



Pan American
Health
Organization



World Health
Organization
REGIONAL OFFICE FOR THE Americas

157th SESSION OF THE EXECUTIVE COMMITTEE

Washington, D.C., USA, 2 October 2015

CE157.R2
Original: English

RESOLUTION

CE157.R2

AMENDMENTS TO THE FINANCIAL RULES OF THE PAN AMERICAN HEALTH ORGANIZATION

THE 157th SESSION OF THE EXECUTIVE COMMITTEE,

Having considered the Director's proposed amendments to the Financial Rules of the Pan American Health Organization (Document CE157/6, Rev. 1);

Taking into consideration that the amendments will provide consistency with the amendments to the Financial Regulations adopted by the 54th Directing Council,

RESOLVES:

To confirm the amendments proposed by the Director to the Financial Rules of the Pan American Health Organization as they appear in the annex, and to make these amendments effective as of 1 January 2016.

To forward the amended Financial Rules of the Pan American Health Organization to the 55th Directing Council for information.

Annex

**AMENDMENTS TO THE FINANCIAL RULES OF PAHO
AS APPROVED BY THE 157th SESSION OF THE EXECUTIVE COMMITTEE
(2015)**

New Text
<i>Rule II—The Budgetary and Financial Reporting Periods</i>
102.1 The Program and Budget Performance monitoring and assessment shall be conducted at the end of the budgetary period; the mid-term assessment shall be conducted at the end of the first year of the budgetary period. The Director shall request six monthly performance monitoring and assessments at six and 18 months into the budgetary period.
<i>Rule III—The Program and Budget</i>
103.1 Biennial Work Plans shall be developed by each organizational entity and submitted to the Director for approval, to be used to implement the Program and Budget.
103.2 The Program and Budget is allocated to organizational entities at the appropriate level of the results hierarchy to guide the development of biennial workplans. Such budget allocations are independent of the sources of financing.
103.3 Planned costs are a breakdown of the Program and Budget in Biennial Work Plans and are independent of the sources of financing. An organizational entity can increase planned costs beyond the approved levels if additional resources to finance the biennial workplan are received.
<i>Rule IV—Financing the Program and Budget</i>
104.1 The Program and Budget approved by the Conference or Directing Council constitutes a budgetary authority to incur expenses for the purposes for which it was adopted. The Director may determine the amount of the allocations that would be prudent for making commitments, subject to availability of funding, and taking into account the available balance in the Working Capital Fund and other financial resources available to fund the approved Program and Budget.
104.2 Budgetary authority is granted in accordance with levels set by the Director, the approved resolution and the policies of the Conference, Directing Council and the Executive Committee.
104.8 In accordance with Regulation 4.5, a non-severable contractual agreement is one that cannot reasonably be subdivided or that results in a single or unified product. All requests for the carryover of Regular Budget appropriations pertaining to non-severable contractual agreements must be authorized by the Director of Administration. Delivery and payment of these commitments must occur in the first three months of the new budgetary period, and will be reported separately within the new Program and Budget. As authorized by the Director, the commitments and associated budgetary authority for those goods and services whose delivery was delayed due to unforeseen circumstances shall be carried forward to the subsequent budgetary period. Delivery and payment of these commitments must occur in the first six months of the new budgetary period, and will be reported separately within the new program and budget. The balance of any undelivered commitments will be credited to the budgetary surplus of the new budgetary period and will be available for use in accordance with the applicable Regulations.

<i>Rule V—Assessed Contributions</i>
105.1 The Director shall inform Members of the status of their assessed contributions at least two times per year, immediately following the meetings of the Executive Committee and the Conference or Directing Council.
105.2 As set forth in Financial Regulation 5.6, the Director shall determine the acceptability of payment of assessed contributions in currencies other than United States dollars subject to annual approval on a case-by-case basis. The approvals will stipulate any terms and conditions that the Director considers necessary to protect the Organization, including any limits to the amount authorized to be paid in local currency.
105.3 Any payments in currencies other than United States dollars that have not received prior approval from the Director, or do not comply with the terms of approval stipulated by the Director may be automatically returned to the relevant Member, and the assessed contribution concerned shall continue to be due and payable.
<i>Rule VI—Voluntary Contributions</i>
106.1 All voluntary contributions will be supported by a signed written agreement consistent with these Regulations and Rules, and policies and procedures in effect.
106.2 The Director may issue budgetary authority for expenses to be financed from sources other than the Assessed Contributions and Budgeted Miscellaneous Revenue in amounts consistent with the terms of the signed written agreement and industry best practices governing cash management. These funds will be administered in accordance with Rules 104.3 to 104.7 unless otherwise stated in these Rules.
106.3 Program Support Costs will be levied on all voluntary contributions unless otherwise authorized in writing by the Director.
106.4 The standard Service Charge will be levied on procurement funds activities unless otherwise authorized in writing by the Director.
<i>Rule VII—Revenue – Other Sources</i>
107.1 Other sources of revenue could include the net result of non-budgetary operational activities including, but not limited to, gains and losses on currency exchange, disposal of fixed assets, rebates, gifts, etc.
<i>Rule VIII—Working Capital Fund and Borrowing</i>
108.1 In addition to approved Program and Budget funding requirements, resources may be made available from the Working Capital Fund to finance unforeseeable and extraordinary expenses.
108.2 The term “unforeseeable expenses” means expenses arising from, or incidental to, the carrying out of a program in accord with the policies approved by the Conference or the Directing Council, which expenses were not foreseen when the estimates were made.
108.3 The term “extraordinary expenses” means expenses for items or objects outside the scope of the budget.

108.4 A designated officer shall be responsible for the preparation of information on the status of all commitments relating to unforeseeable and extraordinary expenses to be submitted to the Executive Committee, and shall prepare the supplemental estimates required in connection therewith for submission to the Conference or Directing Council.

(Single plenary meeting, 2 October 2015)