



BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: November 19, 2009

FROM: Chief Financial Officer

SUBJ: FY 2010/2011 Budget

ACTION REQUESTED: Board approval of the fiscal year 2010 and 2011 operating and capital budgets.

DATE ACTION REQUESTED: November 19, 2009

OTHER OFFICES CONSULTED: All Regional and Central Office Directors

VIEWS OF OTHER OFFICES CONSULTED: All concur

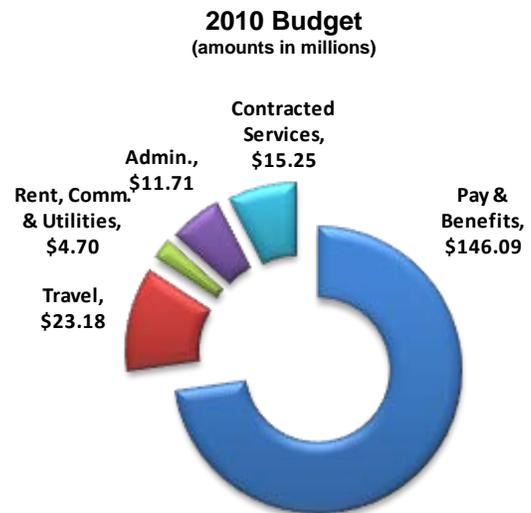
BACKGROUND: The budget was prepared from requests submitted by all offices within NCUA. All submissions underwent thorough reviews, and budget hearings were conducted for all regions and selected central offices. The budget presented below has been discussed and agreed upon by the responsible regional and central office directors.

BUDGET IMPACT: Presented below

RESPONSIBLE STAFF MEMBERS: Executive Director David M. Marquis and Chief Financial Officer Mary Ann Woodson

SUMMARY: The 2010 budget of **\$200,923,512** represents an increase of \$23,059,830 or **13 percent** over the 2009 budget of \$177,863,682. The total authorized staff requested for 2010 is **1,112**, which includes an increase of 74 positions from the prior year. See attachments 1 and 2 for a listing of the budget and positions by office.

For 2010, the budget increases to accommodate normal inflationary adjustments as well as to implement program initiatives to ensure successful execution of the agency's safety and soundness mission. Zero based budgeting techniques were used, which is the process of preparing a budget that starts with no authorized funds, and each activity to be funded must be justified each budget cycle.



Authorized Positions

The authorized position level requested for 2010 is 1,112, which is an increase of 74 positions from the final 2009 authorized level of 1,038 positions. Attachment 2 lists 2010 proposed positions by office. The most significant increase relates to the Annual Examination Program, which adds 57 positions. See item 8 below for additional information.

Budget

The budgetary components of the 2010 budget are:

| <u>Category</u> | 2009 Budget | 2010 Budget | \$ Change | Percent of Total Budget |
|-------------------------------------|-------------------|-------------------|------------------|----------------------------|
| Employee Pay and Benefits | \$ 130,167,806 | \$ 146,089,302 | \$ 15,921,496 | 73% |
| Travel | 20,677,769 | 23,177,347 | 2,499,578 | 12% |
| Rent, Communications & Utilities | 4,388,796 | 4,696,476 | 307,680 | 2% |
| Administrative | 11,284,954 | 11,706,333 | 421,379 | 6% |
| Contracted Services | <u>11,344,357</u> | <u>15,254,055</u> | <u>3,909,698</u> | 8% |
| Total | \$ 177,863,682 | \$ 200,923,512 | \$ 23,059,830 | 100% |

MAJOR BUDGETARY CHANGES: The changes in the budget are categorized as either baseline changes or program changes. Baseline changes are those adjustments needed to maintain current services. Program changes represent new initiatives proposed in the budget.

Baseline Changes

Of the \$23,060,000 budget increase, \$8,280,000, or 36 percent, of the increase is needed to maintain current services. This net increase is broken down into the following components:

- 1) Merit and locality adjustments provide an **increase of \$8,328,000** in both pay and benefits. As specified in the collective bargaining agreement dated January 11, 2008, the average merit pay increase is five (5) percent, and the locality adjustment, which includes the increases and decreases across all localities, can range from a negative (-) to a positive (+) three (3) percent. Changes in locality rates are dictated by the President's Pay Agent. The budget assumes a net growth of 6.5 percent for the combined effect of the merit pay and locality adjustments. These adjustments are effective March 14, 2010.
- 2) Annualization of partial full-time equivalents (FTE) added in 2009 results in **increase of \$2,319,000**. The 2010 budget includes all positions that were added in 2009 at full performance, meaning positions that were partially funded for 2009 are fully funded for 2010. This practice is common in budgeting in order to more accurately reflect cost due to time lags in filling new positions.

- 3) Anticipated career ladder promotions of staff result in an **increase of \$578,000**. Certain entry level positions allow promotions to higher levels based upon required knowledge, skills, and abilities.
- 4) Mandatory health insurance benefits account for an **increase of \$481,000**. The 7 percent increase to the employer's share of premiums, announced by the *Office of Personnel Management*, results in a \$6.7 million health insurance budget.
- 5) Staff turn-over, which includes where retirees are replaced by lower paid employees, provided a **decrease of \$2,336,000** in pay and benefits. In 2008, 73 positions turned over, resulting in an average reduction of \$32,000 in pay and benefits per position.
- 6) The budget proposes a **decrease of \$1,000,000** in contract trainers for a total budget of \$700,000 in order to reflect planned implementation efforts. The 2009 budget included \$1.7 million in funding to use outside contractors to train new staff with the purpose of allowing experienced examiners to remain focused and productive on credit union examination and supervision. Normally, experienced examiners would spend a significant amount of time training new examiners. The agency is negotiating with retired examiners to provide some of this specialized training for 2010. Although the training program was not fully implemented in 2009, NCUA intends to implement a similar program, but at a significantly reduced scope for 2010.
- 7) The remaining **decrease of \$90,000** is the result of other smaller increases and decreases, including interest expense, workers compensation, transportation subsidy, and inter-agency assessments (e.g., FFIEC, HMDA).

Proposed Program Changes

Of the \$23,060,000 budget increase, \$14,780,000 or 64 percent of the increase is the result of proposed program changes. This net increase is broken down into the following components:

Programs Initiatives:

- 8) The budget proposes **\$5,778,000** to implement the Annual Examination Program, which includes increasing and realigning examiner resources. The credit union system continues to experience stress from a faltering economy and dislocations in the financial markets. To adjust to the changing financial landscape and ensure successful implementation of the agency's safety and soundness mission, strategies have been adopted and include allowing regions more flexibility in focusing resources on problem credit unions. The Annual Examination Program incorporates more frequent onsite contact of problem credit unions and enhanced offsite monitoring of credit unions. The increased flexibility comes from allowing the regions to decide on the timing of onsite contact, which can be any time during the year. Accordingly, the scheduling of examinations can be moved forward for credit unions that appear to be negatively trending or have a high risk profile. Increased examiner resources are required for examination or material supervision contact of every Federal credit union every year. The program calls for the addition of 57 positions to the regions in 2010: 39 examiners, 12 problem case officers, four (4) lending specialists, and two (2) supervisory examiners. Additionally, another 28 examiners are anticipated in 2011 to bring this program to full performance.

The program also includes the realignment of examiner resources in order to more effectively match the experience of staff with the examination risk within credit unions. The examination and supervision of California credit unions will temporarily transfer to from Region V (Tempe) to Region II (Capital). The more experienced staff of Region II (Capital) will augment the current California staff and address the credit unions in this economically stressed state. This realignment allocates \$9.3 million in resources associated with 62 positions from Region V (Tempe) to Region II (Capital). Region II (Capital) will return the examination and supervision of Alaska credit unions, which it received in 2009, to Region V (Tempe).

- 9) The resources to stand up of the *Office of Consumer Protection* are proposed at **\$1,500,000**. The office will be created on January 1, 2010, include seven (7) new positions, and contain two (2) divisions, the Division of Consumer Protection and the Division of Consumer Access. The office will: a) provide consumer services, including consumer education and complaint resolution; b) establish, consolidate, and coordinate consumer protection functions within the agency; c) act as the central liaison on consumer protection with other federal agencies; d) nationalize field of membership (FOM) processing; e) absorb centralized chartering activities; and f) assume the activities of the agency's ombudsman. The ombudsman investigates complaints and recommends solutions on regulatory issues that cannot be resolved at the regional level. Additional information is provided in attachment 4.
- 10) The *Office of Chief Economist* will be established with **\$344,000** and include two (2) requested positions as well as a position transferred from the *Office of Examination and Insurance*, for a total of three (3) economist positions. The office will be within the *Office of the Executive Director* and will report to the Deputy Executive Director.
- 11) Within the central offices, there are increases and transfers of positions, resulting in a net increase of three (3) positions totaling **\$602,000**. The requests include adding a Corporate Field Supervisor to the *Office of Corporate Credit Unions* and adding a Program Officer and Risk Management Officer to the *Office of Examination and Insurance*. Additionally, a senior staff position will be transferred to the *Office of the Executive Director* to create the Special Assistant to the Executive Director position.
- 12) The *Asset Management Assistance Center* requests the addition of three (3) positions, totaling **\$336,000**, to assist with increased liquidation and asset management requirements.
- 13) Requests for specialized consultants total **\$560,000** from the regions and the *Office of Examination and Insurance*. Professionals with highly specialized skills are required to address unique safety and soundness issues in certain credit unions and in the corporate credit union system.
- 14) The regions request a **net increase of \$368,000** in travel for a total travel budget of \$15.6 million, exclusive of the travel budget added with the new positions requested for the Annual Examination Program (see item 8 above). This increase reflects increased travel of examiners partially offset by declines in airfare and hotel rates.
- 15) The budget proposes an **increase of \$349,000** in outreach for a total budget of \$427,000. Outreach includes town hall meetings, webinars, conferences, and media

placements. Of this amount, the *Office of Public and Congressional Affairs* requests \$200,000 as funding for media placements, especially to expedite the flow of information in response to unforeseen events.

Administrative:

- 16) The *Office of the Chief Financial Officer* requests **\$1,600,000** for the offsite hosting of NCUA's financial management system by the *Department of Transportation Enterprise Service Center*. On January 4, 2010, the hosting services will start and will include, among other services: a) invoice and payment processing; b) software maintenance, upgrades and licensing; c) system security and continuity; and d) end-user support with help desk. The amount requested includes funds needed for special purpose reports and analyses. Funding for the migration of the financial management system was originally approved with the 2008 budget.
- 17) The *Office of Human Resources, Division of Training and Development* requests:
 - a. a total of **\$978,000** to hold the biennial regional conferences. These national conferences will be held in April 2010 and will include the deployment of new tools to aid examiners with examination and supervision; and
 - b. an **increase of \$252,000** for the development of new courses, to total \$548,000. Courses include topics on consumer lending, residential mortgage lending, member business lending, capital markets, and the Privacy Act.
- 18) The *Office of Inspector General (OIG)* requests:
 - a. an **increase of \$725,000** to engage outside professionals to conduct Material Loss Reviews, for a total budget of \$800,000. Under the Federal Credit Union Act (12 U.S.C. 1790d(j)), OIG is required to conduct Material Loss Reviews on failed credit unions if the loss to the National Credit Union Share Insurance Fund exceeds \$10 million, among other requirements. The budget request is based upon bids received by OIG, which are consistent with other agencies requesting Material Loss Reviews; and
 - b. an **increase of \$213,000** for a total budget of \$713,000 to conduct the agency's independent financial statement audit. The increase is primarily due to increased audit efforts to address technical reporting issues and the new Temporary Corporate Credit Union Stabilization Fund.
- 19) The *Office of the Chief Information Officer* requests:
 - a. a net **increase of \$204,000** in consulting and contracted services for a total contracted services budget of \$4,511,000. This includes \$100,000 for implementation of Networx, the new federal data network infrastructure and \$100,000 in cost of living adjustments for OCIO contractors; and
 - b. an **increase of \$147,000** in telecommunications in order to provide most agency staff with new mobile voice and data devices.
- 20) The remaining **increase of \$824,000** is the result of other increases and decreases, including depreciation on 2010 capital acquisitions (\$320,000), agency-wide printing and supplies (\$230,000), and security identification card management (\$150,000).

Capital Acquisitions

An itemized listing of all capital acquisitions, totaling \$4,872,000, is provided by attachment 3. The associated depreciation expense of \$320,000 is contained within the administrative category (see item 20 above).

- 21) The *Office of the Chief Financial Officer* requests **\$1,500,000**, for a total budget of \$6,500,000, for the migration of the agency's 13 year old financial management system to a Federal share service provider. In October 2008, the agency executed an agreement with the *Department of Transportation Enterprise Service Center* (ESC) to migrate the agency's system. Subsequently, significant changes occurred in the financial operations of the agency, including the addition of the Temporary Corporate Credit Union Stabilization Fund. Also, ESC determined that its initial estimates were not sufficient for the scope of the migration. For instance, ESC's proposed solution to incorporate NCUA's calendar year into the system's October to September fiscal year was more complex than originally anticipated.
- 22) The *Office of the Chief Financial Officer, Division of Procurement and Facilities Management* requests **\$1,993,000**, for continuing renovation on the agency's 17-year old headquarters. Renovations include the lighting, office space, plumbing, and plaza area pavers. Total 2010 needs are \$2,443,000; however, \$450,000 in funds allocated in 2009 for building repairs and renovations will be used to offset these needs.
- 23) The *Office of the Chief Information Officer* requires **\$835,000** for acquisitions needed to maintain a current, stable, and secure network environment.
- 24) The *Office of Examination and Insurance*, with the *Office of the Chief Information Officer* requests **\$500,000** to update the examination system. The updated system will include an electronic library and web-based examination tools. More than 1,500 examiners, including State Supervisory Authorities, rely on NCUA's examination system.
- 25) The remaining capital acquisitions of **\$44,000** relate to renovations to the agency's Austin, Texas building, shared by *Region IV (Austin)* and the *Asset Management and Assistance Center*.

OFFICE REALIGNMENT: The 2010 budget includes the transfer and realignment of staffing resources, as follows.

Effective January 1, 2010, the National Examination Team (NET) is dissolved. The 2009 budget established the NET, which mobilized current staff to address the most challenging cases posing the highest risk to the National Credit Union Share Insurance Fund (NCUSIF). The creation of the NET provided benefits in the handling of troubled large and complex credit unions that would have not been otherwise achieved in 2009. Despite the benefits, the structure of the program was not conducive in providing effective long-term supervision of these credit unions. The obstacles to long-term program success included: a) lack of infrastructure to support a national team; b) limited availability of specialized staff; and c) quality of life issues of staff. As a result of these obstacles, each NET case will be distributed to the region that can best handle the credit union's examination and supervision.

The Division of Planning, within the *Office of Capital Markets and Planning*, will be moved and contained within the *Office of the Executive Director*. The Division of Planning will be a division

of the *Office of the Executive Director* and report to the Deputy Executive Director. The *Office of Capital Markets and Planning* will be renamed to the *Office of Capital Markets*.

The 2010 budget transfers the supervision of five (5) regional training specialists from the regions to the *Office of Human Resources*. This action appropriately aligns the supervision of the regional training specialists with the office that primarily directs the duties for the position. Each region has a training specialist who facilitates the learning of NCUA's examination system and other related knowledge to examiners. The training specialists will remain in their designated territories.

2011 BUDGET: The initial fiscal year 2011 budget of \$ 215,873,540 represents an increase of \$14,950,028 or 7.4 percent compared to the 2010 budget. The budget includes 1,140 positions, which is an increase of 28 positions to reflect the full performance of the Annual Examination Program. The budget also includes an estimated 6.5 percent inflationary effect in both payroll and non-payroll items.

REPROGRAMMING AUTHORITIES: The Delegation of Authority for budget reprogramming has remained unchanged for twelve years. To increase responsiveness of the regional and central office directors, in light of fast moving or sudden changes in the credit union system, a request is made to revise the reprogramming authorities. The intent is to provide regional and office directors the ability to reprogram up to \$50,000 per action, except for pay and benefits budgets. The Executive Director would have the next level of authority, to reprogram up to \$100,000 per action. Any reprogramming above these limits remains under the authority of the Board. The proposed Delegations of Authority are set forth in recommendation 4, below.

RECOMMENDED ACTIONS: It is recommended that the NCUA Board approve the following actions:

1. The fiscal year 2010 budget of \$200,923,512 and 1,111.85 FTEs and the 2011 budget of \$215,873,540 and 1,139.85 FTEs, as presented in attachments 1 and 2.
2. The 2010 capital acquisitions budget totaling \$4,871,527 as presented in attachment 3.
3. Vest within the Executive Director the authority to plan and implement the Office of Consumer Protection and the authority to reprogram FTE and funds related to standing up the Office of Consumer Protection, provided that: (a) the agency budget in total, both FTE and dollar, is not changed, (b) funds are solely reprogrammed for the Office of Consumer Protection and not reallocated for any other program, and (c) the Board is immediately notified of the reprogramming.
4. Delete "BUD 1" in its entirety and replace with the delegation to the Regional Directors, President AMAC, and Office Directors of the following: "Authority to approve the reprogramming of budgeted amounts between budget classifications of up to \$50,000 per reprogramming action, provided that: (a) funds in pay and benefit cost categories, including awards, are excluded from reprogramming; (b) the budget in total is not changed; (c) funds are not reprogrammed for completely new programs or initiatives not already approved in the budget; and (d) the Chief Financial Officer confirms compliance with the preceding provisions (a), (b), and (c). Upon confirmation by the Chief Financial Officer, the Chief Financial Officer immediately notifies the Board and the Executive Director of the reprogramming."

5. Add "BUD 2" with the delegation to the Executive Director of the following: "Authority to approve the reprogramming of budgeted amounts between budget classifications of up to \$100,000 per reprogramming action, provided that: (a) the budget in total is not changed; (b) funds are not reprogrammed for completely new programs or initiatives not already approved in the budget; and (c) the Executive Director immediately notifies the Board and the Chief Financial Officer of the reprogramming."

Chief Financial Officer

Attachments

BUDGET

| By Office | 2009 | Proposed | | | Proposed | | |
|--|--------------------|--------------------|-------------------|---------------|--------------------|-------------------|--------------|
| | | 2010 | Change | % | 2011 | Change | % |
| Office of the Board | 2,250,183 | 2,554,684 | 304,501 | 13.53% | 2,720,738 | 166,054 | 6.50% |
| Office of the Executive Director | 1,690,388 | 2,500,001 | 809,613 | 47.90% | 2,662,501 | 162,500 | 6.50% |
| Office of the National Examination Team | - | - | - | 0.00% | - | - | 0.00% |
| Office of the Chief Economist | - | 475,684 | 475,684 | 100.00% | 506,603 | 30,919 | 6.50% |
| Office of Consumer Protection | - | 1,500,000 | 1,500,000 | 100.00% | 1,597,500 | 97,500 | 6.50% |
| Office of Capital Markets | 2,257,686 | 1,477,389 | (780,297) | -34.56% | 1,573,419 | 96,030 | 6.50% |
| Office of the Chief Financial Officer | 16,026,547 | 18,149,760 | 2,123,213 | 13.25% | 19,329,494 | 1,179,734 | 6.50% |
| Office of the Chief Information Officer | 12,305,079 | 13,072,429 | 767,350 | 6.24% | 13,922,137 | 849,708 | 6.50% |
| Office of Small Credit Union Initiatives | 4,640,332 | 5,215,503 | 575,171 | 12.40% | 5,554,511 | 339,008 | 6.50% |
| Office of Corporate Credit Unions | 6,982,864 | 7,804,338 | 821,474 | 11.76% | 8,311,620 | 507,282 | 6.50% |
| Office of Examination & Insurance | 4,864,940 | 5,838,983 | 974,043 | 20.02% | 6,218,517 | 379,534 | 6.50% |
| Office of General Counsel | 4,958,937 | 5,318,773 | 359,836 | 7.26% | 5,664,493 | 345,720 | 6.50% |
| Office of Human Resources | 9,727,079 | 10,555,593 | 828,514 | 8.52% | 11,241,707 | 686,114 | 6.50% |
| Office of Inspector General | 2,412,907 | 3,224,616 | 811,709 | 33.64% | 3,434,216 | 209,600 | 6.50% |
| Office of Public and Congressional Affairs | 712,740 | 961,408 | 248,668 | 34.89% | 1,023,900 | 62,492 | 6.50% |
| Region I - Albany | 19,902,439 | 21,775,085 | 1,872,646 | 9.41% | 24,135,466 | 2,360,381 | 10.84% |
| Region II - Capital | 20,624,272 | 33,859,063 | 13,234,791 | 64.17% | 36,532,402 | 2,673,339 | 7.90% |
| Region III - Atlanta | 20,786,078 | 23,116,184 | 2,330,106 | 11.21% | 24,618,736 | 1,502,552 | 6.50% |
| Region IV - Austin | 21,676,741 | 23,716,725 | 2,039,984 | 9.41% | 25,730,812 | 2,014,087 | 8.49% |
| Region V - Tempe | 23,151,939 | 16,401,013 | (6,750,926) | -29.16% | 17,467,079 | 1,066,066 | 6.50% |
| Asset Management & Assistance Center | 2,892,531 | 3,406,281 | 513,750 | 17.76% | 3,627,689 | 221,408 | 6.50% |
| Total | 177,863,682 | 200,923,512 | 23,059,830 | 12.96% | 215,873,540 | 14,950,028 | 7.44% |

The 2009 budget column includes the allocation of the Twelve Month Program resources, originally held as undistributed.

The assignment of three (3) positions with the Division of Planning to the Office of the Executive Director and the assignment of five (5) Regional Training Specialists to the Office of Human Resources have significantly increased the budgets of the Office of the Executive Director and the Office of Human Resources, respectively.

Under the Annual Examination Program, resources for examination and supervision of California credit unions are transferred to Regions II (Capital).

POSITIONS/FULL-TIME EQUIVALENTS (FTE)

| <i>By Office</i> | 2009 | Proposed | | Proposed | |
|--|-----------------|-----------------|--------------|-----------------|--------------|
| | | 2010 | Change | 2011 | Change |
| Office of the Board | 11.00 | 12.00 | 1.00 | 12.00 | - |
| Office of the Executive Director | 6.00 | 10.00 | 4.00 | 10.00 | - |
| Office of the National Examination Team | 2.00 | - | (2.00) | - | - |
| Office of the Chief Economist | - | 3.00 | 3.00 | 3.00 | - |
| Office of Consumer Protection | - | 7.00 | 7.00 | 7.00 | - |
| Office of Capital Markets | 10.25 | 6.50 | (3.75) | 6.50 | - |
| Office of the Chief Financial Officer | 31.00 | 31.00 | - | 31.00 | - |
| Office of the Chief Information Officer | 32.00 | 32.00 | - | 32.00 | - |
| Office of Small Credit Union Initiatives | 27.00 | 27.00 | - | 27.00 | - |
| Office of Corporate Credit Unions | 36.00 | 37.00 | 1.00 | 37.00 | - |
| Office of Examination & Insurance | 28.40 | 29.40 | 1.00 | 29.40 | - |
| Office of General Counsel | 26.20 | 26.20 | - | 26.20 | - |
| Office of Human Resources | 31.00 | 36.00 | 5.00 | 36.00 | - |
| Office of Inspector General | 9.00 | 9.00 | - | 9.00 | - |
| Office of Public and Congressional Affairs | 5.00 | 4.00 | (1.00) | 4.00 | - |
| Region I - Albany | 143.50 | 153.75 | 10.25 | 167.75 | 14.00 |
| Region II - Capital | 151.35 | 231.10 | 79.75 | 238.10 | 7.00 |
| Region III - Atlanta | 151.40 | 160.90 | 9.50 | 160.90 | - |
| Region IV - Austin | 158.50 | 167.50 | 9.00 | 174.50 | 7.00 |
| Region V - Tempe | 157.70 | 104.00 | (53.70) | 104.00 | - |
| Asset Management & Assistance Center | 18.00 | 21.00 | 3.00 | 21.00 | - |
| Subtotal Operating Fund | 1,035.30 | 1,108.35 | 73.05 | 1,136.35 | 28.00 |
| Central Liquidity Facility | 2.75 | 3.50 | 0.75 | 3.50 | - |
| Total NCUA | 1,038.05 | 1,111.85 | 73.80 | 1,139.85 | 28.00 |

The 2009 column includes positions added at the 2009 Mid-session Budget Review (7 FTE) and includes the full performance (i.e., annualization) of partial FTE positions added in the original 2009 (15 FTE). Under the Annual Examination Program, 62 positions are temporarily transferred to Regions II (Capital).

2010 CAPITAL ACQUISITIONS

| Office | Description | Useful Life Months | Months Used This Yr | Deprec Exp This Yr | Interest Exp This Yr | Total Expense This Year | Cash Outlay This Year |
|---|---|--------------------|---------------------|--------------------|----------------------|-------------------------|-----------------------|
| OCIO | Data and voice network upgrades: Hardware upgrades, switches, router replacements, and central office/regional office infrastructure upgrades | 36 | 6 | 41,667 | 0 | 41,667 | 250,000 |
| OCIO | Network printers: Printer upgrades and scheduled printer replacements | 36 | 6 | 9,167 | 0 | 9,167 | 55,000 |
| OCIO | Data processing upgrades: upgrades of servers, storage systems, and implementing appropriate server virtualization | 36 | 6 | 41,667 | 0 | 41,667 | 250,000 |
| OCIO | Network security: upgrades to firewalls, intrusion detection system and VPN | 36 | 6 | 16,667 | 0 | 16,667 | 100,000 |
| OCIO | Presentation equipment | 36 | 6 | 5,000 | 0 | 5,000 | 30,000 |
| OCIO | Storage Area Network upgrades | 36 | 6 | 25,000 | 0 | 25,000 | 150,000 |
| | | | | | | | 835,000 |
| E&I | Examination system modifications (eLibrary, red flags, real estate module) | 60 | 3 | 25,000 | 0 | 25,000 | 500,000 |
| OCFO | Accounting system upgrade (Estimated total acquisition, \$6.5 million) | 60 | 3 | 75,000 | 0 | 75,000 | 1,500,000 |
| KING | Completion of plaza paver repairs, phase III | 120 | 6 | 5,314 | 0 | 5,314 | 106,272 |
| KING | Interior renovations (plumbing, office space) | 120 | 3 | 50,000 | 0 | 50,000 | 2,000,000 |
| KING | Tenant upgrades under lease agreement | 60 | 10 | 7,376 | 0 | 7,376 | 44,255 |
| KING | Miscellaneous repairs and renovations | 120 | 6 | 12,500 | 0 | 12,500 | 250,000 |
| KING | T5 lights/diffusers for all offices | 120 | 9 | 3,150 | 0 | 3,150 | 42,000 |
| KING | Reprogramming of 2009 funds, allocated to building repairs and renovations, to reduce 2010 needs | | | | | | (450,000) |
| | | | | | | | 1,992,527 |
| AMAC / Region IV | Kitchen and mailroom remodeling | 120 | 6 | 1,550 | 0 | 1,550 | 31,000 |
| AMAC / Region IV | ADA building upgrades | 120 | 6 | 650 | 0 | 650 | 13,000 |
| | | | | | | | 44,000 |
| TOTAL - OPERATING FUND PURCHASES | | | | 319,706 | 0 | 319,706 | 4,871,527 |