ISSUE: Approval of an amendment to the Financing Corporation's (FICO) 1995 administrative budget in the amount of $40,500.

FACTORS CONSIDERED:

- Pursuant to section 950.8(d) of the Federal Housing Finance Board regulations, FICO's Directorate has requested a $40,500 increase in its administrative budget.

- Administrative expenses during the first three months of 1995 have approached the approved budget of $20,100.

- The expenses relate to FICO's ongoing analysis of legislative, regulatory and procedural changes being considered by Congress, the Administration and the Federal Deposit Insurance Corporation (FDIC) regarding SAIF assessments. The magnitude of the expenses required for this analysis was not known at the time of the budget submission in October 1994.

- Based on the analytical activities thus far in 1995, FICO expects increased expenses of $1,000 in Service Contracts to cover telephone services, $28,500 in Legal Fees to cover review and opinions, $10,000 in Professional Fees to cover accounting services and $1,000 in Other Operating Expenses to cover postage and delivery charges.

DECISION: To approve the FICO Directorate's request to increase its 1995 administrative budget by $40,500 from $20,100 to $60,600 as set forth on the attached Table 1.