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FIFTY-SECOND REPORT OF THE COMMITTEE OF THE LEO S. ROWE
PAN AMERICAN FUND

January 1, 2017 – December 31, 2018



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FIFTY-SECOND REPORT OF THE COMMITTEE OF THE LEO S. ROWE PAN AMERICAN FUND

JANUARY 1, 2017 – DECEMBER 31, 2018

*Celebrating 70 years of investing in the education of citizens of OAS member
States and Staff members of the OAS General Secretariat*



**THE
ROWE
FUND**

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JANUARY 1, 2017 – DECEMBER 31, 2018

The Rowe Fund was created by a bequest in the will of Dr. Leo S. Rowe, who was Director of the Pan American Union from 1920 until his death in 1946.

VISION

To invest in highly qualified individuals, capable of applying the benefit of their training for the development of their countries.

MISION

To provide interest-free loans to international students from Latin American and Caribbean OAS member States for higher studies in the United States and subsidized educational loans to staff of the General Secretariat of the Organization of American States.

VALUES

Integrity, service, respect, excellence and teamwork.

*** THE WILL ***

“And the entire remainder thereof unto the Pan American Union, hereinbefore mentioned, to be administered by the Governing Board of the Pan American Union as revolving fund to be used under such conditions as the Governing Board may determine as a loan fund for Latin American [and Caribbean] students who may desire to study in the Universities of colleges of the United States. This revolving fund may also be used by the Governing Board as a loan fund for the entire Personnel of the Pan American Union under Regulations prescribed by the Governing Board.”

From the last will and testament of Dr. Leo S. Rowe, signed on April 27, 1943

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In keeping with article 6 of its Statutes, the Committee of the Leo S. Rowe Pan American Fund (“The Rowe Fund”) hereby submits to the Permanent Council of the Organization of American States (“The OAS”) the Fifty-second report on the activities of the Rowe Fund and of the Committee for the period January 1, 2017 to December 31, 2018.

I. EXECUTIVE SUMMARY

This report provides the outcomes of the Rowe Fund’s activities during the period January 1, 2017 to December 31, 2018 and reflects on its accomplishments and challenges.

The Rowe Fund program provides financial aid in the form of interest-free loans to students from Latin American and the Caribbean region to help supplement a portion of the cost of their higher education studies in the United States. This Fund also grants interest-bearing loans to staff members of the General Secretariat of the OAS for educational and emergency purposes.

The Fund’s greatest portion of its assets is invested in the market and its dividends are the main source of income. This program was gradually forced to become self-funded and relies heavily on the performance of the investment portfolio to cover operational costs, including personnel cost, in addition to growing its loan portfolio.

The OAS Permanent Council is responsible for the administration of the Fund through a Committee consisting of representatives of four member States and the OAS Secretary General.

Highlights:

- ★ During 2018, the Rowe Fund Committee celebrated the 70th anniversary of the Rowe Fund program and rendered tribute to the life of Dr. Leo S. Rowe. The Permanent Council adopted Resolution 1111 on September 27th, 2018 and the Committee held several events throughout the year, published articles, created and disseminated printing material, a video, and raised awareness in different social media promoting the Fund and commemorating this important milestone. Special attention was placed to improve the visibility of the program in less represented countries.
- ★ The Committee held 10 meetings and twenty-two round robin consultations during the biennium.
- ★ The Fund delivered \$1.54 million in aid to 219 beneficiaries: 165 interest-free loans for \$1.19 million to international students from 28 OAS member States enrolled in 73 universities throughout 25 states in the United States and 54 interest-bearing educational loans to staff of the GS/OAS for \$344,160.
- ★ The gender perspective was included in the statistics compiled by the Rowe Fund.
- ★ New loans are mostly made of the accumulative repayment of loans. The Fund managed an average loan portfolio of 423 accounts equivalent to \$2.22 million.
- ★ The successful repayment of loans is one of the key factors that influences the Fund’s sustainability overtime. Throughout the history of the program, there has not been a precedent of default in staff loans.

- ★ Thanks to an impeccable record of loan recovery, student loan loss ratio reached an unprecedented low in 2018 of merely 0.2%.
- ★ The Fund has worked toward providing tools to facilitate access and repayment of loans. As such a new feature allowing recurring online credit card payments was implemented, the online student loan platform revamped, and donations can now be made online.
- ★ The External Audit firm issued a clean and unqualified opinion on the financial statements as of December 31st, 2017 and 2018.
- ★ The members of the Committee dedicated to promoting organizational change from within the Fund's Secretariat endeavored to regularize the staffing situation. As such Chapter III of the General Standards of the GS/OAS was modified and approved during the General Assembly held in Medellin – Colombia.
- ★ The Rowe Fund Committee continuously strives for the highest performance in the administration and oversight of this financial aid program. To this end, two surveys to evaluate the effectiveness of the student and staff loan program, its impact, and career advancement of ex-beneficiaries were conducted.
- ★ Since its inception in 1948, the Fund has awarded 8,802 loans worth \$52.37 million at 2018 prices.

During 70 years of continuous operations, and through prudent investments in the market, the Fund has managed to grow from the initial endowment of \$623,605 (worth \$6.50 million in 2018 USD) to its current value of \$17.80 million as of December 31st, 2018. The continued expansion of the educational loan program and the goal of even greater coverage are paramount priorities for the Rowe Fund Committee.

We encourage member and observer states to [donate](#) and to help us make this program known in their respective countries.

The member States can be rightly proud of the Fund's performance and grateful for Dr. Rowe's vision and philanthropy, as it has endowed the OAS with an educational loan program that is unique among international organizations.

The Rowe Fund's unwavering commitment to help international students and staff members succeed is evidenced in the accomplishments described in this report. On behalf of the Rowe Fund Committee, Technical Secretary and staff, I am pleased to provide our Report on the Fund's activities to the Permanent Council of the Organization of American States.