



PRESS RELEASE

Federal Deposit Insurance Corporation

FOR IMMEDIATE RELEASE
December 3, 2002

Media Contact:
David Barr (202) 898-6992

FDIC'S 2003 BUDGET 8 PERCENT LOWER THAN 2002

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a 2003 Corporate Operating Budget of \$1,070.5 million and a multi-year Investment Budget of \$70.4 million. Estimated spending for 2003 will be \$1.1 billion, 8 percent lower than the 2002 budget.

"I am very pleased that we are meeting our goal of reducing spending by becoming a more efficient organization," said FDIC Chairman Don Powell. "We take seriously our obligation to control costs and continually seek more efficient ways of doing business." Chairman Powell noted that a major goal in 2003 is to continue to enhance the FDIC's analysis of new and emerging risks and its readiness to address problems that may arise within the banking industry.

The 2003 budget will fund the examination of FDIC-supervised institutions, the marketing and resolution of failed institutions, and the administration of the FDIC's deposit insurance program.

The new Investment Budget approved by the Board is a composite of individual budgets for major investment projects. The Investment Budget consists of eight new projects that will range in cost from \$3 million to \$35 million over multiple years.

Almost two-thirds of the Corporate Operating Budget will pay for personnel costs. Authorized staffing will drop from about 6,300 in 2002 to 5,650 in 2003 as a result of declining workloads in some areas and the organizational streamlining that was implemented by the Corporation earlier this year.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-128-2002