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**INDEXED**

**FINANCIAL REPORT OF THE DIRECTOR  
AND  
REPORT OF THE EXTERNAL AUDITOR**

**1 January 1986 - 31 December 1987**



**PAN AMERICAN HEALTH ORGANIZATION  
Pan American Sanitary Bureau, Regional Office of the  
WORLD HEALTH ORGANIZATION**

**June 1988**

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525-23rd. St., N.W.  
Washington, D.C. 20037, U.S.A.**

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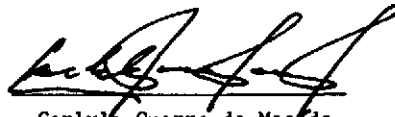
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LETTER OF TRANSMITTAL

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In accordance with the provisions of Article XI of the Financial Regulations, I have the honor to submit the Financial Report of the Pan American Health Organization for the financial period 1 January 1986 to 31 December 1987.

The details of the presentation of the statements will be found in the Introduction.



Carlyle Guerra de Macedo

Director

Pan American Sanitary Bureau

## FINANCIAL REPORT OF THE DIRECTOR

### INTRODUCTION

The Financial Report of the Director and the Report of the External Auditor for the financial period 1 January 1986 to 31 December 1987 are presented in the following sequence:

- Part I           Comments of the Director concerning important developments affecting the financial position of the Organization during the financial period under review.
- Part II          Financial statements of the Organization for the financial period 1986-1987 as required by the Financial Regulations, together with supporting schedules and explanatory notes.
- Part III         Financial statements for the Caribbean Epidemiology Center (CAREC) for 1986-1987.
- Part IV          Financial statements for the Caribbean Food and Nutrition Institute (CFNI) for 1986-1987.
- Part V           Financial statements for the Institute of Nutrition of Central America and Panama (INCAP) for 1987.
- Part VI          Financial Report of the Pan American Health and Education Foundation and the Report of the Auditors for the year 1 January - 31 December 1987. The Financial Report and the Report of the Auditors for the year 1 January - 31 December 1986 may be found in Official Document 214, Interim Financial Report of the Director for the Year 1986.

**PART I**

**DIRECTOR'S COMMENTS**





### Presentation of the Financial Report

The Financial Report of the Organization for the financial period 1 January 1986 to 31 December 1987 is submitted by the Director in accordance with Article XI of the Financial Regulations.

As required by the Financial Regulations of INCAP, the financial statements for INCAP are shown on an annual basis.

### Accounting Policies

A statement of the major accounting policies of the Organization appears in Part II of this Report.

The accounting policies and procedures followed by the Organization remain consistent with the PAHO's Financial Regulations and with the more detailed financial and accounting procedures established by the Director in light of these Regulations.

Budgetary accounting, unlike financial accounting, goes beyond the accrual basis for recording expenses (disbursements and accounts payable) by recording as expenditures at the end of the financial period, with the corresponding liability, all valid unliquidated obligations. These unliquidated obligations are commitments involving a liability against the resources of the current financial period, e.g. for personal services, procurement of supplies, duty travel or award of fellowships for which funds have not yet been disbursed as of 31 December. In accordance with Article IV of the Financial Regulations, unliquidated obligations are recorded in the books of accounts in respect of the Regular Budgets of PAHO, CAREC, CFNI and INCAP. All other funds or accounts shown in Exhibit II under the section, Funds: Pan American Health Organization, are kept on a cash basis.

Income is accounted for on a cash basis, reflecting the amounts actually received from all sources; interest is recorded in the accounts when credited to the Organization's bank accounts; quota assessments are reflected as income upon receipt of funds; and Trust Funds are recorded as "received" when the funds are credited to the Organization's bank accounts.

Receipts in non-convertible currencies which are in excess of expenditure requirements are invested in the countries of origin. The interest earned on these investments is used to offset potential exchange losses caused by book revaluations (in US dollar terms). As of 31 December 1987, there were no investments in non-convertible currencies.

### Review of the Financial Position: PAHO

The Organization continues to maintain a steady growth, as shown in Table A, Summary of Expenditure by Source of Funds for the 10-year period 1978 through 1987. Total expenditures during 1986-1987 amount to \$235,345,121 compared to \$219,896,549 during 1984-1985, an increase of \$15,448,572, or 7%.

### Regular Budget - Income and Expenditures

Despite an active system of follow-up for the timely receipt of quota assessments, the collection of current quota assessments during 1986-1987 was very low in comparison to prior financial periods. For example, the percentage of current quota receipts in relation to total assessments for the particular financial period are as follows:

1977	-	91.8%	of current assessment received
1978	-	92.4%	
1979	-	88.8%	
1980/1981	-	92.3%	
1982/1983	-	88.0%	
1984/1985	-	85.3%	
1986/1987	-	77.7%	

As of 31 December 1987, there were 26 Member Countries with outstanding quota assessments compared to 24 Member Countries as of 31 December 1985.

The quota contributions due at 31 December 1987 are indicated in the following table:

	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
Antigua and Barbuda	-	-	-	-	1,684
Bolivia	-	-	50,000	91,531	91,531
Brazil	-	-	-	-	4,678,869
Chile	-	-	-	-	409,199
Colombia	-	-	-	-	19,749
Costa Rica	-	-	-	2,784	91,531
Cuba	-	-	-	399,418	586,878
Dominican Republic	68,367	84,285	84,285	91,531	91,531
Ecuador	-	-	-	-	7,856
El Salvador	-	-	-	-	91,531
Grenada	-	-	-	-	32,306
Guatemala	-	-	-	7,248	91,531
Guyana	-	-	-	88,780	91,531
Haiti	-	-	33,885	91,531	91,531
Honduras	-	-	-	27,796	91,531
Mexico	-	-	-	-	2,607,960
Nicaragua	-	-	57,207	91,531	91,531
Paraguay	-	-	84,285	91,532	91,532
Panama	-	-	-	-	7,511
Peru	-	-	-	269,210	269,210
Suriname	-	-	29,454	69,995	69,994
Trinidad and Tobago	-	-	-	-	42,874
United Kingdom	-	-	-	4,040	21,536
United States of America	-	-	-	-	11,099,655
Uruguay	-	-	-	-	183,063
Venezuela	-	-	-	800,000	1,807,823
<b>Total</b>	<b>68,367</b>	<b>84,285</b>	<b>339,116</b>	<b>2,126,927</b>	<b>22,761,478</b>

Each year, the Meeting of the Directing Council or the Pan American Sanitary Conference reviews at length the financial circumstances of those Member Countries who are in arrears with their quota payments and subject to Article 6b of the PAHO Constitution. Paraguay received approval of the Pan American Sanitary Conference in 1986 to liquidate their arrears over a six year period to end in 1991. In 1987, the Dominican Republic received approval of the Directing Council to amortize their arrears over a seven year period to end in 1993.

Member Countries are urged to remit their quota payments on a timely basis so that the Organization may remain in a sound financial position. In accordance with Article V of the Financial Regulations, assessments are due on the first day of the year to which they relate.

As shown in Exhibit I, the Organization had an approved and appropriated budget of \$128,028,600, less Staff Assessment of \$15,544,600 for a net operating budget of \$112,484,000. Commitments against this effective working budget totalled \$102,237,048 or \$10,246,952 below the net level of appropriated funds. As projected receipts to finance the approved 1986-1987 budget were expected to be some 10 percent less than the net total of funds appropriated, prudent fiscal management necessitated strict control over commitment levels during the biennium. Total actual receipts were \$103,096,548 against \$102,237,048 in commitments, leaving a cash surplus of \$859,500 at the close of the biennium. The disposition of this surplus is governed by Article 103.4 of the Financial Rules.

	<u>Actual</u>	<u>Budget</u>
Assessments 1986-1987	82,805,095	107,684,000
Miscellaneous income	4,947,856	4,800,000
Prior years' contribution	15,343,597	-
<b>Total</b>	<b>103,096,548</b>	<b>112,484,000</b>
Approved 1986-1987 Effective Working Budget	<u>102,237,048</u>	<u>112,484,000</u>
Surplus	859,500	-

As shown in Exhibit I, Statement of Appropriations and Obligations for the financial period 1986-1987, an amount of \$1,260,705 was transferred from Part I to Part V of the Regular Budget. This transfer was within the limits of the Financial Regulations.

There was one ex gratia payment of \$17,143 made during the 1986-1987 biennium.

Trust Funds

The level of Trust Fund expenditures (Schedule 7) in 1986-1987 amounted to \$32,061,927, compared to \$22,334,415 during 1984-1985, a substantial increase of 44 per cent. The number of individual projects increased from 210 during 1984-1985 to 249 during 1986-1987.

The amount of expenditures in excess of receipts has increased substantially for both PAHO and INCAP, as indicated in the following table.

	Receipts in excess of expenditures at 31 December			Expenditures in excess of receipts at 31 December		
	1987	1985	1983	1987	1985	1983
PAHO	14,385,455	4,696,613 <sup>1/</sup>	5,313,618 <sup>1/</sup>	5,386,598	3,295,301	2,187,920
CAREC	91,463	93,305	70,926	137,215	32,930	109,156
CFNI	40,897	61,583	53,191	54,073	9,896	23,560
INCAP	<u>749,302</u>	<u>211,007</u>	<u>56,629</u>	<u>2,745,142</u>	<u>915,811</u>	<u>479,038</u>
	15,267,117	5,062,508	5,494,364	8,323,028	4,253,938	2,799,674
	=====	=====	=====	=====	=====	=====

<sup>1/</sup> Amounts revised to reflect transfer of account for sale of vaccine at AFTOSA from Statement of Trust Funds to Special Fund for Vaccine Sales - AFTOSA (see explanatory note 19 to Exhibit IV, Statement of Assets and Liabilities).

Centers

The financial statements relating to CAREC, CFNI and INCAP are shown in Parts IV, V, and VI respectively of the Financial Report. While the financial statements for CAREC and CFNI are reported on the same format as those of PAHO, i.e. biennial basis, the financial statements for INCAP are reported on an annual basis in accordance with INCAP's Financial Regulations.

An improvement in receipt of quota assessments for CAREC and a decrease in expenditures allowed the Center to produce a net surplus from operations of \$625,265 during 1986-1987. This compares to a net deficit of \$305,472 for the financial period 1984-1985.

The receipt of quota assessments continues to be very low for CFNI. During the financial period 1986-1987, CFNI incurred a deficit amounting to \$163,666, compared to \$93,536 for the period 1984-1985. Total deficit for the four years ending 31 December 1987 was \$257,202.

For INCAP, the amount of quota contributions due from prior years was \$630,153 as of 31 December 1987, compared to \$665,840 at 31 December 1986, a slight improvement of \$35,687.

Member Countries continue to be urged to make prompt payments of their quota contributions to these Centers.

During 1987, the accounting system at INCAP was transferred to a newer and larger computer. The transition process was very cumbersome because all the computer programs had to be translated to a different computer language. This contributed to delays in the accounting process which resulted in late submission of expenditure reports to the donors of the trust-funded activities. As of 31 December 1987, the expenditures in excess of receipts amounted to \$2,745,142, as compared to \$400,910 at 31 December 1986. Reimbursements of \$1,545,268 have been received in the first quarter of 1988. Efforts are continuing to improve and simplify the computer/accounting system at INCAP.

Table A

PAN AMERICAN HEALTH ORGANIZATION  
 TEN YEARS OF GROWTH  
 SUMMARY OF EXPENDITURE BY SOURCE OF FUND  
 (expressed in US dollars)

	<u>1978-1979</u>	<u>1980-1981</u>	<u>1982-1983</u>	<u>1984-1985</u>	<u>1986-1987</u>
PAN AMERICAN HEALTH ORGANIZATION					
Regular Budget	64,849,985	76,576,000	88,313,916	101,612,078	102,237,048 <sup>1/</sup>
Trust Funds	15,393,289	19,552,448	22,961,025	20,412,825	32,061,927
Building Fund	229,600	262,020	378,304	840,091	1,919,442
Community Water Supply Fund	3,083,693	2,377,300	-	-	-
Revolving Fund for the Expanded Program on Immunization	2,291,110	7,767,938	9,214,515	8,075,500	10,298,523
Revolving Fund for the Procurement of Essential Drugs	-	-	-	-	1,472,491
Special Fund for Health Promotion	476,084	816,216	816,216	486,942	416,947
Special Fund for Program Support Costs	894,166	1,893,629	2,585,975	2,203,509	420,518
Special Fund for Sale of Vaccine at AFTOSA	-	-	673,920	1,921,590	3,462,390
Other Funds	328,663	264,762	244,063	256,422	344,782
CAREC: Regular Budget	1,136,999	1,630,570	1,789,993	2,477,111	1,797,159
Trust Funds and Other	549,300	967,713	1,081,624	873,373	578,836
CFNI: Regular Budget	194,773	273,789	336,004	355,876	494,834
Trust Funds	573,175	927,814	296,757	156,343	317,594
INCAP: Regular Budget	929,455	869,526	1,217,842	907,742	954,628
Trust Funds	<u>7,361,355</u>	<u>6,188,072</u>	<u>3,133,972</u>	<u>3,275,665</u>	<u>6,372,172</u>
Subtotal PAHO	<u>98,291,647</u>	<u>120,367,797</u>	<u>133,044,126</u>	<u>143,855,067</u>	<u>163,149,291</u>
WORLD HEALTH ORGANIZATION					
WHO - Regular Budget	30,968,002	37,770,400	44,481,232	51,569,677	54,124,337
United Nations Development Program	5,845,770	6,152,322	5,186,546	3,081,071	4,872,590
United Nations Fund for Population Activities	13,916,346	12,867,100	10,111,836	15,198,840	11,079,096
WHO - Other	<u>730,919</u>	<u>2,721,047</u>	<u>4,637,318</u>	<u>6,191,894</u>	<u>9,891,018</u>
Subtotal WHO	<u>51,461,037</u>	<u>59,510,869</u>	<u>64,416,932</u>	<u>76,041,482</u>	<u>79,967,041</u>
TOTAL, ALL FUNDS	<u>149,752,684</u>	<u>179,878,666</u>	<u>197,461,058</u>	<u>219,896,549</u>	<u>243,116,332</u>

<sup>1/</sup> Includes budget provision for Special Fund for Health Promotion.

**PART II**

**REPORT OF THE EXTERNAL AUDITOR**



REPORT OF THE EXTERNAL AUDITOR OF THE AUDITOR OF THE  
PAN AMERICAN HEALTH ORGANIZATION FOR THE FINANCIAL  
PERIOD 1 JANUARY 1986 TO 31 DECEMBER 1987

GENERAL

1. I have audited the accounts of the Pan American Health Organization (PAHO) for the financial period 1 January 1986 to 31 December 1987 in accordance with Article XII of the Financial Regulations.
2. Matters arising during my audit which I am required to include in my report or which I consider should be drawn to attention are set out in paragraphs 6 to 16. Paragraphs 7 and 8 deal with an examination of bank and imprest accounts and paragraphs 9 to 16 with the cost of moving PAHO staff to the new headquarters building. My summaries of these topics are at paragraphs 64, 65 and 66, respectively.
3. In addition to my audit of the accounts and financial transactions I carry out a programme of examination under Article 12.5 of the Financial Regulations. This programme is intended to review, over an appropriate cycle, the important aspects of the Organization's activities and use of resources. The reviews concern themselves primarily with matters of economy, efficiency and effectiveness.
4. In accordance with this programme my staff carried out a review of PAHO procedures for the monitoring and evaluation of its technical cooperation. The results of this review are at paragraphs 17 to 33 and my conclusions are at paragraphs 67 and 68.
5. Further information on matters which featured in my predecessor's report on the 1984-1985 accounts is provided in respect of control of manpower (paragraphs 34 to 47) and computerised systems (paragraphs 48 to 63). My conclusions from these two examinations are at paragraphs 69 and 70, and 71 to 73, respectively.

AMOUNTS WRITTEN-OFF AND CASES OF FRAUD

6. I have examined 11 write-offs by the Organization totalling \$35,531, including one case amounting to \$34,538 in respect of the non-recovery of a duplicate payment in 1980, and three cases of fraud involving \$28,367. I have been provided with explanations of the reasons for the write-offs and am satisfied that in reaching its decisions the Organization took the circumstances of each case into account. In the cases of fraud no recoveries have been made to date but the staff members involved are no longer employed by the Organization.

BANK AND IMPREST ACCOUNTS

7. During their examination of PAHO's 91 accounts, my staff noted 11 cases, involving expenditure of \$670,800, where imprest accounts were not received in time for headquarters to take the appropriate accounting action. This expenditure is therefore shown in the 1986-1987 accounts as prepaid expenses and will be accounted for against the relevant reserves in the following financial period. This sum forms part of the \$765,103 shown as prepaid expenses for PAHO in Note 4 of Exhibit IV.

8. My staff also noted that, because PAHO had given priority attention to recording imprest expenditure in the 1986-1987 books of accounts, the adjustments resulting from 75 imprest reconciliations had not been made in the 1986-1987 accounts. These adjustments will be made in the 1988-1989 books of accounts.

NEW HEADQUARTERS OFFICE BUILDING

9. During the course of their audit my staff noted that expenditure of \$295,000 for the remodelling of office space in PAHO's new building had not been charged to the Building Fund. They also noted that this expenditure together with expenditure of \$760,000 already charged to the Building Fund in respect of office space requirements in the new building exceeded the Directing Council's authority of \$915,000 for such work by \$140,000. The following paragraphs set out the results of my staff's examination of this expenditure.

Background

10. The Governor Shepherd building was purchased by PAHO in 1969 at a cost of \$1.4 million, to meet the Organization's long-term need for additional headquarters accommodation. Although the building was in relatively good structural condition, it required substantial and costly renovation and repair. As a result of a study undertaken in 1980, PAHO decided to seek authority to redevelop the Governor Shepherd site. This authority was given by the Directing Council in 1981 (Resolution XXIX).



11. In 1983, PAHO entered into an agreement whereby the Organization would lease the site to the developer for \$600,000 a year (inflation indexed) for a 60-year term and would rent from him between 20,000-30,000 square feet of office space. At the end of the 60-year lease the Organization will receive title to the building and any related development rights. Demolition of the Governor Shepherd building commenced in 1985 and construction of the new building was completed in 1987.

Expenditure on office space in the new building

12. The office space leased in the new building was finally established at 30,436 square feet. To make the best use of this space certain interior modifications were required and modular office systems installed. On the basis of a consultant's advice, PAHO's best estimate of the total cost of these requirements was \$915,000.

13. At its 95th Meeting in 1985, the Executive Committee recommended that the Director be authorised to use \$915,000 to meet requirements relating to PAHO's office space in the new building. The Executive Committee also recommended that the work could be financed by increasing the level of capitalization of the PAHO Building Fund. The Directing Council adopted these recommendations at its XXXI Meeting in 1985 (Resolution XI refers) and approved the capitalization, not to exceed \$915,000, of PAHO's Building Fund to meet the cost.

14. The Executive Committee was informed, at its 97th Meeting in 1986, that the estimated cost of \$915,000 had been reduced to \$770,000 due to the decision to retain the computer centre in the main headquarters building. The Executive Committee was also informed that the Organization was "following a strict and detailed schedule of events conducive to an orderly relocation of the various units assigned to the new building."

15. The Organization told my staff that the costs to date of implementing Resolution XI (paragraph 13 above) amounted to some \$760,000 and that no further expenditure was anticipated during the 1986-1987 biennium. However, my staff identified expenditure in 1986-1987 amounting to some \$295,000 for remodelling PAHO's office space in the new building which had been charged to the Organization's Regular Budget General Operating Expenses. The effect of charging this additional expenditure to the Building Fund would be to increase total expenditure on office space in the new building to \$1,055,000. That is \$140,000 in excess of the level of expenditure authorised by the Directing Council and \$285,000 in excess of the revised costs of \$770,000 notified to the Council.

16. The Organization told my staff that the additional expenditure became necessary because of revisions to the planned use of space which also involved transfers of staff units within the headquarters building. A significant element of the additional expenditure was due to the need to modify the standard space and furniture requirements to accommodate special equipment used by two units moved into the new building, with a reduction of 4,600 square feet from accommodation rented outside the main building. The Organization also told my staff that it expected to incur additional expenditure during the 1988-1989 biennium to modify the accommodation provided for staff already occupying office space in the new building.

MONITORING AND EVALUATION

Introduction

17. PAHO plans, controls, monitors and evaluates its technical cooperation programme through the AMPES system (Americas Planning and Evaluation System). This system has been developed to assist the implementation of the Organization's long-term planning which is based on national and regional health strategies directed towards the Americas' contribution to WHO's global aim of "Health for All by the Year 2000." Medium-term Plans covering three 2-year accounting periods are the basis of Biennial Programmes of Work and Budgets which are prepared from data provided by AMPES proforma completed by PAHO's country representatives, centres and headquarters units.

18. Since 1983, and particularly since late 1985, AMPES has, as a result of a number of reviews, undergone changes aimed at enhancing the procedures. The principal changes have been the modification of the Biennial Programme Budget by the introduction of a fixed catalogue of programmes and the integration of annual programmes with budgets in the Annual Operating Programme Budget.

19. In September 1986 the XXII Pan American Sanitary Conference approved the document "Orientation and Programme Priorities for PAHO during the Quadrennium 1987 to 1990," which discussed the need for better programme direction. It identified the need to assist in the development of health service infra-structure, with emphasis on primary health care, and to give attention to priority health problems present in vulnerable groups.

### Operational aspects of AMPES

20. The Annual Operating Programme Budget (APB) is the principal document for planning, programming, budgeting and evaluation in the short term. An APB, which sets operational targets, is prepared by each PAHO country representative, centre and headquarters unit. The APBs also integrate programme activities with their individual budget allocations. Further detail is provided by individual Four-Monthly Work Plans which set out the various tasks to be carried out, by whom, when and with what resources in order to carry out the operational targets established by the APB.

21. Monitoring and evaluation of the country programme is based on the outturn against the relevant APB and is in the form of country annual reports prepared by the country representatives. Together with similar reports by the regions, centres and headquarters units these feed into the Director's Annual Report. Evaluation of the country programmes is supported by PAHO/country joint reviews which are carried out every two to three years. In addition, PAHO carries out annual programme evaluations for each of the technical programmes.

22. Essential feedback into the planning process occurs at several levels through periodic reviews and reports. The APB is subject to in-depth review at PAHO headquarters by the strategic planning, budget and technical units. These units prepare reports and summaries which are considered by the Director of PAHO and his Advisory Panel. This leads to the revision of individual APB proposals in accordance with the Director's programme decisions.

### Scope and conduct of review

23. In 1987 my staff carried out a review of the AMPES developments and examined the procedures for translating strategies into action plans, controlling expenditure, monitoring progress and evaluating programme achievements. They paid particular attention to the procedures in respect of PAHO's country programmes as the latter represent the core of the programme budget, that is about \$60 million (35 per cent of Regular Budget).

24. In carrying out their review of the AMPES system my staff consulted Executive Committee papers and other relevant documents. They also examined a sample of APBs, country annual reports, joint PAHO/country reports, annual technical programme evaluations and reviews by headquarters technical units, and interviewed senior PAHO staff.

### Programme planning

25. The APB planning documents provide for the identification of targets designed to give an indication of potential programme impact. However, from an examination of the headquarters' summary analysis of the 1987 country APB proposals my staff noted that in over 35 per cent of cases targets had not been included. In general there was a need for expected results to be more specifically stated. Such detailed planning would provide a better focus to programme activity and would make managers more accountable for the results actually achieved.

26. The Organization agreed that greater clarity in defining expected results should be encouraged in the planning and programme process but told my staff that it should be borne in mind that not all technical co-operation lends itself to a clear definition of expected outcomes.

27. In their review of headquarters' summary analysis of each 1987 country APB proposal my staff also noted that a number of recurring problems had been brought to attention. Of particular concern was the fragmentation of technical co-operation programmes which reduced their potential impact. In over 45 per cent of the analysis there was evidence of a lack of clear direction of programmes of work and of a need to reduce the number of projects within the programmes. The analyses also showed that the response to the 1986 Orientation and Programme Priorities document (paragraph 19) was varied and ranged from cases where there had been little or no re-orientation to others where there had been significant revisions. The degree of harmony between country programmes and sub-regional initiatives was also varied.

28. My staff noted that the instructions for the preparation of the 1988 APBs address the problems identified above. In 1988-1989 the introduction of a unified list of programmes will focus activity on a fixed number of programme categories. Furthermore, the Organization has requested enhanced narrative descriptions of the technical co-operation programme in relation to national programme development and to technical co-operation offered by other agencies.

29. With regard to the lack of response to the 1986 Orientation and Programme Priorities document the Organization informed my staff that this was because there had been insufficient time at country level to discuss the priorities with countries and adjust operational programming. PAHO expects this situation to improve in future years as well as the congruence of country programmes with the priorities of sub-regional initiatives.

Programme documentation and control

30. My staff found that both the formulation and control of APBs were unwieldy and resulted in lengthy delays in preparation, analysis and re-programming. PAHO has recognised this problem and expects the computerised processing of APBs being developed for 1988 to improve the efficiency and effectiveness of the planning, monitoring and evaluation of country programmes.

Programme evaluation

31. Country annual reports are intended to provide an analysis and evaluation of technical co-operation and of individual programmes. In a sample review of eight (approximately 25 per cent) of such reports for 1986 my staff found that, contrary to instructions, the reports were descriptive rather than analytical and that evaluation was not structured. The delivery of programmes tended to be measured in terms of expenditure rather than planned results.

32. The Organization agreed that the annual country programme report could be improved and that managers must be accountable not only in financial terms but in programme terms as well. The Organization pointed out that the annual country programme report was not the only process for assessing country programme progress. In addition PAHO places heavy emphasis on the joint government/PAHO reviews at country level and the annual evaluation of regional programmes, which includes an assessment of progress and problems at country level.

33. The Organization told my staff that action was already in hand to correct the weaknesses in the country annual reports. Instructions regarding the completion of the 1987 Reports will provide for a more structured approach to evaluation.

CONTROL OF MANPOWER

34. During 1986-1987 my staff examined, as a follow-up to the External Auditor's report on the 1984-1985 financial period, the procedures adopted by management for reviewing the continuing need for posts at the time the Budget is prepared, the employment of short-term consultants, the control of overtime working at headquarters and the adequacy of the lapse factor used in the assessment of the budget for staff costs. The following paragraphs set out the results of this examination.

Budgeted manpower costs

35. The PAHO/AMRO Regular Budget of \$170.34 million for the 1986-1987 biennium included \$110.8 million for the salaries and allowances of professional and general service staff (\$99.4 million), for payments to consultants (\$9.2 million) and for temporary assistance (\$2.2 million). This shows an increase of \$5.3 million (5 per cent) over the corresponding figures for the 1984-1985 Regular Budget and essentially provides for increases in the salaries and allowances of the professional and general service staff.

Management review of the continuing need for posts

36. In my predecessor's report on the 1984-1985 accounts he suggested that PAHO should introduce a programme of independent staff inspections, the aim of such inspections being to determine over an appropriate cycle whether the Organization's budgeted posts were not excessive for the performance of functions essential to the achievement of programme objectives, and that staff were properly graded. PAHO did not agree that there was a need for such staff inspections since reviews of staffing needs were made during the preparation of the programme budget and also continuously during the year.

37. In the absence of such staff inspections my staff examined the procedures established by PAHO for reviewing the continuing need for posts. They saw documentary evidence that existing and new posts were justified in relation to programme activities as an integral part of the budget review process which is commenced well in advance of the start of each biennium. PAHO's review also considered the continuing need for vacant posts and those posts expected to become vacant during the biennium. This review process is repeated each time the Annual Operating Programme Budget is prepared.

38. My staff noted that the review process relating to the 1986-1987 biennium had taken into account the request by the World Health Organization that PAHO should make budgetary cuts because of expected financial difficulties. This resulted in the Organization deciding not to fill either existing vacant posts at headquarters or those posts expected to fall vacant during the biennium. The Organization also decided that no additional support and secretarial staff should be hired at headquarters during the biennium.

39. An examination by my staff of statistics on staff numbers and gradings in the professional and general service categories at PAHO headquarters revealed that although staff complements had remained more or less constant since 1984-1985 the number of vacant posts had decreased. In November 1984, there were 254 budgeted professional posts of which 43 were vacant. In September 1987, there were 255 budgeted professional posts of which 28 were vacant. In the general service category there were 333 budgeted posts in November 1984, of which 46 were vacant, and in September 1987 there was the same number of budgeted posts of which 33 were vacant. These statistics show that the number of vacant posts in November 1984 was reduced prior to the action taken by the Organization to freeze recruitment.

#### Control over employment of consultants

40. The External Auditor's report in 1984-1985 noted that PAHO properly applied the prescribed procedures for the employment of short-term consultants, temporary advisors and temporary staff members. These procedures included an assessment of need for the appointments. During 1987 my staff examined available statistical information to ascertain whether the freeze on recruitment of vacant established posts had resulted in any increase in the use of consultants and temporary staff at PAHO/AMRO headquarters.

41. At the end of the 1986-1987 financial period the Organization had employed at headquarters short-term consultants and temporary advisers for a total of 3,510 man-weeks. This represents an increase of some 20 per cent in the use of consultants compared with 1984-1985 when they were employed for 2,936 man-weeks.

42. My staff asked PAHO whether the increase in the use of consultants at headquarters was a direct result of the freeze on the recruitment for established posts. The Organization told them that it does not have exact information on the reason for the increased employment of consultants. The Organization considered that, since many factors determine the need for consultants, no single conclusion could be drawn from their increased employment.

#### Control and level of overtime at headquarters

43. My staff's examination found that the Director's Advisory Committee had decided to reduce the level of overtime expenditure in 1986-1987 and assign responsibility for its control to the executive heads of individual programme sectors. This control was achieved by allocating an authorised ceiling within which each sector should operate when approving overtime. The overall authorised ceiling for overtime at headquarters during the 1986-1987 financial period was initially set at \$700,000.

44. A comparison of headquarters overtime costs in the 1986-1987 biennium with that of 1984-1985, shows that costs were reduced from \$1,129,679 in 1984-1985 to \$811,960 in 1986-1987, a reduction of some \$439,000 (28 per cent). In the event, however, the costs exceed the authorised ceiling of \$700,000 by some \$111,960 (16 per cent) because some sectors were permitted to exceed their original overtime allocation.

#### Lapse factor

45. The 1986-1987 Regular Budget provision of \$32,213,500 for professional posts at PAHO/AMRO headquarters allowed for a lapse factor of \$1,285,540 (4 per cent) to reflect savings expected to accrue from delays in filling vacant posts. A lapse factor is not assessed for professional posts in the field because PAHO country representatives use funds made available from vacant posts to employ consultants. Similarly, no reduction is made for vacant general service posts in either headquarters or the field because temporary staff are obtained until vacancies are filled.

46. PAHO informed me that the lapse factor used when preparing the 1986-1987 budget was both conservative, since it must plan to fill professional vacancies, and difficult to assess due to the pessimistic financial projections for 1986-1987.

47. The actual cost of PAHO/AMRO headquarters professional posts during 1986-1987 amounted to \$28,359,353, resulting in a saving of \$3,854,147 over the budget provision, and some \$2.55 million over and above the allowance for the lapse factor of \$1.3 million. The financial surplus from not filling vacant posts was therefore significantly greater than that foreseen when the budget was prepared. However, the freeze on recruitment referred to in paragraph 36 above resulted in an estimated saving of \$2,057,700. Also, as the financial period progressed additional professional and general service posts became vacant and were not filled. For headquarters this represented a further saving of \$1,787,500. The Organization told me that since these two figures together (\$3,845,200) approximately equal the budgetary saving of \$3,854,147, they considered the lapse factor originally calculated was reasonably accurate.

## COMPUTER SYSTEMS

48. Since 1978, the External Auditor's reports have noted the need for improvements in controls and procedures in the Organization's existing and developing computer-based systems. The following paragraphs set out the main results of my staff's review of current developments and the progress made towards the introduction of enhanced controls and procedures. Other more detailed operational matters have been taken up with PAHO, and my staff will be discussing the response to their queries with the Organization's staff.

### General management, control and security of the computer installation

49. During 1986-1987, controls over the unauthorised use of terminals, the security of live programs and data files, processing controls to monitor program access, and program amendment controls were improved with the introduction of commercially produced security software systems. However, some data files will need to be re-written in a program language compatible with the security system before it can become fully operational and prevent unauthorised access to all data.

50. My staff found that there remained some other important areas in which controls needed to be strengthened in both the Payroll and Financial Management Systems. These included the standard of documentation and the need for system standards to be fully enforced.

### The payroll system

51. The External Auditor's 1984-1985 report noted that the existing payroll system is an old design which lacked sufficient built-in computerised controls, and that control therefore depended largely upon undocumented clerical procedures. Although procedures have now been established for additional clerical checks, utilising both computer-generated totals and exception reports, my staff noted that their impact has been reduced because of insufficient documentation, the non-enforcement of the new control procedures and the lack of liaison between payroll and personnel staff sections.

52. My staff also noted that no further progress had been made in introducing computer controls into the existing payroll system. The implementation of the integrated personnel and payroll system had been indefinitely postponed due to the lack of available funds and was not, as had previously been reported, expected to become operative in 1988.

53. The Organization told my staff that the lack of significant improvements in the payroll system documentation was due to PAHO's limited resources and a lower priority afforded to this project as compared to the development of the overall Financial Management System. Resources had been required for more urgent revisions and modifications to the payroll system to keep it current with PAHO's staff rules, and to the personnel system which provides essential payroll input.

54. With regard to the new integrated personnel and payroll system, the Organization told me that its contractor had completed a new design for the proposed payroll system and all functions and procedures had been documented in the detailed design specifications. However, PAHO is currently investigating the possibility of using the new WHO payroll system which is being developed and which, my staff were informed, is based in part on PAHO's detailed design.

### Financial management system

55. Previous External Auditor's reports on the 1980-1981, 1982-1983 and 1984-1985 accounts have all referred to PAHO's decision to develop an integrated Financial Management System (FMS). In time, the FMS will replace and enhance the existing separate computer systems for budget, expenditure accounting, claims and entitlements, general ledger and treasury. In 1987, my staff examined the progress made in implementing the FMS.

56. During 1986-1987, the development of the Financial Management System was at an intermediate stage, and the three major operational modules, namely the budget, expenditure accounting and the general ledger sub-systems had not yet been integrated. In this intermediate stage PAHO was operating two different accounting sub-systems, the newly designed expenditure accounting system and the older general ledger system. The expenditure accounting system, which became operational in early 1985, provides a detailed record of expenditure by allotment on an obligation basis throughout the financial period. The general ledger system provides only an analysis of expenditure on a cash basis until the end of the financial period, when it is adjusted by the bulk posting of obligation information from the expenditure accounting system.

57. As both the expenditure accounting and the general ledger systems are updated from the same data source, there should be no discrepancy between the two in respect of expenditure figures. However, at the end of the 1986-1987 financial period, there was an unexplained gross discrepancy amounting to \$559,164 between the two systems; the expenditure accounting system included more expenditure in its records than the general ledger system. The net discrepancy was \$2,114.

58. At the closure of the 1986-1987 accounts, PAHO adjusted the general ledger expenditure figures to agree with those produced by the expenditure accounting system, with the net discrepancy being treated as miscellaneous income. PAHO could not provide my staff with adequate accounting records to substantiate these discrepancies and explain the basis of the adjustments. However, PAHO has told me that, with the introduction on 1 January 1988 of the new on-line general ledger module, there is integration with the on-line expenditure accounting system which will prevent these discrepancies in the future.

59. My staff also noted that the FMS expenditure system could not be protected from further input of data after the final closure of the 1986-1987 accounting records. There is therefore a risk of corruption of accounting data. Furthermore, the discrepancies in the accounting records between the new FMS expenditure accounting system and the older general ledger system (paragraphs 56 to 58 above) suggest that there is scope for further improvements in controls over the accuracy and validity of data input.

60. With regard to the expenditure accounting sub-system which became operational in early 1985, the Organization agreed with my staff's findings that, although improvements had been made to the standards of documentation, there was still scope for further improvement in the areas of system overviews and user instructions. However, the Organization considered that the most logical approach was to defer production of the required system documentation until after all major system modifications had been completed later in 1988. A user manual is not expected to be available until April 1988.

61. The new general ledger sub-system is scheduled to become operational at the beginning of the 1988-1989 financial period. In their examination of the test procedures introduced to ensure the effective and efficient implementation of this sub-system, my staff found that although PAHO's original plan envisaged one full month's parallel running it had been reduced to two weeks. My staff also found that no structured test data had been produced for the planned supplementary module testing. Ideally, parallel running should cover a full accounting cycle, and they were concerned that the reduced level of testing may not have been sufficient to examine all input, processing and closure procedures of the Organization.

62. The Organization assured my staff that although the parallel running was reduced to two weeks, this period was treated as a complete accounting cycle and covered the testing of all system functions. Furthermore, all PAHO's available resources are currently concentrated on the comprehensive testing of the general ledger sub-system to ensure its satisfactory implementation. My staff were also told that a number of enhancements designed to improve the operations of the general ledger sub-system are scheduled for implementation in 1988.

#### Stand-by arrangements

63. The External Auditor's report on PAHO's accounts for the 1979 financial period commented on the need for formal stand-by arrangements to be made to meet the eventuality of a major computer failure. Such arrangements have still not been made. However, the Organization told my staff that resources are being devoted to the development of a disaster recovery plan, including the provision of stand-by computer facilities. The development is at a very early stage as PAHO has yet to complete the initial study phase to identify all options.

### CONCLUSIONS

#### On bank and imprest accounts

64. I view it as important that reconciliations of all bank and imprest accounts should be kept up to date and that all discrepancies brought to light as a result of these reconciliations should be investigated and resolved. This is an important element of internal control which helps to safeguard the Organization's cash assets and is one which should not be allowed to fall into arrears.

65. I note that PAHO had been able to include a majority of the imprest account expenditure in the 1986-1987 accounts and that in only 11 cases was this not possible due to the late receipt of the imprest accounts. I therefore recommend that all imprest holders be reminded of the need to submit their accounts promptly. I also recommend that PAHO devote sufficient staff resources to investigating and resolving the discrepancies brought to light by the bank and imprest account reconciliations, so that any necessary adjustments can be made in the relevant financial period (paragraphs 7 and 8).

On the new headquarters building

66. The Directing Council of PAHO authorised a sum not exceeding \$915,000 to be met from the Building Fund to furnish and equip accommodation in the new headquarters building. In the event, expenditure in 1986-1987 of \$760,000 was met from the Building Fund and \$295,000 was funded from the Regular Budget General Operating Expenses. The total of \$1,055,000 is \$140,000 in excess of the \$915,000 authorised by the Council. Further expenditure on space requirements in the new building will be incurred in 1988-1989. The purpose of my report is to bring this expenditure to the attention of the Directing Council (paragraphs 9 to 16).

On monitoring and evaluation

67. My main findings from my review of PAHO's monitoring and evaluation system (AMPES) are:

- (i) The AMPES system shows that it incorporates the main elements of an effective and co-ordinated system for planning, programming, budgeting, monitoring and evaluation leading to feedback into the decision-making process. AMPES procedures are continuously reviewed for effectiveness, and methodology for analysis of the programme activities is being developed progressively (paragraphs 17 to 33);
- (ii) Notwithstanding the basic soundness of the system my staff's review identified the need for the following improvements:
  - the country APB proposals should provide, where this was possible, a better definition of expected results as a basis for ensuring the accountability of managers in terms of programme delivery (paragraphs 25 and 26);
  - programmes of work should have clearer direction, there should be less fragmentation of programmes and more attention needs to be paid to PAHO's priorities (paragraphs 27 to 29);
  - the formulation and control of APBs needs to be simplified to reduce delays in providing analysis and in making decisions on re-programming (paragraph 30); and
  - better analysis and evaluation in country annual reports is required (paragraphs 31 and 38).

68. I conclude from this examination that PAHO keeps under review the requirements of the AMPES system and is introducing improvements where necessary. In my view, PAHO should pay particular attention to setting programme targets whenever possible so that its progress towards the achievement of the Medium-term Plan can be more readily assessed. To assist in this assessment I recommend that PAHO develop procedures which rigorously compare actual achievement with work plans, targets and programme objectives.

On control of manpower

69. My staff's review of PAHO's procedures for controlling manpower found:

- (i) PAHO does not consider there is a need for an independent staff review system to assess the continuing need for posts. The need for posts is considered as an integral part of the budget review process and each time an Annual Operating Programme Budget is prepared. This review also considers the need to fill vacant posts and those posts expected to become vacant (paragraphs 36 and 37).
- (ii) During 1986 PAHO, as a result of WHO's request to make budgetary cuts, decided not to fill vacant posts (paragraph 38). PAHO estimates that this has resulted in savings of some \$3.8 million on budgeted costs of professional and general service staff of \$99.4 million (paragraphs 35 and 47). Employment of short-term consultants at headquarters was 20 per cent greater than in the previous financial period. The Organization could not provide a reason for this increase since many factors determine the need for consultants and no single conclusion could be drawn from their increased employment, including the effect of the freeze on vacant posts (paragraphs 41 and 42).
- (iii) During 1986-1987, the Director put a ceiling of \$700,000 on headquarters overtime. In the event, this was exceeded by \$111,960 (16 per cent) but compared with 1984-1985 there was a reduction of 28 per cent in the total cost of overtime worked (paragraphs 43 and 44).

- (iv) My review of the calculation of the budgetary lapse factor allowance for unfilled vacancies during 1986-1987 shows that it had been calculated with reasonable accuracy given the uncertainties that are present in lapse factor estimates and the overall financial situation (paragraphs 45 to 47).

70. I recognise that staffing needs are reviewed and justified as an annual and integral part of PAHO's budget review process. However, in my view this review process would be enhanced by a planned cycle of staffing surveys carried out independently by trained staff, using specialists where necessary. Such surveys would systematically examine work areas and identify those where savings might be made. This would provide senior management with additional assurance during their consideration of the budget that proposed staff levels were essential to the programme needs of the Organization.

On computer systems

71. My examination of PAHO's development of new, and the operation of existing, computerised systems has revealed that improvements have been made. However, there remain a number of control and procedural weaknesses in standards of documentation and levels of control (paragraphs 51 to 59). Furthermore a user manual for the expenditure sub-system is not expected to be available until early 1988 despite the system's becoming operational in 1985 (paragraph 60).

72. In my view the introduction of satisfactory documentation and control procedures is an essential element in the introduction of computer systems. These would bring with them improvements in the efficiency of the computer systems. Less clerical effort would be required to identify and rectify errors; problems would be brought to attention at an early stage; changes to the systems could be more readily made where these were found to be necessary; and quick recovery in the event of a breakdown or loss of computer services would be assured. I therefore recommend that, as a matter of urgency, the Organization remedy the weaknesses highlighted in my staff's review, some of which have been evident since 1978.

73. In view of the problems identified in the FMS expenditure accounting sub-system (paragraphs 56 to 58), I recommend that PAHO should review the planned scope of continuing testing of the new general ledger system to ensure that all functions and requirements of the new system are fully tested before implementation. I also recommend that PAHO should carry out a further review of existing and planned input controls to ensure that the validity and accuracy of input to accounting records is secured in the new system.

ACKNOWLEDGEMENT

74. I wish to record my appreciation for the co-operation and assistance extended by the Director and the staff of the Organization during my audit.



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John Bourn  
(Comptroller and Auditor General  
United Kingdom)  
External Auditor

17 June 1988



CERTIFICATION OF FINANCIAL STATEMENTS

The appended Exhibit I to Exhibit X and Schedule 1 to Schedule 13 are approved:

  
William G. McMill  
Chief, Department of Finance  
and Accounts

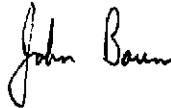
  
Carlyle Guerra de Macedo  
Director

OPINION OF THE EXTERNAL AUDITOR

To: The Directing Council of the Pan American Health Organization

I have examined the following appended financial statements numbered Exhibit I to Exhibit X, and the relevant Schedules of the Pan American Health Organization for the financial period ended 31 December 1987, in accordance with the Common Auditing Standards of the Panel of External Auditors of the United Nations, the Specialized Agencies and the International Atomic Energy Agency. My examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances.

As a result of my examination I am of the opinion that the financial statements present fairly the financial position as at 31 December 1987 and the results of the operations for the period then ended; that they were prepared in accordance with the Organization's stated accounting policies which were applied on a basis consistent with that of the preceding financial period; and that the transactions were in accordance with the Financial Regulations and legislative authority.



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John Bourn  
(Comptroller and Auditor General, United Kingdom)  
External Auditor

**PART III**

**PAN AMERICAN HEALTH ORGANIZATION  
FINANCIAL STATEMENTS**



#### STATEMENT OF MAJOR ACCOUNTING POLICIES

The major accounting policies and reporting practices being applied reflect the requirements of PAHO's Financial Regulations and the more detailed financial and accounting procedures established by the Director in the light of those Regulations and of the decisions taken from time to time by the governing bodies. Generally speaking, they are compatible with the principles and practices applicable in government accounting, as well as with those of the World Health Organization, the United Nations and the specialized agencies. The Caribbean Epidemiology Center and the Caribbean Food and Nutrition Institute adhere to PAHO's Financial Regulations while the Institute of Nutrition of Central America and Panama is governed by its own Financial Regulations. Some of the policies and practices applied are:

- a) Liabilities shown in the Statement of Assets and Liabilities (Exhibit IV) include unliquidated obligations in respect of the regular budget. All other funds listed in the Statement of Assets and Liabilities are reflected on a cash basis.
- b) Accounts receivable and payable are maintained within the Organization's single set of accounts and are not segregated by source of funds.
- c) Amounts due on quota contributions are shown in the Statement of Assets and Liabilities, reduced by a provision for uncollected quota contributions.
- d) Interest is taken into account at the time it is credited to PAHO's bank accounts, including any related exchange differential.
- e) The value of securities held as investments by the Organization is shown at the cost price.
- f) Capital assets, other than land and buildings, are not reflected in the balance sheet. However, such assets - mainly non-expendable equipment - are recorded in the project and office inventories of the Organization.
- g) The value shown for real property (capital assets) is the cost at the time of acquisition, or in the case of the land of the previous Governor Shepherd Building in Washington, at the appraised value as of December 1987. No adjustments are made for depreciation, appreciation or fluctuation in currencies.
- h) Income is recorded on a cash basis (i.e., when actually received).
- i) Expenditure/project costs are recorded on a cash basis (i.e., when actually paid) or on an accrual basis (i.e., as obligated, whether paid or not) depending upon the source of funds.



PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF APPROPRIATIONS AND OBLIGATIONS FOR THE FINANCIAL PERIOD 1986-1987  
RELATING TO THE EFFECTIVE WORKING BUDGET  
(expressed in US dollars)

Appropriation section	Appropriations		Obligations		Balance	
	Original	Transfers	Liquidated	Unliquidated	Total	Budget Surplus
Part I - Direction, Coordination and Management	15,996,300	(1,260,705)	12,052,724	1,694,684	13,747,408	988,187
Part II - Health System Infrastructure	40,439,000	-	29,369,043	5,502,583	34,871,626	5,567,374
Part III - Health Science Technology - Health Promotion and Care	20,950,500	-	15,346,614	2,137,651	17,484,265	3,466,235
Part IV - Health Science Technology - Disease Prevention and Control	15,643,900	-	13,935,912	1,482,832	15,418,744	225,156
Part V - Program Support	19,454,300	1,260,705	18,974,890	1,740,115	20,715,005	-
Effective Working Budget	112,484,000 <sup>1/</sup>	-	89,679,183	12,557,865	102,237,048	10,246,952
Part VI - Staff Assessment (Transfer to Tax Equalization Fund)	15,544,600	-	15,544,600	-	15,544,600	-
Total	128,028,600	-	105,223,783	12,557,865	117,781,648	10,246,952

<sup>1/</sup> As per Resolution VIII of the XXX Meeting of the Directing Council.

PAN AMERICAN HEALTH ORGANIZATION  
CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE  
OF ALL FUNDS FOR THE YEAR 1987  
(expressed in US dollars)

Funds	Note* or Statement	Balance 1 January 1986	Income 1986-1987	Transfers and Refunds	Expenditure 1986-1987	Balance 31 December 1987
<b>PAN AMERICAN HEALTH ORGANIZATION</b>						
Regular Budget	Exhibit III	-	103,096,548	(1,275,600)	101,820,948	-
Advances from Governments and Institutions for Procurement	Schedule 3	3,850,429	11,001,928	(2,516,983)	8,693,183	3,642,191
Building Fund	II	950,292	1,258,381	81,942	1,919,442	371,173
Emergency Procurement Revolving Fund	Schedule 4	125,000	-	-	-	125,000
Provision for Termination and Repatriation Entitlements	10	4,186,829	2,795,553	-	1,820,555	5,161,827
Revolving Fund for the Expanded Program on Immunization	Schedule 5	4,705,541	10,522,111	-	10,298,523	4,929,129
Revolving Fund for the Procurement of Essential Drugs	Schedule 6	-	3,073,220	-	1,472,491	1,600,729
Special Funds:						
Animal Health Research	15	31,200	4,650	-	657	35,193
Health Promotion	16	229,553	25,496	416,100	416,947	254,202
Natural Disaster Relief	17	450,547	642,382	-	344,125	748,804
Program Support Costs	18	997,872	3,193,342	( 59,732)	420,518	3,710,964
Sale of Vaccine - APTOSA	19	1,595,718	5,834,510	-	3,462,390	3,967,838
Trust Funds	Schedule 7	1,401,312	39,659,472	-	32,061,927	8,998,857
Working Capital Fund	22	11,000,000	-	-	-	11,000,000
Holding Account	21	22,210	-	837,290	-	859,500
PAHO - CAREC:						
Regular Budget	Exhibit V	-	2,422,424	( 625,265)	1,797,159	-
Trust Funds	Schedule 9	60,375	472,709	-	578,836	( 45,752)
Working Capital Fund/Deficit	Exhibit VI	( 277,861)	-	625,265	-	347,404
PAHO - CFNI:						
Regular Budget	Exhibit VII	-	331,168	163,666	494,834	-
Trust Funds	Schedule II	51,687	252,731	-	317,594	( 13,176)
Working Capital Fund/Deficit	Exhibit VIII	( 9,343)	-	( 163,666)	-	( 173,009)
Regular Budget	Exhibit IX	-	1,122,662	( 168,034)	954,628	-
Trust Funds	Schedule I3	( 704,804)	5,099,281	( 18,145)	6,372,172	(1,995,840)
Working Capital Fund/Deficit	Exhibit X	284,579	62	168,034	-	452,675
Subtotal, PAHO		28,951,136	190,808,630	(2,535,128)	173,246,929	43,977,709
<b>WORLD HEALTH ORGANIZATION</b>						
Regular Budget		-	54,124,337	-	54,124,337	-
United Nations Development Program		-	4,872,590	-	4,872,590	-
United Nations Fund for Population Activities		-	11,079,096	-	11,079,096	-
WHO - Other		-	9,891,018	-	9,891,018	-
Subtotal, WHO		-	79,967,041	-	79,967,041	-
TOTAL, ALL FUNDS		28,951,136	270,775,671	(2,535,128)	253,213,970	43,977,709

\* See Explanatory Notes to Exhibit IV.

PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE 1986-1987 REGULAR BUDGET  
(expressed in US dollars)

	<u>1986-1987</u>	<u>1984-1985</u>
<b>INCOME</b>		
Contributions from Member and Participating Governments		
Receipts from current assessments (Schedule 2)	86,517,595	89,242,740
Less: Transfer to Tax Equalization Fund (Exhibit IV note 1)	<u>3,712,500</u>	<u>5,373,393</u>
	<u>82,805,095</u>	<u>83,869,347</u>
Receipts from prior years' assessments (Schedule 2)	15,429,628	10,857,062
Less: Transfer to Tax Equalization Fund (Exhibit IV note 1)	<u>86,031</u>	<u>-</u>
	<u>15,343,597</u>	<u>10,857,062</u>
Receipts for the supplementary budget for the financing of the Pan American Zoonoses and Foot-and-Mouth Disease Centers	<u>-</u>	<u>1,741</u>
<b>Total, Contributions</b>	<u>98,148,692</u>	<u>94,728,150</u>
Miscellaneous income		
Interest earned	4,012,629	5,427,850
Return of pension contributions for terminated staff	45,511	12,915
Currency exchange differential	( 995,881)	( 9,817)
Sundry	<u>633,629</u>	<u>405,949</u>
<b>Total, Miscellaneous Income</b>	<u>3,695,888</u>	<u>5,836,897</u>
Excess of unliquidated obligations	<u>1,251,968</u>	<u>1,069,241</u>
<b>Total, Income</b>	<u>103,096,548</u>	<u>101,634,288</u>
<b>EXPENDITURE</b>		
Personnel costs	61,466,307	61,256,902
Duty travel	3,340,756	3,001,485
Fellowships	3,219,419	6,116,089
Seminars	4,828,941	4,557,034
Project supplies and equipment	7,011,344	7,085,352
Project grants and others	14,316,360	10,596,835
Non-project supplies and equipment	716,034	1,051,055
Non-project common services and other	<u>6,921,787</u>	<u>6,837,326</u>
<b>Total, Expenditure</b>	<u>101,820,948</u>	<u>100,502,078</u>
<b>EXCESS INCOME</b>	1,275,600	1,132,210
<b>LESS APPROPRIATIONS</b>		
Contribution to Building Fund	-	610,000
Contribution to the Special Fund for Health Promotion	<u>416,100</u>	<u>500,000</u>
	<u>416,100</u>	<u>1,110,000</u>
<b>SURPLUS</b>	<u>859,500</u>	<u>22,210</u>
	=====	=====



PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

A S S E T S	<u>Note*</u>	<u>1987</u>	<u>1985</u>
<b>CURRENT ASSETS</b>			
Cash: at banks, in transit and on hand (Schedule 1)	-	<u>582,204</u>	<u>1,367,727</u>
Time deposits and investments, at cost (Schedule 1)	-	<u>54,536,641</u>	<u>30,464,181</u>
Accounts receivable			
Quota contributions from Member and Participating Governments (Schedule 2)	-	<u>25,380,173</u>	<u>15,921,396</u>
Less: Reserved	-	<u>25,380,173</u>	<u>15,921,396</u>
		-	-
Tax Equalization Fund	1	<u>249,935</u>	-
Trust Funds receivable (Schedule 7)	-	<u>5,386,598</u>	<u>3,295,301</u>
Sundry debtors, net	2	<u>2,931,516</u>	<u>2,463,686</u>
Balance due from World Health Organization for inter-organization funding activities	-	<u>5,068,905</u>	<u>4,341,729</u>
Balance due from Centers for inter-organization funding activities	3	<u>1,499,419</u>	<u>372,595</u>
Deferred charges	4	<u>6,388,479</u>	<u>8,372,194</u>
Total current assets		<u>76,643,697</u>	<u>50,677,413</u>
<b>LAND AND BUILDINGS</b>			
Headquarters and field offices	5	<u>11,686,785</u>	<u>11,686,785</u>
Total land and buildings		<u>11,686,785</u>	<u>11,686,785</u>
TOTAL		<u>88,330,482</u>	<u>62,364,198</u>

\* See Explanatory Notes, following pages.

L I A B I L I T I E S	<u>Note*</u>	<u>1987</u>	<u>1985</u>
<b>CURRENT LIABILITIES</b>			
Quota contributions received in advance	6	<u>26,986</u>	<u>38,868</u>
Unliquidated obligations	7	<u>12,557,865</u>	<u>9,506,229</u>
Accounts payable			
Advances from Governments and Institutions for procurement (Schedule 3)	8	3,642,191	3,850,429
Balance due to Pan American Health and Education Foundation under operating agreement	-	11,118,962	7,235,204
Balance due to Centers for inter-organization funding activities	9	180,277	40,260
Textbook Program	-	577,602	534,461
Other sundry creditors	-	<u>1,390,000</u>	<u>344,161</u>
Total accounts payable		<u>16,909,032</u>	<u>12,004,515</u>
Total current liabilities		<u>29,493,883</u>	<u>21,549,612</u>
PROVISION FOR TERMINATION AND REPATRIATION ENTITLEMENTS	10	<u>5,161,827</u>	<u>4,186,829</u>
<b>SPECIAL FUNDS</b>			
Building Fund	11	371,173	950,292
Emergency Procurement Revolving Fund (Schedule 4)	12	125,000	125,000
Revolving Fund for the Expanded Program on Immunization (Schedule 5)	13	4,929,129	4,705,541
Revolving Fund for the Procurement of Essential Drugs (Schedule 6)	14	1,600,729	-
Special Fund for Animal Health Research	15	35,193	31,200
Special Fund for Health Promotion	16	254,202	229,553
Special Fund for Natural Disaster Relief	17	748,804	450,547
Special Fund for Program Support Costs	18	3,710,964	997,872
Special Fund for Sale of Vaccine at Aftosa	19	3,967,838	1,595,718
Tax Equalization Fund	-	-	136,426
Trust Funds (Schedule 7)	20	<u>14,385,455</u>	<u>4,696,613</u>
Total special funds		<u>30,128,487</u>	<u>13,918,762</u>
HOLDING ACCOUNT	21	<u>859,500</u>	<u>22,210</u>
WORKING CAPITAL FUND	22	<u>11,000,000</u>	<u>11,000,000</u>
<b>EQUITY IN LAND AND BUILDINGS</b>			
Headquarters and field offices	5	<u>11,686,785</u>	<u>11,686,785</u>
TOTAL		<u>88,330,482</u>	<u>62,364,198</u>
		=====	=====

1. Tax Equalization Fund

This Fund, established by Resolution VII of the XVIII Meeting of the Directing Council in 1968, is credited with the revenue derived from the staff assessment plan. The credits to the Fund are recorded in the names of each Member Government in proportion to their assessments for the financial period concerned, reduced by the amount needed to reimburse income taxes levied by the Member Governments on PAHO staff.

Adjustments are made in the next financial period to take account of the actual charges in respect of amounts reimbursed to staff members who are subject to national taxes.

Status of the Tax Equalization Fund as of 31 December 1987 is:

Member Governments	Balance 1 January 1986	Credits from Tax Equalization Fund	Apportionment of Member Governments	Available to cover tax reimbursements to staff	Taxes reimbursed to staff	Balance 31 December 1987
Canada	-	1,015,061	1,015,061	-	819	819
Colombia	3,726	143,010	140,010	( 3,000)	8,341	9,067
United States	(121,893)	9,527,284	5,827,284	(3,786,031)	4,168,235	260,311
Venezuela	( 18,259)	519,190	500,190	( 9,500)	7,497	( 20,262)
Other Member and Participating Govts	-	4,340,055	4,340,055	-	-	-
Total	(136,426)	15,544,600	11,822,600	(3,798,531)	4,184,892	249,935

2. Sundry Debtors, Net

	1987	1985
Advances made to staff members in accordance with the rules and regulations of the Organization	194,200	278,183
Sundry Debtors	354,675	580,964
Sale of vaccine-AFTOSA	1,960,847	1,223,034
Expenditure from Revolving Fund for the Expanded Program on Immunization awaiting reimbursement	1,329,934	1,640,747
Expenditure from Revolving Fund for the Procurement of Essential Drugs awaiting reimbursement	1,107,245	-
Expenditure from Emergency Procurement Revolving Fund awaiting reimbursement	6,755	49,144
Deposits and guarantees	1,474	1,474
Subtotal	4,955,130	3,773,546
Less: Reserves for doubtful accounts	121,125	100,397
Reserve for sale of vaccine-AFTOSA	1,902,489	1,209,463
Total	2,931,516	2,463,686

3. Balance Due from Centers-inter-Organization Funding Activities

The net results of the accounting transactions between the Centers and the Organization represent a receivable due from the Centers of \$1,499,419 (see explanatory note 9).

	1987	1985
Caribbean Epidemiological Center (Exhibit VI)	-	208,709
Caribbean Food and Nutrition Institute (Exhibit VIII)	185,992	-
Institute of Nutrition of Central America and Panama (Exhibit X)	1,313,427	163,886
Total	1,499,419	372,595

4. Deferred Charges

Deferred charges are prepaid expenses and advances made to individuals or projects in accordance with the Financial Rules and Regulations of the Organization and will be charged to expenditure upon receipt of the required claim or supporting documentation.

Disbursements from imprest accounts and from project advances which were reported too late for inclusion in the expense accounts of the closing year, have been included in prepaid expenses and advances made for projects. These disbursements will be accounted for in the following year against the relevant unliquidated obligations.

	<u>1987</u>	<u>1985</u>
Prepaid expenses - PAHO	765,103	2,989,543
- WHO	2,435,600	2,327,047
Advances made to staff members and short-term consultants pending submission of claims	2,357,136	1,656,403
Advances made for projects	<u>830,640</u>	<u>1,399,201</u>
Total	6,388,479 =====	8,372,194 =====

5. Land and Buildings

The amount of \$11,686,785 shown as the value of the Headquarters and field offices land and buildings is comprised as follows:

Washington, United States of America		
Main building: land and building	6,906,170 <sup>1/</sup>	
Annex: land only	<u>3,429,533 <sup>2/</sup></u>	10,335,703
Caracas, Venezuela		208,645 <sup>1/</sup>
Guatemala City, Guatemala		96,391 <sup>1/</sup>
Lima, Peru		125,940 <sup>1/</sup>
Brasilia, Brazil		803,545 <sup>1/</sup>
Buenos Aires, Argentina		<u>116,561 <sup>1/</sup></u>
Total		11,686,785 =====

No depreciation is charged on the buildings.

<sup>1/</sup> At cost.

<sup>2/</sup> The land is valued at the appraised value as at 31 December 1985.

1. Non-expendable Inventories

The original cost of non-expendable inventories in use at Headquarters as of 31 December 1987 totalled \$5,745,621 (compared to \$5,041,950 at 31 December 1985).

Although the inventory amount is not reported in the accounts as an asset, inventory lists are prepared, both at Washington and in the field, in order to maintain effective custody of the physical assets of the Organization.

2. Quota Contributions Received in Advance

An amount of \$26,986 was received in 1987 from Argentina as partial payment for its 1988 quota contribution.

7. Unliquidated Obligations

Unliquidated obligations of \$12,557,865 are commitments against the resources of the current financial periods for which funds have not yet been disbursed.

8. Advances from Governments and Institutions for Procurement

These are funds deposited with the Organization by governments and institutions/agencies under the jurisdiction of the Minister of Health for the purchase on their behalf of medical supplies, equipment and literature which otherwise would be either unobtainable, or subject to procurement difficulties in the countries concerned. A three per cent service charge is applied to the net cost of the items purchased. During the biennium the service charge amounted to \$238,035. In accordance with Resolution XXXVI of the XXVIII Meeting of the Directing Council, this amount was included in the Special Account for Program Support Costs and has been used to defray part of the staff costs related to these procurement functions.

The status of advances from governments and institutions for the years 1982-1983, 1984-1985 and 1986-1987 is as follows:

	<u>1986-1987</u>	<u>1984-1985</u>	<u>1982-1983</u>
Balance 1 January	3,850,429	7,182,261	2,898,684
Received	11,001,928	8,537,749	13,895,298
Refunds	(2,516,983)	(1,304,283)	( 370,180)
Subtotal	12,335,374	14,415,727	16,423,802
Expenditure	<u>8,693,183</u>	<u>10,565,298</u>	<u>9,241,541</u>
Balance 31 December	3,642,191 <sup>1/</sup>	3,850,429	7,182,261

<sup>1/</sup> Unobligated balance of the advances at 31 December 1987 is as follows:

Cash balance, as above	3,642,191
Less: Unliquidated obligations	<u>1,063,317</u>
Balance to be obligated in 1988	<u>2,578,874</u>

9. Balance Due to Centers-inter-Organization Funding Activities

The net results of the accounting transactions between the Centers and the Organization represent an amount payable to the Caribbean Epidemiology Center of \$180,277 as indicated below: (see explanatory note 3)

	<u>1987</u>	<u>1985</u>
Caribbean Epidemiological Center (Exhibit VI)	180,277	-
Caribbean Food and Nutrition Institute (Exhibit VIII)	-	<u>40,260</u>
Total	<u>180,277</u>	<u>40,260</u>

10. Provision for Termination and Repatriation Entitlements

Under the Staff Rules, terminating staff members are entitled to certain terminal payments, such as payment for annual leave, repatriation grant, cost of repatriation travel and other appropriate separation indemnities. For some years, the Organization has followed the policy of setting aside funds to cover these costs. Additions for the biennium 1986-1987 were computed at six per cent of net salaries as compared to four per cent for the biennium 1984-1985. The provision has no actuarial or statistical basis. Funds available within this account do not equal the Organization's total contingent liability for termination and separation entitlements for all staff including pending appeals but are considered sufficient to meet recurring costs of normal staff attrition, including agreed termination settlements.

Status of the provision as of 31 December is:

	<u>1986-1987</u>	<u>1984-1985</u>
Balance at 1 January	4,186,829	3,505,609
Additions:		
Provision for terminal payments based on a percentage of salaries	2,186,436	1,502,234
Interest income	<u>609,117</u>	<u>781,284</u>
Subtotal	6,982,382	5,789,127
Expenditure:		
Accrued annual leave	501,527	538,825
Repatriation grant	672,721	580,958
Repatriation travel and removal	524,637	321,028
Settlement under agreed termination	101,363	161,487
Ex-gratia payment	17,143	-
Grant in case of death	<u>3,164</u>	<u>-</u>
	<u>1,820,555</u>	<u>1,602,298</u>
Balance at 31 December	<u>5,161,827</u> *****	<u>4,186,829</u> *****

11. Building Funds

Status of the Building Funds as of 31 December 1987 is as follows:

	<u>New Building</u>	<u>Maintenance and Major Improvements</u>	<u>HQS Rental Income</u>	<u>CFNI Building</u>	<u>Total</u>
Balance as of 1 January 1986	646,804	100,000	-	203,488	950,292
Transfer from Special Account for Program Support, being income from Conference room rental prior to 1986 (see note 18)	-	-	9,732	-	9,732
Funds received from land rental of new building	1,211,245	-	-	-	1,211,245
Transfer from Special Account for Program Support Costs (see note 18)	50,000	-	-	-	50,000
Funds received for conference room rental	-	-	43,413	-	43,413
Transfer from CFNI Building Fund	47,008	-	-	( 47,008)	-
Transfer to Maintenance and Major Improvement Account	( 100,000)	100,000	-	-	-
Miscellaneous income CFNI Building	-	-	-	3,723	3,723
Transfer of 1984-1985 surplus from Holding Account in accordance with Resolution XIV of the XXII PASB Conference held in September 1986, to defray the costs of major maintenance and repairs (see note 21)	<u>-</u>	<u>22,210</u>	<u>-</u>	<u>-</u>	<u>22,210</u>
	1,855,057	222,210	53,145	160,203	2,290,615
Expenditure	<u>1,660,698</u>	<u>100,762</u>	<u>-</u>	<u>157,982</u>	<u>1,919,442</u>
Balance as of 31 December 1987	<u>194,359</u> *****	<u>121,448</u> *****	<u>53,145</u> *****	<u>2,221</u> *****	<u>371,173</u> *****

12. Emergency Procurement Revolving Fund

The Directing Council, at its III Meeting in 1949, created an Emergency Procurement Revolving Fund in order to provide immediate relief to Member Governments in cases of emergency health problems. Reimbursement to the Fund is made by the countries that have requested the supplies.

The statement of activities during 1986-1987 for the Emergency Procurement Revolving Fund is shown in Schedule 4.

13. Revolving Fund for the Expanded Program on Immunization

The establishment of the Revolving Fund for the Expanded Program on Immunization was authorized by Resolution XXVII of the XXV Meeting of the Directing Council in 1977. The Revolving Fund will finance the procurements of vaccine for Member Governments unable to deposit funds with the Organization in U.S. currency in advance of procurement action. Reimbursement to the Revolving Fund is normally made in local currency by the governments that have requested the vaccine.

In accordance with the provisions of the Revolving Fund, the Director is authorized to transfer funds over and above a minimum Reserve Account balance of \$100,000 to the Revolving Fund as additional capital. In 1986-1987, an amount of \$298,017 was transferred as additional capitalization to Revolving Fund.

Level of the Revolving Fund as of 31 December 1987	4,829,129
Amount in the Reserve Account as of 31 December 1987	<u>100,000</u>
	4,929,129
	*****

Status of the Revolving Fund is shown in Schedule 5.

14. Revolving Fund for the Procurement of Essential Drugs

Project RE-ED-05 (FORMED), one of the five sub-regional projects of the Essential Drugs Priority Area included in the Plan on Priority Health Needs for Central America and Panama initiated the establishment of the Revolving Fund for the Procurement of Essential Drugs.

The main objective of the Revolving Fund is to provide essential drugs to the population of Central America and Panama. The fund is to be used by the Ministries of Health and the Social Security Institutions of Belize, Costa Rica, El Salvador, Honduras, Nicaragua and Panama.

This project is being financed by contributions from the Government of the Netherlands and technical cooperation from the government of Sweden.

The status of the Revolving Fund is shown in Schedule 6.

15. Special Fund for Animal Health Research

In compliance with Resolution VIII of the X Inter-American Meeting, at the Ministerial Level, on Foot-and-Mouth Disease and Zoonoses Control, and as authorized by paragraph 6.7 of the Financial Regulations of the Pan American Health Organization, the Director established a Special Fund for Animal Health Research. The Fund is financed with voluntary contributions from governments, agencies and non-governmental organizations interested in cooperating in activities relating to the study of specific problems in the field of animal health in the Americas.

Status of the Fund is:

Balance as of 1 January 1986	31,200
Interest income	<u>4,650</u>
	35,850
Expenditure	<u>657</u>
Balance as of 31 December 1987	<u>35,193</u>
	*****

6. Special Fund for Health Promotion

An amount of \$417,000 was allocated to the Special Fund for Health Promotion from the Organization's 1986-1987 regular budget. The funds are used to repay the IDB loans obtained by PAHEF for the textbook program and the expanded textbook and instructional materials program.

Status of the Fund is:

Balance as of 1 January 1986	229,553
Transfer from PAHO Regular Budget	416,100
Interest	25,226
Miscellaneous income	<u>270</u>
	671,149
Expenditure	<u>416,947</u>
Balance as of 31 December 1987	254,202 =====

7. Special Fund for Natural Disaster Relief

In accordance with Resolution X of the XXIV Meeting of the Directing Council in 1976, the Special Fund for Natural Disaster Relief was created to provide funds which can be used promptly by the Organization's Disaster Unit.

Status of the Fund is:

Balance as of 1 January 1986	450,547
Contributions received from:	
Canadian International Development Agency	197,125
Government of Italy	170,000
Government of Peru	59,000
Government of Colombia	35,000
Government of the Netherlands	30,000
Government of Bolivia	29,000
Miscellaneous contributions	55,809
Interest	<u>66,448</u>
	1,092,929
Expenditure	<u>344,125</u>
Balance as of 31 December 1987	748,804 =====

8. Special Fund for Program Support Costs

This Fund was established in 1976 by the Director under the authority vested in him by Financial Regulation 6.7 and subsequently reaffirmed by Resolution XXXII of the XX Pan American Sanitary Conference in 1978.

Status of the Fund is:

Balance as of 1 January 1986	997,872
Transfer to Building Fund, being income received from conference room rental prior to 1986 (see note 11)	( 9,732)
Transfer to Building Fund (see note 11)	( 50,000)
Program Support Costs earned in 1986-1987	2,707,231
Service charge of 3% for procurement on behalf of Member Governments (see explanatory note 8)	238,035
Sales of Publications	233,213
Miscellaneous income	<u>14,863</u>
Subtotal	4,131,482
Expenditure	<u>420,518</u>
Balance as of 31 December 1987	3,710,964 =====



19. Special Fund for Sale of Vaccine at AFTOSA

This Fund was established by the Director under the authority vested in him by Financial Regulations 6.7.

As the proceeds from the sale of vaccine at AFTOSA has gradually increased over the years, this account has been transferred from the Statement of Trust Funds to a Special Fund on the Statement of Assets and Liabilities.

Status of the Fund is:

Balance as of 1 January 1986	1,595,718
Income	5,834,510
	<u>7,430,228</u>
Disbursements	3,462,390
Balance as of 31 December 1987	3,967,838
	=====

20. Trust Funds

The Statement of Trust Funds as of 31 December 1987 is shown in Schedule 7. The footnote is an integral part of the Schedule.

21. Holding Account

In accordance with Resolution XVI of the XX Pan American Sanitary Conference, any surplus funds will be placed in a Holding Account until such time as the Directing Council or the Pan American Sanitary Conference decides on how to utilize the funds.

Status of the Holding Account as of 31 December 1987 is:

Balance as of 1 January 1986	22,210
Deduct transfer to the Building Fund in accordance with Resolution XIV of the XXII PASB Conference held in September 1986 (see note 11)	<u>22,210</u>
Surplus for the 1986-1987 biennium	<u>859,500</u>
Balance as of 31 December	859,500
	=====

Details of the income and expenditure for the biennium 1986-1987 are shown in Exhibit III.

22. Working Capital Fund

The Working Capital Fund was established for the primary purpose of providing funds as required to finance the regular budget pending receipt of contributions from Member and Participating Governments. The Fund is also used to provide funds for the Organization's Centers pending receipt of their quota contributions.

At its XX Meeting in 1978, the Pan American Sanitary Conference reviewed the level of the Organization's Working Capital Fund and by Resolution XVI approved a fixed level of \$11,000,000.

In February 1979 the Director of the Organization, under the authority vested in him by Resolution I of the 81st Meeting of the Executive Committee, signed a contract with the Inter-American Development Bank (IDB) to guarantee the new loan of \$5 million to PAHEF for the Textbook and Instructional Materials Program. Under this PAHO/IDB contract, PAHO has agreed that during the period of the amortization of the loan, its Working Capital Fund will be maintained at a level not less than the balance owed on the loan plus interest. PAHEF has now drawn the full amount of the loan and will commence to repay the loan in December 1989.

In order to have a clear title on the Governor Shepherd property, the Director signed in March 1982 a new contract with the Inter-American Development Bank (IDB) which superseded the contract signed in 1971 for the loan to PAHEF's Medical Textbook Program. The original loan was secured by a letter of credit and by a second deed of trust of \$1,040,000 on the Governor Shepherd property. In lieu of the letter of credit and second deed of trust, the new contract specifies that PAHO will maintain a balance in its Working Capital Fund of not less than the amount owed by PAHEF under the loan and interest due and payable. As at 31 December 1987, the amount owed was \$810,811.

PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF CASH, DEPOSITS AND SECURITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

Cash at banks, in transit and on hand	582,204 <u>1/</u>
Time deposits and investments, at cost in US dollars	<u>54,536,641</u>
Total, Cash, Deposits and Securities	55,118,845 =====

1/ The conversion of local currencies to US dollars has been made in conformity with the UNDP/WHO official exchange rates as of 31 December 1987.

STATEMENT OF APPLICATION OF CASH, DEPOSITS AND SECURITIES  
BY SOURCE OF FUNDS

Accounts payable	12,535,948	
Less: Accounts receivable	<u>11,303,261</u>	<u>1,232,687</u>
Unliquidated obligations		
Regular budget		<u>12,557,865</u>
Advances for procurement on behalf of Member Countries		<u>3,642,191</u>
Special Funds:		
Building Fund		371,173
Emergency Procurement Fund	125,000	
Less: Accounts receivable from Member Countries	6,754	118,246
Revolving Fund for the Expanded Program on Immunization	<u>4,929,129</u>	
Less: Accounts receivable from Member Countries	<u>1,329,934</u>	3,599,195
Nursing Textbook Program		577,602
Revolving Fund for the Procurement of Drugs	1,600,729	
Less: Accounts receivable from Member Countries	<u>1,107,246</u>	493,483
Special Fund for Animal Health		35,193
Special Fund for Health Promotion		254,202
Special Fund for Program Support Costs		3,710,964
Special Fund for Sale of Aftosa Vaccine	3,967,838	
Less: Accounts receivable	<u>1,960,847</u>	2,006,991
Natural Disaster Relief Fund		748,804
Trust Funds		<u>14,385,455</u>
		<u>26,301,308</u>
Terminal Payment Account		<u>5,161,827</u>
Holding Account		<u>859,500</u>
Working Capital Fund	11,000,000	
Less: Tax Equalization Fund	249,935	
Trust Fund receivables	<u>5,386,598</u>	<u>5,636,533</u>
Total		55,118,845 =====

PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM  
MEMBER GOVERNMENTS AND PARTICIPATING GOVERNMENTS  
1986-1987 ASSESSMENT AND PRIOR YEARS  
(expressed in US dollars)

<u>Member Governments and Participating Governments</u>	<u>Year</u>	<u>Amount Due</u>	<u>Collected During 1986-1987</u>	<u>Balance Due 31 December 1987</u>
Antigua and Barbuda	1986-1987	<u>21,537</u>	<u>19,853</u>	<u>1,684</u>
Argentina	1986-1987	7,473,269	7,473,269	-
	1984-1985	<u>3,440,907</u>	<u>3,440,907</u>	<u>-</u>
		<u>10,914,176</u>	<u>10,914,176</u>	<u>-</u>
Bahamas	1986-1987	<u>64,610</u>	<u>64,610</u>	<u>-</u>
Barbados	1986-1987	<u>75,379</u>	<u>75,379</u>	<u>-</u>
Belize	1986-1987	43,073	43,073	-
	1984-1985	<u>19,832</u>	<u>19,832</u>	<u>-</u>
		<u>62,905</u>	<u>62,905</u>	<u>-</u>
Bolivia	1986-1987	183,063	-	183,063
	1984-1985	<u>168,570</u>	<u>118,570</u>	<u>50,000</u>
		<u>351,633</u>	<u>118,570</u>	<u>233,063</u>
Brazil	1986-1987	9,357,738	4,678,869	4,678,869
	1984-1985	<u>7,616,918</u>	<u>7,616,918</u>	<u>-</u>
		<u>16,974,656</u>	<u>12,295,787</u>	<u>4,678,869</u>
Canada	1986-1987	<u>7,031,767</u>	<u>7,031,767</u>	<u>-</u>
Chile	1986-1987	<u>818,398</u>	<u>409,199</u>	<u>409,199</u>
Colombia	1986-1987	993,693	973,943	19,750
	1984-1985	<u>114,956</u>	<u>114,956</u>	<u>-</u>
		<u>1,108,649</u>	<u>1,088,899</u>	<u>19,750</u>
Costa Rica	1986-1987	183,063	88,747	94,316
	1984-1985	<u>57,537</u>	<u>57,537</u>	<u>-</u>
		<u>240,600</u>	<u>146,284</u>	<u>94,316</u>
Cuba	1986-1987	1,173,756	187,460	986,296
	1984-1985	<u>433,593</u>	<u>433,593</u>	<u>-</u>
		<u>1,607,349</u>	<u>621,053</u>	<u>986,296</u>
Dominica	1986-1987	21,537	21,537	-
	1984-1985	<u>4,965</u>	<u>4,965</u>	<u>-</u>
		<u>26,502</u>	<u>26,502</u>	<u>-</u>
Dominican Republic	1986-1987	183,063	-	183,063
	1984-1985	<u>168,570</u>	<u>-</u>	<u>168,570</u>
	1982-1983	147,638	79,271	68,367
	1980-1981	<u>97,420</u>	<u>97,420</u>	<u>-</u>
		<u>596,691</u>	<u>176,691</u>	<u>420,000</u>
Ecuador	1986-1987	<u>183,063</u>	<u>175,207</u>	<u>7,856</u>
El Salvador	1986-1987	183,063	91,532	91,531
	1984-1985	<u>147,450</u>	<u>147,450</u>	<u>-</u>
		<u>330,513</u>	<u>238,982</u>	<u>91,531</u>
France	1986-1987	<u>183,063</u>	<u>183,063</u>	<u>-</u>
Grenada	1986-1987	<u>32,305</u>	<u>-</u>	<u>32,305</u>
Guatemala	1986-1987	183,063	84,285	98,778
	1984-1985	<u>84,285</u>	<u>84,285</u>	<u>-</u>
		<u>267,348</u>	<u>168,570</u>	<u>98,778</u>
Guyana	1986-1987	183,063	2,753	180,310
	1984-1985	<u>142,086</u>	<u>142,086</u>	<u>-</u>
		<u>325,149</u>	<u>144,839</u>	<u>180,310</u>

Schedule 2 (cont.)

Member Governments and Participating Governments	Year	Amount Due	Collected During 1986-1987	Balance Due 31 December 1987
Haiti	1986-1987	183,063	-	183,063
	1984-1985	168,570	134,685	33,885
	1982-1983	103,268	103,268	-
		<u>454,901</u>	<u>237,953</u>	<u>216,948</u>
Honduras	1986-1987	183,063	63,736	119,327
	1984-1985	40,521	40,521	-
		<u>223,584</u>	<u>104,257</u>	<u>119,327</u>
Jamaica	1986-1987	183,063	183,063	-
	1984-1985	63,592	63,592	-
		<u>246,655</u>	<u>246,655</u>	
Kingdom of the Netherlands	1986-1987	64,610	64,610	-
Mexico	1986-1987	7,020,996	4,413,036	2,607,960
	1984-1985	365,427	365,427	-
		<u>7,386,423</u>	<u>4,778,463</u>	<u>2,607,960</u>
Nicaragua	1986-1987	183,063	-	183,063
	1984-1985	168,570	111,363	57,207
	1982-1983	29,207	29,207	-
	<u>380,840</u>	<u>140,570</u>	<u>240,270</u>	
Panama	1986-1987	183,063	175,552	7,511
Paraguay	1986-1987	183,063	-	183,063
	1984-1985	168,570	84,285	84,285
	1982-1983	147,638	147,638	-
	1980-1981	34,249	34,249	-
		<u>533,520</u>	<u>266,172</u>	<u>267,348</u>
Peru	1986-1987	538,420	-	538,420
	1984-1985	495,796	495,796	-
	<u>1,034,216</u>	<u>495,796</u>	<u>538,420</u>	
Saint Lucia	1986-1987	32,305	32,305	-
St. Kitts-Nevis	1986-1987	10,769	10,769	-
St. Vincent and the Grenadines	1986-1987	21,537	21,537	-
Suriname	1986-1987	139,989	-	139,989
	1984-1985	64,454	35,000	29,454
		<u>204,443</u>	<u>35,000</u>	<u>169,443</u>
Trinidad and Tobago	1986-1987	183,063	140,190	42,873
	1984-1985	18,821	18,821	-
		<u>201,884</u>	<u>159,011</u>	<u>42,873</u>
United Kingdom	1986-1987	43,073	17,497	25,576
	1984-1985	16,569	16,569	-
		<u>59,642</u>	<u>34,066</u>	<u>25,576</u>
United States of America	1986-1987	69,699,524	58,599,869	11,099,655
	1984-1985	1,054,276	1,054,276	-
		<u>70,753,800</u>	<u>59,654,145</u>	<u>11,099,655</u>
Uruguay	1986-1987	366,125	183,063	183,062
	1984-1985	337,141	337,141	-
		<u>703,266</u>	<u>520,204</u>	<u>183,062</u>
Venezuela	1986-1987	3,615,645	1,007,822	2,607,823
Total		<u>127,327,396</u>	<u>101,947,223</u>	<u>25,380,173</u>
Amount consisted of:				
Financial period 1986-1987		111,406,000	86,517,595	24,888,405
Prior years		<u>15,921,396</u>	<u>15,429,628</u>	<u>491,768</u>
Total		<u>127,327,396</u>	<u>101,947,223</u>	<u>25,380,173</u>

PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF ADVANCES FROM GOVERNMENTS AND INSTITUTIONS FOR PROCUREMENT  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

Source of funds	Balance 1 January 1986	Received 1986-1987	Expenditure 1986-1987	Refund 1986-1987	Balance 31 December 1987
Anguilla	-	6,000	6,000	-	-
Argentina	52,622	402,133	189,401	8,790	256,564
Bahamas	4,990	25,365	3,932	-	26,423
Barbados	5	23,006	14,492	-	8,519
Belize	-	196,190	148,999	44,293	2,898
Bermuda	14,456	59,348	44,968	-	28,836
Bolivia	882,410	1,137,670	951,333	529,695	539,052
Brazil	189,973	1,855,628	967,437	50,649	1,027,515
British Virgin Islands	170	522	-	-	692
Cayman Islands	1,601	-	-	-	1,601
Chile	30,803	52,253	57,026	16,348	9,682
Colombia	592,443	1,011,206	1,398,922	114,043	90,684
Costa Rica	33,172	221,707	150,289	27,042	77,548
Cuba	309,504	388,582	20,670	319,073	358,343
Dominica	7	1,300	1,120	7	180
Dominican Republic	112,075	62,604	92,288	51,088	31,303
Ecuador	58,418	85,984	94,786	12,635	36,981
El Salvador	22,783	62,393	21,486	924	62,766
Grenada	1,306	-	-	1,205	101
Guatemala	63,350	1,471,736	1,304,453	117,516	113,117
Guyana	14,850	63,212	69,321	( 51)	8,792
Haiti	79,345	36,000	79,140	28,119	8,086
Honduras	42,717	528,556	442,124	87,211	41,938
Jamaica	15,437	14,378	22,004	997	6,814
Mexico	87,338	421,370	155,587	156,930	196,191
Netherlands Antilles	90	-	-	90	-
Nicaragua	721,139	548,815	840,020	400,728	29,206
Panama	162,248	781,792	421,490	317,110	205,440
Paraguay	4	26,993	25,583	1,414	-
Peru	169,568	234,212	149,576	152,733	101,471
Saint Lucia	4,182	12,050	11,953	-	4,279
St. Kitts-Nevis	117	2,065	1,913	-	269
St. Vincent and the Grenadines	11,764	96,709	84,265	4,712	19,496
Suriname	7,360	33,470	39,583	-	1,247
Trinidad and Tobago	4,480	674	622	2,524	2,008
United States of America	4,352	15,874	10,602	832	8,792
Uruguay	77,429	449,998	353,469	39,804	134,154
Venezuela	70,097	670,867	516,752	30,506	193,706
Artificial Electronic Larynx Revolving Fund	7,824	1,266	1,577	16	7,497
<b>Total</b>	<b>3,850,429</b>	<b>11,001,928</b>	<b>8,693,183</b>	<b>2,516,983</b>	<b>3,642,191</b>

PAN AMERICAN HEALTH ORGANIZATION  
EMERGENCY PROCUREMENT REVOLVING FUND  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

<u>Country</u>	<u>Balance due 1 January 1986</u>	<u>Expenditure 1986-1987</u>	<u>Reimbursement 1986-1987</u>	<u>Balance due 31 December 1987</u>
Dominican Republic	6,754	-	-	6,754
Ecuador	4,501	-	4,501	-
Venezuela	<u>37,889</u>	<u>-</u>	<u>37,889</u>	<u>-</u>
	49,144	-	42,390	6,754
	=====	=====	=====	=====

\* \* \* \* \*

STATUS OF FUND  
AS OF 31 DECEMBER 1987

Authorized level of Emergency Procurement Revolving Fund	125,000
Less: Amount due to Fund from Member Governments	<u>6,754</u>
	118,246
Unliquidated obligations	<u>-</u>
Amount available for purchases	<u>118,246</u> =====

PAN AMERICAN HEALTH ORGANIZATION  
 REVOLVING FUND FOR THE EXPANDED PROGRAM ON IMMUNIZATION  
 AS OF 31 DECEMBER 1987  
 (expressed in US dollars)

Country	Balance Due 1 January 1986	Expenditure 1986-1987	Reimbursement 1986-1987	Balance Due 31 December 1987
Anguilla	1,270	3,448	3,961	757
Antigua and Barbuda	( 1,811)	17,897	14,804	1,282
Argentina	( 1,672)	654,005	750,878	( 98,545)
Bahamas	( 10,061)	49,202	39,670	( 529)
Barbados	6,656	34,762	35,777	5,641
Belize	4,324	25,336	27,138	2,522
Bolivia	107,077	339,505	294,965	151,617
British Virgin Islands	950	6,493	6,251	1,192
Cayman Islands	( 411)	6,584	5,085	1,088
Chile	37,274	153,588	190,862	-
Colombia	( 299,986)	1,920,104	1,288,816	331,302
Costa Rica	79,244	489,312	570,641	( 2,085)
Dominica	3,396	16,244	13,013	6,627
Dominican Republic	240,425	60,081	110,695	189,811
Ecuador	250,975	430,493	370,736	310,732
El Salvador	34,350	657,202	599,087	92,465
Grenada	1,229	7,015	5,443	2,801
Guatemala	94,600	572,681	484,604	182,677
Guyana	13,896	57,875	71,354	417
Haiti	-	42,808	42,808	-
Honduras	233,016	791,721	750,365	274,372
Jamaica	33,834	96,132	138,061	( 8,095)
Mexico	-	1,352,959	2,026,561	(673,602)
Montserrat	116	4,815	5,016	( 85)
Nicaragua	162,905	319,354	375,954	106,305
Panama	52,439	325,782	354,400	23,821
Paraguay	( 11,103)	190,488	113,087	66,298
Peru	485,970	879,552	1,198,821	166,701
Saint Lucia	5,821	60,117	79,586	( 13,648)
St. Kitts-Nevis	424	6,575	7,704	( 705)
St. Vincent and the Grenadines	2,066	33,149	15,125	20,090
Suriname	9,989	49,406	35,822	23,573
Trinidad and Tobago	9,552	150,624	142,599	17,577
Turks and Caicos Islands	1,203	6,199	6,072	1,330
Uruguay	92,790	487,015	433,575	146,230
	<u>1,640,747</u>	<u>10,298,523</u>	<u>10,609,336</u> <sup>1/</sup>	<u>1,329,934</u>
	=====	=====	=====	=====

<sup>1/</sup> Received from:

Member countries	6,132,985
UNICEF	1,101,041
Rotary Foundation	<u>3,375,310</u>
	<u>10,609,336</u>
	=====

STATUS OF REVOLVING FUND FOR THE EXPANDED PROGRAM ON IMMUNIZATION  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

A. Capitalization of the Revolving Fund is:

Level of Revolving Fund as of 1 January 1986		4,531,112
Add: Transfer from Reserve account		<u>298,017</u>
Level of Revolving Fund as of 31 December 1987		4,829,129
Less: Amount due to Fund from Member Governments	2,127,228	
Deduct funds received in advance	<u>797,294</u>	<u>1,329,934</u>
		3,499,195
Unliquidated obligations		<u>2,098,440</u>
Amount available for purchases		<u>1,400,755</u> =====

B. Reserve account:

Balance as of 1 January 1986		174,429
Add: 3% service charge earned		<u>224,896</u>
		399,325
Less: Transfer to Capitalization Account	298,017	
Vaccine losses and miscellaneous	1,192	
Currency exchange differential	<u>116</u>	<u>299,325</u>
Balance as of 31 December 1987		<u>100,000</u> =====



STATUS OF REVOLVING FUND FOR THE PROCUREMENT OF ESSENTIAL DRUGS  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

A. Capitalization of the Revolving Fund is:

Contribution received during 1986-1987: Kingdom of the Netherlands	1,557,903
Less: Amount due to Fund from Member Governments	<u>1,107,246</u>
	450,657
Unliquidated obligations	<u>415,441</u>
Amount available for purchases	<u>35,216</u> =====

B. Reserve account:

3% service charge	43,292
Less: Loss of drugs	<u>466</u>
Balance as of 31 December 1987	<u>42,826</u> =====

PAN AMERICAN HEALTH ORGANIZATION  
STATEMENT OF TRUST FUNDS  
AS OF 31 DECEMBER 1987  
(expressed in U.S. dollars)

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 December 1987
<b>BER GOVERNMENTS</b>					
<b>ARGENTINA</b>					
Program Planning and General Activities	ARG-MPN-010	( 13,789)	127,596	49,193	64,614
Evaluation and Analysis of Cost Effectiveness of Social Promotion on Nutritional Program	ARG-NUT-020	(124,615)	265,097	133,418	7,064
Contribution of Government of Argentina to Pan American Zoonoses Center	CPZ-ZNS-020	(344,918)	3,409,094	2,789,855	274,321
Income from Farm Sales	CPZ-ZNS-023	18,823	30,105	2,171	46,757
Diagnostic Work on Rabies	CPZ-ZNS-050	6,442	-	2,718	3,724
Study on the Diagnosis of Rabies	CPZ-ZNS-060	9,414	-	549	8,865
Recombinant Rabies Vaccine	CPZ-ZNS-100	-	70,568	62,424	8,144
Foot-and-Mouth Disease Vaccine Plant (ARG-FMD-010)	MCP-FMD-020	40,372	351,295	245,710	145,957
<b>BADOS</b>					
Expansion of Queen Elizabeth Hospital and Glebe Clinic	BAR-DHS-030	-	136,900	113,232	23,668
Psychiatric and Geriatric Health Care Services	BAR-MND-020	( 22,536)	166,971	273,646	(129,211)
<b>MUDA</b>					
Preventive Dental Hygiene for Children	ICP-ORH-012	84	( 84)	-	-
<b>BOLIVIA</b>					
Environmental Sanitation Water and Sewer Administration (Cochabamba)	BOL-CWS-010	-	12,000	12,064	( 64)
Institutional Development of CORPAGUAS	BOL-CWS-030	( 97,643)	192,836	226,985	(131,792)
Water and Sewer Administration (Tarija)	BOL-CWS-050	84,557	-	62,101	22,456
Environmental Sanitation in Urban Areas	BOL-CWS-060	( 33,809)	104,276	217,033	(146,566)
Infant Mortality Study	BOL-CWS-070	-	110,000	198,154	( 88,154)
Analytical Epidemiology of Silicosis	BOL-MCH-020	72,250	-	93,340	( 21,090)
	BOL-OCH-020	6,775	( 6,775)	-	-
<b>ZIL</b>					
Contribution of the Government of Brazil	AFT-FMD-020	( 34,314)	541,426	505,740	1,372
Procurement of Center Facilities	AFT-FMD-050	-	15,576	-	15,576
Courses PROASA in Brazil and Collaboration between CPFA and SNAD	AFT-FMD-110	16,007	21,131	17,150	19,988
Regional Library of Medicine and the Health Sciences:					
- Contribution of the Government of Brazil	BIR-HBI-020	346,297	1,147,938	1,333,151	161,084
- Support of Instituto Nacional de Alimentação e Nutrição (INAN)	BIR-HBI-021	-	7,891	-	7,891
- National Cancer Division Funds	BIR-HBI-023	14,469	-	14,469	-

Schedule 7 (cont.)

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balan 31 Decem 198
Environmental Control Program in the State of Sao Paulo	BRA-CEH-020	52,440	87,171	95,119	44,4
Pollution Control (PROCOP/IBRD)	BRA-CEH-021	-	200,000	106,571	93,4
Institutional Development of CAGECE	BRA-CWS-020	( 26,622)	15,164	21,327	( 32,7
National Program in Institutional Development (BNH)	BRA-CWS-030	116,085	5,038	121,123	-
Managerial and Operational Strengthening of the National Housing Bank	BRA-CWS-040	(126,156)	151,308	792,234	(767,0
Technical Cooperation-Rural Sanitation Areas	BRA-CWS-050	-	313,176	735,399	(422,2
Cooperation on Health Planning (Carta Reversa No. 1)	BRA-DHS-050	-	138,341	144,913	( 6,5
Development of Human Resources	BRA-DHS-060	-	68,256	67,201	1,0
Development of Human Resources	BRA-DHS-061	-	-	92,646	( 92,6
Development of Human Resources	BRA-DHS-062	-	80,656	60,308	20,3
Development of Human Resources	BRA-DHS-064	-	96,170	65,984	30,1
Development of Human Resources	BRA-DHS-065	-	51,064	14,631	36,4
Development of Human Resources	BRA-HMD-011	21,322	872,650	276,754	617,21
Development of Human Resources	BRA-HMD-012	-	441,462	254,976	186,4
Development of Human Resources	BRA-HMD-013	1,467	130,591	137,552	( 5,4
Development of Human Resources	BRA-HMD-015	-	509,444	227,112	282,3
Development of Human Resources	BRA-HMD-016	-	-	-	-
Control of Environmental and Occupational Related Diseases	BRA-EPG-010	-	167,145	38,028	129,11
Loss in Cattle Production Due to Foot-and-Mouth Disease	BRA-FMD-020	18,391	-	-	18,39
Production of Anti-Foot and Mouth Disease Vaccine with Oily Coadjuvant	BRA-FMD-030	( 116)	-	-	( 11
Special Funding of Anti-Foot and Mouth Disease Vaccine Program (BRA-FMD-050)	MCP-FMD-031	196,597	606,379	554,100	248,87
Epidemiology	BRA-HST-010	-	588,727	242,340	346,38
Control of Endemic Diseases in the Northeast and Malaria in the Amazon	BRA-MAL-020	-	237,500	37,657	199,84
Integrated Maternal and Child Health Program	BRA-MCH-030	-	163,265	29,469	133,79
Study on Food and Nutrition	BRA-NUT-020	-	287,185	51,517	235,66
National Institute of Animal Health	BRA-ZNS-020	148,689	2,100	111,545	39,24
Scientific and Technological Cooperation in Veterinary Public Health	BRA-ZNS-040	47,172	454,876	395,972	106,07
CANADA					
Latin American Health Information Network (IDRC)	BIR-HBI-060	53,356	25,362	134,859	( 56,141
Engineering Information Systems (REPDISCA) Phase III (IDRC)	CEP-CWS-071	80,473	21,739	122,095	( 19,883
Water Supply and Sanitation Research Information System (IDRC)	CEP-CWS-180	27,795	21,739	41,223	8,311
Construction of Demonstration Letrines	CEP-CWS-200	1,333	-	1,224	109
Evaluation of Miraflores Sewage Recycling and Re-Use Project	CEP-CWS-210	-	117,447	100,990	16,457
Regional Research Seminar on Waste Stabilization Ponds	CEP-CWS-220	-	3,476	3,476	-
Bureau of Medical Devices: International Conference of Medical Devices Regulatory Authorities	ICP-DHS-032	-	14,599	13,702	897
Canadian Public Health Association: Heightening the EPI in CAREC Member Countries	MCP-EPI-024	-	265,995	-	265,995

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 December 1987
Strengthening of REPIDISCA	NIC-CWS-020	-	10,869	-	10,869
National Network of Information on Drinking Water (SENAPA)	PER-CWS-040	-	22,057	14,290	7,767
<b>CIDA:</b>					
Caribbean Basin Water Management Program	CAR-CWS-020	1,402	-	-	1,402
Leak Detection Equipment and Training	CAR-CWS-023	6,616	-	4,061	2,555
Overall Program Management	ICP-DPP-150	828,325	(483,975)	188,203	156,147
Educational/Training Materials	ICP-DPP-160	-	513,983	513,983	-
Hospital Disaster Preparedness	ICP-DPP-170	-	331,941	331,941	-
Training of Environmental Health Professionals	ICP-DPP-180	-	120,777	120,777	-
Training in Field Assessment of Health Needs Following Disasters	ICP-DPP-190	-	235,182	235,182	-
Latin American Disaster Preparedness and Prevention	ICP-DPP-200	-	158,924	158,924	-
Training in Field Assessment of Health Needs Following Disasters	MCP-DPP-190	-	217,464	217,464	-
Latin American Disaster Preparedness and Prevention	MCP-DPP-200	-	79,990	79,990	-
Development of Health Services	CHI-DHS-010	10,000	-	9,879	121
South American Commission for the Control of Foot-and-Mouth Disease (CHI-FMD-010)	MCP-FMD-050	-	12,097	-	12,097
<b>BIA</b>					
Voluntary Contribution to AFTOSA	AFT-FMD-022	24,031	25,630	15,980	33,681
Communicable Disease Control	COL-CDS-010	31,721	2,250	33,700	271
Protection of Water Resources in the Plains of Bogotá	COL-CEH-020	13,199	-	-	13,199
Environmental Sanitation	COL-CWS-010	21,610	15,235	35,584	1,261
Treatment and Disposition of Waste Water in Bogotá	COL-CWS-050	( 3,725)	-	-	( 3,725)
Courses on Environmental Sanitation for Decade 1983-1992	COL-CWS-060	12,314	15,663	26,697	1,280
Development of Water Sector	COL-CWS-070	18,697	23,141	37,317	4,521
Revision and Actualization of Sanitary Legislation	COL-CWS-080	( 1,499)	-	-	( 1,499)
Technical Cooperation Agreement	COL-CWS-090	( 20,682)	34,403	49,648	( 35,927)
Extension of Coverage by the Social Security Institute	COL-DHS-030	16,318	-	8,571	7,747
Production of Biological Products for Public and Animal Health	COL-ZNS-011	3,929	47,460	37,703	13,686
Voluntary Contribution to CEPANZO for Building Repair	CPZ-ZNS-024	17,761	21,532	30,729	8,564
Studies on Leishmaniasis in Colombia	ICP-MAL-011	( 788)	-	-	( 788)
<b>RICA</b>					
Integrated Health Services Systems	COR-DHS-020	( 31,903)	208,688	193,672	( 16,887)
Increase of Operating Capacity	COR-IOC-010	(235,615)	548,193	572,550	(259,972)
<b>CAN REPUBLIC</b>					
Institutional Development of INAPA	DOR-CWS-020	(310,087)	286,589	30,090	( 53,588)
Institutional Development of INAPA (Local Contribution)	DOR-CWS-021	1,736	9,500	10,368	868

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 Decem 1987
Reinforcement and Expansion of Health Services	DOR-DHS-020	( 59,308)	161,074	121,381	( 19,611)
Promotion and Participation of Women in Health and Development	DOR-DHS-050	-	-	72,373	( 72,373)
Development of Health Sciences	DOR-HMD-020	( 5,249)	-	-	( 5,249)
Maternal and Child Health	DOR-MCH-012	7,788	-	4,226	3,562
ECUADOR					
Voluntary Contribution to CEPANZO for Building Repairs	CPZ-ZNS-022	-	10,839	10,839	-
Institutional Development of EMAG	ECU-CWS-020	( 56,543)	228,752	211,932	( 39,723)
Institutional Development of EMAG (Subprogram-8)	ECU-CWS-021	4,513	173,499	58,201	119,811
Institutional Development of Instituto Ecuatoriano de Obras Sanitarias	ECU-CWS-060	-	190,800	55,266	135,534
Development of Health Services	ECU-DHS-010	(168,677)	122,350	-	( 46,327)
Health Facilities Maintenance	ECU-IOC-020	10,678	-	8,475	2,203
EL SALVADOR					
Administration, Operation and Maintenance of Rural Aqueducts	ELS-CWS-030	( 167)	167	-	-
GUATEMALA					
Development of Health Services and Extension of Coverage	GUT-DHS-010	-	123,890	82,229	41,661
Strengthening of Health Ministry with Emphasis on Engineering and Maintenance	GUT-DHS-040	-	64,763	109,867	( 45,104)
Food Control	GUT-FOS-010	32,257	137,702	96,061	73,898
Program Planning and General Activities	GUT-MPN-010	-	28,499	44,807	( 16,308)
HONDURAS					
Strengthening of CEPANZO Agricultural Sector	CPZ-ZNS-120	-	-	3,599	( 3,599)
Development of Division Municipal de Agua Potable (DIMA)	HON-CWS-050	-	13,536	21,322	( 7,786)
Improvement of Administrative Services	HON-IOC-030	( 9,991)	-	-	( 9,991)
JAMAICA					
Narcotics Awareness	JAM-ADA-030	-	125,041	178,567	( 53,526)
Rationalization and Strengthening of Hospital Services	JAM-DHS-040	-	158,086	387,354	(229,268)
MEXICO					
Pan American Center for Human Ecology and Health	ECO-CWS-010	98,058	200,298	187,440	110,916
National Program on Control of Efficient Use of Water	MEX-CWS-020	-	100,952	146,894	( 45,942)
Institutional Strengthening of State Commission for Public Services/Tijuana-Tecate (CESPT-T)	MEX-CWS-030	-	306,452	197,095	109,357
Program Planning and General Activities	MEX-MPN-010	-	61,943	39,712	22,231
NICARAGUA					
Institutional Development in INAA	NIC-CWS-020	( 5,948)	5,948	-	-
Institutional Development in INAA (Phase II)	NIC-CWS-021	( 15,599)	( 538)	-	( 16,137)

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 1986</u>	<u>Received 1986-1987</u>	<u>Project costs 1986-1987</u>	<u>Balance 31 December 1987</u>
Institutional Development (DAR/INAA)	NIC-CWS-030	5,410	( 5,410)	-	-
Development of a Special National Health System	NIC-DHS-020	1,730	( 1,730)	-	-
Improvement and Expansion of Regional Health Services	NIC-DHS-030	( 2,085)	2,085	-	-
Improvement and Expansion of Regional Health Services (Phase II)	NIC-DHS-031	1,897	( 355)	-	1,542
Malaria Eradication	NIC-MAL-010	( 50,000)	50,000	-	-
MA					
Institutional Development of Improving the National Hospital Network	PAN-DHS-020	(403,673)	764,381	357,928	2,780
Improvement of the Operational Health Capacity (PHASE II)	PAN-DHS-021	-	375,460	334,121	41,339
Maintenance of Physical Infrastructure of Health Services	PAN-DHS-040	-	72,148	97,266	( 25,118)
Development of Medical Supply System for Social Security Fund	PAN-EDV-020	-	-	1,456	( 1,456)
Institutional Development of Integrated Health Services	PAN-IOC-020	12,756	47,715	51,744	8,727
UAY					
Technical Cooperation to CEPANZO Anti-Foot and Mouth Disease with Oily Coadjuvant (PAR-FMD-010-SENACSA)	CPZ-ZNS-130	-	-	20,893	( 20,893)
Rural Water Supply and Sanitation	MCP-FMD-040	36,408	864,386	128,524	772,270
Rural Water Supply and Sanitation	PAR-CWS-020	39,890	-	-	39,890
Rural Water Supply and Sanitation (Phase II)	PAR-CWS-021	( 9,621)	133,280	150,100	( 26,441)
Extension of Coverage of Health Services	PAR-DHS-020	11,834	-	-	11,834
Extension of Coverage of Health Services (Phase II)	PAR-DHS-021	( 20,333)	215,216	164,846	30,037
Pan American Center for Sanitary Engineering and Environmental Sciences					
Pan American Center for Sanitary Engineering and Environmental Sciences - Income from Sale of Publications	CEP-CWS-010	87,874	220,753	218,207	90,420
Development of Institutional Water Supply and Sewerage	CEP-CWS-022	78,587	81,582	98,277	61,892
Functional Integration of Health Services (IPSS)	CEP-CWS-050	( 64,233)	99,557	34,312	1,012
Human Resources in Primary Health Care	PER-DHS-130	-	30,000	17,117	12,883
Promotion of Maternal/Child Health and Expansion of Health Coverage	PER-HMD-110	( 25,384)	25,034	-	( 350)
Program Planning and General Activities	PER-MCH-070	( 8,701)	-	-	( 8,701)
	PER-MPN-010	( 13,575)	427,023	230,612	182,836
STATES OF AMERICA					
Testing of a Meningococcal Group B Protein Vaccine	ARG-CDS-030	-	1,490,500	369,710	1,120,790
Conference on AIDS (AID)	CAR-CDS-020	-	-	7,996	( 7,996)
Operational Safety and Health Monitoring and Control	CEC-HST-150	-	72,294	51,296	20,998

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 Decemb 1987
Vaccine Efficacy Study on Hemorrhagic Fever	CHI-CDS-030	-	200,000	132,986	67,014
Health and Environmental Effects Profile	ECO-CNS-030	14,600	( 3,786)	72,058	( 61,244)
Environmental Epidemiology Program for Latin America and Caribbean Countries (CDC)	ECO-CWS-040	-	86,250	44,866	41,384
NIH General Support	ICP-ADA-021	8,313	-	-	8,313
Epidemiology of Drug Abuse in the Americas	ICP-ADA-030	( 17,650)	-	( 136)	( 17,514)
Possible Teratogenic and Carcinogenic Effects of Pesticides	ICP-CAN-010	( 74)	74	-	-
Collaborative Cancer Treatment Research	ICP-CAN-031	( 14,019)	-	-	( 14,019)
Grant in Support of Cancer Treatment Research	ICP-CAN-032	(149,390)	227,287	76,845	1,053
Latin American Cancer Research Information Program (LACRIP)	ICP-CAN-037	(120,301)	271,406	175,113	( 24,008)
Health Aspects of Radiation	ICP-CLR-010	-	7,150	6,820	33
Int'l Conference of Medical Devices Regulatory Authorities (FDA)	ICP-DHS-031	-	79,000	75,305	3,695
Development of Self Support of all Caribbean Countries	ICP-DPP-060	2,771	-	847	1,924
Disaster Health Management and Technological Disaster Preparedness	ICP-DPP-220	15,934	29,950	42,805	3,079
Health Emergency Preparedness in Central and South America	ICP-DPP-230	( 31,682)	316,957	286,357	( 1,082)
Emergency Preparedness and Disaster Relief (USAID)	ICP-DPP-250	-	-	106	( 106)
Evaluation of Vaccine Injection Technologies	ICP-EPI-060	-	113,992	113,835	157
Improving Child Survival Through Vaccines for Preventable Diseases	ICP-EPI-100	-	78,375	78,375	-
Inter-American Conference on Food Protection	ICP-FOS-021	1,585	26,144	25,207	2,522
Translation Services for Inter-American Conference on Food Protection	ICP-FOS-022	( 4,505)	7,104	1,240	1,359
Management of Malaria Control and Essential Drugs for Central America and Panama (ICF-GPD-020)	ICP-GPD-060	-	226,414	226,414	-
Development of Machine-Aided Translation from English into Spanish	ICP-HBI-020	1,768	-	1,513	255
Social and Health Situation of Midlife and Older Woman	ICP-HEE-030	-	-	2,222	( 2,222)
Coordination and Support of Human Resource Development	ICP-HMD-010	-	-	31,780	( 31,780)
Economic Analysis and Financing	ICP-IOC-020	-	89,547	89,547	-
Inter-American Drug Abuse and Epidemiology Surveillance Network	MCP-ADA-020	-	30,000	3,200	26,800
AIDS Prevention and Control	MCP-CDC-020	-	-	19,532	( 19,532)
Health Emergency Preparedness in Central and South America	MCP-DPP-230	-	96,043	96,043	-
Essential Drugs for Central America and Panama	MCP-EDV-010	( 70,721)	1,732,934	1,765,122	(102,909)
Improving Child Survival Through Vaccines for Preventable Diseases	MCP-EPI-020	-	701,625	938,133	(236,508)
Malaria Control in Central America and Panama	MCP-MAL-030	-	1,015,155	1,015,155	-
Field-Based Support to the Malaria Research Center - Chiapas, Mexico	MCP-MAL-050	-	123,945	150,397	( 26,452)
Control of Sexually Transmitted Diseases	MCP-VDT-010	( 11,624)	157,631	142,438	3,573
Field-Based Support to Conservation of Non-Human Primates	MCP-ZNS-010	( 13,228)	78,127	64,604	2

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 December 1987
Income from Sale of Monkeys	MCP-ZNS-011	171,219	435,760	309,212	297,767
Field-Based Support to Conservation of Non-Human Primates (Phase IV)	MCP-ZNS-013	(181,484)	528,589	846,882	(499,777)
Malaria Eradication	PER-MAL-010	( 11,352)	15,000	3,648	-
Biology and its Role in Malaria Transmission	VEN-MAL-020	-	-	2,189	( 2,189)
<b>URUGUAY</b>					
Comission for the Veterinary Inspection of Meat in the Plate Basin Countries	CPZ-ZNS-080	1,745	13,255	1,486	13,514
Development of Administration of National Sanitary Public Works	URU-CWS-030	573	-	-	573
<b>VENEZUELA</b>					
Voluntary Contribution to CEPANZO for Building Repair	CPZ-ZNS-022	58,834	-	17,426	41,408
Oral Health	ICP-ORH-010	-	4,111	3,631	480
Field-Based Support to Vector Biology and Control	MCP-VBC-030	29,666	-	-	29,666
Foot-and-Mouth Disease Control	VEN-FMD-010	159,101	342,137	291,397	209,841
Construction of Laboratory for Production of Anti-Foot and Mouth Disease Vaccines	VEN-FMD-020	-	93,480	41,839	51,641
Program Planning and General Activities	VEN-MPN-010	14,284	5,836	17,857	2,263
<b>EUROPEAN COUNTRIES</b>					
<b>FRANCE</b>					
Essential Drug Policies Strengthening and Development of Engineering and Maintenance of Health Services	MCP-EDV-050	-	264,172	115,696	148,476
	MCP-DHS-110	-	195,172	36,209	158,963
<b>ISRAEL</b>					
Improvement and Development of Essential Drugs in Central America and Panama	MCP-EDV-100	-	112,293	9,930	102,363
Strengthening of Malaria Control Programs	MCP-MAL-040	-	171,347	21,285	150,062
<b>IRELAND</b>					
Restoration of Health Clinic Services in the Aftermath of Earthquake Disaster Preparedness in the Caribbean	ELS-DHS-050	-	386,902	14,671	372,231
Maintenance of Health Facilities in Central America and Panama	ICP-DPP-240	64,648	-	44,975	19,673
Maintenance of Health Equipment Facilities in Central America and Panama	MCP-DHS-130	-	77,335	22,460	54,875
Community Participation in Essential Drugs	MCP-DHS-131	-	2,590,674	-	2,590,674
	MCP-EDV-080	-	106,299	66,538	39,761
<b>INDONESIA</b>					
National Production of Essential Drugs and Critical Supplies	MCP-EDV-070	-	663,183	46,613	616,570
<b>INTERNATIONAL DEVELOPMENT AUTHORITY</b>					
Emergency Preparedness in the Caribbean and Central America	ICP-DPP-040	2,399	-	2,997	( 598)



<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 1986</u>	<u>Received 1986-1987</u>	<u>Project costs 1986-1987</u>	<u>Balance 31 Dec 19</u>
Implementation Fund for Essential Drugs in Central America and Panama	MCP-EDV-040	-	277,296	174,831	102,
<b>INTERNATIONAL ORGANIZATIONS</b>					
<u>Caribbean Commonwealth Secretariat</u>					
Sanitary Engineering (Caribbean)	CAR-CWS-011	7,890	-	-	7,
Managerial Aspects of Drug Supply Systems in the Caribbean	CAR-EDV-010	-	29,171	-	29,
Health Education	CAR-HED-010	626	-	-	
Education and Training of Allied Health Personnel (Phase II)	CAR-HMD-052	( 46,223)	350,000	264,027	39
Continuing Education in Family Health and Nursing (English-Speaking Caribbean)	CAR-MCH-020	2,990	-	-	2
<u>Caribbean Development Bank</u>					
Leak Detection Control Training Program	CAR-CWS-024	17,373	-	50	17
<u>Chibret International</u>					
Prevention of Blindness	ICP-PBL-012	( 50,301)	120,000	99,698	( 29
<u>European Economic Community</u>					
Training in Preparedness and Disaster Relief Coordination	ICP-DPP-030	12,278	-	948	11
Elimination of Rabies in Central America and Panama	MCP-ZNS-080	-	-	344,354	(344
<u>Food and Agriculture Organization</u>					
Caribbean Conference on Food Safety and Control Strategy	CAR-CWS-010	5,504	-	-	
Inter-American Food Protection Conference Action Plan	ICP-FOS-023	-	10,000	8,536	1
Regional Workshop on Street Foods in Latin America	ICP-FOS-030	14,659	-	12,942	1
Nutrition Program	ICP-NUT-010	( 11,127)	12,107	980	
<u>Governments of Caribbean Countries</u>					
Education Program for Animal Health Assistants	CAR-HMD-040	222,561	( 85,688)	63,351	7
<u>Inter-American Development Bank</u>					
IDB/PAHO Cooperation Program in Water Supply and Sanitation	ICP-CWS-051	( 1,200)	1,200	-	
Impact of Economic Crisis in Health Care Delivery	ICP-IOC-041	-	43,407	58,535	( 1.
Project Preparation for the Health, Water and Sanitation Sector	MCP-CWS-030	(156,914)	239,959	98,463	( 1.
Preparation Health Water and Sanitation Sectors (Phase II)	MCP-CWS-031	( 2,880)	409,642	885,528	(47.
Operation and Maintenance of Water and Sewerage	MCP-CWS-082	-	-	7,839	(
Poliomyelitis Vaccine	MCP-EPI-021	-	771,030	302,821	46.
Training in Animal Health in Latin America	MCP-HMD-010	20,529	118,442	134,498	
<u>Hipólito Unanue Agreement</u>					
Support to Health Development	MCP-DHS-080	-	5,000	5,000	
<u>International Bank for Reconstruction and Development (World Bank)</u>					
Study of Production and Control of Animal Vaccine	AFT-FMD-090	( 1,494)	-	-	(
Environmental Sanitation	BRA-CWS-010	4,240	-	-	
Production of Educational Materials in the Area of Water Supply and Basic Sanitation	CEP-CWS-270	-	-	14,453	( 1
<u>International Union Against Tuberculosis</u>					
Tuberculosis Control	NIC-TUB-010	1,946	-	1,580	

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<u>Prosy Relief Work - Emmaus Switzerland</u>					
Leprosy Control in the Commonwealth Caribbean	CAR-LEP-010	1,570	101,100	67,725	34,945
Leprosy Control in Suriname	MCP-LEP-011	-	44,845	-	44,845
<u>Red Cross</u>					
Assistance to Rural Dental Health Program	ICP-ORH-050	-	10,000	10,000	-
<u>United Nations</u>					
Health Services for the Elderly (DP)	ICP-HEE-020	115,500	-	97,273	18,227
Technical Control of Biologicals Disinfection in Small Community Water Supplies with Moggo	CUB-EDV-030	478	-	-	478
MCP-CWS-090	MCP-CWS-090	-	-	57,109	( 57,109)
Intersectoral Dimension of Health and Development	MCP-DGP-020	-	-	11,094	( 11,094)
Environmental Sanitation	SUR-CWS-010	-	12,400	12,400	-
<u>WHO</u>					
Seroepidemiology of Human Hydatidosis	CPZ-ZNS-040	( 437)	437	-	-
<u>ESCO</u>					
Engineering Information System (REPIDISCA) Phase IV	CEP-CWS-072	5,107	500	5,607	-
Evaluation of REPIDISCA'S Promotional Activities	CEP-CWS-280	-	4,500	4,038	462
Public Information	ICP-INF-010	-	19,000	9,263	9,737
<u>ICEF</u>					
Expanded Program on Immunization	COL-EPI-020	19,418	-	16,553	2,865
EPI Managers Meeting II	ICP-EPI-021	-	6,500	6,500	-
Diarrhea Dialogue	MCP-CDD-020	-	2,000	2,000	-
Plan of Priority Health Needs in Central America and Panama	MCP-HED-010	( 5,941)	-	132	( 6,073)
Field-Based Support to Health Manpower Development (PASCAP)	MCP-HMD-030	-	55,500	23,788	31,712
International Seminar on Child Survivalship	MCP-MCH-030	1,181	-	-	1,181
Child Survival	MCP-MCH-060	-	2,526	2,526	-
Extension of Maternal and Child Health Services	PAN-MCH-010	24,103	-	22,875	1,228
Child Survival	PAN-MCH-030	-	316,372	143,832	172,540
<u>University</u>					
Fellowships for CEPANZO	CPZ-ZNS-110	-	-	12,789	( 12,789)
Hypertensive Disease of Pregnancy	CLP-MCH-090	2,608	-	2,505	103
Hypertensive Disorders of Pregnancy and Child Birth (Phase II)	CLP-MCH-111	167	( 167)	-	-
Global Survey of Drug Resistance in Tuberculosis	CPZ-ZNS-090	-	8,000	840	7,160
Research on Tuberculine	CPZ-ZNS-140	-	-	1,944	( 1,944)
<u>International Reference Centre</u>					
Community Water Supply and Sanitation					
Environmental Sanitation - Ecuador	ECU-CWS-010	1,446	-	-	1,446
<u>UNEP AND PUBLIC SECTOR</u>					
<u>Voluntary grantors</u>					
Inter American Teleconference on AIDS	ICP-CDS-060	-	55,000	41,967	13,033
World Health Organization					
Collaborative Cancer Treatment Research	ICP-CAN-034	( 238)	-	-	( 238)
International Centre for Environmental Health Protection					
Food Protection	ICP-FOS-010	-	325	-	325

Schedule 7 (cont.)

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 Decem 1987
<u>Deutsches Gesellschaft fur Technische</u>					
<u>Insammearbeit (GTZ) GmbH</u>					
Monitoring the Quality of Treatment					
Sewage in Lima	CEP-CWS-141	( 2,892)	-	-	( 2,89
Aquaculture Phase III	CEP-CWS-142	-	108,814	40,916	67,89
Seminar on Slow Sand Filtration	CEP-CWS-160	4,194	17,000	17,762	3,43
Appraisal Studies on Sewerage in La Paz, Bolivia	CEP-CWS-170	3,315	-	3,315	-
Feasibility Study for Water Supply (Trujillo, Ica, Pisco)	CEP-CWS-190	( 4,791)	4,791	6,699	( 6,69
Evaluation of the Sociocultural Aspects Related to Reuse of Wastewater	CEP-CWS-240	-	27,246	17,614	9,63
Conceptual Study on Water Supply, Wastewater, and Excreta Disposal	CEP-CWS-250	-	17,419	9,969	7,45
Translation and Printing of Training Modules	CEP-CWS-260	-	22,104	6,800	15,30
Seminar on Low Cost Sanitation Cooperation with Water and Sanitary Institution of Central America and Panama	HAI-CWS-011	( 2,838)	-	-	( 2,83
International Training Network for Water and Waste Management	MCP-CWS-080	( 5,091)	-	324,511	(329,60
Water Supplies	MCP-CWS-081	-	155,986	77,837	78,14
Immediate Actions in Potable Water and Waste Water	PER-CWS-020	5,953	-	11,067	( 5,11
	PER-CWS-050	-	166,254	82,328	83,92
<u>The High Commissioner of Australia</u>					
Water Testing Kits for Saint Lucia, St. Vincent and Grenada	CAR-CWS-010	-	2,500	-	2,500
<u>Carnegie Corp. of New York</u>					
School Health and Family Life Education Programs:					
Antigua and Barbuda	ANI-HED-010	-	2,721	2,721	-
Dominica	DOM-HED-010	-	5,706	5,706	-
Eastern Caribbean	ECA-HED-010	-	7,044	7,044	-
Multi Country Program	MCP-HED-020	-	155,063	8,726	146,33
St. Christopher-Nevis	SCN-HED-010	-	11,466	11,466	-
Improve Maternal and Child Health in the USA/Mexico Border	MCP-MCH-070	-	24,500	16,474	8,02
Intra-Caribbean Technical Cooperation in Maternal and Child Health	MCP-MCH-090	-	48,600	-	48,600
<u>Deutsches Primatenzentrum GmbH</u>					
Conservation of Non-Human Primates	MCP-ZNS-012	( 5,389)	-	-	( 5,389
<u>Edna McConnell Clark Foundation</u>					
Research Coordination	ICP-RPD-020	8,889	-	7,797	1,09
<u>Fondation Merieux</u>					
Vaccine Meeting in Lima, Peru	ICP-DSE-011	-	-	2,430	( 2,430
Veterinary Public Health	ICP-ZNS-010	-	109,990	79,263	30,72
Wildlife Rabies Symposium	MCP-ZNS-070	-	7,000	-	7,000
<u>Financiadora de Estudios e</u>					
<u>Proyectos, Brazil (FINEP)</u>					
Regional Library of Medicine and the Health Sciences	BIR-GPD-022	255	( 255)	-	-
<u>Harvard University</u>					
Statistics Workshop	ICP-CAN-036	2,000	-	-	2,000
<u>Instituto Nacional de Alimentação e Nutrição, Brazil</u>					
Development of Human Resources	BRA-IMD-014	1,788	-	809	979
<u>John Snow Inc.</u>					
International Symposium on Vaccine Development	ICP-EPI-070	-	-	888	( 888
<u>W. K. Kellogg Foundation</u>					
Oral Health	ARG-ORH-010	-	6,100	5,796	304

Schedule 7 (cont.)

Source of Funds	Project Reference	Balance 1 January 1986	Received 1986-1987	Project costs 1986-1987	Balance 31 December 1987
Maternal and Child Health and Family Planning	COR-MCH-010	165,140	250,113	363,575	51,678
Fluoridation of Domestic Salt	COR-ORH-010	-	401,681	362,241	39,440
External Relations Coordinator	DIR-COR-010	8,479	-	8,479	-
National Program on Family Welfare	ECU-MCH-010	129,073	(129,073)	-	-
Coordination and Support of Health Care Administration Education	ICP-RMD-060	29,168	( 53)	29,115	-
Comprehensive Health Services Development	ICP-MCH-020	5,948	( 5,948)	-	-
Group Fellowship - Grant IV	ICP-MCH-074	28,027	( 28,027)	-	-
Primary Health Care Delivery Models Meeting on Maternal and Child Health - Brazil	ICP-MCH-100	259,730	450,004	494,033	215,701
Research on Prenatal and Maternal Child Health (APR Workshop)	ICP-MCH-110	18,533	( 4,723)	13,810	-
Research on Prenatal and Maternal Child Health (Nov. Workshop)	ICP-MCH-120	-	32,876	32,876	-
Salt Fluoridation Seminar	ICP-MCH-121	-	34,488	34,488	-
Traveling Seminar for Dental Education	ICP-ORH-040	-	41,500	39,693	1,807
Assessment of Comprehensive Models for Health Services in Latin America	ICP-ORH-060	-	48,612	48,575	37
Symposium on Oral Health in Developing Countries	MCP-DHS-120	-	92,400	-	92,400
Toluca Nursing/Networking Meeting	MCP-ORH-020	-	59,400	57,200	2,200
Prenatal and Maternal - Child Health Program in Arequipa	MEX-MCH-020	769	( 769)	-	-
Peru Foundation	PER-MCH-050	121,734	40,857	134,941	27,650
Maternal and Child Health Including Family Planning	ICP-MCH-010	5,805	-	3,319	2,486
Kefeller Foundation	ICP-DSE-010	-	48,000	38,273	9,727
Production and Quality Control of Biological Products					
Centre D'Exploitation De Produits Chimiques					
Study on Emulsification of Vaccines against Foot-and-Mouth Disease	AFT-FMD-100	678	-	-	678
Columbia University of New York	PER-DHS-010	( 14,294)	153,649	139,355	-
Universidad Católica Madre y Maestra	DOR-MCH-012	1,109	-	-	1,109
University of Pennsylvania	ICP-CAN-035	( 9,317)	33,821	24,504	-
Biochemical Epidemiology of Biliary Tract Cancer					
Income Trust					
Studies on the Clinical Features of Leishmaniasis	BRA-PDP-010	48,463	125,911	88,150	86,224
		<u>1,401,312 1/</u>	<u>39,659,472</u>	<u>32,061,927</u>	<u>8,998,857 2/</u>
		=====	=====	=====	=====

Amount as of 1 January 1986	2,997,030
Less: Transfer of AFTOSA sale of vaccine to Special Funds	1,595,718
	<u>1,401,312 1/</u>
	=====
Receipts in excess of expenditures accumulated to date	14,385,455
Excess of expenditures on cost reimbursable projects over amount received	( 5,386,598)
	<u>8,998,857 2/</u>
	=====



**PART IV**

**CARIBBEAN EPIDEMIOLOGY CENTER**



INTRODUCTION

\*\*\*\*\*

The Caribbean Epidemiology Center (CAREC) was established in January 1975 by PAHO/WHO at the request of the Caribbean Health Ministers Conference. The Center is under the technical and administrative supervision of the Pan American Health Organization.

The purposes of the Center are to develop and consolidate disease surveillance in the countries through epidemiological teams designated by each government; to act as a source of immediate epidemic aid to the participating countries; and to provide laboratory back-up services and within-country training in parasitology and bacteriology; and back-up reference services in bacteriology, parasitology, entomology and virology.

CAREC is financed jointly by PAHO/WHO and the Participating Countries. During 1986-1987, projects received financial assistance from the Agency for International Development (United States of America), the Government of Trinidad and Tobago, the International Development Research Center (Canada) and the U.S. Department of Health and Human Services (United States of America). Total expenditure incurred by CAREC or on behalf of CAREC was as follows:

Object of Expenditure	PAHO	WHO	PAHO	PAHO	CAREC	CAREC	Total Expenditure 1986-1987
	Regular Budget 1986-1987	Special Funds 1986-1987	Trust Funds 1986-1987	Special Funds 1986-1987	Regular Budget 1986-1987	Trust Funds 1986-1987	
Personnel costs	523,299	13,781	33,453	32,689	1,366,148	200,340	2,169,710
Duty travel	66,438	9,472	5,000	-	38,101	9,421	128,432
Contractual services	-	-	-	-	-	37,284	37,284
Fellowships	-	-	-	-	-	2,910	2,910
Seminars and courses	-	53,930	-	4,320	26,704	112,919	197,873
Supplies and equipment	985	34,707	-	22,605	232,458	66,736	357,491
General operating expenses	56,643	3,350	-	37,634	133,748	48,779	280,154
Premises	13,355	-	-	-	-	-	13,355
Program support costs	-	14,982	12,843	-	-	100,447	128,272
Total	660,720	130,222	51,296	97,248	1,797,159	578,836	3,315,481
	=====	=====	=====	=====	=====	=====	=====

The statements which follow present the financial position of the Center, excluding the PAHO/WHO financial support of \$660,720, WHO Special Funds of \$130,222, PAHO Trust Funds of \$51,296, and PAHO Special Funds of \$97,248.



CARIBBEAN EPIDEMIOLOGY CENTER  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE 1986-1987 BUDGET  
(expressed in US dollars)

	<u>1986-1987</u>	<u>1984-1985</u>
<b>INCOME</b>		
Contributions from Member Governments		
Receipts from current assessments (Schedule 8)	1,593,804	1,945,582
Receipts from prior years' assessments (Schedule 8)	793,370	195,223
Receipts for supplementary assessments	-	356
	<u>2,387,174</u>	<u>2,141,161</u>
Sundry income	37,268	7,101
Interest earned	-	3,464
Currency exchange differential	( 2,018)	( 3,085)
Excess of unliquidated obligations	-	<u>22,998</u>
Total, Income	<u>2,422,424</u>	<u>2,171,639</u>
<b>EXPENDITURE</b>		
Personnel costs	1,366,148	2,049,062
Duty travel	38,101	93,589
Seminars and courses	26,704	-
Supplies and equipment	232,458	195,800
General operating expenses	<u>133,748</u>	<u>138,660</u>
Total, Expenditure	<u>1,797,159</u> <sup>1/</sup>	<u>2,477,111</u>
<b>NET RESULTS FROM OPERATIONS</b>	<u>625,265</u> <sup>2/</sup> =====	( 305,472) =====

<sup>1/</sup> Approved budget for 1986-1987: \$3,322,730

<sup>2/</sup> Transferred to Working Capital Fund (Exhibit VI)

CARIBBEAN EPIDEMIOLOGY CENTER  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

	<u>1987</u>	<u>1985</u>
<b>A S S E T S</b>		
CASH		
At banks and on hand		
U.S. dollar currency	-	-
Other currency	24,166	4,741
	<u>24,166</u>	<u>4,741</u>
INVESTMENTS		
Securities at cost -		
Fixed-term time deposits	693,989	460,000
ACCOUNTS RECEIVABLE		
Quota contributions receivable (Schedule 8)	1,894,586	959,030
Less: Reserved	<u>1,894,586</u>	<u>959,030</u>
	-	-
Sundry debtors	<u>539</u>	<u>1,208</u>
Trust funds receivable (Schedule 9)	<u>137,215</u>	<u>32,930</u>
Advances to staff	-	208
	<u>137,754</u>	<u>34,346</u>
Total, Accounts Receivable		
	<u>137,754</u>	<u>34,346</u>
PREPAID EXPENSES		
	<u>878</u>	-
PAN AMERICAN HEALTH ORGANIZATION		
Balance due from PAHO inter-office funding activities (Exhibit IV)	<u>180,277</u>	-
	<u>1,037,064</u>	<u>499,087</u>
TOTAL	=====	=====
<b>L I A B I L I T I E S</b>		
QUOTA CONTRIBUTIONS RECEIVED IN ADVANCE		
Government of Anguilla	<u>2,059</u>	-
	<u>2,059</u>	-
UNLIQUIDATED OBLIGATIONS		
	<u>55,891</u>	<u>11,383</u>
SPECIAL FUNDS		
Trust funds (Schedule 9)	<u>91,463</u>	<u>93,305</u>
Staff provident fund	<u>527,322</u>	<u>462,197</u>
Housing fund:		
Balance 1 January 1986	1,354	5,150
Excess expenditure (expenditure)	<u>11,571</u>	( 3,796)
Balance 31 December 1987	<u>12,925</u>	<u>1,354</u>
PAN AMERICAN HEALTH ORGANIZATION		
Balance due to PAHO from inter-office funding activities (Exhibit IV)	-	<u>208,709</u>
WORKING CAPITAL FUND		
Balance at 1 January 1986	( 277,861)	27,611
Excess expenditure (Exhibit V)	<u>625,265</u>	<u>(305,472)</u>
Balance at 31 December 1987	<u>347,404</u>	<u>(277,861)</u>
	<u>1,037,064</u>	<u>499,087</u>
TOTAL	=====	=====

CARIBBEAN EPIDEMIOLOGY CENTER  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM MEMBER GOVERNMENTS  
1986-1987 BUDGET AND PRIOR YEARS  
(expressed in US dollars)

<u>Member Governments</u>	<u>Year</u>	<u>Amount Due</u>	<u>Collected During 1986-1987</u>	<u>Balance Due 31 December 1987</u>
Anguilla	1987	2,059	2,059	-
	1986	2,059	2,059	-
	1985	1,813	1,813	-
		<u>5,931</u>	<u>5,931</u>	<u>-</u>
Antigua and Barbuda	1987	6,177	-	6,177
	1986	6,177	-	6,177
	1985	5,440	3,022	2,418
	1984	5,440	5,440	-
	1983	3,419	3,419	-
	<u>26,653</u>	<u>11,881</u>	<u>14,772</u>	
Bahamas	1987	41,254	41,254	-
	1986	41,254	41,254	-
	1985	30	30	-
		<u>82,538</u>	<u>82,538</u>	<u>-</u>
Barbados	1987	64,668	64,668	-
	1986	64,668	64,668	-
		<u>129,336</u>	<u>129,336</u>	<u>-</u>
Belize	1987	6,177	-	6,177
	1986	6,177	-	6,177
	1985	5,440	5,440	-
	1984	5,440	5,440	-
	1983	4,533	4,533	-
	<u>27,767</u>	<u>15,413</u>	<u>12,354</u>	
Bermuda	1987	7,292	-	7,292
	1986	7,292	7,292	-
		<u>14,584</u>	<u>7,292</u>	<u>7,292</u>
British Virgin Islands	1987	1,320	1,320	-
	1986	1,320	1,320	-
		<u>2,640</u>	<u>2,640</u>	<u>-</u>
Cayman Islands	1987	1,320	1,320	-
	1986	1,320	1,320	-
		<u>2,640</u>	<u>2,640</u>	<u>-</u>
Dominica	1987	6,177	-	6,177
	1986	6,177	6,177	-
	1985	5,440	5,440	-
		<u>17,794</u>	<u>11,617</u>	<u>6,177</u>
Grenada	1987	6,177	-	6,177
	1986	6,177	-	6,177
	1985	5,440	-	5,440
		<u>17,794</u>	<u>-</u>	<u>17,794</u>

Member Governments	Year	Amount Due	Collected During 1986-1987	Balance Due 31 December 1987
Guyana	1987	85,314	-	85,314
	1986	85,314	-	85,314
	1985	64,571	8,500	56,071
		<u>235,199</u>	<u>8,500</u>	<u>226,699</u>
Jamaica	1987	254,535	-	254,535
	1986	254,535	-	254,535
	1985	224,156	161,072	63,084
	1984	223,461	223,461	-
		<u>956,687</u>	<u>384,533</u>	<u>572,154</u>
Montserrat	1987	2,051	2,051	-
	1986	2,051	2,051	-
		<u>4,102</u>	<u>4,102</u>	<u>-</u>
Saint Lucia	1987	6,177	-	6,177
	1986	6,177	6,177	-
	1985	5,440	5,440	-
		<u>17,794</u>	<u>11,617</u>	<u>6,177</u>
St. Kitts-Nevis	1987	4,119	-	4,119
	1986	4,119	4,119	-
		<u>8,238</u>	<u>4,119</u>	<u>4,119</u>
St. Vincent and the Grenadines	1987	6,177	-	6,177
	1986	6,177	6,177	-
	1985	2,720	2,720	-
		<u>15,074</u>	<u>8,897</u>	<u>6,177</u>
Suriname	1987	64,670	-	64,670
	1986	64,670	-	64,670
	1985	38,647	-	38,647
		<u>167,987</u>	<u>-</u>	<u>167,987</u>
Trinidad and Tobago	1987	974,556	122,796	851,760
	1986	974,556	974,556	-
	1985	357,600	357,600	-
		<u>2,306,712</u>	<u>1,454,952</u>	<u>851,760</u>
Turks and Caicos Islands	1987	1,124	-	1,124
	1986	1,124	1,124	-
		<u>2,248</u>	<u>1,124</u>	<u>1,124</u>
United Kingdom Overseas Development Administration	1987	128,255	128,255	-
	1986	111,787	111,787	-
		<u>240,042</u>	<u>240,042</u>	<u>-</u>
Total		<u>4,281,760</u>	<u>2,387,174</u>	<u>1,894,586</u>
Amounts consisted of:				
Contribution for 1986 and 1987		3,322,730	1,593,804	1,728,926
Prior years		<u>959,030</u>	<u>793,370</u>	<u>165,660</u>
Total		<u>4,281,760</u>	<u>2,387,174</u>	<u>1,894,586</u>

CARIBBEAN EPIDEMIOLOGY CENTER  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF TRUST FUNDS  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 1986</u>	<u>Received 1986-1987</u>	<u>Project Costs 1986-1987</u>	<u>Balance 31 December 1987</u>
AGENCY FOR INTERNATIONAL DEVELOPMENT Epidemiological Surveillance and Training	HST-080	93,305	232,000	310,178	15,127
GOVERNMENT OF TRINIDAD AND TOBAGO Cardiovascular Project	HST-060	(32,930)	56,494	56,448	( 32,884)
INTERNATIONAL DEVELOPMENT RESEARCH CENTER (CANADA) Hepatitis B, St. Kitts-Nevis	HST-170	-	76,336	-	76,336
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES Epidemiology of Human T-cell Leukemia/Lymphoma Virus in Trinidad and the Caribbean Region	HST-140	-	<u>107,879</u>	<u>212,210</u>	<u>(104,331)</u>
Total		<u>60,375</u> =====	<u>472,709</u> =====	<u>578,836</u> =====	<u>( 45,752)</u> =====

1/ Receipts in excess of expenditure accumulated to date

91,463

Excess of expenditures on cost reimbursable projects over amounts received

(137,215)

( 45,752)  
=====

**PART V**

**CARIBBEAN FOOD AND NUTRITION  
INSTITUTE**



INTRODUCTION

\*\*\*\*\*

The Caribbean Food and Nutrition Institute (CFNI) serves 17 member countries. The Institute is a major technical resource in food and nutrition, facilitating exchange of experience and coordination of practice between member countries, the University of West Indies and other related agencies.

The general objective of CFNI is to collaborate with its member governments in their efforts to achieve by the year 2000 a level of nutritional well-being for all that will permit them to lead socially and economically productive lives as part of overall development.

More specifically, CFNI has the following impact and process objectives: (1) eliminate undernutrition; (2) reduce nutritional anemias; (3) lower the incidence of obesity and the prevalence of related diseases, particularly diabetes mellitus and hypertension; (4) ensure adequate and stable supply of nutritious, safe and acceptable foods to all individuals; (5) cooperate in developing national and regional policies, strategies and action plans to achieve the general objective; (6) support institutional development so that member governments can plan, execute and monitor food and nutrition-related programs; (7) cooperate in the education and training of government personnel to carry out food and nutrition-related activities; (8) cooperate in ensuring public awareness, understanding and knowledge of food and nutrition; and (9) cooperate in the diagnosis, monitoring and surveillance of the food and nutrition situation in the Caribbean countries.

The projects receive financial assistance from PAHO/WHO, from the quota contributions from the member countries as well as various contributors shown in Schedule 11. Total expenditure incurred by CFNI or on behalf of CFNI was as follows:

Object of Expenditure	PAHO/WHO	PAHO/WHO	Building	CFNI	Trust	Total
	Regular			Special Funds		
	Budget	1986-1987	Fund	Budget	1986-1987	1987
	1986-1987	1986-1987	1986-1987	1986-1987	1986-1987	1987
Personnel costs	995,409	961	-	298,747	83,783	1,378,900
Duty travel	91,337	21,151	-	6,634	27,134	146,256
Contractual services	71,720	39,597	-	48,836	138,096	298,249
Fellowships and seminars	-	1,743	-	17,166	10,332	29,241
Supplies and equipment	111,157	19,439	-	41,042	27,056	198,694
General operating expenses	150,700	2,802	-	58,509	5,801	217,812
Construction costs	-	-	157,983	-	-	157,983
Program support costs	-	10,827	-	-	25,392	36,219
Grants	-	-	-	23,900	-	23,900
Total	1,420,323	96,520	157,983	494,834	317,594	2,487,254

The statements which follow present the financial position of the Institute, excluding the PAHO/WHO financial support of \$1,420,323, PAHO/WHO Special Funds of \$96,520, and Building Fund expenditures of \$157,983.



CARIBBEAN FOOD AND NUTRITION INSTITUTE  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE 1986-1987 BUDGET  
(expressed in US dollars)

	<u>1987-1986</u>	<u>1985-1984</u>
<b>INCOME</b>		
Contribution from Caribbean Governments		
Receipts from current assessments (Schedule 10)	150,773	224,639
Receipts from prior years' assessments (Schedule 10)	<u>180,395</u>	<u>37,701</u>
Total, Income	<u>331,168</u>	<u>262,340</u>
 <b>EXPENDITURE</b>		
Personnel costs	298,747	271,601
Duty travel	6,634	5,997
Contractual services	48,836	16,409
Seminars and courses	17,166	17,258
Supplies and equipment	41,042	38,217
General operating expenses	58,509	6,394
Project grant	<u>23,900</u>	<u>-</u>
Total, Expenditure	<u>494,834</u> <sup>1/</sup>	<u>355,876</u>
<b>NET RESULTS FROM OPERATIONS</b>	<u>(163,666)</u> <sup>2/</sup>	<u>( 93,536)</u>

<sup>1/</sup> Approved budget for 1986-1987: \$498,290

<sup>2/</sup> Transferred to Exhibit VIII

CARIBBEAN FOOD AND NUTRITION INSTITUTE  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

	<u>1987</u>	<u>1985</u>
<b>ASSETS</b>		
<b>CASH</b>		
At banks and on hand	-	-
U.S. dollar currency	-	-
Other currency	<u>2,102</u>	<u>2,084</u>
	<u>2,102</u>	<u>2,084</u>
<b>ACCOUNTS RECEIVABLE</b>		
Quota contributions receivable (Schedule 10)	445,220	277,466
Less: Reserved	<u>445,220</u>	<u>277,466</u>
	-	-
Trust funds receivable (Schedule 11)	<u>54,073</u>	<u>9,896</u>
<b>PAN AMERICAN HEALTH ORGANIZATION</b>		
Balance due from PAHO inter-office funding activities (Exhibit IV)	-	40,260
Total, Current Assets	<u>56,175</u>	<u>52,240</u>
<b>CAPITAL ASSETS</b>		
Building	714,572	-
Less: Reserved	<u>714,572</u>	-
	-	-
TOTAL	<u>56,175</u>	<u>52,240</u>
<b>LIABILITIES</b>		
<b>QUOTA CONTRIBUTIONS RECEIVED IN ADVANCE</b>		
Government of Dominica	<u>2,295</u>	-
<b>PAN AMERICAN HEALTH ORGANIZATION</b>		
Balance due to PAHO from inter-office funding activities (Exhibit IV)	<u>185,992</u>	-
Total, Current Liabilities	<u>188,287</u>	-
TRUST FUNDS (Schedule 11)	<u>40,897</u>	<u>61,583</u>
<b>DEFICIT</b>		
Balance at 1 January	( 9,343)	84,193
Excess expenditure (Exhibit VII)	(163,666)	(93,536)
Balance at 31 December	(173,009) <sup>1/</sup>	( 9,343)
TOTAL	<u>56,175</u>	<u>52,240</u>

<sup>1/</sup> The deficit has been met in part by advances from PAHO funds.

CARIBBEAN FOOD AND NUTRITION INSTITUTE  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM MEMBER GOVERNMENTS  
1986-1987 BUDGET AND PRIOR YEARS  
(expressed in US dollars)

<u>Member Governments</u>	<u>Year</u>	<u>Amount Due</u>	<u>Collected During 1986-1987</u>	<u>Balance Due 31 December 1987</u>
Anguilla	1987	765	-	765
	1986	765	-	765
	1985	632 1/	632	-
		<u>2,162</u>	<u>632</u>	<u>1,530</u>
Antigua and Barbuda	1987	2,295	-	2,295
	1986	2,295	-	2,295
	1985	2,086	-	2,086
	1984	1,896	1,896	-
	1983	1,722	1,722	-
		<u>10,294</u>	<u>3,618</u>	<u>6,676</u>
Bahamas	1987	11,695	11,695	-
	1986	11,695	11,695	-
		<u>23,390</u>	<u>23,390</u>	<u>-</u>
Barbados	1987	23,935	23,935	-
	1986	23,935	23,935	-
		<u>47,870</u>	<u>47,870</u>	<u>-</u>
Belize	1987	2,295	-	2,295
	1986	2,295	2,295	-
	1985	2,086	2,086	-
	1984	1,896	1,896	-
		<u>8,572</u>	<u>6,277</u>	<u>2,295</u>
British Virgin Islands	1987	485	485	-
	1986	485	485	-
		<u>970</u>	<u>970</u>	<u>-</u>
Cayman Islands	1987	485	485	-
	1986	485	485	-
		<u>970</u>	<u>970</u>	<u>-</u>
Dominica	1987	2,295	2,295	-
	1986	2,295	2,295	-
		<u>4,590</u>	<u>4,590</u>	<u>-</u>
Grenada	1987	2,295	2,295	-
	1986	2,295	2,295	-
	1985	2,086	2,086	-
	1984	1,896	1,896	-
		<u>8,572</u>	<u>8,572</u>	<u>-</u>
Guyana	1987	31,575	-	31,575
	1986	31,575	-	31,575
		<u>63,150</u>	<u>-</u>	<u>63,150</u>

<u>Member Governments</u>	<u>Year</u>	<u>Amount Due</u>	<u>Collected During 1986-1987</u>	<u>Balance Due 31 December 1987</u>
Jamaica	1987	94,215	-	94,215
	1986	94,215	-	94,215
	1985	85,651	48,944	36,707
	1984	28,495	28,495	-
		<u>302,576</u>	<u>77,439</u>	<u>225,137</u>
Montserrat	1987	765	-	765
	1986	765	-	765
		<u>1,530</u>	<u>-</u>	<u>1,530</u>
Saint Lucia	1987	2,295	2,142	153
	1986	2,295	2,295	-
	1985	2,086	2,086	-
	1984	1,744	1,744	-
		<u>8,420</u>	<u>8,267</u>	<u>153</u>
St. Kitts-Nevis	1987	2,295	2,295	-
	1986	2,295	2,295	-
		<u>4,590</u>	<u>4,590</u>	<u>-</u>
St. Vincent and the Grenadines	1987	2,295	-	2,295
	1986	2,295	2,295	-
	1985	1,043	1,043	-
		<u>5,633</u>	<u>3,338</u>	<u>2,295</u>
Suriname	1985	25,340 <sup>2/</sup>	-	25,340
	1984	23,036	-	23,036
	1983	20,942	10,408	10,534
		<u>69,318</u>	<u>10,408</u>	<u>58,910</u>
Trinidad and Tobago	1987	68,750	-	68,750
	1986	68,750	53,956	14,794
	1985	62,502	62,502	-
	1984	12,959	12,959	-
		<u>212,961</u>	<u>129,417</u>	<u>83,544</u>
Turks and Caicos Islands	1987	410	410	-
	1986	410	410	-
		<u>820</u>	<u>820</u>	<u>-</u>
<b>Total</b>		<b>776,388</b> =====	<b>331,168</b> =====	<b>445,220</b> =====
Amounts consisted of:				
		498,290	150,773	347,517
		<u>278,098</u> <sup>1/</sup>	<u>180,395</u>	<u>97,703</u>
<b>Total</b>		<b>776,388</b> =====	<b>331,168</b> =====	<b>445,220</b> =====

<sup>1/</sup> Balance due for prior years as of 31 December 1985 277,466  
Add: admittance of Anguilla effective 1985 632

Balance due prior years 278,098  
=====

CARIBBEAN FOOD AND NUTRITION INSTITUTE  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF TRUST FUNDS  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

<u>Source of funds</u>	<u>Project Reference</u>	<u>Balance 1 January 1986</u>	<u>Received 1986-1987</u>	<u>Project Costs 1986-1987</u>	<u>Balance 31 December 1987</u>
AGENCY FOR INTERNATIONAL DEVELOPMENT Anemia Study	CFN-NUT-160	( 976)	-	12,852	(13,828)
GEORGETOWN UNIVERSITY Caribbean Migration Research	CFN-NUT-230	-	94,822	74,762	20,060
INTERNATIONAL CENTER FOR RESEARCH ON WOMEN Infant Feeding Practices, Women's Work, and Social Support Resources	CFN-NUT-150	( 2,474)	25,971	25,774	( 2,277)
INTERNATIONAL DEVELOPMENT RESEARCH CENTRE Food Price Subsidy and Marketing Analysis (Antigua and St. Vincent)	CFN-NUT-060	1,671	-	2,693	( 1,022)
Nutrition Education/Weaning	CFN-NUT-130	28,027	(5,277)	23,725	( 975)
JAMAICAN PRIVATE CORPORATIONS Nutrition Radio Series	CFN-NUT-210	-	10,989	10,480	509
Food Processing Industry	CFN-NUT-240	-	5,494	3,553	1,941
Study of Street Foods	CFN-NUT-260	-	1,530	1,530	-
UNDP Evaluation of School Feeding	CFN-NUT-191	-	1,925	1,925	-
UNESCO Training in Food and Nutrition Education	CFN-NUT-180	( 6,446)	15,400	11,870	( 2,916)
Preparation of School Health Guide for Teachers	CFN-NUT-181	-	5,000	2,592	2,408
UNICEF Nutrition Surveillance in St. Kitts-Nevis and Grenada	CFN-NUT-170	10,000	19,000	18,097	10,903
Nutrition Surveillance in the Eastern Caribbean	CFN-NUT-250	-	5,000	-	5,000
U.S. DEPARTMENT OF AGRICULTURE Food Price Subsidy and Marketing Analysis (Antigua and St. Vincent)	CFN-NUT-062	21,885	24,749	46,558	76
UNITED NATIONS UNIVERSITY Migration and Nutritional Status	CFN-NUT-200	-	43,128	43,841	( 713)
UNITED NATIONS WORLD FOOD PROGRAMME Evaluation of School Feeding	CFN-NUT-190	-	5,000	37,342	(32,342)
Totals		51,687	252,731	317,594	(13,176) <sup>1/</sup>

<sup>1/</sup> Receipts in excess of expenditures accumulated to date

40,897

Excess of expenditures over amounts received on cost reimbursable projects

(54,073)

(13,176)

=====

**PART VI**

**INSTITUTE OF NUTRITION OF CENTRAL  
AMERICA AND PANAMA**



INTRODUCTION  
\*\*\*\*\*

The Institute of Nutrition of Central America and Panama (INCAP) was created in 1946 by agreement between the Pan American Sanitary Bureau, the Kellogg Foundation, the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua, and the Republic of Panama. Responsibility for administration of the Institute was given to the Director of the Pan American Sanitary Bureau, with a directing council composed of delegates from each of the five Central American countries and Panama. Resolution XXVII of the XXIX PAHO Directing Council held in 1983 approved PAHO's continued responsibility for the administration of the Institute until such time as the INCAP Council or the Governing Bodies of PAHO decides otherwise.

INCAP functions as a scientific agency for the provision of technical cooperation, whose general purpose is to contribute to the development of the science of nutrition, promote its practical application, and strengthen the technical capacity of the countries of Central America and Panama to solve their own food and nutrition problems. To accomplish this general purpose, INCAP carries on activities in the fields of: (a) manpower training and development; (b) technical cooperation; (c) research.

The projects receive financial assistance from PAHO/WHO, PAHEF, the Governments of Canada, Guatemala, and the United States of America, the European Economic Community, various universities and foundations, as well as from the quota contributions from the Member Countries. Total expenditure incurred by INCAP or on behalf of INCAP was as follows:

<u>Object of expenditure</u>	<u>PAHO/WHO Regular Budget 1987</u>	<u>PAHO Trust Funds 1987</u>	<u>INCAP Regular Budget 1987</u>	<u>Trust Funds 1987</u>	<u>Total Expenditure 1987</u>
Personnel costs	742,001	-	352,500	793,706	1,888,207
Duty travel	83,160	-	17,000	610,143	710,303
Contractual services	41,886	16,450	30,000	676,337	764,673
Fellowships and seminars	155,050	-	-	477,374	632,424
Supplies and equipment	143,337	31,029	16,011	317,181	507,558
General operating expenses	<u>123,172</u>	<u>22</u>	<u>47,544</u>	<u>802,484</u>	<u>973,222</u>
Total	<u>1,288,606</u> *****	<u>47,501</u> *****	<u>463,055</u> *****	<u>3,677,225</u> *****	<u>5,476,387</u> *****

The statements which follow present the financial position of the Institute, excluding the PAHO/WHO financial support of \$1,288,606, and PAHO Trust Funds of \$47,501.



INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE 1987 BUDGET  
(expressed in US dollars)

	<u>1987</u>	<u>1986</u>
<b>INCOME</b>		
Contributions from Member Governments		
Receipts from current assessments (Schedule 12)	67,288	-
Receipts from prior years' assessments (Schedule 12)	<u>268,399</u>	<u>270,029</u>
	<u>335,687</u>	<u>270,029</u>
Miscellaneous income		
Education and training in nutrition	70,921	90,114
INCAPARINA commissions	19,322	10,750
Sale of publications	351	1,236
Laboratory analyses	587	2,000
Sale of equipment	525	274
Currency exchange differential	20,283	22,335
Sundry	<u>183,085</u>	<u>95,163</u>
Total, Miscellaneous Income	<u>295,074</u>	<u>221,872</u>
Total, Income	<u>630,761</u>	<u>491,901</u>
<b>EXPENDITURE</b>		
Personnel costs	352,500	376,288
Duty travel	17,000	4,634
Contractual services	30,000	11,675
General operating expenses	47,544	87,542
Supplies and equipment	<u>16,011</u>	<u>11,434</u>
Total, Expenditure	<u>463,055</u> 1/	<u>491,573</u>
<b>NET RESULTS FROM OPERATIONS</b>	<u>167,706</u>	328
	*****	*****

1/ Appropriations for the 1987 Budget:

Assessments	300,000
Miscellaneous income	<u>200,000</u>
Approved 1987 budget	500,000
	*****

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

	<u>1987</u>	<u>1986</u>
<b>A S S E T S</b>		
<b>CURRENT ASSETS</b>		
Cash: At banks, in transit, and on hand		
US dollars	188,100	82,234
Quetzales	88,571	42,420
Total, Cash	<u>276,671</u>	<u>124,654</u>
Investments at cost		
Fixed-term deposit (Explanatory note 1)	1,740,882	1,540,000
Municipal water shares	10,380	10,380
Less: Reserved	<u>10,380</u>	<u>10,380</u>
Total, Investments	<u>1,740,882</u>	<u>1,540,000</u>
Accounts receivable		
Quota contributions receivable (Schedule 12)	630,153	665,840
Less: Reserved	<u>630,153</u>	<u>665,840</u>
Trust funds receivable (Schedule 13)	2,745,142	400,910
Less: Reserved for exchange losses	<u>60,375</u>	<u>60,000</u>
Sundry debtors	69,474	107,917
Less: Reserved	<u>35,117</u>	<u>39,118</u>
Total, Accounts Receivable	<u>2,719,124</u>	<u>409,709</u>
Prepaid expenses	<u>9,793</u>	<u>46,308</u>
Supplies inventory	<u>68,845</u>	<u>63,952</u>
Clearance Account	<u>195,279</u>	<u>-</u>
Balance due from the Pan American Health Organization inter-office funding activities	<u>-</u>	<u>758,397</u>
Total, Current Assets	<u>5,010,594</u>	<u>2,943,020</u>
<b>CAPITAL ASSETS</b>		
Building improvements	55,678	55,678
Less: Reserved	<u>55,678</u>	<u>55,678</u>
TOTAL	<u>5,010,594</u>	<u>2,943,020</u>
<b>L I A B I L I T I E S</b>		
<b>CURRENT LIABILITIES</b>		
Unliquidated obligations	143,319	66,324
Accounts payable	82,334	163,617
Trust funds (Schedule 13)	749,302	536,804
Balance due to the Pan American Health Organization inter-office funding activities (Exhibit IV)	1,313,427	-
Account for Program Support Costs (Explanatory note 2)	<u>104,330</u>	<u>19,086</u>
Total, Current Liabilities	<u>2,392,712</u>	<u>785,831</u>
PROVISION FOR PERSONNEL ENTITLEMENTS	<u>190,225</u>	<u>139,233</u>
STAFF PROVIDENT FUND	<u>1,740,882</u>	<u>1,537,885</u>
FUND FOR FELLOWSHIP RESEARCH	<u>35,992</u>	<u>49,875</u>
RESERVED FOR INCOME TAX	<u>145,390</u>	<u>105,430</u>
RESERVED FOR EQUIPMENT AND VEHICLES	<u>27,718</u>	<u>14,797</u>
RESERVED FOR SUPPLIES AND INVENTORY	<u>25,000</u>	<u>25,000</u>
WORKING CAPITAL FUND (Explanatory note 3)	<u>452,675</u>	<u>284,969</u>
TOTAL	<u>5,010,594</u>	<u>2,943,020</u>

EXHIBIT X - EXPLANATORY NOTE

1. Fixed-term deposit in U.S. dollars held in the name of the Pan American Sanitary Bureau on behalf of the INCAP Staff Provident Fund.

2. Account for Program Support Costs

This account is maintained to control the recovery of the general support costs of the Center. The various projects are charged an estimated program support cost. The actual disbursements are accumulated by main category of expenditure as below. The status of this account as of 31 December 1987 is as follows:

Balance 1 January 1987	19,086
Funds made available during 1987 from various projects	<u>1,150,600</u>
Funds available	1,169,686

Costs incurred during 1987

Local transportation	120,316	
Computer center	42,781	
Building services	354,582	
Library	57,446	
Administrative services	319,590	
Experimental farm	48,523	
Reproduction and visual aids	72,743	
Photocopies	<u>48,913</u>	<u>1,064,894</u>
Balance 31 December 1987		<u>104,792</u> -----

3. Working Capital Fund

In 1982 the Directing Council authorized, by Resolution VII, the increase in the Working Capital Fund to a level of \$600,000. The balance in the fund is intended to gradually increase to this level, primarily through the collection of arrears of the quotas of the Member Governments.

The position of the Working Capital Fund is as follows:

	<u>1987</u>	<u>1986</u>
Balance as of 1 January	284,969	284,579
Net results from operations (Exhibit X)	167,706	328
Returns from staff provident fund	-	62
Balance as of 31 December	<u>452,675</u> -----	<u>284,969</u> -----

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF QUOTA CONTRIBUTIONS DUE FROM MEMBER GOVERNMENTS  
1987 BUDGET AND PRIOR YEARS  
(expressed in US dollars)

Member Governments	Year	Amount Due	Collected During 1987	Balance Due 31 December 1987
Costa Rica	1987	42,000	-	42,000
	1986	42,000	-	42,000
	1985	42,000	-	42,000
	1984	42,000	-	42,000
	1983	42,000	-	42,000
	1982	42,000	-	42,000
	1981	35,000	1,272	33,728
	1980	28,899	28,899	-
			<u>315,899</u>	<u>30,171</u>
El Salvador	1987	51,000	-	51,000
	1986	51,000	40,800	10,200
	1985	10,200	10,200	-
		<u>112,200</u>	<u>51,000</u>	<u>61,200</u>
Guatemala	1987	93,900	67,288	26,612
	1986	93,900	93,900	-
	1985	10,628	10,628	-
		<u>198,428</u>	<u>171,816</u>	<u>26,612</u>
Honduras	1987	31,200	-	31,200
	1986	31,200	-	31,200
	1985	31,200	18,613	12,587
	1984	19,387	19,387	-
		<u>112,987</u>	<u>38,000</u>	<u>74,987</u>
Nicaragua	1987	37,200	-	37,200
	1986	37,200	-	37,200
	1985	37,200	-	37,200
	1984	24,073	-	24,073
		<u>135,673</u>	<u>-</u>	<u>135,673</u>
Panama	1987	44,700	-	44,700
	1986	44,700	43,447	1,253
	1985	1,253	1,253	-
		<u>90,653</u>	<u>44,700</u>	<u>45,953</u>
Total		965,840	335,687	630,153
		-----	-----	-----
Amounts consisted of:				
Contribution for 1987		300,000	67,288	232,712
Prior years		<u>665,840</u>	<u>268,399</u>	<u>397,441</u>
		965,840	335,687	630,153
		-----	-----	-----

INSTITUTE OF NUTRITION OF CENTRAL AMERICA AND PANAMA  
ADMINISTERED BY THE PAN AMERICAN SANITARY BUREAU  
STATEMENT OF TRUST FUNDS  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

<u>Source of Funds</u>	<u>Project Reference</u>	<u>Balance 1 January 1987</u>	<u>Received 1987</u>	<u>Adjust- ments 1987</u>	<u>Project Costs 1987</u>	<u>Balance 31 December 1987</u>
<b>CANADA</b>						
<u>International Development</u>						
<u>Research Center</u>						
Improvement of Swine Productivity/Native Pig and Local Food Resources	NUT-410	( 437)	-	437	-	-
Bean Utilization	NUT-590	30,742	-	(30,742)	-	-
<u>International Development</u>						
<u>Research Center</u>						
Improvement of Swine Productivity/Native Pig and Local Food Resources	NUT-411	1,796	23,091	( 437)	44,521	( 20,071)
Bean Utilization	NUT-591	( 14,960)	66,778	34,760	71,915	14,663
<b>GUATEMALA</b>						
Influence of Nutrition on Health of Agricultural Laborers	NUT-490	( 10,382)	28,493	-	36,860	( 18,749)
<u>Instituto de Ciencia y Tecnología Agrícolas</u>						
Small Farmer Diversification System	NUT-560	( 3,029)	-	-	-	( 3,029)
<u>Patronato Pro Nutrición Infantil</u>						
Early Detection and Prevention of Malnutrition in Urban Areas	NUT-190	( 9,647)	-	-	-	( 9,647)
<b>UNITED STATES OF AMERICA</b>						
<u>Agency for International Development</u>						
Regional Project for Technical Cooperation in Nutrition (Phase I)	NUT-350	89	42,621	3,083	1,763	44,030
Regional Project for Technical Cooperation in Nutrition (Phase II)	NUT-351	( 27,287)	1,555	-	( 300)	( 25,432)
Regional Project for Tech- nical Cooperation in Nutrition (Phase III)	NUT-352	(141,880)	108,401	(22,326)	115,215	(171,020)
Development of Solid Fer- mentation and Utilization of Coffee Pulp	NUT-550	( 16,029)	27,170	-	18,397	( 7,256)
Minimum Wage Law and Nutrition Status in Guatemala	NUT-570	( - )	-	321	-	321
Technical Assistance for Nutrition Programs in Central America	NUT-620	( - )	-	125	-	125
Uniform Analysis of Anthropometric Information	NUT-640	-	-	( 34)	-	( 34)

Schedule 13 (cont.)

Source of Funds	Project Reference	Balance 1 January 1987	Received 1987	Adjust- ments 1987	Project Costs 1987	Balance 31 December 1987
Oral Rehydration Therapy, Growth Monitoring and Education	NUT-670	( 5,386)	299,751	( 7,291)	1,578,755	(1,291,681)
Technical Support for Food Assistance Programs	NUT-710	( 8,830)	-	(22,938)	761,990	( 793,758)
Small Farmer Diversification Systems	NUT-720	3,058	-	-	481	2,577
Breastfeeding Evaluation Workshops	NUT-740	(12,482)	13,034	1,637	-	2,189
Evaluation of Regional Nutrition Technical Outreach Project	NUT-750	( 2,092)	2,092	247	-	247
<u>University of California/Davis</u> <u>Massachusetts Institute of</u> <u>Technology</u>	NUT-860	-	6,000	-	6,881	( 881)
Special Tutorial Training in Clinical Nutrition	NUT-020	( 4,202)	-	-	4,404	( 8,606)
<u>National Academy of Sciences</u> Limiting Factors for Nutritional Quality of Raw and Processed Grain Amaranth	NUT-381	(15,988)	35,139	-	37,701	( 18,550)
Epidemiology and Etiology of ARI in a Low Income Urban Population	NUT-540	(20,222)	43,290	-	52,892	( 29,824)
Census on School Children Height	NUT-610	( 8,318)	-	7,852	-	( 466)
<u>Nestle Foundation</u> Nestle Fellowships	NUT-260	4,356	13,500	-	48,052	( 30,196)
<u>Stanford University</u> Study on Early Detection Deficiencies in Nutrition	NUT-820	-	76,287	-	106,519	( 30,232)
<u>Washington State University</u> Improved Biological Utilization and Availability of Dry Beans	NUT-370	(57,566)	99,240	-	74,814	( 33,140)
<b>INTERNATIONAL ORGANIZATIONS AND OTHERS</b>						
<u>AID/Westinghouse/UNICEF</u> AID/Westinghouse	NUT-870	-	75,000	-	165,915	( 90,915)
UNICEF	NUT-880	-	10,000	-	3,483	6,517
<u>CARE</u> Preparation of Report of Evaluation Environmental Improvement	NUT-730	( 1,888)	1,639	-	5	( 254)
<u>European Economic Community</u> Food and Nutrition Technology Research	NUT-200	94,093	-	-	80,593	13,500
<u>Food and Agricultural Organization</u> Nutritional Manuals in Spanish	NUT-600	( 2,371)	-	(14,842)	357	( 17,570)
Government of Sweden	NUT-850	-	2,000	-	-	2,000
<u>Guatemala/Germany-COGAAT</u> Cooperation Food for Work	NUT-890	-	2,550	-	2,782	( 232)
<u>International Food Policy Research Institute</u> Conference on Anthropometric measurements on nutritional surveillance	NUT-900	-	-	-	18,830	( 18,830)
Economic Effects of Basic Crops on Subsistence Agriculture	NUT-660	( 4,282)	-	-	-	( 4,282)
Small Farmer Diversification systems	NUT-830	-	-	-	63,057	( 63,057)

Schedule 13 (cont.)

Source of Funds	Project Reference	Balance 1 January 1987	Received 1987	Adjustments 1987	Project Costs 1987	Balance 31 December 1987
<u>Pan American Health and Education Foundation</u>						
Overseas Development for Education Program	NUT-100	( 4,804)	59,009	-	80,306	( 26,101)
<u>United Nations Children's Fund</u>						
Studies on Children Survival	NUT-700	( 3,672)	11,000	-	12	7,316
Education on Food Nutrition	NUT-780	343,499	420,758	( 326)	185,605	578,326
<u>United Nations University</u>						
World Hunger	NUT-050	(25,156)	45,084	-	22,724	( 2,796)
Interaction Between Intake of Energy and Quality of Protein	NUT-680	3,642	19,000	-	-	22,642
<u>World Health Organization</u>						
Effects of Breastfeeding on Diarrhoeal Morbidity	NUT-690	1,004	-	-	-	1,004
Infections Influence in Anthropometric Indicators	NUT-800	5,000	-	( 5,000)	-	-
Microbiological Quality of Vegetables	NUT-530	2,870	-	-	-	2,870
Multicentre Long Study of duration of Lacto-Amenorrhoea	NUT-810	-	3,100	-	3,410	( 310)
<u>American Soybean Association</u>						
Zinc nutrition for children with mixed diets - Includes milk or soya	NUT-760	8,869	15,000	-	9,792	14,077
Diagnosis of needs in formation and training of human resources for food and nutrition in Central America and Panama	NUT-770	36,516	50,000	383	50,001	36,898
<u>AID/IDRC/UNU</u>						
Updated tables of food composition CTRLAM, Panama and Caribbean Islands	NUT-790	1,270	-	-	29,493	( 28,223)
TOTAL		135,894 <u>1/</u>	1,600,582	(55,091)	3,677,225	(1,995,840) <u>1/</u>
		=====	=====	=====	=====	=====

1/ Receipts in excess of expenditure accumulated to date

749,302

Excess of expenditure on cost reimbursable projects over amounts received

2,745,142

1,995,840

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**PART VII**

**FINANCIAL REPORT OF THE PAN AMERICAN HEALTH  
AND EDUCATION FOUNDATION**





FINANCIAL REPORT  
PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
1 January - 31 December 1987

INTRODUCTION

The Financial Report of the Executive Secretary of the Foundation is presented according to the sequence shown below, followed by the Report of the External Auditor. These reports are for consideration of the Board of Trustees of PAHEF and for the information of the staff and Governing Bodies of the Pan American Health Organization (PAHO) and other organizations, institutions, and individuals cooperating with PAHEF.

With the permission of the Director of the Pan American Sanitary Bureau and in accordance with the Financial Rules of PAHEF, these reports are published in the PAHO Official Document 214.

GENERAL INFORMATION

PROGRAM INFORMATION

Medical Textbooks Financial Statements

- Exhibit XI Statement of Income, Expenses and Program Equity
- Exhibit XII Statement of Assets and Liabilities
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- Schedule 14 Comparative Sales and Inventory Statistics

Expanded Textbook and Instructional Materials Financial Statements

- Exhibit XIV Statement of Income, Expenses and Program Equity
- Exhibit XV Statement of Assets and Liabilities
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Trust Funds and General Program Financial Statements

- Exhibit XVII Statement of Resources and Expenditures
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- Schedule 16 Statement of Health Program by Grantor or Other Source of Funds

GENERAL INFORMATION

PAHEF is a nonprofit foundation incorporated under the laws of the District of Columbia of the United States of America to mobilize financial and human resources for improvement of health and education. Under its Articles of Incorporation, the Foundation is committed, among other purposes, "to advance the fundamental objectives of the Pan American Health Organization."

PAHEF has been determined (June 1970) by the U.S. Internal Revenue Service to be exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code. Donations to PAHEF are deductible with respect to U.S. federal income, estate, and gift taxes. In addition, PAHEF has been classified (December 1972) as a nonprivate foundation because it is an organization described in the Internal Revenue Code Section 509 (a) (1). Its tax identification number is 23 707 2046.

The Foundation has a close collaborative relationship with PAHO, which is embodied in the basic agreement signed by the Director of PASB and the President of the Foundation in April 1970. The two most important provisions of the agreement are that the Foundation will seek the technical approval of PAHO for its projects and that the two organizations will undertake joint programs to be carried out under the technical and administrative supervision of PAHO. PAHEF also cooperates with the World Health Organization (WHO), including accepting grants and donations designated for support of its health programs.

The Foundation is governed by its Board of Trustees (Nine members - unpaid). The program administration and the financial management of PAHEF are carried out according to program policies and financial rules established by its Board of Trustees.

#### PROGRAM INFORMATION

##### Textbook and Instructional Materials

The objective of this program is to improve and expand education and training for students in the health sciences and health personnel at all levels. Four partners have joined in this effort:

(1) PAHEF provides a capital revolving fund, derived from loans it has received from the Fund for Special Operations of the Inter-American Development Bank, at beneficial interest rates because of the social development nature of the program. The fund is used to purchase textbooks and instructional materials and to finance the maintenance of inventories pending sales. Operating costs and purchase costs are recovered from sales income; so that the program, to this extent, is self-financing, although non-profit, and should be able to continue as long as the need for it exists.

PAHEF has signed two loan contracts. The first signed in 1971, for \$2,000,000 finances the Medical Textbook Program. For this loan PAHO undertook to contribute funds to repay the principal over a 20 year period ending in 1996. This PAHO contribution is an investment rather than an expenditure since it increases equity in the program by the amount of each payment. The second contract, signed in 1979, for \$5,000,000 finances the Expanded Program. For this loan PAHO acts as a guarantor, but PAHEF must finance repayment of the principal from operation of the Program. Payment is to be completed in 2019. PAHO also has made substantial contributions toward administration in the beginning years and for the development of new materials for the training of primary health care workers.

PAHEF is responsible for cooperating with PAHO in such a way as to assure operation and financial management of the program to fulfill the objectives and conditions of the loan contract with IDB.

(2) PAHO is responsible for the technical and administrative planning and supervision of international operations in this program which is an integral part of its cooperation with governments to improve health through training of students and health workers. On the technical side, PAHO, through its Health Manpower Program is responsible for selection of textbooks and the development of new materials, especially manuals and instructional modules, in cooperation with educational institutions and ministries of health. This program and PAHO's program of advisory services and technical cooperation with governments in the field of education and training complement and reinforce each other.

On the administrative and operational side, PAHO, through the Health Manpower Program and its Textbook Program Administration, and in cooperation with PAHO/WHO Country Representatives, is responsible for: (a) negotiating with publishers, printers and other sources of instructional materials for purchases to be recommended to PAHEF to make for the program; (b) negotiating, with cooperation of the Legal Office, agreements with governments and with institutions for their participation; (c) supervising, carrying out and monitoring the entire sales process involving the shipping of books to schools, and providing procedural instructions for and monitoring of the administration of the program by the school; (d) accounting for sales and inventory; and (e) undertaking advance planning of project inventory requirements, sales, income and cash flow.

(3) The Governments that are regional members of IDB participate under agreements signed with PAHO. These agreements provide the legal and organizational authorization and framework for participation in the program by universities, schools and other organizations responsible for education and training of health workers at all levels.

(4) Educational institutions and organizations responsible for training of health personnel form a key element of the program. Basically the program belongs to these institutions to benefit their students, whether enrolled for formal training or for continuing education while in service.

The educational institutions undertake to cooperate in the selection of textbooks and instructional materials. They also are responsible for ordering, receiving, safekeeping and selling them, depositing the income with PAHO and sending inventory reports. The school personnel and other institutional costs of administration represents a contribution to the program to keep the sale prices as low as possible.

##### Medical Textbooks

The joint program began in 1971 under the IDB loan, superseding a PAHO demonstration program. The financial status of the program is set forth in the corresponding exhibits. The net operating income in 1987 is better than in 1986. This is due to better control of stock obsolescence and shipping losses, and to increased textbook sales. The program remains in sound financial condition in dollar terms, but inflation has reduced the buying power of the capital. Consequently, new measures must be taken to maintain purchasing power of the capital revolving fund.

The financial report does not reflect the value of "in kind" contributions by PAHO and the universities in the form of facilities and services of regular personnel. For this, \$500,000 would be a conservative estimate. These contributions are appropriate to the program values received by PAHO and the universities.

Of 223 medical schools, 196 or 88% participate in the program. After declining for a number of years, sales turned upwards in 1987, in spite of the fact that inflation and sharp currency devaluations in several large countries have made it difficult for students to buy books. Participating institutions have indicated that they continue to want the program, and that students would buy fewer books without it.

#### Expanded Program

Under the loan contract signed in February 1979, as mentioned above, the program has been expanded to include textbooks and instructional materials, such as manuals, self-instructional modules, audiovisual aids and diagnostic instruments for dentistry, veterinary medicine, nutrition, sanitary engineering, nursing and administration, as well as for basic sciences such as histology, biochemistry, physiology and anatomy. Manuals and instructional modules are being developed for the training of technicians and of auxiliaries at various levels for primary health care. Through the end of 1987, the following subject areas had been covered: mental health, laboratory techniques, maternal and child health, basic eye care, immunizations, epidemiology, community education materials and strategies, health center administration, drug supply, control programs for diabetes, hypertension and cervical cancer, risk focus in MCH, child growth and development, research methodology, water and human health, acute respiratory disease in children, basic ophthalmoscopy and tonometry, organizational development, primary health care concepts, basic hematology and treatment of diarrhea. Several additional manuals were planned for 1988 publication.

All Latin American governments have signed the basic agreement to provide an umbrella for schools which sign a memorandum of understanding concerning their participation. For nursing schools, 202 out of 426 participate. Over one half of the schools of veterinary medicine and dentistry have participated, but the use of textbooks has not yet risen to a satisfactory level in relation to the objective of improving education in these disciplines. Several governments from among the English-speaking group have signed the basic agreement and others have it under consideration. The application of the program to these countries would be mainly in making available training materials in English for primary health care workers.

#### Trust Funds Program

Contributions from public or private sources are accepted by PAHEF, provided they are given for activities whose purpose is consistent with the objectives of the Foundation. All grants and donations in cash or materials made for specified purposes are treated as trust funds. They are used exclusively for the designated activity and accounted for separately. PAHEF receives and administers such grants and donations to support health and education projects to be carried out under the technical and administrative supervision of PAHO. PAHEF submits financial and progress reports to grantors according to conditions under which the grant was accepted. The organizations, agencies, institutions, companies, and individuals that made grants and donations to PAHEF in 1987 are listed in Schedule 5.

The Trust Fund Program for 1987 included 118 projects costing \$1,582,448; this is \$477,247 more than the previous year. Projects in disease control, training and education, nutrition, nursing, dental education, and medical care and hospitalization constituted over 73% of the costs. The program distribution is determined by the interest of donors and is not a reflection of the priorities that would be established if the funds were unrestricted.

#### General Fund

Income from investments and the few unrestricted donations which may be received are held in PAHEF's General Fund. By policy of the Board of Trustees, the General Fund is treated as an "endowment". The principal is not available for expenditure, but the annual income may be used for administration and for program support where a limited amount will supply the impetus to start a program or fill a critical need. In 1987 the General Fund supported program activities for a total of \$11,535, excluding administration.

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 MEDICAL TEXTBOOK PROGRAM  
 STATEMENT OF INCOME, EXPENSES AND PROGRAM EQUITY  
 FOR THE YEARS ENDING 31 DECEMBER 1987 AND 1986  
 (expressed in US dollars)

		<u>1987</u>	<u>1986</u>
<b>INCOME</b>			
Gross sales of books		673,648	648,457
Currency differentials	Note 1/	( 8,099)	4,040
Net sales		665,549	652,497
Less: Reduction to Market Value	Note 2/	28,914	90,402
Cost of sales		<u>435,208</u>	<u>499,104</u>
Margin on sale of books		<u>201,427</u>	<u>62,991</u>
<b>OPERATING EXPENSES</b>			
Personnel costs		56,539	86,930
Contractual services		164	6,874
Travel		3,445	4,270
Promotion		388	1,781
Textbooks lost or damaged	Note 3/	19,102	56,415
Bonus to universities		15,563	20,000
Service cost and office expenses		2,637	499
Supplies		-	-
Non-contract freight		90,710	81,533
Miscellaneous		93	112
Total Operating Expenses		<u>188,641</u>	<u>258,414</u>
Operating income (loss)		12,786	(195,423)
Investment income		97,546	136,250
Finance charges		( 16,893)	( 19,035)
Net operating income (loss)		<u>93,439</u>	<u>( 78,208)</u>
<b>OTHER INCOME</b>			
PAHO contribution	Note 4/	<u>108,108</u>	<u>108,108</u>
NET INCOME (loss)		201,547	29,900
PROGRAM EQUITY, BEGINNING OF YEAR		<u>1,682,871</u>	<u>1,652,971</u>
PROGRAM EQUITY, END OF YEAR		<u>1,884,418</u>	<u>1,682,871</u>

Footnotes are an integral part of these financial statements.

Executive Director

Assistant Treasurer

Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 MEDICAL TEXTBOOK PROGRAM  
 STATEMENT OF ASSETS AND LIABILITIES  
 AS OF 31 DECEMBER 1987 AND 1986  
 (expressed in US dollars)

		<u>1987</u>	<u>1986</u>
<b>A S S E T S</b>			
<b>CURRENT ASSETS</b>			
Cash in bank and on hand		9,870	4,413
Due from PAHO	Note 5/	<u>2,161,612</u>	<u>2,299,103</u>
		2,171,482	2,303,516
Accounts receivable:			
Participating schools	Note 6/	114,685	99,985
Inventory of books (at lower of cost or market)		<u>610,486</u>	<u>427,774</u>
Total current assets		<u>2,896,653</u> =====	<u>2,831,275</u> =====
<b>L I A B I L I T I E S</b>			
<b>CURRENT LIABILITIES</b>			
Collections without sales reports		30,095	15,395
Printing		43,496	64,098
Freight, storage and insurance		-	-
Accrued interest and commitment fee		-	28,305
Accrued liabilities to universities		19,725	13,579
IDB loan - current		<u>108,108</u>	<u>108,108</u>
Total current liabilities		201,424	229,485
Long-term liabilities: IDB Loan	Note 7/	<u>810,811</u>	<u>918,919</u>
Total liabilities		1,012,235	1,148,404
PROGRAM EQUITY	Note 8/	<u>1,884,418</u>	<u>1,682,871</u>
Total liabilities and program equity		<u>2,896,653</u> =====	<u>2,831,275</u> =====

Footnotes are an integral part of these financial statements.

  
 Executive Director

  
 Assistant Treasurer

  
 Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
MEDICAL TEXTBOOK PROGRAM  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEARS ENDING 31 DECEMBER 1987 AND 1986  
(expressed in US dollars)

	<u>1987</u>	<u>1986</u>
<b>SOURCE</b>		
Net income (loss)	201,547	29,900
Total source	<u>201,547</u> =====	<u>29,900</u> =====
<b>APPLICATION</b>		
Payment of IDB loan	108,108	108,108
Increase (Decrease) in working capital (see below)	<u>93,439</u>	<u>( 78,208)</u>
Total application	<u>201,547</u> =====	<u>29,900</u> =====
* * * * *		
<b>CHANGES IN WORKING CAPITAL</b>		
<b>INCREASE (DECREASE) IN CURRENT ASSETS</b>		
Cash and due from PAHO	(132,034)	282,510
Accounts receivable	14,700	41,315
Inventory	<u>182,712</u>	<u>(372,548)</u>
	<u>65,378</u>	<u>( 48,723)</u>
<b>(INCREASE) DECREASE IN CURRENT LIABILITIES</b>		
Collections without sales reports	14,700	( 508)
Printing	( 20,602)	30,847
Freight, storage and insurance payable	-	( 8,725)
Accrued interest and commitment fee	( 28,305)	14,517
Accrued liability to universities	<u>6,146</u>	<u>( 6,646)</u>
	<u>( 28,061)</u>	<u>29,485</u>
Increase (Decrease) in working capital	<u>93,439</u> =====	<u>( 78,208)</u> =====

Footnotes are an integral part of these financial statements.

  
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Executive Director

  
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Assistant Treasurer

  
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Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 MEDICAL TEXTBOOK PROGRAM  
 FOOTNOTES TO THE FINANCIAL STATEMENTS

Note 1/ Currency differentials represent the difference between the standard dollar sale price and the amount of dollars actually received from sales, which have been made in local currency and converted to dollars at the time of accounting for the sale. To minimize losses (receipts below the standard) the prices in local currency are set at a level which anticipates the probable exchange rate at the time of accounting for the sale. Under the agreement between PAHEF and PAHO, approved by IDB, any losses in currency differentials sustained by PAHEF will be reimbursed by PAHO.

Note 2/ Inventory of books at December 31, 1987 was reduced by \$28,914 as a result of a permanent decline in the market value of older textbooks on hand. It is the opinion of management that the textbooks are saleable and are, therefore, not obsolete.

Note 3/ Losses were mostly due to material damaged by weather and transportation.

Note 4/ The PAHO contribution consists of:

	<u>1987</u>	<u>1986</u>
Contribution restricted for repayment of IDB (Note 8)	108,108	108,108
	<u>-</u>	<u>-</u>
	108,108	108,108
	=====	=====

Note 5/ The account "Due from PAHO" represents balances held by PAHO and available to PAHEF as needed. PAHO includes these balances in its investment income sharing plan and the proportionate share of interest is credited to PAHEF at year end.

Note 6/ "Accounts Receivable - Participating Schools" is reported net of an Allowance of Uncollectible Accounts of \$7,940 at December 31, 1987 which includes \$80,940 for books transferred to Expanded Program.

Note 7/ The status of the IDB Loan follows:

Total loan	2,000,000
Less: Cumulative payment of principal to date	(1,081,081)
Amount reclassified as current liability in 1986	
and to be paid in 1987	( 108,108)
Long-term balance	810,811
	=====

Note 8/ Program Equity includes cumulative PAHO contributions to date of \$1,081,081. These contributions and their applications are as follows:

Cumulative PAHO contributions to date	1,081,081
Cumulative loan payments to IDB to date	(1,081,081)
Balance	0
	=====



PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 MEDICAL TEXTBOOK PROGRAM  
 COMPARATIVE SALES IN UNITS FOR THE YEARS 1987 AND 1986  
 AND INVENTORY STATISTICS IN UNITS FOR THE YEAR 1987

Title	Sales		Inventory		Purchases during 1987	Lost, Damaged, Promotion
	1987	1986	1 January 1987	31 December 1987		
Cardiología, Centro Cardiovascular	32	-	-	969	1,001	-
Cirugía, Schwartz (P)	-	-	-	1,000	1,000	-
Control de Enfermedades Transmisibles	2,733	3,149	5,347	2,236	-	378
Control de Enfermedades Transmisibles(P)	83	912	136	49	150	154
Dermatología, Falabella	28	-	-	572	600	-
Endocrinología, Orrego	24	-	-	576	600	-
Electrocardiología, Velez	24	-	-	977	1,001	-
Embriología, Langman	28	52	104	76	-	-
Embriología, (P) Langman	16	250	939	651	-	272
Enfermedades Infecciosas, Botero	66	-	-	935	1,001	-
Epidemiología, Armijo	66	68	269	127	-	76
Epidemiología, Guerrero	10	-	-	140	150	-
Epidemiología, Lilienfield	-	-	-	300	300	-
Epidemiología, MacMahon	107	66	127	19	-	1
Ginecología, Novak	1,287	2,786	3,043	2,137	400	19
Ginecología, (P) Novak	2	77	101	1,008	1,000	91
Gufa uso Oro-Oftalmoscopio	459	491	1,473	1,014	-	-
Infección Intra-Hospitalaria	-	-	-	95	95	-
Medicina Interna, Beeson	4,718	3,136	1,821	790	3,718	31
Medicina Interna, (P) Beeson	15	121	40	1,025	1,000	-
Medicina Interna, Harrison	1,363	1,547	3,470	2,745	1,000	362
Neurología, Betancur	37	-	-	463	500	-
Neumología, Restrepo	27	-	-	974	1,001	-
Neuroanatomía, Bustamante	2	-	-	598	600	-
Obstetricia, Botero	236	-	-	1,264	1,500	-
Obstetricia, (P) Rezende	90	1,402	202	1,102	1,000	10
Obstetricia, Schwarzcz	806	-	-	2,555	3,500	139
Obstetricia, Williams	1,214	1,463	3,139	1,917	-	8
Patología, Correa	379	144	1,351	411	-	561
Patología Estructural, Robbins	3,362	3,023	755	2,106	4,980	267
Patología Estructural, (P) Robbins	-	172	42	1,000	1,000	42
Patología Quirúrgica, Sabiston	1,568	2,466	3,097	1,491	-	38
Patología Quirúrgica, (P) Sabiston	11	779	13	1	-	1
Parasitología Clínica, Atlas	338	181	819	476	-	5
Parasitología Clínica, Faust	404	404	1,654	1,210	-	40
Parasitosis Humana, Botero	587	321	679	1,068	1,051	75
Pediatría Mundo Desenvolvimiento (P)	12	58	86	7	-	67
Pediatría Ambulatorial, (P) Leao	125	278	1,347	1,067	-	155
Pediatría Eficiente, Plata	11	-	-	179	200	10
Pediatría, Meneghello	317	-	-	1,182	1,500	1
Pediatría, Nelson	5,358	3,040	5,482	2,423	2,500	201
Pediatría Básica, (P) Alcantara	1,053	721	158	31	1,000	74
Pediatría, Valenzuela	380	-	-	117	500	3
Psiquiatría, Toro	39	-	-	561	600	-
Psiquiatría, Vidal/Alarcón	1,038	100	2,800	1,692	-	70
Prioridades Salud Infantil, Morley	245	201	1,257	551	-	461
Terapéutica, Gonzalez	97	-	-	1,303	1,400	-
Tratado de Cirugía, Romero Torres	542	-	-	431	1,021	48
Usuario Pediátrico	14	-	-	186	200	-
	29,353	27,408	39,751	43,807	37,069	3,660
	=====	=====	=====	=====	=====	=====


(P) In Portuguese, all others in Spanish.

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 EXPANDED TEXTBOOK AND INSTRUCTIONAL MATERIALS PROGRAM  
 STATEMENT OF INCOME, EXPENSES AND PROGRAM EQUITY  
 FOR THE YEARS ENDING 31 DECEMBER 1987 AND 1986  
 (expressed in US dollars)

		<u>1987</u>	<u>1986</u>
<b>INCOME</b>			
Gross sales of texts and materials		2,027,069	1,587,471
Currency differential	Note 1/	<u>( 44,189)</u>	<u>45,445</u>
Net sales		1,982,880	1,632,916
Less: Reduction to Market Value	Note 2/	44,658	41,451
Cost of sales		<u>1,488,075</u>	<u>1,121,021</u>
Margin on sales		<u>450,147</u>	<u>470,444</u>
<b>OPERATING EXPENSES</b>			
Personnel costs		226,649	199,607
Travel		13,779	10,980
Promotion		11,603	22,024
Materials lost or damaged	Note 3/	48,198	106,472
Payment to universities		21,978	17,090
Office expense		10,676	2,633
Supplies		-	3,294
Non-contract freight	Note 4/	384,420	221,812
Miscellaneous		155	96
Contractual services		<u>18,840</u>	<u>24,551</u>
		<u>736,298</u>	<u>608,559</u>
<b>DEVELOPMENT EXPENSES</b>			
Consulting and other contractual services		<u>52,321</u>	<u>46,407</u>
Total operating and development expenses		788,619	654,966
Operating income (loss)		(338,472)	( 184,522)
Investment income		393,878	339,375
Finance charges		<u>( 46,735)</u>	<u>( 42,569)</u>
Net operating income		8,671	112,284
<b>OTHER INCOME AND EXPENSES</b>			
PAHO contribution	Note 5/	144,189	122,317
School contributions (refund)		<u>( 3,227)</u>	<u>( 726)</u>
NET INCOME		149,633	233,875
PROGRAM EQUITY, BEGINNING OF YEAR		<u>2,909,764</u>	<u>2,675,889</u>
PROGRAM EQUITY, END OF YEAR		<u>3,059,397</u>	<u>2,909,764</u>
		=====	=====

Footnotes are an integral part of these financial statements.

  
 Executive Director

  
 Assistant Treasurer

  
 Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 EXPANDED TEXTBOOK AND INSTRUCTIONAL MATERIALS PROGRAM  
 STATEMENT OF ASSETS AND LIABILITIES  
 AS OF 31 DECEMBER 1987 AND 1986  
 (expressed in US dollars)

		<u>1987</u>	<u>1986</u>
<b>A S S E T S</b>			
<b>CURRENT ASSETS</b>			
Cash in bank		10,049	4,896
Due from PAHO	Note <u>6/</u>	<u>6,501,364</u>	<u>5,902,213</u>
		6,511,413	5,907,109
Accounts receivable:			
Participating schools		36,637	36,370
Others		<u>63,416</u>	<u>11,962</u>
Total accounts receivable		100,053	48,332
Inventory of texts		908,018	969,581
Inventory of instruments		747,912	620,130
Printing contracts in process		<u>79,189</u>	<u>49,852</u>
Total current assets		<u>8,346,585</u> =====	<u>7,595,004</u> =====
<b>L I A B I L I T I E S</b>			
<b>CURRENT LIABILITIES</b>			
Collections without sales reports		44,808	33,289
Printing and royalties		29,537	23,576
Freight, storage and insurance		-	-
Accrued liabilities to universities		50,852	35,000
Advances received for sales	Note <u>7/</u>	<u>161,991</u>	<u>180,502</u>
Total current liabilities		287,188	272,367
Long-term liabilities: IDB Loan	Note <u>8/</u>	<u>5,000,000</u>	<u>4,412,873</u>
Total liabilities		5,287,188	4,685,240
PROGRAM EQUITY	Note <u>9/</u>	<u>3,059,397</u>	<u>2,909,764</u>
Total liabilities and program equity		<u>8,346,585</u> =====	<u>7,595,004</u> =====

Footnotes are an integral part of these financial statements.

Executive Director

Assistant Treasurer

Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 EXPANDED TEXTBOOK AND INSTRUCTIONAL MATERIALS PROGRAM  
 STATEMENT OF CHANGES IN FINANCIAL POSITION  
 FOR THE YEARS ENDING 31 DECEMBER 1987 AND 1986  
 (expressed in US dollars)

	<u>1987</u>	<u>1986</u>
<b>SOURCES</b>		
Net income	149,633	233,875
Proceeds from IDB Loan	<u>587,127</u>	<u>522,305</u>
Total sources	<u>736,760</u> =====	<u>756,180</u> =====
<b>APPLICATION</b>		
Increase in Working Capital (see below)	<u>736,760</u>	<u>756,180</u>
Total application	<u>736,760</u> =====	<u>756,180</u> =====

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CHANGES IN WORKING CAPITAL

INCREASES (DECREASES) IN CURRENT ASSETS

Cash and due from PAHO	604,304	950,162
Accounts receivable net	51,721	( 41,214)
Inventory	66,219	(130,605)
Printing contract in process	<u>29,337</u>	<u>( 23,031)</u>
	<u>751,581</u>	<u>755,312</u>

(INCREASES) DECREASES IN CURRENT LIABILITIES

Collections without sales reports	11,519	( 156)
Printing and royalties	5,961	3,622
Freight, storage and insurance payable	-	( 66,655)
Advances received for sales	(18,511)	( 8,825)
Accrued liabilities to universities	<u>15,852</u>	<u>71,144</u>
	<u>14,821</u>	<u>( 868)</u>
Increase in Working Capital	<u>736,760</u> =====	<u>756,180</u> =====

Footnotes are an integral part of these financial statements.

Richard M. ...  
 Executive Director

Michael Vito  
 Assistant Treasurer

[Signature]  
 Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
EXPANDED TEXTBOOK AND INSTRUCTIONAL MATERIALS PROGRAM  
FOOTNOTES TO THE FINANCIAL STATEMENTS

Note 1/ Currency differentials represent the difference between the standard dollar sales price and the amount of dollars actually received from sales, which have been made in local currency and converted to dollars at the time of accounting for the sale. To minimize losses (receipts below the standard) the prices in local currency are set at a level which anticipates the probable exchange rate at the time of accounting for the sale. Under the agreement between PAHEF and PAHO, any losses in currency differentials sustained by PAHEF will be reimbursed by PAHO.

Note 2/ Inventory of books at December 31, 1987 was reduced by \$44,658 as a result of a permanent decline in the market value of older textbooks on hand. It is the opinion of management that the textbooks are saleable at reduced prices and are, therefore, not obsolete.

Note 3/ Losses were mostly due to damaged material by weather or transportation.

Note 4/ Non-contract freight was formerly capitalized in the book cost. Starting 1985 a cash basis is being used for those expenses.

Note 5/ The PAHO contribution consist of:

	<u>1987</u>	<u>1986</u>
Restricted contribution (Note 8)	100,000	100,000
Currency differentials	44,189	-
Subsidy for "Paltex Series" Publications	-	<u>22,317</u>
	<u>144,189</u>	<u>122,317</u>
	=====	=====

Note 6/ The account "Due from PAHO" represents balances held by PAHO and available to PAHEF as needed. PAHO includes these balances in its investment income sharing plan and the proportionate share of interest is credited to PAHEF at year end. The balance at 31 December 1987 includes amounts classified by PAHO as Other Sundry Debtors on their interim financial reports of the same date.

Note 7/ It includes \$80,940 accounts payable to Medical Program for books transferred.

Note 8/ Under the terms of the loan agreement with the Inter-American Development Bank (IDB), the Bank charges PAHEF for inspection and supervision of the loan. At 31 December 1987 the status of the loan was as follows:

Total loan committed	5,000,000
Proceeds to 31 December 1987	5,000,000
Cumulative Charges for inspection and supervision	<u>50,000</u>
Balance owed at 31 December 1987	5,050,000
Available balance	-0-
	=====

Note 9/ Program Equity includes PAHO contributions restricted to finance costs of administration, development expenses and finance charges. Under the terms of the loan with IDB, PAHO is committed to contribute \$300,000 per year during the first five years and \$100,000 per year during the second five year period, beginning 12 February 1979. In addition to the contributions from PAHO, the participating institutions also contribute a portion of the financing required to supply inventory of medical equipment to these institutions. This contribution is to be refunded without interest if the institution withdraws from the program or at the conclusion of the program. The program equity consists of the following:

	<u>1987</u>
Cumulative PAHO contributions required under terms of IDB Loan No. 560/SF-RG	1,911,000
Contributed by participating schools	99,523
Contributed by participating governments	<u>42,014</u>
	<u>2,052,537</u>
Other Program Equity	<u>1,006,860</u>
Total Program Equity 31 December 1987	<u>3,059,397</u>
	=====

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
EXPANDED TEXTBOOK AND INSTRUCTIONAL MATERIALS PROGRAM  
COMPARATIVE SALES IN UNITS FOR THE YEARS 1987 AND 1986  
AND INVENTORY STATISTICS IN UNITS FOR THE YEAR 1987

Title	Sales		Inventory		Purchases during 1987	Lost, Damaged, Promotion <sup>1/</sup>
	1987	1986	1 January 1987	31 December 1987		
<b>Basic Sciences</b>	<b>27,376</b>	<b>15,497</b>	<b>40,143</b>	<b>32,912</b>	<b>20,944</b>	<b>799</b>
Anatomía, Gardner 3a	843	1,532	2,382	1,477	-	62
Anatomía, Moore 2a	1	-	-	299	300	-
Atlas Anatomía, López 1a	565	928	1,740	1,124	-	51
Bases Farmacológicas, Goodman	6,258	1,603	4,390	6,133	8,081	80
Biología, Curtis 4a	-	-	-	100	100	-
Biología, Kimball 4a	1	-	-	199	200	-
Bioquímica, Laguna 3a	458	302	1,263	695	-	110
Embriología, Langman 4a	2,161	2,624	4,508	2,265	-	82
Fisiología, Best Taylor 11a	2	-	-	98	100	-
Fisiología Médica, Ganong 6,7,8,9,10	2,433	2,118	2,630	3,174	3,000	23
Fisiología Médica, Guyton 6a	2,179	-	3,000	1,592	884	113
Ginecología, Novak 10	1,789	-	2,000	1,230	1,019	-
Histología, Geneser 1a	1	-	-	199	200	-
Histología, Ham 7,8	2,790	1,776	5,641	3,796	1,012	67
Medicina Interna, Beeson 16,17	1,936	-	2,000	999	968	33
Microbiología, Jawetz	3,542	2,486	7,034	3,435	-	57
Microbiología, Zinsser 18a	-	-	-	100	100	-
Patología Estructural, Robbins 2 y 3	913	-	1,020	1,017	980	70
Química Fisiológica, Harper 8,9,10	1,504	2,128	2,535	4,980	4,000	51
<b>Primary Health Care</b>	<b>40,030</b>	<b>23,262</b>	<b>40,309</b>	<b>68,627</b>	<b>70,564</b>	<b>2,216</b>
Asistencia Intraparto	464	761	1,247	766	-	17
Atención Prenatal	519	737	1,208	672	-	17
Las Primeras 6 Horas	548	757	1,200	635	-	17
Aprendiendo a Promover la Salud (ABE01)	1,531	2,210	1,411	2,735	3,000	145
Guía Práctica para una Buena Lactancia (BTE01)	823	1,098	1,717	877	-	17
Donde no Hay Doctor (DDE01)	193	-	-	207	400	-
Control Fiebre Reumática (FRE01)	281	102	885	577	-	27
Manual Psiquiatría (PXT01)	1,338	1,293	1,405	3,022	3,000	45
Manual de Técnicas Laboratorio-Salud (PXT02)	1,648	1,731	973	2,265	3,000	60
Manual Madre Niño (PXT03)	2,277	1,773	1,215	3,932	5,060	66
Manual de Atención Ocular (PXT04)	1,123	2,760	2,115	3,954	3,000	38
Taller del PAI de Inmunizaciones (PXT08)	569	574	-	-	577	8
Principios de Epidemiología (PXT09)	2,245	3,985	884	2,620	4,000	19
Material Educativo de Salud (PXT10)	1,188	1,354	1,453	3,197	3,000	68
Comunicación en Salud (PXT11)	887	527	2,166	4,345	3,086	20
Cómo Atender un Almacén de Salud (PXT12)	305	42	2,922	2,381	-	236
Manual de Medicamentos (PXE01)	693	546	2,362	1,645	-	24
Manual de Diabetes (PXE02)	789	731	1,359	535	-	35
La Hipertensión Arterial (PXE03)	556	478	768	177	-	35
Análisis Organización Salud (PXE04)	62	-	-	2,920	3,000	18
Control Cáncer Cuello Uterino (PXE06)	955	558	2,293	1,248	-	90
Manual Sobre Enfoque de Riesgo (PXE07)	1,912	455	2,248	3,107	3,106	335
Manual Crecimiento y Desarrollo Niño (PXE08)	2,853	85	2,830	2,891	3,000	86
Metodología de la Investigación (PXE09)	2,450	50	2,950	3,293	3,000	207
Manual Atención Primaria de Salud (PXE10)	93	-	-	3,853	4,000	54
Agua y Salud Humana (PXE12)	941	-	3,000	1,898	-	161
Manual Diarrea (PXE13)	1,862	-	-	3,105	5,035	68
Anemia: Diagnóstico Básico (PXE14)	502	-	-	2,310	3,000	188
Infecciones Respiratorias Niño (PXE15)	10,198	-	-	4,727	15,000	75
Manual Oftalmoscopia y Tonometría (PXE16)	-	-	-	3,300	3,300	-
Tuberculosis-Rotafolios	225	655	1,698	1,433	-	40

Schedule 15 (cont.)

Title	Sales		Inventory		Purchases during 1987	Lost, Damaged, Promotion
	1987	1986	1 January 1987	31 December 1987		
<b>Nursing</b>	<b>8,895</b>	<b>9,218</b>	<b>21,265</b>	<b>18,640</b>	<b>7,863</b>	<b>1,593</b>
Administración en Enfermería, Arndt	331	569	1,463	794	-	338
Administração Enfermagem, Arndt	157	59	791	493	-	141
Bases Enfermería, Nordmark	484	781	1,419	885	-	50
Enf. Médico-Quirúrgica, Brunner 4 <sup>a</sup>	2,082	1,344	2,419	1,087	800	50
Enf. Médico-Quirúrgica, Brunner (P)	90	606	242	26	-	126
Enf. Práctica, Dugas	1,424	942	2,071	2,291	2,064	320
Enf. Práctica, Dugas (P)	87	500	206	-	-	119
Enf. Materno Infantil, Reeder	1,158	1,099	2,111	2,905	2,000	48
Enf. Médico-Quirúrgica, Smith	347	292	1,411	1,023	-	41
Enf. Pediátrica, Waechter	162	197	441	245	-	34
Enf. Pediátrica, Waechter (P)	192	278	715	378	-	145
Enf. Salud Comunitaria, Fleshman	333	260	504	143	-	28
Enf. Salud Mental, Morgan	289	404	1,826	1,523	-	14
Intervención Enf. Psiquiátrica, Travelbee	507	508	3,192	2,683	-	2
Met. Examen Físico, Sana-Judge	405	507	1,132	654	-	73
Investigación Científica, Polit 2a	4	-	-	995	999	-
Propedéutica Médica, Bates 2	743	872	1,322	2,515	2,000	64
<b>Dentistry</b>	<b>3,886</b>	<b>3,958</b>	<b>9,706</b>	<b>18,927</b>	<b>13,776</b>	<b>669</b>
Caries Dental, Silverstone 1a	3	-	-	797	800	-
Cirugía Bucomaxilofacial, Laskin 1a	1	-	-	2,079	2,080	-
Compendio Periodoncia, Carranza 1a	1	-	-	1,999	2,000	-
Diagnóstico Radiológico, Gibilisco 5a	-	-	-	2,087	2,087	-
Endodoncia, Tobón 2a	644	818	1,308	608	-	56
Fundamentos Protopdoncia Fija, Shillingburg 1a	-	-	-	2,000	2,000	-
Materiales Dentales, O'Brien	437	502	1,424	709	-	278
Microbiología Bucal, Ross-Holbrook 1a	2	-	-	2,004	2,006	-
Odontología Pediátrica, Finn 4a	667	876	2,029	1,206	-	156
Ortodoncia, Graber 3a	497	874	804	297	-	10
Operatoria Dental, Barrancos 1a	56	-	-	1,944	2,000	-
Oclusión, Ramfjord 2a	633	439	1,663	912	-	118
Periodontología, Glickman 4,5,6	945	449	2,478	2,285	803	51
<b>Nutrition</b>	<b>623</b>	<b>641</b>	<b>1,536</b>	<b>778</b>	<b>-</b>	<b>135</b>
Conocimientos Actuales Nutrición INCAP	132	293	286	69	-	85
Nutrición y Dieta, Mitchell	197	139	480	259	-	24
Nutrición Infantil, Fomón	294	209	770	450	-	26
<b>Veterinary</b>	<b>5,232</b>	<b>3,893</b>	<b>9,853</b>	<b>8,968</b>	<b>4,498</b>	<b>151</b>
Administración Salud Animal	98	-	-	903	1,000	-
Cuarentena Animal - 3 vol	89	-	-	911	1,000	-
Anatomía Animales Domésticos, Sisson	802	614	1,453	775	150	26
Bacteriología y Virología, Merchant	308	584	899	534	-	57
Fisiología Animales Domésticos, Dukes 2a	683	588	2,384	1,692	-	9
Medicina Veterinaria, Blood 5 y 6	2,136	1,194	2,865	1,593	920	56
Reproducción y Endocrinología, McDonald 2a	355	322	888	533	-	-
Zoonosis y Enfermedades Transmisibles y Comunes (Hombre y Animal), Acha y Szyfres 1 y 2	762	591	1,364	2,027	1,428	3
<b>Environmental Sciences</b>	<b>1,111</b>	<b>1,474</b>	<b>4,095</b>	<b>2,902</b>	<b>76</b>	<b>158</b>
Cartillas Saneamiento, OPS	72	170	-	-	76	4
Ingeniería Sanitaria, Fair y Geyer	694	799	2,542	1,828	-	20
Procedimientos Examen Aguas - OPS	-	42	121	-	-	121
Riesgos del Ambiente para Salud - OPS	-	126	-	-	-	-
Tratamiento de Aguas, Metcalf y Eddy 1a	345	337	1,432	1,074	-	13
<b>Instruments</b>	<b>53,059</b>	<b>30,633</b>	<b>42,877</b>	<b>49,755</b>	<b>60,569</b>	<b>632</b>
Estetoscopios	14,909	7,924	16,157	16,538	15,400	110
Estuche Cirugía Menor	11,012	6,727	7,265	12,440	16,300	113
Tensiómetros	18,033	8,117	11,621	11,621	18,150	117
Oto-Oftalmoscopio	371	1,162	293	19	100	3
Oto-Oftalmoscopio, Gowllands	34	113	204	170	-	-

Schedule 15 (cont.)

Title	Sales		Inventory		Purchases during 1987	Lost, Damaged, Promotion <sup>1/</sup>
	1987	1986	1 January 1987	31 December 1987		
Oto-Oftalmoscopio, Welch-Allyn	4,738	3,893	4,961	5,442	5,249	30
Oto-Oftalmoscopio (92821), Welch-Allyn	493	-	-	86	585	6
Oto-Oftalmoscopio, Riester	36	131	368	228	-	104
Oftalmoscopio, Welch-Allyn	831	873	-	947	1,780	2
Pieza de Mano	2,210	1,363	1,045	1,739	3,005	101
Instrumento de Mano	392	328	963	525	-	46
Pieza de Mano, Kavo	-	2	-	-	-	-
Videocassettes	22	33	-	15	37	-
Evaluación del Paciente	1	21	-	-	1	-
Agua y Salud	20	-	-	15	35	-
Atención de Emergencia	1	12	-	-	1	-
T O T A L	140,234	88,609	169,784	201,524	178,327	6,353
	=====	=====	=====	=====	=====	=====

(P) In Portuguese, all others in Spanish.



PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
 TRUST FUNDS AND GENERAL FUND PROGRAM  
 STATEMENT OF RESOURCES AND EXPENDITURES  
 FOR THE YEAR ENDING 31 DECEMBER 1987  
 (expressed in US dollars)

	<u>Trust Funds</u>	<u>General Fund</u>	<u>Consolidated Funds</u>
<b>RESOURCES</b>			
Balance as of 1 January 1987	545,250	1,497,675	2,042,925
Contribution in 1987 <sup>1/</sup>			
Grantors (Schedule 5)	3,205,470	-	3,205,470
Other	-	19,184 240	19,424
Investment income <sup>2/</sup>	<u>-</u>	<u>274,054</u>	<u>274,054</u>
Total resources	<u>3,750,720</u>	<u>1,791,153</u>	<u>5,541,873</u>
<b>EXPENDITURES</b>			
Project costs (Schedule 5)	1,582,448	11,535	1,593,983
Administrative expenses	<u>-</u>	<u>95,471</u>	<u>95,471</u>
Total expenditures	<u>-</u>	<u>107,006</u>	<u>1,689,454</u>
<b>FUND BALANCES - AVAILABLE RESOURCES</b>			
AS OF 31 DECEMBER 1987	<u>2,168,272</u> =====	<u>1,684,147</u> =====	<u>3,852,419</u> =====

<sup>1/</sup> PAHO provided services and facilities valued at \$120,000 during the fiscal year ended 31 December 1987. This amount refers to the estimated cost of PAHO's technical and administrative support of health projects financed by PAHEF.

<sup>2/</sup> Income earned from investment of PAHEF funds.

  
 Executive Director

  
 Assistant Treasurer

  
 Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
TRUST FUNDS AND GENERAL FUND PROGRAM  
STATEMENT OF ASSETS AND LIABILITIES  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

	<u>Trust Funds</u>	<u>General Fund</u>	<u>Consolidated Funds</u>
<b>ASSETS</b>			
Cash in bank	-	113,524	113,524
Investments <sup>1/</sup>	-	1,007,546	1,007,546
Account Receivable	-	-	-
Account Receivable PAHO <sup>2/</sup>	<u>2,168,272</u>	<u>563,077</u>	<u>2,731,349</u>
Total	<u>2,168,272</u> =====	<u>1,684,147</u> =====	<u>3,852,419</u> =====
<b>LIABILITIES</b>			
Unliquidated obligations	-	-	-
<b>FUND BALANCES - AVAILABLE BALANCE AS OF</b>			
31 DECEMBER 1987	<u>2,168,272</u>	<u>1,684,147</u>	<u>3,852,419</u>
Total	<u>2,168,272</u> =====	<u>1,684,147</u> =====	<u>3,852,419</u> =====

<sup>1/</sup> The Foundation, by policy, has set aside these general funds for investment. Only the interest income will be available for program operations. These funds are invested in bonds as follows:

European Investment Bank	100,794
Mountain States Telephone & Telegraph Co.	49,925
Government National Mortgage Association Pool issued by The New York Guardian Mortgage Corp.	61,260
Pembroke Capital	334,175
U.S. Treasury Bond	360,486
Salomon Brothers Mortgage Securities II Inc.	<u>100,906</u>
Total funds invested	<u>1,007,546</u> =====

<sup>2/</sup> On behalf of PAHEF, PAHO invests these funds which are not required for immediate operations.

  
\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Assistant Treasurer

  
\_\_\_\_\_  
Assistant Treasurer

PAN AMERICAN HEALTH AND EDUCATION FOUNDATION  
STATEMENT OF HEALTH PROGRAM BY GRANTOR OR OTHER SOURCE OF FUNDS  
AS OF 31 DECEMBER 1987  
(expressed in US dollars)

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <sup>1/</sup> 31 December 1987</u>
<u>TRUST FUND</u>				
<u>W. K. Kellogg Foundation</u>				
Material Resources - Facultad de Ciencias Médicas de Pernambuco (PH/124-BRA/6006)	6,664	-	-	6,664
Fundación Oswaldo Cruz (Escola Saude Publica) (PH/229-BRA/6007)	-	19,600	19,600	-
Family Health/PHC East Santiago Univ. of Chile (PH/244-CHI/1306)	-	15,000	-	15,000
Michigan State University - Kellogg - Dental Fellowship (PH/223-CHI/6602)	6,000	800	6,000	800
Universidad Industrial de Santander (PH/212-COL/6001)	4,132	-	99	4,033
Center of Educational Technology in Nursing (PH/166-COL/6301)	1,078	-	1,078	-
Dental Health Program (PH/52-COL/6601)	4,880	-	-	4,880
Center of Educational Technology in Nursing (PH/171-ECU/6300)	5,448	-	-	5,448
Center of Nursing Education and Services in Mexico (PH/59-MEX/6300)	214	-	214	-
Universidad Autónoma Metropolitana-Xochimilco Oral Pathology Course (PH/74-MEX/8401)	1,161	-	1,161	-
Center of Educational Technology in Nursing (PH/164-PER/6000)	2,511	-	2,511	-
Dental Education (PH/152-URU/6600)	824	-	239	585
Primary Health Care (PROAPS) Cayetano Heredia (PH/217-AMR/1381)	-	400,000	-	400,000
Innovations in Dental Education (PH/107-AMR/6600)	9,744	( 2,171) 369	7,942	-
Educational Technology in Nursing (PH/41-AMR/8770)	29,409	-	5,130	24,279
<u>American Dental Association</u>				
American Dental Association (PH/225-AMR/6602)	( 896)	896	-	-
<u>Academy for Educational Development</u>				
Oral Rehydration Therapy-Program/ Diarrheal Disease Control (PH/221-MEX/1300)	( 3,362)	109,029	110,473	( 4,806)
<u>American Leprosy Missions</u>				
Leprosy Control-Hospital Souza Lima (PH/220-BRA/0500)	50,755	-	43,500	7,255
<u>Appropriate Health Resources and Technologies</u>				
<u>Action Groups</u>				
<u>Various (AMR/1205)</u>				
Diarrhea Dialogue (PH/224-AMR/1206)	9,619	16,500	18,436	7,683
<u>Caja Costarricense de Seguro Social (CCSS)</u>				
Psychiatry Training - Costa Rica (PH/242-COR/6001)	-	16,400	2,251	14,149

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <sup>1/</sup> 31 December 1987</u>
<u>CPC International Inc. (PAHO)</u>				
Food Safety in Dominican Republic (PH/234-DOR/0501)	-	5,000	3,343	1,657
<u>Damien Foundation</u>				
Tuberculosis and Leprosy Control (PH/154-DOR/0500)	1,392	-	1,092	300
<u>Emergency Assistance</u>				
Hear Rabinal (PH/86-GUT/5102)	500	-	-	500
<u>Foundation for Microbiology</u>				
Training of Laboratory Personnel (PH/157-AMR/4280)	12,686	-	2,125	10,561
<u>General Electric</u>				
Emergency Support (PH/160-019/5008)	10,000	-	-	10,000
<u>Glenmede Trust Company</u>				
Communicable Disease Control Vaccines (PH/168-AMR/0100)	-	750,000	750,000	-
<u>Instituto Ricerche Farmac. M. Negrivia</u>				
Factores de Riesgo Materno-infantil (PH/246-AMR/1307)	-	18,900	-	18,900
<u>International Dental Federation</u>				
Dental Resources in Latin America (PH/195-AMR/1601)	1,350	-	-	1,350
<u>Kaiser Aluminum</u>				
Veterinary Public Health (Leptospirosis) (PH/149-JAM/3100)	3,377	-	2,000	1,377
<u>Lever Brothers West Indies Ltd.</u>				
Dental Nurse Fellowship (PH/139-TRT/6600)	1,167	-	1,167	-
<u>Ministerio de Salud/OPS Nicaragua</u>				
Cooperación - Ministerio Salud Nicaragua (PH/237-NIC/5001)	-	558,248	379,070	179,178
<u>Ministry of Overseas Development United Kingdom</u>				
Overseas Development for Education Program (PH/108-291/1430)	50,849	23,130	59,028	14,951
<u>Nestle Coordination Center for Nutrition, Inc.</u>				
Maternal and Child Health Infant Growth (PH/204-AMR/1371)	6,000	-	-	6,000
<u>PALCO</u>				
Cooperation with PALCO (PH/247-AMR/5011)	-	2,000	-	2,000

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <sup>1/</sup> 31 December 1987</u>
<u>Pan American Health Organization</u>				
Environmental Sanitation (PH/190-BAR/2000)	2,911	-	2,911	-
Dissemination Diarrheal Disease Technical Information (PH/253-BRA/1201)	-	24,000	-	24,000
Research Coordination (PH/162-010/8900)	783	-	-	783
Hydraulic Rams in Rural Water Supplies (PH/132-020/2172)	3,000	-	1,139	1,861
Regional Seminar on Evaluation of TB Programs (PH/252-AMR/0402)	-	45,000	-	45,000
AIDS - Laboratory Supplies (PH/275-AMR/0700)	-	300,000	-	300,000
Regional Dissemination of CDD and ARI Information (PH/254-AMR/1207)	-	78,510	-	78,510
MCH/FP Coordinators' Meeting - Caribbean (PH/256-AMR/1383)	-	10,000	-	10,000
Meeting/Seminar on Adolescent Health- Southern Cone (PH/261-AMR/1384)	-	10,000	-	10,000
Meeting on Maternal Health and Family Planning Andean Region (PH/262-AMR/1385)	-	12,285	-	12,285
Alta Precoz Postparto de Madre y Recien Nacido (PH/278-AMR/1392)	-	4,900	-	4,900
Community Nutrition Course CFNI/Barbados College (PH/182-AMR/1411)	-	18,426	13,815	4,611
Dental Resources in Latin America (PH/195-AMR/1601)	5,540	-	-	5,540
Environmental Health Services Infrastructure (PH/258-AMR/2200)	-	20,000	-	20,000
Meeting on Institutional Development (PH/274-AMR/2201)	-	16,000	-	16,000
Basic Radiology System (PH/142-AMR/2500)	7,370	-	527	6,843
Translation/Publication Books on Disasters (PH/269-AMR/5012)	-	75,000	-	75,000
Women in Health & Development (PH/188-AMR/5104)	25,385	-	2,609	22,776
Design and Maintenance of Health Care Facilities (PH/248-AMR/5106)	-	28,385	2,340	26,045
WHO Fortieth Anniversary Celebration (PH/260-AMR/5107)	-	2,500	-	2,500
Incorporation of Technology through Investment Projects (PH/276-AMR/5108)	-	12,000	-	12,000
Survey of Health Equipment Production (PH/277-AMR/5109)	-	12,000	-	12,000
Mortality Statistics (PH/189-AMR/5400)	23,651	-	13,651	10,000
Health Care Records Systems (PH/42-AMR/5474)	2,000	-	363	1,637
Technical Information System (PH/218-AMR/5475)	35,000	-	-	35,000
Population Statistics (PH/250-AMR/5476)	-	13,651	1,377	12,274
Meeting on Guidelines and Procedures for Mortality Analysis (PH/255-AMR/5477)	-	60,000	-	60,000
Conference on Chronic Renal Insufficiency (PH/257-AMR/5478)	-	50,000	-	50,000

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <sup>1/</sup> 31 December 1987</u>
Health Situation Analysis Guideline (PH/272-AMR/5479)	-	20,000	-	20,000
Community Health Training Program (PASCAP) (PH/183-AMR/6031)	46,816	-	-	46,816
Continuing Education (PH/270-AMR/6052)	-	30,000	-	30,000
Evaluation of Fellowships (PH/271-AMR/6053)	-	10,000	-	10,000
Training in Administration (PH/273-AMR/6054)	-	98,500	-	98,500
Profiles-Dental Education-OFEDO-UDUAL (PH/211-AMR/6601)	8,707	26,500	20,640	14,567
Prospective Analysis of Dental Education - LA (PH/245-AMR/6603)	-	7,850	1,240	6,610
Technological Resources (PALTEX) (PH/184-AMR/8000)	4,428	-	-	4,428
Public Health PALTEX Series (PH/187-171/8100)	16,127	-	-	16,127
Research in Nursing Education (PH/147-AMR/8900)	2,017	-	2,017	-
<u>The Pew Charitable Trusts</u>				
Health Management Education and Training Caribbean (PH/251-AMR/6051)	-	100,000	-	100,000
<u>Potts Memorial Foundation</u>				
<u>Ciba-Geigy Ltd., Dow Chemical Latin America and Gruppo Lepetit, SPA</u>				
Tuberculosis - Health Education Publication (PH/60-AMR/0400)	5,922	1,350	400	6,872
<u>Rockefeller Foundation and Various Contributions</u>				
Fred Soper Memorial Fund (PH/111-013/5008)	5,518	25	-	5,543
<u>Sandoz, Inc.</u>				
Council for International Organizations of Medical Services - Biomedical Research in Animals (PH/179-AMR/5009)	-	10,000	10,000	-
<u>Star Dental Co.</u>				
Communication and Information in Dental Health (PH/30-004/1600)	727	-	-	727
<u>Universidad Autónoma Metropolitana, Mexico</u>				
Dental Equipment for Universidad Autónoma Metropolitana (PH/74-MEX/8401)	8,523	-	-	8,523
<u>Universidad Católica de Quito</u>				
Educational Technology in Nursing (PH/215-ECU/6301)	2,337	-	830	1,507
<u>Universidad Central del Este, Dom. Republic</u>				
Purchase of Equipment (PH/121-DOR/6000)	1,677	-	366	1,311

Schedule 16 (cont.)

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <u>1/</u> 31 December 1987</u>
<u>Universidad Tecnológica de México</u>				
<u>Star Dental</u>				
Human and Material Resources in Dentistry (PH/119-MEX/6600)	2,816	-	2,816	-
<u>Upjohn International Inc.</u>				
Control of Sexually Transmitted Diseases (PH/156-AMR/0600)	2,888	2,551	2,073	3,366
<u>US AID Mission to Peru</u>				
Oral Rehydration Therapy-Program/ Diarrheal Disease Control (PH/222-PER/1201)	( 3,924)	17,268	23,168	( 9,824)
<u>US Army Medical R and D Command</u>				
Tropical Diseases - Inst. Evandro Chagas (PH/196-BRA/0100)	349	-	349	-
<u>Waletzky Charitable Lead Trust</u>				
Study on Traditional Medicine (PH/241-AMR-5200)	-	5,000	-	5,000
<u>Wegman, M.E.</u>				
Cancer Program-Nicaragua (PH/206-NIC/5200)	125	-	125	-
<u>World Rehabilitation Fund</u>				
Community Based Rehabilitation Workshop (PH/240-AMR/5105)	-	6,000	2,302	3,698
<u>Various Contributions</u>				
Volcán del Ruz (PH/214-COL/5102)	50	-	50	-
Management Training for Nurses - ECA (PH/243-ECA/6301)	-	3,919	555	3,364
Emergency Earthquake Fund Ecuador (PH/236-ECU/5101)	-	3,508	2,970	538
Emergency Earthquake Fund (PH/227-ELS/5101)	5,321	180	1,971	3,530
Land Donation to PAHEF (PH/231-GUT/5100)	-	-	310	( 310)
Patel Urological Hospital-Gujarat (PH/205-IND/5200)	1,524	3,100	-	4,624
Mexico Earthquake Relief (PH/210-MEX/5102)	775	-	775	-
"Stella Maris" School of Nursing (PH/176-MEX/6301)	7,671	1,800	-	9,471
FUNMATROP - Fundación Peruana de Lucha contra la Malaria y otras Enfermedades Tropicales (PH/203-PER/0200)	1,315	19,000	2,248	18,067
Universidad Peruana Cayetano Heredia (PH/200-PER/6001)	67,845	76,724	27,206	117,363
Friend of APHA International Section (PH/118-005/5008)	462	-	-	462
Abraham Horwitz Award for Inter-American Health (PH/61-011/5008)	12,827	-	-	12,827
Dinorah López Molina/PAHO-WHO Staff Community Aid Fund (PH/51-012/5008)	3,422	-	-	3,422

<u>Source of funds</u>	<u>Unobligated balance 1 January 1987</u>	<u>Received during 1987</u>	<u>Contribution to project costs</u>	<u>Unobligated balance <sup>1/</sup> 31 December 1987</u>
Health Programs Development (PH/181-021/5008)	8,063	309	415	7,957
Yamila de los Santos (PH/213-024/5008)	544	-	544	-
Acute Respiratory Infections ARI News (PH/201-AMR/0401)	100	-	-	100
Children's Hospitals in Latin America and the Caribbean (PH/198-AMR/1380)	1,841	2,611	1,869	2,583
Drobny Maternal and Child Health Support Fund (PH/249-AMR/1382)	-	1,500	-	1,500
Human Rabies Vaccine and Immunoglobulin (PH/207-AMR/3100)	1,769	-	333	1,436
Caribbean Regional Nursing Body (PH/51-AMR/5005)	763	-	763	-
PAHEF General Program Support (PH/70-AMR/5008)	1,014	111	1125	-
Donations in Kind (PH/230-AMR/5010)	-	18,996	18,996	-
Development of Health Care Records and Statistics Systems (PH/42-AMR/5474)	1,028	300	-	1,328
Health Publications (PH/232-AMR/6040)	-	1,835	801	1,034
Stuart Portner Memorial Fund (PH/233-AMR/6050)	-	175	-	175
PROASA Veterinary Series (PH/238-AMR/6060)	-	10,000	-	10,000
Handbook Drug Interactions (PH/209-AMR/8702)	<u>2,721</u>	<u>-</u>	<u>-</u>	<u>2,721</u>
Total Trust Funds	<u>545,250</u> =====	<u>3,205,470</u> =====	<u>1,582,448</u> =====	<u>2,168,272</u> =====

Pan American Health and Education Foundation,  
General Fund

Acute Respiratory Infections ARI-News (PH/201-AMR/0401)	-	10,979	10,979	-
PAHEF General Program Support (PH/70-AMR/5008)	-	556	556	-
Drug and Therapeutics Bulletin (PH/55-AMR/8701)	-	240	-	240
Handbook Drug Interactions (PH/209-AMR/8702)	-	-	-	-
Total PAHEF General Fund	<u>-</u>	<u>11,775</u>	<u>11,535</u>	<u>240</u>
TOTAL	<u>545,250</u> =====	<u>3,217,245</u> =====	<u>1,593,983</u> =====	<u>2,168,512</u> =====

<sup>1/</sup> To be expended in 1988 or refunded.  
Minor discrepancies arose from rounding only.



REPORT OF THE AUDITORS

The Board of Trustees  
Pan American Health and Education Foundation  
525 Twenty Third Street, N.W.  
Washington, D.C. 20037

We have examined the statements of assets and liabilities of the Medical Textbook and the Expanded Textbook and Instructional Materials Programs, and of the Trust Funds and General Fund Program of the Pan American Health and Education Foundation as of December 31, 1987 and 1986 and each of the related statements of income, expenses and program equity, resources and expenditures and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of each of the programs and funds of the Pan American Health and Education Foundation as of December 31, 1987 and 1986, and the results of the operations and the changes in the financial position of each of the programs and funds for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

*Pennington, Ahalt + Associates, P.C.*

Pennington, Ahalt and Associates, P.C.  
Members American Institute of  
Certified Public Accountants

Bethesda, Maryland  
19 April 1988