesses. The revised policies and procedures promote effective risk management by making clear that bank management's failure to correct persistent weaknesses in response to prior enforcement actions or other measures will result in proportionate, fair, and appropriate consequences. In addition, the OCC took several enforcement actions to address violations of the Bank Secrecy Act and Anti-Money Laundering requirements based on authority delegated by Treasury's Financial Crimes Enforcement Network, and/or unsafe or unsound practices including those relating to audit and internal controls, consumer compliance, credit risk management, interest rate risk management, liquidity risk management, and violations of law, rule, or regulation including those relating to information security, the Flood Disaster Protection Act, and the Truth in Lending Act.

*Description of Performance:*

*Percentage of National Banks and Federal Savings Associations with Composite CAMELS Rating of 1 or 2:*

The composite Capital Adequacy, Asset Quality, Management, Earnings, Liquidity, and Sensitivity (CAMELS) rating reflects the overall condition of a national bank or federal savings association. Bank regulatory agencies use the Uniform Financial Institutions Rating System, CAMELS, to provide a general framework for evaluating all significant financial, operational, and compliance factors inherent in a national bank or federal savings association. The rating scale is 1 through 5 of which 1 is the highest rating granted and represents the lowest supervisory risk. These CAMELS ratings are assigned at the completion of every supervisory cycle or when there is a significant event leading to a change in CAMELS.

The OCC established a target outcome measure that 90 percent of the institutions under its supervision have a composite CAMELS rating of 1 or 2. Such a rating is consistent with the goal of a safe and sound banking system, that banks maintain adequate capital and liquidity and have strong risk management practices. As of September 30, 2023, 95 percent of national banks and federal savings associations earned composite CAMELS ratings of either 1 or 2. Degradation in CAMELS can reflect weaknesses in risk management systems that need corrective action. The OCC, consistent with Treasury's goals of boosting U.S. economic growth and promoting financial stability, has instructed bank examiners to identify and seek corrective action at the earliest stage to address potential problems or weaknesses. The OCC's primary focus is to ensure that CAMELS ratings are an accurate reflection of each institution's current financial position and risk controls, and thus the OCC would not prematurely restore a favorable CAMELS rating.

*Percentage of National Banks and Federal Savings Associations that are Considered Well-Capitalized:*

The Federal Deposit Insurance Act established a system that classifies insured depository institutions into five categories (well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized) based on their capital levels relative to their risks. The OCC established a target outcome measure that 95 percent of national banks and federal savings associations will meet or exceed the well-capitalized threshold.

The OCC works closely with problem national banks and federal savings associations to develop rehabilitation plans. Such plans typically include directives to improve or restore capital levels. These efforts, combined with a more stable operating environment, have resulted in improvement in this performance measure since FY 2009. As of September 30, 2023, 99 percent of national banks and federal savings associations were classified as well capitalized.

*Percentage of National Banks and Federal Savings Associations with Consumer Compliance Rating of 1 or 2:*

To ensure fair access to financial services and fair treatment of national bank and federal savings association customers, the OCC evaluates an institution's compliance with consumer laws and regulations. Federal bank regulatory agencies use the Uniform Interagency Consumer Compliance Rating, to provide a general framework for evaluating significant consumer compliance factors inherent in an institution. Each institution is assigned a consumer compliance rating based on an evaluation of its present compliance with consumer protection and civil rights

statutes and regulations, and the adequacy of its operating systems designed to ensure continuing compliance. Ratings are on a scale of 1 through 5 of which 1 is the highest rating granted and represents the lowest risk for noncompliance.

The target for FY 2024 remains unchanged at 94 percent. As of September 30, 2023, national banks and federal savings associations continue to show strong compliance with consumer protection regulations with 98 percent earning a consumer compliance rating of either 1 or 2. Under the Dodd-Frank Act, the OCC has enforcement and supervisory authority for those institutions with total assets of no more than \$10 billion. At larger institutions, the Consumer Financial Protection Bureau (CFPB) has primary supervisory authority. CFPB is the primary regulator for these issues and at OCC-supervised institutions of no more than \$10 billion, OCC enforces CFPB regulations.

*Total OCC Costs Relative to Every \$100,000 in National Bank and Federal Savings Association Assets Regulated:*

The OCC measures the efficiency of its operations while meeting the increasing supervisory demands of a growing and more complex national banking system.

The OCC costs are those reported as total program operating costs that include obligations incurred in each fiscal year. National bank and federal savings association assets are those reported quarterly by national banks and federal savings associations on the Reports of Condition and Income. Total national bank and federal savings association assets represent the growth and complexity of the financial institutions under the jurisdiction of the OCC. This measure supports the OCC's efficient use of agency resources. The OCC's ability to control its costs while ensuring the safety and soundness of national banks and federal savings associations benefits all national bank and federal savings association customers. As of September 30, 2023, total OCC cost relative to every \$100,000 in assets regulated was \$7.04 compared to the FY 2023 target of \$7.21. The OCC continues to meet its efforts to ensure that resources are used prudently and that programs are carried out in a cost-effective manner ensuring that the OCC operates as efficiently and effectively as possible.

## 2.1.2 – Regulate Resources and Measures

Dollars in Thousands

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Resource Level	Actual	Actual	Actual	Actual	Actual	Revised Estimate	Estimate
Expenses/Obligations	\$93,323	\$94,738	\$105,202	\$111,661	\$126,758	\$140,758	\$142,798
<b>Budget Activity Total</b>	<b>\$93,323</b>	<b>\$94,738</b>	<b>\$105,202</b>	<b>\$111,661</b>	<b>\$126,758</b>	<b>\$140,758</b>	<b>\$142,798</b>
<b>Full-time Equivalents (FTE)</b>	<b>327</b>	<b>318</b>	<b>330</b>	<b>345</b>	<b>364</b>	<b>382</b>	<b>382</b>

### Regulate Budget and Performance

*(\$142,798,000 from revenue/offsetting collections):*

The Regulate Program supports the OCC's strategic goal of a vibrant and diverse system of national banks and federal savings associations that supports a robust U.S. economy. Specifically, the Regulate Program consists of ongoing activities that result in the establishment of regulations, policies, operating guidance, and interpretations of general applicability to national banks and federal savings associations. These regulations, policies, and interpretations

may establish system-wide standards, define acceptable national banking and federal savings association practices, provide guidance on risks and responsibilities facing national banks and federal savings associations, or prohibit (or restrict) national banking or federal savings association practices deemed to be imprudent or unsafe. They also establish standards for ensuring fair access to financial services and fair treatment of national bank and federal savings association customers. This program includes establishing examination policies and handbooks; interpreting administrative, judicial, and congressional proceedings; and establishing the applicable legal and supervisory framework for new financial services and products. OCC works closely with Federal financial regulators on major rulemakings to ensure quality and consistency.

*Description of Performance:*

The OCC has recently undertaken actions to reduce regulatory burden on and expand economic opportunity, including in response to the pandemic. The OCC took an important step towards strengthening and modernizing the Community Reinvestment Act (CRA) regulations by issuing a final rule to rescind its June 2020 CRA rule and joining the other federal banking agencies in issuing an interagency notice of proposed rulemaking to develop consistent framework across all banks that will encourage higher levels of responsible lending, investments, services, and greater community engagement, particularly focused on helping to meet the needs of low-and moderate-income and other underserved communities across the nation, including communities that have been disproportionately affected by the pandemic.

In late 2021, the OCC issued draft principles designed to support the identification and management of climate-related financial risks by large OCC-supervised institutions. The draft principles support banks' efforts to focus on key aspects of climate-related financial risk management and outline the OCC's initial supervisory expectations for climate-related financial risk management within existing OCC rules and guidance. The OCC continues to consider the comments received on the draft principles and is working with our interagency colleagues to determine next steps.

The OCC is approaching crypto<sup>5</sup>-related activities in the national banking system with a high degree of caution and expects its supervised institutions to do the same. In late 2021 and early 2022, to keep up with the rapid developments in crypto assets, the OCC participated with the other Federal banking agencies in an interagency "policy sprint" on crypto-assets. The OCC continues to work with other federal and state agencies to research and assess certain crypto-asset activities.

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<sup>5</sup> By "crypto," the OCC refers generally to any digital asset implemented using cryptographic techniques.

### 2.1.3 Charter Resources and Measures

Dollars in Thousands

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Resource Level	Actual	Actual	Actual	Actual	Actual	Revised Estimate	Estimate
Expenses/Obligations	\$20,212	\$20,519	\$27,887	\$24,497	\$22,625	\$25,124	\$25,488
<b>Budget Activity Total</b>	<b>\$20,212</b>	<b>\$20,519</b>	<b>\$27,887</b>	<b>\$24,497</b>	<b>\$22,625</b>	<b>\$25,124</b>	<b>\$25,488</b>
<b>Full-time Equivalents (FTE)</b>	<b>71</b>	<b>69</b>	<b>88</b>	<b>75</b>	<b>65</b>	<b>68</b>	<b>68</b>

  

Performance Measure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Percentage of Licensing Applications and Notices Completed within Established Timeframes	99	98	98	98	99	95	95	95

#### Charter Budget and Performance

(\$25,488,000 from revenue/offsetting collections):

The Charter Program consists of ongoing activities that result in the chartering of national banks and federal savings associations and the evaluation of the permissibility of structures and activities of national banks and federal savings associations and their subsidiaries. This includes the review and approval of new national bank and federal savings association charters, federal branches and agencies, mergers, acquisitions, conversions, business combinations, corporate reorganizations, changes in control, operating subsidiaries, branches, relocations, and subordinated debt issuances. By supporting the entry of new products and institutions into the financial system with a national charter in a manner consistent with safety and soundness, the Charter Program supports the OCC's strategic goals of assuring safety and soundness while allowing national banks and federal savings associations to offer a full competitive array of financial services.

#### Description of Performance:

##### *Percentage of Licensing Applications and Notices Completed within Established Time Frames:*

The OCC's timely and effective approval of corporate applications contributes to the nation's economy by enabling national banks and federal savings associations to complete various corporate transactions and introduce new financial products and services. Delays in providing prompt decisions on applications and notices can deprive a national bank or federal savings association of a competitive or business opportunity, create business uncertainties, or diminish financial results. Time frames have been established for completing each type of application and notice. As of September 30, 2023, the OCC completed 99 percent of national bank and federal savings association applications and notices within the required time frame, above the target of 95 percent. The OCC will continue to meet its Charter Program goals by providing staff training, coordinating efforts between charter and supervisory staff on safety and soundness and compliance matters, issuing updated procedures, and maintaining an emphasis on accessibility and early consultation with national bank and federal savings association organizers and others proposing national bank and federal savings association structure changes.

## **Section III – Additional Information**

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### **A – Summary of Capital Investments**

Modernizing the OCC's approach to bank supervision through standardizing data and information, reducing duplication of effort, and leveraging technology is an agency priority. A single supervisory platform will provide data, information, and analytics to OCC staff to assist in making better decisions, in near real time, to support the agency's mission.

The OCC Chief Information Officer's (CIO) strategy aligns information technology initiatives and investments to the OCC's core mission, including the development of new or enhanced applications and services and the disposition of redundant or "end-of-lifecycle" applications, capabilities, and services.

The CIO strategy is implemented through the budget formulation and the Capital Planning and Investment Control processes. These processes ensure that all IT investments are aligned with the OCC's mission, goals, and objectives, before a project is funded. The OCC ensures funding and staff resources to address IT investment priorities and considers risk mitigation strategies for IT investments to ensure that they are meeting stated performance goals. Performance metrics are linked to the delivery, alignment, and achievement of the OCC's strategic program objectives to support evaluation of cost effectiveness for each investment.

**FY 2024 and FY 2025 Plans** - The OCC has the following four investments:

- *Server Support Services (SSS)* - The SSS supports the OCC's server Operations and Maintenance, including refreshes of End-of-Life hardware. The infrastructure staff continues to build out additional capacity and support server technology refresh, business resiliency, and enterprise storage capacity.
- *Telecommunications Services and Support (TSS)* - TSS includes telecommunications Wide Area Network (WAN) and Local Area Network (LAN) infrastructure. Remote access to the OCC systems is facilitated via a virtual private network and secure access to cloud services. This includes messaging services supporting highly mobile bank examiners and the OCC workforce. The OCC will continue to incrementally refresh telecommunications infrastructure each year to increase capacity, maximize uptime, and maintain our security posture.
- *End User Services and Support (EUSS)* - EUSS includes help desk/customer service support, computer hardware and software operations and maintenance, mobile devices, printers, asset management, and desktop engineering and image management. In FY 2024, OCC will complete its refresh of mobile devices and complete a refresh of computers.
- *Cyber Security (CS)* – CS includes technologies, processes and practices aligned to protect networks, computers, programs and data from attack, damage, or unauthorized access. In alignment with Federal and Treasury requirements, the OCC has transitioned the Agency's systems and applications into Information System Continuous Monitoring and Ongoing Authorization. In FY 2024 and FY 2025, the OCC will continue to focus on automating cybersecurity detection and response capabilities, enhancing Security Orchestration Automation and Response (SOAR) and User Behavior Analytics (UBA) technology investments to reduce complexity and gain efficiencies. In addition, OCC will continue to meet Cybersecurity Executive Orders, Zero Trust Architecture, and deploy additional cloud-

based services to minimize dependence on the OCC Data Center for critical network security and infrastructure services.

A summary of capital investments, including major information technology and non-technology investments, can be accessed at:

<https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>.