

SCIENCE AND TECHNOLOGY CENTER IN UKRAINE - STCU

2009 Administrative Operating Budget Request 01 January - 31 December, 2009

	2008 Budget *	Spent as of 30-Jun-08	Projected Final 6 Mo. Exp	Projected Final 2008 Exp.	Projected Remaining 08 Budget	2009 Budget Request	% Change in AOB Line Y-O-Y	Note
Personnel								
LOCAL GRANT PAYMENTS *	\$ 761,387	\$ 315,351	\$ 440,351	\$ 755,703	\$ 5,684	\$ 792,946	4.14%	1
STAFF EDUCATION & TRAINING	\$ 98,120	\$ 20,479	\$ 77,600	\$ 98,079	\$ 41	\$ 110,580	12.70%	2
EMPLOYEE MORALE & WELFARE	20,000	6,422	14,000	20,422	(422)	20,000	0.00%	3
MEDICAL & DENTAL PLANS	98,647	42,063	56,063	98,127	520	103,633	5.05%	4
Subtotal	\$ 978,154	\$ 384,316	\$ 588,015	\$ 972,331	\$ 5,823	\$ 1,027,159	5.01%	
Travel								
INTERNATIONAL TRAVEL	\$ 32,500	\$ 11,517	\$ 18,200	\$ 29,717	\$ 2,783	\$ 44,000	35.38%	5
TRAVEL WITHIN THE CIS	\$ 143,240	\$ 24,555	\$ 92,200	\$ 116,755	\$ 26,485	\$ 150,240	4.89%	6
MONITORING	90,000	20,397	55,000	75,397	14,603	90,000	0.00%	
LOCAL TRAVEL	27,625	10,044	14,000	24,044	3,581	30,000	8.60%	7
Subtotal	\$ 203,365	\$ 46,116	\$ 124,400	\$ 170,516	\$ 32,849	\$ 224,240	10.26%	
Office Operations								
REPRESENTATION	\$ 10,000	\$ 4,083	\$ 5,000	\$ 9,083	\$ 917	\$ 10,000	0.00%	8
POSTAGE AND DELIVERY	11,000	2,394	7,000	9,394	1,606	11,000	0.00%	9
CUSTOMS STORAGE	500	480	200	680	(180)	500	0.00%	10
GENERAL OFFICE SUPPLIES	28,000	9,937	14,000	23,937	4,063	30,800	10.00%	11
OFFICE EQUIPMENT REPAIR/MAINT	3,000	360	1,500	1,860	1,140	3,000	0.00%	12
VEHICLE OPERATIONS	25,000	11,993	12,500	24,493	507	27,000	8.00%	13
PRINTING AND REPRODUCTION	17,000	285	16,000	16,285	715	18,000	5.88%	14
TELECOMMUNICATIONS SERVICES	60,000	26,879	35,000	61,879	(1,879)	75,000	25.00%	15
BUSINESS MEETINGS & CONFERENCES	6,000	2,900	3,000	5,900	100	6,000	0.00%	16
SUBSCRIPTIONS AND PUBLICATIONS	4,000	1,645	2,000	3,645	355	6,000	50.00%	17
PUBLIC AFFAIRS	-	-	-	-	-	-	#DIV/0!	18
BUILDING SUPPLIES	12,000	5,957	6,000	11,957	43	13,200	10.00%	19
BRANCH OFFICES OVERHEAD	\$ 60,000	\$ 22,349	\$ 34,000	\$ 56,349	\$ 3,651	\$ 60,000	0.00%	20
INSURANCE EXPENSE	11,550	3,928	8,000	11,928	(378)	11,550	0.00%	21
BANK FEES - OFFSHORE	75,000	32,305	45,000	65,000	(2,305)	65,000	-13.33%	22
BANK FEES - ONSHORE	35,000	10,781	15,000	25,781	9,219	33,000	-5.71%	23
Subtotal	\$ 358,050	\$ 136,277	\$ 204,200	\$ 328,172	\$ 17,573	\$ 370,050	3.35%	
Contracted Services								
LEGAL SERVICES	\$ 5,000	\$ 2,425	\$ 2,500	\$ 4,925	\$ 75	\$ 5,000	0.00%	25
ACCOUNTING AND AUDITING	92,968	92,968	-	92,968	-	95,160	2.36%	26
OTHER PROFESSIONAL	11,750	6,389	7,000	13,389	(1,639)	19,250	63.83%	27
Subtotal	\$ 109,718	\$ 101,782	\$ 9,500	\$ 111,282	\$ (1,564)	\$ 119,410	8.83%	
Subtotal Recurring Costs	\$ 1,649,287	\$ 668,492	\$ 926,115	\$ 1,582,301	\$ 54,680	\$ 1,740,859	5.55%	
Contingency - Recurring	10,000	-	-	-	10,000	10,000	0.00%	35
Total Recurring Costs	\$ 1,659,287	\$ 668,492	\$ 926,115	\$ 1,582,301	\$ 64,680	\$ 1,750,859	5.52%	
Non-Recurring Costs								
FACILITY IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	28
FURNITURE & FIXTURES	3,000	-	1,000	1,000	2,000	3,000	0.00%	29
TELECOMMUNICATIONS EQUIPMENT	-	-	-	-	-	-	#DIV/0!	30
OFFICE EQUIPMENT	3,000	383	1,500	1,883	1,117	4,000	33.33%	31
VEHICLE PURCHASE	25,000	37,781	(17,600)	20,181	4,819	-	-100.00%	32
COMPUTER HARDWARE	47,549	29,475	15,000	44,475	3,074	7,700	-83.81%	33
COMPUTER SOFTWARE	26,008	15,792	10,000	25,792	216	10,250	-60.59%	34
Subtotal Non-Recurring Costs	\$ 104,557	\$ 83,431	\$ 9,900	\$ 93,331	\$ 11,226	\$ 24,950	-76.14%	
Contingency - Non-Recurring	25,000	2,317	-	-	22,683	100,000	300.00%	35
Total Non-Recurring Costs	\$ 129,557	\$ 85,748	\$ 9,900	\$ 93,331	\$ 33,909	\$ 124,950	-3.56%	
TOTAL BUDGET:	\$ 1,788,844	\$ 754,240	\$ 936,015	\$ 1,675,632	\$ 98,589	\$ 1,875,809	4.86%	

* Includes Increase of \$85K USD to Local Grant Payments according to Decision of 26th STCU Governing Board.

All figures are in USD.



**TWENTY SEVENTH MEETING
of the STCU GOVERNING BOARD**

1.	Local Grant Payments.	\$792,946
	54 Full-Time Staff (no bonus planned for 2009)	\$769,440
	Supplemental Security	<u>23,506</u>
	Total	\$792,946
2.	Staff Education & Training.	\$110,580
	a. Training for ED, ED's secretary, and MBA program for four (4) selected staff. Cost of Training:	\$ 24,500
	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:	\$12,500
	d. Training for DED-CA and his direct reports. Cost of Training:	\$15,000
	e. Training for DED-US and his direct reports. Cost of Training:	\$12,500
	f. Training for CFO and Finance and IT Departments. Cost of Training:	\$19,930
	g. Training for CAO and Administrative Department. Cost of Training:	\$22,150
	 Total cost of Staff Education and Training	 \$110,580
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.	
	Total Cost:	\$20,000
4.	Medical & Dental Plans	\$103,633
	- Medical Plan	\$87,383
	- Dental Plan (Maximum \$250/family)	<u>\$16,250</u>
	Total Cost	<u>\$103,633</u>



5.	International Travel.	\$44,000
	a. Senior STCU staff travel (including Advisory Committee Meetings) as required and approved by the Executive Director.	
	Cost:	\$20,000
	b. Other travel associated with management and staff.	
	Cost:	\$24,000
	Total Cost:	\$44,000
6.	Travel within the CIS.	\$150,240
	a. Monitoring in Azerbaijan, Ukraine, Georgia, Moldova, and Uzbekistan.	
	Cost:	\$90,000
	b. 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:	\$60,240
	Total Cost:	\$150,240
7.	Local Travel.	\$30,000
	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	<u>\$18,375</u>
	Total Cost	<u>\$30,000</u>
8.	Representation.	\$10,000
	Maintained same as 2008.	
9.	Postage and Delivery.	\$11,000
	Maintained same as 2008.	
10.	Customs Storage.	\$500
	Maintained same as 2008.	



11.	General Office Supplies.	\$30,800
	Increased by 10% due to appreciation of UAH vs. USD.	
12.	Office Equipment Repair/Maintenance.	\$3,000
	Maintained same as 2008.	
13.	Vehicle Operations.	\$27,000
	Increase slightly from 2008 (\$25K) due to rising costs of petrol.	
14.	Printing and Reproduction.	\$18,000
	- Annual Report	\$10,000
	- Brochures and Marketing Materials	<u>\$8,000</u>
	Total Cost	<u>\$18,000</u>
15.	Telecommunications Services.	\$75,000
	Increased from \$60K in 2008 to \$75K in 2009 because of inflation in UA and appreciation of UAH vs. USD.	
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.	\$6,000
	Increased from \$4K in 2008 to \$6K in 2009 because of desired increase in orders of scientific and commercial periodicals.	
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.	\$13,200
	Increased by 10% (2008 = \$12,000) due to appreciation of UAH vs. USD.	
20.	Branch Offices (Kh, Lviv, Dnip, Tashkent, Baku, Chisinau & Tbilisi).	\$60,000
	- Tashkent	\$12,000
	- Tbilisi	7,000



- Baku	7,000
- Chisinau	7,000
- Kharkiv	13,000
- Dnipropetrovsk	7,000
- Lviv	<u>7,000</u>
Total Cost	<u>\$60,000</u>

21. **Insurance Expense.** **\$11,550**

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

- Vehicles	\$5,000
- Assets	\$3,500
- Staff Life Insurance	<u>\$3,050</u>
Total Cost	<u>\$11,550</u>

22. **Bank Fees Off-shore.** **\$65,000**

Based on forecasted 2009 STCU transactions and reduced transactions in Uzbekistan.

23. **Bank Fees On-shore.** **\$33,000**

Fees charged by STCU's local banks (Ukraine, Azerbaijan, Georgia, and Moldova) to conduct operations. Based on forecasted 2009 STCU transactions.

24. **Legal Services.** **\$5,000**

Maintained same as 2008.

25. **Accounting and Auditing** **\$95,160**

The 2007 and 2008 financial audits were contracted to Lubbock Fine. According to the contract, the 2008 Financial Audit will cost \$95,160.

26. **Other Professional Support.** **\$19,250**

- Off-Site Backup Tape Storage	\$ 2,250
- Performance Measures	\$ 5,000
- Navision Consulting	<u>\$ 12,000</u>

Total Cost **\$ 19,250**

27. **Facility Improvements.** **\$0**

Maintained at \$0K in 2008 due to desire to eliminate renovations to building until user agreement becomes more clear.



28.	Furniture and Fixtures.	\$3,000
	Maintained same as 2008.	
29.	Telecommunications Equipment.	\$0
	Maintained same as 2008.	
30.	Office Equipment.	\$4,000
	Maintained same as 2008.	
31.	Vehicle Purchase.	\$0
	No vehicles purchases planned for 2009.	
32.	Computer Hardware.	\$7,700
	(18) HW upgrades (new RAM, HD, etc.)	\$4,500
	Other Miscellaneous	<u>3,200</u>
	Total	<u>\$7,700</u>
33.	Computer Software.	\$10,250
	Navision Maintenance Fee	\$ 8,500
	Other Miscellaneous	<u>1,750</u>
	Total	<u>\$10,250</u>
34.	Contingency.	\$110,000
	Normal Recurring Contingency	<u>\$10,000</u>
	Total Recurring Contingency	\$10,000
	Normal Non-Recurring Contingency	<u>\$100,000</u>
	Total	<u>\$110,000</u>

**Supplemental Programs Budget Request 2009 (For the EU these costs are associated with BFA 2008 Article 1.1)
as of Nov. 20, 2008**

	BUDGET ITEM	2008 APPROVED (USD)	2008 FORECASTED SPENT (USD)	2008 APPROVED (EUR)	2008 FORECASTED SPENT (EUR)	2009 REQUESTED (USD)	2009 REQUESTED (EUR)	2009 EU Pledged (USD)	2009 EU Pledged (EUR)	2009 US Pledged (USD)	2009 Canada Pledged (USD)
In-Place Shared Supplemental Programs											
4.01	Business Training/Sustainability Support	139,000	107,368	x	x	346,850	x	60,000	x	65,000	60,000
5.01	Patent Support	35,000	35,000	x	x	112,500	x	10,000	x	30,000	30,000
6.01	Travel Grant Fund	65,000	60,095	x	x	50,000	x	15,000	x	10,000	0
9.01	Seminars/Workshops	35,000	34,879	x	x	40,000	x	13,000	x	13,060	13,000
12.01	Targeted Training	39,575	6,932	x	x	12,150	x	4,000	x	3,967	4,000
13.01	Institute Sustainability Program	400,000	150,000	x	x	250,000	x	85,000	x	81,625	85,000
In-Place Party Designated Supplemental Programs											
1.01	Technic., Collabor., Cont. Travel Supp. - US	30,000	30,318	x	x	30,000	x	x	x	30,000	x
1.02	Technic., Collabor., Cont. Travel Supp. - EU	x	x	30,000	25,941	x	40,000	x	30,000	x	x
1.03	Technic., Collabor., Cont. Travel Supp. - CA	150,000	24,658	x	x	250,000	x	x	x	x	250,000
5.03	Patent Support - EU	x	x	7,000	0	x	5,000	x	10,000	x	x
6.02	Travel and Mobility Support - US	15,000	15,000	x	x	x	x	x	x	x	x
6.03	Travel and Partner Promotion Support - EU	x	x	70,000	67,592	x	60,000	x	90,000	x	x
6.06	Travel and Mobility Support - CA	150,000	138,809	x	x	250,000	x	x	x	x	250,000
08.01	Expert Review & Advisors - EU	x	x	130,000	43,438	x	120,000	x	95,000	x	x
9.02	Seminars/Workshops - EU	x	x	30,000	24,366	x	40,000	x	40,000	x	x
10.01	Service Contracts - US	1,100,000	1,015,250	x	x	920,000	x	x	x	920,000	x
10.03	Service Contracts - CA	280,000	261,476	x	x	280,000	x	x	x	x	280,000
14.01	Biosecurity & Biosafety - CA	x	x	x	x	125,000	x	x	x	x	125,000
TOTAL CONTRIBUTION		2,438,575	1,879,785	267,000	161,337	2,666,500	265,000	187,000	265,000	1,153,652	1,097,000

x = No Funding Required

(For the EU these costs are associated with BFA 2008 Article 1.2)

	BUDGET ITEM			2008 APPROVED (EUR)	2008 FORECASTED SPENT (EUR)	2009 REQUESTED (Euro)
In-Place Party Designated Supplemental Programs						
10.02	Service Contracts - EU			364,384	356,039	369,384

ESTIMATED 2009 INVOICES TO FUNDING PARTIES AS OF NOV. 20, 2008

SECTION A - APPROVED 2009 ADMINISTRATIVE OPERATING BUDGET DISTRIBUTION

	USA	CA	EU	TOTAL
Non-Recurring Contingency (1/3 each)	\$33,333	\$33,333	\$33,333	\$100,000
Non-Recurring (1/3 each)	\$8,317	\$8,317	\$8,317	\$24,950
Total Non-Recurring	\$41,650	\$41,650	\$41,650	\$124,950
Recurring (32.65% + 17.12% + 50.23%)	\$568,390	\$298,035	\$874,433	\$1,740,859
Recurring Contingency (32.65% + 17.12% + 50.23%)	\$3,265	\$1,712	\$5,023	\$10,000
Total Recurring	\$571,655	\$299,747	\$879,456	\$1,750,859
TOTAL 2009 ADMINISTRATIVE OPERATING BUDGET	\$613,305	\$341,397	\$921,106	\$1,875,809

SECTION B - APPROVED 2009 SHARED SUPPLEMENTAL BUDGETS REQUEST DISTRIBUTION

	USA	CA	EU	TOTAL
04 - Business Training/Sustainability Support	\$65,000	\$60,000	\$60,000	\$185,000
05 - Patent Support	\$30,000	\$30,000	\$10,000	\$70,000
06 - Travel Grant Fund	\$10,000	\$0	\$15,000	\$25,000
09 - Seminars/Workshop Support	\$13,060	\$13,000	\$13,000	\$39,060
12 - Targeted Training	\$3,967	\$4,000	\$4,000	\$11,967
13 - Institute Sustainability	\$81,625	\$85,000	\$85,000	\$251,625
TOTAL 2009 SHARED SUPPLEMENTAL BUDGETS	\$203,652	\$192,000	\$187,000	\$582,652

SECTION C - **PROJECTED** 2009 INVOICES TO FUNDING PARTIES

	USA	CA	EU	EU Undesignated	TOTAL
2009 Administrative Operating Budget	\$ 613,305	\$ 341,397	\$ 921,106		\$1,875,808.99
2009 Shared Supplemental Budgets	\$ 203,652.00	\$ 192,000.00	\$ 187,000.00		\$582,652.00
2009 Non-Shared Funding Party Supplemental Budgets	\$ 950,000.00	\$ 905,000.00	See Table D Below		\$1,855,000.00
Less 2008 Funding Party Interest Earned	\$ -400,000.00	\$ -30,000.00	\$ -	\$ -380,000.00	-\$810,000.00
Less 2008 Partner Interest (47.61%, 12.12%, 40.27%)	\$ -119,025.00	\$ -30,300.00	\$ -100,675.00		-\$250,000.00
Less 2008 Partner Project Fees (47.61%, 12.12%, 40.27%)	\$ -76,346.79	\$ -19,435.48	\$ -64,576.46		-\$160,358.72
Plus 2008 Bad Debt Expense (1/3 Each)	\$ 5,923.00	\$ 5,923.00	\$ 5,923.00		\$17,769.00
Less 2008 Cash Over (1/3 each)	\$ -	\$ -	\$ -		\$0.00
Plus 2008 Exchange Losses (1/3 each)	\$ 33,333.33	\$ 33,333.33	\$ 33,333.33		\$100,000.00
Less 2008 AOB Non-Recurring Contingency Remaining (1/3 each)	\$ -6,130.33	\$ -6,130.33	\$ -6,130.33		-\$18,391.00
Less 2008 AOB Non-Recurring Remaining (1/3 each)	\$ -3,656.00	\$ -3,656.00	\$ -3,656.00		-\$10,968.00
Less 2008 AOB Local Grants Remaining (47.75%, 11.92%, 40.33%)	\$ -10,776.70	\$ -2,690.22	\$ -9,102.08		-\$22,569.00
Less 2008 AOB Recurring except Local Grants Remaining (49.56%, 9.23%, 41.21%)	\$ -25,844.55	\$ -4,813.26	\$ -21,490.19		-\$52,148.00
Less 2008 AOB Recurring Contingency Remaining (49.56%, 9.23%, 41.21%)	\$ -4,956.00	\$ -923.00	\$ -4,121.00		-\$10,000.00
Timing Difference Between Lubbock Fine & STCU (48.73%, 10.46%, 40.81%)	\$ -1,068.16	\$ -229.28	\$ -894.56		-\$2,192.00
Less 2008 Shared SBs remaining	\$ -158,245.57	\$ -29,471.48	\$ -	\$ -131,583.94	-\$319,300.99
Less 2008 Solely Funded SBs remaining	\$ -84,432.27	\$ -155,057.19	\$ -	\$ -114,008.30	-\$319,300.99
TOTAL 2009 PROJECTED INVOICES TO FUNDING PARTIES	\$ 915,732.44	\$ 1,194,947.14	\$ 936,717.19	No Sum, #s in USD & EUR	\$3,047,396.76

SECTION D - 2009 **PROJECTED** EU BUDGET DISTRIBUTION IN EUROS BY ARTICLE OF BFA 2008

	EU in USD	EU in Euro assume \$1.3035 to 1 Euro
Article 1.1 of BFA 2008		
2009 Approved Shared SBs in USD, and Estimated EUR equivalent	\$ 187,000.00	€143,460
2009 Approved for EU SB 01.02 - Technical, Collaborator, and Contractor Travel Support (Project Related)		€30,000
2009 Approved for EU SB 05.03 - E.U. Patent Support		€10,000
2009 Approved for EU SB 06.03 - E.U. Travel and Mobility Support		€90,000
2009 Approved for EU SB 08.01 - E.U. Tech. Reviewers		€95,000
2009 Approved for EU SB 09.02 - E.U. Sem. & Workshops		€40,000
Estimated Total For Article 1.1 of BFA 2008		€408,460
Article 1.2 of BFA 2008		
Estimated EU Share of 09 AOB Net of interest, remaining '08 AOB, etc.(sum of all shaded in green above)	\$749,717.19	€575,157
2009 Approved Request for EU SB 10.01 - E.U. Service Contracts		€369,384
Total Article 1.2 of BFA 2008		€944,541
TOTAL PROJECTED 2009 EU BUDGET REQUESTS FOR AOB AND SUPPLEMENTAL BUDGETS (SHARED AND NON-SHARED)	\$936,717.19	€1,353,001