



PRESS RELEASE

Federal Deposit Insurance Corporation

December 7, 2004

Media Contact:
Tibby Ford 202-898-8693

FDIC Board Approves Level 2005 Budget

FOR IMMEDIATE RELEASE

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a \$1.1 billion Corporate Operating Budget for 2005. In addition, investment spending is expected to be approximately \$74 million for multi-year investment projects previously approved by the Board.

"I am very pleased that we will be maintaining a level budget for the third year in a row while undertaking some important strategic initiatives," said FDIC Chairman Don Powell. "I believe we have been very successful in our efforts to become a more efficient and cost-conscious organization."

The approved budget will provide funds for the projected 2005 workload of the Corporation's three major business lines — Insurance, Supervision, and Receivership Management — as well as its major program support functions. It provides increased funding for the training of Bank Secrecy Act examination specialists, the operation of the Central Data Repository, and additional staff to meet the policy and examination responsibilities posed by the evolution of capital regulation and the changing risk profile of insured institutions.

Authorized staffing will be reduced by 674 positions by year-end 2005, resulting in substantial budget reductions in 2006.



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-123-2004