

Department of Treasury
Office of the Comptroller of the
Currency

Congressional Budget
Justification and Annual
Performance Report and Plan

FY 2020

Table of Contents

Section I – Purpose.....	3
A – Mission Statement.....	3
B – Summary of the Request	3
1.1 – Resource Detail Table.....	5
1.3 – Operating Levels Table.....	6
D – Appropriations Language and Explanation of Changes	6
E – Legislative Proposals.....	6
Section II – Annual Performance Plan and Report.....	7
A - Strategic Alignment	7
B – Budget and Performance by Budget Activity	8
2.1.1 - Supervise Resources and Measures	8
2.1.2 – Regulate Resources and Measure Table	11
2.1.3 – Charter Budget and Performance Plan.....	12
Section III – Additional Information	13
A - Summary of Capital Investments.....	13

Section I – Purpose

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, 2018, the OCC supervised 891 national bank charters and 57 federal branches of foreign banks in the United States with total assets of approximately \$11.8 trillion, and 316 federal savings associations with total assets of approximately \$749 billion. In total, the OCC supervises approximately \$12.5 trillion in financial institution assets.

Goals:

The OCC has established three goals to affirm its mission: 1) The OCC fosters 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; 2) OCC employees are engaged, prepared, and empowered to meet its mission; 3) The OCC operates efficiently and effectively. To achieve its 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's priorities focus on strengthening the resiliency of the institutions subject to its jurisdiction through its supervisory and regulatory programs and activities. A stronger and more resilient banking system directly supports four out of five Department of the Treasury's (Treasury) FY 2018-2022 strategic goals: Boost U.S. Economic Growth, Promote Financial Stability; Enhance National Security, and Goal 5) Achieve Operational Excellence.

Operations are funded primarily (approximately 97 percent) from semiannual assessments levied on national banks and federal savings associations. Revenue from investments in Treasury securities and other income comprise the remaining three percent of the OCC's funding. The OCC does not receive congressional appropriations to fund any portion of its operations.

FY 2019 and 2020 Priorities

A major focus of the OCC's supervisory, regulatory, and charter programs for FY 2019 and forward involve reviews of existing regulations to consider changes consistent with safety and soundness and fair treatment of bank customers, with the goal of enhanced regulatory coordination, reducing unnecessary regulatory burden, and increasing examination efficiency.

The OCC is observing signs that credit risk is increasing because of accumulated risk in loan portfolios from successive years of incremental easing in underwriting, risk layering, concentrations, and rising potential impact from external factors. The potential impacts from external factors include responding to intense competition by easing underwriting or policy exceptions. Therefore, the OCC will continue to closely evaluate current underwriting standards by conducting targeted underwriting examinations and using the credit underwriting assessment tool. The OCC will be working to implement its strategic initiatives to make the OCC a stronger and more effective organization.

The OCC will conduct examinations based on the risk profile of individual national banks and federal savings associations to ensure they are safe and sound, sufficiently capitalized, and comply with applicable laws and regulations. Priorities and activities will include supervisory reviews related to corporate governance and oversight, credit underwriting, consumer compliance – related change management processes, fair access, cyber threats, operational risk, Bank Secrecy Act/Anti Money Laundering (BSA/AML), under both OCC's general bank supervisory authority and delegated authority from Treasury's Financial Crimes Enforcement Network (FinCEN) and utilizing Federal Financial Institutions Examination Council (FFIEC) examination procedures. Examiners will work to resolve problem national bank and federal savings association situations effectively by identifying problems at the earliest possible stage, clearly communicating concerns and expectations to bank management through appropriate enforcement actions, and ensuring timely follow-up on needed corrective actions. An additional priority for the OCC involves revisiting the Community Reinvestment Act in conjunction with other Federal banking regulators for the purposes of modernizing the regulations to reflect the evolution of the banking industry and ensure that the Act's original intent - to encourage insured depository institutions to serve the credit needs of the entire communities in which they operate – continues to be achieved.

1.1 – Resource Detail Table

Dollars in Thousands

Office of the Comptroller of the Currency Budgetary Resources	FY 2018		FY 2019		FY 2020		FY 2019 to FY 2020			
	Actual		Estimated		Estimated		\$ Change		% Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Revenue/Offsetting Collections/Balances										
Assessments		\$1,220,099		\$1,148,800		\$1,151,800		\$3,000		0.26%
Interest		\$23,998		\$27,000		\$27,000		\$0		0.00%
Other Income		\$10,591		\$16,500		\$16,500		\$0		0.00%
Unobligated Balances from Prior Years and Recoveries		\$1,522,624		\$1,541,000		\$1,643,000		\$102,000		6.62%
Total Revenue/Offsetting Collections		\$2,777,312		\$2,733,300		\$2,838,300		\$105,000		3.84%
Expenses/Obligations										
Supervise	3,434	\$1,105,022	3,387	\$975,457	3,387	\$975,457	0	\$0	0.00%	0.00%
Regulate	331	\$106,649	327	\$94,144	327	\$94,144	0	\$0	0.00%	0.00%
Charter	75	\$24,033	74	\$21,215	74	\$21,215	0	\$0	0.00%	0.00%
Total Expenses/Obligations	3,840	\$1,235,704	3,788	\$1,090,816	3,788	\$1,090,816	0	\$0	0.00%	0.00%
Net Results		\$1,541,608		\$1,642,484		\$1,747,484		\$105,000		6.39%

Notes:

- The FY 2018 increase is attributable to an additional contribution payment to the Pentegra Defined Benefit Plan, a legacy retirement plan that covers staff inherited from the Office of Thrift Supervision.
- 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. At September 30, 2018, the net position of the OCC was \$1.39 billion and its financial reserves were \$1.32 billion. In FY 2018, the OCC established a receivership contingency fund of \$86.6 million within its financial reserves to facilitate the conduct of receiverships of uninsured federal branches or agencies of a foreign banking organization. In FY 2017, the OCC established a receivership contingency fund of \$100 million within its financial reserves to support receiverships of uninsured national trust banks.
- 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.
- As part of its annual budget formulation process, the OCC re-evaluates the size of the reserve based on a disciplined analysis of the impact of material events on its ability to fund operations.

1.3 – Operating Levels Table

Dollars in Thousands

Office of the Comptroller of the Currency Object Classification	FY 2018 * Actual	FY 2019 Estimated	FY 2020 Estimated
11.1 - Full-time permanent	546,263	558,442	558,442
11.3 - Other than full-time permanent	6,668	3,629	3,629
11.5 - Other personnel compensation	2,649	2,943	2,943
11.9 - Personnel Compensation (Total)	555,579	565,014	565,014
12.0 - Personnel benefits	380,044	242,165	242,165
13.0 - Benefits for former personnel	475	120	120
Total Personnel and Compensation Benefits	\$936,098	\$807,299	\$807,299
21.0 - Travel and transportation of persons	53,669	48,555	48,555
22.0 - Transportation of things	2,360	2,101	2,101
23.1 - Rental payments to GSA	58	57	57
23.2 - Rental payments to others	71,498	67,616	67,616
23.3 - Communication, utilities, and misc. charges	18,197	17,423	17,423
24.0 - Printing and reproduction	365	558	558
25.1 - Advisory and assistance services	25,959	17,436	17,436
25.2 - Other services	26,460	28,389	28,389
25.3 - Other purchases of goods & serv frm Govt accounts	8,276	8,754	8,754
25.4 - Operation and maintenance of facilities	6,267	6,923	6,923
25.7 - Operation and maintenance of equip	61,630	59,764	59,764
26.0 - Supplies and materials	6,502	7,221	7,221
31.0 – Equipment	17,493	18,332	18,332
32.0 - Land and structures	29	0	0
42.0 - Insurance claims and indemnities	841	388	388
Total Non-Personnel	\$299,606	\$283,517	\$283,517
Total Budgetary Resources	\$1,235,704	\$1,090,816	\$1,090,816
FTE	3,840	3,788	3,788

*The FY 2018 increase is attributable to an additional contribution payment to the Pentegra Defined Benefit Plan, a legacy retirement plan that covers staff inherited from the Office of Thrift Supervision.

D – Appropriations Language and Explanation of Changes

The OCC receives no appropriations from Congress.

E – Legislative Proposals

The OCC has no legislative proposals.

Section II – Annual Performance Plan and Report

A - Strategic Alignment

For FY 2018 and FY 2019, the OCC's bank supervision program specifically supports the following Department of the Treasury's FY 2018 - 2022 strategic goals:

- Goal 1) Boost U.S. Economic Growth
 - 1.2 – Strong Economic Fundamentals
- Goal 2) Promote Financial Stability
 - 2.4 – Financial Sector Critical Infrastructure and Cybersecurity
- Goal 3) Enhance National Security
 - 3.1 – Strategic Threat Disruption
 - 3.2 – AML/CFT Framework
- Goal 5) Achieve Operational Excellence
 - 5.1 – Workforce Management
 - 5.2 – Treasury Infrastructure
 - 5.3 – Customer Value

As such, the OCC's nationwide staff of bank examiners conducts on-site reviews of banks and provides sustained supervision of these institutions' operations. 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; and
- Issue rules and regulations, legal interpretations, supervisory guidance, and corporate decisions governing investments, lending, and other practices.

The OCC published in September of 2018 its FY 2019 – FY 2023 Strategic Plan. The OCC's annual performance plan will be updated for FY 2020 and beyond to reflect any new and relevant priorities.

B – Budget and Performance by Budget Activity

2.1.1 - Supervise Resources and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Expenses/Obligations	\$889,111	\$873,414	\$975,477	\$993,680	\$1,105,022	\$975,457	\$975,457
Budget Activity Total	\$889,111	\$873,414	\$975,477	\$993,680	\$1,105,022	\$975,457	\$975,457

Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Percentage of National Banks and Federal Savings Associations with Composite CAMELS Rating 1 or 2	87.0	91.0	93.0	94.0	96.0	90.0	90.0	90.0
Percentage of National Banks and Federal Savings Associations That Are Categorized As Well Capitalized	93.0	95.0	96.0	97.0	95.0	95.0	95.0	97.0
Percentage of National Banks and Federal Savings Associations With Consumer Compliance Rating of 1 or 2	95.0	96.0	98.0	97.0	98.0	94.0	94.0	94.0
Rehabilitated National Banks and Federal Savings Associations As A Percentage Of Problem National Banks One Year Ago (CAMEL 3,4, or 5)	39.0	39.0	43.0	40.0	44.0	40.0	40.0	40.0
Total OCC Costs Relative To Every \$100,000 in Bank and Federal Savings Associations Assets Regulated (\$)	9.75	9.37	9.65	9.49	9.12	11.00	8.50	8.50

Supervise Budget and Performance

(\$975,457,000 from revenue/offsetting collections/balances):

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 strategic goal 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. Assessing 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 2018, the OCC took a number of enforcement actions, including imposition of Civil Money Penalties (CMPs) to address violations of the Bank Secrecy Act and Anti-Money Laundering requirements. The agency also imposed a significant CMP and ordered restitution for customers harmed by unsafe or unsound practices in violation of the Federal Trade Commission Act, citing a bank's failure to develop and implement an effective enterprise compliance risk management program.

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. 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 strategic 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, 2018, 96 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 an earlier 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 thus the OCC would not take action to 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, 2018, 97 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. Bank regulatory agencies use the Uniform Financial Institutions Rating System, 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. The target for FY 2019 remains unchanged at 94 percent. As of September 30, 2018, 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.

Rehabilitated National Banks and Federal Savings Associations as a Percentage of Problem National Banks and Federal Savings Associations One Year Ago:

The OCC's early identification and intervention with problem financial institutions can lead to a successful rehabilitation. As of September 30, 2018, 44 percent of national banks and federal savings associations with composite CAMELS ratings of 3, 4, or 5 one year ago have improved their ratings to either 1 or 2 this year. This aligns with the target of 40 percent for FY 2018 and FY 2019. The OCC continues to focus on the early identification and rehabilitation of problem institutions.

As previously noted, the OCC continuously takes steps through its Supervise and Regulate programs to make national banks and federal savings associations more resilient to financial stresses and to identify and obtain corrective action at an earlier stage, when problems can be addressed most successfully. These efforts include heightened capital and liquidity standards and increased emphasis on the need for stress testing, designed to provide financial institutions with stronger capital buffers to withstand unforeseen events. These are multi-year efforts that will continue in FY 2019 and beyond.

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 costs on the annual audited Statement of Net Cost. 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 strategic goal of 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, 2018, total OCC cost relative to every \$100,000 in assets regulated was \$9.12 compared to the FY 2018 target of \$11.00. 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.

2.1.2 – Regulate Resources and Measure Table

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated
Expenses/Obligations	\$105,436	\$103,574	\$90,463	\$92,151	\$106,649	\$94,144	\$94,144

Regulate Budget and Performance

(\$94,144,000 from revenue/offsetting collections/balances):

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.

Description of Performance:

The OCC has recently undertaken a number of activities to reduce regulatory burden on and expand economic opportunity, including supporting responsible innovation by regulated institutions. OCC rescinded previous guidance on deposit advance products and issued Bulletin 2018-14 to OCC-supervised institutions encouraging banks to offer responsible short-term, small dollar installment loans. The OCC, with the Board of Governors of the Federal Reserve (Federal Reserve) and the Federal Deposit Insurance Corporation (FDIC) made requirements for Home Mortgage Disclosure Act submissions from banks more efficient and less burdensome, issued a rule to increase the threshold for commercial real estate transactions requiring an appraisal, and proposed changes to regulatory capital rules to better reflect current financial markets and banking organization size and structure. In addition, the OCC, jointly with the Federal Reserve and FDIC, issued an interim final rule expanding the number of institutions eligible for an extended 18 month examination cycle, pursuant to the Economic Growth, Regulatory Relief and Consumer Protection Act (P.L. 115-174) or EGRRCPA.

OCC continued progress, in conjunction with other Federal financial regulators, including the Federal Reserve and the FDIC, to implement provisions the Economic Growth Act, to reduce regulatory burden on community banks, including requesting public comment on simplification of the Volcker Rule, which contains restrictions on proprietary trading and ownership or control of hedge funds or private equity funds. The agency also asked for public comment on modernizing the Community Reinvestment Act, and, pursuant to the EGRRCPA, proposed a rule to provide more business flexibility to federal savings associations.

OCC continued to support responsible industry innovation by implementing a program Office Hours and Listening Sessions, sponsored by its recently established Office of Innovation, and announced that it would begin accepting applications for uninsured national bank charters from nondepository financial technology (fintech) companies engaged in the business of banking.

The OCC continued to support operations of the Financial Stability Oversight Council, and participate in the Federal Financial Institutions Examination Council and other national and international financial service regulation and policy bodies.

2.1.3 – Charter Budget and Performance Plan

Dollars in Thousands

Resource Level	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimated	FY 2020 Estimated
Expenses/Obligations	\$19,262	\$18,922	\$23,978	\$24,426	\$24,033	\$21,215	\$21,215
Budget Activity Total	\$19,262	\$18,922	\$23,978	\$24,426	\$24,033	\$21,215	\$21,215

Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2018 Target	FY 2019 Target	FY 2020 Target
Percentage of Licensing Applications and Notices Completed within Established Timeframes	98.0	97.0	98.0	96.0	97.0	95.0	95.0	95.0

Charter

(\$21,215,000 from revenue/offsetting collections/balances):

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, 2018, the OCC completed 97 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

A - Summary of Capital Investments

The OCC's IT strategic plan 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 IT strategic plan 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, objectives, and target enterprise architecture before a project is funded. The OCC IT strategy ensures adequate funding and staff resources to address IT investment priorities, and considers risk mitigation strategies for IT investments that are not meeting stated cost, time, and performance goals. Performance metrics are linked to the delivery, alignment, and achievement of the OCC's strategic program objectives. Cost effectiveness for each investment is evaluated through regular benchmarking studies, featuring peer group organizations. Key metrics used to evaluate infrastructure include availability, reliability, utilization, defects, and customer satisfaction.

FY 2019 and 2020 Plans - The OCC has 4 major IT initiatives in FY 2019 and 2020:

Servers Support Services (SSS) - The SSS supports the OCC's server Operations and Maintenance. The infrastructure staff continues to build out additional capacity at the co-location facility to support the server technology refresh, business resiliency, and increases in 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, dial-in, and cellular wireless access using two-factor authentication. This also includes messaging services supporting highly-mobile bank examiners and the OCC staff. In FY 2019, the OCC will continue an on-going effort to upgrade the headquarters and field office phone systems and telecom infrastructure including LAN/WAN hardware and Voice Over Internet Protocol.

End User Services and Support (EUSS) - EUSS includes help desk/customer service support, personal computer hardware and software operations and maintenance, asset management, and desktop engineering and image management. New computers and peripherals will be deployed to the workforce in FY 2019/2020.

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 (ISCM) and Ongoing Authorization (OA). In FY 2019 the OCC will be implementing Cloud Access Security Broker and Identity as a Service capabilities to prepare the OCC information technology environment to

deploy additional cloud-based services and to minimize our dependence on the OCC Data Center for critical network services and infrastructure services.

A summary of capital investment resources, including major information technology and non-technology investments, can be viewed and downloaded at:

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

This website also contains a digital copy of this document.