



1. Local Grant Payments. \$762,910

| | | |
|---|-----------|---------------|
| 61 Full-Time Staff (including 4% increase and 5% bonus) | \$744,910 | |
| Supplemental Security | | <u>18,000</u> |
| Total | \$762,910 | |

2. Staff Education & Training. \$88,520

a. Training for ED, ED's secretary, and MBA program for selected staff person.

Cost of Training: \$ 9,500

b. Training for SDED and his direct reports.

Cost of Training: \$ 4,000

c. Training for DED-EU and his direct reports.

Cost of Training: \$11,700

d. Training for DED-CA and his direct reports.

Cost of Training: \$10,500

e. Training for DED-US and his direct reports.

Cost of Training: \$10,700

f. Training for CFO and Finance and IT Departments.

Cost of Training: \$19,930

g. Training for CAO and Administrative Department.

Cost of Training: \$22,190

Total cost of Staff Education and Training \$88,520

3. Employee Morale and Welfare. \$20,000

Center subsidizes the cost of lunch for staff members. Furthermore, includes cost of bereavement contributions, Christmas and birthday activities, family functions, and special occasions. Decreased by \$5,000 from 2006 due to cost cutting measures.

Total Cost: \$20,000

4. Medical & Dental Plans \$90,000

Maintained same as 2006.

| | |
|--------------------------------------|-----------------|
| - Medical Plan | \$70,000 |
| - Dental Plan (Maximum \$250/family) | <u>\$20,000</u> |
| Total Cost | \$90,000 |



5. International Travel. \$38,600

- a. Senior STCU staff travel (including Advisory Committee Meetings) as required and approved by the Executive Director.
Cost: \$14,000
 - b. Travel Costs associated with travel to Wiesbaden for annual audit planning conference.
Cost: \$3,200
 - c. Other travel associated with management and staff (CAO to Brussels, etc.)
Cost: \$21,400
- Total Cost: \$38,600

6. Travel within the CIS. \$128,840

- a. Senior Specialist monitoring in Azerbaijan, Ukraine, Georgia, Moldova, and Uzbekistan.
Cost: \$43,430
 - b. Project Accountant monitoring in Azerbaijan, Ukraine, Georgia, Moldova, and Uzbekistan.
Cost: \$31,570
 - c. Secretariat trips to non-Kyiv cities in Ukraine, as well as travel to Uzbekistan, Georgia, Moldova, and Azerbaijan, including possible Governing Board to be held in Chisinau, Moldova.
Cost: \$53,840
- Total Cost: \$128,840

7. Local Travel. \$22,925

Consists of taxis utilized by STCU staff when STCU vehicles are unavailable. Also, includes cost of providing transport to and from Libidskaya Metro Station to the STCU headquarters in the mornings and at night, as well as the cost of providing secured cash transport to and from the STCU's bank (as per the auditor's recommendation to the Governing Board).

- Taxis \$ 6,000
 - Secure Cash Transport \$ 5,625
 - Bus to and from Kyiv Headquarters \$11,300
- Total Cost \$22,925

8. Representation. \$10,000

Reduced by \$5,000 from 2006 due to cost cutting measures.



9. **Postage and Delivery.** **\$11,000**

Increased by 10% over 2006 due to inflation.

10. **Customs Storage.** **\$500**

Maintained same as 2006.

11. **General Office Supplies.** **\$28,000**

Increased because of inflation from \$26K in 2006 to \$28K in 2007.

12. **Office Equipment Repair/Maintenance.** **\$3,000**

Decreased from \$5K in 2006 because of continued policy of replacing older office equipment with newer equipment before old equipment becomes obsolete.

13. **Vehicle Operations.** **\$25,000**

Because cost of fuel has increased, this budget line increased from \$20K in 2006 to \$25K in 2007.

Total Cost: \$25,000

14. **Printing and Reproduction.** **\$25,000**

| | |
|-------------------------------------|----------------|
| - Annual Report | \$10,000 |
| - News Articles | \$7,000 |
| - Brochures and Marketing Materials | <u>\$8,000</u> |
| Total Cost | \$25,000 |

15. **Telecommunications Services.** **\$50,000**

Increased from \$47K in 2006 to \$50K in 2007 because of increased usage (addition of Moldova) and inflation in UA.

16. **Business Meetings and Conferences.** **\$6,000**

| | | |
|---------------------------------|-------------|----------------|
| a. Board meetings. | 2 * 1,500 = | \$3,000 |
| b. Advisory committee meetings. | 2 * 500 = | \$1,000 |
| c. IO and FO Meetings | 2 * 1,000 = | <u>\$2,000</u> |

Total cost of business meetings and conferences: \$6,000

17. **Subscriptions and Publications.** **\$4,000**

| | |
|------------------------|---------|
| - Journal Subscription | \$4,000 |
|------------------------|---------|



18. **Public Affairs.** **\$0**

In the past utilized for financial support of conferences; however, eliminated in 2007 due to cost cutting measures.

19. **Building Supplies.** **\$12,000**

Maintained same as 2006.

20. **Branch Offices (Kh, Lviv, Dnip, Tashkent, Baku, Chisinau & Tbilisi).** **\$73,800**

| | | | |
|---|----------------|--------------|----------|
| - | Tashkent | \$16,520 | |
| - | Tbilisi | 7,000 | |
| - | Baku | 10,320 | |
| - | Chisinau | 9,000 | |
| - | Kharkiv | 14,120 | |
| - | Dnipropetrovsk | 8,420 | |
| - | Lviv | <u>8,420</u> | |
| | Total Cost | | \$73,800 |

21. **Insurance Expense.** **\$11,000**

Three vehicles, the contents of the building and life insurance for the local staff.

| | | | |
|---|----------------------|----------------|----------|
| - | Vehicles | \$5,000 | |
| - | Assets | \$3,500 | |
| - | Staff Life Insurance | <u>\$2,500</u> | |
| | Total Cost | | \$11,000 |

22. **Bank Fees Off-shore.** **\$80,000**

Based on forecasted 2007 STCU transactions and includes increased bank fees associated with Uzbekistan transactions due to Govt. of Uzbekistan decree.

23. **Bank Fees On-shore.** **\$42,000**

Fees charged by STCU's local banks (FUIB, Georgia, and Moldova) to conduct operations. Based on forecasted 2007 STCU transactions.

24. **Legal Services.** **\$15,000**

Increased by \$5,000 over 2006 due to possible legal expenses surrounding STCU premises.

25. **Accounting and Auditing** **\$91,624**



The 2005 and 2006 financial audits were contracted to Lubbock Fine. According to the contract, the 2006 Financial Audit will cost \$91,624.

26. Other Professional Support. \$28,000

| | | |
|---|-----------|-----------------|
| - Temps & Consulting for completion of Navision Install | \$ 15,750 | |
| - Off-Site Backup Tape Storage | | \$ 2,750 |
| - Performance Measures | | <u>\$ 9,500</u> |
| Total Cost | \$ 28,000 | |

27. Facility Improvements. \$0

Decreased to \$0K in 2007 from \$6K in 2006 due to desire to eliminate renovations to building until user agreement becomes more clear.

28. Furniture and Fixtures. \$3,000

Decreased in 2007 to \$3,000 from \$10,000 in 2006.

29. Telecommunications Equipment. \$0

Due to cost cutting measures, expenditures on telecommunications equipment in 2007 will be eliminated.

30. Office Equipment. \$3,000

Decreased in 2007 to \$3,000 from \$10,000 in 2006.

31. Vehicle Purchase. \$0

32. Computer Hardware. \$12,520

| | |
|-----------------------|--------------|
| (6) Desktop computers | \$4,500 |
| (12) Monitors | 3,000 |
| Other Miscellaneous | <u>5,020</u> |
| Total | \$12,520 |

33. Computer Software. \$11,840

| | |
|--------------------------|--------------|
| Navision Maintenance Fee | \$ 6,700 |
| Other Miscellaneous | <u>5,140</u> |
| Total | \$11,840 |

34. Contingency. \$35,000



| | |
|----------------------------------|-----------------|
| Normal Recurring Contingency | <u>\$10,000</u> |
| Total Recurring Contingency | \$10,000 |
| Normal Non-Recurring Contingency | <u>\$25,000</u> |
| Total | \$35,000 |