

**Statement of Jon T. Rymer
Before the Committee on Banking, Housing, and Urban Affairs
United States Senate**

May 16, 2006

Chairman Shelby, Ranking Member Sarbanes, and Members of the Committee:

It is my great honor to have been nominated by President Bush for the position of Inspector General (IG) of the Federal Deposit Insurance Corporation (FDIC). I am privileged and humbled by the opportunity to appear before this Committee today. I would like to thank the Members of the Committee and their staffs who met with me as I prepared for this hearing. I would also like to thank former FDIC Chairman Powell for his expression of confidence in me. Finally, and importantly, I want to acknowledge and offer my heartfelt thanks to my wife and son for their commitment and support during my career.

Mr. Chairman, as you and the Members of the Committee are well aware, the responsibilities of Inspectors General are defined by the Inspector General Act of 1978, as amended. This act requires all Inspectors General to supervise and coordinate audit and investigative activities; prevent and detect fraud and abuse in agency programs; and make recommendations to senior management aimed at improving the economy, efficiency, and effectiveness of programs and operations. Additionally, the Inspector General at the FDIC investigates fraudulent activities associated with FDIC-supervised institutions, federally insured financial institution failures, and the recovery of assets after insured institutions fail. The FDIC IG is also responsible for keeping the Congress, the FDIC Chairman, and the Board of Directors informed of problems and corrective actions within the Corporation. If confirmed, I will use my experience as a banker, an auditor, and a soldier to fulfill these responsibilities to the best of my ability.

As a banking executive, I have held leadership roles in projects and activities ranging from running major business units to mergers and divestitures, systems conversions, and business and strategic planning. Along with many of these positions came management and leadership responsibilities for hundreds of employees.

During my years with a big four accounting firm, I provided services to scores of banking clients on matters of process improvement, assurance processes, and internal auditing. My clients ranged from international banks to community banks, thrifts, and credit unions. As a result, I understand banking operations and am familiar with the concerns of bankers and customers alike.

I also take pride in my 25 years of service in the active and reserve components of the United States Army. I have learned that it is a special privilege and honor to

serve the United States. I have also learned that it is a serious duty requiring vigilance and integrity.

I appreciate the vital role that the FDIC plays in insuring deposits and helping ensure the safety and soundness of our banking system. I am also keenly aware of the growing globalization and complexity of the financial services industry, the importance of protecting consumers, and the many challenges and potential threats to the stability of the banking system. If confirmed, I will capitalize on my past experience and commit to providing the strong, independent oversight of the FDIC envisioned by the IG Act. I will also look forward to working with the Congress and the other leaders of the FDIC to preserve the public trust and confidence in the banking system that has endured since the Corporation's creation in 1933.

In closing, Mr. Chairman, I thank you and the Members of the Committee again for allowing me to appear here today. This concludes my prepared statement. I would be pleased to respond to any questions that you or other Members of the Committee may have.