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EBAP/84/115

May 29, 1984

To: Members of the Executive Board

From: The Secretary

Subject: Administrative Budget for FY 1984 - Report on Actual Expenses
and Request for Transfer of Appropriations

It is not intended to bring the proposals in the attached memorandum from the Managing Director to the agenda for discussion unless an Executive Director so requests by the close of business on Friday, June 1, 1984. In the absence of such a request the proposals will be deemed approved by the Executive Board and a decision to that effect recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads

TO: Members of the Executive Board

DATE: May 29, 1984

FROM: The Managing Director

SUBJECT: FY 1984 Administrative Budget - Report on Actual Expenses and Request for Transfer of Appropriations

The accounts for FY 1984 are being closed. Preliminary totals indicate that administrative expenses (\$202,153,921) are within the revised authorized budget ceiling of \$204,500,000. 1/ As indicated in the following table expenses for nine categories are within the amounts budgeted and one (Miscellaneous) is in excess in the amount of \$4,861.

	Revised Budget 1/	Actual Expenses	Actual Expenses Compared with Revised Budget	
			Over + Under -	Index Budget=100
<u>I. Personnel Expenses</u>				
A. Salaries	\$83,750,000	\$83,280,179	-\$ 469,821	99.4
B. Other Personnel Expenses	57,630,000	56,480,288	- 1,149,712	98.0
<u>II. Travel Expenses</u>				
C. Business Travel	13,710,000	13,678,517	- 31,483	99.8
D. Other Travel	10,625,000	10,687,888	- 137,112	98.7
<u>III. Other Administrative Expenses</u>				
E. Communications	6,810,000	6,722,837	- 87,163	98.7
F. Building Occupancy	9,435,000	9,079,738	- 355,262	96.2
G. Books and Printing	1,870,000	1,759,023	- 110,977	94.1
H. Supplies & Equipment	4,460,000	4,457,620	- 2,380	99.9
I. Data Processing	10,535,000	10,527,970	- 7,030	99.9
J. Miscellaneous	<u>5,475,000</u>	<u>5,479,861</u>	<u>+ 4,861</u>	<u>100.1</u>
Total	\$204,500,000	\$202,153,921	-\$2,346,079	98.9

1/ As approved by the Executive Board at EBM/84/39 on March 12, 1984.

The main reasons for variations between actual expenses and the revised administrative budget are as follows:

A. Salaries

Actual expenses in this category were \$469,821 (0.6 percent) less than budgeted. The underexpenditure is on account of a combination of

several factors including fewer temporary staff, more vacancies in regular positions and slightly lower than expected average salaries in the last three months of the year.

B. Other Personnel Expenses

Actual expenses in this category were \$1,149,712 (2.0 percent) less than budgeted. The largest underexpenditures were in the tax, settlement, and overseas allowances accounts. The retirement of a number of U.S. staff resulted in tax allowance payments being less than expected. In addition reductions in tax allowances on account of lower transitional benefits were underestimated. In the settlement allowances account the accrued value of accumulated unused annual leave as of the end of FY 1984 was overestimated due to unavailability of sufficient empirical data at the time when the revised estimate was made. The underexpenditure in the overseas allowances account is mainly because of a lower than expected average cost per month for resident representative and advisor posts.

C. Business Travel

Actual expenses in this category were \$31,483 (0.2 percent) less than budgeted.

D. Other Travel

Actual expenses in this category were \$137,112 (1.3 percent) less than budgeted. The underexpenditure is mainly on account of a lower than expected average cost of home leave travel for staff.

E. Communications

Actual expenses in this category were \$87,163 (1.3 percent) less than the budget.

F. Building Occupancy

Actual expenses in this category were \$355,262 (3.8 percent) less than the budget. The main reason for the underexpenditure was that less office alteration work was carried out in the final quarter of the year than was expected because of delays in planning the relocation of some departments.

G. Books and Printing

Actual expenses in this category were \$110,977 (5.9 percent) less than the budget. The most significant factor accounting for this underexpenditure is that income from sales of books was greater than expected.

H. Supplies and Equipment

Actual expenses in this category were \$2,380 (0.1 percent) less than the budget.

I. Data Processing Services

Actual expenses in this category were \$7,030 (0.1 percent) less than the budget. Expenses for the Joint Computing Facility were somewhat larger than expected but this overexpenditure was more than offset by underexpenditure on contractual services and other data processing services.

J. Miscellaneous

Actual expenses in this category were \$4,861 (0.1 percent) greater than the budget on account of higher than expected costs for the Staff Compensation Survey.

In order to facilitate the closing of the books for FY 1984, it is proposed to make the following inter-category transfer effective as of April 30, 1984:

	<u>Approved Budget</u>	<u>Transfer of Appropriations</u>	<u>Revised Budget</u>
III. <u>Other Administrative Expenses</u>			
F. Building Occupancy	\$9,435,000	- \$6,000	\$9,429,000
J. Miscellaneous	5,475,000	+ 6,000	5,481,000
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