



directing council

PAN AMERICAN
SANITARY
ORGANIZATION

VII Meeting

regional committee

WORLD
HEALTH
ORGANIZATION

V Meeting



Washington, D. C.
9-22 October 1953

CD7/6 (Eng.)
27 August 1953
ORIGINAL: ENGLISH

Topic 23: WORKING CAPITAL FUND

The XIII Pan American Sanitary Conference, acting on the recommendation included in Resolution II of the III Meeting of the Directing Council, established a Working Capital Fund for the purpose of financing the operations of budgets approved by the Directing Council.

In accordance with Resolution III (Rev.1) of the XIII Pan American Sanitary Conference, the initial amount deposited in the Working Capital Fund was the balance of cash available for credit to the reserve fund at 31 December 1949, plus payments of quotas for 1949 and prior years, received during 1950, and any cash received in 1950 in respect to the 1950 budget that was in excess of obligations.

Paragraph 3-c. of the aforesaid Resolution III provided a guide for subsequent years. It reads as follows:

- "c. In years subsequent to 1950, cash in excess of obligations shall be credited to the Working Capital Fund to the amount needed to replenish the Fund and finance the expenditure level approved by the Directing Council; and other balances, if any, will be disposed of in accordance with such financial regulations as are adopted by the Directing Council."

The Directing Council, at its V Meeting, when adopting the Financial Regulations of the Pan American Sanitary Bureau, approved the following Article on the Working Capital Fund:

"Article VI, paragraph 6.2

"There shall be established a Working Capital Fund in an amount and for purposes to be determined from time to time by the Directing Council. The source of monies of the Working Capital Fund shall be from the surplus as of 31 December 1949 as reported by the Director and as adopted by the Directing Council under Resolution II of the III Meeting of the Directing Council of the Pan American Sanitary Organization and as set forth in Resolution III (Rev.1) of the XIII Pan American Sanitary Conference."

Resolution IV of the VI Meeting of the Directing Council authorized the Director to reduce the Working Capital Fund to an estimated amount of \$1,200,000 or approximately 60% of the Budget, which was considered sufficient to carry out the purpose of the Fund for 1953.

The External Auditor, in his report for the year 1952 (Document CE19/10), recommends a Working Capital Fund of \$1,200,000 for a Budget of approximately \$2,000,000.

In view of past experience and the recommendation of the External Auditor, the Director recommends that the Directing Council establish the Working Capital Fund at \$1,200,000 for the year 1954.

Proposed Resolution

THE DIRECTING COUNCIL,

BEING OF THE OPINION that, for the present, an amount representing approximately 60% of the Budget provides a sufficient balance in the Working Capital Fund; and

CONSIDERING the recommendation of the External Auditor,

RESOLVES:

1. To establish the Working Capital Fund for the year 1954 at \$1,200,000.