

2012 - NCUA Budget in Brief

The 2012 Operating Budget is \$236.9 million and has increased \$11.5 million or 5.1% over the prior year. This budget focuses on resources to ensure the successful execution of the agency's safety and soundness mission.

The major changes to the budget are as follows:

- The authorized staffing level has increased by 33 full-time equivalents (FTE) to total 1,259.50. This includes 26 FTEs in direct support of examination-related programs. The budget adds 15 specialists (lending, capital markets, information systems, supervision, and troubled institutions), 8 examiners, and 3 supervisory examiners.
- Pay & Benefits have increased by \$7.6 million, or 4.7%, for a total budget of \$170.8 million. Of this increase:
 - \$6.1 million relates to the contributions to the NCUA Savings Plan (i.e., 401(k) plan) and supplemental premiums for health, dental, and vision, for both bargaining and non-bargaining employees. These benefits, as a result of the Collective Bargaining Agreement (CBA), are consistent with the Financial Institutions Reform, Recovery and Enforcement Act (12 U.S.C. §1833b) and make the NCUA employment package comparable with the other federal financial regulatory agencies. The CBA, was recently renegotiated and 2012 is the first year of this 3 year agreement; and
 - \$1.5 million relates to the 33 positions described above.
- Travel has increased \$2.6 million, or 10.7%, for a total budget of \$27.1 million. Increased time spent at credit unions is the primary driver, followed by travel related to examiner training and inflation.
- The Rent, Communication, and Utilities expenses are increasing by \$350,000, or 6.8%, for a total budget of \$5.5 million. The increases here are driven by phone, email, and broadband expenses as well as annual inflationary increases related to our lease contracts for office space.
- Administrative expenses are decreasing by \$10,000, or 0.1% for a total budget of \$13.5 million. While there are additional costs, such as \$155,000 to replace examiner printers as they break, savings in various other categories (e.g., subscriptions, supplies, recruitment, material loss reviews, furniture, membership dues) have more than offset increases.
- Contracted Service expenses are increasing by \$871,000, or 4.5%, for a total budget of \$20.0 million. Contracted Services includes multiple initiatives by the Office of Examination and Insurance to strengthen the consistency of examinations and operations across the nation as well as increases in other offices for security initiatives, administration of employee benefits, and financial audits.
- The Capital Budget totals \$3.4 million. Laptop computers, with a total value of \$2.1 million, will be acquired for staff of NCUA and State Supervisory Authorities (SSA). Every three years, laptop computers are replaced to keep pace with advancing technology. The current laptop lease expires in March 2012. Approximately 1,500 laptops will be acquired with approximately 400 laptops distributed to SSA staff. Additionally, \$950,000 will fund data processing to maintain a current, stable, and secure network environment across the nation.



HISTORICAL BUDGETS

