

GS/OAS
Semiannual
Financial
Report
(SFR)

S2 - 2018

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[General purpose financial reports of the GS/OAS \(external link\)](#)

(Preliminary and unaudited)

From January 1, 2018 to December 31, 2018

Key financial data

Legend:

- this is a current management concern
- management is actively monitoring the situation
- management believes this is going above expectations
- YTD year-to-date

Budgetary execution

Overall program-budget - YTD level of execution	97.8%	●
Regular Fund:		
YTD level of execution	97.9%	●
% of YTD execution related to personnel costs	60.0%	
Fund for ICR:		
YTD level of execution	95.9%	●
% of YTD execution related to personnel costs	61.4%	
Specific Funds YTD execution	USD 57.2 m	

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	29	●
# of member states not current (without arrears)	3	●
# of member states not current (and with arrears)	2	●
Total balance due at the beginning of the year:		
Due from arrears	USD 12.0 m	
Due from current assessment	USD 85.0 m	
Total balance due at the end of the year:		
Due from arrears	USD 8.9 m	●
Due from current assessment	USD 2.8 m	●
Net quota payments received during the year	USD 84.8 m	●

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 4.0 m	
Cash balance at the end of the year	USD 10.4 m	●
Projected deficits (to be covered with the 2019 loan):		
Next month to show a cash deficit in 2019	March	●
Month with possible lowest level of cash in 2019	April	●
Amount of cash deficit projected in April 2019	USD 8.0 m	●
Projected loan balance to Treasury Fund at the end of the year	USD 0 m	●

Specific Funds

YTD overall contributions received from donors	USD 41.4 m	
YTD contributions - % change over same period last year	- 30%	●
YTD contributions - % change over same period last year by donor:		
Member states	-46.8%	●
Permanent observers	- 22.4%	●
Institutions and other donors	+ 42.9%	●
YTD ICR collection on Specific Funds - % change over same period last year	-14%	●
Amount of new donor agreements starting execution this year	USD 31.8	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	
Amount of Awards already expired at the end of the semester	USD 1.3 m	●

GS/OAS Semiannual Financial Report (SFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 1 (LII-E/17) rev. 1. Any limitations of this report regarding financial compliance with that resolution are noted on the corresponding sections of this report.

Prepared by the General Secretariat of the Organization of American States (GS/OAS)

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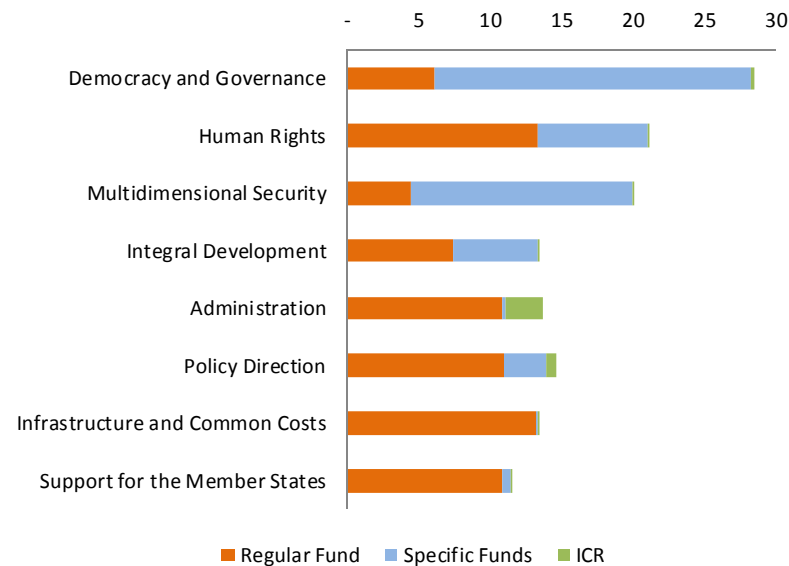
Introduction

- Financial highlights
- Regular Fund budgetary execution and variances by chapter
- ICR Fund budgetary execution by chapter
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- Contributions from member states to OAS funds
- Disbursements by location
- Supplementary Appropriation CP/RES. 831

Financial highlights

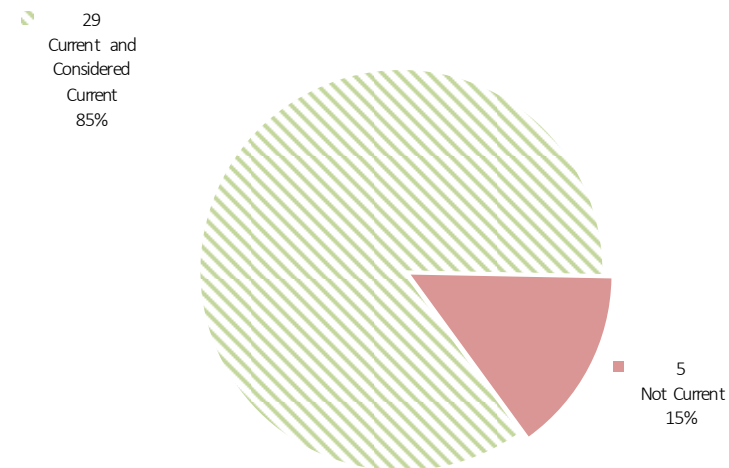
The year-to-date level of execution for the combined Regular Fund and Indirect Cost Recovery (ICR) Fund reached 97.8% of the USD 86.1 million 2018 Approved Program-Budget (Figure 1). Regular Fund reached 97.9% and ICR Fund 95.9% of their approved budgets. Specific Fund execution reached USD 57.2 million, higher when compared to the same period last year (USD 54.7 million).

Figure 1: Expenditures by programmatic pillar and source of financing (in millions of USD)



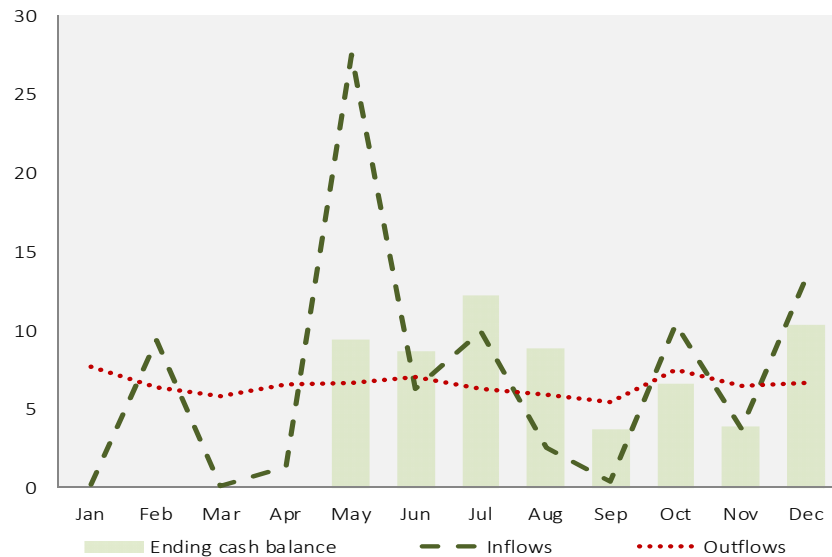
With respect to year-to-date Regular Fund quotas, out of 34 member states, 29 member states are current with their quota assessment and 5 member states are not current (Figure 2). The latter have not paid their quota assessment for the current year nor have they submitted a written payment plan to the General Secretariat. Two member states within the “not current group” have not paid their quota balance in arrears (amounts owed for 2017 and prior years).

Figure 2: Share of member states’ compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 4.0 million, fluctuating through the year, ending 2018 in USD 10.4 million (Figure 3). The GS/OAS had cash deficits on the months of January, March and April which fluctuated between USD 3.4 and USD 5.7 million. These deficits were covered by temporary loans from the Treasury Fund as authorized by the Permanent Council through CP/RES.1091/18. These loans were fully repaid in May and no additional cash deficits were seen in the remainder of 2018, mainly due to the timely payment of the 2018 quota assessment from most of the member states and for the payment of USD 3.1 million in arrears. For 2019, a cash deficit of USD 8.0 million may occur for the months of March and April. This deficit would be fully paid during 2019.

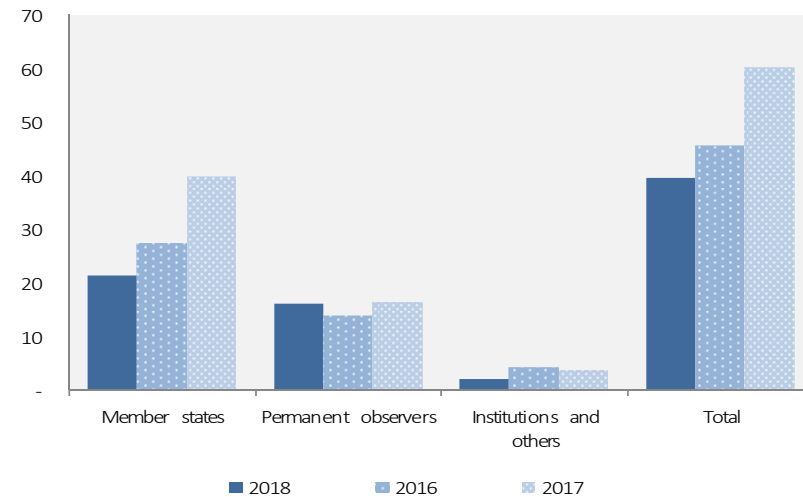
Figure 3: Regular Fund liquidity risk assessment (in millions of USD)



Contributions to Specific Funds reached USD 41.4 million, approximately 30% lower than in 2017 (USD 59.3 million) and also 10% lower than in 2016 (USD 45.8 million). While contributions from member states and permanent observers decreased by 46.8% and 22.4% respectively, contributions from other institutions increased 42.9%. In 2018 the United States changed the contribution methodology for two of their main contributions to Specific Funds. Contribution in the amount of USD 4.0 and USD 4.3 million were pledged for Democracy and Human Rights respectively in the form of letters of credit. In the past these contributions were received in cash. If this had been the case for 2018, decrease in contributions by member states would have decreased only by 26%.

With respect to compliance and oversight issues, three financial audits have been coordinated by the GS/OAS during 2018: OAS/MAPP “Basket Fund-2017”, OAS MACCIH “Basket Fund 2017-2018” and Freedom of Expression in the Americas 2015-2017. In addition, the GS/OAS has collaborated with two external audits contracted directly by Canada and Sweden for OAS MACCIH. The results of these two audits were received in 2019. All these audits reported a satisfactory result. Currently, there are four more audits already scheduled for 2019. Potentially, up to 11 further audits may be requested by donors.

Figure 4: Contributions to Specific Funds by donor for 2018 (in millions of USD)



GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. The Department of Financial Services (DFS) also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of 2018 there was approximately USD 1.3 million in expired funds. During 2018, unspent balances from 40 different agreements were returned to the donors totaling USD 0.5 million.

Regular Fund budgetary execution and variances by chapter

As per OAS General Standards, the Secretary General has the authority to transfer Regular Fund resources from one Chapter of the program-budget to another for up to five percent. Transfers that exceed five percent or involve substantial alteration of any approved program within any fiscal period require prior approval of the Permanent Council. Table 1 presents budgetary execution for the Regular Fund. Detailed execution reports by subprogram are published in the [OAS website](#).

Table 1: Regular Fund—budgetary execution by chapter (in thousands of USD)

Chapter	a	b	c=a+b	d=b/a	Year-to-date execution			Variances from budget	
	Approved budget	Transfers	Modified budget	% of Transfers *	Personnel	Non personnel	Total	In USD	In %
					Non				
1 - Office of the Secretary General	2,571.6	104.1	2,675.7	4.0%	2,225.0	450.8	2,675.7	104.1	4.0%
2 - Office of the Assistant Secretary General	12,654.9	(8.3)	12,646.6	-0.1%	9,145.4	3,501.2	12,646.6	(8.3)	-0.1%
3 - Principal and Specialized Organs	16,163.4	(713.6)	15,449.8	-4.4%	6,559.4	8,734.2	15,293.7	(869.7)	-5.4%
4 - Strategic Counsel for Organizational Development and Management for Results	2,698.6	123.6	2,822.2	4.6%	2,176.3	645.9	2,822.2	123.6	4.6%
5 - Secretariat for Access to Rights and Equity	1,670.8	16.9	1,687.7	1.0%	1,469.8	217.9	1,687.7	16.9	1.0%
6 - Secretariat for Strengthening Democracy	3,840.5	172.0	4,012.5	4.5%	3,564.9	447.7	4,012.5	172.0	4.5%
7 - Executive Secretariat for Integral Development	8,533.9	(165.9)	8,368.0	-1.9%	4,439.2	2,347.8	6,786.9	(1,747.0)	-20.5%
8 - Secretariat for Multidimensional Security	4,228.7	(194.1)	4,034.6	-4.6%	3,304.3	730.3	4,034.6	(194.1)	-4.6%
9 - Secretariat for Hemispheric Policies	2,409.9	61.1	2,471.0	2.5%	2,153.2	317.7	2,471.0	61.1	2.5%
10 - Secretariat for Legal Affairs	3,678.4	(25.5)	3,652.9	-0.7%	3,309.8	343.1	3,652.9	(25.5)	-0.7%
11 - Secretariat for Administration and Finance	9,129.9	433.0	9,562.9	4.7%	8,654.0	908.9	9,562.9	433.0	4.7%
12 - Basic Infrastructure and Common Costs	12,539.2	242.6	12,781.8	1.9%	16.7	12,765.1	12,781.8	242.6	1.9%
13 - Compliance Oversight Management Bodies	1,455.2	(45.9)	1,409.3	-3.2%	850.1	559.2	1,409.3	(45.9)	-3.2%
Total	81,575.0	-	81,575.0	0.0%	47,867.9	31,969.8	79,837.7	(1,737.3)	-2.1%

* Refers to approved budget. As per OAS General Standards, variances over and under 5% of the Regular Fund approved budget are required to be explained. At the end of 2018, there are no variation that require such explanation.

ICR Fund budgetary execution by chapter

Table 2 presents budgetary execution for the ICR Fund. Detailed execution reports by subprogram are published in the [OAS website](#).

Table 2: Fund for ICR—budgetary execution by chapter (in thousands of USD)

Chapter	a	b	c=a+b	Year-to-date execution		
	Approved budget	Transfers	Modified budget	d	e	f=d+e
				Personnel	Non personnel	Total
1 - Office of the Secretary General	-	38.0	38.0	-	33.2	33.2
2 - Office of the Assistant Secretary General	89.9	(33.5)	56.4	-	51.7	51.7
3 - Principal and Specialized Organs	35.0	-	35.0	-	35.0	35.0
4 - Strategic Counsel for Organizational Development and Management for Results	1,081.6	(18.9)	1,062.7	513.3	517.3	1,030.5
5 - Secretariat for Access to Rights and Equity	-	92.4	92.4	91.9	-	91.9
6 - Secretariat for Strengthening Democracy	642.3	(171.1)	471.2	301.6	156.3	457.8
7 - Executive Secretariat for Integral Development	372.3	(64.1)	308.2	186.7	98.9	285.7
8 - Secretariat for Multidimensional Security	485.8	(72.3)	413.5	401.0	5.7	406.7
9 - Secretariat for Hemispheric Policies	89.9	39.8	129.7	118.0	-	118.0
10 - Secretariat for Legal Affairs	-	-	-	-	-	-
11 - Secretariat for Administration and Finance	1,558.0	(106.6)	1,451.4	1,035.5	364.1	1,399.6
12 - Basic Infrastructure and Common Costs	-	314.5	314.5	-	309.7	309.7
13 - Compliance Oversight Management Bodies	145.2	(18.1)	127.1	-	95.7	95.7
Total	4,500.0	-	4,500.0	2,647.9	1,667.6	4,315.6

End of section

Combining Statement of Changes in Fund Balances

Table 3 summarizes all sources of income, execution and fund balances for funds that comprise the main funds of the Organization (Regular Fund, Development Cooperation Fund, Specific Funds, and the Fund for Indirect Cost Recovery). Other ac-

counts under the grouping of Service and Revolving Funds are included in the table as they support the activities of the approved program-budget (e.g. rental income, tax reimbursement, parking fees, building maintenance, common costs). Trust Funds reported separately in Table 4.

Table 3: Combining Statement of Changes in Fund Balances, year-to-date (in thousands of USD)

	Regular Fund	Development Cooperation Fund	Specific Funds	Service and Revolving Funds Fund for Indirect Cost Recovery (ICR) Other accounts		Total (1)
INFLOWS						
Quota payments, pledges and contributions:						
Quarter 1	9,714	37	7,920	-	-	17,671
Quarter 2	35,137	40	7,148	-	-	42,325
Quarter 3	12,782	102	11,610	-	-	24,494
Quarter 4	27,211	62	14,727	-	-	42,000
Total quota payments, pledges and contributions	84,844	241	41,405	-	-	126,490
Interest income (2)	79	72	847	737	52	1,787
Rental income	-	-	-	-	2,623	2,623
Tax reimbursement	-	-	-	-	5,079	5,079
Transfers, other income and refunds	374	237	642	6,041	8,199	15,493
a Total inflows	85,297	550	42,894	6,778	15,953	151,472
OUTFLOWS						
Execution:						
Expenditures:						
Quarter 1	19,980	14	11,091	1,166	2,265	34,516
Quarter 2	19,326	68	14,869	967	3,383	38,613
Quarter 3	17,849	440	12,915	962	2,560	34,726
Quarter 4	20,482	122	15,945	963	1,711	39,223
Total expenditures	77,637	644	54,820	4,058	9,919	147,078
Obligations	2,406	-	12,541	426	8,265	23,638
Prior year obligations (3)	-	-	(10,156)	(154)	(3,231)	(13,541)
Total execution (3)	80,043	644	57,205	4,330	14,953	157,175
FONDEM grants	-	-	-	-	-	-
Return to donors	-	-	544	-	-	544
Other decreases	-	-	1,157	5,200	108	6,465
b Total outflows	80,043	644	58,906	9,530	15,061	164,184
c=a-b NET INCREASE (DECREASE) DURING PERIOD	5,254	(94)	(16,012)	(2,752)	892	(12,712)
d Fund balances, beginning of period	1,753	5,763	61,048	5,711	(1,175)	73,100
e=c+d FUND BALANCES, END OF PERIOD	7,007	5,669	45,036	2,959	(283)	60,388

(1) Does not include elimination of interfund transactions in both increases and decreases; however, this information is included in the general purpose financial reports section at the end of this report.

(2) Accumulated interest income is recorded quarterly in the accounting periods of April, July, October and December only.

(3) For comparability purposes, when funds that have carryforward balances are presented with those that do not, prior year obligations are deducted to obtain the net execution for the period.

Trust Funds

Trust funds are established by bequests or grants to finance purposes specified by the donor or legator, held in trust, and used in accordance with the pertinent provisions or instruments. The disposition of these funds are restricted by the instruments establishing them and the Board or Committee overseeing the resources. These funds are not part of the program-budget and address specific purposes such as:

- The Trust for the Americas is a not-for-profit organization that works to expand hemispheric cooperation and enhance economic development. Resources have been provided by contributions from corporate donors and U.S. federal grants.
- The Medical Benefits Trust Fund is established to provides medical benefits to OAS staff members. Fund activity is limited to paying covered employees’ health claims. Claim adjudication is handled by an insurance provider.
- The Rowe Pan American Fund is established to provide loans to students from Member States, other than residents and citizens of the United States, and to make loans to OAS employees for educational and emergency purposes.
- The assets of the Rowe Memorial Benefit Fund have been accumulated principally from contributions received from Dr. Leo S. Rowe, a former Director General of the Pan-American Union. These assets are held in trust to provide certain welfare benefits for OAS employees. This fund is combined with the Financial Statement of the Rowe Pan American Fund.

Table 4: Year-to-date inflows and outflows for the main Trust Funds (in thousands of USD)

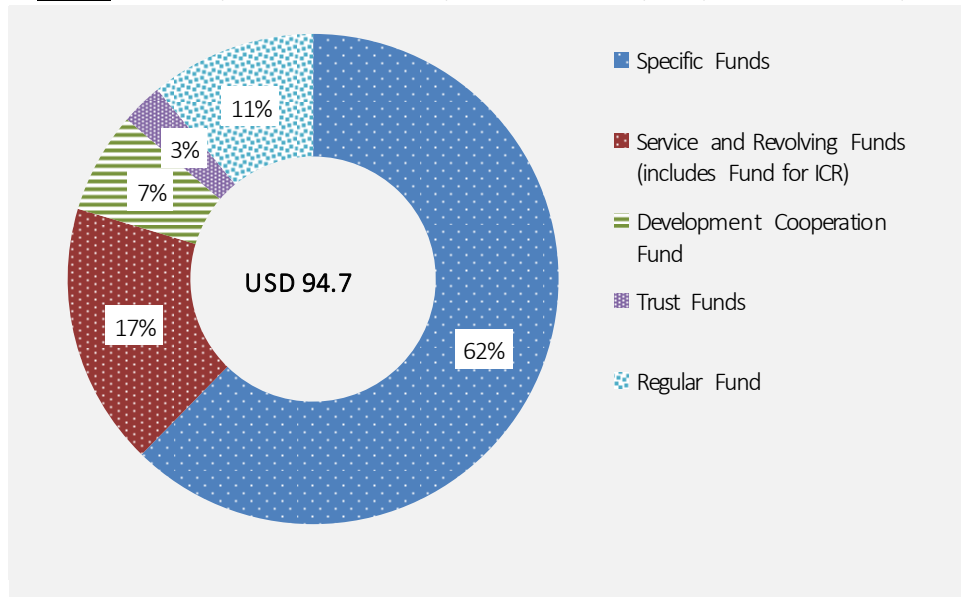
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning fund balance 01/01	2,649	54,994	18,888
Add inflows:			
Contributions and donations	2,595	12,455	-
Investment income *	-	1,574	559
Other Income	26	321	-
Less outflows:			
Expenses	3,523	15,380	415
Other outflows *	-	4,819	1,345
Ending fund balance 12/31	1,747	49,145	17,687

* Includes net realized and unrealized gains.

Cash and Equity in OAS Treasury Fund

All U.S. dollars available for use in carrying out the activities of the various funds of the OAS are consolidated in the OAS Treasury Fund. Each fund administered by the GS/OAS maintains equity to the extent of its cash balance retained therein (Figure 5). The GS/OAS administers the OAS Treasury Fund, and amounts not immediately required for operations are invested. Income earned by the OAS Treasury Fund through investments is added to the equity of each fund in proportion to its balance. GS/OAS applies a conservative risk profile in the management of assets in the OAS Treasury Fund, and its investment guidelines place emphasis on capital preservation over income generation.

Figure 5: Balance composition of the OAS Treasury Fund at the end of this period (in millions of USD and %)



At the end of 2018 the OAS Treasury Fund held USD 94.7 million in cash by the various OAS funds (Figure 5). Resolutions CP/RES. 1091/18 instructed the GS/OAS, as a highly exceptional circumstance, to utilize the resources in the OAS Treasury Fund as an interest-free internal loan for the Regular Fund, as a temporary solution to cover cash shortages if needed. By the end of 2018 the Regular Fund has paid back all funds loaned from the Treasury Fund.

Information on quotas

OAS General Standards require member states to pay their quota assessment in full on the first day of the corresponding fiscal year; otherwise, in order to be considered current, they are required to negotiate a payment plan with the GS/OAS. Member states that pay their quota assessment by March of each year are entitled to the following discounts (applied to the following year's quota): 3% of the amount paid by January 31; 2% of the amount paid by the last day of February; and 1% of the amount paid by March 31. At the beginning of the year, USD 439.7 thousand was credited in prompt payment discounts as well as USD 4.7 thousand in payments in advance.

The GS/OAS had USD 97.0 million in quota receivable (i.e. balance due) at the beginning of the year, USD 85.0 million from current quota assessment and USD 12.0 million for quotas in arrears—columns (a) and (e) in Table 5, respectively. By the end of 2018, the GS/OAS had received USD 82.1 million towards the current quota assessment (column b in Table 5) leaving a current period balance of USD 2.9 million. The amount does not reflect discounts credited for prompt payment.

At the same time, the GS/OAS received USD 3.1 million towards the prior year quota balance (column f in Table 5), still leaving a prior year balance of USD 8.9 million.

Given the significant impact of quotas on the Regular Fund cash flow, the GS/OAS continuously monitors quota information and regularly updates its assumptions on quota collections based on member states' payment plans and payment history.

Out of 34 member states, 29 member states are current and/or considered current with their quota assessment and 5 member states are not current. The latter have not paid their quota assessment for the current year nor have they agreed to a written payment plan with the General Secretariat. Three member states within this group have not paid their quota balance in arrears (Tables 6 and 7).

Table 5: Year-to-date progress on quota collection by year (in USD and %)

Year	(a) Assessed quotas	(b) Collection on assessed quotas	(c = a - b) Current Period collection balance	(d = b / a) Current year collection progress	(e) Prior year quotas balance	(f) Collection on prior year quotas	(g = e - f) Prior year collection balance	(h = f / e) Prior year collection progress	(i = [b + f]/[a + e]) Total collection progress
2014	81,105,400	71,140,106	9,965,294	88%	1,982,878	248,125	1,734,753	13%	86%
2015	82,440,400	70,303,500	12,136,900	85%	11,700,047	4,176,006	7,524,041	36%	79%
2016	82,440,400	72,827,673	9,612,727	88%	19,660,941	14,408,496	5,252,445	73%	85%
2017	84,969,900	80,018,589	4,951,311	94%	14,865,171	7,820,640	7,044,531	53%	88%
2018	84,958,900	82,181,634	2,777,266	97%	11,995,843	3,102,812	8,893,031	26%	88%

Table 6: Status of quota compliance, payments, and balance due (in thousands of USD)

	a	b	c=a+b	d	e=c-d	f=(Q1..Q4)				g=e-f	h	
	Current assessment	Quotas in arrears	Total quota receivable	Discounts and advances	Net quota receivable	Net payments received in 2018 (by quarter)				2018 net payments	Year-end balance due	2019 proj. advance payments
						Q1	Q2	Q3	Q4			
1. Current and/or considered current												
1.a. Paid in full												
Antigua and Barbuda	18.8	-	18.8	-	18.8	4.7	4.7	4.7	4.7	18.8	-	-
Argentina	2,560.2	210.0	2,770.2	-	2,770.2	210.0	-	-	2,560.2	2,770.2	-	-
Bahamas, Commonwealth of	40.1	-	40.1	0.8	39.3	-	-	-	39.3	39.3	-	-
Barbados	22.2	-	22.2	-	22.2	-	22.2	-	-	22.2	-	-
Belize	18.8	-	18.8	-	18.8	-	-	-	18.8	18.8	-	-
Bolivia	59.7	-	59.7	1.0	58.7	-	58.7	-	-	58.7	-	-
Brazil	10,630.6	-	10,630.6	106.1	10,524.6	-	5,375.6	4,854.3	294.7	10,524.6	-	-
Canada	8,364.0	-	8,364.0	270.9	8,093.1	8,093.1	-	-	-	8,093.1	-	-
Chile	1,207.5	-	1,207.5	34.5	1,173.0	-	1,173.0	-	-	1,173.0	-	-
Costa Rica	218.5	-	218.5	6.5	212.0	213.3	-	-	-	213.3	-	1.3
Dominica, Commonwealth of**	18.8	-	18.8	-	18.8	-	-	-	-	-	-	-
Dominican Republic	228.7	-	228.7	-	228.7	-	-	-	228.7	228.7	0.0	-
Ecuador	343.1	-	343.1	-	343.1	-	-	343.1	-	343.1	-	-
El Salvador	64.9	-	64.9	-	64.9	-	64.9	-	-	64.9	-	-
Guatemala	145.9	-	145.9	1.9	144.0	-	144.0	-	-	144.0	-	0.2
Guyana	18.8	-	18.8	0.5	18.3	18.3	-	-	-	18.3	-	-
Haiti	18.8	-	18.8	0.7	18.1	-	18.1	-	-	18.1	-	-
Honduras	36.7	-	36.7	0.7	36.0	36.0	0.0	-	-	36.0	-	-
Jamaica	45.2	14.9	60.1	-	60.1	60.1	-	-	-	60.1	-	-
Mexico	5,521.4	984.2	6,505.6	-	6,505.6	984.2	-	2,139.2	3,382.2	6,505.6	(0.0)	-
Nicaragua	18.8	-	18.8	0.4	18.4	18.8	-	-	-	18.8	-	0.4
Panama	163.0	-	163.0	-	163.0	-	163.0	-	-	163.0	-	-
Paraguay	74.2	-	74.2	1.3	72.9	72.9	-	-	-	72.9	-	1.3
Peru	857.7	-	857.7	7.3	850.4	-	841.0	9.3	-	850.4	-	-
St. Lucia	18.8	-	18.8	0.6	18.2	-	18.2	-	-	18.2	-	-
Suriname	18.8	-	18.8	-	18.8	-	-	18.8	-	18.8	-	-
Trinidad and Tobago	110.1	-	110.1	-	110.1	-	-	-	110.1	110.1	-	-
United States	50,750.7	1,877.7	52,628.4	-	52,628.4	-	27,253.1	5,075.1	20,300.4	52,628.5	(0.1)	0.1
Uruguay	254.3	-	254.3	-	254.3	-	-	-	254.3	254.3	-	-
1.b. Not paid in full, with payment plan												
2. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Colombia	1,397.8	-	1,397.8	11.2	1,386.6	-	-	337.8	-	337.8	1,048.8	-
St. Kitts and Nevis	18.8	-	18.8	-	18.8	-	-	-	-	-	18.8	-
St. Vincent and the Grenadines	18.8	15.9	34.7	-	34.7	-	-	-	18.3	18.3	16.4	-
2.b. With arrears												
Grenada	18.8	128.6	147.4	-	147.4	-	-	-	-	-	147.4	-
Venezuela	1,655.6	8,764.4	10,420.0	-	10,420.0	-	-	-	-	-	10,420.0	-
TOTAL	84,958.9	11,995.8	96,954.7	444.4	96,510.4	9,711.3	35,136.7	12,782.4	27,211.5	84,841.9	11,651.4	3.3

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

** The Permanent Council on March 23, 2018, approved the request from the Permanent Mission of the Commonwealth of Dominica (CP/CAAP-3501/18) for a full waiver of its 2018 and 2019 yearly quota payments to the Regular Fund

Table 7: Net quota payments received by month (in thousands of USD)

	Net payments received in 2018												2018 Net payments	Net payments in %
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
1. Current and/or considered current														
1.a. Paid in full														
Antigua and Barbuda	-	4.7	-	4.7	-	-	-	-	4.7	-	4.7	-	18.8	0.0%
Argentina	210.0	-	-	-	-	-	-	-	-	2,560.2	-	-	2,770.2	3.3%
Bahamas, Commonwealth of	-	-	-	-	-	-	-	-	-	-	39.3	-	39.3	0.0%
Barbados	-	-	-	-	-	22.2	-	-	-	-	-	-	22.2	0.0%
Belize	-	-	-	-	-	-	-	-	-	18.8	-	-	18.8	0.0%
Bolivia	-	-	-	58.7	-	-	-	-	-	-	-	-	58.7	0.1%
Brazil	-	-	-	-	-	5,375.6	4,854.3	-	-	-	-	294.5	10,524.6	12.4%
Canada	-	8,093.1	-	-	-	-	-	-	-	-	-	-	8,093.1	9.5%
Chile	-	-	-	1,149.5	-	23.5	-	-	-	-	-	-	1,173.0	1.4%
Costa Rica	-	213.3	-	-	-	-	-	-	-	-	-	-	213.3	0.3%
Dominica, Commonwealth of**	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dominican Republic	-	-	-	-	-	-	-	-	-	-	-	228.7	228.7	0.3%
Ecuador	-	-	-	-	-	-	-	-	343.1	-	-	-	343.1	0.4%
El Salvador	-	-	-	-	64.9	-	-	-	-	-	-	-	64.9	0.1%
Guatemala	-	-	-	144.0	-	-	-	-	-	-	-	-	144.0	0.2%
Guyana	-	-	18.3	-	-	-	-	-	-	-	-	-	18.3	0.0%
Haiti	-	-	-	-	18.1	-	-	-	-	-	-	-	18.1	0.0%
Honduras	-	-	36.0	0.0	-	-	-	-	-	-	-	-	36.0	0.0%
Jamaica	45.2	14.9	-	-	-	-	-	-	-	-	-	-	60.1	0.1%
Mexico	-	984.2	-	-	-	-	-	2,139.2	-	-	3,382.2	-	6,505.6	7.7%
Nicaragua	-	-	18.8	-	-	-	-	-	-	-	-	-	18.8	0.0%
Panama	-	-	-	-	163.0	-	-	-	-	-	-	-	163.0	0.2%
Paraguay	-	72.9	-	-	-	-	-	-	-	-	-	-	72.9	0.1%
Peru	-	-	-	-	-	841.0	9.3	-	-	-	-	-	850.4	1.0%
St. Lucia	-	-	-	-	18.2	0.1	-	-	-	-	-	-	18.2	0.0%
Suriname	-	-	-	-	-	-	-	18.8	-	-	-	-	18.8	0.0%
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	110.1	-	-	110.1	0.1%
United States	-	-	-	-	27,253.1	-	5,075.1	-	-	7,612.6	-	12,687.7	52,628.5	62.0%
Uruguay	-	-	-	-	-	-	-	-	-	-	-	254.3	254.3	0.3%
1.b. Not paid in full, with payment plan														
2. Not current (not paid in full and no payment plan)														
2.a. Without arrears														
Colombia	-	-	-	-	-	-	-	337.8	-	-	-	-	337.8	0.4%
St. Kitts and Nevis	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
St. Vincent and the Grenadines	-	-	-	-	-	-	-	-	-	-	18.3	-	18.3	0.0%
2.b. With arrears														
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TOTAL	255.2	9,383.1	73.0	1,357.0	27,517.3	6,262.3	9,938.7	2,495.8	347.8	10,301.7	3,738.9	13,170.9	84,841.9	100.00%
in %	0.3%	11.1%	0.1%	1.6%	32.4%	7.4%	11.7%	2.9%	0.4%	12.1%	4.4%	15.5%	100.0%	

* Some individual amounts showing "0.0" and totals may differ slightly due to rounding.

** The Permanent Council on March 23, 2018, approved the request from the Permanent Mission of the Commonwealth of Dominica (CP/CAAP-3501/18) for a full waiver of its 2018 and 2019 yearly quota payments to the Regular Fund

Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 4.0 million, fluctuating through the year, ending 2018 in USD 10.4 million (Figure 3). The GS/OAS had cash deficits on the months of January, March and April which fluctuated between USD 3.4 and USD 5.7. These deficits were covered by temporary loans from the Treasury Fund as authorized by the Permanent Council through CP/RES.1091/18. These loans were fully repaid in May and no additional cash deficits were seen in the remainder of 2018, mainly due to the timely payment of the 2018

quota assessment from most of the member states and for the payment of USD 3.1 million in arrears. For 2019, a cash deficit of USD 8.0 million may occur for the months of March and April. This deficit is would be fully paid during 2019.

Table 8: Regular Fund monthly cash flow 2018
(in millions of USD)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	4.02	0.00	0.00	0.00	0.00	9.45	8.63	12.24	8.85	3.74	6.62	3.88	4.02
Inflows													
Net quota payments	0.26	9.38	0.07	1.36	27.52	6.26	9.94	2.51	0.35	10.30	3.72	13.17	84.84
Other income	0.00	0.00	0.05	0.00	0.00	0.00	0.00	0.01	0.03	0.07	0.02	0.00	0.18
b Total inflows	0.26	9.38	0.12	1.36	27.52	6.26	9.94	2.52	0.38	10.37	3.74	13.17	85.02
Outflows													
2018 expenses	6.94	6.17	5.76	6.43	6.65	7.07	6.33	5.81	5.49	7.46	6.47	6.70	77.30
2017 expenses	0.75	0.19	0.11	0.18	0.05	0.01	0.00	0.10	0.00	0.03	0.01	0.00	1.43
c Total outflows	7.69	6.36	5.87	6.61	6.70	7.08	6.33	5.91	5.49	7.49	6.48	6.70	78.71
d=b-c Net cash flow	(7.43)	3.02	(5.75)	(5.25)	20.82	(0.82)	3.61	(3.39)	(5.11)	2.88	(2.74)	6.47	6.31
e From/to Loans	3.41	(3.02)	5.75	5.25	(11.37)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
f=a+d+e Ending cash balance	0.00	0.00	0.00	0.00	9.45	8.63	12.24	8.85	3.74	6.62	3.88	10.35	10.35



Contributions from member states to OAS funds

Table 9 summarizes contributions from member states to OAS funds. In addition, the last column in the table shows the Specific Funds' fund balance of each member state at the end of this period. The column for current year collection under Regular

Fund refers to total quota payments for the current assessment made by each member state in 2018. Amounts in this column include discounts for prompt payment and payments in advance so they may differ slightly from the information presented in previous sections of this report (quotas and liquidity). A complete list of contributions from all donors is published in the [OAS website](#).

Table 9: Contributions from member states to OAS funds— 2018

Member state	Regular Fund					Trust for the Americas	Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection	Development Cooperation Fund	Specific Funds				
Antigua and Barbuda	18,800	-	3,500	-	-	-	10,400	-
Argentina	2,560,200	210,000	20,000	330,726	-	-	485,471	579,890
Bahamas, Commonwealth of	40,100	-	20,000	-	-	-	836	15,222
Barbados	22,200	-	-	70,378	-	-	42,326	7,067
Belize	18,800	-	-	11,100	-	-	6,045	19,866
Bolivia	59,700	-	-	17,495	-	-	70,695	60,000
Brazil	10,630,600	-	-	-	-	-	5,481,607	220,550
Canada	8,364,000	-	-	6,712,994	-	-	11,405,758	1,128,990
Chile	1,207,500	-	-	204,805	-	-	1,217,500	190,581
Colombia	349,026	-	-	558,813	95,157	-	490,717	234,142
Costa Rica	218,500	-	30,000	55,355	-	-	255,313	25,823
Dominica, Commonwealth of	-	-	-	14,232	-	-	-	17,577
Dominican Republic	228,655	-	9,919	491,042	-	-	412,823	116,519
Ecuador	343,100	-	-	202,111	-	-	-	52,990
El Salvador	64,900	-	32,100	28,800	-	-	125,800	(7,969)
Grenada	-	-	-	5,000	-	-	5,000	2,447
Guatemala	145,900	-	-	133,121	-	-	171,109	218,981
Guyana	18,800	-	6,746	80,881	-	-	97,037	38,900
Haiti	18,800	-	-	-	-	-	18,800	9,559
Honduras	36,700	-	13,999	386,253	-	-	187,905	129,971
Jamaica	45,200	14,925	10,000	-	-	-	60,125	2,571
Mexico	5,521,400	984,233	-	1,593,140	-	-	1,672,742	4,498,859
Nicaragua	18,800	-	7,000	5,000	-	-	18,800	11,127
Panama	163,000	-	39,600	306,977	-	-	222,309	244,971
Paraguay	74,200	-	-	54,933	-	-	129,133	82,888
Peru	857,700	-	-	141,305	-	-	918,960	236,197
St. Kitts and Nevis	-	-	5,100	5,000	-	-	5,000	5,791
St. Lucia	18,800	-	7,650	22,729	-	-	18,850	8,046
St. Vincent and the Grenadines	2,353	15,945	-	-	-	-	-	30
Suriname	18,800	-	-	-	-	-	-	-
Trinidad and Tobago	110,100	-	-	110,000	-	-	80,000	165,735
United States	50,750,700	1,877,709	-	9,694,933	957,654	-	29,949,159	19,479,958
Uruguay	254,300	-	30,000	79,000	-	-	47,500	46,617
Venezuela	-	-	-	-	-	-	-	1,526
Total	82,181,634	3,102,812	235,614	21,316,124	1,052,811	53,607,721		

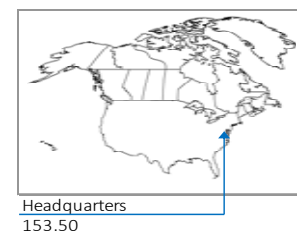
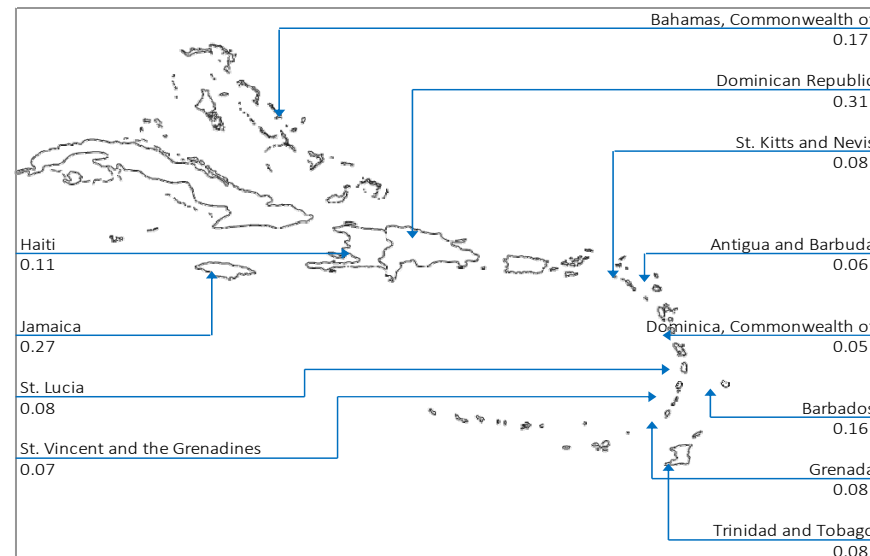
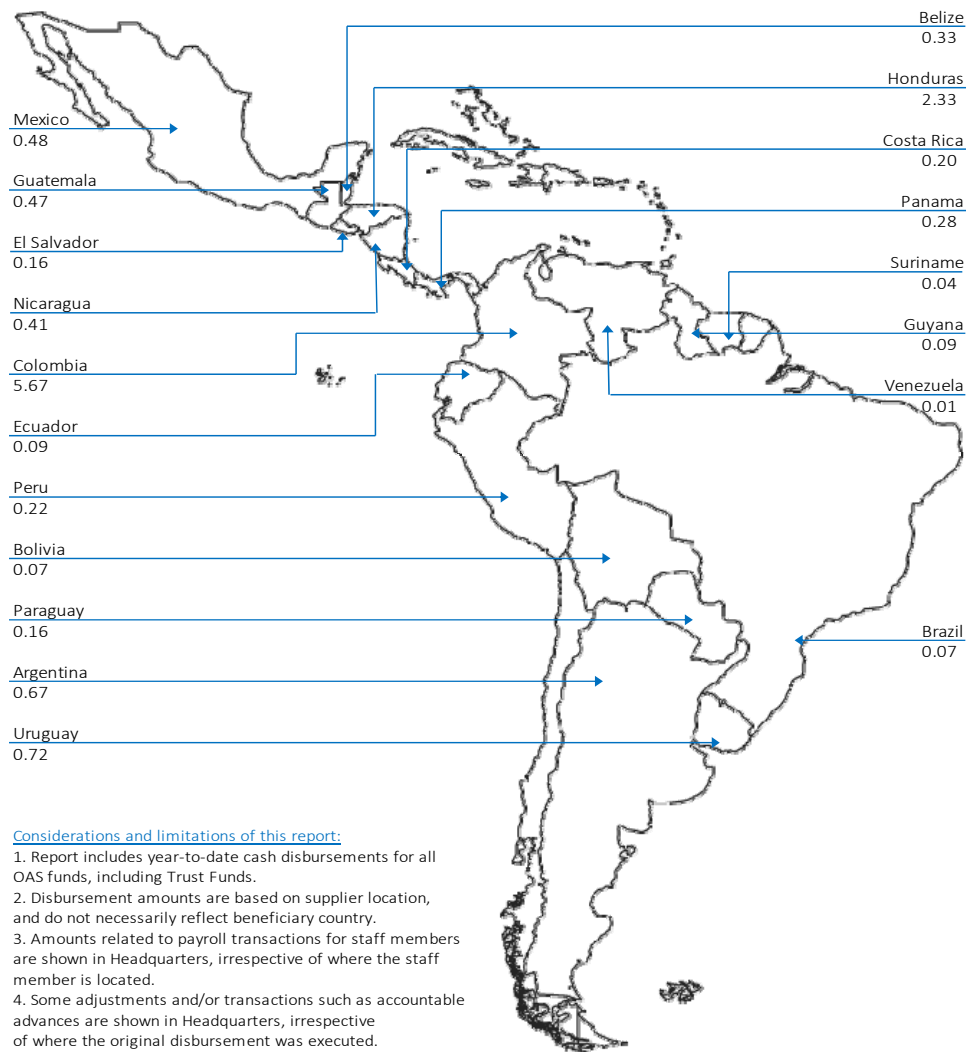
* Include prompt payment credits and/or payments in advance.

Disbursements by location

The OAS executes numerous activities throughout its member states, requiring payment for goods and services in their corresponding local currencies. The majority of disbursements occur in Headquarters, mostly due to payroll expenses and infrastruc-

ture costs. A large portion of disbursements are related to the Mission to Support the Peace Process in Colombia (MAPP) and anti-corruption programs in Honduras. Disbursements in a specific location do not necessarily reflect full project activity since a large portion of project activity is disbursed in Headquarters.

Figure 6: Disbursements by location (in millions of USD)



TOTAL DISBURSEMENTS 167.49

Considerations and limitations of this report:

1. Report includes year-to-date cash disbursements for all OAS funds, including Trust Funds.
2. Disbursement amounts are based on supplier location, and do not necessarily reflect beneficiary country.
3. Amounts related to payroll transactions for staff members are shown in Headquarters, irrespective of where the staff member is located.
4. Some adjustments and/or transactions such as accountable advances are shown in Headquarters, irrespective of where the original disbursement was executed.

Supplementary Appropriation CP/RES. 831

In 2002, the Permanent Council, through CP/RES831 (1342/02), approved the "Use of Excess Resources of the Reserve Sub-fund for Capital Investment and to Meet OAS Mandates." These resources are reported as part of the Specific Funds.

The appropriated excess resources of the Reserve Sub-fund amounted to USD 20,600,000. In addition, pursuant to AG/RES. 1 (XXV-E/98), USD 415,941 of unobligated Regular Fund appropriations were allocated to OAS Scholarships and Training Programs.

Further to the appropriations, there were net additions of USD 5,778,990 from transfers of several sources bringing the appropriation to a total of USD 26,794,931. In addition, the fund has earned interest of USD 2,993,054 through September 30, 2018, which has been distributed to each of its activities, interest for the fourth quarter of 2018 are still pending to be recorded at the time of presentation of this report. Thus, the total funding to date provided to the fund is USD 29,787,985.

Table 10 summarizes the financial activity of this appropriation since inception to date. A more detailed financial statement with notes on net additions (transfers) is published in the [OAS website](#).

Table 10: Summarized financial statement of Supplementary Appropriation CP/RES. 831
From Inception (January 7, 2003) to December 31, 2018

	a	b	c	d	e=a+b+c+d	f	g=e-f
	Original appropriation	Supplementary appropriation	Net additions (transfers) *	Interest income	Total funding	Expenditures and obligations	Fund balance
Main activity / sub-activity							
Simon Bolivar Room Renovation	2,650,000	-	1,217,052	152,182	4,019,234	4,019,234	-
Multi-Purpose Room (Guerrero Room)	750,000	-	(480)	14,577	764,097	764,097	-
Capital Building Fund							
Capital Building Fund	4,200,000	-	(4,489,091)	318,813	29,722	-	29,722
Main and Administrative Building Technology Improvement	-	-	1,700,029	86,042	1,786,071	1,786,071	-
CP/CAAP-3022/09 - Use of Capital Building Fund	-	-	1,208,946	54,610	1,263,556	1,263,556	-
Subtotal	4,200,000	-	(1,580,116)	459,465	3,079,349	3,049,627	29,722
Special Revenue Fund Technical Areas							
UPD Conflict Resolution Initiatives	400,000	-	(13,913)	22,107	408,194	408,194	-
Fund for Peace	1,000,000	-	(527,519)	59,595	532,076	532,076	-
Fund for Peace Sub-fund	-	-	419,858	40,350	460,208	460,208	-
Cuenca Rio Negro Honduras / Nicaragua	-	-	97,140	4,742	101,882	101,882	-
I-A Commission on Human Rights	600,000	-	-	6,260	606,260	606,260	-
Columbus Memorial Library	300,000	-	-	20,010	320,010	320,010	-
Public Information / External Relations to pursue Outreach Activities	65,000	-	(902)	1,344	65,442	65,442	-
Office of External Relations	35,000	-	(14)	603	35,589	35,589	-
Subtotal	2,400,000	-	(25,350)	155,011	2,529,661	2,529,661	-
Management Study	1,000,000	-	(259,542)	20,522	760,980	760,980	-
OAS Fellowships, Scholarships and Training Programs	5,000,000	415,941	6,476,592	1,745,426	13,637,959	9,965,238	3,672,721
Summit of Americas Mandates	4,000,000	-	(49,166)	445,871	4,396,705	4,207,172	189,533
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	5,778,990	2,993,054	29,787,985	25,896,009	3,891,976

* Explained in detail in the financial statement published in the OAS website.

OAS Country Offices

- Expenditures by Country Office
- Statement of Funds Available for OAS Country Offices

Expenditures by Country Office

The majority of expenditures incurred by OAS Country Offices are related to personnel costs to finance, in most cases, the office representative and the assistant of each country office, and in a few instances, a driver/messenger. Non-personnel costs

between offices may differ because of several factors including cost of living and office activity. Table 11 breaks down total expenditures financed with Regular, Specific and Fund for ICR by office and object of expenditure.

Table 11: Year-to-date expenditures by Country Office and object of expenditure (all sources of financing)

OAS Country Office	Personnel		Non-personnel					Non-personnel total	Grand total	% of grand total
	Non-recurring personnel	Travel	Publications and Documents	Equipment, supplies and maintenance	Building and maintenance	Performance contracts	Other			
Antigua and Barbuda	51,804	-	-	2,162	22,586	3,968	7,602	36,319	88,123	1.5%
Argentina	-	-	-	101	-	5,184	7,896	13,180	13,180	0.2%
Bahamas, Commonwealth of	118,109	2,363	30	42,552	1,061	3,635	7,913	57,554	175,663	3.0%
Barbados	257,711	-	290	7,707	47,621	25,918	6,059	87,595	345,306	5.9%
Belize	197,944	-	521	10,749	2,301	1,217	17,507	32,296	230,240	4.0%
Bolivia	170,888	1,456	450	4,817	22,953	4,256	21,307	55,239	226,127	3.9%
Costa Rica	81,239	-	-	6,786	24,529	3,903	2,653	37,871	119,110	2.0%
Dominica, Commonwealth of	42,474	-	-	1,173	19,827	11,744	1,826	34,570	77,044	1.3%
Dominican Republic	167,614	522	1,885	4,099	33,868	388	24,001	64,764	232,378	4.0%
Ecuador	48,870	1,266	703	1,110	18,558	11,700	22,541	55,877	104,747	1.8%
El Salvador	222,508	112	30	4,997	37,393	12,592	3,494	58,618	281,126	4.8%
Grenada	69,208	-	-	2,018	29,832	-	4,103	35,953	105,161	1.8%
Guatemala	208,263	3,886	171	6,760	20,540	14,519	23,180	69,055	277,318	4.8%
Guyana	184,463	50	15	7,585	8,521	5,642	6,101	27,915	212,378	3.6%
Haiti	46,000	2,712	-	9,079	120,376	9,000	78,832	220,000	266,000	4.6%
Honduras	163,016	132	697	8,523	32,992	-	42,065	84,409	247,425	4.2%
Jamaica	212,030	-	-	4,999	12,701	13,595	3,290	34,585	246,615	4.2%
Mexico	262,502	-	87	8,073	599	-	5,719	14,479	276,981	4.8%
Nicaragua	57,174	-	493	5,273	18,049	-	9,233	33,048	90,222	1.5%
Panama	233,066	-	-	2,451	35,361	4,170	14,351	56,333	289,399	5.0%
Paraguay	227,763	-	-	7,552	33,587	5,292	27,221	73,653	301,416	5.2%
Peru	144,014	2,609	46	24,284	31,567	24,005	11,173	93,684	237,698	4.1%
St. Kitts and Nevis	43,299	-	-	1,854	23,781	8,057	7,341	41,033	84,331	1.4%
St. Lucia	37,996	-	-	2,611	27,586	15,358	7,422	52,977	90,973	1.6%
St. Vincent and the Grenadines	43,299	-	-	2,166	1,502	10,319	4,229	18,215	61,514	1.1%
Suriname	97,709	-	125	5,054	573	16,054	3,462	25,268	122,977	2.1%
Trinidad and Tobago	65,588	-	-	227	-	21,810	2,334	24,370	89,959	1.5%
Uruguay	281,228	-	152	7,495	27,770	14,639	4,436	54,492	335,721	5.8%
Venezuela	110,839	22	-	5,351	38,478	51,436	589	95,876	206,715	3.6%
HQ Support to the Offices	209,415	12,896	715	10,993	17,945	111,211	22,914	176,674	386,089	6.6%
	4,056,031	28,026	6,411	208,601	712,458	409,612	400,796	1,765,903	5,821,935	100.0%

Statement of Funds Available for OAS Country Offices

OAS Country Offices are financed by the Regular Fund, the Specific Fund for OAS Country Offices (Fund 118), the Fund for ICR and other relatively small service accounts. Table 12 summarizes funding and uses of funding (decreases) by source of

financing. The resulting funds available reported in this table is the balance at the end of this reporting period. A detailed Statement of Changes in Fund Balance for the Specific Fund 118 by country is published in the [OAS website](#).

Table 12: Year-to-date Statement of Funds Available for OAS Country Offices

	Regular Fund	Specific Funds		Service and Revolving Funds		Total
		Offices in Member States	Fund for Indirect Cost Recovery (ICR)	Other accounts (Fund 620) (3)		
FUNDING						
Budget (1)						
Personnel budget	4,089,356	-	-	-	-	4,089,356
Non-personnel budget	1,213,280	-	56,400	-	-	1,269,680
Total budget (1)	5,302,636	-	56,400	-	-	5,359,036
Contributions and other income:						
Quarter 1	-	123,168	-	23,483	-	146,651
Quarter 2	-	193,119	-	-	-	193,119
Quarter 3	-	82,658	-	21,774	-	104,432
Quarter 4	-	182,557	-	-	-	182,557
Total contributions and other income	-	581,501	-	45,257	-	626,759
a Total funding available	5,302,636	581,501	56,400	45,257	-	5,985,795
DECREASES						
Execution:						
Expenditures:						
Quarter 1	1,354,770	76,696	9,400	2,193	-	1,443,059
Quarter 2	1,257,000	110,105	14,100	3,614	-	1,384,819
Quarter 3	1,251,647	164,487	14,100	18,876	-	1,449,110
Quarter 4	1,384,353	124,580	14,100	21,913	-	1,544,946
Total expenditures	5,247,770	475,869	51,700	46,595	-	5,821,934
Obligations	73,899	244,822	-	2,475	-	321,196
Total execution	5,321,669	720,691	51,700	49,070	-	6,143,130
Other decreases	-	-	-	-	-	-
b Total decreases	5,321,669	720,691	51,700	49,070	-	6,143,130
c=a-b NET INCREASE (DECREASE) DURING PERIOD	(19,033)	(139,189)	4,700	(3,813)	-	(157,335)
d Funds available, beginning of period	31,149	384,987	-	42,404	-	458,540
e=c+d FUNDS AVAILABLE, END OF PERIOD (2)	12,116	245,798	4,700	38,591	-	301,205

(1) Refers to modified budget, which is the original approved program-budget plus any transfers in and out between chapters.

(2) Funds available for the Regular Fund and Fund for ICR differ from Tables 1 and 2 presented in the section of budgetary execution and variances because this table is based on actual expenditures and obligations through the period, and does not include year-end as in Tables 1 and 2.

(3) Includes financial activity from cost-sharing agreements for office space.

Specific Funds

- Key developments
- Signed donor agreements
- Expenditures by donor and pillar
- Statement of Changes in Fund Balance
- External financial audits requested by Specific Fund donors
- Expired and inactive Specific Funds

Key financial developments

Contributions to Specific Funds reached USD 41.4 million, approximately 30% lower than in 2017 (USD 59.3 million) and also 10% lower than in 2016 (USD 45.8 million). While contributions from member states and permanent observers decreased by 46.8% and 22.4% respectively, contributions from other institutions increased 42.9%. In 2018 the United States changed the contribution methodology for two of their main contributions to Specific Funds. Contribution in the amount of USD 4.0 and USD 4.3 million were pledged for Democracy and Human Rights respectively in the form of letters of credit. In the past these contributions were received in cash. If this had been the case for 2018, decrease in contributions by member states would have decreased only by 26%.

Signed donor agreements

A donor agreement is any accord, memorandum of understanding, letter of understanding, exchange of letters, comprehensive cooperation agreement, etc., that the GS/OAS concludes with another party or parties to execute a specific activity or project. Donor agreements for Specific Funds often impose conditions on the use of funds, which may include one or more of the following administrative requirements: specific purpose, allowable timeframe, detailed budgets, eligibility of costs, financial and narrative reporting, interest accreditation, external audit, etc. Some donors impose more requirements than others and, overall, the more requirements the more administrative cost that the GS/OAS incurs in executing donor agreements. For example, to comply with some of the diverse financial reporting requirements such as multi-currency reporting, the GS/OAS prepares manual spreadsheets because of the current limitations in the financial system.

The GS/OAS actively tracks and manages over 500 donor agreements every year in its financial system, each with its own set of administrative requirements. This volume is high considering that the average dollar amount expended is only USD 75 thousand (based on 2017 data). Furthermore, almost 80% of these agreements are below this average. Thus, management believes that an organizational wide effort is necessary to negotiate more framework agreements or “basket funds” with donors in order to reduce administrative costs, whereby one donor agreement finances several large projects or programs. The recommendations issued in the *Strategic Plan for Management Modernization at the OAS* also encourage this effort. The GS/OAS has made progress on this with a few donors such as Canada and Spain, and a few programs such as OAS/MAPP Peace Process in Colombia, but a more systematic effort is required.

Through 2018, 159 new agreements began execution for a total pledged amount of USD 31.8 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

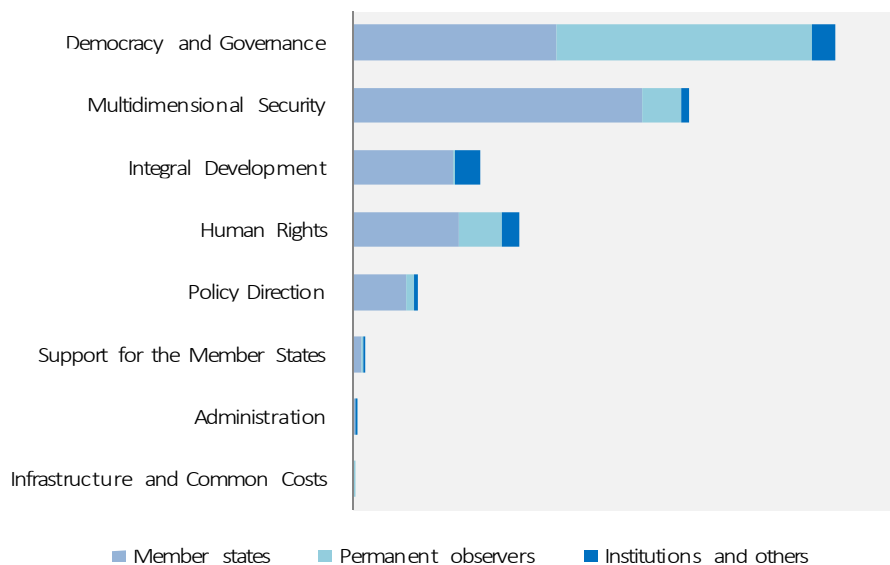
Table 13: New donor agreements starting execution this year

Donor	a Quantity	b Amount in thousands of USD	c=b/a Average amount in thousands of USD	d Range of execution periods
Member states	80	20,566.3	257.1	From 0 to 3 years
Permanent observers	55	9,963.9	181.2	From 0 to 3 years
Institutions and others	24	1,269.0	52.9	From 0 to 3 years
Total	159	31,799.2	200.0	

Expenditures by donor and pillar

Several donors contribute to Specific Funds by way of unprogrammed funds, where contributions are received by the GS/OAS for no specific project activity at first, and are then programmed for use to a specific project often at a later time and sometimes crossing fiscal periods. When these contributions are programmed to specific project activities and these are expensed, any remaining funds at the finalization of those activities return to the original unprogrammed account. In these cases, the net programming (original contribution minus unexpended funds) would be considered as the “contribution” to those activities. For the reasons explained above, looking at contributions alone might not provide a complete picture of where funds are being directed by donors and how funds are being used. Expenditures are a good indicator that help understand how donors and GS/OAS areas are programming Specific Funds over time. Expenditures show how funds are actually being used by specific project activities in the current period, irrespective if the contribution came from unprogrammed funds or if remaining funds were returned to the donor.

Figure 7: Expenditures by donor and pillar (in millions of USD)



During 2018 the GS/OAS incurred a total of USD 54.8 million in Specific Fund expenditures. Almost 64% of that amount was financed with contributions from member states, 29% with contributions from permanent observers and 7% with contributions

from institutions and other donors. Permanent observers tend to finance more activities within the programmatic pillar of democracy and governance while institutions and other donors such as the United Nations tend to finance activities within integral development (Figure 7).

Statement of Changes in Fund Balance

Specific Funds operate differently than the Regular Fund or the Indirect Cost Recovery (ICR) Fund in terms of budgetary execution. Activities that fall under Specific Funds are executed by the GS/OAS in accordance to signed donor agreements, and therefore their budgetary execution is directly linked to donor-imposed restrictions. Several of these agreements are executed crossing fiscal periods so, in terms of presenting financial activity for the current period, a carryforward beginning balance from prior years is presented to show the complete picture (besides contributions) of how current expenditures are being financed. Table 14 summarizes this activity by Chapter. A much more detailed statement at the subprogram, donor and project level is published in the [OAS website](#).

External financial audits requested by Specific Fund donors

With respect to compliance and oversight issues, three financial audits have been coordinated by the GS/OAS during 2018: OAS/MAPP “Basket Fund-2017”, OAS MACCIH “Basket Fund 2017-2018” and Freedom of Expression in the Americas 2015-2017. In addition, the GS/OAS has collaborated with two external audits contracted directly by Canada and Sweden for OAS MACCIH. All these audits reported a satisfactory result. Currently, there are four more already scheduled for 2019. Potentially, up to 11 further audits may be requested by donors during 2019. The results of these audits are expected in 2019. A detailed list of the status of financial audits is published in the [OAS website](#).

Expired and inactive Specific Funds

GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. DFS also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of the end of the 2018 there was approximately USD 1.3 million in expired funds, a detailed list of these funds is published in the [OAS website](#). During 2018, unspent balances from 40 different agreements were returned to the donors totaling USD 0.5 million.

Table 14: Specific Funds—Statement of Changes in Fund Balance (in USD)

Chapter	a Cash balance 01/01/18	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 12/31/18	f Obligations as of 12/31/18	g=e-f Fund balance 12/31/18
Chapter 1 - Office of the Secretary General	(73,462)	100,000	87,000	161,599	(48,061)	6,634	(54,694)
Chapter 2 - Office of the Assistant Secretary General	236,928	635,007	(19,985)	543,409	308,541	253,456	55,086
Chapter 3 - Principal and Specialized Organs	2,714,408	7,054,961	325,538	7,689,210	2,405,696	2,108,138	297,559
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	653,646	333,058	130,373	585,878	531,199	180,993	350,207
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	693,751	218,091	(2,264)	426,095	483,483	32,551	450,932
Chapter 6 - Secretariat for Strengthening Democracy (SSD)	15,501,960	10,968,757	3,007,344	19,933,547	9,544,514	4,077,664	5,466,850
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	19,358,161	2,305,933	(140,720)	5,595,921	15,927,454	1,453,732	14,473,722
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	18,196,397	12,062,097	45,960	15,462,858	14,841,595	3,434,672	11,406,923
Chapter 9 - The Secretariat for Hemispheric Affairs (SHA)	3,394,621	1,100,745	396,920	3,078,268	1,814,017	292,921	1,521,096
Chapter 10 - The Secretariat for Legal Affairs (SLA)	1,814,846	233,697	1,462	1,003,320	1,046,686	334,642	712,044
Chapter 11 - The Secretariat for Administration and Finance (SAF)	7,000	82,759	69	44,655	45,173	11,875	33,298
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	84,743	41,000	(1,143)	36,216	88,384	35,792	52,591
Chapter 13 - Compliance Oversight Management Bodies (COMB)	(1,102)	24,051	-	23,494	(545)	-	(545)
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	221,116	-	-	-	221,116	-	221,116
Interest to be reimbursed to USINL	11,262	-	7,755	-	19,018	-	19,018
Oliver Jackman Fund	157,458	-	1,842	-	159,300	-	159,300
Reconciliation / Write-Off	109,130	-	(29,103)	-	80,027	-	80,027
Resolution CP 831/2002	4,153,647	250,000	37,345	231,175	4,209,817	317,840	3,891,976
Unprogrammed Funds	3,959,577	5,994,577	(4,058,993)	1	5,895,160	-	5,895,160
Specific Funds Interest to ICR	-	-	-	-	-	-	-
Inter-American Emergency Aid Fund (FONDEM)	10,000	-	-	4,599	5,401	-	5,401
Total	71,204,088	41,404,732	(210,600)	54,820,244	57,577,976	12,540,909	45,037,067

* Includes contributions from Member States, Permanent Observers and other donors.

** Other net activity includes: net transfers in/out mainly related to unprogrammed accounts, refunds, and interest income.