



*executive committee of
the directing council*

PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



38th Meeting
Washington, D. C.
September 1959

CE38/3 (Eng.)
14 August 1959
ORIGINAL: ENGLISH

Topic 3: AMENDMENTS TO THE FINANCIAL REGULATIONS OF THE PAN AMERICAN
SANITARY BUREAU

The Director wishes to bring to the attention of the Executive Committee the following problem.

Recently, a check for quota contributions was made payable to the Pan American Health Organization. The bank refused to accept the check for deposit. The reason given was that there was no clear authority in the Financial Regulations for the Director to deposit and administer funds of the Pan American Health Organization. It was necessary to return the check and ask for its reissue payable to the Pan American Sanitary Bureau.

While it is clearly the intent of the Constitution and the Financial Regulations that all funds and other assets of the Pan American Health Organization are to be administered by the Director of the Pan American Sanitary Bureau, nowhere is this intent specifically stated in the Basic Documents.

Articles 21 and 22 of the Pan American Health Organization Constitution provide that:

Art. 21-A. The Pan American Health Organization shall be financed by contributions from Member Governments.

Art. 22: Donations:

The Council, the Executive Committee, or the Director may accept and administer donations and bequests made to the Organization provided that any conditions attached to such donations or bequests are consistent with the purposes and policies of the Organization.

Art. 6.3 of the Financial Regulations states that:

Title to monies credited to the Working Capital Fund shall remain with the Pan American Health Organization.

In view of the above provisions in the Basic Documents, it seems clear that it was intended that title to all funds and assets should remain with the Organization.

What is needed is: 1) editorial changes in the title and certain articles of the Financial Regulations to make it clear that the Regulations apply to funds of the Organization; and 2) a specific statement that the Director of the Pan American Sanitary Bureau is authorized to receive, deposit, and administer the Organization's funds and assets.

In view of the foregoing, the Executive Committee may wish to consider a resolution along the following lines:

Proposed Resolution

The Executive Committee,

Having studied the problems raised by the present text of the Financial Regulations; and

Having reviewed the proposals of the Director to overcome these problems,

RESOLVES:

To recommend that the Directing Council approve the following changes in text of the Financial Regulations:

1. Change the title from "Financial Regulations of the Pan American Sanitary Bureau" to "Financial Regulations of the Pan American Health Organization."

2. Revise Article I to read as follows:

"1.1 - These regulations shall govern the financial administration of the Pan American Health Organization."

"1.2 - The Director of the Pan American Sanitary Bureau shall receive, deposit, and administer all funds and assets of the Pan American Health Organization in accordance with these Financial Regulations."

3. Replace the word "Bureau" by "Organization" in Articles 6.1, 7.2, 8.1, 10.1, 10.3, 10.5, 11.1, 11.2, 12.1, 12.2, and 12.8.