



PAN AMERICAN HEALTH ORGANIZATION  
WORLD HEALTH ORGANIZATION



## 144th SESSION OF THE EXECUTIVE COMMITTEE

*Washington, D.C., USA, 22-26 June 2009*

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*Provisional Agenda Item 5.5*

CE144/26, Rev. 1, Add. I (Eng.)  
12 June 2009  
ORIGINAL: ENGLISH

### **PROPOSAL FOR THE ESTABLISHMENT OF AN AUDIT COMMITTEE**

Please add the following pages as annex C and D to Document CE144/26, Rev. 1.



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Annex C

**ANALYTICAL FORM TO LINK AGENDA ITEM WITH ORGANIZATIONAL AREAS**

**1. Agenda item:** 5.5. Proposal for the Establishment of an Audit Committee.

**2. Responsible unit:** Office of the Director

**3. Preparing officer:** Michael A. Boorstein, D/AM

**4. List of collaborating centers and national institutions linked to this Agenda item:**

N/A.

**5. Link between Agenda item and Health Agenda for the Americas 2008-2017:**

None.

**6. Link between Agenda item and Strategic Plan 2008-2012:**

SO 16: To develop and sustain PAHO/WHO as a flexible organization, enabling it to carry out its mandate more efficiently and effectively. Reference to RER 16.2: monitoring and mobilization of financial resources strengthened to ensure implementation of the Program Budget, including enhancement of sound financial practices and efficient management of financial resources.

**7. Best practices in this area and examples from countries within the Region of the Americas:**

World Health Organization, World Food Program, Universal Postal Union, National Audit Office.

**8. Financial implications of Agenda this item:**

Need for funds for administrative support, travel and accommodation costs in relation to Committee Members' duties. Resolution calls for funds to be included in the Biennial Budget of the Organization for this purpose.



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Annex D

**Report on the Financial and Administrative Implications for the  
Secretariat of the Resolution Proposed for Adoption**

**1. Agenda item:** 5.5. Proposal for the Establishment of an Audit Committee.

**2. Linkage to Program Budget 2008-2009:**

- (a) **Area of work:** Strategic Objective 16.
- (b) **Expected result:** RER 16.2: Monitoring and mobilization of financial resources strengthened to ensure implementation of the Program Budget, including enhancement of sound financial practices and efficient management of financial resources.

**3. Financial implications**

- (a) **Total estimated cost for implementation over the lifecycle of the resolution (estimated to the nearest US\$ 10,000, including staff and activities):** See 3. (b). This is a permanent activity that is estimated to cost \$100,000 per Biennium. This should be reflected in the Regular Budget as a line item.
- (b) **Estimated cost for the biennium 2008-2009 (estimated to the nearest US\$ 10,000, including staff and activities):** None. Projected costs for 2010-2011 and subsequent Biennia:

The administrative and secretariat support function of the Audit Committee, including the preparation and maintenance of minutes of the meetings, shall be carried out by independent staff hired on an as needed basis for that purpose. In addition, the three members of the Audit Committee normally shall meet in regular sessions twice a year. The Organization will need to cover the cost of travel and per diem for this purpose. The Members shall serve without remuneration from PAHO.

Cost estimated for the Biennium:

- 1. Administrative and Secretarial support – One secretary, estimated cost per Biennium, plus related administrative support costs.  
Estimated: \$10,000

2.	Travel and Per Diem of Members, estimated cost per Biennium:	\$90,000
	Total:	\$100,000
<b>(c) Of the estimated cost noted in (b), what can be subsumed under existing programmed activities? None.</b>		
<b>4. Administrative implications</b>		
<b>(a) Indicate the levels of the Organization at which the work will be undertaken:</b> Director of PAHO and Governing Bodies.		
<b>(b) Additional staffing requirements (indicate additional required staff full-time equivalents, noting necessary skills profile):</b> None – See 3. (b).		
<b>(d) Time frames (indicate broad time frames for the implementation and evaluation):</b> If the resolution is adopted in the 2009 Directing Council, the specific proposal for the Audit Committee Members can be considered at the March 2010 SPBA and approved at the June 2010 Executive Committee.		