

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**FOR
AGENDA**

EBAP/85/85

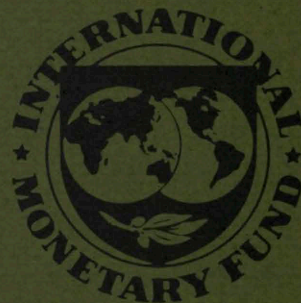
April 1, 1985

To: Members of the Executive Board
From: The Secretary
Subject: Administrative Budget for FY 1986

In accordance with Section J-4 of the Rules and Regulations, there is attached the proposed Administrative Budget for FY 1986 which is scheduled for discussion by the Executive Directors on Friday, April 26, 1985.

Att: (1)

Other Distribution:
Department Heads



ADMINISTRATIVE BUDGET

FINANCIAL YEAR

1986

ADMINISTRATIVE BUDGET

For Financial Year 1986

International Monetary Fund

Washington, D.C.

March 1985

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

100%

ADMINISTRATIVE BUDGET FOR FINANCIAL YEAR 1986

Contents

Page

MANAGING DIRECTOR'S STATEMENT

Introduction	1
General Financial Picture, FY 1985 and FY 1986	1
Fund's Program of Work, CY 1984 and FY 1986	2
Budget Proposals for FY 1986	5
Projection of Administrative Budget Expenses for the Three-Year Period, FY 1986-1988	11
Reimbursement for Expenses of the Special Drawing Rights Department, the Trust Fund, and the Supplementary Financing Facility Subsidy Account	12
Draft Decisions	13
(i) Relating to the Administrative Budget Estimates for FY 1986	14
(ii) Relating to an Assessment under Article XX, Section 4, in Respect of FY 1985	15

BUDGET ESTIMATES FOR FY 1986

Budget by Program

Summary Tables of Costs and Manpower Utilization by Program	19
Notes on Individual Programs and Activities:	
1. Activities of the Board of Governors	20
2. Activities of the Executive Board	22
3. General Policy Development and Research	23
4. Operations and Relations with Member Countries	25
5. Special Services to Member Countries	27
6. Information and Statistical Services	31
7. Relations with International Organizations	35
8. General Support Services	36

Budget by Object of Expense

Summary Table	39
Notes on Expense Categories:	
I. Personnel Expenses	40
II. Travel Expenses	44
III. Other Administrative Expenses	45

Budget by Unit of Organization

Chart of Organization	55
Estimated Cost of Each Unit of Organization	56
Summary Table of Personnel Ceilings	57
Departments, Bureaus, and Offices:	
Estimated Expenses, Personnel Ceilings, Summary of Functions, and Work Program	58

Appendices

I-III	FY 1985 Analyses of Estimated Administrative Budget Expenses	103
IV-V	FY 1984 Analyses of Actual Administrative Budget Expenses	106
VI	1974-1984 Activities of the Fund—Selected Indicators	108
VII-XI	FY 1975-1985 Administrative Budget Expenses	109
XII-XIV	FY 1975-1985 Statistics on Personnel, Benefits, and Travel	115
XV-XVIII	FY 1975-1985 Staff by Unit of Organization, by Range and by Occupational Groups	118
XIX	FY 1975-1985 Financial Transactions	122
XX	FY 1975-1985 Income, Expenses, and Reserves	124

Index	127
-------------	-----

**MANAGING DIRECTOR'S STATEMENT ON
THE ADMINISTRATIVE BUDGET FOR FINANCIAL YEAR 1986**

INTRODUCTION

1. Pursuant to Section J-4 of the Rules and Regulations, I am presenting herewith, for the Executive Directors' consideration and approval, the Administrative Budget for FY 1986, which covers the 12 months beginning May 1, 1985. The budget estimates for administrative expenses are expressed in U.S.dollars. In the section on the General Financial Picture, the SDR equivalents are also given. As the Fund's income position is to be reviewed in a separate paper, only administrative expenses are dealt with in this section.

2. Following previous practice, the budget document includes, in addition to this statement and the draft decisions, three sections which analyze the budget by program of activity (pages 19 to 36), by object of expense (pages 39 to 51), and by unit of organization (pages 55 to 99). The second section, by object of expense, forms the basis for the budget decision by the Executive Board. At the back are appendices and an index. The appendices include updated comparisons between estimated administrative expenses in FY 1985 and actual expenses in FY 1984, and between actual expenses in FY 1984 and FY 1983, as well as several pages of financial and budgetary data covering the last ten years.

GENERAL FINANCIAL PICTURE

Administrative Budget Expenses in FY 1985 and FY 1986

3. The administrative budget for FY 1985, approved by the Executive Board last April, totaled \$224.4 million (SDR 211.7 million¹). On July 17, 1984, the Executive Board approved a \$4.0 million supplementary appropriation on account of the 1984 general salary adjustment. On March 6, 1985, the Executive Board approved a second increase, \$6.3 million, to provide for additional administrative expenditures, including the purchase of a mainframe computer, thereby raising the budget ceiling to \$234.7 million (SDR \$239.3 million²). After taking account of an underexpenditure (\$5.2 million or SDR 5.4 million), mainly because of delays in renovating the Concordia apartments and purchasing equipment and furniture, the revised estimate for FY 1985 is \$229.5 million (SDR 233.9 million²). The proposed administrative budget for FY 1986 is \$249.8 million (SDR 261.3 million³). This estimate does not include the cost of any general salary adjustment. For reference purposes, it might be noted that each 1 percent increase in staff salaries would cost \$1.3 million⁴ (SDR 1.4 million) on an annual basis and result in a 0.5 percent increase in total budgetary expenses. A brief analysis of the proposed FY 1986 budget is shown in paragraphs 28-31 of this statement.

Total Administrative Expenses in FY 1985 and FY 1986 Including Items Outside the Administrative Budget

4. The line item "Administrative Expenses" which appears in reports on the Fund's income and expenses, includes several factors in addition to expenses related to the administrative budget. These include reimbursements of expenses for conducting the business of the Special Drawing Rights Department, details of which can be found in paragraphs 36-39. They also include costs of major building acquisition or construction projects, and other extraordinary items such as the effects of accounting changes on prior years. These expenses are charged directly to income outside the administrative budget. In FY 1985, it is now expected that extraordinary expenses will amount to SDR 0.6 million on account of the extension in the headquarters building and construction of the IMF Visitors' Center. In FY 1986, it is estimated that such expenses may amount to SDR 3.4 million of which SDR 0.4 million would be for the final expenses of the extension to the headquarters building and SDR 3.0 million for the initial first-year

¹Converted at US\$1.00 = SDR 0.943196 as of March 1, 1984.

²SDR estimates for FY 1985 expenses are as follows: actual expenses through February 28, 1985 in terms of SDRs plus estimated US dollar expenses for March and April 1985 converted at the rate of US\$1.00 = SDR 1.04606 as of March 1, 1985.

³All FY 1986 figures expressed in SDRs are converted at the rate of US\$1.00 = SDR 1.04606 as of March 1, 1985.

⁴Including associated additional costs for Staff Retirement Plan contributions, tax and spouse allowances, and accrued annual leave and separation grants.

construction cost of establishing a new computer center that would house the main computers of the Fund and possibly, those of the World Bank. The latter figure is extremely tentative and subject to review after completion of the preliminary site survey proposed in EBAP/84/276 (12/13/84) and approved by the Executive Board on March 6, 1985. On completion of the survey a proposal will be made to the Executive Board for necessary appropriations. The proposal will include an updated comparison of the leasing, purchasing, and construction options. In summary, the total estimates of administrative expenses in FY 1985 and FY 1986 are as follows:

	FY 1985	FY 1986	FY 1986 compared with FY 1985
			Increase + / Decrease -
———(In millions of SDRs)———			
Administrative budget	233.9	261.3 ¹	+ 27.4
Reimbursement for administering SDR department	- 3.6	- 3.9	- 0.3
Building construction expenses	0.6	3.4	+ 2.8
Total	230.9	260.8	+ 29.9

¹Does not include the cost of a possible general salary adjustment.

FUND'S PROGRAM OF WORK

Program of Work in Calendar Year 1984

5. In calendar year 1984, the volume of work connected with operations and relations with member countries continued at a high level, although there was a leveling off in activity for the first time in several years. In part, this change in the trend reflected some moderation in the external financing pressures faced by several member countries, following their successful implementation of adjustment and debt renegotiation programs. As in the last year or two, much of the heaviest work load was in connection with African and Western Hemisphere countries; in addition there was a continued need for assistance in several countries in the European, Asian and Middle East regions. In total, there were 226 negotiations for the use of Fund resources, compared with 245 in 1983, of which 48 were conducted at headquarters (24 in 1983) and 45 were within the framework of an Article IV consultation mission (53 in 1983). During 1984, a trend towards more frequent reviews of existing financial arrangements began and there was a sharp rise in the volume of work associated with efforts to help countries which developed arrears with the Fund. The number of Article IV consultation missions in 1984 (129) was the same as in 1983. Nevertheless the associated work load was heavier because the complexity of consultation discussions increased as a number of issues of major concern to the Fund were discussed in more detail; these included external indebtedness, statistical coverage and currentness, and policy analysis projections in the medium term. In terms of financial transactions, members' overall purchases amounted to SDR 7.3 billion, compared with SDR 12.6 billion in 1983 and SDR 7.4 billion in 1982 to give, after deduction of repurchases, a total net use of Fund resources of SDR 5.0 billion. The number of countries that used Fund resources in 1984, excluding reserve tranche purchases, was 43 compared with 60 in 1983 and 52 in 1982.

6. In 1984, staff activities in connection with general policy development and research also remained at a high level. A number of high priority tasks were completed including the decision to extend the enlarged access policy for another year with a modest reduction in access limits, negotiations on new borrowing agreements, and reviews of the Fund's liquidity and financing needs. Among other important matters, a comprehensive review of the procedures for surveillance and consultations with members under Article IV was concluded and considerable attention was given to the determination of a policy on the treatment of members' overdue financial obligations to the Fund. The major research project of the Fund continued to be the World Economic Outlook exercise which in March and August provided reviews of world economic conditions and prospects and which involved, all told, some 48 man-years of staff time. Also, in the area of policy development and research, 54 papers (62 in 1983) were produced dealing, inter alia, with balance of payments adjustment, external debt management and debt restructuring, exchange rate arrangements and policies, conditions in international financial markets, the functioning of the international monetary system and the role played by reserve creation in general and by SDR allocations in particular, stabilization problems in planned economies, the effects of Fund programs on income and wealth distribution, and other related fiscal policy matters.

7. In 1984, special services provided to member countries continued to grow. Although the number of IMF Institute courses (11) was the same as in 1983, the number of seminars at headquarters increased to 3(2), and the number of participants attending rose to 447 (412 in 1983). Three seminars were also conducted abroad, the same number as in 1983. Central banking and fiscal experts provided 127 man-

years of technical assistance (120 in 1983). In addition, the staff undertook 149 technical assistance missions (126 in 1983), including 81 (71 in 1983) to provide assistance in various fields of statistics.

8. In connection with information services, there were 46 press conferences and briefings (39 in 1983), 75 press releases (97 in 1983), 67 short seminars (88 in 1983) and a seminar for nonofficials (in Senegal). The publications program included a new supplement to the annual World Economic Outlook report, two special supplements to *International Financial Statistics* on balance of payments and output statistics, and five new books: *Legal and Institutional Aspects of the International Monetary System — Volume II; Adjustment, Conditionality, and International Financing; Monetary Stability and Economic Growth; Taxation, Inflation, and Interest Rates; and Public Enterprise in Mixed Economies*. In the field of statistical information, a major project was initiated with the objective of reducing the large discrepancy between recorded global account current receipts and payments. Work also continued on the development of a synthesis of external debt data for key debtor countries and the development of integrated statistical data bases for member countries, including a comprehensive catalog on economic time series of country statistics.

9. An important aspect of the work on general support services was the continuation of major efforts to automate several areas of Fund activities. This major effort, which began in 1982 with the establishment of the Bureau of Computing Services, expanded rapidly in 1984 in response to requests for the replacement and introduction of new automated functions and facilities, and the support and improvement of many operational systems. Some of the initial projects are close to completion and are already realizing benefits; this is particularly true of the pilot programs for office automation and of applications in the Joint Library. Complementing the expanded program of automation has been a program to provide considerably more resources for the training of Fund staff in the use of the new technology. Other support activities in 1984 included the relocation of staff to the extension of the headquarters building and to International Square; the completion of the quadrennial comprehensive review of staff compensation, near completion of the job evaluation exercise; and construction of the VAX Computer Center in the Cable Room.

Program of Work in Financial Year 1986

10. In FY 1986, the trend towards more frequent reviews of existing arrangements in country work will probably continue, as will the growth in the number of contacts with commercial banks and official creditors to help arrange the financing of economic programs. Furthermore, for certain countries not requiring Fund assistance but unable to conclude financing arrangements with commercial banks without Fund involvement, the Fund will need to provide enhanced surveillance requiring, in addition to annual consultations, at least a midyear review and frequent contacts with the commercial banks. Another factor which will affect the country work load is the continuing effort to strengthen surveillance in other areas, particularly as it relates to the large industrial countries. In the area of financial operations, considerable staff attention will have to be devoted to efforts to help countries in arrears to the Fund take measures that will permit them to settle their obligations. A heavy work load is anticipated on account of a continued high volume of operations and transactions in both the General Resources Account and the SDR Department, especially regarding repurchases and associated loan repayments in the General Department and in Trust Fund operations. In addition to the high level of work connected with use of Fund resources, it is envisaged that an annual consultation cycle will be maintained for most members, particularly for those whose developments have a substantial impact on other members or those with Fund-supported programs and where there are questions about balance of payments viability. Observation of these guidelines will involve some 135 consultation missions in FY 1986. In addition, Article IV consultations will continue to require a heavy work load at headquarters. This reflects the need for more detailed treatment in staff reports of a number of issues of concern to the Fund, particularly problems of external indebtedness, protectionism, currentness, and coverage of statistics. Finally, heavier work pressure in the area of operations and relations with member countries is expected to result from last year's increase in membership of two countries and the likelihood of a few additional countries joining the Fund during the coming year.

11. There will also continue to be a heavy program of work in connection with general policy development and research in FY 1986. Among the major issues that will require attention are: (i) follow-up activities arising out of the April 1985 meetings of the Interim and Development Committees, particularly finding means of overcoming members' present and prospective financing problems and the required adjustment efforts over the medium term; (ii) various SDR matters, including the possibility of an SDR allocation in the current or a new basic period, an in-depth examination of the future role of the SDR in the international monetary system, proposals for enhancing the usability of the SDR in both public and private sectors, and a review of the valuation of the SDR and related aspects; (iii) possible improvements in the functioning of the international monetary system in connection with the work

undertaken by the G-10 Deputies and other concerned organizations; (iv) overdue financial obligations to the Fund, including the further development of relevant policies and procedures to deal with the problem; and (v) various other policy issues in connection with the use of Fund resources, including reviews of the enlarged access policy and access limits that would be applicable in 1986, stand-by and extended arrangements, the Fund's liquidity position and financing needs, reviews of the Fund's income position, and the rate of charge. Other major tasks will be: (i) the World Economic Outlook project, which will give special attention to medium-term prospects and issues as well as various aspects of interdependence of countries' policies; (ii) studies on problems of adjustment experienced by developing and industrial countries; (iii) the analytic framework underlying Fund programs; (iv) the Fund's approach to centrally planned economies; (v) analyses of public expenditures; and (vi) studies on external indebtedness, international capital flows, trade policy issues and protectionism.

12. In FY 1986, the program of special services to member countries is expected to expand. At headquarters, the IMF Institute plans to offer training for 705 participants in 14 courses and 3 seminars. The external training program will include 4 seminars to be conducted abroad to meet the special needs of the host countries. The program of Arabic courses will be implemented with the first full course in Arabic, which will be in lieu of the special arrangements offered previously in connection with courses in English. Beginning in FY 1987, the Arabic training program will be expanded from one course to two courses per year. Preparatory work will also begin for a new course on Money and Banking Statistics which will be offered for the first time in FY 1987. Technical assistance services, provided by staff and experts of the Fiscal Affairs and Central Banking Departments, are expected to expand significantly in the coming year, with expert man-years projected to increase by about 6 percent. For the Central Banking Department, the increase will be in both the external debt program as well as the traditional areas, while in the Fiscal Affairs Department the increase is in part attributable to a recent rise in requests from more advanced countries for assistance in the fiscal field. The Legal Department will continue to be involved in the provision of such assistance, especially with regard to drafting of legal instruments. Technical assistance provided by the Bureau of Statistics which increased appreciably in CY 1984, will be kept at the same level in FY 1986. Emphasis will be placed upon responding to countries' needs for improvements in their statistical base, especially those with programs of adjustment supported by Fund resources.

13. An important feature of the information and statistical services work program in FY 1986 will be the further development of external debt statistics, which will involve an extension of the reporting system on international banking statistics to cover most financial centers and the development of comprehensive debt profiles for individual countries. Work on the Fund study on the statistical discrepancy in global current account balances will be continued and will require the services in FY 1986 of the equivalent of 5 full-time consultants to support a working group of 15. External relations activities will have four significant aspects: (i) efforts to further strengthen and broaden press and other information activities; (ii) the opening of the IMF Visitors' Center; (iii) the completion and distribution of an audiovisual presentation about the Fund in three languages; and (iv) continuing development of the seminar program for nonofficials. Items in the publications program will include a three-volume Fund history, 1972-1978; other books on external debt management, the value-added tax, supply side economics, a historical survey of social expenditures, and fiscal policy in the smaller industrial countries; a third volume of *Fund Agreements in the Courts*; additional seminar volumes; more occasional papers and pamphlets; and two further *Supplements to International Financial Statistics* on selected statistical topics.

14. Work in connection with other international organizations in FY 1986 will involve intensified collaboration with the World Bank in several areas to ensure greater consistency of the two institutions' policies and their application, especially as they affect countries having structural adjustment problems. Collaboration with the GATT on trade matters, and cooperation with the United Nations Statistical Office, the World Bank, the OECD and the BIS, on statistical and other issues of mutual interest, will continue at a high level. Work related to resolving countries' problems of external indebtedness will likely involve increased participation in various forums dealing with these matters, such as aid consortia, the Berne Union, and the Paris Club.

15. Finally, general support services are expected to continue to be at a demanding level. Important elements in the work program will be the annual salary review, and the completion and implementation of the job evaluation review. An effort will be made in connection with the administrative budget to improve scrutiny and accountability through more in-depth reviews of Fund-wide resource requirements and through the establishment of new departmental budget allocations for a number of discretionary expense items. It is also expected that the matter of capital budgeting and accounting will be considered by the Executive Board early in FY 1986. Major tasks in the general service area will be supervision of the renovation of the Concordia apartments, which provide accommodation for IMF Institute participants, and steps to strengthen building security. Four important tasks of computer services will be: (i) follow-up

work after the acquisition of an IBM mainframe computer, which will be located at an outside vendor facility pending the establishment of a new computer facility, possibly in conjunction with the World Bank; (ii) continued work on the development of several major computer systems in the Administration, Secretary's, and Treasurer's Departments and in the Bureau of Statistics; (iii) initial work on two new development projects: the periodicals typesetting system, and an updated World Economic Outlook system; and (iv) the extension of office automation systems to 2 additional departments and to some Executive Directors' offices.

BUDGET PROPOSALS FOR FY 1986

Staffing and Organization in FY 1986

16. In the light of the above assessment for FY 1986, there is a need to strengthen selectively the staff of area and functional departments involved in country work, of departments providing special services to member countries, and of some of the support services departments. In total, the departments requested 68 additional positions, an increase of 4.1 percent over the current FY 1985 staff ceiling, including 5 at the senior level. After careful review, it is proposed that the staff ceiling be increased by 28.5 positions (1.7 percent) which would result in a new ceiling of 1,687. These totals reflect the addition of 29.5 positions, offset by the abolition of 1 existing position. No increase in senior positions is proposed, but provision is made for the transfer of 1 existing senior position between departments. However, if an impending proposal related to strengthening the arrangements for the management of Staff Retirement Plan investments is approved, possibly 3 additional positions would be needed, and if a study now underway results in a decision to reinforce Fund security there might be a need for another 2 positions. Furthermore, there is the possibility that there will be a need during the year for more resident representative posts.

17. It should be noted that limiting the increase in staff to 28.5 positions is possible in part because of increased staff efficiencies resulting from the expansion of automation in the Fund, both in place and planned for the next year or two. For example, two years ago the Fund had 140 word processors and 15 microcomputers. Now there are 310 and 250, respectively, and these numbers are expected to increase considerably in FY 1986. Accordingly, this year's review of budget requests has taken account of operating economies as indicated in the cost/benefit analyses provided by the departments when requesting automation projects. Nine of the requested additional positions were essentially eliminated as a result of this factor. This trend in automation and its resulting effects on staffing requirements is expected to continue over the next few years.

18. In terms of the Fund's eight broad programs of activity, 15 of the 28.5 proposed positions are for operations and relations with member countries; 5 for special services to member countries; 1 for general policy development and research; 1.5 for information and statistical services; and 6 for general support services.

19. The proposed increase of 28.5 positions in FY 1986 compares with increases in the last five years as follows:

Financial Year	Staff Ceiling	Change in Ceiling ¹	Percent Increase
1981	1,465	+41	2.9
1982	1,526	+61	4.2
1983	1,559	+33	2.2
1984	1,610	+51	3.3
1985	1,658.5	+48.5 ²	3.0
1986	1,687	+28.5	1.7

¹Includes positions added or deleted during the course of the year.

²Includes 12.5 positions added during the year of which 6.5 were for the Secretarial Support Group in order to reflect transfers of former secretarial assistants to Executive Directors to that group pending assignment to a department, 3 for resident representatives in Ghana, Somalia, and Western Samoa, and 3 for the Bureau of Computing Services as approved by the Executive Board on March 6, 1985.

20. The only change in organization proposed in FY 1986 is a sixth division in the IMF Institute which would be responsible for the new program of Arabic courses. Addition of this division would bring the total number of divisions in the Fund to 88.

21. A summary table comparing the proposed staff ceilings for each unit of organization in FY 1986 with those in FY 1985 is shown on page 57. Comments on the additional staffing for each unit of organization are given in the following paragraphs.

22. It is proposed to increase the staff of the area departments by 7. The *African Department* would have 4 additional positions. Two new economist positions are needed to help handle the growing work load related to use of Fund resources and carry out the established consultation cycle. Presently, the department has 57 economist positions to handle 46 countries, including Mozambique which joined the Fund during FY 1985. The number of program countries (i.e., those with successive arrangements more or less continuously in effect or under active negotiation) is projected to rise to about 30 by late FY 1986 from the end-CY 1984 level of 24 and the end-CY 1983 level of 21. As a result, the department will likely experience a further increase in its mission work load. In CY 1984, this involved 40 consultation and combined consultation/use of Fund resources missions (37 in 1983) and 47 separate use of Fund resources missions (38 in 1983). In terms of trips per economist, the department's staff averaged 3.3 trips in CY 1984 (3.1 in 1983) which is well above the average for all the area departments (2.8 in 1984 and 3.0 in 1983). It is also proposed to add an editorial officer position, which would be in place of the present part-time contractual editor, to handle the growing editing work associated with the increase in papers produced in the department. Heavy pressure on the secretarial staff also makes it necessary to increase the number of secretarial staff from 33 to 34, so as to maintain the present economic staff to secretaries ratio of 2.3:1. In the *Western Hemisphere Department* it is proposed to add 3 economist positions to help handle the heavy work load related to consultations and the use of Fund resources, midyear reviews, and "enhanced" Article IV consultations, and the addition of a new member (St. Christopher and Nevis, which joined in FY 1985). The continuing pressure on the department's staff is reflected in the fact that 29 of them (29 percent) were unable to schedule vacations and, therefore, had accumulated annual leave in excess of the normal carryover of 60 days at the end of CY 1984 (there were 25 such staff in 1983, 23 in 1982, and 21 in 1981). The department, which presently has 48 economist positions, undertook 35 consultation and combined consultation/use of Fund resources missions and 42 separate use of Fund resources missions in 1984 (29 and 63 missions, respectively, in 1983), to give an average of 3.0 missions per economist (3.2 in 1983), which was the second highest among the area departments.

23. It is proposed to strengthen the functional departments with 5 new positions mainly on account of country work, and special services to member countries. In the *Fiscal Affairs Department* it is planned to add 2 positions. The first would be for an economist in the Fiscal Review Division, which has a heavy work load of reviewing papers connected with requests for the use of Fund resources and program reviews. The second position proposed would raise the number of secretarial positions from 20 to 21 in order to provide a permanent position for a temporary staff member, now funded from the Staff Contingency Fund, who is needed primarily to cope with the growing secretarial work load generated by technical assistance experts passing through headquarters in connection with briefing, debriefing, and report writing. In the *Research Department* it is planned to add an assistant to the director position to coordinate and supervise all electronic data processing activities in the department. Currently, these activities absorb 19 percent of total Fund computer time at a cost in FY 1985 of \$985,000. A full-time position is needed to effectively manage these activities, especially since it is planned to increase the use of computers in connection with the World Economic Outlook project in order to ensure the timeliness and quality of the analysis prepared for the project. Two positions are proposed for the *Treasurer's Department*. This proposal does not take account of possible staffing requirements in connection with the management of the Fund's investments under the Staff Retirement Plan or of staffing needs that might arise in the accounting area in the event that a system of capital accounting would be adopted by the Fund. One of the two proposed positions is for an operations officer in the Operations Division for General Resources to help handle the growing work load associated, in particular, with members' late payments which doubled last year, as well as an anticipated 15 percent increase per annum in the volume of operations and transactions over the next few years. The second position proposed would be for an accountant in the Accounts and Financial Reports Division to assist in a major upgrading of the Fund's accounting procedures and controls as recommended by last year's External Audit Committee. Upon completion of the upgrading in about three years, the accountant position would be abolished.

24. An increase of 5 staff positions and a new division are proposed for the departments providing special services to member countries. In the *Central Banking Department* one economist position would be added to strengthen the department's capability to carry out its growing work of providing advisory services in response to requests from member countries. In 1984, this work expanded strongly, involving 14 advisory missions (8 in 1983) resulting in 11 major reports (5 in 1983) to requesting institutions, and in the coming year the demand for these services is expected to continue to expand, reflecting the severe financial problems being experienced by a large number of countries. In the *IMF Institute*, it is planned to add one division and 4 new positions. The introduction of Arabic courses beginning in FY 1986 makes it necessary to establish an *Arabic Division*. The proposed new division would be provided with a total of 4

positions which would be filled by (i) the transfer of 2 positions: the advisor position now in charge of the Arabic language arrangement, and a secretarial position; and (ii) establishment of 2 new positions for Arabic-speaking economists. In addition, it is proposed that the position of advisor to the Managing Director which was converted to a senior advisor position and temporarily assigned to the IMF Institute in November 1984, be transferred to the Institute on a permanent basis to help meet the growing work load resulting from recent increases in the number of courses and participants. It is also proposed to add 1 position to strengthen the department's secretarial staff, which has been under increasing pressure in recent years.

25. An increase of 1.5 staff positions is proposed for organizational units responsible for information and statistical services. In the *External Relations Department* a half-time editorial assistant position is needed in the Editorial Division to help meet the growing editorial work load, which increased 54 percent between 1983 and 1984 (from 14,518 to 22,397 pages). In addition, a third secretarial position would be added in the Immediate Office for a temporary staff member, now provided from the Staff Contingency Fund, to help with the heavy work load, which arises in part from the fact that the department has a low ratio of secretaries to professional staff (7 for 33). These 1.5 additional positions are partially offset by the abolition in the Publications Unit of a clerical position which is no longer needed because of efficiencies recently achieved from better management and automation of the publications fulfillment system. In the *Bureau of Statistics* a temporary economist position in the International Banking and External Debt Division, currently provided from the Staff Contingency Fund, would be regularized to enable the bureau to extend and improve the new data base on international banking and to step up efforts to develop comprehensive data on external debt in individual countries.

26. It is proposed to strengthen departments which provide general support services with 6 additional positions. In the *Administration Department* it is proposed to add 4 positions. Two positions are needed for a telephone unit to manage the Fund's new telephone system which replaces a joint system hitherto managed by the World Bank.¹ One position is for a manager already provided from the Staff Contingency Fund and the second position is for a telephone technician to make repairs and technical changes in the Fund's telephone system, a function previously carried out by the telephone company and the Rolm Company. A budget officer position is proposed for a staff member already provided from the Staff Contingency Fund, who is needed to meet increased demands for analyses in connection with the preparation of the annual administrative budget, to reinforce expenditure controls during the year, and to strengthen the department's capacity for undertaking initiatives to improve administrative functions. The fourth position is for a compensation officer in the Staff Benefits Division to handle the growing work load associated with salary reviews and implementation and maintenance of the job evaluation study now being developed. The major automation effort underway in the *Secretary's Department* makes it necessary to add an assistant to the director position to help plan and supervise the department's automation work, in particular introduction of the automated Cable Room and the Fund-wide document management system, and to advise on the organization of the work of the department, with a view to ensuring the continued efficiency of its internal management as well as the timeliness and responsiveness of the services provided by the department. In the *Bureau of Computing Services*, which has been under heavy pressure as a result of the recent expansion in the Fund's computer activities, it is proposed to add an assistant to the director position to help with the establishment of the new computer facility and to coordinate the Fund's computer activities with those of the World Bank.

27. The revised FY 1985 administrative budget makes provision in the *Support Group* for 29 posts for resident representatives and advisors, including 3 positions added during the course of the year for resident positions in Ghana, Somalia, and Western Samoa. In FY 1986, possibly as many as 7 additional assignments might be requested. However, given the uncertainty surrounding some of these requests, it is proposed to create only 5 additional positions. This is on the understanding that additional positions may need to be added later in the year. A summary list of assignments is shown on page 99. Finally, it should be noted that the FY 1985 ceiling of 27.5 secretarial positions in the Support Group includes 6.5 positions added during the course of the year to provide for former secretarial assistants to Executive Directors who have been temporarily transferred to that group pending assignment to a department. This is in accordance with an Executive Board decision taken in connection with the approval of the FY 1968 Administrative Budget.

¹The joint Fund/World Bank Centrex telephone system which was in operation prior to the installation of the new Rolm system in the Fund in 1983 and which had approximately 8,300 lines all told, required 15 staff, of which 3.5 were in support of the Fund and the rest in support of the Bank. Under the new arrangement, the Bank has 15 staff to operate its own system which has approximately 9,000 lines and the Fund will have 5 staff (including 3 hired on a contractual basis) to operate a system with approximately 3,900 lines.

Proposed Administrative Budget for FY 1986

28. As stated in paragraph 3, the proposed Administrative Budget for FY 1986 amounts to \$249.8 million. This amount does not make provision for any salary adjustment which would add \$1.3 million (0.5 percent) to the budget on an annual basis for each 1 percent increase. The projected expense for FY 1986 is \$20.3 million, or 8.8 percent, more than the revised estimate of expenses for FY 1985, and \$25.4 million or 11.3 percent more than the original budget.¹ If anticipated increases in prices in FY 1986 are excluded, administrative expenses would be about \$16.9 million, or 7.4 percent above the level for FY 1985, of which more than 40 percent is on account of the additional cost of an annual meeting overseas and renovation of the Concordia apartments. The following table compares the proposed budget for FY 1986 with original budgets and actual expenses over the past five years.

Financial Year	Original Administrative Budget			Actual Administrative Budget Expenses*			Increase in Original Budget Over Actual Exp. in Prev. Yr.	
	Amount \$ Million	Increase from Prev. Year \$ Million	Percent	Amount \$ Million	Increase from Prev. Year \$ Million	Percent	\$ Million	Percent
1981	125.2	26.3	26.6	128.7	21.4 (2.1)	19.9	17.9	16.7
1982	147.6	22.4	17.9	165.4	36.7 (16.6)**	28.5	18.9	14.7
1983	173.8	26.2	17.8	182.7	17.3 (6.3)	10.5	8.4	5.1
1984	192.5	18.7	10.8	202.2	19.5 (5.7)	10.7	9.8	5.4
1985	224.4	31.9	16.6	229.5 (est.)	27.3 (4.0)	13.5	22.2	11.0
1986 (proposed)	249.8	25.4	11.3				20.3	8.8

* Actual expenses are higher than the original budget mainly because general salary adjustments (GSAs) and various projects were approved by the Executive Board after the Administrative Budget had been approved. The estimated cost of the GSAs in each year is shown in parentheses.

** Included \$7.8 million on account of the 1980 general salary adjustment for the period March 1, 1980–April 30, 1981 (FY 1980–81) and \$0.4 million on account of the 1981 general salary adjustment for the period March 1, 1981–April 30, 1981 (FY 1981).

29. A breakdown of the proposed budget for FY 1986 by object of expense is shown in the following table, with a more detailed version on page 39. Similar tables analyzing the budget by program and by unit of organization are to be found on pages 19 and 56, respectively. The percentage distribution of estimated expenses in FY 1986 by object of expense and by program of activity is shown in the diagram on page 10.

Object of Expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985		
				Increase + Decrease –	Index, FY85 = 100	Real*
					Nominal	
——(In thousands of U.S. dollars)——						
I. PERSONNEL EXPENSES						
A — Salaries	83,280	90,560	97,060	+ 6,500	107.2	106.6
B — Other Personnel Expenses	56,480	59,675	63,990	+ 4,315	107.2	103.9
Subtotal	139,760	150,235	161,050	+ 10,815	107.2	105.5
II. TRAVEL EXPENSES						
C — Business Travel	13,678	14,025	17,135	+ 3,110	122.2	119.8
D — Other Travel	10,688	11,885	13,090	+ 1,205	110.1	104.7
Subtotal	24,366	25,910	30,225	+ 4,315	116.7	112.9

¹ The difference in FY 1985 between the original budget and the revised estimate is on account of the 1984 general salary adjustment (\$4.0 million), and other miscellaneous expenses (\$1.1 million), comprising \$6.3 million mainly for the acquisition of the new IBM computer, offset by reductions of \$5.2 million mainly because of postponements of building renovation work and associated purchases of furniture and equipment.

Object of Expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985		
				Increase + Decrease -	Index, FY85=100	
					Nominal	Real*
——(In thousands of U.S. dollars)——						
III. OTHER ADMINISTRATIVE EXPENSES						
E — Communications	6,723	6,745	5,930	- 815	87.9	86.3
F — Building Occupancy	9,080	10,275	15,720	+ 5,445	153.0	148.5
G — Books and Printing	1,759	2,030	2,110	+ 80	103.9	100.9
H — Supplies and Equipment	4,458	4,660	7,310	+ 2,650	156.9	150.7
I — Data Processing	10,528	24,200	22,650	- 1,550	93.6	98.7
J — Miscellaneous	5,480	5,445	4,805	- 640	88.2	84.4
Subtotal	38,028	53,355	58,525	+ 5,170	109.7	109.9
TOTAL	202,154	229,500	249,800	+ 20,300	108.8	107.4

* It is estimated that of the \$20.3 million increase in expenses, about \$3.4 million reflects anticipated increases in price levels in FY 1986. In the absence of these increases, administrative expenses in FY 1986 in prices of FY 1985 (in real terms) would increase by \$16.9 million, or 7.4 percent. Approximately \$7.0 million of this amount is on account of the renovation of the Concordia apartments (postponed from FY 1985) and the extra cost of holding the annual meeting overseas.

30. The principal factors (i.e., those with a value of \$250,000 or more) accounting for changes in costs in FY 1986 are listed below:

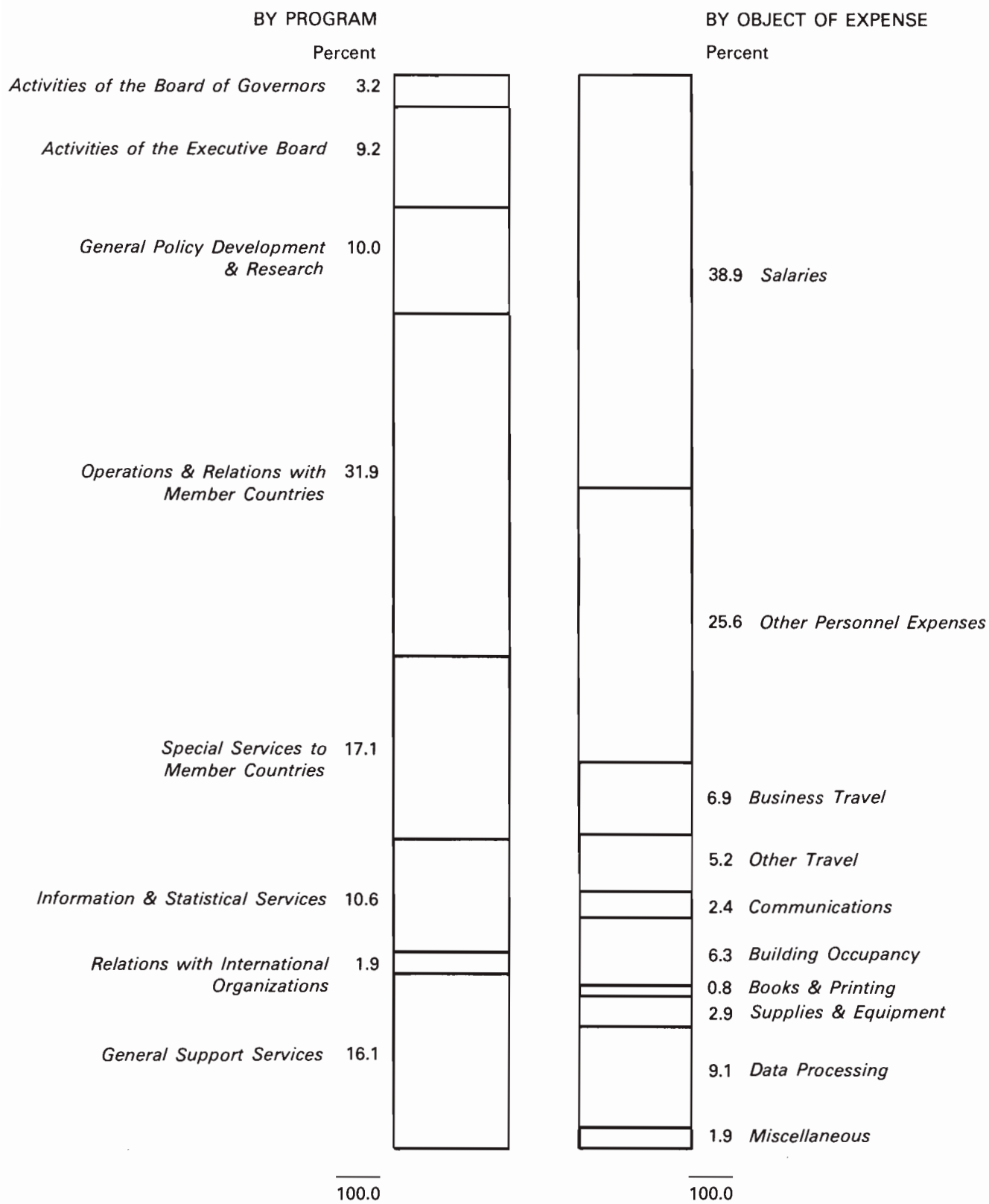
	\$ Thousand
A. Additional cost for proposed new or expanded programs:	
(i) 28.5 new staff positions as proposed ¹	1,800
(ii) Increase in experts from 128 man-years to 136 man-years ¹	730
(iii) Increase of 8 man-years of consultants ²	580
(iv) Increase in resident representatives and advisors from 24 man-years to 32 man-years ³	500
(v) Expanded IMF Institute training program (excluding the new lecture room)	1,010
(vi) New lecture room for IMF Institute	640
(vii) Additional furniture and equipment (excluding the Concordia)	1,110
(viii) Preparation of additional office space at International Square	410
(ix) Additional computing activities [excluding purchase of IBM computer from FY 1985 base, see item (x)]	6,500
(x) Nonrepetition of FY 1985 purchase of IBM computer	- 6,270
Subtotal	7,010
B. Additional cost for continuing existing programs at present levels:	
(xi) Annual Meeting in Seoul, Korea	2,470
(xii) Renovation of the Concordia/Bond apartment complex (postponed from FY 1985)	4,530
(xiii) Merit increases and promotions for staff and assistants to Executive Directors (after allowance for staff turnover) ¹	2,570
(xiv) Net increase in special payments for cost-of-living supplements and net experience losses for Staff Retirement Plan	2,360
(xv) Increased costs associated with the Medical Benefits Plan	350
(xvi) Estimated average 3.6 percent increase in airfares and other travel expenses	980
(xvii) Upgrading of heating, ventilation, lighting and other electrical facilities	1,100
(xviii) Repair of storage facilities at BWRC	270
(xix) Lower costs of settlement allowances and travel in a nonelection year for Executive Directors	- 700
(xx) Lower costs for telephone system following installation of Rolm system in FY 1984-85	- 1,200
(xxi) Lower U.S. taxes due to end of transitional arrangement	- 800
(xxii) Lower net additional accruals for unused annual leave and separation grants	- 470
(xxiii) Lower costs for staff salary survey and job evaluation study	- 660
Subtotal	10,800
C. Other Factors	2,490
Total Increase	20,300

¹Salaries and other personnel expenses.

²Including 5 for the balance of payments discrepancy study.

³Additional cost of posting overseas including travel expenses but excluding salaries and normal personnel expenses.

PERCENTAGE DISTRIBUTION OF ADMINISTRATIVE BUDGET FOR FY 1986
(\$249.8 million)



Further information can be found in the notes in the section, "Budget by Object of Expense," pages 40 to 51. Tables similar to the one above, giving a recapitulation of the main reasons for the increase in estimated expenses in FY 1985 compared with actual expenses in FY 1984, and in FY 1984 compared with FY 1983 are shown in Appendix II, page 104 and Appendix IV page 106, respectively.

31. During discussion of the FY 1980 Administrative Budget on April 17, 1979 (EBM/79/59), some Executive Directors asked that future budget documents highlight any proposal to change monthly charges for use of the Fund's parking facility. On July 11, 1979 (EBM/79/110), the Executive Board approved a policy to set parking charges "at such a level as to equal the out-of-pocket expenses of operating the parking facilities." Projections of income and expenses for FY 1986 indicate that there will be a deficit of \$105,000 in the operation of the facility, unless parking charges are adjusted, mainly because of a sharp increase in taxes on under-the-street parking space levied by the District of Columbia. Accordingly, in order to comply with the approved policy, it is proposed that effective May 1, 1985, charges be raised by 14 percent and that the present differential between commercial and headquarters parking, which is twice the differential in the Bank, be halved. Parking charges were last adjusted effective May 1, 1984 when they were raised by 8 percent. Details on estimated expenses and income for the parking facility are shown on page 46.

PROJECTION OF ADMINISTRATIVE BUDGET EXPENSES FOR THE THREE-YEAR PERIOD, FY 1986-1988

32. The following table puts the proposed Administrative Budget for FY 1986 in the context of current projections of administrative expenses for the next three years.

Object of Expense	Projections of Administrative Budget Expenses ¹ (in millions of U.S. dollars)			Indices (Previous year = 100.0)		
	FY 1986 ²	FY 1987	FY 1988	FY 1986 ²	FY 1987	FY 1988
I. PERSONNEL EXPENSES						
A — Salaries	99.4	105.8	112.8	109.7	106.4	106.6
B — Other Personnel Expenses	65.6	69.5	74.1	109.9	105.9	106.6
Subtotal	165.0	175.3	186.9	109.9	106.2	106.6
II. TRAVEL						
C — Business Travel	17.1	15.0	15.7	122.1	87.7	104.7
D — Other Travel	13.1	14.5	14.7	110.1	110.7	101.4
Subtotal	30.2	29.5	30.4	116.6	97.7	103.1
III. OTHER ADMINISTRATIVE EXPENSES						
E — Communications	5.9	5.8	6.0	88.1	98.3	103.4
F — Building Occupancy	15.7	13.8	15.4	152.4	87.9	111.6
G — Books and Printing	2.1	2.2	2.3	105.0	104.8	104.5
H — Supplies and Equipment	7.3	6.3	7.0	155.3	86.3	111.1
I — Data Processing	22.7	22.0	22.0	93.8	96.9	100.0
J — Miscellaneous	4.8	5.1	5.5	88.9	106.3	107.8
Subtotal	58.5	55.2	58.2	109.6	94.4	105.4
Total	<u>253.7²</u>	<u>260.0</u>	<u>275.5</u>	<u>110.5²</u>	<u>102.5</u>	<u>106.0</u>

¹These figures do not include provision for the cost of establishing a new computer center (possibly \$9.1 million) which was mentioned in EBAP/84/276 (12/13/84), and which is now being studied with a view to making a proposal to the Executive Board later in the year.

²Differs from the proposed budget because \$3.9 million is included for a possible general salary adjustment which might be approved by the Executive Board in accordance with established procedures after approval of the Administrative Budget.

General Assumptions

33. The main assumptions behind projections shown for FY 1987 and FY 1988 are as follows: *First*, it is assumed that there will be a slowdown in the need for *additional staff* positions because: (a) the volume of Fund work after a period of growth is likely, in aggregate, to *grow less rapidly*; and (b) there will be

increased *productivity* partly as a result of the program of automation. However, there may be other factors which will invalidate these expectations. For instance, the projected work load *may not make sufficient allowance* for the impact of enhanced surveillance and the catalytic role of the Fund in countries that no longer use Fund financial resources. Furthermore, increased demands for policy papers will obviously have an impact on staffing needs. With respect to staff productivity, an important caveat also needs to be made. For several years now many staff have carried a work load which is extraordinary by any standard and which has included massive amounts of unpaid overtime on a routine basis, together with an increasing level of lost leave entitlements. There are signs that the present climate in the Fund is aggravating the strain and so long as this situation continues, it might be imprudent to assume further large increases in productivity. For the purposes of this exercise, and bearing in mind these important caveats, it is tentatively assumed that the growth of staff positions will slow down from 3.3 percent in FY 1984, 3.0 percent in FY 1985, and 1.7 percent in FY 1986, to perhaps 1.5 percent in FY 1987 and 1.0 percent in FY 1988. This would also be reflected in a *second assumption* that the *volume of business travel* will increase at an average annual rate of not more than about 1 percent. *Third*, it is assumed that the number of technical assistance experts will increase on average by about 6 percent per annum for the two-year period. *Fourth*, it is assumed that the rate of inflation will continue to be about 4-5 percent per annum. Within this average, it is assumed that there will continue to be variations between the price movements of different items, i.e., that prices for computer equipment will increase (if at all) at a rate lower than the average and that medical costs will likely continue to rise at an above average rate. The *fifth assumption* concerns the annual *general adjustment of salaries*. It is the established practice not to include provision for general salary adjustments in the budget until approval has been given by the Executive Board. However, to make a reasonably meaningful three-year projection, it is necessary to make some assumption concerning such a major factor in the budget. For the purposes of this exercise, and without implying any judgement on an actual outcome, an assumption has been made that the average standard of living of staff with regard to direct remuneration, taking into account both inflation and the net effect of additional costs for merit increases and reduced costs on account of staff turnover, will remain unchanged for this three-year period. The *sixth assumption* is that the present method of funding the Staff Retirement Plan will continue, and no account is taken of possible changes in some aspects of the Plan including the financial management of the Plan, the formula for determining the gross pensionable base, as well as demographic and economic assumptions. *Finally*, it is assumed, for the purpose of this exercise, that there will be no significant change in the U.S. tax system.

Special Cost Factors in FY 1987 and FY 1988

34. The projected slowdown in growth in FY 1987 (2.5 percent compared with 10.5 percent in FY 1986) is on account of several factors. First, there are several areas where there will be an absolute reduction of expenses because of: (i) the Annual Meeting being held in Washington, D.C. instead of Seoul; (ii) nonrepetition of the FY 1986 expense for renovation of the Concordia apartments; and (iii) nonrepetition of the FY 1986 expense in connection with the preparation of a classroom for the fourth track of courses in the IMF Institute. There will also be lower expenses for the balance of payments discrepancy study, which is scheduled for completion midway through FY 1987. In addition, the growth in the cost of salaries and other personnel expenses is expected to be less because the number of systems analysts and programmers working on data processing services will level off, and because of a deceleration in the number of new positions added to the regular staff and to the panel of technical assistance experts. These factors, which contribute to a slowdown in the growth in the size of the administrative budget, are only partly offset by the extra expenses projected in FY 1987 for an election year for Executive Directors, and for a second IMF Institute course in Arabic.

35. The 6.0 percent increase in costs projected for FY 1988 reflects a resumption of a possible stable annual rate of growth (i.e., about 2 percent in terms of constant dollars) which might be expected in future years, assuming no major changes in policies and demands on the Fund, and no significant change in the rate of inflation. Costs would of course be somewhat higher in years such as FY 1989 when the Annual Meeting is abroad and there is an election of Executive Directors.

REIMBURSEMENT FOR EXPENSES OF THE SPECIAL DRAWING RIGHTS DEPARTMENT, THE TRUST FUND, AND THE SUPPLEMENTARY FINANCING FACILITY SUBSIDY ACCOUNT

Special Drawing Rights Department

36. Under Article XX, Section 4, of the Articles of Agreement, the Fund is required to assess participating members annually in order to reimburse the General Department for the estimated costs of conducting the business of the Special Drawing Rights Department. The procedure used in FY 1984 to estimate these costs has again been used in FY 1985. Costs are estimated on the basis of the time spent on Special Drawing Rights Department business by the Executive Board, the management and the staff of

the four departments mainly concerned—the Legal, Research, Secretary's, and Treasurer's Departments. The direct costs of cables and electronic data processing are added to the costs attributable to salaries and benefits. General miscellaneous and overhead costs incurred by the Fund are estimated on the basis of the ratio of Special Drawing Rights Department-related costs of salaries, benefits, and travel of Executive Directors and staff to the Fund-wide costs for these items. Based on this procedure, the administrative costs of conducting the business of the Special Drawing Rights Department in FY 1985 would be SDR 3.6 million. In accordance with past practice, this assessment would be levied as a flat percentage of each member's allocation of SDRs. The proposed figure is 0.0167963 percent. A draft decision to that effect is proposed for adoption by the Executive Board and will be found on page 15.

37. Following the procedure outlined above, the cost of conducting the business of the Special Drawing Rights Department for FY 1986 is expected to be about SDR 3.9 million. This estimate will be reviewed at about this time next year, and a final assessment for FY 1986 will be proposed for the approval of the Executive Board as part of the FY 1987 budget document.

Trust Fund

38. Section III, paragraph 3, of the Trust Fund Instrument provides for the annual reimbursement of the General Department for the estimated costs of conducting the business of the Trust Fund. Following the termination of the Trust Fund at the end of FY 1981, there were a few residual items remaining to be dealt with in subsequent years, e.g., arranging for the collection of interest on outstanding Trust Fund loans. In FY 1984, the cost of these activities was less than SDR 50,000, and it was decided that this relatively small amount should be absorbed by the General Resources Account. In FY 1985, the cost of these activities is estimated to be less than SDR 125,000, and it is again proposed that the amount be absorbed by the General Resources Account. The expenses in FY 1986 are estimated to be small as well.

SFF Subsidy Account

39. The Supplementary Financing Facility Subsidy Account was established in December 1980 and the subsidy payments commenced in December 1981. Section 15 of the Instrument establishing the account provides that the Fund shall be compensated for the expense of carrying out the business of the account, equivalent to one thousandth per annum of the value of resources in the account at the end of each financial year. The resources that are attributable to donations made to the Account under Section 3 are not to be included in the total resources for purposes of making the assessment of compensation of expenses. No assessments were made with respect to FY 1981 and FY 1982 as the SFF Subsidy Account held no assessable resources as of April 30, 1981 and as of April 30, 1982. The resources as of April 30, 1984 amounted to SDR 90 million, yielding an assessment of SDR 90,000 which was absorbed by the General Resources Account. The resources to be held in the account as of April 30, 1985 are estimated to be about SDR 275 million, which yields an assessment of SDR 275,000. In view of the negligible costs directly attributable to the SFF Subsidy Account, it is again proposed that these costs be absorbed by the General Resources Account in FY 1985. The expenses in FY 1986 are also estimated to be relatively small.

DRAFT DECISION

40. The draft decision relating to the Administrative Budget for FY 1986 (page 14) and an assessment for the expenses of the Special Drawing Rights Department (page 15) are proposed for adoption by the Executive Board.



J. de Larosière
Managing Director

March 1985

DRAFT DECISION RELATING TO THE ADMINISTRATIVE BUDGET ESTIMATES
FOR FINANCIAL YEAR 1986

1. Appropriations for the financial year 1986 are approved in total amount of \$249,800,000. The amount will apply to the various categories of expense as follows:

I. PERSONNEL EXPENSES

A — Salaries	\$ 97,060,000
B — Other Personnel Expenses	63,990,000

II. TRAVEL EXPENSES

C — Business Travel	17,135,000
D — Other Travel	13,090,000

III. OTHER ADMINISTRATIVE EXPENSES

E — Communications	5,930,000
F — Building Occupancy	15,720,000
G — Books and Printing	2,110,000
H — Supplies and Equipment	7,310,000
I — Data Processing	22,650,000
J — Miscellaneous	4,805,000
	<u>\$249,800,000</u>

2. Commitments may be made for each lettered Category A–J up to the amount indicated above. Any commitment going beyond the total approved for each category will be submitted to the Executive Board for approval.

3. The total staff ceiling of 1,687 and its distribution by departments, bureaus and offices as set forth in the budget on page 57 are approved and shall not be exceeded without prior approval of the Executive Board.

DRAFT DECISION RELATING TO AN ASSESSMENT UNDER
ARTICLE XX, SECTION 4, IN RESPECT
OF FINANCIAL YEAR 1985

As provided in Article XVI, Section 2, of the Articles of Agreement, the expenses of conducting the business of the Special Drawing Rights Department shall be paid by the Fund from the General Department, which shall be reimbursed from time to time by assessments under Article XX, Section 4, made on the basis of a reasonable estimate of such expenses. For the purpose of such reimbursements, Article XX, Section 4, provides that the Fund shall levy assessments at the same rate for all participants on their net cumulative allocations. Rule T-2 of the Rules and Regulations provides that assessments shall be levied promptly as of the end of each financial year of the Fund.

The following draft decision on a matter pertaining to the General and the Special Drawing Rights Departments is proposed for adoption by the Executive Board:

Pursuant to Article XVI, Section 2, and Article XX, Section 4, of the Articles of Agreement, and Rule T-2 of the Fund's Rules and Regulations, it is decided that:

- (i) The General Department shall be reimbursed for the expenses of conducting the business of the Special Drawing Rights Department for the period from May 1, 1984 to April 30, 1985, and
- (ii) An assessment shall be levied on all participants in the Special Drawing Rights Department. The special drawing rights holdings accounts of participants shall be debited on April 30, 1985 with an amount equal to 0.0167963 per cent of their net cumulative allocations of special drawing rights. The total assessment shall be paid into the General Department.

Administrative Budget for FY 1986

BUDGET BY PROGRAM



FY 1986 BUDGET BY PROGRAM

This section of the budget document reviews the proposed budget in terms of the Fund's 8 broad programs of activity. It begins with 2 summary tables (A and B) showing total costs and manpower utilization by program. The second part of the section consists of descriptive paragraphs on each program of activity, including tables on costs, manpower, and, for some programs, selected indicators of activity. Indicators of activity should be treated with caution. Much of the Fund's work is not easily quantified, and therefore the indicators may not be fully representative of work loads, productivity, or quality of work. Some program statements are supported by supplementary tables, which break the total cost down by sub-programs.

(A) Cost of Programs

(In thousands of U.S. dollars)

Program	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
1. Activities of the Board of Governors	5,044	5,062	7,955	+ 2,893	157.2
2. Activities of the Executive Board	19,990	22,215	23,080	+ 865	103.9
3. General Policy Development and Research	21,842	24,085	24,940	+ 855	103.5
4. Operations and Relations with Member Countries	68,376	74,598	79,595	+ 4,997	106.7
5. Special Services to Member Countries	31,459	33,646	42,755	+ 9,109	127.1
6. Information and Statistical Services	19,898	22,921	26,575	+ 3,654	115.9
7. Relations with International Organizations	4,007	4,465	4,740	+ 275	106.2
8. General Support Services	31,538	42,508	40,160	- 2,348	94.5
TOTAL	202,154	229,500	249,800	+ 20,300	108.8

(B) Manpower Utilization by Program

(in paid man-years)

Program	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
1. Activities of the Board of Governors	41	39	40	+ 1	102.6
2. Activities of the Executive Board	219	226	232	+ 6	102.7
3. General Policy Development and Research	227	234	241	+ 7	103.0
4. Operations and Relations with Member Countries	642	648	665	+17	102.6
5. Special Services to Member Countries	300	313	329	+16	105.1
6. Information and Statistical Services	205	209	220	+11	105.3
7. Relations with International Organizations	37	42	44	+ 2	104.8
8. General Support Services	382	410	441	+31	107.6
TOTAL	2,053	2,121¹	2,212¹	+91	104.3

¹Total manpower is made up as follows in FY 1986 (FY 1985): Executive Directors, their Alternates, Advisors, and assistants: 187 (181) man-years; staff, including the Economist Program, temporary assistance, and paid overtime: 1,871 (1,802) man-years; technical assistance experts and consultants: 154 (138) man-years. Increased manpower in FY 1986 is attributable to new staff positions (28.5), more experts and consultants (16), an increase in temporary staff and in assistance provided by companies on a contract basis (37), and an anticipated reduction in vacancies (9.5).

FY 1986 BUDGET BY PROGRAM

1. Activities of the Board of Governors

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	1,654	1,579	1,639	+ 60	103.8
Other personnel expenses	826	750	799	+ 49	106.5
Business travel	1,284	1,425	4,235	+ 2,810	297.2
Other travel	94	87	94	+ 7	108.0
Data processing	111	114	242	+ 128	212.3
Other administrative expenses	1,075	1,107	946	- 161	85.5
Total	5,044	5,062	7,955	+ 2,893	157.2
B. Number of Paid Man-Years	41	39	40	+ 1	102.6

This program includes the Annual Meetings of the Board of Governors; the meetings of the Interim and Development Committees; and the Executive Secretary of the Development Committee. With the exception of the Interim Committee, expenses for this program are shared with the World Bank and only the Fund's share of the cost is shown in this document. The costs of the Interim Committee meetings are borne fully by the Fund. It should be noted that the costs of this program differ from those for the Board of Governors on page 56 in the section, "Budget by Unit of Organization," because the estimated costs of staff and Executive Directors' travel and staff support related to these activities are included in this program, whereas in the section "Budget by Unit of Organization," such costs are shown against Executive Directors and the departments of the staff concerned.

As the next Annual Meetings will be held in Korea, there will be a significant increase in cost, mostly because of additional travel expenses for Executive Directors and staff which are incurred when the meeting is held abroad.

The proposed budget for the Interim and Development Committees is based on the assumption that there will be 2 meetings in FY 1986, one to be held in Washington and the other in Korea just before the Annual Meetings. The budget estimates for the Development Committee Executive Secretary provide, as in FY 1985, for the costs of the Executive Secretary and 1 secretarial assistant.

FY 1986 BUDGET BY PROGRAM

1. Activities of the Board of Governors

Supplementary Tables on Sub-Programs

1.1. ANNUAL MEETING¹

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
I. PERSONNEL EXPENSES					
Direct costs	339	345	340	- 5	98.6
Allocated costs of support staff	1,993	1,801	1,909	+ 108	106.0
II. TRAVEL EXPENSES					
Governors	1,243	1,335	1,790	+ 455	134.1
Executive Directors and assistants	—	—	646	+ 646	—
Staff	97	137	1,852	+ 1,715	1,351.8
III. OTHER ADMINISTRATIVE EXPENSES					
Data processing	111	114	242	+ 128	212.3
Other direct costs	664	693	229	- 464	33.0
Allocated office expenses of support staff	399	402	695	+ 293	172.9
TOTAL	4,846	4,827	7,703	+ 2,876	159.6
B. Number of Paid Man-Years	39	37	38	+ 1	102.7

1.2. INTERIM AND DEVELOPMENT COMMITTEES AND OTHER GROUPS¹

A. Costs (in thousands of U.S. dollars)					
I. PERSONNEL EXPENSES	148	183	189	+ 6	103.3
II. TRAVEL EXPENSES					
Governors	34	32	33	+ 1	103.1
Executive Directors and assistants	1	—	—	—	—
Staff	3	8	8	—	100.0
III. OTHER ADMINISTRATIVE EXPENSES	12	12	22	+ 10	183.3
TOTAL	198	235	252	+ 17	107.2
B. Number of Paid Man-Years	2	2	2	—	100.0

¹Costs of the Annual Meeting and the Development Committee are shared with the World Bank. Only the Fund's share is shown in these tables.

FY 1986 BUDGET BY PROGRAM

2. Activities of the Executive Board

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	9,294	9,837	10,143	+ 306	103.1
Other personnel expenses	4,978	5,672	5,771	+ 99	101.7
Business travel	1,422	1,300	1,350	+ 50	103.8
Other travel	826	1,817	1,450	- 367	79.8
Data processing	120	194	628	+ 434	323.7
Other administrative expenses	3,350	3,395	3,738	+ 343	110.1
Total	19,990	22,215	23,080	+ 865	103.9
B. Number of Paid Man-Years²	219	226	232	+ 6	102.7
C. Selected Indicators of Activity					
Documents received	3,700	3,486			
Executive Board sessions	203	202			
Hours at sessions	501	480			
Decisions taken	614	606			

¹Indicators of activity are for calendar years 1983 and 1984.

²Includes time of Executive Directors, their Alternates, Advisors, and assistants (178 man-years in FY 1984, 181 man-years in FY 1985, and 187 man-years in FY 1986).

This program covers the activities of the Executive Board. An exception is that travel costs relating to the Annual Meetings and to meetings of the Interim and Development Committees are charged to "Activities of the Board of Governors." It should also be noted that the costs of the program, "Activities of the Executive Board", include the cost of administrative support provided by staff. Consequently, they differ from those shown for the Executive Board on page 56 in the section, "Budget by Unit of Organization." In that section, the costs of staff and other resources are shown against the units responsible for those resources, i.e., the cost of staff support to Executive Directors is shown against the departments of the staff concerned, and travel of Executive Directors to the Annual Meetings and to meetings of the Interim and Development Committees is shown against the Executive Board.

The Executive Directors are involved in review, discussion, and decision making with regard to the 6 programs which follow. In pursuit of these tasks, the Executive Directors met in 202 sessions in 1984 (203 in 1983), including informal sessions, seminars, and meetings of the Committee of the Whole. In aggregate, these sessions amounted to 480 (501) hours, distributed as follows: policy matters, 145 (200) hours; country items, 298 (273) hours; administrative matters, 27 (12) hours; and Annual Report, 10 (16) hours. In addition, there were 12 (5) meetings of the Board's standing committees, ad hoc committees, and the Pension Committee. Executive Directors attended 9 (11) sessions of the Interim and Development Committees. A substantial number of Executive Directors also participated in 3 (3) sessions of the Ministers of the Group of Twenty-Four and 5 (11) sessions of the Deputies of the Group of Twenty-Four. In 1984, Executive Directors made 291 (285) business trips abroad and 45 (54) trips within the United States.

FY 1986 BUDGET BY PROGRAM

3. General Policy Development and Research

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	9,562	10,571	11,010	+ 439	104.2
Other personnel expenses	6,663	7,112	7,319	+ 207	102.9
Business travel	529	569	577	+ 8	101.4
Other travel	884	963	987	+ 24	102.5
Data processing	1,431	2,042	1,950	- 92	95.5
Other administrative expenses	2,773	2,828	3,097	+ 269	109.5
Total	21,842	24,085	24,940	+ 855	103.5
B. Number of Paid Man-Years	227	234	241	+ 7	103.0
C. Selected Indicators of Activity					
Policy papers for Board discussion	94	85			
Research papers	62	54			

¹Indicators of activity are for calendar years 1983 and 1984.

This program covers the preparation and review of substantive policy and related papers, the World Economic Outlook and other periodic reports, and research studies directed toward improving knowledge in particular areas of Fund interest, including studies on subjects that relate to individual countries. The major part of the work load in this area is carried by the Exchange and Trade Relations, Fiscal Affairs, Legal, Research, and Treasurer's Departments, although several other departments are also involved.

In calendar year 1984, the activities related to policy development continued at a high level. Work in the policy area included the production of 85 policy papers (94 in 1983). These papers were augmented by 24 (37) supplements and 1 (9) revision. Among the policy issues absorbing considerable staff time in 1984 were the enlarged access policy, negotiations on new borrowing agreements, exchange rate systems and Fund surveillance, the issue of overdue financial obligations, the Fund's income and liquidity position and financing needs, and SDRs. In FY 1986, the high level of activity with regard to policy development is likely to continue. Considerable attention will be focused on follow-up activities arising out of the April 1985 meetings of the Interim and Development Committees, particularly finding means of overcoming members' present and prospective financing problems and the required adjustment efforts over the medium term. Other policy matters that will require attention include (i) various SDR matters, such as the possibility of an SDR allocation, the future role of the SDR in the international monetary system, the continuing efforts to enhance the usability of the SDR, and a review of the valuation of the SDR; (ii) possible improvements in the functioning of the international monetary system; (iii) the issue of overdue financial obligations to the Fund; and (iv) various other policy issues in connection with the use of Fund resources, including reviews of the enlarged access policy and access limits that would be applicable in 1986, stand-by and extended arrangements, the Fund's liquidity position and financing needs, reviews of the Fund's income position, and the rate of charge.

In 1984, the work related to the World Economic Outlook included 4 (5) papers in preparation for 9 (14) sessions of the Executive Board and the Interim Committee. During the year, a total of 48 man-years of staff time, including 23 man-years in the Research Department and 25 man-years in the area and other departments, was devoted to this work at an estimated total cost, including personnel and other administrative expenses, of \$4,900,000. In FY 1986, the program of work on the World Economic Outlook, which will again give special attention to medium-term prospects and issues as well as various aspects of interdependence of countries' policies, will be at least as heavy and include the preparation of two staff reports for publication. Other periodic reports include those on balance of payments, commodities, gold, exchange markets, exchange rate changes and related variables, and the financial position of the Fund.

In 1984, the work related to research activities included production of 54 (62) research papers which on average cost about \$44,000 each. Some of the more significant subjects studied related to the functioning of exchange rate systems, balance of payments and adjustment problems of developing countries and the flow of direct investment capital to

FY 1986 BUDGET BY PROGRAM

3. General Policy Development and Research

these countries, external debt management and debt restructuring, exchange rate arrangements and policies, conditions in international capital markets, special adjustment problems in planned economies, and various fiscal policy matters. During the coming year, emphasis will continue to be given to research on questions immediately related to policy matters and current problems. Considerable staff attention will be given to further research related to problems of adjustment experienced by developing countries and industrial countries, international banking and external debt matters, the analytic framework underlying Fund programs, the global effects of Fund programs and the impact of individual programs on economic growth and income distribution, the Fund's approach to centrally planned economies, the relationship between inflation and fiscal deficits, long-term trends in social expenditures in industrialized countries, and studies in support of the work of the Development Committee.

Attendance at professional conferences and seminars continues to represent an important element of the Fund's research and analysis program by offering staff members an opportunity to keep abreast of developments in universities and other research institutions and by allowing staff to disseminate outside the results of research studies produced in the Fund. During 1984, staff made 64 (56) trips abroad and 59 (54) trips within the United States in connection with attendance at professional conferences and seminars.

FY 1986 BUDGET BY PROGRAM

4. Operations and Relations with Member Countries

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	27,629	29,838	31,430	+ 1,592	105.3
Other personnel expenses	19,942	20,803	22,100	+ 1,297	106.2
Business travel	8,418	8,347	8,523	+ 176	102.1
Other travel	2,749	2,691	3,080	+ 389	114.5
Data processing	3,090	5,537	6,420	+ 883	115.9
Other administrative expenses	6,548	7,382	8,042	+ 660	108.9
Total	68,376	74,598	79,595	+ 4,997	106.7
B. Number of Paid Man-Years	642	648	665	+ 17	102.6
C. Selected Indicators of Activity					
Missions					
Consultation missions	129	129	135	+ 6	104.7
Use of resources missions combined with consultation missions above	[53]	[45]			
Additional use of resources missions	168	133	135	+ 2	101.5
New stand-by and extended arrangements					
Stand-by arrangements	30	21			
Extended arrangements	5	0			
Countries using Fund resources					
Countries drawing in credit tranches	44	39			
Countries drawing under special facilities	42	14			
Papers on country operations²	309	285			

¹Indicators of activity are for calendar years 1983 and 1984.

²Including reports on consultation discussions, recent economic developments, and requests for and reviews of use of Fund resources.

This program covers regular Article IV consultation missions and other country missions; use of the Fund's general resources; country work in connection with the Special Drawing Rights Department, the Supplementary Financing Facility Subsidy Account; and the general process of analyzing and keeping abreast of developments in member countries.

There were 129 Article IV consultation missions in 1984 (129 in 1983). On average, consultation missions consist of 5.8 staff members (5.6 in 1983), including a secretary, and last about 3 weeks, including travel time. The present average cost of a consultation mission is estimated at about \$144,000, compared with \$135,000 a year ago. These cost estimates include, in addition to travel expenses, the costs of salaries, benefits, and overhead, and make provision for the time spent on preparation before the mission and the writing of the consultation report afterwards, as well as for the time spent on mission. Consultations form an essential component of the Fund's work and are the principal instrument in the surveillance of exchange rate policies. Considerable efforts have been made in the past two years to move to an annual consultation cycle for most member countries. As a result of these efforts, consultation frequency has risen sharply, with 80 percent of the membership covered both in 1983 and in 1984 as compared with only 57 percent in 1982. It is estimated that there will be some 135 missions in FY 1986. In order to maintain this level of consultation work and to absorb a possible increase in the number of requests for use of Fund resources, it would be useful to continue to combine, whenever possible, consultation missions with use of resources missions. The work load at headquarters in connection with surveillance activities will, however, be maintained as the efforts to assess the medium-term outlook for external indebtedness will be continued and greater emphasis will be placed on the reporting of the impact of trade policy changes and of the evolution of exchange rates.

FY 1986 BUDGET BY PROGRAM

4. Operations and Relations with Member Countries

In 1984, there were 133 missions (168 in 1983) conducted solely for the discussion of use of Fund resources. Forty-five (53) regular Article IV consultation missions (or 35 percent of the total) were also concerned with the use of Fund resources. In addition to these missions, 48 negotiations for the use of Fund resources were held at headquarters (24 in 1983). The prospect for FY 1986 is that some additional arrangements may be concluded especially with African countries and that, in all, the number of countries with a financial arrangement with the Fund may increase slightly. In addition, the trend in the last two years towards a growing complexity in the negotiation process and of more frequent periodic reviews is likely to continue.

In 1984, new stand-by arrangements became effective for 21 (30) member countries, while 25 (22) arrangements expired or were canceled during the year. Thus, the number of stand-by arrangements in effect at the end of 1984 decreased to 29 from 33 at the end of 1983. The number of arrangements under the extended Fund facility decreased to 4 at the end of 1984 from 10 a year earlier. The total amount agreed under the 33 arrangements in effect at the end of 1984 was SDR 14.8 billion (SDR 22.9 billion at the end of 1983¹), with an undrawn balance of SDR 6.6 billion at the end of the year (SDR 12.4 billion at the end of 1983¹). New commitments under stand-by and extended arrangements also eased substantially in 1984. The level of net new commitments (SDR 0.6 billion) in 1984 contrasted with net new commitments of SDR 10.6 billion in 1983.

The number of countries that used the Fund's resources in 1984, excluding reserve tranche purchases, was 43, compared with 60 in 1983. Use of the Fund's resources was as follows: 39 (44) member countries made drawings in the credit tranches (most of them under stand-by arrangements), 8 (23) drew under the compensatory financing facility, 5 (10) drew under the extended Fund facility, and 1 (9) drew under the buffer stock financing facility.

Reflecting the reduced external account imbalances resulting from the substantial adjustment efforts by member countries, particularly the major debtor countries, drawings on Fund facilities declined to SDR 7.3 billion in 1984, after having peaked at SDR 12.6 billion in 1983. While this constituted a 42 percent decline in the level of drawings, the figure for 1984 was still the third highest in the Fund's history. As repurchases by members amounted to SDR 2.3 billion in 1984 (SDR 2.0 billion in 1983), the net use of Fund credit totaled SDR 5.0 billion, as against SDR 10.6 billion in 1983.

The number of Fund resident representative and advisor posts budgeted for FY 1986 is 34, five more than the present ceiling. Included are 5 unassigned positions to provide for some new posts which may be requested. The planned country assignments of positions are shown on page 99. In FY 1985, it is estimated that resident representatives and advisors will have spent 24 man-years in the field at a total cost to the Fund, including salaries, allowances, and travel and other expenses, of \$4,000,000. In FY 1986, it is estimated that there will be 32 man-years in the field at a total cost to the Fund of \$5,500,000. It should be noted that part of the activities of resident representatives and advisors is related and charged to the program "Special Services to Member Countries," discussed on the next page.

¹Includes the extended fund facility arrangement with Mexico for SDR 3.4 billion which was approved on December 23, 1982 and became effective January 1, 1983.

FY 1986 BUDGET BY PROGRAM

5. Special Services to Member Countries

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	14,075	14,881	16,284	+ 1,403	109.4
Other personnel expenses	9,020	9,717	11,070	+ 1,353	113.9
Business travel	1,190	1,534	1,563	+ 29	101.9
Other travel	4,264	4,306	5,224	+ 918	121.3
Data processing	124	237	228	- 9	96.2
Other administrative expenses	2,786	2,971	8,386 ²	+ 5,415	282.3
Total	31,459	33,646	42,755	+ 9,109	127.1
B. Number of Paid Man-Years³	300	313	329	+ 16	105.1
C. Selected Indicators of Activity					
Man-years of assistance by outside experts	120	127	136	+ 9	107.1
Technical assistance missions by staff	132	127	129	+ 2	101.6
IMF Institute participants trained	412 ⁴	447 ⁴	705	+ 258	157.7
Participant-weeks of training ⁵	4,098	4,164	4,921	+ 757	118.2

¹Indicators of activity are for calendar years 1983 and 1984.

²Includes cost of renovating Concordia and new lecture room.

³Includes time of technical assistance experts.

⁴Figures for FY 1984 and FY 1985 are 549 and 475, respectively.

⁵Excludes external training program.

This program covers the provision of technical assistance in the central banking, fiscal, balance of payments, and statistical fields. This work is performed by outside experts and Fund staff working at headquarters and in the field. In addition, assistance is provided through the training program of the IMF Institute, together with the program of special appointees.

In calendar year 1984, the Fund provided 202 experts (203 in 1983) to 70 (70) countries and 4 (2) regional organizations. Total assistance amounted to 127 (120) man-years, of which central banking experts provided 98 (88) and fiscal experts 29 (32). It is expected that 136 man-years of assistance will be provided in FY 1986: 105 by central banking experts and 31 by fiscal experts. The increase in central banking expert assistance in 1984 reflected the expansion of technical assistance in the external debt area. This work, which involved 10 (3) man-years of expert assignments to 14 countries in 1984, is expected to increase to about 14 man-years of assistance to 16 countries in FY 1986.

There were 68 technical assistance missions by staff in calendar year 1984, compared with 55 in 1983, which were carried out by the Fiscal Affairs Department, the Central Banking Department, and the Legal Department, in collaboration with other concerned departments. In addition, staff of the Bureau of Statistics undertook 81 missions (71 in 1983) to provide technical assistance in the various fields of statistics. Staff of the bureau also assisted in 1 member-sponsored statistical seminar (3 in 1983). In addition, 14 (6) officials from countries or regional organizations visited the bureau for training in statistics. Some increase in the number of technical assistance missions is expected in FY 1986, in the face of greater anticipated demands by member countries. Priority will be given to providing assistance to newer member countries and those using Fund resources.

In CY 1984, the IMF Institute, in cooperation with other departments, gave 11 courses: 2 on Techniques of Economic Analysis (2 in 1983), 2 (2) courses on Financial Analysis and Policy, 2 (2) courses on Financial Programming and Policy, 2 (2) courses on Balance of Payments Methodology, 2 (2) courses on Public Finance, and 1 (1) course on Government Finance Statistics. In addition, the Institute presented 3 (2) seminars at headquarters: 1 on The Role of the Fund in the International Monetary System, 1 on Budgeting and Expenditure Control, and 1 on External Debt Management. A total of 447 (412) participants attended the Institute programs, or an average of 32 (32) per program. Under a special arrangement for Arabic participants, translation and interpretation services were provided for 11 (14) participants who attended the Financial Analysis and Policy course and the Techniques of Economic Analysis course in English. The Institute also conducted 3 (3) external seminars in member countries on Analytical Methods and Country Policy Issues. The program planned for FY 1986 encompasses 14 courses and 3 seminars at headquarters, and 4 seminars overseas. A

FY 1986 BUDGET BY PROGRAM

5. Special Services to Member Countries

new program of Arabic courses will be implemented with a full course in Arabic, which will be in lieu of the special arrangements offered previously. The seminars at headquarters will be: (i) another presentation of the Role of the Fund in the International Monetary System; (ii) one on Central Banking, which will be conducted by the Central Banking Department and the IMF Institute in cooperation with other departments; and (iii) one on Pricing Policy.

The special appointees program provides supplementary training in Fund departments for up to 5 former IMF Institute participants upon the request of their governments. There will have been 4 special appointees in FY 1985. In FY 1986, provision will be made for 5, including 1 continuing from FY 1985.

The higher cost in FY 1986 of special services to member countries will result mainly from: (i) increases in the number and unit cost of outside experts; (ii) an increase in the number of participants attending IMF Institute courses; (iii) the remodeling of an IMF Institute lecture room to accommodate the fourth track of courses; and (iv) the cost of the renovation of the Concordia/ Bond apartment complex which provides housing accommodation for IMF Institute participants. The cost to the Fund of an expert man-year is expected to rise from \$88,800 in FY 1985 to \$91,800 in FY 1986, reflecting the higher cost of allowances and travel expenses for experts. In the IMF Institute, the cost per participant-day is expected to rise from \$378 to \$381 between FY 1985 and FY 1986. These figures do not take account of the above-mentioned capital cost of remodeling the IMF Institute lecture room or of renovating the Concordia/Bond apartments.

FY 1986 BUDGET BY PROGRAM

5. Special Services to Member Countries

Supplementary Tables on Sub-Programs

5.1 TECHNICAL ASSISTANCE EXPERTS

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
I. PERSONNEL EXPENSES					
Salaries of staff	1,304	1,278	1,368	+ 90	107.0
Salaries of experts	6,904	6,990	7,650	+ 660	109.4
Other personnel expenses of staff	924	846	943	+ 97	111.5
Other personnel expenses of experts	2,451	2,700	3,141	+ 441	116.3
Subtotal	11,583	11,814	13,102	+ 1,288	110.9
II. TRAVEL					
Travel of staff	188	104	117	+ 13	112.5
Travel of experts	1,777	1,770	1,860	+ 90	105.1
Subtotal	1,965	1,874	1,977	+ 103	105.5
III. OTHER ADMINISTRATIVE EXPENSES					
Data processing	44	53	61	+ 8	115.1
Other support costs	419	408	417	+ 9	102.2
Subtotal	463	461	478	+ 17	103.7
NET TOTAL COSTS TO FUND	14,011	14,149	15,757	+ 1,608	111.4
Additional costs contributed by host countries ¹	1,820	1,720	1,880	+ 160	109.3
B. Number of Paid Man-Years	124	128	136	+ 8	106.3

5.2. STAFF TECHNICAL ASSISTANCE²

A. Costs (in thousands of U.S. dollars)					
Salaries	2,372	2,984	3,318	+ 334	111.2
Other personnel expenses	2,210	2,675	3,038	+ 363	113.6
Business travel	962	1,352	1,383	+ 31	102.3
Other travel	438	464	603	+ 139	130.0
Data processing	—	—	—	—	—
Other administrative expenses	524	662	754	+ 92	113.9
TOTAL	6,506	8,137	9,096	+ 959	111.8
B. Number of Paid Man-Years	54	64	68	+ 4	106.3

¹Includes cash contributions and estimated value of free housing and local transportation facilities.

²Includes part of the cost of resident representatives and advisors.

FY 1986 BUDGET BY PROGRAM

5. Special Services to Member Countries

Supplementary Tables on Sub-Programs

5.3. IMF INSTITUTE TRAINING PROGRAM

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
I. PERSONNEL EXPENSES					
Salaries of staff	3,495	3,629	3,948	+ 319	108.8
Other personnel expenses of staff	2,499	2,546	2,823	+ 277	110.9
Living allowances and other personnel expenses of participants	936	950	1,125	+ 175	118.4
Subtotal	6,930	7,125	7,896	+ 771	110.8
II. TRAVEL EXPENSES					
Travel of staff	433	460	524	+ 64	113.9
Travel of participants	1,656	1,690	2,300	+ 610	136.1
Subtotal	2,089	2,150	2,824	+ 674	131.3
III. OTHER ADMINISTRATIVE EXPENSES					
Data processing	81	184	167	- 17	90.8
Expenses attributable to staff	1,111	1,090	1,845	+ 755	169.3
Expenses attributable to participants	731	811	5,370 ¹	+ 4,559	662.1
Subtotal	1,923	2,085	7,382	+ 5,297	354.1
TOTAL	10,942	11,360	18,002	+ 6,642	158.5
B. Number of Paid Man-Years	91	92	96	+ 4	104.4

¹Includes estimated cost of renovating the Concordia apartments and a new lecture room.

FY 1986 BUDGET BY PROGRAM

6. Information and Statistical Services

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	7,566	8,541	9,727	+ 1,186	113.9
Other personnel expenses	5,392	5,582	6,072	+ 490	108.8
Business travel	113	173	207	+ 34	119.7
Other travel	789	912	1,075	+ 163	117.9
Data processing	1,982	3,206	4,530	+ 1,324	141.3
Other administrative expenses	4,056	4,507	4,964	+ 457	110.1
Total	19,898	22,921	26,575	+ 3,654	115.9
B. Number of Paid Man-Years	205	209	220	+ 11	105.3
C. Selected Indicators of Activity					
Statistical time series maintained (thousand)	550	630	670	+ 40	106.3
Titles published	44	34	47	+ 13	138.2
Volumes/issues published	230	215	236	+ 21	109.8
Press releases	97	75	85	+ 10	113.3

¹Indicators of activity are for calendar years 1983 and 1984.

This program includes the Fund's publications; various information services, such as press conferences, press releases, press briefings, speeches, lectures, and seminars; and the development, collection, and maintenance of statistics for the data fund system.

The Fund's publications program has several aspects. First, there are official reports and records, such as the *Annual Report of the Executive Board*; *Summary Proceedings*; the *Annual Report on Exchange Arrangements and Exchange Restrictions*; and *Selected Decisions of the International Monetary Fund*. Second, there are 4 periodic statistical publications: *International Financial Statistics*, *Direction of Trade Statistics*, *Balance of Payments Statistics*, and *Government Finance Statistics*. These 4 publications, which are based on information held in the data fund, are also available for sale in the form of computer tapes. Third, there are 3 other periodic publications, the *IMF Survey*, *Finance & Development*, and *Staff Papers*, which describe and record Fund activities and its research efforts. A fourth group include books on matters of concern to the Fund and various miscellaneous publications, such as statistical manuals, reprints of the *Articles of Agreement*, revised editions of *By-Laws, Rules and Regulations*; a series of occasional papers, including the *World Economic Outlook*; leaflets, booklets, and pamphlets. The program in CY 1984 included 5 new books: *Legal and Institutional Aspects of the International Monetary System, Vol. II*; *Adjustment, Conditionality, and International Financing*; *Monetary Stability and Economic Growth*; *Taxation, Inflation, and Interest Rates*; and *Public Enterprise in Mixed Economies*. Also included were reprints of the books, *Adjustment and Financing in the Developing World*, *The Role of the International Monetary Fund*; *Emerging Financial Centers*; *Legal and Institutional Framework*; *Government Budgetary and Expenditure Controls—Theory and Practice*; *Monetary Approach to the Balance of Payments*; *Exchange Rate Regimes and Policy Interdependence*; and *International Monetary Reform*; and special supplements of *International Financial Statistics* on Balance of Payments and Output Statistics.

Publications planned for FY 1986, in addition to the regular program, include 3 that are being carried forward from the FY 1985 budget: the Fund History, 1972–78, in 3 volumes, and 2 books—*Incomes Policy and Inflation in Industrial Countries* and *Supply Side Economics*. In addition, there are plans for 6 books on fiscal policy, external debt management, value-added tax, a historical review of social expenditures, fiscal policy in smaller industrial countries, 1972–1982; and a third volume of *Fund Agreements in the Courts*; additional seminar volumes; 7 occasional papers, and two separate editions of the *World Economic Outlook*. Two supplements to *International Financial Statistics* are also planned, along with the first full year of *Finance & Development* in Chinese, and several new pamphlets and booklets.

In 1984, the External Relations Department organized 46 press conferences (39 in 1983) and issued 75 press releases (97). It conducted 67 (88) short seminars at headquarters for groups of visitors, published the *IMF Memorandum*, which

FY 1986 BUDGET BY PROGRAM

6. Information and Statistical Services

is distributed monthly to about 2,230 (2,260) journalists and financial publications, and reviewed 95 (120) articles and speeches prepared for outside publication and delivery. In addition to the 10 (6) information missions conducted in 1984, at which 582 (470) journalists were contacted, 1 seminar was held for nonofficials in Senegal. In FY 1986, it is planned to further strengthen and broaden press and other information activities. The work program in this area will feature 10 seminars/briefings for journalists and 3 seminars for nonofficials. The inauguration of the new IMF Visitors' Center during the year will feature the premiere of a brief informational film on the Fund.

A highlight of the statistical work program in 1984 was the continued expansion of the international banking statistics project. By the end of the year, the number of banking centers reporting, for which international banking data are included, had increased to 31 from 18 a year earlier. Work also continued on the development of a comprehensive framework of debt statistics and syntheses of external debt data for a number of key debtor countries. With the addition of external debt statistics, the number of time series maintained in the data fund, covering statistics on 185 countries and territories (185 in 1983), increased to 630,000 series (550,000 in 1983). In FY 1986, the establishment of on-line data entry and update facilities in the new economic information system is expected to significantly improve the currentness and quality of the Fund's statistical data base. Emphasis will be placed on extending and improving the data base on international banking with an anticipated 38 countries reporting by the end of the financial year. Increased attention will also be given to the task of developing comprehensive data on external debt in individual countries.

Work on the Fund study on the statistical discrepancy in global current account balances will be continued and will require 5 man-years of consultant services in FY 1986, in addition to staff support from the Research Department and the Bureau of Statistics, to assist the 15-member working party of senior officials from member countries, the BIS, EEC, OECD, and the Fund. The cost of this project, excluding the cost of economist staff support provided by the two departments, is now expected to be about \$1.4 million spread over three years, including \$0.8 million in FY 1986.

FY 1986 BUDGET BY PROGRAM

6. Information and Statistical Services

Supplementary Tables on Sub-Programs

6.1. PUBLICATIONS

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Personnel expenses	5,425	5,681	5,978	+ 297	105.2
Contractual printing	1,964	2,533	2,780	+ 247	109.8
Postage	977	952	1,057	+ 105	111.0
Data processing	592	375	857	+ 482	228.5
Other costs	1,238	1,422	1,492	+ 70	104.9
Total Gross Cost	10,196	10,963	12,164	+ 1,201	111.0
Less Sales Income	- 852	- 1,250	- 1,425	- 175	114.0
TOTAL NET COST	9,344	9,713	10,739	+ 1,026	110.6
B. Number of Paid Man-Years	90	90	92	+ 2	102.2

FURTHER ANALYSIS BY INDIVIDUAL PUBLICATION

Costs (in thousands of U.S. dollars)					
Annual Report of the Executive Board	1,122	1,093	1,077	- 16	98.5
Annual Report on Exchange Arrangements and Exchange Restrictions	295	298	316	+ 18	106.0
International Financial Statistics	1,976	2,371	2,701	+ 330	113.9
Direction of Trade Statistics	429	442	494	+ 52	111.8
Balance of Payments Statistics	473	418	452	+ 34	108.1
Government Finance Statistics	337	445	455	+ 10	102.2
Staff Papers	242	282	318	+ 36	112.8
IMF Survey	1,824	1,900	1,930	+ 30	101.6
Finance & Development ¹	761	790	848	+ 58	107.3
Other publications ²	2,737	2,924	3,573	+ 649	122.2
Total Gross Cost	10,196	10,963	12,164	+ 1,201	111.0
Sales Income (in thousands of U.S. dollars)					
Annual Report on Exchange Arrangements and Exchange Restrictions	- 8	- 8	- 9	- 1	112.5
International Financial Statistics	- 420	- 598	- 682	- 84	114.0
Direction of Trade Statistics	- 36	- 48	- 55	- 7	114.6
Balance of Payments Statistics	- 36	- 48	- 54	- 6	112.5
Government Finance Statistics	- 12	- 22	- 19	+ 3	86.4
Staff Papers	- 24	- 35	- 40	- 5	114.3
IMF Survey	- 47	- 56	- 64	- 8	114.3
Other publications	- 269	- 435	- 502	- 67	115.4
Total Income	- 852	- 1,250	- 1,425	- 175	114.0
TOTAL NET COST	9,344	9,713	10,739	+ 1,026	110.6

¹Joint publication with the World Bank. Only the Fund's costs are shown.

²Including *Summary Proceedings, Selected Decisions of the IMF*, the legislative history documents, *Legal and Institutional Aspects of the International Monetary System*, IMF Institute workshop papers, *Articles of Agreement, By-Laws, Rules and Regulations, IMF Directory*, Fund History, Occasional Papers series, including WEO, proceedings of the Seminar Series, and various miscellaneous items.

FY 1986 BUDGET BY PROGRAM

6. Information and Statistical Services

Supplementary Tables on Sub-Programs

6.2. DEVELOPMENT AND COLLECTION OF STATISTICAL DATA

	FY 1984 Actual	FY 1985 Estimate	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	3,212	3,799	4,773	+ 974	125.6
Other personnel expenses	2,286	2,373	2,696	+ 323	113.6
Business travel	6	7	13	+ 6	185.7
Other travel	350	456	537	+ 81	117.8
Data processing	1,216	2,378	3,606	+ 1,228	151.6
Other administrative expenses	696	711	873	+ 162	122.8
Total	7,766	9,724	12,498	+ 2,774	128.5
B. Number of Paid Man-Years	85	86	95	+ 9	110.5

6.3. OTHER INFORMATION SERVICES¹

A. Costs (in thousands of U.S. dollars)					
Salaries	1,189	1,353	1,388	+ 35	102.6
Other personnel expenses	846	917	964	+ 47	105.1
Business travel	102	151	178	+ 27	117.9
Other travel	147	172	204	+ 32	118.6
Data processing	174	453	67	- 386	14.8
Other administrative expenses	330	438	537	+ 99	122.6
Total	2,788	3,484	3,338	- 146	95.8
B. Number of Paid Man-Years	30	33	33	—	100.0

¹Press conferences, press releases, press briefings, speeches, lectures, and seminars.

FY 1986 BUDGET BY PROGRAM

7. Relations with International Organizations

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	1,679	1,956	2,060	+ 104	105.3
Other personnel expenses	1,188	1,341	1,414	+ 73	105.4
Business travel	483	426	420	- 6	98.6
Other travel	133	147	158	+ 11	107.5
Data processing	5	20	41	+ 21	205.0
Other administrative expenses	519	575	647	+ 72	112.5
Total	4,007	4,465	4,740	+ 275	106.2
B. Number of Paid Man-Years	37	42	44	+ 2	104.8
C. Selected Indicators of Activity					
Meetings of other international organizations attended by:					
Headquarters staff	92	93	95	+ 2	102.2
Paris and Geneva staff	290	289	290	+ 1	100.3
Fund-Bank mission collaboration					
Bank missions including Fund staff	12	10	11	+ 1	110.0
Fund missions including Bank staff	8	6	7	+ 1	116.7
Joint Fund-Bank missions	2	3	3	—	100.0

¹Indicators of activity are for calendar years 1983 and 1984.

This program includes representation at meetings of international and regional organizations, reporting on the work of these organizations, and providing assistance when requested. Liaison work which is directly connected with other budget programs is considered part of those programs and is, therefore, not included here.

Close contact is maintained with the World Bank. As part of this activity, Fund staff participated in 10 Bank missions in calendar year 1984 (12 in 1983), and Bank staff participated in 6 (8) Fund missions. In addition, there were 3 (2) joint Fund-Bank missions. In FY 1986, this collaboration will be of special importance with regard to assistance to countries whose adjustment efforts have been particularly difficult.

In 1984, 93 (92) staff at headquarters attended meetings of various international and regional organizations (excluding meetings directly related to country matters). The Special Representative to the United Nations attended meetings of various UN bodies and reported on those meetings to the Executive Board and management. Similarly, staff in the Office in Europe attended 193 (200) meetings of international organizations, mainly the OECD, the EC, and the BIS, and prepared 126 (124) reports. In FY 1986, debt problems, trade issues, and financial markets developments are expected to receive increased attention in view of their immediate policy interest to the Fund. The Office in Geneva follows developments in such organizations as the GATT, the UNCTAD, the ECE, and the ILO. In 1984, the staff in Geneva attended 96 (90) meetings and prepared 68 (66) reports dealing mainly with GATT and UNCTAD activities. In FY 1986, GATT activities are likely to increase substantially as work on the GATT Ministerial Program continues and with the possibility that a new round of multilateral trade negotiations may be initiated.

FY 1986 BUDGET BY PROGRAM

8. General Support Services

	FY 1984 Actual ¹	FY 1985 Estimate ¹	FY 1986 Estimate	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
A. Costs (in thousands of U.S. dollars)					
Salaries	11,822	13,357	14,767	+ 1,410	110.6
Other personnel expenses	8,471	8,698	9,445	+ 747	108.6
Business travel	239	251	260	+ 9	103.6
Other travel	949	962	1,022	+ 60	106.2
Data processing	3,665	12,865 ²	8,612	- 4,253	66.9
Other administrative expenses	6,392	6,375	6,054	- 321	95.0
Total	31,538	42,508	40,160	- 2,348	94.5
B. Number of Paid Man-Years	382	410	441	+ 31	107.6
C. Selected Indicators of Activity					
Staff recruited	434	582	580	- 2	99.7
Staff enrolled in training courses	863	1,163	1,750	+ 587	150.5
EDP workstations	790	1,050	1,580 ³	+ 530	150.5
Travel authorizations processed	4,711	4,752	4,800	+ 48	101.0
Purchase orders written	1,500	1,995	2,400	+ 405	120.3
Pieces of mail handled (thousand)	2,217	2,301	2,400	+ 99	104.3
Words cabled (thousand)	20,162	23,091	23,100	+ 9	100.0
Books and periodicals loaned	48,746	53,172	55,000	+ 1,828	103.4
Words translated (thousand)	9,696	10,232	10,750	+ 518	105.1

¹Indicators of activity are for calendar years 1983 and 1984.

²Includes purchase cost of IBM computer (\$6,272,000).

³Includes 500 microcomputers, 640 terminals, and 440 word processors.

This program includes budget, personnel, building services, graphics, transportation, certain automated data processing, documents, archives, communications, accounts, payroll and other payments, audit, the Joint Library, and translation and interpretation services. Support work directly connected with other programs is counted as part of those programs and not as part of this one.

In 1984, the volume of general support services was at a higher level than in the previous year, as shown in the table above. The salient feature of the work program in 1984 was the continuation of a major effort to improve the data processing capabilities of the Fund. In the administrative area, work progressed on automation of the cable room, the documents storage and retrieval systems, the administrative budget and procurement systems, and on the implementation of a fully integrated and on-line Joint Library system which has already substantially improved services for data base searches, acquisitions, routing, and indexing. Other highlights of general support service activities were completion of the relocation of staff to the addition to the headquarters building; conclusion of the 1984 comprehensive review of staff compensation; work on the job evaluation study, which will be implemented during FY 1986; and elimination of most operational problems with the new Rolm telephone system.

In FY 1986, the volume of general support services is expected to be higher than in CY 1984, on account of an expanding automation program which is described on page 49. Other tasks include further improvements in staff development services; the ongoing review of the Bank-Fund compensation system; development of policies emanating from changes being considered in the job evaluation study; first full-year of operation of the Rolm telephone system as a self-contained unit managed by the Fund; an effort aimed at cost restraint through greater scrutiny and accountability of budgetary resources allocated to Fund departments; and supervision of the renovation of the Concordia apartments, as well as measures to improve the security at Fund headquarters.

Administrative Budget for FY 1986

BUDGET BY OBJECT OF EXPENSE

FY 1986 BUDGET BY OBJECT OF EXPENSE

(In thousands of U.S. dollars)

Object of Expense	FY 1984 Actual Expenses	FY 1985			FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
		Original Budget	Revised Budget ¹	Estimated Expenses		Increase + Decrease -	Index FY 1985 = 100
I. PERSONNEL EXPENSES							
A — SALARIES							
Executive Directors, Alternates, and Advisors	4,293	4,450	4,450	4,370	4,450	+ 80	101.8
Assistants to Executive Directors	3,561	3,620	3,740	3,780	3,920	+ 140	103.7
Staff	67,810	71,910	74,200	74,560	79,600	+ 5,040	106.8
Technical assistance experts and consultants	7,616	8,560	8,560	7,850	9,090	+ 1,240	115.8
Total	83,280	88,540	90,950	90,560	97,060	+ 6,500	107.2
B — OTHER PERSONNEL EXPENSES							
Dependency allowances	3,281	3,450	3,360	3,360	3,450	+ 90	102.7
Settlement allowances and grants	5,302	5,280	6,620	6,620	6,240	- 380	94.3
Overseas allowances	2,017	2,690	2,200	2,200	2,750	+ 550	125.0
Children's education allowances	1,751	2,000	2,005	2,005	2,160	+ 155	107.7
Study allowances and training	700	920	867	867	1,240	+ 373	143.0
IMF Institute living allowances	752	780	735	735	870	+ 135	118.4
Tax allowances	9,179	9,400	9,850	9,850	9,450	- 400	95.9
Retirement contributions	28,872	27,950	28,160	28,160	31,500	+ 3,340	111.9
Termination incentives	918	950	950	950	1,000	+ 50	105.3
Health benefits	2,918	3,500	3,950	3,950	4,300	+ 350	108.9
Life insurance and death benefits	86	230	193	193	225	+ 32	116.6
Social and welfare expenses	173	220	215	215	235	+ 20	109.3
Food services	531	580	570	570	570	—	100.0
Total	56,480	57,950	59,675	59,675	63,990	+ 4,315	107.2
Total Personnel Expenses	139,760	146,490	150,625	150,235	161,050	+ 10,815	107.2
II. TRAVEL EXPENSES							
C — BUSINESS TRAVEL							
Meetings of Governors	1,284	1,450	1,450	1,425	4,235	+ 2,810	297.2
Other business travel	12,394	13,000	13,000	12,600	12,900	+ 300	102.4
Total	13,678	14,450	14,450	14,025	17,135	+ 3,110	122.2
D — OTHER TRAVEL							
Settlement travel	4,280	4,800	5,020	5,020	5,620	+ 600	112.0
Home leave travel	4,954	5,200	5,105	5,105	5,370	+ 265	105.2
Miscellaneous travel	1,454	1,650	1,760	1,760	2,100	+ 340	119.3
Total	10,688	11,650	11,885	11,885	13,090	+ 1,205	110.1
Total Travel Expenses	24,366	26,100	26,335	25,910	30,225	+ 4,315	116.7
III. OTHER ADMINISTRATIVE EXPENSES							
E — COMMUNICATIONS							
Postage and freight	1,870	2,050	2,000	2,000	2,250	+ 250	112.5
Telephone	3,832	2,940	3,625	3,625	2,560	- 1,065	70.6
Telegraph	1,021	1,100	1,120	1,120	1,120	—	100.0
Total	6,723	6,090	6,745	6,745	5,930	- 815	87.9
F — BUILDING OCCUPANCY							
Maintenance and operation	3,913	4,045	4,045	3,740	4,150	+ 410	111.0
Utilities	2,139	2,580	2,580	2,512	2,670	+ 158	106.3
Alterations	2,022	6,990	5,350	2,710	6,910	+ 4,200	255.0
Rentals	1,006	1,245	1,245	1,313	1,990	+ 677	151.6
Total	9,080	14,860	13,220	10,275	15,720	+ 5,445	153.0
G — BOOKS AND PRINTING							
Books and periodicals	666	750	755	755	755	—	100.0
Contractual printing	1,093	1,105	1,275	1,275	1,355	+ 80	106.3
Total	1,759	1,855	2,030	2,030	2,110	+ 80	103.9
H — SUPPLIES AND EQUIPMENT							
Purchase of furniture and equipment	2,326	3,085	3,085	2,151	4,570	+ 2,419	212.5
Rental of equipment	456	505	505	569	640	+ 71	112.5
Maintenance of equipment	632	710	710	637	710	+ 73	111.5
Expendable supplies	1,044	1,120	1,120	1,303	1,390	+ 87	106.7
Total	4,458	5,420	5,420	4,660	7,310	+ 2,650	156.9
I — DATA PROCESSING							
Fund Computer Facilities	4,945	5,250	11,522	11,077	7,855	- 3,222	70.9
Contractual support	2,170	4,980	4,980	3,190	5,960	+ 2,770	186.8
Other data processing	3,413	8,390	8,390	9,933	8,835	- 1,098	88.9
Total	10,528	18,620	24,892	24,200	22,650	- 1,550	93.6
J — MISCELLANEOUS							
Representation	616	665	670	670	650	- 20	97.0
Insurance	398	480	430	430	480	+ 50	111.6
Miscellaneous contractual services	4,709	4,115	4,570	4,570	3,975	- 595	87.0
Sundries	(243)	(295)	(225)	(225)	(300)	- 75	—
Total	5,480	4,965	5,445	5,445	4,805	- 640	88.2
Total Other Administrative Expenses	38,028	51,810	57,752	53,355	58,525	+ 5,170	109.7
TOTAL BUDGET	202,154	224,400	234,712	229,500	249,800	+ 20,300	108.8

¹Includes supplementary appropriations of \$4,040,000 on account of the 1984 general salary adjustment as approved at EBM 84/109 (July 17, 1984) and of \$6,272,000 as approved at EBM/85/35 (March 6, 1985).

FY 1986 BUDGET BY OBJECT OF EXPENSE

I. PERSONNEL EXPENSES

A — SALARIES

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Executive Directors, Alternates, and Advisors	4,293	4,370	4,450	+ 80	101.8
Assistants to Executive Directors	3,561	3,780	3,920	+ 140	103.7
Staff	67,810	74,560	79,600	+ 5,040	106.8
Technical assistance experts and consultants	7,616	7,850	9,090	+ 1,240	115.8
Total	83,280	90,560	97,060	+ 6,500	107.2

Executive Directors, Alternates, and Advisors In FY 1986, the amount budgeted for the remuneration of Executive Directors, Alternates, and Advisors is based on the cost of a 22-member Executive Board and of some 23 Advisors out of the total authorized ceiling of 28 Advisors. At present, the costs of 3 Board members are shared with the World Bank. The increase in this account in FY 1986 is attributable to the expectation that the average number of Board members and Advisors throughout the year will be about 65 compared with an average of 64 in FY 1985.

Assistants to Executive Directors This account covers the cost of salaries of the Assistants to the Executive Directors, as well as Secretarial and Clerical Assistants. It includes provision for overlapping appointments and overtime. The budget for FY 1986 is based on the assumption that the number of positions for assistants filled will be about 110, with the cost of 2 to be shared with the World Bank.

Staff The authorized ceiling for the current financial year is 1,658.5 positions. It is proposed to add 28.5 positions in FY 1986, thus raising the staff ceiling to 1,687. More information regarding organization, staff ceilings, and costs for each department, bureau, and office may be found in the section entitled "Budget by Unit of Organization."

In addition to the cost of regular staff (\$70,560,000), the main elements in the staff salaries account for FY 1986 are: the Economist Program (\$1,950,000), the Staff Contingency Fund (\$5,390,000), staff overtime (\$1,030,000), temporary staff hired in connection with the Annual Meeting (\$340,000), and various miscellaneous expenses including 5 special appointees, and the Fund's 50 percent share of the cost of the Executive Secretary of the Development Committee and of 1 secretarial assistant.

The Economist Program is used to hire staff who are assigned to 2 departments for one year each before being placed in regular positions. In FY 1985, 25 economists will have been hired under this program, and 49 have been carried over from prior years, for a total of 50 man-years and a cost of \$1,870,000. The proposed budget for FY 1986 (\$1,950,000) allows for the carry over from FY 1985 of 51 and for the recruitment of 25 new economists, for a total of 50 man-years.

In FY 1985, it is estimated that a total of 122 man-years of assistance will have been provided out of the Staff Contingency Fund for peak work load assistance, leave replacement, and summer help, at an estimated cost of \$3,720,000. For FY 1986, a budget of \$5,390,000 is proposed, which will provide for about 163 man-years of assistance, consisting of 8 man-years for the summer intern program, 38 man-years for leave replacements at A-E level, and 117 man-years for special work load requirements. The latter figure includes 45 man-years of assistance by specialized computer programmers; 10 man-years of assistance by contractual employees working on various building projects for which the cost in FY 1985 was charged to the building occupancy category (the shift to the salary category is for accounting consistency); 5 economists for the Asian, Western Hemisphere, and Research Departments and Bureau of Statistics; an investment officer if required by the Investment Committee; an accountant, if capital accounting is approved, to help with the one-time task of implementation; a security officer to strengthen the security staff; 1 man-year of contractual translators and interpreters; 3 assistants for the External Relations Department, the Office of the Internal Auditor, and the Bureau of Statistics; 7 man-years of clerical assistance in the Joint Library for completion of various automation projects; 2 man-years of temporary help required during the period of implementation of the automated Cable Room; 3 console

FY 1986 BUDGET BY OBJECT OF EXPENSE

operators for the telephone unit; 2 man-years of assistance in administrative services to help with procurement and inventory control; and 30 man-years of secretarial and clerical help for use by various departments during peak work load periods. Following established practice, only temporary staff will be carried into FY 1986 from the current financial year with the following 4 exceptions: 1 economist each in the Research Department and the Bureau of Statistics, 1 secretary in the Office of the Managing Director and 1 secretary for the balance of payments discrepancy study group. With 2 possible exceptions, these staff will be placed in regular positions as they become vacant during FY 1986.

The main factors accounting for the increase in the FY 1986 budget for staff salaries (+\$5,040,000) are: the net cost of promotions and merit increases for staff after allowing for turnover of staff (+\$1,440,000), the cost of 28.5 additional positions (+\$1,280,000), and a larger Staff Contingency Fund (+\$1,670,000). About 75 percent of the increase in the cost of the Staff Contingency Fund is on account of EDP programmers and another 20 percent is on account of contractual employees being transferred from the building occupancy category as mentioned earlier.

Technical Assistance Experts and Consultants This account covers the cost of salaries for central banking and fiscal experts, as well as the cost of the services of various consultants.

The budget proposed for FY 1986 includes \$7,650,000 for salaries for 105 man-years of central banking and 31 man-years of fiscal experts, as compared with the estimate of \$6,990,000 in FY 1985 for 100 man-years of assistance provided by central banking experts and 28 man-years by fiscal experts. Within the above numbers, the budget continues to provide for a few experts stationed at headquarters to carry out special projects.

The proposed budget for FY 1986 also includes \$1,440,000 for 18 man-years of consultants, as compared with an estimated \$860,000 for 10 man-years in FY 1985. The total for consultants includes \$243,300 for the continuation from FY 1985 of a senior legal consultant, the chairman of the Grievance Committee, the ombudsman, a legal service consultant to assist staff members, and a consultant who advises the management on the Executive Dining Rooms. It also includes \$530,000 for the study on the balance of payments current account discrepancy and \$557,200 for consultants and visiting professors in the Asian, European, Western Hemisphere, Exchange and Trade Relations, Fiscal Affairs, Legal, Research, and Treasurer's Departments to advise on issues of current interest to the Fund, as well as \$109,500 for consultants to advise the External Relations Department on the new Visitors' Center, the IMF Institute on a pricing policy seminar, and the Bureau of Statistics on courses on Money and Banking Statistics and Government Finance Statistics and a seminar on price statistics. About 75 percent of the increase in the cost of this account is attributable to the full year cost of the balance of payments discrepancy study.

B — OTHER PERSONNEL EXPENSES

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Dependency allowances	3,281	3,360	3,450	+ 90	102.7
Settlement allowances and grants	5,302	6,620	6,240	- 380	94.3
Overseas allowances	2,017	2,200	2,750	+ 550	125.0
Children's education allowances	1,751	2,005	2,160	+ 155	107.7
Study allowances and training	700	867	1,240	+ 373	143.0
IMF Institute living allowances	752	735	870	+ 135	118.4
Tax allowances	9,179	9,850	9,450	- 400	95.9
Retirement contributions	28,872	28,160	31,500	+ 3,340	111.9
Termination incentives	918	950	1,000	+ 50	105.3
Health benefits	2,918	3,950	4,300	+ 350	108.9
Life insurance and death benefits	86	193	225	+ 32	116.6
Social and welfare expenses	173	215	235	+ 20	109.3
Food services	531	570	570	—	100.0
Total	56,480	59,675	63,990	+ 4,315	107.2

FY 1986 BUDGET BY OBJECT OF EXPENSE

Dependency Allowances This account provides for the payment of spouse and dependency allowances to eligible Executive Board members, their Advisors and assistants, staff members, and technical assistance experts. The allowances are essentially 5 per cent of net annual salary with a maximum per year of \$3,000 for a spouse, \$420 for a child, and \$210 for each other dependent. In January 1985, a total of 1,440 persons were receiving dependency allowances (compared with 1,456 in January 1984).

Settlement Allowances and Grants This account provides for the payment of installation and resettlement allowances and settling-in and separation grants. It also provides for the cost of accruals for unused annual leave and earned separation grants. During FY 1985, 21 (8 in FY 1984) Board members and Advisors, 23 (16) assistants, 52 (59) staff, 15 (12) staff posted in the field, 2 (2) special appointees, and 70 (71) technical assistance experts will have received installation allowances. Twenty-two (5) former Board members and Advisors, 14 (12) former assistants, 42 (38) former staff, and 8 (10) staff returning from field assignments will have received resettlement allowances. Settling-in grants will have been paid to 21 (8) Board members and Advisors, 23 (16) assistants, and 52 (50) staff, and separation grants will have been paid to 3 (2) assistants, and 40 (35) staff. The proposed budget for FY 1986 takes account of the fact that there will be fewer payments to Executive Directors because it is a nonelection year. It also includes \$3,470,000 for the estimated cost of accrued annual leave and separation grants which it is anticipated will accumulate in FY 1986 over and above what has been provided for in FY 1985. This amount is \$350,000 less than the amount accumulated in FY 1985. The reduction is largely attributable to the fact that the FY 1986 estimate does not provide for a possible general salary adjustment.

Overseas Allowances This account covers the cost of allowances paid to technical assistance experts and staff members on long-term overseas assignment. These allowances are intended to compensate for additional expenses and hardships for which provision is not otherwise made. In FY 1985, it is estimated that allowances will have been paid for a total of 24 man-years of staff overseas assignments and 125 man-years of expert assignments. The amount budgeted for FY 1986 makes provision for 32 staff and 134 expert man-years on overseas assignments.

Children's Education Allowances This account provides for the payment of grants toward cost of tuition for children of Board members, Advisors, assistants, staff, and technical assistance experts. From May through December 1984, 507 eligible persons had received payments under this policy (458 in the same period in 1983). Next year the number of payments is expected to be somewhat higher.

Study Allowances and Training This account provides for the cost of tuition under the Fund's various study programs, the staff training program, and the language testing and training program for participants in IMF Institute courses. Under individual study programs it is estimated that 110 eligible staff members and assistants to Executive Directors will receive payments in FY 1985 (115 in FY 1984) at a total estimated cost of \$126,000. The amount budgeted for FY 1986 (\$148,000) makes provision for a somewhat larger number of individual study programs. In FY 1985, under the staff training program it is estimated that 365 (349) staff and assistants to Executive Directors will have taken language courses, 223 (95) will have taken management skills development courses, 726 (265) will have taken EDP related training and office automation courses, and 228 (285) will have taken various other courses, both internal and external at an estimated cost of \$721,000. The amount budgeted for the staff training programs in FY 1986 is \$1,067,000. Most of the increase in the cost of these programs in FY 1986 is on account of a larger number of staff receiving training in office technology and managerial skills development. Finally, the cost of the IMF Institute language testing and training program is expected to increase from \$20,000 in FY 1985 to \$25,000 in FY 1986 due to a larger number of non-English-speaking participants attending English courses.

IMF Institute Living Allowances Participants in IMF Institute courses, who are housed free of charge in the Concordia apartments, or this year, in a hotel during the renovation of the Concordia apartments, are paid a daily allowance of \$25 (senior participants \$40) to cover the cost of meals and various miscellaneous expenses. In FY 1985, it is estimated that a total of 475 participants will have been paid a living allowance for 28,690 days while attending courses in Washington. The budget for FY 1986 assumes that a total of 705 participants will be paid a living allowance for 34,450 days. Continuing provision has also been made for short programs of individual study for special participants (1 in FY 1985 and 5 in FY 1986).

Tax Allowances The allowances include payments made on account of national, state, and local income taxes on Fund salaries and partial reimbursement of social security taxes for Executive Board members, assistants, staff, and technical assistance experts. In CY 1984, 524 persons were reimbursed for income and social security taxes (494 in 1983). The estimate for FY 1986 takes into account lower tax allowances due to the end of the transitional payments for the Average Deduction System offset partially by an increase in U.S. social security taxes and a small increase in staff receiving these allowances.

FY 1986 BUDGET BY OBJECT OF EXPENSE

Retirement Contributions This account provides for the Fund's contributions to the Staff Retirement Plan on behalf of Board members, Advisors, assistants, and staff who are participants in the Plan and for contributions to the pension plans of technical assistance experts. The regular contribution to the Plan of 21 per cent of notional gross salaries is shared by the Fund and participants on a 2:1 ratio. As of January 1, 1985, contributions were being made on behalf of 1,882 participants (1,796 as of January 1, 1984). This account also provides for pension parity supplements, for the funding of cost of living supplements in excess of 2 per cent, and for amortization over 15-year periods of experience gains or losses of the Plan. The estimated cost in FY 1985 (\$28,160,000) includes payments to the Plan of \$2,186,000 to fund cost of living supplements which became effective on May 1, 1983 and \$8,052,000 to amortize experience losses accumulated through FY 1983. The amount budgeted for FY 1986 (\$31,500,000) includes an amount of \$4,800,000 to fund cost of living supplements which became effective on May 1, 1984 and \$7,800,000 to amortize experience losses accumulated through FY 1984.

Termination Incentives This account covers termination payments made under 2 programs: (i) the Termination Benefits Fund, which has been in existence since 1972, and under which payments may be made to encourage the separation of staff at any level and (ii) a scheme approved by the Executive Board in January 1980 as a one-time offering of incentives for the early retirement of staff in Ranges J and above. The estimated cost of these 2 programs in FY 1985 is \$950,000, which covers payments under the Termination Benefits Fund to 16 staff and monthly supplemental payments under the early retirement incentives scheme to 17 former senior staff who retired in FY 1980 and FY 1981. The budget for FY 1986 (\$1,000,000) makes allowance for a similar number of payments under the Termination Benefits Fund and for the cost of continued monthly supplemental payments to the former senior staff.

Health Benefits The major element in this account is the Fund's two-thirds contribution to the cost of the Medical Benefits Plan on behalf of Board members, Advisors, assistants, staff, technical assistance experts, retirees, and IMF Institute participants. There was a total of 2,519 enrollees in the Plan in January 1985 (2,457 in January 1984). The estimated cost for the Medical Benefits Plan in FY 1986 (\$3,960,000) is 9 percent higher than in FY 1985, mainly on account of expected increases in both enrollment and medical costs. The budget in FY 1986 also makes provision for the Fund's share of the cost of the operating expenses of the joint Fund-Bank Health Room (\$273,000) and for annual physical examinations as well as other medical services (\$67,000).

Life Insurance and Death Benefits This account covers the Fund's contribution to the Group Life Insurance Plan on behalf of Board members, Advisors, assistants, staff, technical assistance experts, and retirees (there were 1,996 enrollees in January 1985 compared with 1,948 in January 1984), as well as the lump sum grant that the Fund pays when a staff member dies in active service. Participants pay two thirds of the cost of life insurance and the Fund pays the remainder. The estimate for FY 1985 takes account of the Fund's one-third share (\$135,000) of a return of premiums declared by the insurance company as a result of good claims experience in CY 1984. The budget for FY 1986 is based on the assumption that experience will be similar to the average over the past five years.

Social and Welfare Expenses The principal items in the social and welfare expense budget for FY 1986 are the Christmas party (\$80,000), the annual picnic at the Bretton Woods Recreation Center (\$26,500), and the social program for participants attending IMF Institute courses (\$85,000). In addition, allowance is made for activities of the International Families of the Fund Office (InFFO), for contributions for approved activities of staff groups, for Fund contributions toward the cost of farewell receptions for retiring staff, and for various other expenses.

Food Services Established guidelines require that the subsidy for food services should be about one third of the direct costs of the operation. The budget for FY 1986 (\$570,000) is unchanged from the revised estimate for FY 1985. This is because increases in the cost of food and of salaries and benefits for the food service staff are expected to be offset by similar increases in revenue, resulting in part from increases in food prices in the Executive Dining Room to bring the percentage subsidy into line with that in the cafeteria.

FY 1986 BUDGET BY OBJECT OF EXPENSE

II. TRAVEL EXPENSES

C — BUSINESS TRAVEL

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease –	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Meetings of Governors	1,284	1,425	4,235	+ 2,810	297.2
Other business travel	12,394	12,600	12,900	+ 300	102.4
Total	13,678	14,025	17,135	+ 3,110	122.2

Meetings of Governors This account provides for the Fund's share of the cost of transportation, per diem, and incidental costs of travel for Governors and Alternate Governors, Executive Board members, their Advisors and assistants, and staff attending the Annual Meeting and meetings of the Interim and Development Committees. It also provides for the travel of the Chairmen of the Interim and Development Committees and for the travel of the Development Committee Secretary. The proposed budget for FY 1986 assumes that there will be two Interim and Development Committee meetings, one to be held in Seoul at the time of the Annual Meeting and another in Washington. The increase in costs for FY 1986 is mainly because the next Annual Meeting will be held abroad.

Other Business Travel This account covers the direct costs of Executive Board members, their Advisors and assistants, and staff members on all business travel other than that covered in the Meetings of Governors travel account above. In CY 1984, Board members, their Advisors and assistants made 291 business trips abroad (285 in 1983). Staff made 1,916 trips abroad (1,930 in 1983), of which 691 were for regular consultations, 506 were for additional missions in connection with use of Fund resources, including stand-bys, 229 were for other country missions, 230 were for technical assistance, and 260 were for other purposes. In FY 1985, it is estimated that of the total anticipated cost (\$12,600,000), some 64 percent will be for transportation and 36 percent for per diem and incidental expenses. The amount budgeted for next year (\$12,900,000) provides for an average increase of about 3 percent in airfares. The volume of staff business travel is expected to remain at about the same level as in FY 1985, reflecting in part continued efforts by management to maintain strict control over staff mission travel. One minor matter associated with business travel concerns the mileage allowance which is paid to staff authorized to travel on Fund business by privately owned automobile (GAO 4, Section 4.01.5, Rev. 4). Effective May 1, 1985, it is proposed to raise the mileage allowance by 12 percent, from 25 cents per mile to 28 cents per mile. Data published by the American Automobile Association indicates that motoring costs have risen by that much since the allowance was last adjusted in 1980. The estimated additional cost of this change is negligible.

D — OTHER TRAVEL

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Settlement travel	4,280	5,020	5,620	+ 600	112.0
Home leave travel	4,954	5,105	5,370	+ 265	105.2
Miscellaneous travel	1,454	1,760	2,100	+ 340	119.3
Total	10,688	11,885	13,090	+ 1,205	110.1

Settlement Travel In FY 1985, settlement travel expenses will have been paid for the following persons and their families: 43 present and former Executive Board members, 35 assistants, 94 staff, and 130

FY 1986 BUDGET BY OBJECT OF EXPENSE

technical assistance experts (the numbers for FY 1984 were 13, 28, 102 and 152, respectively). In addition, settlement travel expenses will have been paid for 475 IMF Institute participants and their spouses, for 23 staff and their families who were posted in the field as Fund representatives or advisors, and for 3 special appointees and their families (423, 23, and 3 in FY 1984, respectively). The budget for FY 1986 takes into account an expected increase in the volume of travel by participants under the IMF Institute program and by experts and resident representatives in the field. These are partly offset by savings on account of a nonelection year for Executive Directors.

Home Leave Travel This account provides for the payment of the home leave allowance and travel expenses for assistants and staff and their families and for the dependents of Executive Board members and their Advisors. Provision is also made in this account for the cost of rest and recuperation trips for technical assistance experts and staff in the field. During the current financial year, about 550 staff and their dependents, 35 assistants to Executive Directors and their dependents, and the dependents of 20 Board members will have traveled on home leave (the numbers for FY 1984 were 551, 34, and 17, respectively). The budget for FY 1986 makes allowance for a 6 percent increase in business class airfares which is slightly offset by expected savings on account of the changes in benefits approved by the Executive Board (EBM/85/14, January 28, 1985).

Miscellaneous Travel This account provides for the travel of children of Executive Board members, of assistants, of staff, and of technical assistance experts in connection with the Fund's education policy; for the travel of spouses who accompany staff members on missions under the spouses' points policy; for the travel of officials and nonofficials attending Fund-sponsored seminars; and for consultants traveling on the Fund's behalf. It also provides for emergency travel, study travel, the field and social trips of IMF Institute participants, and various other authorized journeys. The proposed budget for FY 1986 allows, along with a 6 percent increase in business class airfares, for an increase in the number of consultants traveling in connection with the statistical discrepancy study. Provision has also been made for a slight increase in the numbers traveling under the spouses' points policy and the field and social trips of IMF Institute participants.

III. OTHER ADMINISTRATIVE EXPENSES

E — COMMUNICATIONS

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Postage and freight	1,870	2,000	2,250	+ 250	112.5
Telephone	3,832	3,625	2,560	- 1,065	70.6
Telegraph	1,021	1,120	1,120	—	100.0
Total	6,723	6,745	5,930	- 815	87.9

Postage and Freight The proposed budget for FY 1986 allows for a full year's impact of the 10 percent increase in the cost of U.S. domestic first class and international mail that was effective February 17, 1985. About 47 percent of the proposed budget is for the mailing of publications and the remainder is for general mail and freight, including the shipping of documents.

Telephone This account provides for the cost of switchboard staff and equipment, for long distance calls, and for other related expenses. The decrease in this category of \$1,065,000 (29.4 percent) over the revised estimate for FY 1985 reflects lower capital expenditures following the installation of the new Rolm system during the last two years. Provision has also been made for greater use of long distance services partially in connection with off-premises data processing services.

Telegraph The proposed budget for FY 1986 assumes about the same volume of traffic as in FY 1985.

FY 1986 BUDGET BY OBJECT OF EXPENSE

F — BUILDING OCCUPANCY

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Maintenance and operation	3,913	3,740	4,150	+ 410	111.0
Utilities	2,139	2,512	2,670	+ 158	106.3
Alterations	2,022	2,710	6,910	+ 4,200	255.0
Rentals	1,006	1,313	1,990	+ 677	151.6
Total	9,080	10,275	15,720	+ 5,445	153.0

Maintenance and Operation This account covers costs relating to all Fund property, including the headquarters office building and the Concordia apartment complex. Most of the cost is to pay for a force of contractual building services personnel, some working on day shifts and others on night shifts. This work force includes for the headquarters building 13 engineers, 3 painters, 12 utility men, 42 guards, 2 clerk-typists, 5 garage attendants, and 18 cleaners, the last group supplemented by a night crew of about 80. The budget for FY 1986 makes provision for some increases in wages and an expanded equipment maintenance program, partially offset by a reduction in the cost of janitorial services as a result of the completion of the major moves into the headquarters annex.

Utilities About 82 percent of the amount included in this account is for electricity. The remainder is for fuel oil, gas, and water. The proposed budget makes allowance for anticipated price increases expected during the year.

Alterations The main elements in the \$6,910,000 building alterations program are: rollover from FY 1985 of renovation of the Concordia/Bond apartment complex project which includes the remodeling of kitchens, new lighting, interior painting, and other general repairs (\$2,888,000); remodelling a lecture room to accommodate additional IMF Institute courses (\$600,000); completion of the renovations in the Communications Division area begun in FY 1985 (\$300,000); repair of the Fund's storage facility at BWRC (\$265,000); upgrading of heating, ventilation, electrical and lighting facilities (\$1,100,000); and renovations at International Square (\$300,000). The remaining funds are to cover miscellaneous projects such as retrofitting existing office layouts to accommodate new office automation equipment, the development of accurate space, architectural and mechanical drawings of the headquarters complex and improvement of certain aspects of building security. The main reason for the increased cost of this account in FY 1986 is the renovation of the Concordia apartments.

Rentals This account provides for rental payments for offices in Washington outside the headquarters building, offices in Paris, Geneva, and New York, and for joint facilities housed by the World Bank, e.g., the Credit Union, language classrooms, etc. The amount shown is a net figure after allowing for payments from the World Bank for facilities based in Fund buildings, e.g., the Joint Library, and apartments for participants in Economic Development Institute (EDI) courses. The account also includes income from parking charges as well as the cost of the parking management service and the cost of renting commercial parking spaces. The main factor accounting for the increase in FY 1986 is the loss of Concordia rental revenues from the World Bank for housing EDI participants while the building is being renovated (-\$700,000).

It is estimated that the cost of the parking facility in FY 1986 will be \$781,000 (\$399,000 for the parking management service and for rental of commercial space, which is charged to this account; and \$382,000 for utilities, security, vault space rental, and cleaning, which is charged to the utilities and maintenance accounts). This estimate is 18 percent higher than that for FY 1985 mainly because of higher charges for commercial space, more cars in the commercial space, a 13 percent increase in the cost of guard service, and a more than doubling in the cost of vault space which is rented from the D.C. Government, 65 percent of which is occupied by the garage. On the basis of present rates, income from parking charges would be about \$665,000, giving a deficit of \$116,000 for the parking operation in FY 1986 less a surplus of \$11,000 in FY 1985. In order to adhere to the parking policy approved by the Executive Board at EBM/79/110 (July 11, 1979), under which income from parking is to be set at a level which would equal the cost of providing the parking facility, it is proposed that, effective May 1, 1985, monthly charges be raised by about 14 percent and that the differential between commercial and headquarters parking, which is twice that in the World Bank, be halved. The last increase in charges (8 percent) was effective May 1, 1984.

FY 1986 BUDGET BY OBJECT OF EXPENSE

G — BOOKS AND PRINTING

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Books and periodicals	666	755	755	—	100.0
Contractual printing	1,093	1,275	1,355	+ 80	106.3
Total	1,759	2,030	2,110	+ 80	103.9

Books and Periodicals The budget for FY 1986 provides for acquisitions by the Joint Library (Fund share \$252,000), the Legal Library (\$50,000), the IMF Institute Library (\$66,000), and the Bureau of Language Services Library (\$15,000); for binding services (\$22,000); and for newspaper subscriptions and publications for Executive Directors and staff (\$305,000). The budget also provides for continued rental of 7 news ticker services (\$45,000). It is expected that the cost of this account in FY 1986 will remain at the level in FY 1985, despite some increases in cuts, because of savings that should result from a review of present subscriptions.

Contractual Printing The proposed budget for FY 1986 includes \$2,780,000 for production costs (\$2,525,000 in FY 1985) and \$1,425,000 for estimated income from sales (\$1,250,000 in FY 1985). Production costs consist of \$1,248,000 for *International Financial Statistics* and related statistical publications, \$258,000 for the *IMF Survey*, \$256,000 for the Fund's share of *Finance & Development*, and \$1,018,000 for other publications such as the *Annual Report of the Executive Board*, the *Annual Report on Exchange Arrangements and Exchange Restrictions*, *Staff Papers*, Occasional Papers including the World Economic Outlook, and several books carried over from FY 1985 including the Fund History 1972-78 in three volumes. In addition, new books scheduled for production in FY 1986 include two collections of essays, one on fiscal policy and the other on external debt management; a third volume of *Fund Agreements in the Courts*; one on the value added tax; another a historical review of social expenditures; and one on fiscal policy in smaller industrial countries, 1972-82. The increase in the account is due primarily to more pages and copies of some publications and more books than in FY 1985. Partially offsetting these factors are planned increases in revenues from the sale of publications on account of the full-year impact of the general price increases effective in the middle of FY 1985.

H — SUPPLIES AND EQUIPMENT

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Purchase of furniture and equipment	2,326	2,151	4,570	+ 2,419	212.5
Rental of equipment	456	569	640	+ 71	112.5
Maintenance of furniture and equipment	632	637	710	+ 73	111.5
Expendable supplies	1,044	1,303	1,390	+ 87	106.7
Total	4,458	4,660	7,310	+ 2,650	156.9

Purchase of Furniture and Equipment This account provides for the purchase of furnishings and furniture for the headquarters building, for rented space, and for the Concordia apartments; of typewriters, calculators, dictation and other office equipment; and of automobiles and specialized equipment other than communications and data processing equipment. Principal elements in the FY 1986 budget include furniture and furnishings for the Concordia (\$1,394,000); automation and workstation furniture and accessories (\$1,300,000); the replacement of old, worn out and broken furniture (\$308,000); Visitors' Center furnishings (\$258,000); carpet replacements (\$231,000); furniture and furnishings for new

FY 1986 BUDGET BY OBJECT OF EXPENSE

personnel (\$111,000); furnishings for new International Square space (\$107,000); Executive Board room sound system (\$75,000); furniture for Executive Directors, the Executive Directors' lounge and the VIP suites (\$72,000); artwork (\$64,000); and replacement of two of the Fund's 10 automobiles. The budget also makes provision for the replacement of worn-out Fund equipment at the Bretton Woods Recreation Center (\$30,000). The increase in this account of \$2,419,000 is due primarily to provisions for Concordia furnishings (+\$1,382,000); for more automation and workstation furniture (+\$967,000); for furnishings for the new Visitors' Center (+\$258,000); and for a more secure sound system for the Executive Board room (+\$75,000). These increases are partially offset by reduced overall net expenses for other furnishings.

Rental of Equipment In FY 1986, it is planned to add no new copying machines but one old owned machine will be replaced. The Fund now has 74 copying machines of which 23 are owned and 51 are rented or leased. Some 86 percent of the proposed cost of this account is for copying machines, which are rented or leased with purchase options. Provision is also made for the continued rental of optical character readers, microfiche equipment, cable room equipment and mail room equipment. The projected increase (+\$71,000) in the cost of this account is mainly in anticipation of a continued growth in the use of copying machines, reflecting a greater volume of work and reduced use of carbon copies.

Maintenance of Furniture and Equipment The amount estimated for the next financial year will be used for the repair and refurbishing of office furniture including furniture reupholstering and drapery cleaning, and the maintenance and repair of office equipment and automobiles. The annual cost of this account is increasing because of the acquisition of more furniture and equipment, and the need to spend more on the cleaning and maintenance of aging and worn furnishings.

Expendable Supplies The amount estimated for FY 1986 is based on projected requirements for the Executive Board, staff and consultants. It provides for higher prices (about 5 percent on average), and some increase in volume, particularly for data processing supplies.

I — DATA PROCESSING

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Fund Computer Facilities	4,945	11,077	7,855	- 3,222	70.9
Contractual support	2,170	3,190	5,960	+ 2,770	186.8
Other data processing	3,413	9,933	8,835	- 1,098	88.9
Total	10,528	24,200	22,650	- 1,550	93.6

The total budget proposed for FY 1986 for Data Processing, including salaries and benefits of staff and consultants, amounts to \$31,480,000 compared with \$31,150,000 for FY 1985. About \$18,480,000 (59 percent) of the proposed budget is on account of maintenance and operation of existing production programs. The remaining \$13,000,000 (41 percent) is for replacement of outdated and inefficient systems and for development of new projects, nearly all of which were started in FY 1985 or before, and which have been reviewed by the Executive Committee for Computing Services (ECCS), a committee of senior staff chaired by the Deputy Managing Director, on the basis of urgent operational needs and cost/benefit analyses. Three of the five largest continuing development projects are to replace existing systems: (i) the economic information system for the Bureau of Statistics, (ii) an integrated financial system for the Treasurer's Department, and (iii) an improved cable room system in the Secretary's Department. The fourth large project is a new one started in FY 1984 to automate the administrative budget and procurement procedures in the Administration Department. The fifth large development project is integrated office automation which has been completed or started in the Asian, External Relations, Exchange and Trade Relations, and the Western Hemisphere Departments. In FY 1986, it is planned to extend such systems to the African and European Departments. Provision is also made in the budget for additional automation in Executive Directors' offices. Two new development projects to be started in FY 1986 are a review of the World Economic Outlook system and the publications editorial system which will substantially reduce the cost of typesetting and composition services for the *IMF Survey* and possibly for *Finance & Development*.

FY 1986 BUDGET BY OBJECT OF EXPENSE

When salaries and benefits are excluded from the total budgets for FY 1986 (\$31,480,000) and for FY 1985 (\$31,150,000) the amounts left, \$22,650,000 and \$24,200,000, respectively, are essentially for equipment, software and related contractual support, and are chargeable to the data processing category. The following table shows the distribution of the \$22,650,000 budgeted for FY 1986 between the three accounts in this category according to the main projects being undertaken.

Data Processing Category—FY 1986 By Project and Account

Projects/Account	Fund Computer Facilities	Contractual Support	Other Data Processing	Total
_____in thousands of U.S. dollars_____				
A. Development Projects				
1. <i>New projects in FY 1986</i>				
a. WEO system review	—	200	—	200
b. Publications editorial system	—	25	207	232
Subtotal	—	225	207	432
2. <i>Continuing projects from FY 1985</i>				
a. Economic information system and international banking projects	2,000	74	582	2,656
b. Treasurer's integrated financial system	360	1,875	—	2,235
c. Cable and documents distribution system	38	364	212	614
d. Budget and procurement system	180	314	281	775
e. Office automation	45	440	1,696	2,181
f. Other major development projects	135	400	260	795
3. <i>Minor development projects</i>	80	115	323	518
Subtotal	2,838	3,582	3,354	9,774
B. Maintenance and operation of existing systems				
Production	4,885	734	1,876	7,495
Lease and maintenance of existing equipment	—	—	1,561	1,561
Technical support projects	132	1,419	1,837	3,388
Subtotal	5,017	2,153	5,274	12,444
Total	7,855	5,960	8,835	22,650

Fund Computer Facilities This account provides for the operation and management of the Burroughs and IBM mainframe computers. Expenses in this account include contractual services, equipment, software, and other expenses. The decrease of \$3,222,000 in this account projected for FY 1986 is because the purchase and related expenses of an IBM mainframe in FY 1985 will not be repeated in FY 1986 (\$6,272,000). However, it is planned to upgrade one of the two Burroughs 7800 mainframes (+\$400,000) because the present capacity of the Burroughs mainframes are not sufficient during periods of great demand, e.g., when the World Economic Outlook is being prepared; and because it will be some time before large applications can be transferred from the Burroughs to the IBM computer. The decrease on account of the purchase of the IBM in FY 1985 will also be partly offset by the full-year operation of the IBM Computer Facility (+\$2,600,000) and higher costs for the operation of the upgraded Burroughs Computer Facility (+\$100,000).

Contractual Support This account provides for external analytical and programming assistance from companies, but excludes contracts for operating the Fund Computer Facilities and individual analysts and programmers whose cost is charged to the staff salaries account. The increase of \$2,770,000 in this account in FY 1986 is largely on account of the following projects: Treasurer's Department integrated financial system (+\$700,000); Cable Room automation (+\$200,000); documents management system (+\$200,000); budget and procurement system (+\$200,000); World Economic Outlook review (+\$200,000); data communications (+\$400,000); and Fund-wide data base administration (+\$200,000).

FY 1986 BUDGET BY OBJECT OF EXPENSE

Other Data Processing This account provides for data processing expenses not covered in the Fund Computer Facilities and Contractual Support accounts, such as the lease, purchase and maintenance of data processing equipment including minicomputers, microcomputers, word processors, terminals, printers, and data communications; software such as data bases, applications programs and microcomputer packages; and external processing facilities including time-sharing on outside computers. The decreased cost of \$1,098,000 estimated for FY 1986 is due primarily to: (i) IBM timesharing expenses incurred in FY 1985 prior to the purchase of the IBM mainframe computer which will not be repeated (–\$1,000,000); (ii) reduced rental expenses following the FY 1985 purchase of word processors, terminals, and other EDP equipment with a payback of in general up to 2 years (–\$900,000); and (iii) the purchase of three VAX minicomputers and other equipment for the Cable Room which in FY 1985 will not be repeated (–\$700,000). These decreases are offset partially by the planned purchase of 250 additional microcomputers, many of which are required for mission support and office automation, compared with 140 in FY 1985 (+\$700,000), 130 additional word processors compared with 80 in FY 1985 (+\$200,000) and more software purchases (+\$800,000).

J — MISCELLANEOUS

Account	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Proposed Budget	FY 1986 Compared with FY 1985	
				Increase + Decrease –	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Representation	616	670	650	– 20	97.0
Insurance	398	430	480	+ 50	111.6
Miscellaneous contractual services	4,709	4,570	3,975	– 595	87.0
Sundries	(243)	(225)	(300)	– 75	
Total	5,480	5,445	4,805	– 640	88.2

Representation All representation expenses incurred on behalf of the Fund are charged to this account, including expenses incurred at the Annual Meeting, at headquarters, and on mission. The amount budgeted for FY 1986 (\$650,000) includes \$45,000 for the Fund's share of the cost of major joint events at the Annual Meeting in Seoul, such as the Chairman's opening reception. However, as several other social commitments will be provided by the host country, the cost of representation at the Annual Meeting is expected to be lower than in FY 1985. Partially offsetting this reduction is a provision for some increases in worldwide prices.

Insurance This account provides for insurance coverage for the following areas of risk: Fund property wherever located, travel accident, travelers' personal effects, workers' compensation, and general and automobile liability. The increase in costs projected for FY 1986 is on account of slightly higher premium rates, and coverage for new data processing equipment.

Miscellaneous Contractual Services This account provides for the cost of sundry contractual services not mentioned elsewhere. The main reasons for the reduction in estimated cost in FY 1986 are as follows: a more limited staff salary survey, –\$285,000 (\$95,000 in FY 1986; \$380,000 in FY 1985); completion of the intensive phase of the career streams exercise, –\$370,000 (\$90,000 in FY 1986; \$460,000 in FY 1985); completion of the Retirement Plan study, –\$95,000, (\$65,000 in FY 1986; \$160,000 in FY 1985) and the completion of the automation management study, –\$96,000; less moving services for the headquarters building and Concordia apartments, –\$60,000 (\$140,000 in FY 1986; \$200,000 in FY 1985); and a reduced tax review, –\$50,000 (\$15,000 in FY 1986; \$65,000 in FY 1985). Partially offsetting these reduced costs are increased costs for the following projects: higher investment and custody fees for the Staff Retirement Plan, +\$250,000 (\$2,500,000 in FY 1986; \$2,250,000 in FY 1985) and operating costs for the Visitors' Center (\$60,000). Other services budgeted in this account include contractual translation and interpretation services (\$180,000 in FY 1986; \$155,000 in FY 1985); the study of Executive Directors' remuneration (\$55,000 in FY 1986; \$45,000 in FY 1985), contractual auditing services in support of the External Audit (\$145,000 in FY 1986; \$155,000 in FY 1985); the audiovisual program in the External Relations Department (\$90,000 in FY 1986; \$100,000 in FY 1985); and miscellaneous services for the Annual Meeting (\$100,000 in FY 1986; \$130,000 in FY 1985).

FY 1986 BUDGET BY OBJECT OF EXPENSE

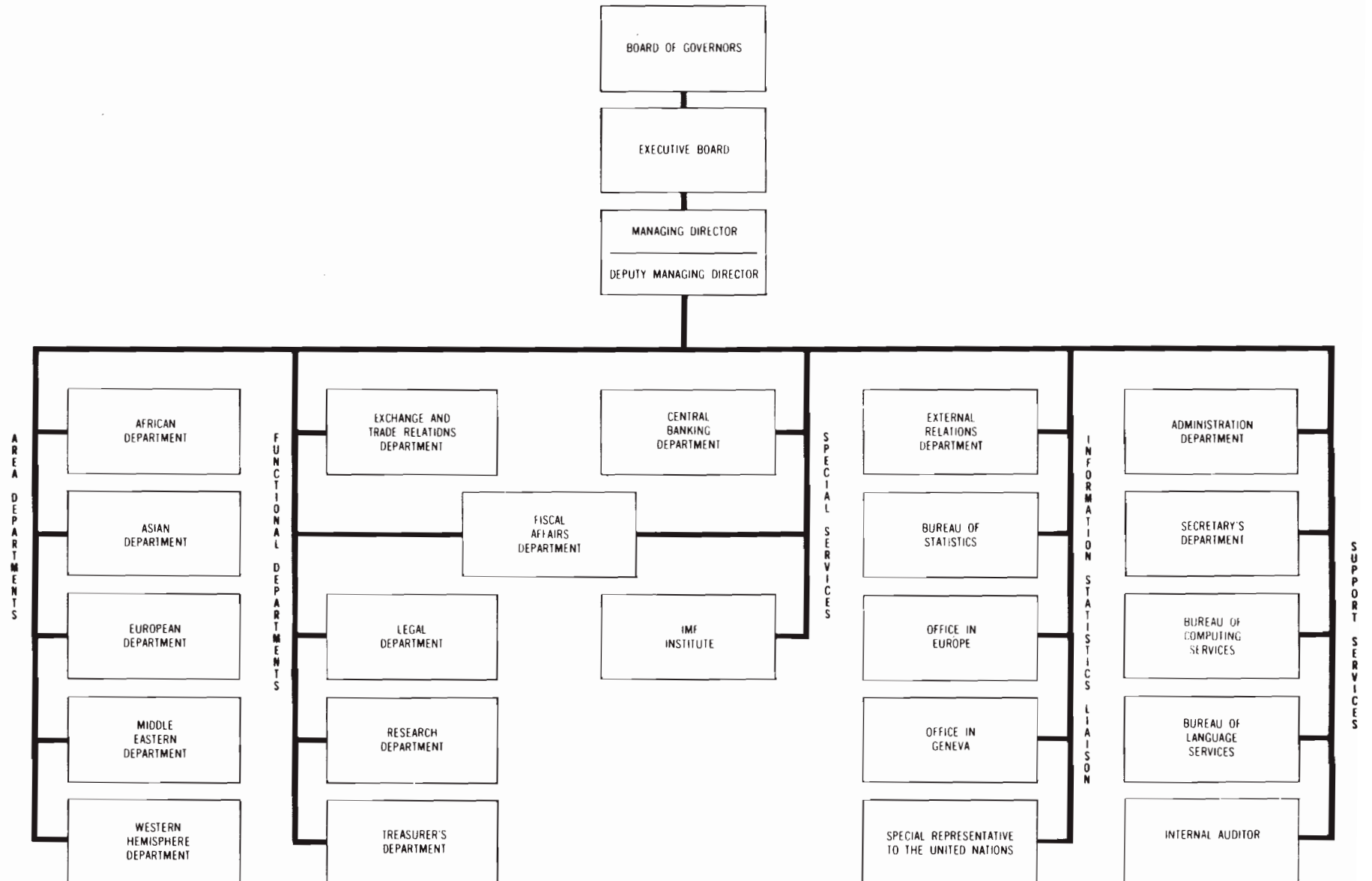
Sundries This account covers miscellaneous expenses not otherwise classified, as well as income from interest-bearing salary advances and discounts taken on purchases of services, supplies and equipment. The proposed budget for FY 1986 includes an estimated income of \$640,000 (\$580,000 in FY 1985) from interest-bearing salary advances and discounts. It provides \$73,000 (\$125,000) for the Fund's final share of the third year cost of a three-year agreement, which terminates in December 1985, with the World Bank and other entities with regard to the Inter-Agency Resident Mission in the Eastern Caribbean; \$84,000 (\$89,500) for miscellaneous expenses of the Annual Meeting and the Interim and Development Committees; and \$40,000 (\$20,000) for miscellaneous expenses of seminars held abroad and in Washington. Provision is also made, inter alia, for a contribution of up to \$10,000 (\$10,000) for financial assistance for the G-IV Children's Coalition in cooperation with other international organizations in the Washington area; for a \$33,500 corporate donation to the 1985 United Way Campaign (\$28,500); for a voluntary payment of \$28,000 in lieu of tax for the Bretton Woods Recreation Center (\$26,000); and for the annual subscription of \$4,000 to the Society for International Development (\$4,000).

Administrative Budget for FY 1986

BUDGET BY UNIT OF ORGANIZATION

INTERNATIONAL MONETARY FUND

CHART OF ORGANIZATION



FY 1986 BUDGET BY UNIT OF ORGANIZATION

Estimated Cost of Each Unit of Organization¹
(In thousands of U.S. dollars)

Unit of Organization	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
Board of Governors ²	2,461	2,566	2,849	+ 283	110.0
Executive Board	17,250	19,764	20,489	+ 725	103.7
Management	1,661	1,539	1,367	- 172	88.8
Area Departments					
African Department	13,869	15,531	17,102	+ 1,571	110.1
Asian Department	8,732	9,387	9,727	+ 340	103.6
European Department	9,343	9,842	10,507	+ 665	106.8
Middle Eastern Department	5,554	5,620	6,071	+ 451	108.0
Western Hemisphere Department	12,007	13,080	14,771	+ 1,691	112.9
Subtotal	49,505	53,460	58,178	+ 4,718	108.8
Functional Departments					
Exchange & Trade Relations Department	9,614	9,879	10,649	+ 770	107.8
Fiscal Affairs Department	11,960	12,226	13,336	+ 1,110	109.1
Legal Department	3,474	3,531	3,822	+ 291	108.2
Research Department	8,716	10,306	11,317	+ 1,011	109.8
Treasurer's Department	15,259	16,807	18,727	+ 1,920	111.4
Subtotal	49,023	52,749	57,851	+ 5,102	109.7
Special Service Departments					
Central Banking Department	10,508	11,416	12,474	+ 1,058	109.3
IMF Institute ²	8,844	8,947	15,614 ³	+ 6,667	174.5
Subtotal	19,352	20,363	28,088	+ 7,725	137.9
Information, Statistics & Liaison					
External Relations Department ²	5,972	6,754	7,212	+ 458	106.8
Bureau of Statistics ²	12,423	14,443	16,311	+ 1,868	112.9
Office in Europe	1,579	1,651	1,774	+ 123	107.5
Office in Geneva	801	691	762	+ 71	110.3
Special Representative to UN	299	313	341	+ 28	108.9
Subtotal	21,074	23,852	26,400	+ 2,548	110.7
Support Services					
Administration Department ²	17,200	17,877	19,656	+ 1,779	110.0
Secretary's Department ²	7,777	9,744	10,423	+ 679	107.0
Bureau of Computing Services ²	7,869	17,930 ⁴	14,261	- 3,669	79.5
Bureau of Language Services	8,034	8,542	9,091	+ 549	106.4
Internal Auditor	948	1,114	1,147	+ 33	103.0
Subtotal	41,828	55,207	54,578	- 629	98.9
Total	202,154	229,500	249,800	+ 20,300	108.8

¹The cost of the 2 support units has been distributed among the units of the organization on the basis of current and anticipated assignments of Resident Representatives and usage of secretarial support unit staff, respectively.

²Estimates take account of reimbursement by the World Bank for its share of the cost of joint services provided by these units of organization.

³Includes cost of renovation of the Concordia apartments and a new lecture room.

⁴Includes \$6.1 million for the purchase of the IBM mainframe computer.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

Personnel Ceilings of Departments, Bureaus & Offices

Unit of Organization	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Managing Director	3	—	2	5	— 1 ¹	2	—	2	4
Deputy Managing Director	1	1	—	2	—	1	1	—	2
Subtotal	4	1	2	7	— 1	3	1	2	6
Area Departments									
African Department	20	58	35	113	+ 4	20	61	36	117
Asian Department	13 ²	26	22	61	—	13	26	22	61
European Department	15	41	28	84	—	15	41	28	84
Middle Eastern Department	12	20	13	45	—	12	20	13	45
Western Hemisphere Department	18	50	33	101	+ 3	18	53	33	104
Subtotal	78	195	131	404	+ 7	78	201	132	411
Functional Departments									
Exchange & Trade Relations Department	16	41	33	90	—	16	41	33	90
Fiscal Affairs Department	16	41	21.5	78.5	+ 2	16	42	22.5	80.5
Legal Department	10	9	15	34	—	10	9	15	34
Research Department	12	46	24	82	+ 1	12	47	24	83
Treasurer's Department	12	62	56	130	+ 2	12	64	56	132
Subtotal	66	199	149.5	414.5	+ 5	66	203	150.5	419.5
Special Service Departments									
Central Banking Department	8	7	8.5	23.5	+ 1	8	8	8.5	24.5
IMF Institute	10	18	32.5	60.5	+ 4 ¹	11	20	33.5	64.5
Subtotal	18	25	41	84	+ 5	19	28	42	89
Information, Statistics & Liaison									
External Relations Department	8	25	25	58	+ 0.5	8	25	25.5	58.5
Bureau of Statistics	11 ²	58	42	111	+ 1	11	59	42	112
Office in Europe	3	4	8	15	—	3	4	8	15
Office in Geneva	2	1	3	6	—	2	1	3	6
Special Representative to UN	1	—	1	2	—	1	—	1	2
Subtotal	25	88	79	192	+ 1.5	25	89	79.5	193.5
Support Services									
Administration Department	10	71	142.5	223.5	+ 4	10	74	143.5	227.5
Secretary's Department	9	30	56.5	95.5	+ 1	9	30	57.5	96.5
Bureau of Computing Services	8	43.5	22	73.5 ³	+ 1	8	44.5	22	74.5
Bureau of Language Services	5	54	41	100	—	5	54	41	100
Internal Auditor	1	6	1	8	—	1	6	1	8
Subtotal	33	204.5	263	500.5	+ 6	33	208.5	265	506.5
Support Group									
Resident Representatives & Advisors	2	27	—	29 ⁴	+ 5	2	32	—	34
Secretarial Staff	—	—	27.5	27.5 ⁵	—	—	—	27.5	27.5
Subtotal	2	27	27.5	56.5	+ 5	2	32	27.5	61.5
Total	226	739.5	693	1658.5	+28.5	226	762.5	698.5	1687

¹Transfer of 1 senior advisor position from the Office of Managing Director to the IMF Institute.

²Transfer of 1 advisor position from the Asian Department to the Bureau of Statistics.

³Takes account of 3 positions for a division chief and 2 computer systems officers added during the year.

⁴Takes account of resident representative positions added during the year.

⁵Takes account of 6.5 secretarial positions added during the year.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

ADMINISTRATION DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	6,621	7,341	8,157	+ 816	111.1
Other personnel expenses	4,764	4,929	5,307	+ 378	107.7
Business travel	197	210	476	+ 266	226.7
Other travel	426	411	455	+ 44	110.7
Data processing	863	851	1,758	+ 907	206.6
Other administrative expenses	4,329	4,135	3,503	- 632	84.7
Total	17,200	17,877	19,656	+ 1,779	110.0

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	4	2	4.5	10.5	—	4	2	4.5	10.5
Administrative Services Division									
Immediate Office	1	1	1	3	+2	1	2	2	5
Graphics Section	—	7	30	37	—	—	7	30	37
Service and Supply Section	—	13	47	60	—	—	13	47	60
Transportation Section	—	3	6	9	—	—	3	6	9
Subtotal	1	24	84	109	+2	1	25	85	111
Budget and Planning Division	1	5	5.5	11.5	+1	1	6	5.5	12.5
Recruitment Division	1	4	6.5	11.5	—	1	4	6.5	11.5
Staff Benefits Division	1	13	16.5	30.5	−2	1	13	14.5	28.5
Staff Development Division	1	4	5	10	+3	1	5	7	13
Joint Fund-Bank Library	1	19	20.5	40.5	—	1	19	20.5	40.5
Staff Total	10	71	142.5	223.5	+4	10	74	143.5	227.5

Summary of Functions

The primary functions of the department are to prepare and administer the annual administrative budget, to administer the Fund's personnel programs, to manage the Fund's office buildings and the apartment complex that houses participants in the IMF Institute's courses, and to provide a wide range of administrative and other services.

The main areas of responsibility of the divisions are as follows:

Administrative Services Division—Management of the Fund headquarters building and other space occupied by Fund staff and IMF Institute participants; telephone, food, messenger, security, and chauffeur services; procurement; travel arrangements; and printing and other graphics work.

Budget and Planning Division—Preparation of the administrative budget; control of administrative expenses; studies aimed at improving the internal management of the organization; and administration of insurance programs.

Recruitment Division—Recruitment and placement of staff in consultation with departments.

Staff Benefits Division—Administration of staff benefits, including the Staff Retirement Plan; administrative support for experts and staff in the field; staff relations; and maintenance of leave and personnel records.

Staff Development Division—Administration of annual performance and salary reviews; career development; training, and job classifications.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

ADMINISTRATION DEPARTMENT

Joint Fund-Bank Library—Development of a collection of printed materials and microforms related to the work of the Fund and the World Bank and its affiliates; provision of information services; circulation of periodicals, newspapers, and bound materials; and procurement of books, periodicals, and newspapers for its own collection as well as for departments in the Fund and the Bank. Costs are shared between the Fund and the Bank according to a usage-based formula.

Work Program in Calendar Year 1984

During CY 1984, the department was again engaged in several ongoing projects and key policy reviews, over and above its normal day-to-day activities. The department was occupied with the reorganization and allocation of office space and staff movements within the completed Phase IIa extension of the headquarters building as well as to the International Square building, where the Bureau of Language Services and the Bureau of Statistics are now accommodated. The installation of the new Rolm telephone system continued—a project that called for the resolution of a number of difficult and time-consuming problems. Other ongoing major projects included the comprehensive compensation survey that concluded at mid-year, and a heightened phase of activity for the job evaluation study. In addition, a working group was established to analyze management/supervisory issues. Another working group continued with a review of the Staff Retirement Plan. As was the case in CY 1983, a good deal of time was devoted to automation of administrative and operational systems. In the Joint Library, where the implementation of automation has been significant, there was a marked improvement in the quality and range of services for users. In other divisions, the preparation of new major projects, such as the administrative budget information system and the procurement system, were also major activities.

As regards the day-to-day activities of the department, the total number of appointments made were 582, of which 367 were temporary contracts compared with 434 and 202, respectively, in CY 1983. In the staff development area, 1,298 (514) staff enrolled in the in-service training courses of the Fund, 258 (204) staff members participated in the external individual study programs, and the department conducted 67 (7) long-term assessments of staff members. In the field of staff benefits, 2,724 cases (2,728) were processed, the number of pension benefit calculations was 2,205 (1,412) and 34 (37) staff members retired. Field arrangements were made for 283 (244) technical assistance experts and 36 (29) staff members going on overseas assignments. In the Joint Library, the work load in 1984 was as follows: 51,732 (50,304) reference inquiries, 6,042 (1,992) data base searches, 15,156 (15,350) periodicals loaned, and 3,816 (3,756) volumes borrowed from other libraries. With regard to official travel, the department handled 4,752 (4,711) travel authorizations and 2,905 (2,881) travel claims.

Work Program in Financial Year 1986

The ongoing review of the Bank-Fund compensation system can be expected to generate considerable work in FY 1986 when management will have to address and translate into policies any changes in the current system that may result from the review. Since the joint review covers not only direct compensation, but also benefits, a considerable amount of resources will be dedicated to this activity. In addition, a corollary to the completion of the job evaluation study will be, in all likelihood, a change in salary structure and, perhaps, in internal pay administration—tasks that will involve a considerable amount of time and manpower.

As regards the recurring functions of the department, the number of appointments and separations is unlikely to be much different from that of CY 1984, while travel activity is expected to increase at modest levels. However, in-service training in support of data processing activities, and training in the use of new equipment will have to be expanded. The department plans to establish a learning center whereby staff can study at their own pace using instructional packages and computer-assisted training tools. Financial year 1986 will be the first full year in which the Fund will independently operate its own telephone system. Steps will continue to be taken that will permit departments to have additional flexibility in the administration of several discretionary budget accounts. It is also anticipated that capital budgeting will be implemented during the latter half of the year.

It is proposed to raise the staff ceiling of the department by 4 positions of which 2 would be positions to manage the Fund's telephone system. A budget officer position would be provided to meet increased demands for analyses and budgetary control and a compensation officer would be added to handle the growing work load associated with the implementation of policies resulting from the compensation survey and job evaluation study.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

AFRICAN DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	5,646	6,308	6,776	+ 468	107.4
Other personnel expenses	4,261	4,732	5,321	+ 589	112.4
Business travel	2,174	2,420	2,597	+ 177	107.3
Other travel	674	690	794	+ 104	115.1
Data processing	121	264	381	+ 117	144.3
Other administrative expenses	993	1,117	1,233	+ 116	110.4
Total	13,869	15,531	17,102	+ 1,571	110.1

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	10	2	15	27	+ 2	10	3	16	29
East African Division	1	6	2	9	- 1	1	5	2	8
Equatorial African Division	1	6	2	9	—	1	6	2	9
Mideast African Division	1	5	2	8	+ 1	1	6	2	9
Midwest African Division	1	5	2	8	+ 1	1	6	2	9
North African Division	1	5	2	8	—	1	5	2	8
North Central African Division	1	6	2	9	—	1	6	2	9
Northwest African Division	1	6	2	9	—	1	6	2	9
South Central African Division	1	6	2	9	—	1	6	2	9
Southeast African Division	1	5	2	8	+ 1	1	6	2	9
Southwest African Division	1	6	2	9	—	1	6	2	9
Staff Total	20	58	35	113	+ 4	20	61	36	117

Summary of Functions

The primary functions of the department are to advise management and the Executive Board on all matters concerning the economies and economic policies of the 46 member countries in the area, to assist in the formulation and execution of Fund policies in relation to these countries, and, along with other departments, to provide them with technical assistance and financial advice. The department also maintains contact with regional organizations in the area.

The divisions of the department are assigned responsibility for relations with member countries as follows:

<i>East African Division</i>	Djibouti, Ethiopia, Kenya, and Somalia*.
<i>Equatorial African Division</i>	Central African Republic, Congo, Gabon, and Zaire*.
<i>Mideast African Division</i>	Burundi, Malawi, Rwanda, Tanzania, and Uganda*.
<i>Midwest African Division</i>	Benin, Ghana*, Ivory Coast*, and Togo*.
<i>North African Division</i>	Algeria, Mauritania, Morocco, and Tunisia.
<i>North Central African Division</i>	Burkina Faso, Guinea-Bissau, Mali*, Niger, and Senegal*.
<i>Northwest African Division</i>	Cape Verde, The Gambia, Guinea, Liberia*, and Sierra Leone*.
<i>South Central African Division</i>	Botswana, Lesotho, Swaziland, Zambia*, and Zimbabwe.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

AFRICAN DEPARTMENT

Southeast African Division

Comoros, Madagascar, Mauritius, Mozambique, and Seychelles.

Southwest African Division

Cameroon, Chad, Equatorial Guinea, Nigeria, and São Tomé and Príncipe.

*Fund resident representative post assigned to this country from the Support Group.

Work Program in Calendar Year 1984

In 1984, the department conducted 95 missions (86 in 1983). Of the total, there were 40(37) Article IV consultation missions, 23(20) of which were combined with use of resources negotiations or reviews. There were also 47(38) missions concerned exclusively with use of Fund resources and 8(11) technical assistance missions. Other overseas trips such as staff visits and participation in aid donors' conferences, debt rescheduling meetings, consultative groups, and World Bank missions numbered 33 (38). In addition to the negotiations conducted in the host country, 28(24) were held at headquarters in Washington.

New stand-by arrangements were approved for 11(14) member countries while the number of stand-by or EFF arrangements in effect or pending approval at year-end was 18(18). With regard to use of Fund resources, 15(15) member countries made drawings in regular credit tranches and 4(10) made drawings under the special facilities.

Work Program in Financial Year 1986

Although consultation mission activities are projected to be maintained at the level of the previous year, it is expected that the work load will continue to increase in FY 1986 mainly because of a further rise in the number of program negotiations and intra-periodic program reviews. It is also expected that additional staff resources will be necessary in connection with meetings aimed at debt rescheduling and exceptional balance of payments assistance for countries concluding stand-by arrangements with the Fund. If possible, more time will be devoted to country analyses and studies and to increased participation in World Bank missions.

To enable the department to face the anticipated increase in work load, it is proposed to add positions for 2 economists, 1 editor, and 1 secretary.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

ASIAN DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	3,580	3,800	4,049	+ 249	106.6
Other personnel expenses	2,738	2,912	3,035	+ 123	104.2
Business travel	1,072	963	1,052	+ 89	109.2
Other travel	351	442	507	+ 65	114.7
Data processing	308	533	277	- 256	52.0
Other administrative expenses	683	737	807	+ 70	109.5
Total	8,732	9,387	9,727	+ 340	103.6

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	7	3	6	16	—	7	3	6	16
Division A	1	4	3	8	- 1	1	4	2	7
Division B	1	3	2	6	—	1	3	2	6
Division C	1	3	3	7	+ 1	1	4	3	8
Division D	1	4	3	8	—	1	4	3	8
Division E	1	5	3	9	- 1	1	4	3	8
Division F	1	4	2	7	+ 1	1	4	3	8
Staff Total	13	26	22	61	—	13	26	22	61

Summary of Functions

The primary functions of the department are to advise management and the Executive Board on all matters concerning the economies and economic policies of the 23 member countries in the area, to assist in the formulation and execution of Fund policies in relation to these countries, and, along with other departments, to provide them with technical assistance and financial advice. The department also maintains contact with regional organizations in the area.

The divisions of the department are assigned responsibility for relations with member countries as follows:

Division A Bhutan, Indonesia*, Nepal**, and Singapore.

Division B India and Philippines*.

Division C Korea*, Maldives, Solomon Islands, Thailand, and Vanuatu.

Division D Kampuchea, Lao People's Democratic Republic, Malaysia, Sri Lanka*, and Viet Nam.

Division E Fiji, Japan, and Papua New Guinea.

Division F Bangladesh*, Burma, China, and Western Samoa*.

*Fund resident representative post assigned to this country from the Support Group.

**Fund resident advisor post assigned to this country from the Support Group.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

ASIAN DEPARTMENT

Work Program in Calendar Year 1984

In 1984, the department conducted 30 missions (37 in 1983). Twenty-one (22) of these were Article IV consultation missions, of which 4(9) included discussions on use of Fund resources. Seven (13) additional missions were required to negotiate financial programs. There were 8(6) missions to the Philippines, reflecting the intensification of staff involvement in fact-finding, analysis and policy discussions in connection with the prospective use of Fund resources. Staff participated in trade missions to Korea and Japan which were jointly organized with ETR. The department also provided a staff member each for 2(2) World Bank missions and 3 technical assistance missions organized by CBD (2) and FAD (1). In addition, the staff of the department maintained contacts and provided informal policy recommendations through 25(10) informal visits to 12 countries. Background papers and personnel were provided for 7(6) Aid Group and Paris Club meetings, an IMF Institute seminar in Nepal, and a World Bank seminar in the Philippines. The department also maintained relations with Asian regional organizations by attending the Annual Meetings of the ASDB and ESCAP, and by sending observers or lecturers to seminars and conferences organized by regional institutions.

During 1984, the Executive Board approved 3(7) stand-by arrangements, and 1(4) compensatory financing facility drawing. With regard to the use of Fund resources, 4(7) countries made purchases under the credit tranches, 1(1) country drew under the extended Fund facility, and 1(4) under the compensatory financing facility.

Work Program in Financial Year 1986

It is expected that the work load in FY 1986 will be somewhat heavier than in CY 1984. Operational work on Korea, the Philippines, and Western Samoa will be as intensive as in 1984, while other potential users of Fund resources, in particular Bangladesh, Thailand, and Sri Lanka, will require some increased attention. A larger number of Article IV consultation missions is planned to accommodate countries with which consultations were not held in 1984. Kiribati and Tonga are expected to become members in FY 1986, and Micronesia has expressed interest in joining the Fund and is likely to require a membership mission. Moreover, a larger share of staff time will have to be devoted to keep abreast of developments in member countries and attend to ongoing policy discussions, especially with China, India, Indonesia, and Japan.

No increase in staff ceiling is proposed in FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

CENTRAL BANKING DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	5,928	6,506	7,027	+ 521	108.0
Other personnel expenses	2,630	2,891	3,182	+ 291	110.1
Business travel	275	332	370	+ 38	111.4
Other travel	1,423	1,393	1,554	+ 161	111.6
Data processing	30	40	44	+ 4	110.0
Other administrative expenses	222	254	297	+ 43	116.9
Total	10,508	11,416	12,474	+ 1,058	109.3

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	8	7	8.5	23.5	+ 1	8	8	8.5	24.5

Summary of Functions

The primary functions of the department are (i) to provide technical assistance on a wide range of central banking and related matters, either through the provision of advisory services by departmental staff or through long-term assignments of outside experts; and (ii) to conduct applied research that will provide a basis for assisting developing countries in improving their central and commercial banking activities. Such research is intended to provide close support and interaction with the technical assistance function. The department also collaborates with the World Bank and other international organizations on capital market matters.

The entire staff is engaged in providing advisory services on monetary policy and other central banking matters. The senior staff, in addition, is responsible for the recruitment, assignment and supervision of experts, while the junior staff participate in area department missions and conduct applied research derived from their advisory and area department work.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

CENTRAL BANKING DEPARTMENT

Work Program in Calendar Year 1984

Calendar year 1984 was marked by a strong expansion in the department's technical assistance and advisory work. The number of experts under the technical assistance program rose to 153 (149), principally because of the growth in assistance in the external debt area, where there were 17 (8) assignments. A total of 98 (88) man-years of experts' services was provided to 62 (62) countries and 4 (2) multinational institutions.

The department undertook 77 (65 in CY 1983) missions, including 14 (8) to provide advisory services, 39 (19) to inspect the work of experts in the field, 21 (32) to recruit new experts, and 3 (6) to assess technical assistance requests. In addition, CBD staff members participated in 8 (9) area department missions, and 2 (8) seminars.

The department fielded 14 (8) advisory missions in 1984 which produced 11 (5) major reports. The department's heavy involvement in advisory and area department work entailed a reduction in time spent on applied research to 25 (35) man-months; nevertheless, 5 (3) major studies were completed and 9 (9) were in progress at year-end. The department conducted a major seminar on external debt management, in conjunction with the IMF Institute, and began the entry of general banking legislation into the computerized data bank.

Work Program in Financial Year 1986

Technical assistance activities are expected to continue to increase due to a rise in assignments under both the traditional and the external debt programs. Assignments of panel experts are expected to reach approximately 105 man-years in FY 1986.

Advisory work will continue to expand. This is a reflection of the severe financial problems being experienced by a large number of countries, of the growing trend to financial liberalization, and also of the department's shift in its economic work program in favor of members' practical needs. Also, participation in area department missions is expected to increase.

Research work will include major papers focusing on specific country experiences with financial sector reform and interest rate liberalization. A third central banking seminar is being scheduled for July 1985, in collaboration with the IMF Institute. Work on the development of the data bank will continue with entry of detailed information on monetary policy instruments of member countries.

It is proposed to add 1 economist position to increase the department's capability to provide advisory services in response to requests from member countries.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EUROPEAN DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	3,952	4,286	4,428	+ 142	103.3
Other personnel expenses	2,754	2,944	3,036	+ 92	103.1
Business travel	1,302	1,149	1,206	+ 57	105.0
Other travel	369	333	376	+ 43	112.9
Data processing	175	269	520	+ 251	193.3
Other administrative expenses	791	861	941	+ 80	109.3
Total	9,343	9,842	10,507	+ 665	106.8

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	9	2	7	18	—	9	2	7	18
Word Processing Unit	—	—	2	2	—	—	—	2	2
Central European Division	1	7	3	11	—	1	7	3	11
Eastern European Division	1	10	4	15	—	1	10	4	15
Maritime Division	1	6	3	10	—	1	6	3	10
Northern European Division	1	6	3	10	—	1	6	3	10
Southern European Division	1	5	3	9	—	1	5	3	9
Western European Division	1	5	3	9	—	1	5	3	9
Staff Total	15	41	28	84	—	15	41	28	84

Summary of Functions

The primary functions of the department are to advise management and the Executive Board on all matters concerning the economies and economic policies of 27 member countries (and their overseas territories), and to assist in the formulation and execution of Fund policies in relation to these countries. The department also follows events in Switzerland and the nonmember countries in Eastern Europe as well as developments in the EC and the OECD.

The divisions of the department are assigned responsibility for relations with member countries as follows:

Central European Division Austria, Germany, Greece, Yugoslavia, and a nonmember country in this geographic area.

Eastern European Division Hungary, Israel, Romania, Turkey, and various nonmember countries in this geographic area.

Maritime Division Australia, Ireland, New Zealand, South Africa, the United Kingdom, and dependent overseas territories.

Northern European Division Denmark, Finland, Iceland, Norway, and Sweden.

Southern European Division Cyprus, Italy, Malta, Portugal, and Spain.

Western European Division Belgium, France (including dependent overseas territories), Luxembourg, and the Netherlands (including the Netherlands Antilles).

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EUROPEAN DEPARTMENT

Work Program in Calendar Year 1984

In 1984, the staff time devoted to negotiation or review of financial programs with Eastern European member countries decreased, but the intensity of work on Turkey and Yugoslavia increased significantly, while Portugal continued to require substantial attention although no new stand-by arrangement was concluded.

The department conducted 56 missions (75 in 1983). Of the total, there were 20 (28) Article IV consultation missions, 4 (5) of which were also concerned with the use of Fund resources. In addition, 36 (47) missions were undertaken to discuss exclusively the use of Fund resources. Departmental staff also participated in 1 (1) World Bank mission. Other business travel, which included informal visits to member and nonmember countries (Switzerland), attendance at seminars, and visits to commercial banks, recorded a minor increase to 258 days (251 days).

With regard to the use of Fund resources, programs were in effect for 5 (4) stand-by arrangements and 1 (1) compensatory financing facility. Five (5) countries made purchases under the credit tranches.

Work Program in Financial Year 1986

Consultation missions are again expected to constitute the bulk of the department's work, and the amount of time to be spent on consultation discussions is likely to increase. Yugoslavia will continue to be operationally very active, and staff activity is expected to remain at the level of the two preceding years. The stand-by arrangement with Hungary expired in early 1985, and new stand-by arrangements with Portugal and Turkey are uncertain although continued close contacts with both countries will be maintained. Romania is unlikely to seek financial assistance from the Fund, resulting in a further decline in activity related to that country. However, the processing of Poland's membership application will add a new element to the department's work load which will be of major proportions.

All other activities, in particular work on the World Economic Outlook exercise, are expected to remain at approximately last year's level, while special efforts will be made in the area of applied research on bilateral and multilateral issues.

No increase in staff ceiling is proposed in FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EXCHANGE AND TRADE RELATIONS DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	4,121	4,242	4,525	+ 283	106.7
Other personnel expenses	2,957	2,963	3,161	+ 198	106.7
Business travel	1,189	1,175	1,253	+ 78	106.6
Other travel	365	336	378	+ 42	112.5
Data processing	147	274	365	+ 91	133.2
Other administrative expenses	835	889	967	+ 78	108.8
Total	9,614	9,879	10,649	+ 770	107.8

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	9	1	8	18	+ 2	9	2	9	20
Consultation Practices Division	1	5	2	8	—	1	5	2	8
Exchange Restrictions Division	1	5	6	12	—	1	5	6	12
External Finance Division	1	6	4	11	—	1	6	4	11
International Capital Markets Division	1	7	4	12	- 1	1	6	4	11
Stand-By Operations Division	1	6	3	10	—	1	6	3	10
Stand-By Policies Division	1	6	4	11	- 1	1	6	3	10
Trade and Payments Division	1	5	2	8	—	1	5	2	8
Staff Total	16	41	33	90	—	16	41	33	90

Summary of Functions

The main functions of the department are to assist the area departments in formulating financial stabilization programs supported by use of the Fund's resources and in reviewing these programs; in cooperation with other departments, to review policies on use of the Fund's resources and on access policy; to coordinate practices and procedures with respect to Article IV consultations including enhanced surveillance; to contribute to the development of policies and procedures for effective surveillance of exchange rate policies; to prepare papers on exchange rate practices, exchange restrictions, bilateralism, and controls over capital movements; to draft the *Annual Report on Exchange Arrangements and Exchange Restrictions*; to develop and coordinate information on external debt and debt services of member countries; to assess developments and prospects in international banking and bond markets; to develop information on commercial policies and act as liaison with the GATT; and to coordinate the Fund's relations with the World Bank, the Development Committee, the OECD, the ECOSOC, the UNCTAD, the Berne Union, the ILO, and UN regional agencies.

The main areas of responsibility of the divisions are as follows:

Consultation Practices Division—Guidelines for the conduct of Article IV consultations; policy papers on surveillance of exchange rate policies; analysis of exchange rates and preparation of information notices; procedures for enhanced surveillance.

Exchange Restrictions Division—Reports on exchange and trade systems and restrictive practices; preparation of Part 1 of the *Annual Report on Exchange Arrangements and Exchange Restrictions*.

External Finance Division—Fund policy with regard to external debt management, including working with other agencies; particularly the Paris Club and Berne Union.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EXCHANGE AND TRADE RELATIONS DEPARTMENT

International Capital Markets Division—Analyses of developments in international capital markets; contacts with private lending sources; commercial bank monitoring procedures under debt restructuring agreements.

Stand-By Operations Division—Uniformity of treatment and application of conditionality with respect to specific current stand-by programs; review and implementation of access policy.

Stand-By Policies Division—Policy papers and studies concerning the general application of conditionality and prolonged use of Fund resources.

Trade and Payments Division—Analysis of commercial policies; contacts with the GATT, the UNCTAD, and regional agencies, particularly with regard to balance of payments and trade restrictions.

Work Program in Calendar Year 1984

A central function of the department is to assist the area departments in their work with member countries. In 1984, staff of the department participated in 139 consultation and use of Fund resources missions (154 in 1983) and 82 missions related to other country matters (85 in 1983); 11 (7) of these missions were headed by ETR staff. ETR staff also participated in a large number of discussions held with member countries at headquarters. Participation in operational matters related to debt rescheduling through the Paris Club and commercial banks intensified during the year.

The amount of time spent preparing policy papers for the Board increased greatly. In addition to the annual review of conditionality, the Board examined a number of specific issues and established policy guidelines. Particular attention was directed, on the basis of staff reports, to the use by members of Fund resources on a prolonged basis; issues related to the reporting of data by members relating to performance tests; the relationship between phasing and purchases in arrangements; arrangements approved "in principle" by the Executive Board; and to the formulation of exchange rate policies in Fund programs. Work on Fund-Bank collaboration was also greatly intensified and two major papers on this subject were prepared. Reviews of the surveillance document and of implementation of surveillance were prepared in collaboration with the Research Department. Policy papers dealing with access policy, external debt management and debt restructuring, trade issues and exchange rate systems and practices were also issued.

Work Program in Financial Year 1986

A heavy operational workload will continue during FY 1986, given the need to monitor Fund programs carefully through reviews of arrangements as well as the need for meetings with official and other creditors. Surveillance through Article IV consultations and other means will continue to increase. Pressure on staff resources for the preparation of policy papers for Board discussion will remain substantial. Further analyses and reviews of policy issues, including those relating to conditionality, centrally planned economies, and ways of improving surveillance, will be conducted. Enlarged access policy and access limits that will be applicable in 1986 will be reviewed for Board consideration later in the year. In response to Board suggestions, additional work on ways to strengthen the analytic content of staff reports in the areas of trade reform and medium-term assessments will be undertaken in collaboration with area departments.

Policy and operational aspects of external indebtedness will be given further attention; in particular, liaison with the Paris Club will be strengthened where needed and work already begun in relation to analyzing export credits guaranteed by national agencies will be developed. Contacts with commercial banks will remain at a high level, both in connection with debt restructurings and the monitoring of international capital market developments. Ways of promoting flexibility of restrictive systems and of maintaining appropriate exchange rate systems will be re-examined and collaboration with the GATT will be reinforced.

Staff work in relation to the activities of the Interim and Development Committees will increase further as will that relating to coordination with the World Bank; 2 positions from departmental divisions will be transferred to the Immediate Office to support increased work on these activities. Given existing staff levels, it will be necessary, therefore, to reduce departmental involvement in Fund operational missions and in Article IV consultations.

No increase in the staff ceiling is proposed for FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EXTERNAL RELATIONS DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	2,254	2,488	2,512	+ 24	101.0
Other personnel expenses	1,608	1,668	1,749	+ 81	104.9
Business travel	146	166	296	+ 130	178.3
Other travel	225	250	273	+ 23	109.2
Data processing	366	461	530	+ 69	115.0
Other administrative expenses	1,373	1,721	1,852	+ 131	107.6
Total	5,972	6,754	7,212	+ 458	106.8

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	5	2	4	11	+ 1	5	2	5	12
Publications Unit	—	1	10	11	- 1	—	1	9	10
Current Publications Division	1	4	4	9	—	1	4	4	9
Editorial Division	—	10	2	12	+0.5	—	10	2.5	12.5
Information Division	1	4	3	8	—	1	4	3	8
Finance & Development Office	1	4	2	7	—	1	4	2	7
Staff Total	8	25	25	58	+ 0.5	8	25	25.5	58.5

Summary of Functions

The main functions of the department are to advise management and other departments on the Fund's relations with nongovernmental entities; to foster improved public understanding of the Fund; to conduct relations with the media and to provide for press arrangements in connection with meetings of Governors and their committees; to arrange seminars for the media, academics, research institutes, and other public interest groups and to assist in coordinating speaking engagements for management and staff; to provide a drafting capability for management; to edit, publish, and distribute Fund publications and to provide editorial services for the Fund as a whole; to review and clear material proposed by staff for outside publication and delivery; and to organize and conduct briefings for Fund visitors. Other functions include informing management, the Executive Board, and the staff of news developments in areas of Fund interest through issuance of a daily news digest and other means, to produce a monthly newsletter for the staff, and to distribute SDR rates daily.

The main areas of responsibility of the various parts of the department are as follows:

Information Division—Conducting relations with the media; providing press arrangements for meetings of Governors; organizing outside lecturing and speechmaking, and handling visits by nonofficial groups and individuals; arranging seminars for the media, academics, and other public interest groups; drafting and publishing press releases.

Current Publications Division—Producing the twice-monthly *IMF Survey* in 3 languages; drafting and producing the monthly newsletter, *IMF Memorandum* in 4 languages and other general information material, such as leaflets and booklets, in a number of languages.

Editorial Division—Drafting material for publication and editing and/or processing most Fund publications, including the *Annual Report of the Executive Board*, the *Annual Report on Exchange Arrangements and Exchange Restrictions*, *Summary Proceedings*, *Staff Papers*, the Pamphlet series, Occasional Papers, books and seminar proceedings; providing editorial services to Fund departments; and editing summaries of Departmental Memoranda for management.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

EXTERNAL RELATIONS DEPARTMENT

Publications Unit—Distributing, selling and promoting Fund publications; compiling and maintaining subscription lists; invoicing and processing payments for publications.

Finance & Development Office—This office is responsible for editing, publishing, and supervising the distribution of the quarterly publication, *Finance & Development*, which is published jointly with the World Bank in seven languages.

Work Program in Calendar Year 1984

During a year in which interest in the Fund continued at a high level, the External Relations Department broadened the scope of its work in information activities and in publishing. In contrast with 1983, the department was able to make progress on certain longer-range projects, following a slight easing of the pressures on staff associated with the debt crisis and the quota exercise experienced in 1983. In 1984, the department, in support of these activities, held 46 press conferences and briefings (39 in 1983), and produced 75 (97) press releases along with 67 (88) short seminars at headquarters for groups of visitors. Approximately 10,000 (12,600) personal and telephone contacts with the press and an estimated 340 (360) background interviews were arranged with senior staff members and management. Articles and speeches reviewed for publication and delivery outside the Fund numbered 95 (120). In addition to the 10 (6) information missions conducted in 1984 at which 582 (470) journalists were contacted, one seminar in Senegal was organized for nonofficials, attended by 44 participants.

The department continued to publish the daily news digest, *Morning Press*; a monthly newsletter, *IMF Memorandum*, which is distributed in English, French, German, and Spanish and is received by almost 2,230 journalists in more than 108 countries, and the *IMF Survey* which, at the end of 1984, had a circulation outside the Fund, the World Bank, and other Washington-based agencies of 15,200 in English (14,900 in 1983), 4,200 (4,000) in French, and 4,100 (3,900) in Spanish. *Finance & Development*, a Fund-World Bank quarterly journal with a circulation at the end of 1984 of 120,500 (117,500 at the end of 1983), in addition to the six regular language editions, published a second Chinese selection of articles for distribution at the Annual Meetings and also within China. A decision was also taken to launch a Chinese edition of *Finance & Development* in March 1985.

The department published, in addition, a number of books including Volume II of *Legal and Institutional Aspects of the International Monetary System*; the proceedings of 2 seminars for nonofficials: *Adjustment, Conditionality, and International Financing* (Chile) and *Monetary Stability and Economic Growth* (Austria); and a collection of reports in two volumes: *Taxation, Inflation, and Interest Rates and Public Enterprise in Mixed Economies*. Finally, the department was responsible for the editing, presentation, and publication of the *Annual Report of the Executive Board*, the *Annual Report on Exchange Arrangements and Exchange Restrictions*, 4 issues of *Staff Papers* and 8 Occasional Papers including the 1984 World Economic Outlook. This last publication continued to show increases in sales which rose to over 11,300 copies in 1984.

Work Program in Financial Year 1986

In FY 1986, the department plans to hold 3 seminars for nonofficials and to continue to strengthen press relations with a series of 10 briefings/missions. A number of these briefings are being held in conjunction with the Annual Meetings in Korea. In addition, some projects begun in 1984, including preparations for the opening of the Visitors' Center and the audiovisual program, are scheduled for completion.

Major publishing projects in FY 1986, in addition to the completion of the Fund History, 1972-78, in three volumes, include 2 books carried over from FY 1985 on *Incomes Policy in Industrial Countries* and *Supply-Side Economics*; 2 collections of papers in the areas of fiscal policy and external debt management; a third volume of *Fund Agreement in the Courts*; a book on the value-added tax; additional seminar volumes; 2 separate editions of the World Economic Outlook; about 7 Occasional Papers including a country survey (Korea), one on the debt problem, one on international capital markets and one on exchange rate policies in Fund-sponsored programs; a revised edition of the pamphlet (No. 37) on the Fund and three new pamphlets on *The SDR, 1970-82*, *Special Facilities of the Fund*, and *Balance of Payments Adjustment: the Experience of the IMF*.

It is proposed to add a part-time position for an editorial assistant to meet the growing editorial work load and a secretarial position. These additional positions will be partially offset by the abolition of a clerical position in the Publications Unit, which is possible because of the introduction of automated equipment.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

FISCAL AFFAIRS DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	5,909	5,916	6,321	+ 405	106.8
Other personnel expenses	3,296	3,415	3,759	+ 344	110.1
Business travel	1,002	1,138	1,200	+ 62	105.4
Other travel	810	723	834	+ 111	115.4
Data processing	127	154	135	- 19	87.7
Other administrative expenses	816	880	1,087	+ 207	123.5
Total	11,960	12,226	13,336	+ 1,110	109.1

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	10	1	8.5	19.5	+ 1	10	1	9.5	20.5
Budget and Expenditure									
Control Division	1	6	2	9	—	1	6	2	9
Fiscal Review Division	1	7	2	10	+ 1	1	8	2	11
Government Expenditure									
Analysis Division	1	7	2	10	—	1	7	2	10
Special Fiscal Studies									
Division	1	6	3	10	—	1	6	3	10
Tax Administration Division	1	6	2	9	—	1	6	2	9
Tax Policy Division	1	8	2	11	—	1	8	2	11
Staff Total	16	41	21.5	78.5	+ 2	16	42	22.5	80.5

Summary of Functions

The primary functions of the department are to provide fiscal economists for Fund missions which are likely to confront important public finance problems; to review fiscal aspects of Fund programs and country papers; to provide technical assistance to member countries on public finance matters; and to conduct research which will provide a basis for advice on country problems. Other functions include presenting the Public Finance courses and helping with other courses offered by the IMF Institute; collaborating with the Bureau of Statistics and area departments in developing improved government finance statistics; and collaborating with the World Bank and other international organizations on public finance matters. Staff members from the Immediate Office and the divisions are involved in all the major functions.

The main areas of responsibility of the divisions are as follows:

Budget and Expenditure Control Division—Administrative aspects of budget preparation and execution, including expenditure controls, fiscal recording, accounting, and auditing.

Fiscal Review Division—Support of departmental staff assigned to Fund missions; review of fiscal aspects of Fund programs, coordination of the department's advice to Fund missions.

Government Expenditure Analysis Division—Empirical and analytical studies designed to assist Fund and Bank missions in assessing government expenditure policies in member countries.

Special Fiscal Studies Division—Macroeconomic studies of fiscal policies with emphasis on relationships between fiscal policy and the balance of payments and between fiscal and monetary policies; studies of special topics in public finance; coordination of the department's contribution to the World Economic Outlook.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

FISCAL AFFAIRS DEPARTMENT

Tax Administration Division—Organization and procedures for assessment and collection of taxes and customs duties.

Tax Policy Division—Studies on the economic effects and revenue potential of different taxes designed to assist in the use of tax policy in the stabilization programs.

Work Program in Calendar Year 1984

In 1984, the department was again heavily involved in Fund missions. Although many requests could not be met, FAD staff participated in 101 missions (101 in 1983), of which 23 (20) were Article IV consultations and 68 (73) were concerned with the use of Fund resources. The slight fall in the use of Fund resources missions did not result in a lighter work load as negotiations for Fund financial assistance have grown more complex and time consuming. Thus, manpower resources devoted to participation in area department missions increased from 18.2 man-years in 1983 to 19.0 man-years in 1984. In the geographical distribution of missions, African Department countries continued to dominate (60), followed by Western Hemisphere countries (21). FAD staff also participated in 1 (4) World Bank mission.

Work load statistics show that in 1984 technical assistance was provided to 48 (51) countries involving 39.3 (43.7) man-years, of which 10.6 (11.4) were staff time and 28.7 (32.3) were panel experts' time. In addition to developing countries, recently some of the more advanced countries have requested technical assistance in the fiscal field.

Staff time devoted to research amounted to 6.0 (4.1) man-years and resulted in 14 (19) Departmental Memoranda and 5 (6) Working Papers covering subjects which are of primary importance to the Fund's operational and technical assistance activities and/or of special interest to management and the Executive Board. Research has continued or been undertaken in 1984 on the effects of Fund programs on income and wealth distribution, the relationship between inflation and fiscal deficits, long-term trends in social expenditures in industrialized countries, supply-side economics, and fiscal policy in the smaller industrial countries. In addition, the department's contribution to the World Economic Outlook continued to increase.

In 1984, FAD staff conducted 2 (2) Public Finance courses and, for the first time, a seminar on Budgeting and Expenditure Control in French. The department also provided lecturers for several other courses organized by the IMF Institute. The number of sessions given by FAD staff in 1984 amounted to 132 (128), and the time involved in preparing for these courses and leading the sessions totaled 1.5 (2.0) man-years.

Work Program in Financial Year 1986

Requests for FAD participation in Article IV consultation and use of Fund resources missions are likely to remain at their present high level, inter alia, because the nascent trend of more frequent reviews of existing arrangements is expected to continue. The analytic input in consultation reports is expected to increase as more emphasis is placed upon a greater number of issues that concern the Fund.

The technical assistance work load of the department can be expected to increase to 42.4 man-years in FY 1986 (11.4 staff; 31.0 panel), compared with 39.3 man-years in 1984 (10.6 staff; 28.7 panel). Furthermore, renewed efforts will be made to attain a higher level of FAD staff participation in short-term technical assistance missions, especially to member countries where fiscal adjustment programs are particularly important. In addition, greater efforts need to be made to respond positively to requests for FAD staff participation in World Bank missions.

It is proposed to add 2 positions: 1 for an economist to assist in the review of papers connected with requests for use of Fund resources and program reviews and 1 secretary.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

IMF INSTITUTE

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	2,485	2,557	2,746	+ 189	107.4
Other personnel expenses	2,715	2,751	3,110	+ 359	113.0
Business travel	151	177	214	+ 37	120.9
Other travel	1,831	1,655	2,506	+ 851	151.4
Data processing	81	183	167	- 16	91.3
Other administrative expenses	1,581	1,624	6,871 ¹	+ 5,247	423.1
Total	8,844	8,947	15,614	+ 6,667	174.5

¹Includes the estimated cost of renovating the Concordia Apartments, and a new lecture room.

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	5	1	4	10	+ 1	5	1	5	11
Administrative Division	1	3	20	24	—	1	3	20	24
Arabic Division	—	—	—	—	+ 4	1	2	1	4
English Division	1	5	3	9	- 1	1	5	2	8
External Training Division	1	2	1.5	4.5	—	1	2	1.5	4.5
French Division	1	3	2	6	—	1	3	2	6
Spanish Division	1	4	2	7	—	1	4	2	7
Staff Total	10	18	32.5	60.5	+ 4	11	20	33.5	64.5

Summary of Functions

The main function of the Institute is to provide technical assistance, with the cooperation of other departments, by conducting courses for officials employed by financial agencies of member countries, particularly developing ones. The courses deal with the following areas: financial analysis and policy, financial programming and policy, techniques of economic analysis, balance of payments methodology, public finance, and government finance statistics. In addition to its program of courses, the Institute gives short seminars for high-level officials on balance of payments management, budgeting and expenditure control, central banking, the role of the Fund in the international monetary system, and external debt management. Other activities include a program of special seminars in member countries and collaboration with the training institutes of national and regional organizations.

The main areas of responsibility of the divisions are as follows:

Administrative Division—Process applications for admissions to courses and organize seminars; provide administrative support services for participants; draw up and implement a program of social activities for participants; maintain the Institute's library and organize the reproduction and distribution of course-related documents and materials.

Arabic, English, French, and Spanish Divisions—Prepare teaching material for, and conduct, the courses in Financial Analysis and Policy, Financial Programming and Policy, and Techniques of Economic Analysis; organize the courses in Balance of Payments Methodology, Public Finance, and Government Finance Statistics, and the seminars on Balance of Payments Management, Budgeting and Expenditure Control, Central Banking, The Role of the Fund in the International Monetary System, and External Debt Management. The courses are given in the language corresponding to the division.

External Training Division—Provide lecturing assistance to national and regional training institutes; conduct special training missions in member countries as a supplement to the courses organized at the Fund's headquarters; provide additional training for individual participants, either before or after the regular courses, as needed.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

IMF INSTITUTE

Work Program in Calendar Year 1984

In 1984, the Institute gave 11 courses (11 in 1983): 2 on Techniques of Economic Analysis (1 in English, including participants under the Arabic Language Arrangement, 1 in French); 2 on Financial Analysis and Policy (1 in English, 1 in French); 2 on Financial Programming and Policy (1 in English, 1 in Spanish); 2 on Balance of Payments Methodology (1 in English, 1 in Spanish), in cooperation with the Bureau of Statistics; 2 on Public Finance (1 in English, 1 in Spanish) in cooperation with the Fiscal Affairs Department; and 1 on Government Finance Statistics (in Spanish) in cooperation with the Bureau of Statistics. In addition, the Institute presented 3 seminars at headquarters (2 in 1983) and 3 seminars in member countries (2 in 1983), as follows: 1 on the Role of the Fund in the International Monetary System (in English); 1 on Budgeting and Expenditure Control (in French), in cooperation with the Fiscal Affairs Department; 1 on External Debt Management (in English), in cooperation with the Central Banking Department; and 3 external seminars on Analytical Methods and Country Policy Issues, held respectively in Bolivia, Nepal, and Panama. In total, 447 participants out of 1,220 applicants attended the courses and seminars at headquarters (412 participants in 1983 out of 1,100 applicants), including 11 (14) non-English-speaking Arabic participants who attended the English course on Financial Analysis and Policy and Techniques of Economic Analysis under the Arabic translation and interpretation arrangement. External seminars and courses organized by the Institute reached 102 (90) participants.

The scope of the training program in CY 1984 was similar to that in CY 1983, except for an additional seminar on External Debt Management at headquarters. Furthermore, the production of audio-visual material and video tapes for teaching purposes was continued; new case studies on Morocco and Thailand, as well as studies on special topics such as prices and output were prepared; and work on a Techniques of Economic Analysis course in Arabic was commenced.

Work Program in Financial Year 1986

In addition to the 3 courses which started in FY 1985, the Institute plans to offer in FY 1986 14 courses and 3 seminars at headquarters and 4 seminars in member countries. Those at headquarters will be: 4 courses on Techniques of Economic Analysis (1 in English, 1 in French, 1 in Spanish, and, for the first time, 1 in Arabic); 2 courses on Financial Analysis and Policy (1 in English and 1 in Arabic, also for the first time); 3 courses on Financial Programming and Policy (1 in English, 1 in French, and 1 in Spanish); 2 courses on Balance of Payments Methodology (1 in English and 1 in French); 2 courses on Public Finance (both in English); 1 course on Government Finance Statistics (in French); 1 seminar on the Role of the Fund in the International Monetary System (in English); 1 seminar on Central Banking (in English), in cooperation with the Central Banking Department; and 1 seminar (new) on Pricing Policy (in English). External training is to expand further in FY 1986 to include 4 two-week seminars.

To enable the Institute to provide the planned Arabic courses, it is proposed to add a sixth division and to add positions for 1 senior advisor (transferred from the Managing Director's Office), 2 economists, and 1 secretary.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

LEGAL DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	1,586	1,588	1,668	+ 80	105.0
Other personnel expenses	1,133	1,101	1,150	+ 49	104.5
Business travel	110	104	146	+ 42	140.4
Other travel	123	112	126	+ 14	112.5
Data processing	54	116	154	+ 38	132.8
Other administrative expenses	468	510	578	+ 68	113.3
Total	3,474	3,531	3,822	+ 291	108.2

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	10	9	15	34	—	10	9	15	34

Summary of Functions

The principal functions of the Legal Department include:

Advising on all legal matters germane to the Fund and drafting formal documents and memoranda. Legal advice is provided to members, the organs and committees of the Fund, management, individual Governors and Executive Directors, other international organizations, and to Fund staff at headquarters, in offices abroad, or on missions. Specific duties in connection with this function are: (i) interpretation of the Articles of Agreement and all other legal texts of the Fund; (ii) preparation of resolutions of the Board of Governors, By-Laws, Rules and Regulations, decisions of the Executive Directors, borrowing and other agreements, and reports of the Fund; (iii) preparation of amendments of the Articles of Agreement and of other legal texts, and commentaries on them; (iv) formulation of recommendations on the policies of the Fund; (v) advice on legal questions arising from the conduct of the Fund's business, including transactions and operations in gold, currencies, and special drawing rights; financial services performed by the Fund, including the administration of resources contributed by members; and relations of the Fund with its members and with other international organizations; (vi) surveillance of the compliance by members with the law and policies; (vii) advice on legal aspects of the internal organization and administration of the Fund, including elections of Executive Directors, privileges and immunities of the Fund and its officials, the Staff Retirement Plan, collaboration in drafting General Administrative Orders and their interpretation, and contracts of the Fund (including building contracts); (viii) collaboration with international organizations and other bodies on legal projects of interest to the Fund; and (ix) provision of legal information about the Fund and international monetary law in answer to inquiries from outside the Fund.

Providing technical assistance to other international organizations and, in collaboration with other departments, to member countries in the drafting of legislation and implementing regulations in the fields of foreign exchange, central and other banking, taxation, and similar matters.

Country assignments are made, subject to rotation, to specific staff, while other work is assigned on the basis of staff availability.

The department also maintains a Law Library and all legal documentation necessary for the legal work of the Fund.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

LEGAL DEPARTMENT

Work Program in Calendar Year 1984

During 1984, the Legal Department continued its extensive involvement in the activities of the Fund. In several important areas, the department contributed a substantial share of the work. On a continuing basis, the department provided legal advice touching on practically all of the Fund's activities.

In 1984, extensive legal work was performed in connection with the following developments:

(a) The formulation, consideration and adoption of several Fund decisions on the use of the Fund's resources. This work included the preparation of numerous staff memoranda and Executive Board papers. In this respect, the department was primarily responsible for the drafting of decisions on the extension of, and access limits under, the Enlarged Access Policy, and the access limits under the special facilities; changes in the texts of stand-by and extended arrangements; and schemes for conditional allocation of SDRs in the current basic period.

(b) The analysis of members' rights and obligations in several respects, including the development of policies and procedures for more effective compliance with performance criteria governing purchases under stand-by arrangements; the analysis of remedies against individual members that are not current in their financial obligations to the Fund, including limitations on a member's right to use the Fund's resources and suspension of its rights to use SDRs; and the Fund's role regarding the settlement of indebtedness disputes between members.

(c) Various aspects of staff benefits, including the new U.S. income tax legislation as it affects the status of staff members and the benefits under the Staff Retirement Plan.

The department continued to analyze and advise on other legal issues, including questions related to the drafting and application of general administrative orders and other administrative matters.

Work Program in Financial Year 1986

The outlook for the year ahead is for a sustained work load and a crowded schedule that will continue to impose heavy demands on the members of the Legal Department. Among major items that will require intensive attention are: (i) the implementation of an expanded and more effective surveillance by the Fund; (ii) the Fund's role in "monitoring" progress in the implementation of programs not involving the use of the Fund's resources; (iii) the analysis of possible improvements in the functions of the international monetary system, including possible changes in the Fund's articles and decisions; (iv) the implementation of decisions relating to the use of Fund resources, with emphasis on members with new access limits, overdue financial obligations, and incorrect reporting; and (v) various SDR matters, including a possible allocation of SDRs in the new basic period.

No increase in staff ceiling is proposed in FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

MIDDLE EASTERN DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	2,224	2,366	2,461	+ 95	104.0
Other personnel expenses	1,648	1,671	1,810	+ 139	108.3
Business travel	769	710	758	+ 48	106.8
Other travel	307	196	294	+ 98	150.0
Data processing	70	94	103	+ 9	109.6
Other administrative expenses	536	583	645	+ 62	110.6
Total	5,554	5,620	6,071	+ 451	108.0

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	8	4	5	17	—	8	4	5	17
Division A	1	4	2	7	—	1	4	2	7
Division B	1	4	2	7	—	1	4	2	7
Division C	1	4	2	7	—	1	4	2	7
Division D	1	4	2	7	—	1	4	2	7
Staff Total	12	20	13	45	—	12	20	13	45

Summary of Functions

The primary functions of the department are to advise management and the Executive Board on all matters concerning the economies and economic policies of the 18 member countries in the area, to assist in the formulation and execution of Fund policies in relation to these countries, and, along with other departments, to provide them with technical assistance and financial advice. The department also maintains contact with regional organizations in the area.

The divisions of the department are assigned responsibility for relations with member countries as follows:

Division A Jordan, Qatar, Saudi Arabia, and Syrian Arab Republic.

Division B Iraq, Islamic Republic of Iran, Kuwait, Sudan*, and United Arab Emirates.

Division C Afghanistan, Egypt, Lebanon, People's Democratic Republic of Yemen, and Yemen Arab Republic.

Division D Bahrain, Oman, Pakistan, and Socialist People's Libyan Arab Jamahiriya.

*Fund resident representative post assigned to this country from the Support Group.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

MIDDLE EASTERN DEPARTMENT

Work Program in Calendar Year 1984

In 1984, the work load remained at about the same level as in 1983. The department conducted 20 missions (22 in 1983). There were 13 (13) Article IV consultation missions, and another 7 (9) missions for country policy-oriented purposes including some for one country experiencing problems discharging its financial obligations to the Fund. Some of these latter missions were conducted in collaboration with other departments. A number of negotiations on the use of Fund resources also took place in Washington. Staff members also participated in World Bank missions to Sudan and the Yemen Arab Republic.

With regard to the use of Fund resources, 1 (1) new stand-by arrangement came into effect in 1984. One country (1) made drawings under the credit tranche while no country made drawings under special facilities.

There was a shift in the work load composition in 1984 away from activities related to use of Fund resources towards technical assistance and policy-oriented missions, while the level of consultation work remained virtually unchanged. The total work load related to program countries declined less significantly than the number of missions specifically concerned with use of Fund resources would indicate, because one country, due to its arrears to the Fund, required special attention. The increase in policy-oriented mission work was mainly attributable to Saudi Arabia: in addition to the annual assistance that precedes the preparation of the Saudi Budget, the department participated in a new macro-economic exercise and in the preparation of a comprehensive statistical base, and initiated a major study on promotion of the private sector. Furthermore, a study on the performance of off-shore banking in Bahrain and the implications for the Gulf Cooperation Council and its six members, started in 1983, was completed in September 1984. Special research was also begun on various topics including the costs of subsidies in Egypt, workers' remittances and implications for policy formulation in both labor importing and exporting countries, the appropriateness of exchange rate policies and potential reforms of the exchange systems in Sudan and Egypt, as well as the role of the exchange rate in oil-producing countries in changed economic circumstances.

Work Program in Financial Year 1986

The work load of the department in FY 1986 is expected to be somewhat larger than in CY 1984; this increase in work intensity has already begun with a noticeable rise in operational work in the first few months of CY 1985. It is expected that consultations will be held with 14 countries, and there is also the possibility that consultation discussions will be held with Iran and with Iraq. With respect to use of Fund resources, the intensive and complex work on Sudan will continue. Negotiations and establishment of programs are likely with Egypt, Pakistan and the Yemen Arab Republic; it is also possible that Afghanistan, Jordan, and Syria may enter into program negotiations while the involvement in policy formulation with Lebanon will continue. The high level of technical assistance and policy-oriented activities in CY 1984 is expected to be maintained.

No increase in staff ceiling is proposed in FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

RESEARCH DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	3,767	4,301	4,917	+ 616	114.3
Other personnel expenses	2,631	2,777	2,955	+ 178	106.4
Business travel	243	311	357	+ 46	114.8
Other travel	381	477	567	+ 90	118.9
Data processing	915	1,586	1,647	+ 61	103.8
Other administrative expenses	779	854	874	+ 20	102.3
Total	8,716	10,306	11,317	+ 1,011	109.8

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	7	2	7	16	+ 1	7	3	7	17
Commodities Division	1	12	5	18	—	1	12	5	18
Current Studies Division	1	9	3	13	—	1	9	3	13
Developing Country Studies Division	1	9	2	12	—	1	9	2	12
External Adjustment Division	1	7	4	12	—	1	7	4	12
Financial Studies Division	1	7	3	11	—	1	7	3	11
Staff Total	12	46	24	82	+ 1	12	47	24	83

Summary of Functions

The department's primary functions are to conduct a program of basic and applied research in the areas of interest to the Fund, including the international monetary system, the international adjustment process, determinants of international capital flows and trade (including the effects of exchange rate changes); to prepare, in collaboration with area departments, economic forecasts on a worldwide basis; to play a leading role in the development of Fund policy with respect to the working of the international monetary system, the economic aspects of the Fund as a financial institution, and general aspects of the Fund's approach to members' economic problems; and the administration of the compensatory and buffer stock financing facilities and background research for policy formulation in this area. Other functions include drafting a major part of the Fund's *Annual Report*; participating in international meetings on monetary and commodity matters, staff missions, and conferences and seminars of academicians, bankers, and government officials to discuss international monetary issues; and assisting other departments through research on problems encountered and collaboration in studies conducted by them.

The main areas of responsibility of the divisions are as follows:

Commodities Division—Administration of the compensatory and buffer stock financing facilities, and preparation of associated Board papers on policy matters and use of Fund resources; analysis of trends in commodity markets and forecasts of commodity prices for use by the division, by area departments in preparing country missions and programs, and by the Research Department in preparing the World Economic Outlook; analysis of other stabilization schemes relating to commodities; participation in Fund missions to countries and in international meetings concerning commodities.

Current Studies Division—Coordination of short-term interdepartmental forecasting exercises and preparation of World Economic Outlook papers; the drafting of sections of the Fund's *Annual Report*; continuing studies to support projections and policy analysis on the world economy; and provision of information to area departments in connection with consultation missions.

Developing Country Studies Division—Research on the external adjustment policies and processes in developing countries, on Fund and international policies affecting these countries, and on alternative policy instruments to meet

FY 1986 BUDGET BY UNIT OF ORGANIZATION

RESEARCH DEPARTMENT

domestic objectives of these countries; and contributions to papers on the World Economic Outlook and to the *Annual Report* on related subjects, including the medium-term scenarios for developing countries.

External Adjustment Division—Research on the international adjustment process and surveillance of exchange rate policies; contributions to the *Annual Report* and to papers on the World Economic Outlook, including analysis of medium-term prospects of industrial countries; and working with the area departments and the Exchange and Trade Relations Department on the adjustment problems of specific countries.

Financial Studies Division—Research on domestic and international issues in the field of monetary policy; analyses of international liquidity and banking; studies dealing with the SDR; analyses of recent financial developments; analysis of monetary policy for the World Economic Outlook, assistance in drafting the *Annual Report*; and assistance to area departments in analyzing financial problems.

Work Program in Calendar Year 1984

The work program of the department in 1984 can be described under 5 headings: (i) analysis of world economic conditions and prospects; (ii) the international monetary system, international liquidity, and the SDR; (iii) surveillance over exchange rate policies and balance of payments adjustment; (iv) commodity research and operation of special facilities; and (v) other policy-related research.

In March and August, economic prospects were assessed in papers on the World Economic Outlook (WEO)—an interdepartmental project coordinated in the Research Department. A comprehensive report was published in April and, for the first time, a supplementary report in September. A major statistical project was taken in hand with the objective of reducing the large discrepancy between recorded global current account receipts and payments; 2 papers were issued on this subject.

Work under the second heading reflected renewed interest in the functioning of the international monetary system and the role played by reserve creation in general and by SDR allocation in particular. Three papers were prepared for submission to the G-10 Deputies to serve as background material for their deliberations on these topics. A paper on SDR allocation in the fourth basic period and a supporting survey paper were prepared for Board consideration.

Three series of periodic reports on developments in exchange markets and in international price competitiveness were continued, and weighting schemes for statistical indicators of competitiveness among industrial countries were revised and extended. Three major studies on exchange rate systems and effects of exchange rate changes were published in the Fund's series of Occasional Papers. The annual review of surveillance procedures and activities was produced in collaboration with the Exchange and Trade Relations Department, and a report on Fund surveillance was prepared for the G-10 Deputies.

Work on drawings under the special facilities was at a cyclically low level in 1984, resulting in 15 papers (44 in 1983). Seven policy papers on the special facilities were completed in 1984 (8 in 1983). In addition, a report on the compensatory financing facility was prepared for an UNCTAD expert group and two comprehensive reviews of commodity market developments were also issued.

Research efforts, apart from projects already mentioned, concentrated on the functioning of exchange rate systems, balance of payments and adjustment problems of developing countries and the flow of direct investment capital to these countries, stabilization problems in planned economies, and conditions in international capital markets. Research papers (DMs) issued in 1984 numbered 25 (26 in 1983). Staff members participated in 22 country missions (12 in 1983), as well as in 3 other missions and 45 other meetings and seminars.

Work Program in Financial Year 1986

Emphasis will be placed on strengthening the analytical procedures used in generating the medium-term World Economic Outlook. The department will seek to contribute to discussions in the Fund and other forums about the evolution of the international monetary system and the role of conditional and unconditional liquidity, as well as about alternative developments of the SDR. The analysis of factors relevant to the design of stabilization programs will also receive attention, as will means of improving the Fund's approach to its surveillance responsibilities. Use of the compensatory financing facility is expected to increase from its cyclical low point in 1984.

It is planned to add 1 position for an assistant to the director in the Immediate Office to assist in developing and coordinating the department's large automation functions, including that for the WEO, and to provide liaison with the Bureau of Computing Services.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

SECRETARY'S DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	3,109	3,414	3,560	+ 146	104.3
Other personnel expenses	2,339	2,449	2,617	+ 168	106.9
Business travel	53	181	507	+ 326	280.1
Other travel	226	212	239	+ 27	112.7
Data processing	843	2,085	1,952	- 133	93.6
Other administrative expenses	1,207	1,403	1,548	+ 145	110.3
Total	7,777	9,744	10,423	+ 679	107.0

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	4	2	3	9	+ 1	4	3	3	10
Executive Board Services Unit	—	2	3	5	—	—	2	3	5
Documents Preparation Unit	—	1	7	8	—	—	1	7	8
Historian	1	—	1	2	—	1	—	1	2
Bank/Fund Conferences Office	1	2	—	3	—	1	2	—	3
Communications Division	1	3	23.5	27.5	—	1	3	23.5	27.5
Executive Board Proceedings Division	1	10	5	16	—	1	10	5	16
Records Division	1	10	14	25	—	1	9	15	25
Staff Total	9	30	56.5	95.5	+ 1	9	30	57.5	96.5

Summary of Functions

The main functions of the department are to coordinate the work program of the staff and the Executive Board; to assist in conducting meetings of the Board and its committees; to issue and distribute Executive Board documents; to certify Fund decisions; in cooperation with the Secretary of the World Bank, to manage the Annual Meetings of the Boards of Governors of the Fund and the Bank; to provide services for the Interim and Development Committees and other committees of the Boards of Governors; to manage official communications with members and Governors; to provide communications services; to provide file, record, and official archive services; to coordinate the preparation of the *Annual Report of the Executive Board*; to assist countries in the process of becoming members of the Fund; and to provide various services to Executive Directors.

The main areas of responsibility of offices and divisions are as follows:

Executive Board Services Unit—Provision of official, personal, and social services to Executive Directors.

Documents Preparation Unit—Coordinating and processing of Executive Board and Interim Committee documents; registering of Fund decisions.

Historian—Researching and writing the history of the Fund on a regular basis.

Bank/Fund Conferences Office—All matters relating to the organization of the Annual Meetings and meeting arrangements for the Interim and Development Committees.

Communications Division—Receipt and dispatch of all mail, cable, facsimile, and telex communications including internal distribution of incoming and outgoing communications; maintenance of official addresses and documents distribution lists.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

SECRETARY'S DEPARTMENT

Executive Board Proceedings Division—Supplying minutes and transmitting the decisions of the Board and its committees, and of the Interim and Development Committees; handling membership matters.

Records Division—Maintenance of the Fund's archives; preparation of subject indexes to official Fund documents; internal document and publication distribution; oversight of office filing systems and retirement and disposal of inactive records; reference service on documents of the United Nations, GATT, and other international organizations.

Work Program in Calendar Year 1984

In 1984, the efforts of the department were directed to keeping pace with the continuously sustained activity of the policy-making bodies of the Fund. Coordination of the work program of the staff and the Executive Board, liaison with the Executive Board, assistance in preparation of Board papers, and scheduling, arranging, and helping to conduct the proceedings of the Executive Board and its committees and of the Board of Governors and its committees, were the principal preoccupations of the Immediate Office. There was an emphasis on maintaining the quality of support given to the work load of the Fund as a whole, particularly the preparation and distribution of documents, central files and records, the handling of correspondence, cables, and facsimile, the preparation of records of meetings, administrative assistance to Executive Directors, and organization and conduct of the Annual Meetings of the Board of Governors. During the year, the department provided services for 236 sessions (546 hours) of the Executive Board and its committees, the Interim and Development Committees, and the Group of Twenty-Four (233 sessions, 571 hours in 1983). As a quantitative indication of some of the services provided, the Communications Division handled some 2.3 million (2.2 million in 1983) pieces of mail and processed 23.1 million words (20.2 million) in cables. The Records Division distributed 3,923 (4,022) documents, a number of which involved initiating security procedures for highly sensitive matters, and serviced requests for 932,000 (924,000) copies of documents.

Work Program in Financial Year 1986

Following a period in which the activity of the policy-making bodies of the Fund was sustained at a high level, the department intends to focus on quality in providing support for the organs of the Fund and, at the same time, to test what innovations would make its services more efficient. The department will advance on several EDP projects: the work to automate cable room operations and a document storage and retrieval system will continue as a considerable burden, owing to the practical need to operate both the current and developing systems in tandem. During the year, the department plans to place a more secure sound system in the Executive Board Room.

The department's human resources require strengthening to keep pace with the increases in work load, particularly with the activities of the automated systems. A position of Assistant to the Secretary is to be provided to help plan and supervise the department's automation work with a view to ensuring the continued efficiency of its internal management as well as the timeliness and responsiveness of the services provided by the department.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

TREASURER'S DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	5,314	5,606	5,931	+ 325	105.8
Other personnel expenses	3,857	3,896	4,145	+ 249	106.4
Business travel	198	161	256	+ 95	159.0
Other travel	471	436	505	+ 69	115.8
Data processing	1,882	2,971	3,755	+ 784	126.4
Other administrative expenses	3,537	3,737	4,135	+ 398	110.7
Total	15,259	16,807	18,727	+ 1,920	111.4

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	7	2	9	18	—	7	2	9	18
Accounts and Financial Reports Division	1	16	4	21	+ 1	1	17	4	22
Administrative Expenditures Division	1	15	24	40	—	1	15	24	40
Financial Relations Division	1	7	6	14	—	1	7	6	14
Operations Division for General Resources	1	13	9	23	+ 1	1	14	9	24
Operations Division for SDRs and Administered Accounts	1	9	4	14	—	1	9	4	14
Staff Total	12	62	56	130	+ 2	12	64	56	132

Summary of Functions

The primary functions of the department are to assist in the formulation of general Fund policy; to advise on all aspects of the financial policies of the Fund and related matters, including quota reviews, borrowing, the liquidity of the Fund, charges and the Fund's income position, and the functioning of the SDR system; to conduct all financial operations and transactions of the Fund and the administered accounts; to manage the investments held in the administered accounts, including the Staff Retirement Plan and the proceeds of borrowed funds, pending their use in Fund transactions; and to verify and effect the payment of all administrative expenses and to implement information management and control systems regarding the Fund's financial records. Other functions include maintaining the financial accounts of the Fund, including the administered accounts of the Fund, drafting a part of the *Annual Report*, preparing periodic reports on developments in the foreign exchange and gold markets, and analyzing interest rates and similar matters as necessary in support of the Fund's financial policies. The department also assists other departments and provides technical assistance to members and other international organizations on various aspects of the Fund's transactions and operations.

The main areas of responsibility of the divisions are as follows:

Accounts and Financial Reports Division—Handling all the accounting and financial statements of the Fund, including the administered accounts, and being responsible for review of the Fund's system of accounting. Calculating charges, interest on Fund indebtedness, remuneration, debtor and creditor positions, analyzing the Fund's financial and liquidity positions, and advising on accounting matters in general, including technical assistance to members on accounting matters.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

TREASURER'S DEPARTMENT

Administrative Expenditures Division—Verifying, approving, and disbursing all administrative expenditures; providing accounting and other support for the Staff Retirement Plan; and undertaking work in connection with tax matters, including tax allowances.

Financial Relations Division—Reporting on, and analyzing short-term developments in, the main short-term international money markets, the foreign exchange, euro-currency, and gold markets; providing analyses of interest rates and other money market developments relevant for the determination of the Fund's financial policies, including the interest rate on the SDR, the rate of remuneration, the investment policy of the administered accounts, and the management of borrowed funds; handling general reviews of quotas and quotas of new members.

Operations Division for General Resources—Effecting, and reporting on, all the financial transactions operations of the General Resources Account including the administration of the Fund's borrowing arrangements, handling the temporary investment of undisbursed borrowed funds and the investment of resources in the administered accounts; handling the quarterly operational budget and preparing periodic reviews of the Fund's liquidity position; developing the policy on overdue payments to the Fund; keeping financial liaison with the depositories and fiscal agencies.

Operations Division for SDRs and Administered Accounts—Effecting all transactions and operations in SDRs, and assisting potential buyers and sellers of SDRs to engage in transactions by agreement and operations; preparing quarterly designation plans and developing policies on promoting the use of SDRs, including improving the financial characteristics of the asset; preparing operational manuals on SDRs and monitoring developments in the use of the SDR as a unit of account outside the Fund; preparing reports and analyses on these matters; handling all financial transactions of the Trust Fund, the Subsidy Account, and the Supplementary Financing Facility Subsidy Account, including the development of the investment policy for administered accounts.

Work Program in Calendar Year 1984

In 1984, the operational accounting and general policy activities of the department continued at a high level. While work associated with quotas, remuneration, charges and Fund borrowing diminished, this relief was not sufficient to offset large increases in other activities, in particular the development and implementation of a policy on overdue payments to the Fund, the review of the Fund's accounting principles and the volume of the Fund's operations and transactions. Overdue payments more than doubled in 1984, and operations in the General Resources Account (GRA), especially repurchases, increased by about 15 percent while operations associated with the SDR and Trust Fund increased by almost 25 percent. Work on administrative expenditures increased moderately as did work on the Staff Retirement Plan. The department conducted an intensive review of the Fund's accounting principles, policies and control procedures and work on a new financial management information system accelerated sharply.

Work Program in Financial Year 1986

The work program planned for FY 1986 will include: (i) review of the investment and policy on use of Trust Fund resources received in the Special Disbursement Account; (ii) developing a policy on overdue payments to the Fund; (iii) measures to improve the usability of the SDR as a reserve asset, including analyses of its role in the international monetary system, and the development of the private SDR; (iv) further review of the Fund's accounting procedures and controls, including the treatment of overdue payment and depreciation accounting; (v) review of the valuation of the SDR; and (vi) reviews of the adequacy of the Fund's reserves, income and liquidity position.

The number of transactions and operations on all accounts is expected to increase in FY 1986, reflecting mainly an increase in the volume of repurchase transactions and associated loan transactions, SDR interest and remuneration payments, and a surge in Trust Fund loan repayments. Overdue payments are likely to continue to require growing staff attention. The implementation of the master plan of the department's financial information system to improve the analytical base for policy formulation is expected to continue at a high level during the financial year.

The work load of the department necessitates increases in staff. One accountant is to be provided to review and fully document the Fund's accounting controls and update and revise the accounting manual and charts of accounts. One Operations Officer is to be provided to cope with the rising work load associated with late payments.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

WESTERN HEMISPHERE DEPARTMENT

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	4,916	5,480	5,915	+ 435	107.9
Other personnel expenses	3,999	4,263	4,769	+ 506	111.9
Business travel	1,095	1,218	1,311	+ 93	107.6
Other travel	617	521	726	+ 205	139.3
Data processing	233	334	701	+ 367	209.9
Other administrative expenses	1,147	1,264	1,349	+ 85	106.7
Total	12,007	13,080	14,771	+ 1,691	112.9

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	9	2	11	22	—	9	2	11	22
Word Processing Unit	—	—	3	3	—	—	—	3	3
Atlantic Division	1	5	2	8	—	1	5	2	8
Central American Division	1	7	2	10	—	1	7	2	10
East Caribbean Division	1	6	2	9	+1	1	7	2	10
Maritime Division	1	5	2	8	—	1	5	2	8
Mexico/Latin Caribbean Division	1	4	2	7	—	1	4	2	7
North American Division	1	7	3	11	—	1	7	3	11
Pacific Division	1	4	2	7	+1	1	5	2	8
River Plate Division	1	5	2	8	—	1	5	2	8
South/Central American Division	1	5	2	8	+1	1	6	2	9
Staff Total	18	50	33	101	+3	18	53	33	104

Summary of Functions

The primary functions of the department are to advise management and the Executive Board on all matters concerning the economies and economic policies of the 34 member countries in the area, to assist in the formulation and execution of Fund policies in relation to these countries, and, along with other departments, to provide them with technical assistance and financial advice. The department also maintains contact with regional organizations in the area.

The divisions of the department are assigned responsibility for relations with member countries as follows:

<i>Atlantic Division</i>	Brazil, Guyana, and Suriname.
<i>Central American Division</i>	Costa Rica*, El Salvador, Guatemala, Honduras, and Nicaragua.
<i>East Caribbean Division</i>	Antigua and Barbuda**, Dominica, Grenada, St. Lucia, St. Vincent and the Grenadines, and St. Christopher and Nevis.
<i>Maritime Division</i>	Barbados, Jamaica*, Trinidad and Tobago, and Venezuela.
<i>Mexico/Latin Caribbean Division</i>	Dominican Republic*, Haiti*, and Mexico.
<i>North American Division</i>	Bahamas, Canada, and the United States.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

WESTERN HEMISPHERE DEPARTMENT

<i>Pacific Division</i>	Bolivia*, Chile*, and Peru*.
<i>River Plate Division</i>	Argentina, Paraguay*, and Uruguay*.
<i>South/Central American Division</i>	Belize, Colombia, Ecuador, and Panama.

*Fund resident representative post assigned to this country from the Support Group.

**Fund resident advisor regional post assigned to the East Caribbean Currency Countries from the Support Group.

Work Program in Calendar Year 1984

In 1984, the activities of the Western Hemisphere Department continued on a high level. Some two thirds of the member countries of the department, including the major international borrowers among developing countries, were either involved in financial arrangements with the Fund or sought such arrangements. In many cases, the staff, in addition to undertaking numerous missions to the countries, was also involved in frequent discussions with country delegations at headquarters. Furthermore, lengthy consultations and negotiations with commercial banks and official creditors were needed to arrange the financing of economic programs. Concurrently, procedures were tightened to put most Article IV consultations on an annual basis. In addition to this direct work with the member countries, the department was heavily involved in the Fund's general surveillance work and in the World Economic Outlook exercise.

In 1984, the department conducted 77 missions (92 in 1983). Thirty-five (29) of these were Article IV consultation missions, of which 14 (16) also dealt with the use of Fund resources. There were 42 (63) missions relating solely to the use of Fund resources, including review missions. In certain cases, more than one mission was required to complete the negotiations and in some others the negotiations are still in progress. The staff participated in 28 (36) visits to New York, Paris, and other places for the purpose of meetings with creditors to discuss additional financing in conjunction with Fund-supported programs or external debt rescheduling arrangements. Staff members attended meetings of the Caribbean Group for Cooperation in Economic Development and of the Group for Economic Development of the Central American Isthmus. They also participated in meetings of international organizations such as the Inter-American Development Bank, the Caribbean Development Bank, and the Organization of American States. In addition, representatives of the department attended various regional meetings and conferences.

With regard to the use of Fund resources, 12 (11) stand-by arrangements and 3 (7) EFF arrangements became effective or were continued in 1984. Twelve (18) countries made drawings under stand-by and extended arrangements, 3 (11) countries made drawings under the Fund's special facilities for compensatory financing and buffer stock financing, and 13 (8) countries made reserve tranche purchases.

Work Program in Financial Year 1986

It is expected that the staff will continue to be under severe pressure during FY 1986. Currently, some two thirds of the department's member countries have a financial arrangement with the Fund or would like to seek an arrangement. For countries not requiring Fund assistance but unable to conclude financing arrangements with commercial banks without Fund involvement, the Fund will help to monitor their performance under "enhanced" Article IV consultations, involving in addition to annual consultations at least one midyear review, as well as frequent contacts with commercial banks. Given the large external debts outstanding and the virtual absence of autonomous lending to the developing countries of the department, relations with the private and official creditors of the member countries will continue to represent a significant part of the department's work load.

In order to enable the department to face the continued increase in work load, it is proposed to add 3 economist positions.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF COMPUTING SERVICES

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	3,017	4,469	5,764	+ 1,295	129.0
Other personnel expenses	2,070	2,279	2,429	+ 150	106.6
Business travel	80	104	130	+ 26	125.0
Other travel	300	321	372	+ 51	115.9
Data processing	1,802	10,078 ¹	4,820	- 5,258	47.8
Other administrative expenses	600	679	746	+ 67	109.9
Total	7,869	17,930	14,261	- 3,669	79.5

¹Includes \$6.1 million for the purchase of the IBM mainframe computer.

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	4	1	3	8	+ 2	4	2	4	10
Computer Facilities and Operations Division ¹	1	4	6	11	+ 5	1	7	8	16
Systems Development Division	1	11.5	2	14.5	+ 1	1	12.5	2	15.5
Systems Support Division	1	13	3	17	- 2	1	12	2	15
User Support Division	1	14	8	23	- 5	1	11	6	18
Staff Total	8	43.5	22	73.5	+ 1	8	44.5	22	74.5

¹Includes 3 positions (1 division chief and 2 F-I positions) approved by the Executive Board on March 6, 1985. This division was formed out of the Facilities Management and Computer Operations Section.

Summary of Functions

The bureau provides data processing services for the Fund, including feasibility studies, systems analysis, programming, documentation of automated systems, training of staff in the use of computers, operation of the Fund's computer facilities, and data entry. The bureau is given policy direction by the Executive Committee on Computing Services, composed of the Deputy Managing Director (Chairman) and several senior staff drawn from concerned departments.

The main responsibilities of the divisions are as follows:

Computer Facilities and Operations Division—Responsible for the operation of the Fund's computer facilities and data communication as well as the support for data processing equipment and the data entry services for users. These activities include the coordination of operational matters with the in-house Burroughs Computer Facility, which is operated by the World Bank, and the IBM Computer Facility which is temporarily located at, and operated by, an outside vendor.

Systems Development Division—Responsible for development and implementation of new systems. These activities include requirement definition, feasibility study, design and implementation.

Systems Support Division—Responsible for maintaining and improving operational systems. These activities include system design, programming, and implementation of major enhancements to existing systems as well as monitoring the efficiency of operational systems in order to improve the use of staff and computer resources.

User Support Division—Responsible for managing production systems and providing technical support and advisory services to users. The division supports the production activities and ad hoc programming requests, offers training and prepares user documentation for systems. The staff in this division are the primary contact point for users on day-to-day operations.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF COMPUTING SERVICES

Work Program in Calendar Year 1984

During the second full year of the bureau's operation the trend of expanding activities continued in response to departmental requests for new automated functions and facilities, for replacement of existing automation systems and for support and improvement of the many existing operational and production systems.

In the area of development, work progressed on the replacement of the Burroughs-based statistical and financial systems with data base technology operating on IBM-compatible equipment. The detailed programming phase of the Bureau of Statistics' economic information system, which replaces the data fund system, was nearing completion. The overall plan and functional design for the Treasurer's Department replacement system were completed and some segments were implemented. Another significant development effort was the continuation of the pilot projects on office automation. In the Asian and External Relations Departments, additional microcomputers and new word processors were linked into departmental networks. Other development activities included the analysis and the preliminary design of an integrated budget and procurement system, the replacement of the existing minicomputer used for processing cables, the design of a system to support electronic internal distribution and storage of documents of Fund-wide interest, and the more extensive application of microcomputers and associated packages in Fund operations.

In the production area, large volume users of automated systems continued to request modifications and expansion to existing systems such as those used for analytic work (RAL), interdepartmental forecasting exercises (e.g., World Economic Outlook), financial calculations and reports in the Treasurer's Department, the Annual Meetings, the Fund's statistical publications, the data bases for international banking statistics and external debt, etc. A rapid growth in the use of microcomputers required considerable additional work on installation, maintenance, training and problem solving for Fund users. In addition to the installation of 4 new minicomputers, some of which were replacements, a Fund-wide switching mechanism was implemented to provide flexible interconnection of mainframe computers, microcomputers, minicomputers, and terminals. Lastly, procedures were established to restrict low priority usage of a Burroughs mainframe computer during critical periods so as to improve its responsiveness for the WEO exercise.

Because of the high work load of the bureau, planning activities concentrated on the short term. Preparatory work was done in anticipation of the acquisition of an IBM-compatible computer and the establishment of an improved facility for the Fund's computers. This included an investigation into the background and capabilities of several management firms and research into data communication links between Burroughs and IBM-compatible computers. Extensive negotiations with the World Bank resulted in a new agreement that will improve the management and control of the Burroughs Computer Facility. Progress was also made to improve and manage data security.

Work Program in Financial Year 1986

The acquisition of an IBM mainframe computer to run statistical, financial, and administrative applications will create a heavy work load for the bureau. While computer operators will be hired on a contractual basis, the bureau's staff will be directly responsible for managing, allocating, and providing resources and software support and a high-speed data communication link with the existing Burroughs computers. In addition, work will continue on preparing an adequate permanent site for the location of the Fund's main computers. The working arrangement for the present facility and the planning for the future center will require significant coordination with the World Bank.

Systems development will include continued work on the enhanced cable system, operating on new minicomputers, and trial demonstration of the Fund-wide document storage and retrieval system. The first system to be completed on the IBM computer will be the economic information system, followed by segments of the new financial system and of the budget and procurement system. In the area of office automation, 2 area departments will be added to the 4 departments (2 implemented in CY 1984; 2 more are scheduled for early CY 1985) which benefit from interlinked word processors and microcomputers. Additional automation will also be provided to the Offices of the Executive Directors after a detailed review of their requirements.

In the production area, the level of activities will continue to rise. Since replacement systems will not provide relief before the end of the financial year, duplicate (new and old) production systems will have to be maintained. One major cause of increased work load will be the additional support to be provided for users of microcomputers.

Against this background, it will be necessary to provide increased training for the bureau's staff. Additional efforts will also be made to manage projects and the utilization of resources. Lastly, technology planning will resume to determine the most suitable computer architecture and strategies and users will be given assistance in developing medium-term information plans.

In addition to the external assistance obtained through hiring temporary staff and obtaining contractual support, it is proposed to add 1 permanent position for an assistant to the director, who will help establish the new computer center and coordinate this activity with the World Bank.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF LANGUAGE SERVICES

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	3,615	3,778	3,870	+ 92	102.4
Other personnel expenses	2,586	2,695	2,825	+ 130	104.8
Business travel	99	90	311	+ 221	345.6
Other travel	400	505	599	+ 94	118.6
Data processing	223	275	160	- 115	58.2
Other administrative expenses	1,111	1,199	1,326	+ 127	110.6
Total	8,034	8,542	9,091	+ 549	106.4

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	2	3.5	9	14.5	—	2	3.5	9	14.5
Interpretation Section	—	10	1	11	—	—	10	1	11
Technical Documentation, Reference and Terminology Section	—	3	4	7	—	—	3	4	7
English Division	1	8.5	6	15.5	—	1	8.5	6	15.5
French Division	1	18	14	33	—	1	18	14	33
Spanish Division	1	11	7	19	—	1	11	7	19
Staff Total	5	54	41	100	—	5	54	41	100

Summary of Functions

The functions of the bureau are to provide translations into Arabic, Chinese, English, French, German, Portuguese, Spanish, and occasionally other languages, as required, at the request of Executive Directors and departments; to provide simultaneous, and occasionally consecutive, interpretation into Arabic, English, French, and Spanish, mainly for IMF Institute courses, Annual Meetings, and meetings of the Interim Committee; to proofread and index Fund publications in French and Spanish; and to service the Joint Secretariat at Annual Meetings and meetings of the Interim Committee, through the assignment of translators, interpreters, and clerical staff.

The main responsibilities of the sections and divisions of the bureau are as follows:

Interpretation Section—Interpretation from, and into, Arabic, English, French, and Spanish.

Technical Documentation, Reference and Terminology Section—Technical documentation, reference, and terminology support for the translation divisions and other departments.

English Division—Translation and transcription into English from a variety of languages and review of contractual translation into English.

French Division—Translation and transcription into French (almost entirely from English). Most of this work consists of publications (for which proofreading and indexing services are provided), IMF Institute materials, consultation reports, documents for the Interim Committee, and other documents, e.g., Executive Board decisions.

Spanish Division—Translation and transcription into Spanish (almost entirely from English). The work is similar to that of the French Division.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF LANGUAGE SERVICES

Work Program in Calendar Year 1984

During 1984, the number of words translated increased to 10.23 million (9.70 million in 1983), of which 4.27 million (3.64 million) words were translated into French, 2.52 million (2.62 million) words into English, 1.60 million (1.77 million) words into Spanish, 1.10 million (0.89 million) words into Arabic, 0.29 million (0.41 million) words into Chinese, 0.15 million (0.19 million) words into German, and 0.31 million (0.17 million) words into Portuguese.

Translation by regular staff comprised 6.25 million words (7.08 million in 1983), while 2.42 million (1.26 million) words were translated in-house by free-lance translators on short-term contractual appointments and 1.56 million (1.35 million) words were contracted out. In addition, there was an increased, albeit still limited, use made of free-lance revisers.

In 1984, 474 (444 in 1983) man-days of interpretation were provided for the IMF Institute and 181 (248) man-days for the Annual Meetings, the Interim Committee, and various other Fund-related meetings. Most of the interpretation was done by the bureau's staff, but 55 (57) man-days were provided by World Bank staff and other outside interpreters. The bureau provided 101 (55) man-days of interpretation to service meetings sponsored by the World Bank and other international organizations on a loan and reimbursement basis.

Translators, interpreters, and support personnel were assigned to the Joint Secretariat to provide language services at the Annual Meetings and at the meetings of the Interim and Development Committees.

Work Program in Financial Year 1986

It is expected that the translation work load of the bureau will rise again in FY 1986, reflecting the work programs of a number of area and functional departments. The increase in work load will be absorbed mainly by regular staff, but considerable use will continue to be made of free-lance translators. The interpretation work load may decline slightly as a result of an anticipated reduction in the interpretation requirements of the IMF Institute. Interpretation needs will continue to be met mainly by the bureau's staff, but there will again be significant use of World Bank and other outside interpreters.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF STATISTICS

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	4,370	4,865	5,149	+ 284	105.8
Other personnel expenses	3,123	3,368	3,575	+ 207	106.2
Business travel	485	498	538	+ 40	108.0
Other travel	492	401	495	+ 94	123.4
Data processing	2,028	3,270	4,326	+ 1,056	132.3
Other administrative expenses	1,925	2,041	2,228	+ 187	109.2
Total	12,423	14,443	16,311	+ 1,868	112.9

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Immediate Office	5 ¹	4	6	15	—	5	4	6	15
Balance of Payments Division	1	15	5	21	—	1	15	5	21
Financial Institutions Division A	1	7	6	14	—	1	7	6	14
Financial Institutions Division B	1	8	6	15	—	1	8	6	15
General Economy Division	1	9	7	17	—	1	9	7	17
Government Finance Division	1	9	7	17	—	1	9	7	17
International Banking and External Debt Division	1	6	5	12	+ 1	1	7	5	13
Staff Total	11	58	42	111	+ 1	11	59	42	112

¹Increased during FY 1985.

Summary of Functions

The main functions of the bureau are to assemble and maintain in its computerized data base internationally comparable statistics relating to Fund member countries, as well as regional and global aggregates, for the purpose of economic analyses within the Fund; to publish such statistics in *International Financial Statistics (IFS)*, *Direction of Trade Statistics (DOTS)*, *Balance of Payments Statistics (BOPS)*, and *Government Finance Statistics (GFS)*; to maintain a worldwide network of statistical correspondents; to prepare documentation on concepts and standards for data compilation; to provide member countries with technical assistance in statistics; to train national technicians through IMF Institute courses; and to maintain liaison with international agencies, including the United Nations, the BIS, and the OECD in the field of economic statistics.

The main responsibilities of the divisions are as follows:

Balance of Payments Division—Preparation of balance of payments data relating to member countries; formulation of standards for compilation of these data; advice to other departments in interpreting balance of payments data; conducting the IMF Institute's course on Balance of Payments Methodology.

Financial Institutions Division A—Compilation of statistics on money and banking, interest rates, and national accounts for about half the countries in the bureau's data files and all statistics on international reserves and liquidity, exchange rates, and members' Fund accounts. Development of methodological standards on money and banking statistics.

Financial Institutions Division B—Compilation of statistics on money and banking, interest rates, and national accounts for countries not covered by Financial Institutions Division A; preparation of compendia on financial statistics for area departments. Development of methodological standards on money and banking statistics.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

BUREAU OF STATISTICS

General Economy Division—Compilation of statistics on external trade, commodities, prices, production, employment, earnings, and population; compilation of trade by country data; reviews of methodologies in the field of general economic statistics.

Government Finance Division—Preparation of statistics on government finance; formulation of standards for compilation of these data; advice to other departments on government finance data; conducting the IMF Institute's course on Government Finance Statistics.

International Banking and External Debt Division—Preparation of statistics on international banking activity as part of a comprehensive data base on external debt, and coordination of external debt data compiled by other bureaus, divisions and international financial institutions; development of methodologies on international banking and external debt statistics.

Work Program in Calendar Year 1984

There was a broadening of the bureau's activities in CY 1984. Statements on statistical issues were prepared for a large number of countries for inclusion in staff reports on Article IV consultations. In cooperation with other departments, work advanced in the development of integrated statistical data bases for member countries, including the development of a comprehensive catalog on economic time series of country statistics. At the end of CY 1984, the number of banking centers reporting to the Fund under the international banking statistics project increased to 31 (18 in 1983). Data based on the extended reporting network were published for the first time in the March 1984 issue of *IFS* and work continued on the development of syntheses of external debt data for key debtor countries. By the end of the year, statistics were being maintained on the bureau's data files relating to the economies of about 185 countries and entities (185 in 1983) and comprised about 630,000 time series (550,000).

Under the program of technical assistance in statistics, there were visits by bureau staff to 81 countries (71 in 1983), to review data in money and banking, balance of payments, government finance, general statistics, and to assist in the development of data on international banking and external debt. Participation by bureau staff in Article IV consultation and use of Fund resources missions declined from 17 missions in 1983 to 15 in 1984. In collaboration with the IMF Institute, bureau staff conducted 2 courses in Balance of Payments Methodology (in English and Spanish) and 1 course in Government Finance Statistics (in English). Bureau staff also conducted 2 courses for Fund staff in Fund statistics.

In addition to regular statistical publications (*International Financial Statistics*, *Direction of Trade Statistics*, *Balance of Payments Statistics*, and *Government Finance Statistics*), 2 *Supplements to IFS* on *Balance of Payments and Output Statistics* were completed in July 1984 and December 1984, respectively. A draft *Guide to Money and Banking Statistics in International Financial Statistics* was released, and a revision of the *Manual on Government Finance Statistics* was completed. At the end of 1984, there were 429 tape subscriptions to the Fund's statistical publications (420 in 1983).

Work Program in FY 1986

Changes planned in the Fund's use of computer technology—transition from the data fund system to the economic information system—will have an important bearing on the work of the bureau in FY 1986. As facilities become available for on-line data entry, the bureau expects a significant improvement in the currentness and quality of the Fund's statistical data base. The new system will provide major improvements in data integration activity.

Work on international banking and external debt statistics will be expanded. Data for a number of international banking centers are expected to be added in FY 1986, bringing the total number of countries reporting to 38 (31). Increased attention will be given to the longer-term task of developing a comprehensive data base on external debt statistics. In this connection, a meeting of international compilers of external debt statistics, chaired by the Fund, is planned early in the financial year.

Technical assistance is expected to remain at the FY 1985 level. Major emphasis will be placed on the maintenance and improvement of the coverage and currentness of data, both for Fund operations as well as for Fund statistical publications.

Publications planned for FY 1986, in addition to regular publications, will include 2 *Supplements to IFS*. The bureau will develop a new IMF Institute course in Money and Banking Statistics and will conduct, in collaboration with the Institute, 2 courses in Balance of Payments Methodology (1 in English, 1 in Spanish) and 1 course in Government Finance Statistics (French).

In order to carry out the planned work program, it is proposed that 1 economist be added to assist with the external debt statistics work load.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

OFFICE IN EUROPE

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
(Value figures in thousands of U.S. dollars)					
Salaries	668	685	725	+ 40	105.8
Other personnel expenses	490	489	511	+ 22	104.5
Business travel	47	64	77	+ 13	120.3
Other travel	52	41	47	+ 6	114.6
Data processing	5	20	27	+ 7	135.0
Other administrative expenses	317	352	387	+ 35	109.9
Total	1,579	1,651	1,774	+ 123	107.5

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	3	4	8	15	—	3	4	8	15

Summary of Functions and Work Program in Calendar Year 1984 and Financial Year 1986

The main functions of the office are to maintain close contact with European monetary authorities and with international and regional institutions, such as the OECD, the EC, the BIS, the Group of Ten, and World Bank consortia; to keep management informed of developments in Europe and of the views of European authorities; to act as a Fund information office in Europe; and to provide administrative support to headquarters, e.g., in recruitment and in organizing Fund-sponsored meetings in Paris.

While relations with the OECD, EC, and BIS continued, in 1984, to take up the bulk of the staff's time, the involvement of the office in other areas expanded further. At the request of headquarters, office staff covered for the first time OECD meetings on direct investment flows, fiscal policies in the Sahel region, and social security costs. The Group of Ten, for which one staff member continued to act as Secretary, met more frequently and held longer meetings, chiefly in connection with the study on possible ways to improve the functioning of the international monetary system. In cooperation with the responsible area departments, the office also arranged and serviced, and the Director chaired, Fund-sponsored balance of payments support meetings for Madagascar and Yugoslavia, and a meeting of commercial bankers and Malagasy officials concerning a technical financing issue. The staff continued to participate in multilateral debt rescheduling negotiations and to attend meetings of the World Bank Consortia and Consultative Groups. Furthermore, the office was involved in the headquarters' work on capital markets and trade policy, in particular in maintaining contacts with selected French bankers and with OECD and EC staff, and in participating in missions' meetings held in Paris and Brussels. It was also called upon to host meetings between headquarters staff, country officials, and commercial bankers.

The frequency of press queries and visits to the office's documentation center rose, reflecting in part the increased public awareness of the Fund's role. Also, there was a rise in the number of lectures given by staff members on the Fund and Fund-related matters.

Administrative support to headquarters claimed a large part of the staff's time. Office staff participated in 2 recruitment missions; made arrangements for, and participated in, 1 Summer Intern and 2 Economist Program panels; and processed about 200 queries concerning Fund employment; secretarial assistance was provided to an increasing number of headquarters staff attending meetings in Paris; travel arrangements were made for visiting staff, consultants, and technical assistance experts; and support staff continued to participate in other departments' missions.

The work load in FY 1986 is not expected to differ significantly from that of 1984. Debt problems, trade issues, and financial markets developments are expected to receive increased attention in view of their immediate policy interest to the Fund. However, Group of Ten activities may decline, as the group is scheduled to complete its study in mid-1985. The office may again be called upon to organize, service, and chair balance of payments support meetings for individual countries.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

OFFICE IN GENEVA

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	360	337	349	+ 12	103.6
Other personnel expenses	249	230	239	+ 9	103.9
Business travel	45	27	40	+ 13	148.1
Other travel	19	18	20	+ 2	111.1
Data processing	—	—	15	+ 15	—
Other administrative expenses	128	79	99	+ 20	125.3
Total	801	691	762	+ 71	110.3

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	2	1	3	6	—	2	1	3	6

Summary of Functions and Work Program in Calendar Year 1984 and Financial Year 1986

The primary functions of this office are to represent the Fund with such organizations as the ECE, the GATT, the ILO, and the UNCTAD, to attend meetings of these organizations, and to report to headquarters; to assist the Exchange and Trade Relations Department in consultations with the GATT on balance of payments restrictions; to collaborate with the Research Department on issues relating to commodity problems arising in the UNCTAD and the GATT; to provide information on the Fund to the public; and to provide various administrative services to visiting staff.

In 1984, the work load of the office continued to be heavy. The staff attended 96 (90 in 1983) conferences and meetings of other international organizations and prepared 68 (66) reports. Work on the GATT ministerial work program proceeded at a brisk pace and was particularly demanding; extensive discussions were held in various GATT bodies to implement the ministerial work program, followed by periodic evaluations by the GATT Council of Representatives and by the Fortieth Session of the Contracting Parties in November 1984. Follow-up work from UNCTAD VI was substantial as there were numerous meetings at UNCTAD on compensatory financing, trade preferences among developing countries, and finance and debt issues. Considerable time was also spent on cooperation at the staff level with GATT and UNCTAD. Covering meetings of the UN Human Rights Commission, the ILO and the UN Committee for Development Planning was necessary in 1984 as these agencies dealt with issues of direct interest to the Fund. The office handled about 500 (500) requests for information and contributed 6 (3) lectures at the GATT's and other organizations' training courses.

The work program for FY 1986 may be somewhat more demanding than that of the current financial year. GATT activities are likely to increase substantially as a new round of multilateral trade negotiations may be initiated. UNCTAD activities might also expand as the organization has undertaken a major review of its activities in the commodity field, and its other activities will have to be followed closely because of their direct bearing on the Fund's sphere of competence and operational responsibilities. In addition, the work in the ILO and the ECE will continue to need monitoring, and the initiation of work in the Inter-Parliamentary Union on questions of interest to the Fund will demand attention.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

INTERNAL AUDITOR

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	345	417	418	+ 1	100.2
Other personnel expenses	224	258	272	+ 14	105.4
Business travel	4	1	4	+ 3	400.0
Other travel	64	67	67	—	100.0
Data processing	123	140	158	+ 18	112.9
Other administrative expenses	188	231	228	- 3	98.7
Total	948	1,114	1,147	+ 33	103.0

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	1	6	1	8	—	1	6	1	8

Summary of Functions and Work Program in Calendar Year 1984 and Financial Year 1986

This office carries out the Fund's internal audit to assure the Managing Director of adherence to the policies and established procedures of the Fund. The office also collaborates with the External Audit Committee in its annual audit of the financial statements of the Fund.

The work program of the Office of the Internal Auditor for 1984 has been comprehensive. Reviews of systems and procedures were undertaken or continued in connection with a number of different activities of the Fund. There was further expansion in the scope and effectiveness of audit programs utilizing the "systems-based" approach and data processing techniques using both software packages and standard programming languages. The use of the computer as an audit tool has been applied with effective results and, in combination with the systems-based approach, represents a major development in the internal audit of the Fund. A portion of the staff's efforts during the year were directed towards the implementation of the data base in the Treasurer's Department. Major systems reviews either completed during the year or still in progress include the administrative voucher system, the Staff Retirement Plan, and the accounting, procurement, payroll, and tax reimbursement systems of the General Resources Account. A major administrative audit (i.e., an evaluation of efficiency, economy and effectiveness) completed during the year was a review of administrative budget operations.

As usual, the staff of the Internal Auditor collaborated with the External Audit Committee. This is essential to the successful conduct and completion of the external audit of the Fund. Following the departure of the 1984 External Audit Committee, this office renewed, after review, the contract with the certified public accounting firm that will assist the next Committee. Under the arrangements for the external audit of the Fund, the formation of the incoming Committee and selection of the public accounting firm to assist it are accomplished early in the financial year. The procedures that were developed for this process have worked well. Under the present format, the involvement of the public accounting firm has increased in both scope and importance, and its work is largely the basis upon which the external auditors make their opinion on the financial statements of the Fund. The scope of the work of the public accounting firm, in turn, is based on their assessment of the scope and quality of the work of the internal audit.

The work program in FY 1986 is expected to follow along present lines. Emphasis will again be placed on systems reviews in a number of areas, especially financial operations. There will be continued use of computer programs and software packages in connection with the data bases of the Administration and Treasurer's Departments. Administrative audits will be undertaken in several areas. Evaluations of new accounting and EDP procedures, revisions to audit software, and training for auditors will be required due to the transition to IBM-compatible equipment and the implementation of the Treasurer's Integrated Financial System. Collaboration with the public accounting firm and with the External Audit Committee will continue to be a major aspect of the work program.

FY 1986 BUDGET BY UNIT OF ORGANIZATION
SPECIAL REPRESENTATIVE TO UNITED NATIONS

Estimated Expenses

Type of expense	FY 1984 Actual Expenses	FY 1985 Estimated Expenses	FY 1986 Estimated Expenses	FY 1986 Compared with FY 1985	
				Increase + Decrease -	Index FY 1985 = 100
	(Value figures in thousands of U.S. dollars)				
Salaries	125	134	136	+ 2	101.5
Other personnel expenses	80	80	83	+ 3	103.8
Business travel	30	28	44	+ 16	157.1
Other travel	7	6	7	+ 1	116.7
Data processing	—	—	—	—	—
Other administrative expenses	57	65	71	+ 6	109.2
Total	299	313	341	+ 28	108.9

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Staff Total	1	—	1	2	—	1	—	1	2

Summary of Functions and Work Program in Calendar Year 1984
and Financial Year 1986

This office coordinates the relations between the Fund and most institutions of the UN system.

In 1984, as in previous years, the Special Representative attended meetings of various UN bodies and reported on these meetings to the Executive Board and management. The office was also involved in coordinating the representation of the Fund interests at meetings of experts and of intergovernmental committees. The office will continue the same assignments in FY 1986.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

SUPPORT GROUP¹

Personnel Ceilings

Unit	FY 1985				Change FY 1985 to FY 1986	FY 1986			
	Ranges					Ranges			
	J-M	F-I	A-E	Total		J-M	F-I	A-E	Total
Resident Representatives & Advisors	2	27	—	29 ¹	+5	2	32	—	34
Secretarial Staff	—	—	27.5	27.5 ²	—	—	—	27.5	27.5
Staff Total	2	27	27.5	56.5	+5	2	32	27.5	61.5

¹Includes 3 resident representative posts added during the course of FY 1985.

²Includes 6.5 positions added during FY 1985 to reflect transfers of former secretarial assistants to Executive Directors to that group pending assignment to a department. This is in accordance with an Executive Board decision taken in connection with the approval of the FY 1986 Administrative Budget.

Summary of Functions and Work Program in Calendar Year 1984 and Financial Year 1986

Resident Representatives & Advisors

Resident representatives and advisors are assigned, upon request of the authorities concerned, to help countries in developing and implementing adjustment policies, to provide assistance on special projects, and to follow developments and gather information of interest to the Fund.

The FY 1985 administrative budget made provision for 26 positions (25 in FY 1984). Since the beginning of FY 1985, 4 new posts (Dominican Republic, Ghana, Somalia, and Western Samoa) have been authorized; the post in Honduras is temporarily closed.

For FY 1986, 5 additional positions are proposed for anticipated new posts mainly in African and Western Hemisphere countries. However, given the uncertainty surrounding these assignments, they are shown as undesignated in the table on the next page. More positions may be added later in the year, if needed, as has been the past practice in such circumstances.

Secretarial Staff

This unit provides temporary secretarial assistance to Executive Directors and departments during periods of heavy work load and when staff are on leave, so as to minimize reliance on less experienced temporary help hired on a day-to-day basis from commercial agencies.

In 1984, this unit provided 17 man-years of secretarial support (15 man-years in 1983). However, it was necessary to supplement the Secretarial Support Group with 45 man-years of temporary agency help hired on a day-to-day basis (40 man-years in 1983). The minimum daily number of temporary help from commercial agencies was 30 secretaries per day in 1984 (25 in 1983).

¹As noted on page 56 the cost of the two support units is spread among the units of the organization on the basis of current and anticipated assignments of resident representatives and usage of secretarial support unit staff, respectively, and, therefore, a table of estimated expenses is not shown here. However, the estimated total cost of resident representative and advisor posts is given on page 26 in connection with operations and relations with member countries' activities.

FY 1986 BUDGET BY UNIT OF ORGANIZATION

SUPPORT GROUP

Fund Resident Representatives & Advisors

Comparison of Anticipated Assignments in FY 1986
with Authorized Assignments in FY 1985

Countries	FY 1985	Change FY 1985 to FY 1986	FY 1986
African Countries			
Ghana	Representative ¹		Representative
Ivory Coast	Representative		Representative
Liberia	Representative		Representative
Mali	Representative		Representative
Senegal	Representative		Representative
Sierra Leone	Representative		Representative
Somalia	Representative ¹		Representative
Togo	Representative		Representative
Uganda	Representative		Representative
Zaire	Representative		Representative
Zambia	Representative		Representative
Asian Countries			
Bangladesh	Representative		Representative
Indonesia	Representative		Representative
Korea	Representative		Representative
Nepal	Advisor		Advisor
Philippines	Representative		Representative
Sri Lanka	Representative		Representative
Western Samoa	Representative ¹		Representative
Middle Eastern Countries			
Sudan	Representative		Representative
Western Hemisphere Countries			
Bolivia	Representative		Representative
Chile	Representative		Representative
Costa Rica	Representative		Representative
Dominican Republic	Representative ¹		Representative
East Caribbean Currency Countries	Advisor		Advisor
Haiti	Representative		Representative
Honduras	— ²		—
Jamaica	Representative		Representative
Paraguay	Representative		Representative
Peru	Representative		Representative
Uruguay	Representative		Representative
Undesignated Countries	—	+ 5	+ 5 ³
TOTAL	<u>29</u>	<u>+ 5</u>	<u>34</u>

¹Added during the course of FY 1985.

²Temporarily closed.

³Provision for anticipated new posts.

Administrative Budget for FY 1986

APPENDICES

APPENDIX I

FY 1985 Revised Estimate of Administrative Budget Expenses Compared with Actual Expenses in FY 1984

(In thousands of U.S. dollars)

		FY 1985 Compared with FY 1984						
		Original FY 1985 Budget Over		Additions		Changes		Index (FY 1984 = 100)
FY 1984 Actual Expenses	FY 1985 Original Budget	FY 1984 Actual	+ Increase + Decrease -	May 1984 ¹	+ Increase + Decrease -	March 1985 ²	FY 1985 Revised Estimate	Total Increase + Decrease -
I. Personnel Expenses								
A—Salaries	83,280	88,540	+ 5,260	+ 2,410	- 390		90,560	+ 7,280
B—Other Personnel Expenses	56,480	57,950	+ 1,470	+ 1,630	+ 95		59,675	+ 3,195
Subtotal	139,760	146,490	+ 6,730	+ 4,040	- 295		150,235	+ 10,475
II. Travel Expenses								
C—Business Travel	13,678	14,450	+ 772	—	- 425		14,025	+ 347
D—Other Travel	10,688	11,650	+ 962	—	+ 235		11,885	+ 1,197
Subtotal	24,366	26,100	+ 1,734	—	- 190		25,910	+ 1,544
III. Other Administrative Expenses								
E—Communications	6,723	6,090	- 633	—	+ 655		6,745	+ 22
F—Building Occupancy	9,080	14,860	+ 5,780	—	- 4,585		10,275	+ 1,195
G—Books and Printing	1,759	1,855	+ 96	—	+ 175		2,030	+ 271
H—Supplies and Equipment	4,458	5,420	+ 962	—	- 760		4,660	+ 202
I—Data Processing	10,528	18,620	+ 8,092	—	+ 5,580		24,200	+ 13,672
J—Miscellaneous	5,480	4,965	- 515	—	+ 480		5,445	- 35
Subtotal	38,028	51,810	+ 13,782	—	+ 1,545		53,355	+ 15,327
Total	202,154	224,400	+ 22,246	+ 4,040	+ 1,060		229,500	+ 27,346

¹Supplementary appropriations for the 1984 general salary adjustment approved by the Executive Board on July 17, 1984.

²Supplementary appropriations for the purchase of a mainframe computer and to make a preliminary search for a site for a new computer center approved by the Executive Board on March 6, 1985, together with revised estimates reported to the Executive Board in EBAP/85/56 dated March 7, 1985.

APPENDIX II

FY 1985 Estimated Administrative Budget Expenses Compared with Actual Expenses in FY 1984: Principal Factors Accounting for the Increase¹ (Items with a value of \$250,000 or more)

	<u>\$ Thousand</u>
A. Additional cost for new or expanded programs:	
1. New IBM computer	6,272
2. Expansion of other computing activities (including 7 new staff positions)	9,089
3. 41.5 new staff positions as proposed (excluding 7 noted in item (2)) ²	1,600
4. Increase in experts program from 124 man-years to 128 man-years ²	380
5. Larger Staff Contingency Fund	480
6. Increase in resident representatives and advisors from 19 to 24 man-years	270
Subtotal	18,091
B. Additional cost for continuing programs at existing levels:	
7. 1.2/4.0 percent general salary adjustment, effective May 1, 1984 ²	4,040
8. Merit increases and promotions for staff and assistants to Executive Directors ²	3,230
9. Higher net additional accruals for unused leave and separation grants	690
10. Higher costs for children's education allowances	254
11. Higher estimated experience losses for the Staff Retirement Plan	556
12. Medical Benefits Plan: estimated impact of higher costs for medical care including cost shifting from health insurance program of the U.S. government	1,048
13. Higher cost of settlement allowances and travel in an election year for Executive Directors	1,255
14. Estimated 3 percent increase in airfares and other travel costs	580
15. Renovation of Concordia apartments (initial phase)	412
16. Remodeling of Communications Division area	500
17. New and improved workstation areas to accommodate automation equipment and to make better use of office space	754
18. Higher cost of investment and custody services for management of assets of the Staff Retirement Plan	540
19. Other price increases (for labor, utilities, rented space, equipment, supplies, etc.)	700
20. Lower U.S. taxes and last year of transitional arrangements	- 520
21. Lower cost of funding cost-of-living supplements for the Staff Retirement Plan	- 2,500
22. Supplementary telephone equipment installed in FY 1985 less than main system installed in FY 1984	- 300
23. Opening of headquarters extension in FY 1984 (includes carpeting provision)	- 1,400
24. Move to new rented space in International Square building in FY 1984	- 1,300
25. Improvements to cooling tower and ventilation systems in FY 1984	- 420
26. More limited staff survey in FY 1985	- 713
27. Completion of the data base management study in Treasurer's Department in FY 1984	- 454
Subtotal	6,952
C. Other factors	2,303
Total increase	27,346

¹This table is an update of the one shown on pages 9 and 10 of the Administrative Budget document for FY 1985 (EBAP/84/64).

²Salaries and other personnel expenses.

APPENDIX III

FY 1985: Comparison of Revised Estimate with Original Administrative Budget

Summary Table

	Original Budget	Revised Estimate	Difference	Index (Original = 100)
	\$ Millions			
Personnel Expenses	146.5	150.2	+ 3.7	102.5
Travel Expenses	26.1	25.9	- 0.2	99.2
Other Administrative Expenses	51.8	53.4	+ 1.6	103.1
Total	224.4	229.5	+ 5.1	102.3

Personnel Expenses

The most important factor accounting for the increase of \$3.7 million in the revised estimate over the original budget was the 1.2/4.0 percent general salary adjustment effective May 1, 1984 (+ \$4.0 million) which was authorized by the Executive Board after approval of the Administrative Budget. Other developments which raised the revised estimate for Personnel Expenses during the year were: the transfer of \$0.7 million from Other Administrative Expenses to reflect the employment of temporary contractual staff instead of the services of corporations; and higher estimated costs for the Medical Benefits Plan (+ \$0.4 million) and for unused annual leave to be accrued as of April 30, 1985 (+ \$0.4 million). Some of these additional costs have been offset by savings on account of a larger number of staff vacancies than expected (- \$0.6 million); 7 fewer experts than budgeted (- \$0.7 million); lower costs for resident representatives than expected (- \$0.4 million); and gains on the Staff Retirement Plan parity exchange system (- \$0.3 million).

Travel Expenses

Travel expenses are expected to be lower than budgeted because, contrary to expectation, the volume of business travel in FY 1985 is not likely to be any greater than in FY 1984 (- \$0.4 million). Savings on this account will be partially offset because the cost of settlement travel, especially for Executive Directors, their Alternates, Advisors and Assistants, is likely to be higher than originally budgeted (+ \$0.2 million).

Other Administrative Expenses

The main factor accounting for the increase of \$1.6 million in the revised estimate over the original budget is the cost of purchasing an IBM mainframe computer which was approved by the Executive Board on March 6, 1985 (\$6.3 million). Other categories where the original budget is expected to be exceeded are those for *Communications* (+ \$0.7 million), mainly because of improvements in the new telephone system and a high volume of long distance calls; for *Books and Printing* (+ \$0.2 million), because several publications which were not provided for in the original budget including a supplement to the 1984 World Economic Outlook; and for *Miscellaneous Expenses* (+ \$0.5 million), because of increased costs for studies of staff compensation, job evaluation and the Staff Retirement Plan, and for investments and custody fees for the Staff Retirement Plan. These additional expenses are expected to be largely offset by savings in three other categories: *Building Occupancy* (- \$4.6 million), *Supplies and Equipment* (- \$0.8 million), and *Data Processing* excluding the IBM computer (- \$0.7 million). The savings on the first two of these are mostly the result of delays in the renovation of the Concordia Apartments which will now largely take place in FY 1986. The reduced estimate for Data Processing is on account of the transfer of certain charges to Personnel Expenses as mentioned above.

APPENDIX IV

FY 1984 Actual Administrative Budget Expenses Compared with Actual Expenses in FY 1983: Principal Factors Accounting for the Increase¹ (Items with a value of \$250,000 or more)

	\$000s
A. Additional cost for new or expanded programs	
1. 51 new positions ²	2,135
2. Increase in experts' program from 113 man-years to 124 man-years ²	845
3. 11 percent increase in volume of staff business travel	1,090
4. More long distance telephone calls	285
5. New and expanded automation projects ²	4,880
Subtotal	9,235
B. Additional cost for continuing programs at existing levels	
6. 6.4 percent general salary adjustment, effective May 1, 1983 ²	5,755
7. Merit increases and promotions for staff and assistants to Executive Directors ²	2,485
8. Adjustment of remuneration of Executive Directors, Alternates and Advisors, effective July 11, 1983 ²	250
9. 261 paid work days in FY 1984, compared with 260 in FY 1983 ²	300
10. Larger payments for termination incentives scheme	425
11. Increase in airfares and other travel costs	475
12. New telephone system for headquarters and extension	1,760
13. Opening of headquarters extension: building alterations in existing headquarters, furnishings, and moving costs	850
14. Move to new rented space in International Square building: office partitions, furnishings, and moving costs	610
15. Improvements to cooling tower and ventilation systems	420
16. Fund-Bank comprehensive compensation survey for FY 1984 (Fund share of cost)	995
17. Higher cost of investment and custody services for management of assets of the Staff Retirement Plan	641
18. Study of information flow in the Treasurer's Department	398
19. Other price increases (for labor, utilities, rented space, equipment, supplies, etc.)	600
20. Lower net accruals for unused annual leave and separation grants	- 320
21. Lower estimated experience losses for the Staff Retirement Plan	- 938
22. Lower cost of final cost-of-living supplements for the Staff Retirement Plan	- 2,670
23. Tax allowances: reduction on account of transitional arrangements and the Economic Recovery Act	- 1,400
24. Medical Benefits Plan: good claims experience in CY 1983	- 413
25. Lower cost of settlement allowances and travel in a nonelection year for Executive Directors	- 1,010
26. Lower cost of Interim Committee Meetings in Washington	- 864
27. Shelving, furniture, and equipment required in connection with relocation of Joint Library in FY 1983	- 590
Subtotal	7,759
C. Other factors	2,452
Total	19,446

¹This table is an update of Appendix II of the Administrative Budget document for FY 1985 (EBAP/84/64).

²Salaries and other personnel expenses.

APPENDIX V

FY 1984: Comparison of Actual Expenses with Original Administrative Budget¹

Summary Table

	Original Budget	Actual Expenses	Difference	Index (Original = 100)
	\$ Millions			
Personnel Expenses	134.1	139.8	5.7	104.3
Travel Expenses	24.8	24.4	- 0.4	98.4
Other Administrative Expenses	33.6	38.0	4.4	113.1
Total	192.5	202.2	9.7	105.0

Personnel Expenses

The two main factors accounting for actual expenses being \$5.7 million more than the original budget were the 6.4 percent general salary adjustment effective May 1, 1983 (+ \$5.8 million), and provision for accrued unused annual leave and separation grants (+ \$3.3 million). The Executive Board authorized provision for these expenses after the original Administrative Budget was approved. Offsetting some part of these additional costs were significant savings on account of (i) lower salary and related benefit costs because of more vacancies and lower average salaries than expected (- \$0.8 million); (ii) fewer man-years of resident representatives and advisors (- \$0.5 million); (iii) lower tax costs (- \$0.9 million); and good claims experience with the Medical Benefits Plan (- \$0.7 million). In addition, some funds originally budgeted for temporary assistance were transferred to Other Administrative Expenses (- \$0.7 million) to hire skilled analysts and programmers through consulting companies.

Travel Expenses

Travel expenses were lower than budgeted mainly because, contrary to expectation, the average cost of settlement travel in FY 1984 was actually less than the average cost in FY 1983. The freight element in settlement travel is historically volatile and difficult to forecast in aggregate for the Fund's relatively small volume.

Other Administrative Expenses

Actual expenses were \$4.4 million more than the original budget because of the increased cost of data processing (+ \$4.4 million). This increase arose because of a need for (i) a larger computer in the JCF to improve a deteriorating level of service, (ii) data communications equipment to provide a less expensive means of communication between the mainframe computers and the Fund terminals (a provision which gives recurring savings over an extended period of time), (iii) urgent development of the integrated information management system in the Treasurer's Department, (iv) provision of additional word processors and microcomputers to help staff working under severe pressure, and because of (v) the transfer of funds from Personnel Expenses mentioned above.

¹This statement which is based on actual expenses in FY 1984 is an update of the statement shown of Appendix III of the Administrative Budget document for FY 1985 (EBAP/84/64).

APPENDIX VI

1974–1984 Activities of the Fund—Selected Indicators¹

(Other than financial transactions)

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
1. Member Countries	126	128	129	132	138	140	141	143	146	146	148
2. Executive Board Sessions ²	183	223	180	197	226	209	207	190	211	203	202
3. Executive Board Decisions	708	698	629	621	675	679	671	622	520	614	606
4. Consultation Missions	92	88	88	92	89	95	95	87	107	129	129
5. Resident Representative and Advisor Positions ³	21	28	21	21	21	21	18	17	21	25	29
6. Number of Overseas Trips (F-M Staff)	990	1,011	1,116	1,168	1,335	1,489	1,517	1,693	1,668
7. Documents Issued											
SM	282	304	243	298	308	295	282	244	249	269	281
EBS	490	498	545	485	720	640	284	251	244	276	271
EBD	251	281	253	260	283	327	350	337	323	340	327
EBAP	323	339	308	356	339	376	380	402	447	312	285
DM	125	119	119	129	117	97	84	95	91	87	80
ID	5	7	5	8	6	7	7	8	2	5	—
SUR	—	—	—	—	—	—	—	—	—	51	121
TR	—	—	24	52	70	51	30	3	1	—	—
8. Man-Years of Expert Assistance Provided											
Central Banking Experts	63.5	68.7	77.1	68.6	69.8	75.5	71.3	76.4	77.2	88.1	97.9
Technical Assistance Panel	23.9	19.6	16.4	26.0	26.2	24.5	24.5	28.5	31.5	32.3	28.7
	87.4	88.3	93.5	94.6	96.0	100.0	95.8	104.9	108.7	120.4	126.6
9. IMF Institute Participants Trained	207	209	222	243	245	231	295	300	423	412	447
10. Statistical Time Series Maintained (in thousands)	150	182	259	313	329	369	379	417	432	550	630

¹Calendar years except where indicated otherwise.

²Formal and informal sessions, seminars, and Committees of the Whole.

³The figures shown are for the financial years beginning in each of the calendar years.

APPENDIX VII

FY 1975–FY 1985 Administrative Budget Expense Totals

FY	Original Budget			Original Budget Revised on Account of General Salary Adjustment			Actual Expense			Adjusted Actual Expenses ¹		
	Amount		Increase from Previous Year	Amount		Increase from Previous Year	Amount		Increase from Previous Year	Amount		Increase from Previous Year
	\$ Million	\$ Million	Percent	\$ Million	\$ Million	Percent	\$ Million	\$ Million	Percent	\$ Million	\$ Million	Percent
1975	54.0	5.5	11.3	56.7	6.0	11.8	55.9	5.7	11.4	56.5	6.3	12.5
1976	60.5	6.5	12.0	64.7	8.0	14.1	63.9	8.0	14.3	63.8	7.3	12.9
1977	70.0	9.5	15.7	72.7	8.0	12.4	72.2	8.3	13.0	72.3	8.5	13.3
1978	78.4	8.4	12.0	81.5	8.8	12.1	80.4	8.2	11.4	80.4	8.1	11.2
1979	88.1	9.7	12.4	89.7	8.2	10.1	90.6	10.2	12.7	91.0	10.6	13.2
1980	98.9	10.8	12.3	105.5	15.8	17.6	107.3	16.7	18.4	107.6	16.6	18.2
1981	125.2 ²	26.3	26.6	128.2	22.7	21.5	128.7	21.4	19.9	135.8	28.2	26.2
1982	147.6	22.4	17.9	164.2	36.0	28.1	165.4	36.7	28.5	157.2	21.4	15.8
1983	173.8	26.2	17.8	180.1	15.9	9.7	182.7	17.3	10.5	182.7	25.5	16.2
1984	192.5	18.7	10.8	198.2	18.1	10.0	202.2	19.5	10.7	202.2	19.5	10.7
1985	224.4	31.9	16.6	228.4	30.2	15.2	229.5 (est)	27.3	13.5			

¹Adjusted for retroactive general salary adjustments.

²Includes \$4.8 million for interim general salary adjustment approved in March 1980.

APPENDIX VIII

FY 1975–FY 1985 Administrative Budget Expenses by Object of Expense Account

(In thousands of U.S. dollars)

Object of Expense	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 (est.)	
I. PERSONNEL EXPENSES												
A—SALARIES												
EDs, Alternates and Advisors	1,476	1,567	1,586	1,622	1,794	2,078	2,560	3,352	3,753	4,293	4,370	296.1
Assistants to EDs	1,245	1,446	1,590	1,751	1,941	2,290	2,624	2,693	3,187	3,561	3,780	303.6
Staff	23,972	26,934	29,381	31,682	35,684	41,410	50,248	54,138	61,234	67,810	74,560	311.0
Secretariat of Dev. Committee	33	114	101	250								
TA experts and consultants	2,404	2,740	2,744	2,979	3,332	3,857	4,639	6,044	6,466	7,616	7,850	326.5
Total	29,130	32,801	35,402	38,284	42,751	49,635	60,071	66,227	74,640	83,280	90,560	310.9
B—OTHER PERSONNEL EXPENSES												
Dependency allowances	886	1,297	1,481	1,471	1,485	1,688	2,527	2,691	3,076	3,281	3,360	379.2
Settlement allowances and grants	383	374	425	331	486	788	1,064	1,187	5,785	5,302	6,620	1,728.5
Overseas allowance	624	698	750	877	1,108	1,552	1,533	1,728	1,993	2,017	2,200	352.6
Children's education allowances	352	387	449	553	619	830	1,043	1,388	1,561	1,751	2,005	569.6
Study allowances and training	159	234	220	312	300	394	511	644	606	700	867	545.3
IMF Institute living allowances	412	395	434	434	430	513	587	641	710	752	735	178.4
Tax allowances	3,500	4,129	5,157	5,665	6,379	7,277	9,896	11,071	9,718	9,179	9,850	281.4
Retirement contributions	4,961	5,670	8,058	10,774	13,154	15,463	22,448	27,879	30,368	28,872	28,160	567.6
Termination incentives	150	175	209	121	122	116	681	510	492	918	950	633.3
Health benefits	621	728	1,220	1,750	1,467	1,536	1,870	2,518	3,301	2,918	3,950	636.1
Life insurance and death benefits	86	98	123	123	50	58	174	6	259	86	193	224.4
Social and welfare expenses	111	92	92	89	109	109	139	140	178	173	215	193.7
Food services	199	256	246	266	291	354	375	405	542	531	570	286.4
Total	12,444	14,533	18,864	22,766	26,000	30,678	42,848	50,808	58,589	56,480	59,675	479.5
Total Personnel Expenses	41,574	47,334	54,266	61,050	68,751	80,313	102,919	117,035	133,229	139,760	150,235	361.4
II. TRAVEL EXPENSES												
C—BUSINESS TRAVEL												
Meetings of Governors	1,048	843	1,629	871	766	2,138	1,293	1,888	2,512	1,284	1,425	136.0
Other business travel	3,146	3,289	3,534	4,297	4,657	5,885	7,947	9,749	10,914	12,394	12,600	400.5
Total	4,194	4,132	5,163	5,168	5,423	8,023	9,240	11,637	13,426	13,678	14,025	334.4
D—OTHER TRAVEL												
Settlement travel	2,089	2,242	2,413	2,054	2,484	2,976	3,559	4,193	4,558	4,280	5,020	240.3
Home leave travel	1,133	1,411	1,237	1,264	1,344	1,853	2,159	3,731	4,337	4,954	5,105	450.6
Miscellaneous travel	250	308	333	579	656	961	928	1,177	1,312	1,454	1,760	704.0
Total	3,472	3,961	3,983	3,897	4,484	5,790	6,646	9,101	10,207	10,688	11,885	342.3
Total Travel Expenses	7,666	8,093	9,146	9,065	9,907	13,813	15,886	20,738	23,633	24,366	25,910	338.0

APPENDIX VIII (continued)

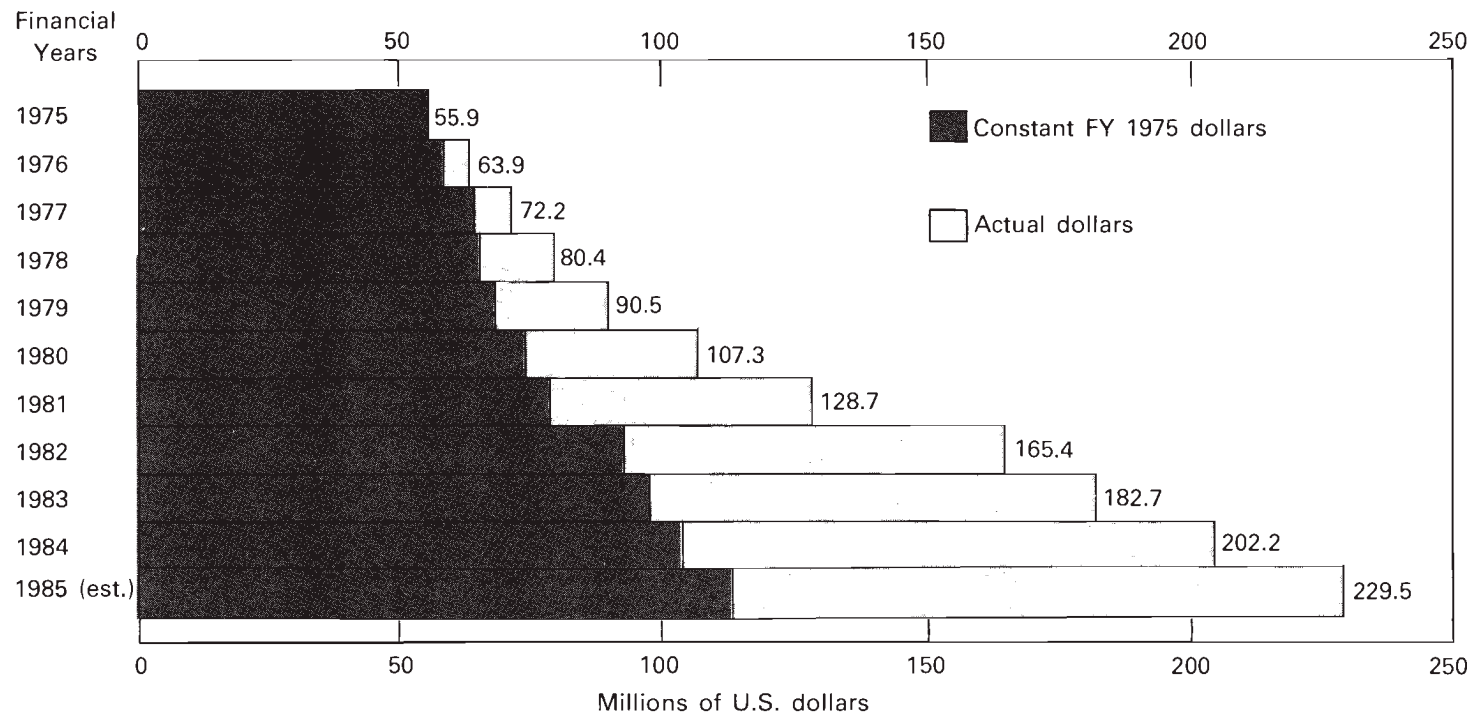
FY 1975–FY 1985 Administrative Budget Expenses by Object of Expense Account

(In thousands of U.S. dollars)

Object of Expense	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 (est.)	
III. OTHER ADMINISTRATIVE EXPENSES												
E—COMMUNICATIONS												
Postage and freight	625	665	701	724	836	1,019	1,129	1,486	1,798	1,870	2,000	320.0
Telephone	501	571	622	785	797	985	1,127	1,173	1,808	3,832	3,625	723.6
Telegraph	498	597	776	794	914	995	1,226	948	946	1,021	1,120	224.9
Total	<u>1,624</u>	<u>1,833</u>	<u>2,099</u>	<u>2,303</u>	<u>2,547</u>	<u>2,999</u>	<u>3,482</u>	<u>3,607</u>	<u>4,552</u>	<u>6,723</u>	<u>6,745</u>	<u>415.3</u>
F—BUILDING OCCUPANCY												
Maintenance and operations	1,222	1,397	1,459	1,721	1,716	2,006	2,300	2,780	2,918	3,913	3,740	306.1
Utilities	780	902	724	1,019	1,009	989	1,355	1,601	1,782	2,139	2,512	322.1
Alterations	74	49	193	84	595	203	579	335	1,026	2,022	2,710	3,662.2
Rentals	(276)	(306)	(340)	(281)	10	(34)	348	399	657	1,006	1,313	n.a.
Total	<u>1,800</u>	<u>2,042</u>	<u>2,036</u>	<u>2,543</u>	<u>3,330</u>	<u>3,164</u>	<u>4,582</u>	<u>5,115</u>	<u>6,383</u>	<u>9,080</u>	<u>10,275</u>	<u>570.8</u>
G—BOOKS AND PRINTING												
Books and periodicals	208	212	220	298	312	389	484	504	631	666	755	363.0
Contractual printing	853	933	893	849	928	1,032	1,068	1,216	1,114	1,093	1,275	149.5
Total	<u>1,061</u>	<u>1,145</u>	<u>1,113</u>	<u>1,147</u>	<u>1,240</u>	<u>1,421</u>	<u>1,552</u>	<u>1,720</u>	<u>1,745</u>	<u>1,759</u>	<u>2,030</u>	<u>191.3</u>
H—SUPPLIES AND EQUIPMENT												
Purchase of furn. and equip.	335	345	433	316	457	442	544	1,203	2,612	2,326	2,151	642.1
Rental of equipment	300	446	454	461	526	570	765	855	887	456	569	189.7
Maintenance of equipment	69	86	71	119	160	126	226	354	458	632	637	923.2
Expendable supplies	289	349	376	406	487	524	679	837	833	1,044	1,303	450.9
Total	<u>993</u>	<u>1,226</u>	<u>1,334</u>	<u>1,302</u>	<u>1,630</u>	<u>1,662</u>	<u>2,214</u>	<u>3,249</u>	<u>4,790</u>	<u>4,458</u>	<u>4,660</u>	<u>469.3</u>
I—DATA PROCESSING												
Fund Computer Facilities	800	1,024	1,184	1,198	1,355	1,802	1,519	2,462	3,029	4,945	11,077	1,384.6
Contractual support										2,170	3,190	n.a.
Other data processing	266	154	169	338	174	426	422	406	1,879	3,413	9,933	3,734.2
Total	<u>1,066</u>	<u>1,178</u>	<u>1,353</u>	<u>1,536</u>	<u>1,529</u>	<u>2,228</u>	<u>1,941</u>	<u>2,868</u>	<u>4,908</u>	<u>10,528</u>	<u>24,200</u>	<u>2,270.2</u>
J—MISCELLANEOUS												
Representation	229	208	198	276	318	335	404	468	480	616	670	292.6
Insurance	117	121	192	182	393	539	355	401	444	398	430	367.5
Misc. contractual services	249	274	327	794	1,193	1,067	2,543	2,013	2,532	4,709	4,570	1,835.3
Sundries	67	292	257	189	122	47	(88)	(63)	12	(243)	(225)	n.a.
Total	<u>662</u>	<u>895</u>	<u>974</u>	<u>1,441</u>	<u>2,026</u>	<u>1,988</u>	<u>3,214</u>	<u>2,819</u>	<u>3,468</u>	<u>5,480</u>	<u>5,445</u>	<u>822.5</u>
Total Other Adm. Expenses	<u>7,206</u>	<u>8,319</u>	<u>8,909</u>	<u>10,272</u>	<u>12,302</u>	<u>13,462</u>	<u>16,985</u>	<u>19,378</u>	<u>25,846</u>	<u>38,028</u>	<u>53,355</u>	<u>740.4</u>
Total	<u>56,446</u>	<u>63,746</u>	<u>72,321</u>	<u>80,387</u>	<u>90,960</u>	<u>107,588</u>	<u>135,790</u>	<u>157,151</u>	<u>182,708</u>	<u>202,154</u>	<u>229,500</u>	<u>406.6</u>
Retroactive Adjustment ¹	-531	+159	-138	+45	-415	-246	-7,074	+8,200	—	—	—	
Officially Recorded Total	<u>55,915</u>	<u>63,905</u>	<u>72,183</u>	<u>80,432</u>	<u>90,545</u>	<u>107,342</u>	<u>128,716</u>	<u>165,351</u>	<u>182,708</u>	<u>202,154</u>	<u>229,500</u>	<u>410.4</u>

¹The amounts shown in this table reflect adjustments on account of retroactive general salary adjustments and related benefits, the costs of which have been charged to later years because the accounts for the year of attribution were already closed when the retroactive payments were paid. The purpose of this adjustment is to make for a more realistic comparison between financial years.

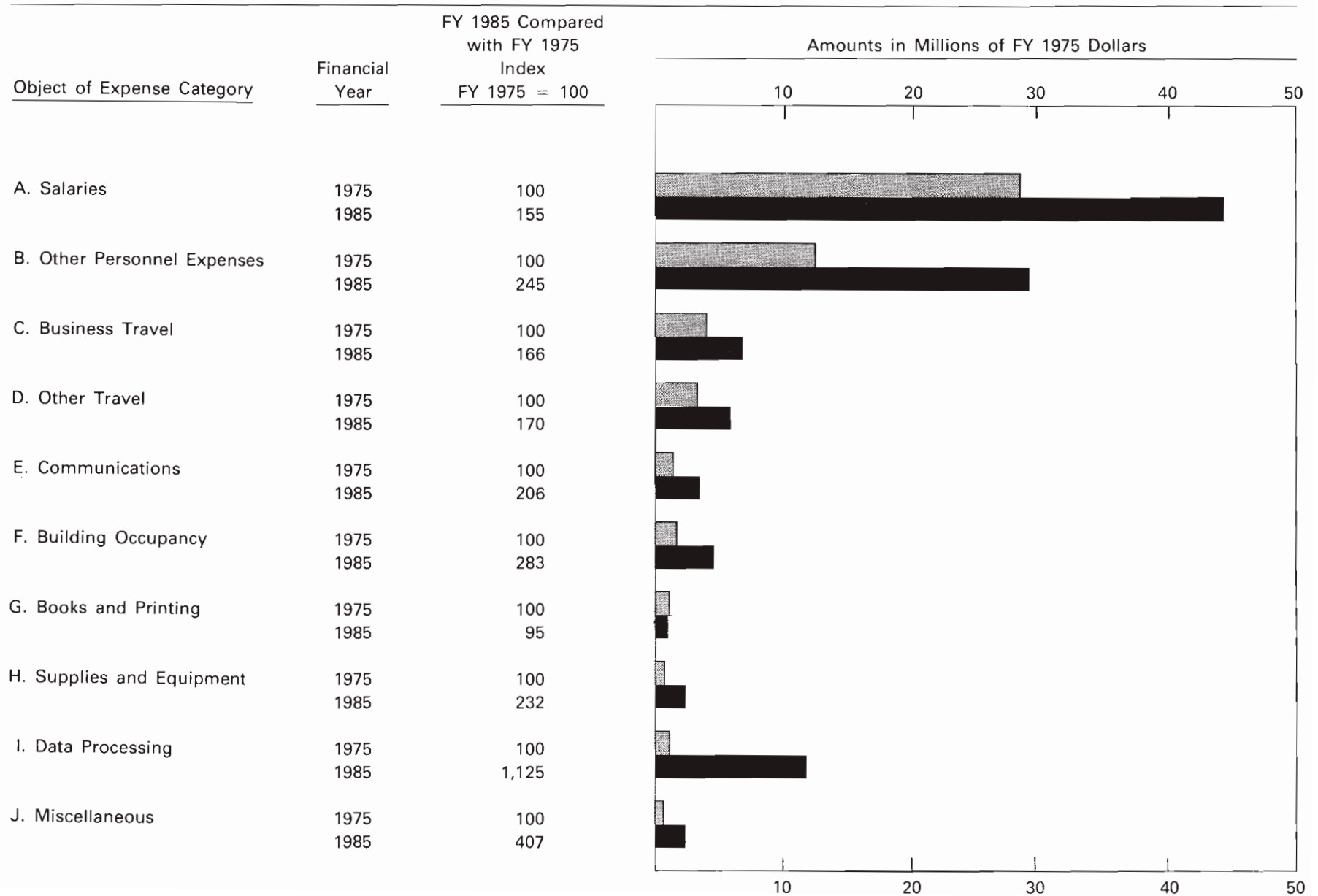
APPENDIX IX
FY 1975-FY 1985 Administrative Budget Expense Totals¹
(In Terms of actual dollars and constant FY 1975 dollars)



¹It should be noted that the methodology used for this and other appendices, making constant dollar presentations, is simply to deflate expenses by the Washington CPI. It differs from the methodology used in the table on pages 8 and 9 as the latter reviews separately the impact of specific price changes on each of the ten categories of expense.

APPENDIX X

FY 1975–FY 1985 Administrative Budget by Object of Expense Categories (Comparison of FY 1975 and FY 1985 Expenses in Terms of FY 1975 Dollars)



APPENDIX XI

FY 1975–FY 1985 Administrative Budget Expenses by Object of Expense Categories (Budget Categories as Percent of Total Budget)

Object of Expense	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	
I. PERSONNEL EXPENSES												
A. Salaries	51.6	51.4	49.0	47.6	47.0	46.1	44.2	42.2	40.8	41.2	39.5	76.6
B. Other Personnel Expenses	<u>22.0</u>	<u>22.8</u>	<u>26.1</u>	<u>28.3</u>	<u>28.6</u>	<u>28.5</u>	<u>31.6</u>	<u>32.3</u>	<u>32.1</u>	<u>27.9</u>	<u>26.0</u>	<u>118.2</u>
	73.6	74.2	75.1	75.9	75.6	74.6	75.8	74.5	72.9	69.1	65.5	89.0
II. TRAVEL EXPENSES												
C. Business Travel	7.3	6.5	7.2	6.4	6.0	7.5	6.8	7.4	7.3	6.8	6.1	83.6
D. Other Travel	<u>6.2</u>	<u>6.2</u>	<u>5.4</u>	<u>4.9</u>	<u>4.9</u>	<u>5.4</u>	<u>4.9</u>	<u>5.8</u>	<u>5.6</u>	<u>5.3</u>	<u>5.2</u>	<u>83.9</u>
	13.5	12.7	12.6	11.3	10.9	12.9	11.7	13.2	12.9	12.1	11.3	83.7
III. OTHER ADMINISTRATIVE EXPENSES												
E. Communications	2.9	2.9	2.9	2.9	2.8	2.8	2.6	2.3	2.5	3.3	2.9	100.0
F. Building Occupancy	3.2	3.3	2.8	3.2	3.6	2.9	3.4	3.2	3.5	4.5	4.5	140.6
G. Books and Printing	1.9	1.8	1.5	1.4	1.4	1.3	1.1	1.1	1.0	0.9	0.9	47.4
H. Supplies & Equipment	1.8	1.9	1.9	1.6	1.8	1.6	1.6	2.1	2.6	2.2	2.0	111.1
I. Data Processing	1.9	1.8	1.9	1.9	1.7	2.1	1.4	1.8	2.7	5.2	10.5	552.6
J. Miscellaneous	<u>1.2</u>	<u>1.4</u>	<u>1.3</u>	<u>1.8</u>	<u>2.2</u>	<u>1.8</u>	<u>2.4</u>	<u>1.8</u>	<u>1.9</u>	<u>2.7</u>	<u>2.4</u>	<u>200.0</u>
	12.9	13.1	12.3	12.8	13.5	12.5	12.5	12.3	14.2	18.8	23.2	179.8
TOTAL BUDGET	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	

APPENDIX XII

FY 1975–FY 1985 Statistics on Personnel, Benefits, and Travel

Object of Expense	Units	Financial Year											Change FY 75/85 Index
		1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 (est.)	FY 1975 = 100
I. SALARIES													
Executive Directors, Alternates, and Advisors	Positions	44	44	44	44	44	46	52	60	60	64	64	145.5
Assistants to Executive Directors	Positions	80	90	90	90	90	95	97	100	100	105	110	137.5
Staff	Positions ¹	1,393	1,419	1,434	1,424	1,427	1,448	1,497	1,568	1,605	1,660	1,710	122.8
Technical assistance experts	Man-years	88	93	93	94	100	98	96	107	113	124	128	145.5
II. OTHER PERSONNEL EXPENSES ²													
Dependency allowances	Recipients	1,007	1,095	1,143	1,209	1,187	1,182	1,180	1,262	1,348	1,339	1,334	132.5
Settlement allowances	Recipients	130	119	142	90	125	141	148	141	182	138	174	133.8
Overseas allowances	Man-years ³	112	118	116	115	121	117	111	121	132	143	149	133.0
Children's education allow.	Recipients	177	186	207	257	262	289	319	382	416	419	457	258.2
Study allowances	Recipients ⁴	414	434	482	591	687	741	828	851	802	801	1,614	389.9
IMFI living allowances	Days ⁵	30,444	23,682	23,936	23,368	23,400	26,664	24,573	28,724	28,686	29,146	29,436	96.7
Tax allowances	Recipients	368	390	390	405	409	401	403	431	439	444	456	123.9
Retirement contributions	Enrollees	1,417	1,466	1,482	1,499	1,492	1,496	1,531	1,631	1,664	1,746	1,813	127.9
Termination incentives	Recipients ⁶	16	6	11	8	10	7	26	10	15	10	11	68.8
Medical Benefits Plan	Enrollees ⁷	1,443	1,509	1,696	1,769	1,778	1,823	1,955	2,080	2,175	2,261	2,347	162.6
Group Life Insurance Plan	Enrollees ⁷	1,268	1,348	1,377	1,422	1,418	1,486	1,581	1,691	1,778	1,847	1,894	149.4
Food services	Meal (000s)	344	350	365	398	414	402	419	438	451	480	510	148.3
III. TRAVEL EXPENSES ⁸													
Annual Meeting	Trips ⁹	226	223	468	230	231	520	238	248	580	255	261	115.5
Other business travel	Trips	1,455	1,499	1,550	1,704	1,753	1,987	2,205	2,358	2,446	2,640	2,625	180.4
Settlement travel	Trips	132	122	153	89	131	138	140	147	180	143	172	130.3
Home leave travel	Trips	400	458	426	477	444	433	438	547	540	602	605	151.3
Miscellaneous travel	Trips ¹⁰	75	81	91	141	156	184	208	257	268	273	275	366.7

¹Includes number of man-years in Economist Program and Special Appointees Program.

²Benefits for Executive Directors, Alternates, Advisors, assistants and staff, unless otherwise noted.

³Resident representatives and advisors, and technical assistance experts.

⁴Assistants to Executive Directors, and staff.

⁵IMFI participants.

⁶Staff only. To avoid double counting, recipients are only counted for the year of separation, even though payments in many instances have been made over more than one financial year.

⁷Includes retirees as well as Executive Directors, Alternates, Advisors, assistants and staff.

⁸Trips for Executive Directors, Alternates, Advisors, assistants and staff, unless otherwise noted.

⁹Includes Governors as well as Executive Directors, Alternates, Advisors, assistants and staff.

¹⁰Includes trips under education policy, spouses' points policy, and emergency travel.

APPENDIX XIII

FY 1975–FY 1985 Average Unit Cost of Personnel, Benefits, and Travel

(In U.S. dollars)

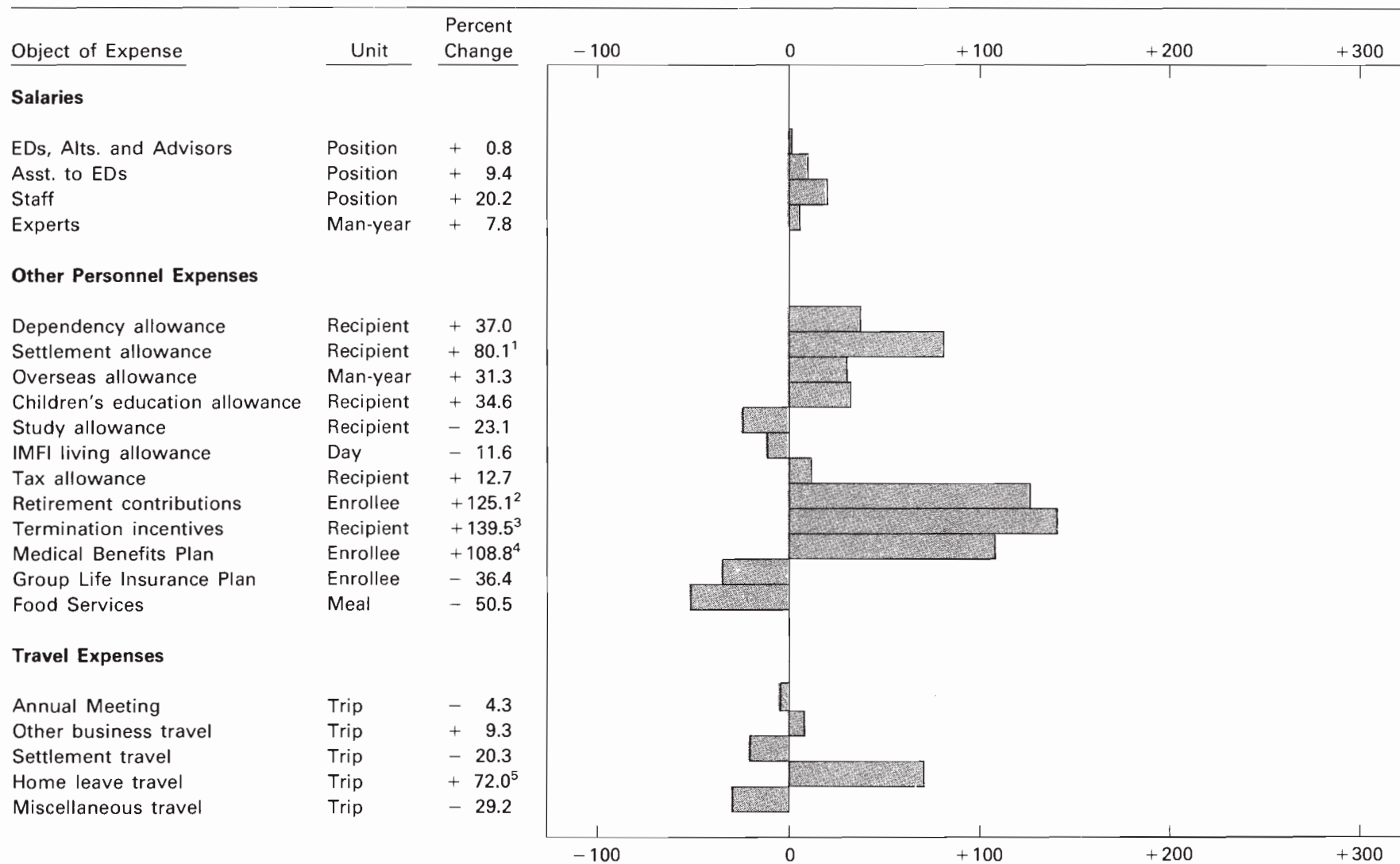
Object of Expense	Unit	Financial Year											Change FY 75:85 Index FY 1975 = 100
		1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 (est.)	
I. SALARIES													
Executive Directors, Alternates, and Advisors	Position	33,545	35,614	36,045	36,864	40,773	45,174	49,231	55,867	62,550	67,078	68,281	203.6
Assistants to Executive Directors	Position	15,563	16,067	17,667	19,456	21,567	24,105	27,052	26,930	31,870	33,914	34,364	220.8
Staff	Position	16,857	18,763	20,257	21,926	24,272	27,570	32,413	33,206	36,600	39,018	40,898	242.6
Technical assistance experts	Man-year	25,102	26,914	28,591	30,809	32,130	37,204	42,792	51,299	51,876	53,580	54,609	217.5
II. OTHER PERSONNEL EXPENSES													
Dependency allowances	Recipient	802	1,066	1,166	1,097	1,119	1,298	2,023	1,906	2,023	2,163	2,219	276.7
Settlement allowances	Recipient	2,623	2,479	2,556	2,867	3,144	5,050	6,392	7,326	8,582	8,768	9,540	363.7
Overseas allowances	Man-year	5,571	5,915	6,466	7,626	9,157	13,265	13,811	14,281	15,098	14,105	14,765	265.0
Children's education allow.	Recipient	1,514	1,624	1,763	1,708	2,034	2,543	2,940	3,259	3,428	3,876	4,114	271.7
Study allowances	Recipient	338	472	400	494	419	513	597	740	738	850	525	155.3
IMFI living allowances	Day	14	17	18	19	18	19	24	25	25	26	25	178.6
Tax allowances	Recipient	9,416	10,510	13,051	13,775	15,482	17,853	24,159	25,353	22,114	20,491	21,425	227.5
Retirement contributions	Enrollee	3,356	3,739	5,348	7,125	8,747	10,253	14,538	16,893	18,041	16,225	15,255	454.6
Termination incentives ¹	Recipient	11,914	31,626	22,669	10,180	12,267	94,072	143,997	17,809	33,839	54,504	57,621	483.6
Medical Benefits Plan	Enrollee	335	380	610	846	691	686	796	1,044	1,270	1,020	1,412	421.5
Group Life Insurance Plan	Enrollee	67	72	88	79	28	37	101	12	129	37	86	128.4
Food services	Meal	1	1	1	1	1	1	1	1	1	1	1	100.0
III. TRAVEL EXPENSES													
Annual Meeting	Trip	2,748	2,709	3,412	3,183	3,338	2,950	4,408	4,621	3,067	5,059	5,312	193.3
Other business travel	Trip	2,162	2,194	2,280	2,522	2,657	2,962	3,604	4,134	4,462	4,695	4,773	220.8
Settlement travel	Trip	8,424	9,180	8,516	9,697	9,641	10,420	11,600	11,830	11,594	9,035	13,547	160.8
Home leave travel	Trip	2,283	2,548	2,570	2,650	3,027	3,741	4,379	6,422	7,469	7,736	7,926	347.2
Miscellaneous travel	Trip	1,387	1,667	2,176	1,525	1,167	1,418	1,558	1,673	2,000	1,861	1,982	142.9

Note: Unit costs in this table reflect, inter alia, general salary adjustments and changes in other personnel allowances, including special payments to the Staff Retirement Plan on account of experience losses (FY 1977 and later) and cost of living supplements (FY 1978 and later). Tax allowances for FY 1983 also reflect recent changes in U.S. federal income tax rates. Costs of Medical Benefits and Group Life Insurance Plans in later years reflect returns of premiums, which vary with claims experience. Some of the variance in the cost of Annual Meetings travel is on account of changes in location: FY 1977, Manila; FY 1980, Belgrade; FY 1983, Toronto; and the remaining years in Washington, D.C.

¹To make for more realistic comparisons, the total estimated payment for each recipient is counted in the year of separation even though, in fact, payments to many recipients have been spread over more than one financial year. The exceptional averages in FY 1980–81 are on account of payments to 17 former staff members under the Early Retirement Incentives Scheme.

APPENDIX XIV

FY 1975–FY 1985: Percent Change in Average Unit Cost in Terms of Constant (FY 1975) Dollars, of Personnel, Benefits and Travel



¹Reflects the introduction of settling-in and separation grants which became effective June 1 and July 1, 1979, respectively.

²Reflects the joint effect of special payments made for amortization of experience losses and special payments for cost of living supplements, which were commenced in FY 1977 and FY 1978, respectively.

³Reflects the extraordinary low average unit cost in FY 1975.

⁴Reflects high inflation in medical costs.

⁵Reflects the introduction of the home leave allowance in March 1981.

APPENDIX XV

FY 1975-FY 1985 Staff Ceilings by Unit of Organization

(To make for more realistic comparisons, staff ceilings of departments have been adjusted retroactively for the whole period on account of interdepartmental transfers of positions during the period. Details are shown in the footnotes.)

Department/ Bureau/Office	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	
MANAGEMENT	7	7	7	7	8	6	6	6	7	7	7	100.0
African ¹	82	82	83	85	87	88	92	100	103	109	113	137.8
Asian ²	65	66	65	61	58	58	59	61	61	62	61	93.8
European	69	69	68	68	69	69	70	73	77	83	84	121.7
Middle Eastern ³	40	39	40	40	42	43	45	45	45	45	45	112.5
Western Hemisphere ⁴	83	84	85	85	84	87	88	89	90	97	101	121.7
Support Group Resident Representatives and Advisors ⁵	21	28	21	21	21	21	18	17	21	25	29	138.1
Area Departments	360	368	362	360	361	366	372	385	397	421	433	120.3
Exchange & Trade Relations ⁶	66	67	67	68	70	71	72	78	83	88	90	136.4
Fiscal Affairs	65	65	66	67	69	69	70	73	75	77.5	78.5	120.8
Legal	34	35	32	32	32	32	33	34	34	34	34	100.0
Research ⁷	62	62	69	69	70	70	72	74	77	80	82	132.3
Treasurer's ⁸	103	105	112	113	113	118	119	130	130	130	130	126.2
Functional Departments	330	334	346	349	354	360	366	389	399	409.5	414.5	125.6
Central Banking	22	22	22	21	21	21	21	21	22	23.5	23.5	106.8
IMF Institute	51	51	51	51	52	52	53	55	57	58	60.5	118.6
Technical Assistance Depts.	73	73	73	72	73	73	74	76	79	81.5	84	115.1
Bureau of Statistics ⁹	91	94	94	95	95	95	97	99	102	107	111	122.0
External Relations ¹⁰	43	44	44	45	44	47	47.5	54.5	55	57	58	134.9
Office in Europe	13	13	13	13	14	14	14	15	15	15	15	115.4
Office in Geneva	3	3	3	3	3	3	6	6	6	6	6	200.0
Special Representative to UN	2	2	2	2	2	2	2	2	2	2	2	100.0
Information, Statistics & Liaison	152	156	156	158	158	161	166.5	176.5	180	187	192	126.3
Administration ¹¹	195	195	201	201	203	206	210	215	216	219	223.5	114.6
Secretary's ¹²	76	78	81	81	81	82	83	85	87.5	89.5	95.5	125.7
Bureau of Computing Services ¹³	58	60	62	62	63	65	65.5	65.5	64.5	66.5	73.5	126.7
Bureau of Language Services	96	96	94	91	91	91	96	100	100	100	100	104.2
Internal Auditor	6	6	6	6	6	7	7.5	7.5	7.5	7.5	8	133.3
Support Services	431	435	444	441	444	451	462	473	475.5	482.5	500.5	116.1
Support Group Secretarial Staff	6	8	8	7	8	7	18.5	20.5	21.5	21.5	27.5	458.3
TOTAL	1,359	1,381	1,396	1,394	1,406	1,424	1,465	1,526	1,559	1,610	1,658.5	122.0

Note: In FY 1978 the Balance of Payments Division was transferred from the Research Department to the Bureau of Statistics. In FY 1981 publications and editorial staff were transferred from the Secretary's Department to the new External Relations office which also incorporated the former Information Office. The Finance and Development Office was added to EXR in FY 1984. In addition, Resident Representative and Advisor posts were transferred from the area departments to the Support Group. In FY 1983 data processing staff in Administration, Statistics, Research, and Treasurer's were transferred to the new Bureau of Computing Services. To make for more realistic comparisons the following retroactive adjustments have been made on account of these transfers:

¹AFD: FY 75, -2; FY 76, -4; FY 77, -3; FY 78-80, -1.

²ASD: FY 75, -6; FY 76, -7; FY 77, -6; FY 78, -7; FY 79-80, -8.

³MED: FY 75, -2; FY 76, -5; FY 77, -4; FY 78, -5; FY 79, -3; FY 80, -4.

⁴WHD: FY 75-10; FY 76, -12; FY 77-78, -8; FY 79, -9; FY 80, -8.

⁵Support Group: addition of all positions shown FY 75-80.

⁶ETR: FY 75, -1.

⁷RES: FY 75-76, -25; FY 77, -26; FY 78-79, -3; FY 80-82, -6.

⁸TRE: FY 75-80, -12; FY 81-82, -13.

⁹STAT: FY 75-76, +7; FY 78-79, -17; FY 80-82, -18.

¹⁰EXR: adjustments to Information Office ceiling: FY 75-79, +20; FY 80, +22. Additional adjustment also made on account of F&D becoming part of EXR in FY 1984: FY 75-80, -7; FY 81-

82, +7.5; FY 83, +7.

¹¹ADM: FY 75, -28; FY 76-78, -30; FY 79, -31; FY 80, -29; FY 81-82, -28.5.

¹²SEC: FY 75-79, -20; FY 80, -22.

¹³BCS: addition of all positions shown, FY 75-82.

APPENDIX XVI

FY 1975–FY 1985 Increases in Staff Ceilings by Main Groupings of Organizational Units

Main Groupings of Organizational Units	Financial Year										Totals	
	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1975–85	1980–85
(A) Additional Positions ¹												
Management	—	—	—	1	–2	—	—	1	—	—	—	1
Area Departments	8	–6	–2	1	5	6	13	12	24	12	73	67
Functional Departments	4	12	3	5	6	6	23	10	10.5	5	84.5	54.5
Technical Assistant Departments	—	—	–1	1	—	1	2	3	2.5	2.5	11	11
Information Statistics & Liaison	4	—	2	—	3	5.5	10	3.5	7	5	40	31
Support Services	4	9	–3	3	7	11	11	2.5	7	18	69.5	49.5
Secretarial Support	2	—	–1	1	–1	11.5	2	1	—	6	21.5	20.5
TOTAL	22	15	–2	12	18	41	61	33	51	48.5	299.5	234.5
(B) Percentage Increase in Staff Ceiling ²												
Management	—	—	—	—	—	—	—	—	—	—	—	—
Area Departments	2.2	–1.6	–0.5	0.3	1.4	1.6	3.5	3.1	6.0	2.9	20.3	18.3
Functional Departments	1.2	3.6	0.9	1.4	1.7	1.7	6.3	2.6	2.6	1.2	25.6	15.1
Technical Assistant Departments	—	—	–1.4	1.4	—	1.4	2.7	3.9	3.2	3.1	15.1	15.1
Information Statistics & Liaison	2.6	—	1.3	—	1.9	3.4	6.0	2.0	3.9	2.7	26.3	19.3
Support Services	0.9	2.1	–0.7	0.7	1.6	2.4	2.4	0.5	1.5	3.7	16.1	11.0
Secretarial Support	—	—	—	—	—	—	—	—	—	—	—	—
TOTAL	1.6	1.1	–0.1	0.9	1.3	2.9	4.2	2.2	3.3	3.0	22.0	16.5

¹Includes positions added or deleted during the course of the year.

²Data for management and secretarial support have been omitted because small numerical changes in these groups produce large percentage changes which distract attention from changes in the main functional areas.

APPENDIX XVII

FY 1975–FY 1985 Actual Staff by Range¹

(Differs from staff ceilings because includes temporary staff in Economist Program)

Range	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	
A–E Staff												
A	84	87	74	72	72	71	67	59	56	52	46	54.8
B	164	148	145	132	135	132	125	152	146	134	132	80.5
C	169	179	195	195	178	171	162	145	146	159	173	102.4
D	140	148	153	160	173	182	199	213	236	239	241	172.1
E	75	69	80	86	91	91	102	111	110	107	108	144.0
Subtotal	<u>632</u>	<u>631</u>	<u>647</u>	<u>645</u>	<u>649</u>	<u>647</u>	<u>655</u>	<u>680</u>	<u>694</u>	<u>691</u>	<u>700</u>	<u>110.8</u>
F–I Staff												
F	77	86	92	93	84	94	104	100	97	110	111	144.2
G	204	192	186	190	182	165	164	161	173	182	194	95.1
H	164	167	168	167	178	180	170	189	196	204	207	126.2
I	113	124	145	156	173	181	213	216	224	229	232	205.3
Subtotal	<u>558</u>	<u>569</u>	<u>591</u>	<u>606</u>	<u>617</u>	<u>620</u>	<u>651</u>	<u>666</u>	<u>690</u>	<u>725</u>	<u>744</u>	<u>133.3</u>
J–M Staff												
J	78	79	73	80	71	67	68	71	82	90	90	115.4
K	35	41	51	44	54	63	66	61	63	61	67	191.4
L	46	43	45	42	41	40	38	43	44	49	48	104.3
M	15	14	14	13	15	16	14	16	16	18	17	113.3
Subtotal	<u>174</u>	<u>177</u>	<u>183</u>	<u>179</u>	<u>181</u>	<u>186</u>	<u>186</u>	<u>191</u>	<u>205</u>	<u>218</u>	<u>222</u>	<u>127.6</u>
Total	<u>1,364</u>	<u>1,377</u>	<u>1,421</u>	<u>1,430</u>	<u>1,447</u>	<u>1,453</u>	<u>1,492</u>	<u>1,537</u>	<u>1,589</u>	<u>1,634</u>	<u>1,666</u>	<u>122.1</u>

¹As of May 1 of each year.

APPENDIX XVIII

FY 1975–FY 1985 Actual Staff by Occupational Groups¹

(Differs from staff ceilings because includes temporary staff in Economist Program)

Occupational Group	Financial Year											Change FY 75/85 Index FY 1975 = 100
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	
A–E Staff												
Accounting/Auditing	29	27	28	28	26	25	24	26	27	27	27	93.1
Administrative Services	135	125	127	127	132	135	140	145	142	136	137	101.5
Computing Services	19	18	18	17	15	17	15	16	14	13	13	68.4
Economics	39	39	44	48	48	47	44	48	48	52	53	135.9
Graphic Services	7	8	8	8	7	8	8	7	6	6	6	85.7
Human Resources	19	21	23	21	21	20	19	25	27	29	29	152.6
Library/Documentation	30	31	30	30	33	31	30	33	33	35	35	116.7
Office Support	348	356	361	356	358	352	363	370	387	385	392	112.6
Writing/Editing	6	6	8	10	9	12	12	10	10	8	8	133.3
Subtotal	632	631	647	645	649	647	655	680	694	691	700	110.8
F–M Staff												
Accounting/Auditing	28	30	30	33	33	36	38	39	40	40	40	142.9
Administrative Services	24	29	28	30	29	30	33	31	30	31	31	129.2
Computing Services	32	35	38	38	41	39	40	44	45	46	47	146.9
Economics	501	488	511	519	527	529	548	560	591	637	655	130.7
Graphic Services	2	3	3	3	3	3	3	3	3	3	3	150.0
Human Resources	40	49	52	50	49	51	52	53	55	53	54	135.0
Library/Documentation	25	26	28	28	29	33	32	32	34	37	38	152.0
Language Services	47	51	48	48	47	46	51	51	49	49	49	104.3
Writing/Editing	33	35	36	36	40	39	40	44	48	47	49	148.5
Subtotal	732	746	774	785	798	806	837	857	895	943	966	132.0
Total	1,364	1,377	1,421	1,430	1,447	1,453	1,492	1,537	1,589	1,634	1,666	122.1

¹As of May 1 of each year.

APPENDIX XIX

FY 1975–FY 1985 Financial Transactions

	Financial Year										1985
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	(10 mos.)
	<u>Number</u>										
I. General Resources Account											
A. Member Countries at End of Period	126	128	130	134	138	140	141	145	146	146	148
B. Transactions in General Resources Account											
1. Stand-By Arrangements	14	18	19	18	14	24	21	21	27	26	17
2. Extended Arrangements	—	2	1	—	4	4	10	5	4	2	—
3. Purchases											
Reserve Tranche	49	24	10	11	16	17	19	39	37	82	16
Credit Tranche	33	22	22	32	30	51	73	62	75	114	79
Buffer Stock	—	1	—	—	2	5	—	—	14	5	—
Compensatory Financing	1	22	39	9	19	27	21	25	33	14	11
Extended Facility	—	1	2	2	8	11	19	30	23	30	9
Oil Facility	76	65	15	—	—	—	—	—	—	—	—
Total	159	135	88	54	75	111	132	156	182	245	115
4. Repurchases	120	127	91	212	432	665	744	700	472	479	681
5. Reconstitutions	70	88	93	75	41	1	9	—	—	—	—
6. Acquisitions ¹	—	—	—	—	—	—	—	18	90	187	194
7. Total Purchases, Repurchases and Reconstitutions (3. + 4. + 5. + 6.)	349	350	272	341	548	777	885	874	744	911	990
	<u>In millions of SDRs</u>										
8. Total Purchases	5,102	6,591	4,910	2,503	3,720	2,434	4,860	8,041	11,392	11,518	6,000
9. Total Repurchases	518	960	868	4,485	4,859	3,793	2,853	2,010	1,555	2,018	1,926
10. Reconstitution of SDRs from the General Resources Account	96	293	402	467	75	5	20	—	—	—	—
11. Acquisitions of SDRs for payment of charges ¹	—	—	—	—	—	—	—	24	162	330	867
12. Total Purchases, Repurchases and Reconstitutions (8. + 9. + 10. + 11.)	5,716	7,844	6,180	7,455	8,654	6,232	7,733	10,075	13,109	13,866	8,793
C. Total Quotas of Members at End of Period	29,189	29,211	29,217	32,346	39,011	39,017	59,606	60,685	61,060	89,236	89,302

¹Data not available before FY 1982.

APPENDIX XIX (continued)
FY 1975–FY 1985 Financial Transactions

	Financial Year										
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 (10 mos.)
II. Special Drawing Rights Department											
A. Holders at End of Period											
1. Participants	117	117	120	122	137	140	141	144	146	147	147
2. Prescribed holders	1	1	1	1	1	6	10	12	14	14	14
B. Number of Transactions and Operations¹											
1. Transactions with Designation	63	42	19	123	152	238	142	129	146	74	55
2. Transactions by Agreement	14	6	31	81	55	59	81	197	161	256	283
3. Operations	—	—	—	—	—	—	—	6	17	102	32
4. Transfers to and from the General Resources Account	661	779	803	837	918	1,141	1,509	1,425	1,498	1,933	1,756
5. Total Transfers (1. + 2. + 3. + 4.)	738	827	853	1,041	1,125	1,438	1,732	1,757	1,822	2,365	2,126
C. Volume of Transfers											
1. Transactions with Designation	440	292	119	398	1,080	1,372	1,883	1,875	2,713	2,402	2,005
2. Transactions by Agreement	249	176	317	927	1,533	362	418	1,242	1,281	3,175	2,543
3. Operations	—	—	—	—	—	—	—	158	396	1,194	100
4. Transfer to and from the General Resources	264	1,682	1,300	3,174	2,669	3,143	9,687	5,429	6,322	6,794	5,930
5. Total Transfers (1. + 2. + 3. + 4.)	953	2,150	1,736	4,499	5,282	4,877	11,988	8,704	10,712	13,565	10,578
D. Cumulative SDR Allocations at End of Period	9,315	9,315	9,315	9,315	13,348	17,381	21,433	21,433	21,433	21,433	21,433

¹Defined as the number of times SDRs are received. For example, a transaction with designation in which three countries are designated to provide currency in exchange for SDRs counts as three transactions rather than one transaction (the latter definition was used in the corresponding table in previous years).

APPENDIX XX

FY 1975–FY 1985 Income, Expenses and Reserves

(In millions of SDRs)

	Financial Year										1985
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	(10 mos.)
Operational Income	166.5	455.9	774.6	839.6	753.3	614.2	882.3	1,788.9	2,045.3	2,792.0	2,961.0
Operational Expense	131.6	407.5	727.5	741.6	633.7	525.0	702.3	1,543.5	1,788.5	2,526.2	2,754.1
Net Operational Income	34.9	48.4	47.1	98.0	119.6	89.2	179.9	245.4	257.0	265.8	206.9
Net Administrative Budget Expense	44.8	52.5	60.8	65.9	68.6	81.3	98.9	142.4	164.9	188.9	185.0
Net Fixed Property Expense	–0.3	–0.9	0.1	—	—	0.3	1.3	11.4	15.5	3.9	0.5
Total Administrative and Fixed Property Expense	44.6 ¹	51.3 ¹	65.3 ^{1,2}	70.5 ^{1,2}	73.4 ^{1,2}	86.1 ^{1,2}	99.9 ^{1,2}	153.3 ¹	191.4 ^{1,3}	192.8 ¹	185.4 ¹
Net Income or Expense (–)	–9.7	–2.9	–18.2	27.5	46.2	3.1	80.1	92.0	65.4	73.1	21.5
Reserves:											
General	365.6	365.6	365.6	365.6	365.6	365.6	365.6	365.6	365.6	365.6	387.1 ⁴
Special	<u>342.0</u>	<u>339.0</u>	<u>320.9</u>	<u>348.4</u>	<u>394.5</u>	<u>397.6</u>	<u>477.7</u>	<u>569.7</u>	<u>635.1</u>	<u>708.2</u>	<u>708.2</u>
Total	<u>707.6</u>	<u>704.6</u>	<u>686.5</u>	<u>714.0</u>	<u>760.1</u>	<u>763.2</u>	<u>843.3</u>	<u>935.3</u>	<u>1,000.7</u>	<u>1,073.8</u>	<u>1,095.3</u>

Note: Due to rounding to nearest SDR 0.1 million, figures may not add up.

¹Includes small amounts for net valuation adjustment.

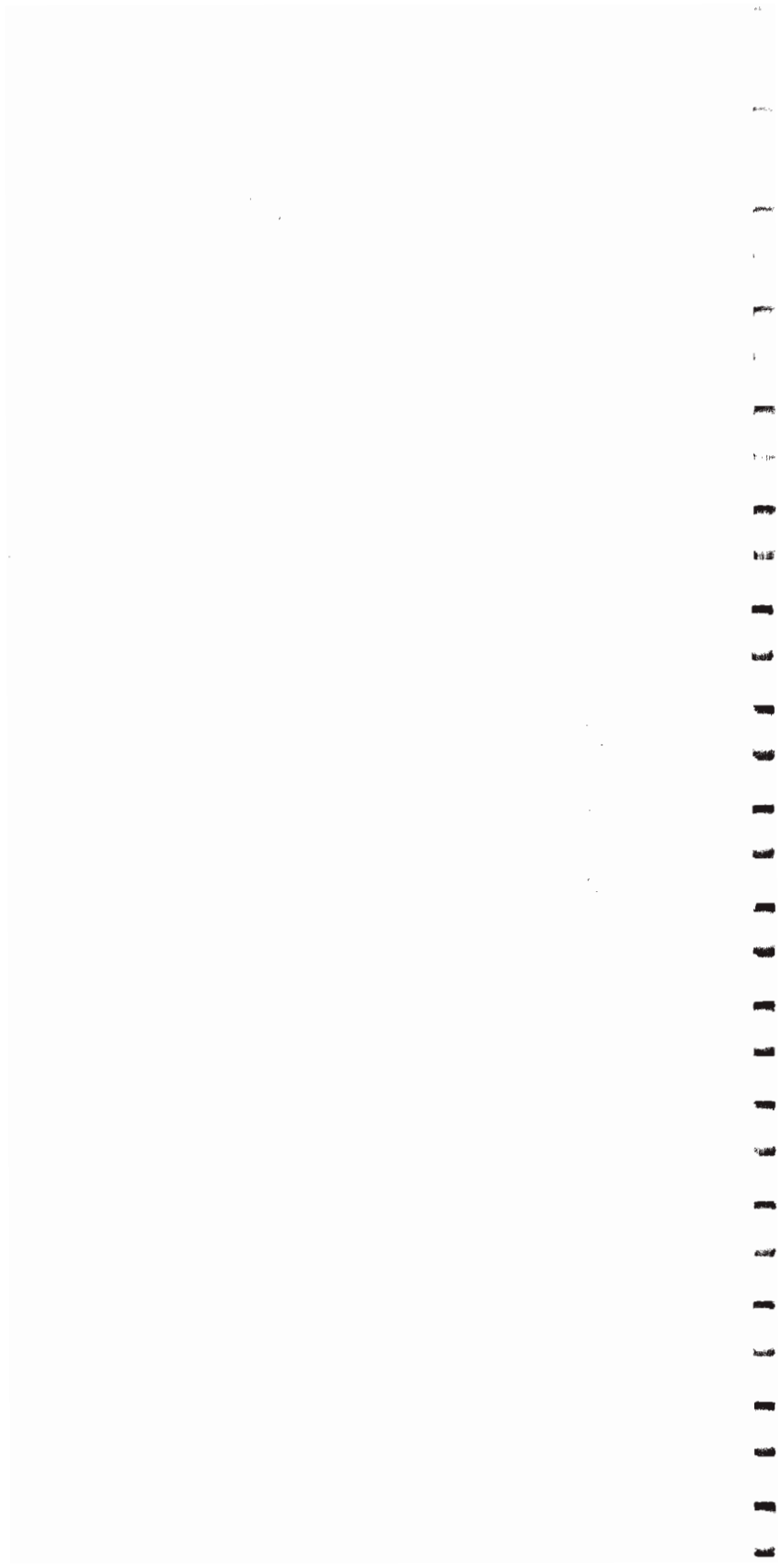
²Includes amortization of past service liabilities of the Staff Retirement Plan.

³Includes cumulative effects (to April 30, 1982) of changing the method of accounting for compensated absences and accumulated separation grants (SDR 11.0 million).

⁴Includes year-to-date income provisionally placed to the General Reserve pending decision by the Executive Board.

Administrative Budget for FY 1986

INDEX



INDEX

(References are to page numbers; page numbers in italics indicate main references in the section "Budget by Unit of Organization")

A

Administration Department, 5, 7, 48, 58-59, 96, 118
Adjustment, Conditionality, and International Financing, 3, 31, 71
 Administrative Expenses by Object of Expense Categories, 8, 10, 11, 14, 39, 110, 111
 African Department, 2, 6, 48, 60-61, 118
 Annual leave, accrued, 6, 9, 42, 104-107, 124
 Annual Meeting of Board of Governors, 8, 9, 12, 20-22, 39-40, 44, 50-51, 82-85, 89-91, 110, 115-117
Annual Report of the Executive Board 31, 33, 47, 71, 82-84
Annual Report on Exchange Arrangements and Exchange Restrictions, 31, 33, 47, 68, 71
 Arabic-course in IMF Institute, 4, 5, 6, 12, 28, 74-75
 Arabic division, 6, 75
 Arrears to the Fund, 2, 3, 4, 6, 23
Articles of Agreement, 15, 31, 33
 Asian Department, 2, 40-41, 48, 62-63, 89, 118
 Audiovisual presentation, 4, 71
 Audit, annual, 96
 Automation projects, see data processing services

B

Balance of payments discrepancy study, 2, 4, 9, 32, 41, 45
Balance of Payments Statistics, 31, 33, 92-93
 Books and periodicals, 39, 47, 111
 Borrowing by the Fund, 2, 23, 84-85
 Bretton Woods Recreation Center, 9, 43, 46, 48, 51
 Budget projections, FY 1987-88, 11-12
 Buffer stock financing facility, 6, 87, 122
 Building alterations, maintenance and operation, 39, 46, 58-59, 106, 111

C

Cable Room, 3, 7, 36, 40, 48-50, 83
 Capital budgeting and accounting, 4, 6, 40, 59
 Central Banking Department, 27-28, 63-65, 118
 Centrally planned economies, 24
 Charges, 23, 84-85
 Children's coalition, financial assistance for, 51
 Christmas party, 43
 Compensatory financing facility, 26, 63-67, 87, 122
 Computer tape subscriptions, 31
 Computing facilities, 1, 2, 4, 5, 7, 9, 12, 39, 48-50, 88-89, 104-105, 107
 Computing Services, Bureau of, 3, 5, 7, 88-89, 118
 Concordia/Bond apartments, 1, 4, 8, 9, 12, 27-28, 30, 36, 42, 46-48, 50, 104-105
 Conditionality, 69
 Constant dollars, expenses in, 8, 9, 112, 113, 117
 Consultants, 4, 9, 19, 32, 39, 41, 48, 110
 Consultations with members, 2, 3, 6, 25-26, 44, 61, 63, 67-69, 87, 108
 Contractual printing, 33, 39, 47, 111
 Contractual services, 39-40, 46, 50, 111
 Contractual support services, 39, 49-50
 Copy machines, 48
 Cost of living supplements for retirees, 9, 43, 104, 106
 Credit Union, 46

D

Data Fund, 31, 93
 Data processing, 3-7, 20-23, 25, 27, 29-31, 33-36, 39, 45, 48-50, 88-89, 96, 103-104, 106-107, 111, 113-114, 121
 Death benefits, 39, 43, 110
Departmental Memoranda, 108

Dependency allowances, 39, 42, 110, 115-117
 Deputy Managing Director, 48, 88
 Development Committee, 3, 20-24, 40, 44, 51, 68-69, 83, 91
Direction of Trade Statistics, 31, 33, 92, 93
 Discretionary budgeting, 4, 36, 59

E

Early retirement incentive scheme, 43
 Eastern Caribbean, Inter-Agency Resident Mission in the, 51
 Economic Information System, 32, 49, 89, 93
 Economist Program, 19, 40
 Education allowances, children's, 39, 42, 104, 110, 115-117
 Enhanced surveillance, see Consultations with members
 Enlarged Access Policy, 2, 4, 23, 69
 Equipment, see Furniture and equipment
 European Department, 2, 41, 48, 66-67, 118
 Europe, Office in, 35, 46, 94, 118
 Exchange and Trade Relations Department, 23, 41, 48, 63, 68-69, 95, 118
 Executive Committee for Computing Services (ECCS), 48, 88
 Executive Dining Rooms, 41, 43
 Executive Directors and Alternates, 1-2, 5, 8, 9, 10-11, 19-22, 39-40, 42-43, 45, 47-48, 50, 82-83, 89, 110, 115-117
 Executive Directors, Advisors to, 19, 22, 39-40, 42-43, 45, 110, 115-117
 Executive Directors, Assistants to, 19, 21-22, 39-40, 42-43, 110, 115-117
 Extended Fund Facility, 4, 26, 61, 63, 87, 122
 External audit, 6, 50, 96
 External debt of member countries, 1-4, 7, 24-25, 27, 68-69, 87
 External Relations Department, 7, 31, 48, 50, 70-71, 89, 118

F

Finance & Development, 31, 33, 47-48
 Fiscal Affairs Department, 4, 6, 23, 27, 41, 63, 72-73, 118
 Food services, 39, 41, 43, 58, 110, 115-117
 Freight, 39, 45, 111
Fund Agreements in the Courts, 4, 71
 Fund-Bank Health Room, 43
 Fund History, 4, 31, 33, 47, 82
 Furniture and equipment, 39, 47-48, 51, 111

G

General Administrative Orders, 76-77
 General Arrangements to Borrow (GAB), 76
 General Department, 3, 12, 13, 15
 General Resources Account, 3, 13, 15, 85, 122-123
 Geneva, Office in, 35, 46, 95, 118
 Gold, 23, 84
Government Finance Statistics, 31, 33, 92-93
 Governors, Board of, 19-21, 39, 44, 82-84
 Grievance Committee, 41
 Group of Ten, 4, 94
 Group of Twenty-Four, 22, 83

H

Headquarters building, extension to, 1, 3, 36, 59, 104, 106
 Health benefits, 9, 39, 43, 110
 Home leave allowance, 45, 117

I

IBM mainframe computer, see Computing facilities
 IMF Institute, 2, 4, 6, 9, 12, 27-28, 30, 41-43, 45-46, 58, 63, 65, 72-73, 74-75, 90-93, 108, 118
 IMF Institute, cost per participant day, 28, 115-117

IMF Memorandum, 31, 70–71

IMF Survey, 31, 33, 70–71

Income, expenses, and reserves of the Fund, 124

Incomes Policy and Inflation in Industrial Countries, 31

Individual Study Program, 42–45, 59

Information and Statistical Services, 5, 7, 19, 31–34, 70, 76

Insurance,

general, 39, 50, 58, 111

life, 39, 43, 110, 115–117

workers' compensation, 50

Interim Committee, 3, 20–23, 51, 69, 82–83, 90–91, 106

Interim Committee, Chairman of, 44

Internal Auditor, 40, 96, 118

International banking statistics, 4, 7, 32, 89, 93

International Families of the Fund Organization (InFFO), 43

International Financial Statistics, 3, 4, 31, 33, 47, 92–93

International organizations, relations with, 19, 35

International Square building, 3, 9, 46, 48, 59, 104, 106

Investment and custody fees, 50, 85, 104–106

J

Job evaluation review, 3, 4, 9, 36, 59, 105

L

Language Services, Bureau of, 59, 90–91, 118

Legal and Institutional Aspects of the International Monetary System—Volume II, 3, 31, 71

Legal Department, 4, 13, 23, 27, 41, 76–77, 118

Library, Joint Fund-Bank, 3, 36, 40, 46–47, 59, 106

Legal, 47, 76

Living allowances, IMF Institute, 30, 39, 42, 115–117

Long-term assessments of staff, 59

M

Managing Director, 13, 41, 56–57, 96, 118

Manpower utilization by program, 19

Medical Benefits Plan, 9, 43, 104–107, 115–117

Membership in the Fund, 3, 6, 78, 122

Microcomputers, use of, 5, 50, 89

Middle Eastern Department, 2, 78–79, 118

Missions, 2, 3, 6, 12, 25–27, 32, 35, 44–45, 50–51, 61, 63, 65, 67, 69, 72–73, 78–81, 87

Monetary Stability and Economic Growth, 3, 31, 71

Morning Press, 70–71

N

News ticker services, 47

O

Occasional Papers, 4, 31–33, 47, 70–71, 81

Oil facility, 122

Ombudsman, 41

Operations and Relations with Member Countries, 2, 3, 5, 19, 25–26

Organization, chart of, 55

Overseas allowances, 39, 42, 110, 115–117

Overtime, 12, 19, 40

P

Parking charges, 11, 46

Picnic, annual, 46

Policy Development and Research, General, 2, 3, 5, 19, 23–24, 73, 80–81

Postage, 33, 39, 45, 83, 111

Press conferences and releases, 3, 31–34, 70–71

Pricing policy, seminar on, 28, 75

Printing, see Contractual printing

Publications program, 31, 70–71

Public Enterprise in Mixed Economies, 3, 31, 71

Q

Quotas, Eighth General Review of, 84–85

R

Rental of equipment, 47–48, 50, 111

Rental of space, 39, 46–47, 111

Representation expenses, 39, 50, 111

Research Department, 6, 13, 23, 32, 40–41, 69, 80–81, 95, 118

Research paper, cost of, 23

Resident representatives and advisors, 5, 7, 9, 26, 42–45, 98–99, 104–105, 107–108

Retirement contributions, 39, 43, 110, 115–117

Rolm telephone, 7, 9, 36, 45, 59

Rules and Regulations, 1, 76

S

Salaries, 1, 8, 9, 20, 22–23, 25–27, 29–31, 34–36, 39–41, 48–49, 103, 110, 113–117

Salary adjustments, general, 1, 4, 8, 9, 11, 12, 39, 42, 104–107, 109

Secretarial Staff, Support Group, 5, 7, 98, 118

Secretary's Department, 5, 7, 13, 46, 48, 82–83, 118

Security: 4, 5, 36, 40, 46, 83

Selected Decisions of the International Monetary Fund, 31, 33

Seminars, Fund-sponsored, 4, 31–32, 45, 51, 63, 65, 71–75

Separation grants, 9, 42, 104, 106–107, 124

Settlement allowances, 39, 42, 104, 106, 110, 115–117

Settling-in grants, 42

Social and welfare expenses, 39, 43, 110

Society for International Development, 51

Special appointees, 28, 40, 42, 45, 115

Special Drawing Rights (SDRs), 1, 2, 3, 12, 13, 15, 23, 71, 76–77, 81, 122–123

Special Representative to UN, 35, 46, 97, 118

Special Services to Member Countries, 2, 4, 19, 27–30, 73–74

Spouse allowance, 42

Staff ceiling, 5, 14, 40, 57, 118–121

Staff by occupational group, 121

Staff by range, 120

Staff compensation study, 3, 36, 50, 59, 106

Staff Contingency Fund, 6, 7, 9, 40–41, 104

Staff Papers, 31, 33, 47, 70–71

Staff Retirement Plan, 1, 5, 6, 9, 12, 43, 50, 58–59, 76–77, 84–85, 96, 104–106, 124

Stand-by arrangements, 4, 23, 25–26, 61, 63, 67, 77, 79, 87, 122

Statistics, Bureau of, 4, 5, 7, 27, 32, 40–41, 48, 59, 72, 75, 89, 92–93, 118

Study allowances, 39, 42, 110, 115–117

Subsidy Account, 13, 85

Summary Proceedings, 33, 70

Summer Intern Program, 40

Sundries, 39, 51, 111

Supplementary Financing Facility Subsidy Account, 13, 25, 85

Supplies, expendable, 39, 48, 51, 111

Supply Side Economics, 31, 71

Support Group, 7, 98–99, 118

Support Services, General, 5, 7, 19, 36

Surveillance of exchange rates, 3, 12, 23, 25, 68–69, 81, 87

T

Tape subscription, 31, 93

Tax allowances, 9, 12, 39, 42, 85, 96, 104, 106–107, 110, 115–117

Taxation, Inflation and Interest Rates, 3, 31, 71

Technical assistance, 3, 4, 39, 64–65, 72–74, 76, 78–79, 92–93

Technical assistance expert man-year, cost of, 29, 108, 116

Technical assistance experts, 2, 4, 9, 12, 19, 27–29, 39, 41–43, 45, 64–65, 110, 115–117

Telegraph, 39, 45, 111

Telephone, 7, 9, 36, 39, 45, 58–59, 111

Termination Benefits Fund, 43

Termination incentives, 39, 43, 106, 110, 115–117
 Training of staff, 3, 42, 59, 88–89
 Travel,
 airfares, 9, 44–45, 106
 business, 12, 20, 22–23, 25, 27, 29, 31, 34–36, 39, 44–45, 103,
 106, 108, 110, 113–117
 education, 45
 emergency, 45
 field and social, 45
 home leave, 39, 45, 110, 115–117
 rest and recuperation, 45
 settlement, 39, 44–45, 104–107, 110, 115–117
 spouses' points, 45
 study, 45
 Treasurer's Department, 5, 6, 13, 23, 41, 48–49, 84–85, 89, 96,
 118
 Trust Fund, 3, 13, 85

U

United Way Campaign, 51
 Utilities, 39, 46, 106, 111

V

Visitors' Center, 1, 4, 32, 41, 47–48, 50, 71

W

Western Hemisphere Department, 6, 40–41, 48, 73, 86–87, 118
 Word processors, 5, 50, 89
 Working papers, 65, 69, 73
 World Bank, 4, 7, 20–21, 35, 40, 46, 51, 59, 61, 63, 67–69, 71, 73,
 82, 88–89, 91, 94
World Economic Outlook, 2, 4, 6, 23, 31, 47, 49, 71–73, 80–81, 87,
 89, 105

