

Department of the Treasury
Office of the Comptroller of the
Currency

Congressional Budget
Justification and Annual
Performance Plan and Report

FY 2021

Table of Contents

Section I – Budget Request	3
A – Mission Statement.....	3
B – Summary of the Request	3
1.1 – Resources Detail Table	5
1.3 Object Classification (Schedule O) Obligations	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
Supervise Budget and Performance	8
2.1.2 – Regulate Resources and Measures	11
Regulate Budget and Performance.....	11
2.1.3 – Charter Resources and Measures	12
Charter Budget and Performance.....	12
C – Changes in Performance Measures	13
D – Evidence-Building Activity	13
Section III – Additional Information	13
A – Summary of Capital Investments.....	13

Section I – Budget Request

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, 2019, the OCC supervised 840 national bank charters, 57 federal branches and agencies, and 303 federal savings associations. In total, the OCC supervises approximately \$12.8 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 FY 2018-2022 strategic goals: Boost U.S. Economic Growth; Promote Financial Stability; Enhance National Security; and 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 2020 and 2021 Priorities

A major focus of the OCC's supervisory, regulatory, and charter programs for FY 2020 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 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 consumer protection laws and regulations. Priorities and activities will include supervisory reviews of cybersecurity and operational resiliency, commercial and retail credit underwriting practices and oversight and control functions, the impact of changing interest rate outlooks, preparedness for the current expected credit losses (CECL) accounting standard, preparation for the phaseout of the London Interbank Offering Rate (LIBOR), technological innovation and, Bank Secrecy Act/Anti Money Laundering (BSA/AML) under delegated authority from Treasury's Financial Crimes Enforcement Network (FinCEN) and in line with Federal Financial Institutions Examination Council (FFIEC) guidance, and fair access. 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 the modernization of the Community Reinvestment Act to reflect the evolution of the banking industry and ensuring that its original intent to assess the degree which insured depository institutions are serving the credit needs of the communities in which they operate remains valid.

1.1 – Resources Detail Table

Dollars in Thousands

Budgetary Resources	FY 2019		FY 2020		FY 2021		FY 2020 to FY 2021	
	Actual		Estimate		Estimate		% Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Revenue/Offsetting Collections								
Assessments	0	\$1,121,808	0	\$1,035,671	0	\$1,035,671	NA	0%
Interest	0	\$31,604	0	\$26,447	0	\$26,447	NA	0%
Other Income	0	\$17,926	0	\$13,000	0	\$13,000	NA	0%
Unobligated Balances from Prior Years	0	\$1,541,608	0	\$1,659,677	0	\$1,632,000	NA	-2%
Total Revenue/Offsetting Collections	0	\$2,712,946	0	\$2,734,795	0	\$2,707,118	NA	-1%
Expenses/Obligations								
Supervise	3,289	\$939,193	3,202	\$984,401	3,202	\$984,401	0.00%	0%
Regulate	327	\$93,323	318	\$97,815	318	\$97,815	0.00%	0%
Charter	71	\$20,212	69	\$21,185	69	\$21,185	0.00%	0%
Total Expenses/Obligations	3,687	\$1,052,728	3,589	\$1,103,401	3,589	\$1,103,401	0.00%	0%
Net Results		\$1,660,218		\$1,631,394		\$1,603,717	0.00%	-2%

Notes:

- 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, 2019, the net position of the OCC was \$1.537 billion.
- 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 Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2019	FY 2020	FY 2021
	Actual Obligations	Estimated Obligations	Estimated Obligations
11.1 - Full-time permanent	543,392	542,738	542,738
11.3 - Other than full-time permanent	5,405	4,129	4,129
11.5 - Other personnel compensation	2,551	2,204	2,204
11.9 - Personnel Compensation (Total)	551,347	549,071	549,071
12.0 - Personnel benefits	238,251	269,068	269,068
13.0 - Benefits for former personnel	195	196	196
Total Personnel and Compensation Benefits	\$789,792	\$818,335	\$818,335
21.0 - Travel and transportation of persons	42,801	44,479	44,479
22.0 - Transportation of things	1,211	795	795
23.1 - Rental payments to GSA	55	56	56
23.2 - Rental payments to others	64,423	66,863	66,863
23.3 - Communication, utilities, and misc charges	14,933	17,412	17,412
24.0 - Printing and reproduction	416	430	430
25.1 - Advisory and assistance services	16,311	17,772	17,772
25.2 - Other services	23,500	31,969	31,969
25.3 - Other purchases of goods & serv frm Govt accounts	8,583	8,543	8,543
25.4 - Operation and maintenance of facilities	4,731	5,578	5,578
25.7 - Operation and maintenance of equip	58,490	64,109	64,109
26.0 - Supplies and materials	4,364	5,936	5,936
31.0 - Equipment	22,472	20,260	20,260
32.0 - Land and structures	375	476	476
42.0 - Insurance claims and indemnities	271	388	388
Total Non-Personnel	262,936	285,066	285,066
Total Budgetary Resources	\$1,052,728	\$1,103,401	\$1,103,401
Full-time Equivalents (FTE)	3,687	3,589	3,589

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 2019 and FY 2020, 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.

B – Budget and Performance by Budget Activity

2.1.1 – Supervise Resources and Measures

Dollars in Thousands

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Resource Level	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate
Expenses/Obligations	\$873,414	\$975,477	\$993,680	\$1,105,022	\$939,193	\$984,401	\$984,401
Budget Activity Total	\$873,414	\$975,477	\$993,680	\$1,105,022	\$939,193	\$984,401	\$984,401
Full-time Equivalents (FTE)	3,337	3,441	3,498	3,434	3,289	3,202	3,202

The FY 2015 - FY 2019 columns represent realized resources for full-time equivalents, reimbursables, and user fees.

Performance Measure	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	FY 2020	FY 2021
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Percentage of National Banks and Federal Savings Associations with Composite CAMELS Rating 1 or 2	91.0	93.0	94.0	96.0	96.0	90.0	90.0	90.0
Percentage of National Banks and Federal Savings Associations That Are Categorized As Well Capitalized	95.0	96.0	97.0	95.0	98.0	95.0	95.0	95.0
Percentage of National Banks and Federal Savings Associations With Consumer Compliance Rating of 1 or 2	96.0	98.0	97.0	98.0	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	43.0	40.0	44.0	15.0	40.0	40.0	40.0
Total OCC Costs Relative To Every \$100,000 in Bank and Federal Savings Associations Assets Regulated (\$)	9.37	9.65	9.49	9.12	8.07	8.50	8.10	8.10

Supervise Budget and Performance

(\$984,401 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 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. 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 2019, 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.

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, 2019, 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, 2019, 98 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 2020 remains unchanged at 94 percent. As of September 30, 2019, 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, 2019, 15 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. The target is 40 percent for FY 2019 and FY 2020. The OCC continues to focus on the early identification and rehabilitation of problem institutions. The low percentage is an indicator of a shrinking population base of problem banks. Two years ago, there were about 80 problem banks, last year 60 problem banks and currently less than 50 problem banks.

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 2020 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 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 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, 2019, total OCC cost relative to every \$100,000 in assets regulated was \$8.07 compared to the FY 2019 target of \$8.50. 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 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Resource Level	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate
Expenses/Obligations	\$103,574	\$90,463	\$92,151	\$106,649	\$93,323	\$97,815	\$97,815
Budget Activity Total	\$103,574	\$90,463	\$92,151	\$106,649	\$93,323	\$97,815	\$97,815
Full-time Equivalents (FTE)	396	319	324	331	327	318	318

The FY 2015 - FY 2019 columns represent realized resources for full-time equivalents, reimbursables, and user fees.

Regulate Budget and Performance

(\$97,815 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.

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 continued progress under the provisions of the Economic Growth, Regulatory Relief and Consumer Protection Act to reduce regulatory burden on community banks, including adopting a final rule to exclude community banks from the Volcker Rule. The agency also adopted a final rule to simplify capital calculations for community banks. The OCC also issued a final rule to provide more business flexibility to federal savings associations.

To implement the Economic Growth, Regulatory Relief and Consumer Protection Act, the OCC expanded eligibility for streamlined regulatory reporting requirements for small institutions, issued a final rule to increase the threshold for residential real estate transactions requiring an appraisal, and expanded the number of institutions eligible for an extended 18-month examination cycle. The agency also issued proposed rules to update the calculation of derivative contract exposure amounts under the regulatory capital rules and to tailor the OCC’s stress testing rule. The OCC continued to seek input on and work collaboratively with the other federal banking agencies on amending the Community Reinvestment Act.

OCC continued to support responsible industry innovation by offering a program of Office Hours and Listening Sessions, sponsored by its Office of Innovation, and proposed a voluntary pilot program to support the testing of innovative products, services, and processes that could benefit consumers, businesses, and communities.

2.1.3 – Charter Resources and Measures

Dollars in Thousands

Resource Level	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimated	FY 2021 Estimated
Expenses/Obligations	\$18,922	\$23,978	\$24,426	\$24,033	\$20,212	\$21,185	\$21,185
Budget Activity Total	\$18,922	\$23,978	\$24,426	\$24,033	\$20,212	\$21,185	\$21,185
Full-time Equivalents (FTE)	72	85	86	75	71	69	69

The FY 2015 - FY 2019 columns represent realized resources for full-time equivalents, reimbursables, and user fees

Performance Measure	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2019 Target	FY 2020 Target	FY 2021 Target
Percentage of Licensing Applications and Notices Completed within Established Timeframes	97.0	98.0	96.0	97.0	99.0	95.0	95.0	95.0

Charter Budget and Performance

(\$21,185 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, 2019, 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.

C – Changes in Performance Measures

OCC has no changes in performance measures.

D – Evidence-Building Activity

In FY 2019 and continuing into FY 2020, OCC began the Business Practice and Technology (BPAT) Initiative. BPAT is an enterprise effort to devise ways to better enable OCC to optimize enterprise services and our ability to proactively manage expectations with OCC customers. This proactive management of resources to optimize service delivery is core to achieving OCC's strategy. When consistent, repeatable processes are in place across OCC, the agency can more easily consider opportunities to manage services more effectively with technology or to automate recurring processes. Such use of technology yields time back to the organization to dedicate to the most complex activities, seek improvements, or provide new services.

In addition, to augment the economic and financial research function already performed by the OCC, the agency is undertaking a more formal strategic analysis and studies program in FY 2020. This function will be future looking in its outlook by conducting research and studies on items and issues having a potential impact on OCC operations and/ or the financial industry in the next five to ten years.

Section III – Additional Information

A – Summary of Capital Investments

The OCC Chief, Information Officer's (CIO) Vision 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 Vision is implemented through the budget formulation and the Capital Planning and Investment Control processes (transitioning to Technology Business Management). 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 ensures funding and staff resources to address IT investment priorities and considers risk mitigation strategies for IT investments that are not 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 2020 and 2021 Plans - The OCC has 4 major IT initiatives in FY 2020 and 2021:

- *Servers 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 manage capability to support enterprise requirements.
- *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 2020, 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 deployment to the workforce will be completed in FY 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 2020 the OCC will continue 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:

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