



Fact Sheet: NCUA Budget Savings

Overview

NCUA's budget is a product of thorough planning and evaluation by all offices to effectively use its resources in the most efficient manner without sacrificing our core mission of protecting safety and soundness. Every office must explain the merit of every line item they request and the methodology used to develop the cost estimate. The requests are then thoroughly reviewed by the CFO and Executive Director, who in turn make recommendations on funding levels to the NCUA Board.

An important part of the analysis leading up to the annual budget proposal is identifying ways to streamline NCUA operations and find ways to both reduce current costs and avoid future costs. Examples from the 2015 Budget include:

- NCUA **avoided costs of approximately \$2.5 million** by redeploying 18 general examiner positions to specialists in the areas of capital markets, lending and information systems, rather than seeking an increase in staffing levels;
- NCUA **reduced by \$650,000** its budget for employee benefits compared with last year after a comprehensive analysis of actual employee participation rates;
- NCUA **saved \$119,000** after renegotiating better pricing on regional office space leases;
- The agency expects to achieve **savings of \$90,000** by using webinars and internet resources for small credit union engagements.
- NCUA **reduced by \$46,000** its budget for postal expenses as it continues to increase use of electronic distribution of materials.

This focus on reducing costs continues throughout the year. As NCUA undertakes its annual mid-session budget review, the Board directs each office to identify cost savings wherever possible. Recently, during the July 2014 Board meeting, the 2014 Operating Budget was reduced by \$1.1 million. These savings were identified as a reduction in the 2015 Operating Fee to Federal Credit Unions.