

Office of Financial Research

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate	FY 2020 to FY 2021 % Change
Data Center	\$5,849	\$3,499	\$3,575	2.17%
Technology Center	\$28,278	\$34,450	\$35,986	4.46%
Research and Analysis Center	\$8,238	\$14,111	\$14,290	1.27%
Operations and Support Services	\$17,496	\$23,211	\$21,420	-7.72%
Total Cost of Operations	\$59,861	\$75,271	\$75,271	0.00%
Full-time Equivalents (FTE)	105	128	145	13.28%

Summary

The OFR was established by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to assist the Financial Stability Oversight Council (FSOC) and Congress through research, analytic tools, and data-related support on issues related to financial stability. The OFR's efforts, focused through consultation with the FSOC, the Department of the Treasury, and other important stakeholders, drives towards a vision of a transparent, accountable, and resilient financial system.

The Office of Financial Research (OFR or Office) is estimating a fiscal year (FY) 2021 funding level of \$75.271 million, which is flat with its FY 2020 estimated funding level. The request supports OFR priorities without the need for increased funding. The shifts in the FY 2021 Budget from Operations and Support towards Technology Center, Data Center, and Research and Analysis Center (RAC) will allow the OFR to focus on its legislative mandate under the Dodd-Frank Act. The budget reflects an FTE level of 145, which aligns with the workforce plan that formed the basis for OFR's recent Reduction in Force (RIF) and seeks to ensure appropriate structure for maximum efficiency.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2020 Estimate	128	\$75,271
Changes to Base:		
Program Increases:	17	\$2,155
Increased Staffing	17	\$2,155
Non-Recurring Costs	0	(\$2,155)
Subtotal Changes to Base	17	\$0
FY 2021 Current Services	145	\$75,271
Program Changes:		
Subtotal Changes to Base	0	\$0
FY 2021 Estimate	145	\$75,271

Budget Adjustments

Program Increases+\$2,155,000 / +17 FTE

Increased Staffing +\$2,155,000 / +17 FTE

In the wake of higher than anticipated attrition rates after the RIF conducted in FY 2019, 17 FTEs are returned in the FY 2021 request relative to FY 2020. OFR will continue to fill positions that OFR identified pre-RIF as critical to the OFR’s future state and will fill critical vacancies created by attrition.

Non-Recurring Costs-\$2,155,000 / -0 FTE

Non-Recurring Costs -\$2,155,000 / -0 FTE

One-time costs related to post-RIF contractor staffing and space reconfiguration, as well as certain technology support costs, will non-recur.

Legislative Proposals

The Budget proposes to impose appropriate Congressional oversight of OFR functions by subjecting its activities to the annual appropriations process beginning in FY 2022.

Performance Highlights

Budget Activity	Performance Measure	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2021 Target
Data Center	Number of LEIs Issued Cumulatively in the United States and Internationally	587,941	1,300,832	1,487,695	I	I
Data Center	Number of Times That Financial Data Standards are Incorporated in Rules and Regulations	4	1	1	I	I

Key: I – Indicator

Description of Performance

During FY 2019, the number of Legal Entity Identifiers (LEIs) issued continued its upward trend, increasing by approximately 14 percent from the prior year. The Data Center will continue its strategy of engagement with financial data standards-setting organizations. In addition, for FY 2019, the OFR was directly responsible for incorporating a financial data standard into a rule or regulation: the OFR passed a final rule to collect repurchase agreements (repo) data that includes the reporting of LEIs.

In addition to its LEI work, the OFR is continuing its work on a phased-in collection of data pursuant to a final rule regarding U.S. centrally-cleared repos, which represents the OFR’s first daily data collection. The Technology Center will continue to operationalize the daily collection processes, including validation and transformation of the collected data to support business uses. This budget request provides for the needed capacity and capabilities to support this critical daily collection.

The OFR is also focusing on engaging with FSOC and others to drive its research agenda and to help identify the tools needed for risk monitoring. The Research and Analysis Center will also work on enhancing its existing monitoring tools. Throughout FY 2020 and FY 2021, the Research and Analysis Center will continue its direct work for the FSOC Secretariat, providing support for its annual report to Congress in the form of research, analysis, and other resources.

The Center will contribute to the FSOC's transition to an activities-based approach for the non-bank designation process and will continue to respond to specific requests for research and analysis as needed. In 2020, the OFR has introduced two new measures which reflect its focus on meeting the FSOC's research and analysis needs and its priority around risk monitoring tools: 1) the percent of monitors updated or expanded during the reporting period and 2) timeliness of responses to FSOC research and analysis requests.