



BOARD OF GOVERNORS  
OF THE  
**FEDERAL RESERVE SYSTEM**  
WASHINGTON, D. C. 20551

DATE: November 15, 2016

TO: Board of Governors

VIA: Governor Jerome Powell

FROM: Don Hammond, Chief Operating Officer

SUBJECT: 2017 Board Operating and Capital Budgets <sup>1</sup>

**Action Requested**

Staff <sup>2</sup> recommends that the Board approve the following:

1. A \$744.6 million operating budget for 2017, which includes an increase of 58 authorized positions;
2. A \$14.0 million single-cycle capital budget for 2017;
3. A \$412.2 million multi-cycle capital budget; and
4. Changing the name of the Division of Banking Supervision and Regulation to Division of Supervision and Regulation, and the oversight committee from Committee on Bank Supervision to Committee on Supervision and Regulation, effective January 1, 2017.

**Summary**

This is the second budget request since the Board approved the 2016-19 Strategic Plan (the Plan) in July 2015. The Plan identifies six overarching pillars for the Board to address over the four-year planning horizon.<sup>3</sup> Recognizing the fiscal reality in which the Board operates, the Plan includes a key pillar

**Figure 1. Summary of 2017 Budget Components**

Millions of dollars				
Components	2016	2017	Variance	
	Budget	Budget	Amount	Percent
Operating Budget	\$ 709.5	\$ 744.6	\$ 35.0	4.9%
Single-Cycle Capital	9.0	14.0	5.0	56.1%
Multi-Cycle Capital	468.5	412.2	(56.2)	-12.0%

<sup>1</sup> The requests in this memorandum do not include the costs related to the budget of the Office of Inspector General (OIG). The OIG’s budget is submitted separately from the Board’s budget, consistent with the independence of that office.

<sup>2</sup> Bill Mitchell, Steve Bernard, Karen Vassallo, William Futrell, Kevin Brooks, and Troy Dibley co-authored this memo.

<sup>3</sup> The six pillars in the Plan are: project development and resource allocation, workforce, physical infrastructure, technology, data, and public engagement and accountability. The Plan is located at: <http://www.federalreserve.gov/publications/gpra/files/2016-2019-gpra-strategic-plan.pdf>.

related to project development and resource allocation, which seeks to align resources to support current and emerging programs central to accomplishing the Board's mission.

The 2017 budget request is grounded in the principles established by the Plan and provides funding to advance the Plan's goals, objectives, and initiatives. As shown in Figure 1, the operating budget represents a 4.9 percent increase over the 2016 approved budget. Excluding the expenses associated with the Survey of Consumer Finances, which occurs every three years, and centrally-managed benefits (e.g., post-retirement benefits), which fluctuate due to changes in actuarial and demographic assumptions, the Board's operating budget request is 7.3 percent higher than the 2016 budget. The single-cycle capital budget of \$14.0 million represents a significant percentage increase over 2016, driven primarily by the reclassification of data center funding from the multi-cycle capital budget to the single-cycle capital budget. The change reflects completion of the data center's relocation and the move to a steady-state operation of the new facility. The 2017 multi-cycle capital budget of \$412.2 million represents a 12.0 percent decrease from 2016; the budget includes new funding for various building and automation projects, which are more than offset by several project closures. The following sections provide additional information on each budget request.

### **2017 Operating Budget**

At the start of the budget process, the Chief Operating Officer and Chief Financial Officer met with the Committee on Board Affairs (CBA) to recommend a specific growth target for the Board's overall 2017 operating budget. The recommended growth rate of 8.0 percent, which excluded the Survey of Consumer Finances and certain centrally-managed benefits, included known changes in the run-rate of the Board's ongoing operations, a constraining growth target of 2 percent for additional positions, and small increases to account for higher data and technology-related costs. The target, which was briefed to the Board members during the budget process, also identified specific growth rates for each of the Board's four functional areas: Monetary Policy and Public Programs, Supervision and Regulation, Reserve Bank Oversight, and Support and Overhead.

Achieving the CBA's growth target required all divisions to prioritize their needs and identify existing funding and/or staffing for any new initiatives or increases to goods and services accounts. Because requests for new positions initially exceeded the CBA's 2 percent growth target, division directors within each functional area collaborated and reduced their requested positions to fall in line with the CBA's guidance. During the prioritization process, several key strategic initiatives were identified and are funded as new initiatives:

- Implementing a mobility strategy and transitioning the current smartphone infrastructure and handsets to a new platform; and
- Modernizing the financial data repository system that houses most of the financial data collected by the Federal Reserve System and used by the Board for supervisory policy and research purposes.

The proposed 2017 operating budget of \$744.6 million represents growth of \$35.0 million (4.9 percent) over the 2016 budget and growth of \$49.3 million (7.1 percent) over forecasted spending for 2016.<sup>4</sup> Excluding the triennial Survey of Consumer Finances and centrally-managed benefits, the 2017 operating budget represents growth of 7.3 percent, which is below the CBA’s overall growth target. Figure 2 presents the proposed 2017 operating budget by functional areas; appendix 1 reflects the 2016 operating budget, 2016 forecast, and proposed 2017 budget by division, office, or special account while appendix 2 contains the same information by account classification.

**Figure 2. Board 2017 Operating Budget by Functional Area**

Millions of dollars Functional Area	2016 Budget	2017 Budget	Variance 2016B To 2017B	
			Amount	Percent
Monetary Policy & Public Programs	\$ 172.1	\$ 187.6	\$ 15.4	9.0%
Supervision & Regulation	199.7	211.0	11.3	5.6%
Reserve Bank Oversight	33.1	35.5	2.3	7.0%
Support & Overhead	275.7	296.1	20.4	7.4%
<b>Total Without Survey, Central Benefits</b>	<b>\$ 680.7</b>	<b>\$ 730.1</b>	<b>\$ 49.4</b>	<b>7.3%</b>
Survey of Consumer Finances	14.8	0.6	(14.2)	-95.8%
Centrally-Managed Benefits	14.1	13.9	(0.2)	-1.4%
<b>Grand Total</b>	<b>\$ 709.5</b>	<b>\$ 744.6</b>	<b>\$ 35.0</b>	<b>4.9%</b>

Note: Components may not sum to totals and may not yield percentages shown because of rounding.

## Personnel Services Costs

The proposed operating budget includes budget-to-budget growth in personnel services costs of \$39.8 million. Growth in the fundamental run-rate to support the Board’s ongoing operations accounts for the majority of the total budget-to-budget increase. Specifically, increases in personnel expenses of \$34.3 million reflect the full-year impact of the 89 positions added in 2016; other salary adjustments, such as promotions, completed during 2016; projected healthcare increases; and funding for the 2017 merit and variable pay programs, as well as other personnel actions, such as promotions and salary equity adjustments.

The proposed 2017 operating budget also includes \$5.5 million for 58 new positions. The position growth brings the Board’s total authorized position count to 2,847 and represents a 2.1 percent increase over 2016 total authorized positions. The proposed increase is in line with the overall position growth target set by the CBA and provides additional resources to advance various initiatives in support of the Plan’s pillars related to project development and resource allocation,

<sup>4</sup> Projected spending is based on actual expenses incurred through September 2016, current staffing levels, approved personnel actions, and anticipated spending for the final quarter of the year.

data, and technology. As shown in Figure 3, over 80 percent of the new positions will support the monetary policy, public programs, and supervision and regulation functions.

- Monetary Policy and Public Programs: 21 new positions for research and analysis, international economics, monetary statistics and analysis, financial stability, and data collections.
- Supervision and Regulation: 26 positions for stress testing, cybersecurity, consumer regulations, rulemaking, Financial Market Utilities oversight, financial system stability, and litigation and enforcement.
- Reserve Bank Oversight: 4 positions to address workload issues in the oversight areas of information technology, building and planning, and human resources.
- Support and Overhead: 7 positions to implement the new data stewardship program, execute cybersecurity initiatives, and enhance financial management capabilities.

**Figure 3. Positions by Functional Area**

Functional Area	2016 Positions	2017 Positions	2016 To 2017	
			Amount	Percent
Monetary Policy & Public Programs	801	822	21	2.6%
Supervision & Regulation	713	739	26	3.6%
Reserve Bank Oversight	125	129	4	3.2%
Support & Overhead	1,150	1,157	7	0.6%
<b>Grand Total</b>	<b>2,789</b>	<b>2,847</b>	<b>58</b>	<b>2.1%</b>

Appendix 3 contains more detailed information regarding position changes by division.

**Goods and Services Costs**

Key drivers of the goods and services net increase of \$9.6 million include new leased space to accommodate Boardwide position growth (\$9.1 million) and targeted cost increases for data, certain contractual professional services, and depreciation for major capital projects (collectively \$5.3 million). Investments in new leased space and major capital projects are in line with the objectives and initiatives in the physical infrastructure pillar of the Plan. The increases are partially offset by a reduction in Supervision and Regulation due to the transfer of several national supervision data contracts to the Federal Reserve Bank of Philadelphia (-\$4.8 million).<sup>5</sup>

**Survey and Centrally-Managed Benefits**

The Survey of Consumer Finances, which collects information about family incomes, net worth, balance sheet components, credit use, and other financial outcomes, is conducted every three years

<sup>5</sup> The costs for these data contracts will be reflected in FRB Philadelphia’s budget.

and was conducted in 2016. The proposed 2017 operating budget represents a \$14.2 million reduction in survey expenses from 2016. In addition, centrally-managed benefits (e.g., post-retirement benefits), which fluctuate due to changes in actuarial and demographic assumptions, represents a \$0.2 million reduction to the proposed 2017 operating budget.

**Capital Budget**

The Board’s capital budget consists of single-cycle and multi-cycle components. Single-cycle capital projects, such as hardware purchases and software upgrades, are planned for completion within the current budget cycle, while multi-cycle capital projects, such as building renovations and certain automation initiatives, span several budget cycles.

Figure 4 summarizes the Board’s 2017 single-cycle capital budget request. The proposed budget of \$14.0 million represents an increase of \$5.0 million from the 2016 single-cycle capital budget. The primary driver of the increase is the reclassification of data center funding from the multi-cycle to the single-cycle capital budget as noted earlier in this memo; all routine data center infrastructure purchases are now part of the single-cycle capital budget. Increased spending for automation projects is driven by the cybersecurity initiative consistent with the Plan, while the decrease in equipment purchases and lifecycle replacements is due to the anticipated completion of projects, such as the closed-circuit television system upgrade.

**Figure 4. Single-Cycle Capital Budget**

Type	2016 Budget	2017 Budget	Variance 2016B To 2017B	
			Amount	Percent
Data Center Infrastructure <sup>1</sup>	\$ -	\$ 5.0	\$ 5.0	n.a.
Building Improvements	-	0.3	0.3	n.a.
Automation Projects	1.7	3.6	1.9	114.5%
Equipment Purchases & Lifecycle Replacements	7.3	5.1	(2.1)	-29.5%
<b>Grand Total</b>	<b>\$ 9.0</b>	<b>\$ 14.0</b>	<b>\$ 5.0</b>	<b>56.1%</b>

Note: Components may not sum to totals and may not yield percentages shown because of rounding.  
 1. Previously, routine data center infrastructure purchases had been part of the multi-cycle capital budget.

Figure 5 summarizes the proposed multi-cycle capital budget. The proposed budget represents a decrease of \$56.2 million, which reflects the closure of several capital projects, partially offset by funding for three new projects and increases to two existing projects.

**Figure 5. Multi-Cycle Capital Budget**

Project	Current Project Life Budget	Initiatives & Project Closures	New Project Life Budget	Estimated Project Life Spending Through YE 2016		2017 Budgeted Capital Outlays
				Dollars	% Spent	
Martin building renovation	\$ 244.0	\$ 55.3	\$ 299.3	\$ 49.2	20.2%	\$ 27.0
Data center relocation <sup>1,2</sup>	83.4	(83.4)	-	53.8	64.5%	
NYA reconfiguration <sup>1</sup>	26.2	(26.2)	-	25.9	98.9%	
NYA reconfiguration - 8th floor		4.9	4.9			0.2
NYA restroom infrastructure upgrades		1.8	1.8			0.2
NYA emergency generator	1.2		1.2			1.2
International Square build out - existing space <sup>3</sup>	19.6		19.6	16.1	82.0%	
International Square build out - new space <sup>3</sup>	20.0		20.0	1.0	5.0%	11.0
Eccles mechanical and infrastructure upgrades	9.0		9.0	4.3	48.0%	2.0
Eccles/NYA fire alarm system upgrade	5.2		5.2	0.3	4.8%	3.0
Eccles switchgear replacement <sup>1</sup>	8.9	(8.9)	-	8.8	98.5%	
C Street barriers <sup>4</sup>	1.5	(1.5)	-			
Eccles IT closets <sup>4</sup>	0.5	(0.5)	-			
RWRS conference room modernization <sup>1</sup>	0.4	(0.4)	-	0.4	100.0%	
C-SCAPE	11.8		11.8	7.1	59.7%	2.6
RAMP	5.0	2.0	7.1	3.0	59.4%	1.9
S&R IT advanced data analytics	1.9		1.9	0.5	26.5%	1.3
HR strategic automation	4.7		4.7	3.9	83.4%	0.4
Security tool implementation	0.7		0.7	0.7	100.0%	0.1
Statistics function support/ICAP	4.6		4.6	3.2	70.7%	1.3
CDO platforms	4.0		4.0	0.8	20.5%	1.4
Data governance and quality	1.4		1.4			0.3
Data access and integration	10.0		10.0			3.0
Data discovery and collaboration	1.8		1.8			0.3
Financial Data Repository (FDR) modernization		0.8	0.8			0.8
e-Discovery	2.3		2.3	1.9	83.6%	0.2
Procurement software	0.3		0.3			0.3
<b>Grand Total</b>	<b>\$ 468.5</b>	<b>\$ (56.2)</b>	<b>\$ 412.2</b>	<b>\$ 180.9</b>	<b>38.6%</b>	<b>\$ 58.3</b>

Note: Components may not sum to totals and may not yield percentages shown because of rounding.

Acronyms: New York Avenue (NYA). Richmond West Relocation Site (RWRS). Consolidated Supervision Comparative Analysis, Planning, and Execution (C-SCAPE). Regulation, Analysis, and Modeling Platform (RAMP). Supervision & Regulation (S&R). Human Resources (HR). Information Collection and Processing (ICAP). Chief Data Officer (CDO).

1. These projects will be retired with the approval of the 2017 budget.
2. Routine data center infrastructure purchases will now be part of the single-cycle capital budget.
3. It is requested that the projects for existing and new space be reported separately.
4. These projects have been cancelled.

During 2016, several major capital projects were completed for the Eccles and New York Avenue buildings; these projects, along with the data center relocation project, will be closed with the 2017 budget. New projects include additional building improvements at the New York Avenue building and modernization of the financial data repository application, as noted earlier in this memo. The multi-cycle capital budget also includes i) requested increases to the Martin building renovation

project<sup>6</sup> to reflect updated construction cost estimates and ii) additional automation funding for a Banking Supervision and Regulation architecture that provides a centralized, secured location for multiple collections and data sets accessible throughout the Federal Reserve System.

### **2016 Budget Performance**

Staff forecast that the Board will underrun its 2016 operating budget by approximately \$14.2 million, or 2.0 percent. Appendix 1 contains budget performance information by division, while Appendix 2 shows the same information by account. As shown in Appendix 2, staff forecast that personnel services expenses will underrun the budget by \$3.6 million and that goods and services expenses will underrun the budget by \$10.6 million. The underrun in personnel services is the result of higher-than-budgeted vacancy rates and lower-than-expected health insurance premiums. Underruns in goods and services are driven primarily by lower utilization of contractual services, primarily in the Office of the Chief Operating Officer, Management Division, Division of Information Technology, and Legal Division; lower-than-expected expenses for software renewals; and lower depreciation expenses due to delays in several major capital projects. Staff in the Division of Financial Management continue to work with administrative staff in all of the divisions to better utilize the Board's budget and forecasting application to enhance the budgeting and forecasting processes.

As Appendix 1 shows, several divisions are forecasted to overspend their 2016 operating budgets, primarily due to lower-than-budgeted vacancy rates and higher-than-budgeted salary actions. Under the Board's Delegations of Administrative Authority policy, the Administrative Governor, COO, and CFO have the authority, up to certain limits, to approve these overexpenditures, since i) the Board is underrunning its overall operating budget and ii) the division overruns are within the stated limits.

### **2017 Division Name Change**

The Division of Banking Supervision and Regulation requests to change the name of its division to the Division of Supervision and Regulation, effective January 1, 2017. The division believes that the new name is more reflective of its wider responsibilities as a result of the regulatory reforms implemented after the financial crisis. In addition, the division requests that the name of its oversight committee be changed from Committee on Bank Supervision to Committee on Supervision and Regulation.

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<sup>6</sup> The total project budget for the Martin building renovation is now estimated at \$373.0 million.

## APPENDICES

**Appendix 1. Board 2017 Operating Budget by Division, Office, or Special Account**

Millions of dollars									
Division, Office, or Special Account	2016 Budget	2016 Forecast	Variance 2016B To 2016F		2017 Budget	Variance 2016F To 2017B		Variance 2016B To 2017B	
			Amount	Percent		Amount	Percent	Amount	Percent
Research & Statistics (R&S)	\$ 72.6	\$ 73.4	\$ 0.8	1.1%	\$ 80.1	\$ 6.8	9.2%	\$ 7.6	10.4%
International Finance (IF)	31.5	31.2	(0.3)	-0.9%	33.4	2.2	7.2%	1.9	6.2%
Monetary Affairs (MA)	37.8	37.6	(0.2)	-0.4%	41.1	3.5	9.2%	3.3	8.8%
Financial Stability (FS)	10.0	10.6	0.6	5.6%	12.7	2.1	20.3%	2.7	27.0%
Banking Supervision & Regulation (BS&R)	139.1	136.4	(2.8)	-2.0%	143.4	7.0	5.1%	4.2	3.0%
Consumer & Community Affairs (C&CA)	31.9	31.4	(0.5)	-1.5%	35.3	3.8	12.1%	3.3	10.5%
Reserve Bank Operations & Payment Systems (RBOPS)	41.2	41.8	0.6	1.5%	44.7	2.9	6.9%	3.5	8.5%
Board Members (BDM)	28.0	26.6	(1.4)	-4.9%	28.4	1.8	6.6%	0.4	1.4%
Office of the Secretary (OSEC)	10.6	10.7	0.1	1.1%	11.3	0.6	5.6%	0.7	6.8%
Legal	28.9	27.3	(1.5)	-5.3%	32.1	4.7	17.4%	3.2	11.1%
Chief Operating Officer (COO)	15.8	14.2	(1.7)	-10.5%	17.7	3.5	24.8%	1.9	11.7%
Financial Management (DFM)	12.2	11.9	(0.3)	-2.1%	12.8	0.9	7.6%	0.7	5.4%
Information Technology (IT)	103.0	101.8	(1.2)	-1.2%	116.0	14.2	13.9%	13.0	12.6%
IT Income	(45.5)	(45.5)	(0.0)	0.0%	(48.3)	(2.8)	6.1%	(2.8)	6.1%
Management (MGT)	122.3	119.2	(3.1)	-2.5%	137.0	17.8	15.0%	14.7	12.0%
Other <sup>1</sup>	41.3	37.8	(3.5)	-8.5%	32.5	(5.4)	-14.2%	(8.9)	-21.5%
<b>Total Without Survey, Central Benefits</b>	<b>\$ 680.7</b>	<b>\$ 666.4</b>	<b>\$ (14.2)</b>	<b>2.1%</b>	<b>\$ 730.1</b>	<b>\$ 63.6</b>	<b>9.6%</b>	<b>\$ 49.4</b>	<b>7.3%</b>
Survey of Consumer Finances	14.8	14.2	(0.6)	-4.2%	0.6	(13.6)	-95.6%	(14.2)	-95.8%
Centrally-Managed Benefits	14.1	14.7	0.6	4.4%	13.9	(0.8)	-5.5%	(0.2)	-1.4%
<b>Grand Total</b>	<b>\$ 709.5</b>	<b>\$ 695.3</b>	<b>\$ (14.2)</b>	<b>2.0%</b>	<b>\$ 744.6</b>	<b>\$ 49.3</b>	<b>7.1%</b>	<b>\$ 35.0</b>	<b>4.9%</b>

Note: Components may not sum to totals and may not yield percentages shown because of rounding.

1. Includes the Martin Building renovation project and other Boardwide programs. Ongoing operational costs related to the data center project have been reallocated to R&S, IT, and MGT as part of the 2017 budget.

**Appendix 2. Board 2017 Operating Budget by Account Classification**

Millions of dollars	2016 Budget	2016 Forecast	Variance 2016B To 2016F		2017 Budget	Variance 2016F To 2017B		Variance 2016B To 2017B	
Account			Amount	Percent		Amount	Percent	Amount	Percent
Salaries	\$ 401.0	\$ 398.9	\$ (2.1)	-0.5%	\$ 433.9	\$ 35.1	8.8%	\$ 32.9	8.2%
Retirement/Thrift Plans	41.5	41.7	0.1	0.3%	45.5	3.9	9.3%	4.0	9.6%
Employee Insurance	36.6	35.0	(1.6)	-4.3%	39.5	4.5	12.8%	2.9	7.9%
<b>Sub Total, Personnel Services</b>	<b>\$ 479.1</b>	<b>\$ 475.5</b>	<b>\$ (3.6)</b>	<b>0.8%</b>	<b>\$ 519.0</b>	<b>\$ 43.4</b>	<b>9.1%</b>	<b>\$ 39.8</b>	<b>8.3%</b>
Postage & Shipping	0.4	0.3	(0.1)	-32.2%	0.4	0.1	46.3%	(0.0)	-0.8%
Travel	16.4	16.0	(0.4)	-2.5%	17.5	1.4	9.0%	1.0	6.2%
Telecommunications	7.2	6.8	(0.3)	-4.8%	8.3	1.5	21.7%	1.1	15.8%
Printing & Binding	2.2	2.1	(0.2)	-8.7%	2.2	0.1	6.1%	(0.1)	-3.2%
Publications	0.6	0.6	(0.0)	0.0%	0.6	0.0	8.0%	0.0	8.0%
Stationery & Supplies	1.4	1.3	(0.0)	-2.8%	1.7	0.3	24.0%	0.3	20.5%
Software	16.5	15.4	(1.2)	-7.0%	17.1	1.7	11.2%	0.6	3.5%
Furniture & Equipment (F&E)	6.4	6.1	(0.3)	-4.8%	11.1	5.0	82.0%	4.7	73.3%
Rentals	27.0	27.3	0.3	1.1%	30.6	3.2	11.8%	3.5	13.0%
News, Data, & Research	18.0	17.4	(0.6)	-3.5%	14.1	(3.3)	-18.8%	(3.9)	-21.6%
Utilities	3.3	2.8	(0.5)	-14.9%	2.8	(0.0)	-0.2%	(0.5)	-15.0%
Repairs & Alterations - Building	2.2	2.9	0.7	30.5%	2.7	(0.3)	-8.6%	0.4	19.3%
Repairs & Maintenance - F&E	5.6	4.6	(1.0)	-17.8%	5.4	0.8	16.7%	(0.2)	-4.0%
ARC Expenses/R&S	1.1	1.1	-	0.0%	1.1	-	0.0%	-	0.0%
ARC Income/R&S	(1.1)	(1.1)	-	0.0%	(1.1)	-	0.0%	-	0.0%
Contingency Processing Center (CPC)	-	0.0	0.0	n.a.	-	(0.0)	-100.0%	-	n.a.
Contractual Professional Services <sup>1</sup>	53.3	48.6	(4.7)	-8.8%	53.7	5.1	10.5%	0.4	0.8%
Interest	0.0	0.0	(0.0)	-2.5%	0.0	(0.0)	-40.0%	(0.0)	-41.5%
Tuition/Registration/Memberships <sup>1</sup>	3.2	3.1	(0.1)	-3.7%	4.8	1.8	56.9%	1.6	51.2%
Subsidies & Contributions	0.9	0.9	(0.0)	-1.6%	0.9	0.0	4.3%	0.0	2.6%
All Other	3.4	3.6	0.2	5.6%	3.6	0.1	2.5%	0.3	8.3%
Budget Reallocations & Savings	0.0	-	(0.0)	-100.0%	-	-	n.a.	(0.0)	n.a.
Depreciation	40.3	37.5	(2.8)	-7.0%	40.3	2.8	7.5%	0.0	0.0%
IT User Charge	45.1	45.1	0.0	0.0%	47.5	2.3	5.2%	2.3	5.2%
IT Income	(45.5)	(45.5)	(0.0)	0.0%	(48.3)	(2.8)	6.1%	(2.8)	6.1%
Income	(6.5)	(6.0)	0.5	-7.9%	(5.9)	0.1	-2.4%	0.7	-10.1%
<b>Sub Total, Goods &amp; Services</b>	<b>\$ 201.5</b>	<b>\$ 190.9</b>	<b>\$ (10.6)</b>	<b>5.3%</b>	<b>\$ 211.1</b>	<b>\$ 20.2</b>	<b>10.6%</b>	<b>\$ 9.6</b>	<b>4.8%</b>
<b>Total Without Survey, Central Benefits</b>	<b>\$ 680.7</b>	<b>\$ 666.4</b>	<b>\$ (14.2)</b>	<b>2.1%</b>	<b>\$ 730.1</b>	<b>\$ 63.6</b>	<b>9.6%</b>	<b>\$ 49.4</b>	<b>7.3%</b>
Survey of Consumer Finances	14.8	14.2	(0.6)	-4.2%	0.6	(13.6)	-95.6%	(14.2)	-95.8%
Centrally-Managed Benefits	14.1	14.7	0.6	4.4%	13.9	(0.8)	-5.5%	(0.2)	-1.4%
<b>Grand Total</b>	<b>\$ 709.5</b>	<b>\$ 695.3</b>	<b>\$ (14.2)</b>	<b>2.0%</b>	<b>\$ 744.6</b>	<b>\$ 49.3</b>	<b>7.1%</b>	<b>\$ 35.0</b>	<b>4.9%</b>

Note: Components may not sum to totals and may not yield percentages shown because of rounding.

1. The 2017 budget includes a realignment of external training costs from contractual professional services to tuition/registration/memberships.

Acronyms: Automation and Research Computing (ARC).

**Appendix 3. Positions by Division**

Division or Office	2016 Budget	2016 Current	Variance 2016B To 2016C		2017 Budget	Variance 2016C To 2017B		Variance 2016B To 2017B	
			Amount	Percent		Amount	Percent	Amount	Percent
Research & Statistics (R&S) <sup>1</sup>	346	346	-	0.0%	356	10	2.9%	10	2.9%
International Finance (IF)	152	152	-	0.0%	154	2	1.3%	2	1.3%
Monetary Affairs (MA) <sup>1</sup>	167	168	1	0.6%	172	4	2.4%	5	3.0%
Financial Stability (FS)	50	50	-	0.0%	55	5	10.0%	5	10.0%
Banking Supervision & Regulation (BS&R) <sup>2</sup>	486	480	(6)	-1.2%	493	13	2.7%	7	1.4%
Consumer & Community Affairs (C&CA)	123	123	-	0.0%	131	8	6.5%	8	6.5%
Reserve Bank Operations & Payment Systems (RBOPS)	176	176	-	0.0%	183	7	4.0%	7	4.0%
Board Members (BDM)	121	121	-	0.0%	121	-	0.0%	-	0.0%
Office of the Secretary (OSEC)	53	53	-	0.0%	53	-	0.0%	-	0.0%
Legal	123	123	-	0.0%	125	2	1.6%	2	1.6%
Chief Operating Officer (COO) <sup>1</sup>	65	64	(1)	-1.5%	68	4	6.3%	3	4.6%
Financial Management (DFM)	66	66	-	0.0%	68	2	3.0%	2	3.0%
Information Technology (IT)	412	412	-	0.0%	413	1	0.2%	1	0.2%
Management (MGT) <sup>2</sup>	449	455	6	1.3%	455	-	0.0%	6	1.3%
<b>Grand Total</b>	<b>2,789</b>	<b>2,789</b>		<b>0.0%</b>	<b>2,847</b>	<b>58</b>	<b>2.1%</b>	<b>58</b>	<b>2.1%</b>

1. Reflects the transfer of one new position approved in the 2016 budget from COO to R&S. In addition, R&S transferred a position to MA.

2. Reflects the transfer of six positions from BS&R to MGT for the realignment of the Human Resources function.