



# FDIC Office of Inspector General • Office of Audits



## Impact and Results

(October 2023-September 2025)

- ★ More than **24 products issued.**
- ★ More than **115 recommendations to the FDIC.**

## Recent Report Highlights

- ★ **Special Inquiry of the FDIC's Workplace Culture with Respect to Harassment and Related Misconduct** - A majority of the 2,300 employee survey respondents reported feeling safe, valued, and respected, with generally positive views of co-workers and immediate managers. However, more than one-third said they had experienced or witnessed harassment. FDIC management could not always provide complete information about disciplinary actions, and there was no agency-wide policy on penalties or recommended ranges to ensure fair and consistent discipline. FDIC policies did not require reporting of allegations of harassment involving employees to the Chairman or Board of Directors, leaving senior executives without sufficient information to address the problems effectively.
- ★ **Material Loss Review of First Republic Bank** - The bank's failure was caused by contagion effects stemming from the failure of other prominent financial institutions, which led to a run on deposits, significantly reducing its liquidity and exposing vulnerabilities in its business strategy. Report contains 11 recommendations intended to improve the FDIC's supervision processes and its ability to apply effective forward-looking supervision and protect the Deposit insurance Fund in a changing banking environment.
- ★ **Readiness to Resolve Large Banks** - The FDIC's readiness to resolve large regional banks under the Federal Deposit Insurance Act was not sufficiently mature to facilitate consistently efficient response efforts in a potential crisis failure environment. We made 11 recommendations to enhance the FDIC's ability to conduct resolutions efficiently and effectively, reduce strain on staff, and strengthen interdivisional relationships.
- ★ **The FDIC's Purchase and Deployment of the FDIC Acquisition Management System** - The FDIC's deployment of its new acquisition management system was unsuccessful because the FDIC did not employ an effective change management process. FDIC managers also lacked awareness and training on when and how to implement change management. We made three recommendations to address these weaknesses and identified \$9.9 million of funds to be put to better use.

## Who We Are

The Federal Deposit Insurance Corporation (FDIC) supervises 2,772 banks in the United States, maintains the Deposit Insurance Fund of more than \$150 billion, and insures domestic deposits of more than \$10.6 trillion.

**The FDIC Office of Inspector General (OIG)** provides strong independent oversight of the FDIC by prompting and encouraging improvements and efficiencies at the FDIC, helping to preserve the integrity of the Agency and the banking system, and to protect depositors and financial consumers.

## Office of Audits

The OIG's Office of Audits conducts audits, evaluations, and reviews to examine FDIC programs and operations, assess their efficiency and effectiveness, and make recommendations to improve the Agency.

Engagements can involve:

- ★ assessing the effectiveness and efficiency of FDIC programs and operations;
- ★ assessing the FDIC's compliance with laws, regulations, and best practices;
- ★ assessing the FDIC's IT programs and information/cybersecurity;
- ★ reviewing failed banks; and
- ★ alerting management to concerns.

## Standards We Follow

- ★ GAO's Government Auditing Standards (Yellow Book).
- ★ Council of the Inspectors General on Integrity and Efficiency's (CIGIE) Quality Standards for Inspection and Evaluation.
- ★ CIGIE's Quality Standards for Federal Offices of Inspector General.

## What are the key steps in an Audit or Evaluation?

The Office of Audits assignment process is scalable based on the assignment type. It includes formal touch points with the OIG's executive leadership and FDIC stakeholders. Each engagement involves three phases: Planning, Fieldwork, and Reporting. Issued reports, including FDIC comments, are publicly available at [www.fdicigov.gov](http://www.fdicigov.gov).