



*executive committee of
the directing council*

PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
ORGANIZATION



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AMENDMENTS TO THE FINANCIAL RULES OF THE PAN AMERICAN HEALTH ORGANIZATION

In accordance with the provisions of Financial Rule 101.3, the Director submits to the Executive Committee as Annex to this document, for confirmation, the amendments to the Financial Rules which he has made since the 80th Meeting. These revisions are in line with the amendments to the Financial Regulations adopted by the XX Pan American Sanitary Conference (Resolution XII), and are in compliance with paragraph 3 of Resolution VIII adopted by the Executive Committee of PAHO at its 80th Meeting.

Annex

PROPOSED AMENDMENTS TO THE FINANCIAL RULES OF
THE PAN AMERICAN HEALTH ORGANIZATION

Current

Proposed

Article II - Budget

102.1 Appropriate officials shall submit annual programs of work and necessary estimates to the Chief of Administration in such manner and at such times as may be requested.

102.1 Appropriate officials shall submit biennial programs of work and necessary estimates to the Chief of Administration in such manner and at such times as may be requested.

Article III - Appropriations

103.2 Appropriations shall remain available to the extent that they are required to discharge obligations in respect of goods supplied and services rendered in the financial year, and to liquidate any other outstanding legal obligations of the year. The Director is authorized to charge as an obligation against the annual appropriations:

- (a) the costs, including transportation, of operational supplies and equipment and the cost of publications for which contracts have been entered into by 31 December of the financial year;
- (c) the entire costs relating to short-term consultants whose period of assignment may not have been completed by the end of the financial year.

103.2 Appropriations shall remain available to the extent that they are required to discharge obligations in respect of goods supplied and services rendered in the financial period, and to liquidate any other outstanding legal obligations of the financial period. The Director is authorized to charge as an obligation against the appropriations for the financial period:

- (a) the costs, including transportation, of operational supplies and equipment and the cost of publications for which contracts have been entered into on or before the last day of the financial period;
- (c) the entire costs relating to short-term consultants whose period of assignment may not have been completed by the end of the financial period.

Article III - Appropriations
(continued)

103.3 Appropriations shall remain available to liquidate the obligations established under Rule 103.2 above for the periods specified in Financial Regulation 4.3. At the end of the twelve-month period specified, all unliquidated obligations, excepting fellowships, shall be cancelled or, where the obligation remains a valid charge, transferred as an obligation against current appropriations. Obligations established for fellowships shall remain available for expenditure until fully liquidated. The remaining balances of appropriations surrendered at these times shall be credited to Miscellaneous Income.

103.4 Any surplus of funds arising from an excess of income over obligations shall be transferred to the Working Capital Fund. Any deficit arising from excess of obligations over income will be met by an advance from the Working Capital Fund.

103.3 Appropriations shall remain available for twelve months following the end of the financial period to which they relate, to liquidate the obligations established under Rule 103.2. At the end of the twelve-month period specified, all unliquidated obligations, excepting fellowships, shall be cancelled or, where the obligation remains a valid charge, transferred as an obligation against current appropriations. Obligations established for fellowships shall remain available for expenditure until fully liquidated. The remaining balances of appropriations surrendered at these times shall be credited to Miscellaneous Income.

103.4 Any excess income over expenditures at the end of a financial period shall be used for the following purposes: (1) to replenish any drawings from the Working Capital Fund in order to restore the Fund to its fixed level, and (2) after replenishing the Working Capital Fund to its fixed level, to place any further surplus in a Holding Account until such time as the Directing Council or the Pan American Sanitary Conference decides on how to utilize the funds.¹ Any deficit arising from excess of obligations over income will be met by an advance from the Working Capital Fund.

¹ Modified pursuant to Resolution XVI of the XX Pan American Sanitary Conference (1978)

Current

Proposed

Article IV - Allotments

104.4 The Chief of Administration will ensure that allotments are issued in accordance with the appropriation resolution and the policies of the Directing Council and the Executive Committee.

104.4 The Chief of Administration will ensure that allotments are issued in accordance with the appropriation resolution and the policies of the Conference, the Directing Council and the Executive Committee.

Article X - The Accounts

110.2 Obligations will be recorded in the accounts of the financial year for which they are incurred.

110.2 Obligations will be recorded in the accounts of the financial period for which they are incurred.

110.3 Receipts will be credited to the account of the financial year in which the remittance is received.

110.3 Receipts will be recorded in the accounts of the financial period in which they are received.

110.4 Expenditures will be recorded in the accounts of the financial year in which they are made.

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Article XIV - Financial Statements

114.1 (d) As early as possible each year, a detailed balance sheet as of 31 December immediately preceding. In addition to this balance sheet, there shall be produced:

(iii) Statement of obligations as of 31 December for which reserves will be established in accordance with Rule 103.2;

(iv) Statement of outstanding legal obligations as of 31 December which will be a charge to the appropriations of the succeeding year.

114.1 (d) As early as possible in each year of a financial period, an interim or final balance sheet as of the last day of each year of a financial period. In addition to this balance sheet, there shall be prepared:

(iii) Statement of obligations as of the last day of the financial period for which reserves will be established in accordance with Rule 103.2;

(iv) Statement of outstanding legal obligations as of the last day of the financial period which will be a charge to the appropriations of the succeeding financial period.

Current

Proposed

Article XV - Property

115.2 Property records will be maintained of all real property and nonexpendable supplies and equipment of an acquisition cost of \$20.00 or more, however acquired and from whatever source, containing full details.

115.2 Property records containing full details will be maintained of all real property and nonexpendable supplies and equipment, however acquired and from whatever source, with an acquisition cost over and above levels set by the Director.

Article XVI - Procurement

116.3 All purchases and contracts of over \$1,000 shall be made on the basis of competitive bids, except when otherwise authorized by the Director.

116.3 All purchases and contracts over the amount set by the Director shall be made on the basis of competitive bids, except when otherwise authorized by the Director.