



Summary of Internal Administrative Expenses 2017 and Budget for 2018 (\$'000)

Item	2017		2018 Budget
	Budget	Actual	
A. Board of Governors	2,187	1,816	2,417
B. Board of Directors	33,225	28,842	33,500
Offices of the Directors	18,502	15,878	17,791
Accountability Mechanism	2,638	2,409	2,851
Independent Evaluation	12,085	10,554	12,858
C. Operational Expenses	483,927	441,873	502,639
Salaries	251,065	231,897	261,088
Benefits	151,189	138,257	158,423
Contribution to Staff Retirement Plan ^a	55,997	51,919	55,997
Staff development	7,500	8,007	8,898
Relocation	9,104	8,088	7,170
Consultants	29,564	25,477	31,229
Business travel	34,925	29,700	35,294
Representation	580	446	537
D. Administrative Expenses	129,926	109,406	129,373
Communications	8,477	5,834	9,541
Office occupancy	34,549	28,882	33,273
Library and subscription	5,794	5,082	6,104
Office supplies	1,565	1,358	1,348
Equipment, maintenance, and support	11,619	11,765	13,370
Contractual services	33,928	29,002	34,300
Insurance	7,540	6,362	7,505
Depreciation	25,110	20,262	23,106
Miscellaneous	1,344	859	826
Total Regular Premiums	649,265	581,937	667,929
E. General Contingency	6,493	0	6,679
Gross IAE	655,758	581,937	674,608
F. Fee Reimbursements	(8,770)	(8,717)^b	(9,000)
G. Net IAE	646,988	573,220	665,608
SRP Switch Incentive Scheme	6,656 ^c
H. Net IAE after ESP Swith Incentive Scheme	646,988	573,220	672,264^c
I. Carryover of IAE Budget	...	12,940^d	...
J. Net IAE after Carryover and ESP Switch Incentive Scheme	646,988	586,160	672,264
Sponsor Funded Program	1,025	1,039	1,518

Memo Item	2017		2018
	Estimate (A)	Actual (B)	Estimate (C)
Gross Administrative Expenses	655,758	581,937^e	681,264
Accounting Adjustments	114,052	52,089	25,062
Accrual for SRP	112,600	79,396	50,939
Accrual for GMIP/PRGMIP	29,260	11,666	11,494
Loan origination cost ^f	(27,808)	(36,964)	(37,371)
Other adjustments ^g	...	(2,009)	...
Overall Administrative Expenses	769,810	634,026	706,326

... = not available or not calculated, () = negative, GMIP = Group Medical insurance Plan, IAE = internal administrative expenses, PRGMIP = post-retirement group medical insurance plan, SRP = staff retirement plan.

Note: Numbers may not sum precisely because of rounding.

^a Excludes SRP contribution for the Board of Directors. The SRP budget for the Board of Directors is included under the Board of Directors budget category.

^b This amount reflects the estimated total expenses apportioned during the year for administering external funds, excluding Japan funds for which the costs are charged to the funds.

^c Net IAE for 2018 consists of \$657.6 million (including \$6.7 million for SRP switch incentive scheme) for ADB, \$12.9 million for Independent Evaluation Department, and \$1.8 million for the Compliance Review Panel and Office of the Compliance Review Panel.

^d The purpose of budget carryover is to ensure funding for urgent, unplanned special initiatives, delayed projects, and the unfinished program of prior year's activities without distorting the funding for the current year's regular work program and without placing pressure on the general contingency. ADB carried over \$12.9 million to 2018—2.0% of the 2017 net IAE budget. The unspent balance of the budget carryover will lapse at the end of the budget calendar year.

^e Refers to actual gross IAE before adjusting for fee reimbursements.

^f Refers to administrative expenses related to loan origination. Accounting standards requires that a portion of the loan origination costs be deferred and amortized over the life of the loan. ADB defers 20 basis points of the amount of loans that become effective to represent the amount of loan origination costs that need to be deferred.

^g Refers to adjustments net of accrued resettlement and repatriation allowances and severance payments, costs for Afghanistan Guest House and Country Director Residence and Public Information Center and other miscellaneous items, and expenses of the Japan Special Fund.