



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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FDIC Board Approves 2011 Operating Budget

The Board of Directors of the Federal Deposit Insurance Corporation (FDIC) today approved a \$4.0 billion Corporate Operating Budget for 2011, down slightly from the 2010 budget the Board approved last December.

"I am happy that we are able to see a slight drop in next year's budget while devoting new resources to implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act," said FDIC Chairman Sheila Bair. "We appear to have turned the corner on financial institution failures, but significant post-resolution work remains. Staff met the challenge to find savings to offset a portion of the additional resources needed to carry out our new responsibilities under the Dodd-Frank Act. This budget provides sufficient funding to resolve additional failures as they occur and to position the FDIC for the new challenges that lie ahead."

In conjunction with its approval of the 2011 operating budget, the Board also approved an authorized 2011 staffing level of 9,252 employees, up about 2.5 percent from the current 2010 authorization of 9,029. On a net basis, all of the new positions are temporary as are 40 percent of the total 9,252 authorized positions for 2011. Temporary employees have been hired by the FDIC to assist with bank closings, management and sale of failed bank assets, and other activities that are expected to diminish substantially as the industry returns to more stable conditions. There were 140 bank failures in 2009 and 151 so far in 2010.

"It is important for the public to understand that the FDIC's operating budget does not in any way involve the use of taxpayer funds," said Chairman Bair. "All of the FDIC's operating expenses are paid from the Deposit Insurance Fund—the DIF—which is fully funded by the industry through deposit insurance premiums."



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-267-2010**