

GS/OAS
Quarterly
Financial
Report
(QFR)
Q2 - 2016

TABLE OF CONTENTS

Key financial data	2
Introduction	
• Financial highlights	4
• Budgetary execution and variances by chapter	6
• Combining Statement of Changes in Fund Balances	8
• Information on quotas	10
• Regular Fund liquidity risk assessment	13
• Contributions from member states to OAS funds	14
• Disbursements by location	15
• Supplementary Appropriation CP/RES. 831	16
OAS Country Offices	
• Expenditures by Country Office	17
• Statement of Funds Available	18
Specific Funds	
• Key financial developments	19
• Signed donor agreements	19
• Expenditures by donor and pillar	20
• Statement of Changes in Fund Balance	20
• External financial audits requested by Specific Fund donors	20

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

From January 1, 2016 to June 30, 2016

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 expenditures	43.9%	●
Regular Fund:		
YTD level of expenditures	45.7%	●
% of YTD expenditures related to personnel costs	64.6%	
Fund for ICR:		
YTD level of expenditures	53.3%	●
% of YTD expenditures related to personnel costs	69.9%	
Specific Funds YTD expenditures	USD 24.5 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and Gov.	

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 0 m	
Cash balance at the end of the Second Quarter	USD 4.5 m	●
Projected cash deficits:		
Next month to show a cash deficit in 2016	July	●
Month with possible maximum level of cash deficit in 2016	November	●
Amount of deficit in November 2016	USD 17.1 m	●
Loan balance to Treasury Fund (2014) at the end of this Quarter	USD 0 m	●
Loan balance to Treasury Fund (2015) at the end of this Quarter	USD 11.8 m	●
Loan balance to Treasury Fund (2016) at the end of this Quarter	USD 0 m	●

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	22	●
# of member states not current (without arrears)	7	●
# of member states not current (and with arrears)	5	●
Total balance due at the beginning of the year:		
Due from arrears	USD 19.7 m	
Due from current assessment	USD 82.4 m	
Total balance due at the end of the Second Quarter:		
Due from arrears	USD 15.6 m	●
Due from current assessment	USD 38.6 m	●
Net quota payments received so far this year	USD 47.9 m	●
Projected balance due by year-end 2016 based on payment plans/history	USD 27.7 m	●

Specific Funds

YTD overall contributions received from donors	USD 12.2 m	
YTD contributions - % change over same period last year	-30%	●
YTD contributions - % change over same period last year by donor:		
Member states	3%	●
Permanent observers	-70%	●
Institutions and other donors	-40%	●
YTD ICR collection on Specific Funds - % change over same period last year	15%	●
Amount of new donor agreements starting execution this year	USD 16.5 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	

GS/OAS Quarterly Financial Report (QFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 1 (L-E/15). 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)

Department of Financial and Administrative Management Services

Secretariat for Administration and Finance

1889 F Street, N.W., Washington, D.C. 20006, USA

www.oas.org

Original: English

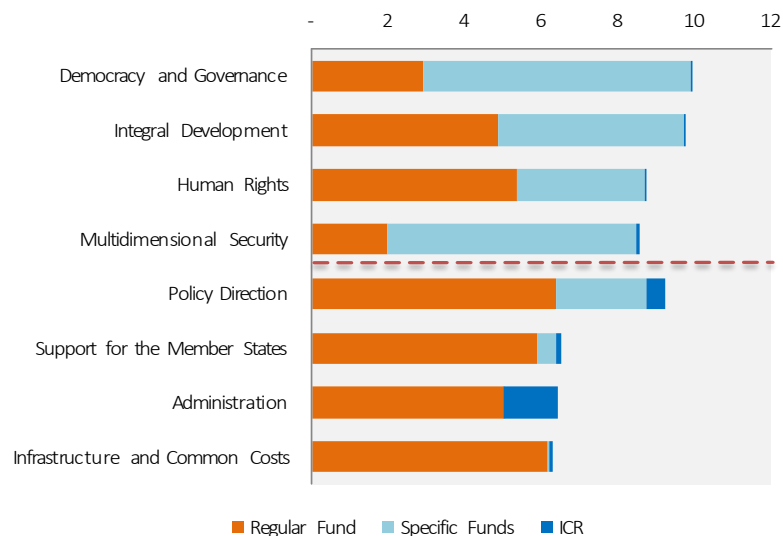
Introduction

- Financial highlights
- Budgetary execution and variances by chapter
- Combining Statement of Changes in Fund Balances
- Information on quotas
- Regular Fund liquidity risk assessment
- Contributions from member states to OAS funds
- Disbursements by location
- Supplementary Appropriation CP/RES. 831

Financial highlights

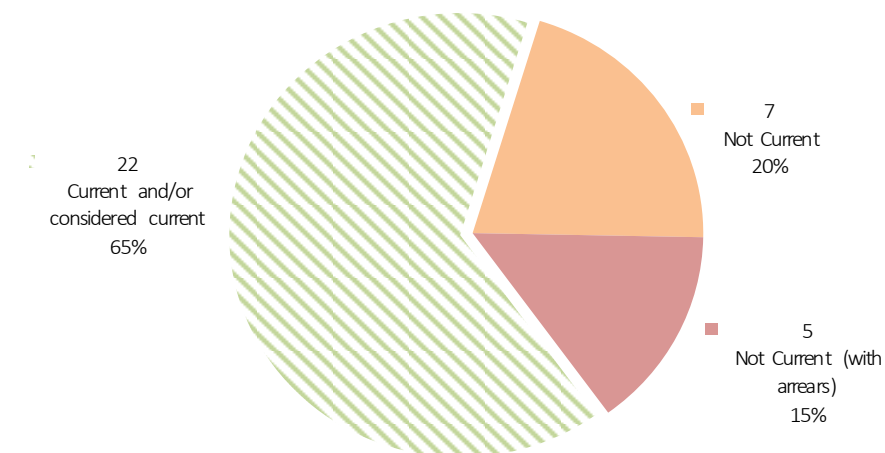
The year-to-date level of expenditures for the combined Regular Fund, Specific Funds and Fund for Indirect Cost Recovery (ICR) reached 43.9% of the USD 148.9 million 2016 Approved Program-Budget (Figure 1). The level of expenditures for the Regular Fund and the ICR reached 45.7% and 53.3% of their approved budgets, respectively. Specific Fund expenditures reached USD 24.5 million, slightly lower when compared to the same period last year (USD 25.7 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, 22 member states are current and/or considered current with their quota assessment and 12 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. Five member states within this group have not paid their quota balance in arrears (amounts owed for 2015 and prior years).

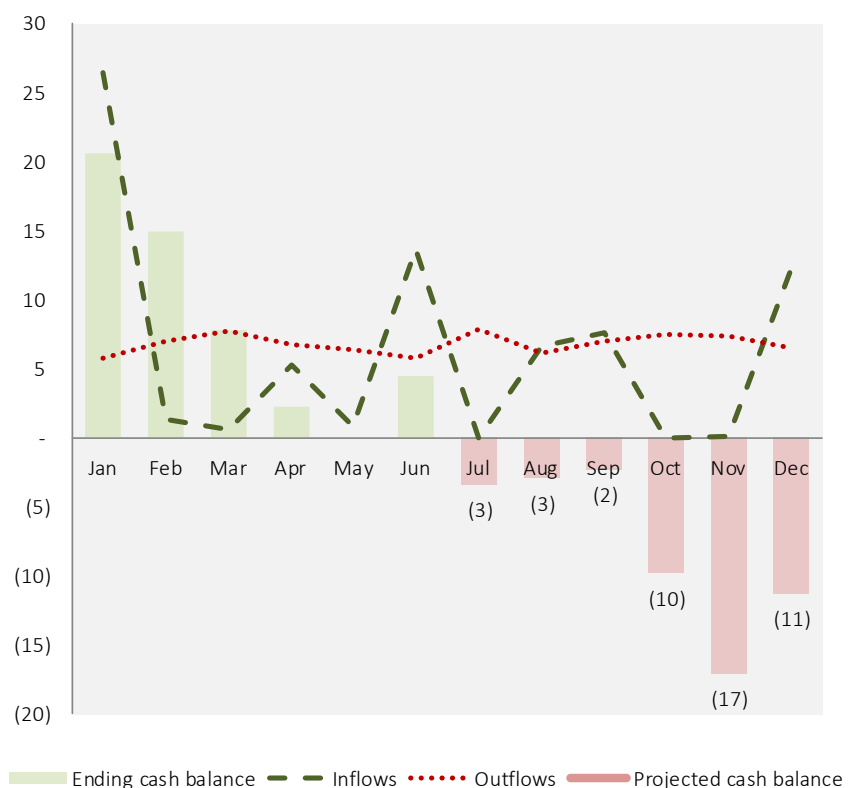
Figure 2: Share of member states' compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating through the year ending in USD 4.5 million by the end of the second quarter (Figure 3). The GS/OAS projects a maximum cash deficit of USD 17.1 million by November considering member states' payment plans and payment history (excludes member states with balances in arrears). Although the approval of the

extension of the temporary loan from the Treasury Fund through CP/RES. 1058 (2055/16) will help to mitigate cash shortages in the short-term, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund. At this time, the General Secretariat cannot project the repayment of the temporary loan, since it has not received indications from those member states in arrears, as to when the due amounts will be paid.

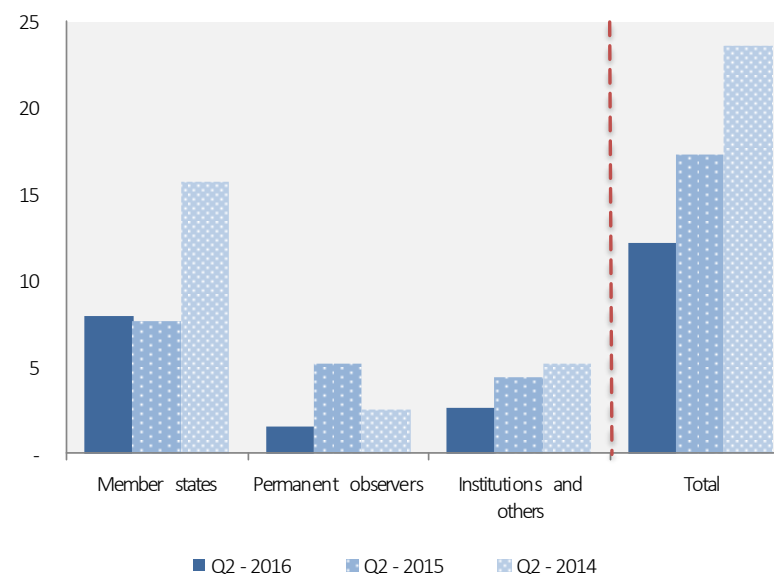
Figure 3: Regular Fund liquidity risk assessment (in millions of USD)



Contributions to Specific Funds reached USD 12.2 million, approximately 30% and 48% lower than the same periods in 2015 (USD 17.3 million) and in 2014 (USD 23.6 million), respectively. The contributions from member states have slightly increased

by 3% compared to the same period last year. However, contributions from permanent observers and other institutions significantly decreased by 70% and 40%, respectively. The increase of contributions from member states has not been enough to offset the overall decrease in contributions to Specific Funds. Although It is a half-way point in time, the overall decrease in contributions may continue through the end of the year. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Figure 4: Quarterly trend of contributions to Specific Funds by donor (in millions of USD)



With respect to compliance and oversight issues, so far this year, three financial audits were performed on OAS/MAPP “Basket Fund”, the SAVIA program and the Judicial Facilitators program, all with satisfactory results. Two additional project audits are programmed to start during the third quarter of this year. And, potentially, up to 25 additional audits may be requested by donors during 2016.

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. These conditions do not apply to the Fund for Indirect Cost Recovery (ICR), thus explanations are supplementary. Table 1 presents budgetary execution for the Regular Fund and corresponding explanations on budget variances at the chapter level. Table 2 presents the Fund for ICR in a similar manner. Detailed execution reports by subprogram for each fund are published in the [OAS website](#).

Regular Fund—explanations for year-end variances (+ or - 5%)

Chapter 1 – Office of the Secretary General –Personnel: In subprogram 14A 4 new positions were added (2 P04, 1 D01 and 1 D02), a D01 is frozen, a P05 was transferred from subprogram 64D, a P02 was transferred to subprogram 24A, and a P04 was transferred to subprogram 44A. Non-personnel: Additional funding has been allocated to subprogram 14A to cover the cost of CPRs.

Chapter 2 -Office of the Assistant Secretary General –Personnel: Due to budgetary constraints the following positions are frozen: one P03 in subprogram 24A, two positions in subprogram 24B (P03s), six positions in subprogram 24C (1 P01, 4 P03 and 1 P04), and in subprogram 24D two P04s, one P02 and one G05 are also frozen. A G06 was transferred to subprogram 44C.

Chapter 3 - Principal and Specialized Organs—Personnel: Due to budgetary constraints seven positions are frozen in subprogram 34B (2 P04, 1 P02, 1 P01, 1 G06 and 2 G05). In subprogram 34E a P02 is frozen, and another P02 is frozen in subprogram 34D.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: A P04 was transferred from subprogram 14A to subprogram 44A. A P03 was transferred from ICR to RF in subprogram 44B and a D01 was also transferred from ICR to RF in subprogram 44E. A P01 was abolished in subprogram 44C and a G06 was transferred from Chapter 2. Non-personnel: Additional funding has been allocated to subprogram 44C and 44F to cover the cost of CPRs.

Chapter 6 - Secretariat for Strengthening Democracy – Personnel: Three positions were transferred out Chapter 6 (1 P04 and 1 P05 to 14A and 1 P03 to 54B). Five positions are frozen in Chapter 6: A G06 in subprogram 64B; 2 P02s and 2P01s in subpro-

Table 1: Regular Fund—budgetary execution and variances (in thousands of USD)

Chapter	a Approved budget	b Transfers	c=a+b Modified budget	d e f=d+e			g % of expenditures of budget *	h Projected Jul-Dec execution	i=f+h Total projected execution	j=i-a k=i/a	
				Year-to-date expenditures						Variances from budget *	
				Personnel	Non personnel	Total				In USD	In %
1 - Office of the Secretary General	2,925.1	149.4	3,074.5	1,312.3	247.6	1,559.9	53.3%	1,533.1	3,093.0	167.9	5.7%
2 - Office of the Assistant Secretary General	14,135.7	(776.9)	13,358.8	5,075.1	1,581.7	6,656.8	47.1%	6,016.2	12,673.0	(1,462.7)	-10.3%
3 - Principal and Specialized Organs	13,405.9	(207.4)	13,198.5	3,140.5	2,825.9	5,966.4	44.5%	5,833.2	11,799.6	(1,606.3)	-12.0%
4 - Strategic Counsel for Organizational Development and Management for Results	2,956.8	308.6	3,265.4	1,211.1	470.6	1,681.7	56.9%	1,584.8	3,266.5	309.7	10.5%
5 - Secretariat for Access to Rights and Equity	1,928.5	(59.4)	1,869.1	702.6	199.8	902.4	46.8%	969.0	1,871.4	(57.1)	-3.0%
6 - Secretariat for Strengthening Democracy	4,184.6	(160.5)	4,024.1	1,825.2	92.1	1,917.3	45.8%	1,661.8	3,579.1	(605.5)	-14.5%
7 - Executive Secretariat for Integral Development	8,626.5	(371.8)	8,254.7	2,747.6	1,778.8	4,526.4	52.5%	3,912.8	8,439.2	(187.3)	-2.2%
8 - Secretariat for Multidimensional Security	4,346.5	(0.0)	4,346.5	1,373.0	217.8	1,590.8	36.6%	2,642.6	4,233.4	(113.1)	-2.6%
9 - Secretariat for Hemispheric Policies	3,392.0	(375.3)	3,016.7	1,212.1	165.7	1,377.8	40.6%	1,040.3	2,418.1	(973.9)	-28.7%
10 - Secretariat for Legal Affairs	3,646.6	(0.0)	3,646.6	1,636.2	84.8	1,721.0	47.2%	1,435.0	3,156.0	(490.6)	-13.5%
11 - Secretariat for Administration and Finance	9,375.2	(145.1)	9,230.1	4,272.8	439.3	4,712.1	50.3%	4,332.4	9,044.5	(330.7)	-3.5%
12 - Basic Infrastructure and Common Costs	13,832.8	1,624.7	15,457.5	2.4	5,410.0	5,412.4	39.1%	10,045.1	15,457.5	1,624.7	11.7%
13 - Compliance Oversight Management Bodies	1,568.1	13.5	1,581.6	385.0	127.1	512.1	32.7%	1,007.3	1,519.4	(48.7)	-3.1%
Total	84,324.1	(0.0)	84,324.1	24,895.9	13,641.2	38,537.1	45.7%	42,013.6	80,550.7	(3,773.6)	-4.5%

* Refers to approved budget. As per OAS General Standards, variances over and under 5% of the Regular Fund approved budget are explained.

gram 64C. A P04 is vacant in subprogram 64D. In subprogram 64E a P04 was abolished and a P03 was created.

Chapter 9 - The Secretariat for Hemispheric Policies (SHP)—Personnel: A P04 in subprogram 94B was transferred to subprogram 64D. Two posts are frozen in subprogram 94D (1 P04 and 1 G07). Non-personnel: Additional funding was allocated to cover CPR services in Subprograms 94B, 94D, 94E and 94F.

Chapter 10 – The Secretariat for Legal Affairs (SLA) – Personnel: A P02 is frozen in subprogram 104C. Actuals costs are lower than the average budgeted cost.

Chapter 12 – Basic Infrastructure and Common Costs (BICC) – Non-personnel: Additional funding was allocated to subprograms 124D and 124H to cover maintenance and liquidation costs respectively.

Fund for ICR—explanations for year-end variances (+ or -5%)

Chapter 2 - Office of the Assistant Secretary General – Actual projection for this chapter is \$153.1 thousand, with a variance of 63.3% primarily due to additional funding allocated to cover the rent of the Office in Haiti.

Chapter 3 - Principal and Specialized Organs—No-personnel: Additional funding was allocated to cover CPR services in Subprograms 34C and 34E.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: A G06 post was frozen in subprogram 44A. A P03 in subprogram 44B was transferred from ICR to RF. A G05 in subprogram 44C was transferred to subprogram 114E. A D01 post in subprogram 44E was transferred from ICR to the RF.

Chapter 6 - Secretariat for Strengthening Democracy —Personnel: Actual costs are lower than budgeted average costs. A P01 position is frozen in subprogram 64B.

Chapter 7 - Executive Secretariat for Integral Development— Actual projection for this chapter is \$115.1 thousand, with a variance of 26.2% due to a higher personnel cost.

Chapter 8 - Secretariat for Multidimensional Security (SMS) —Personnel: A P02 was transferred from subprogram 84B to 74B. Actual costs are lower than budgeted average costs.

Chapter 9 - The Secretariat for Hemispheric Policies (SHP)—Personnel: A budgeted G06 in Subprogram 93B will not be executed.

Chapter 10 – Secretariat for Administration and Finance (SAF) – Personnel: A P01 is frozen in subprogram 114C. Actual costs are lower than budgeted average costs.

End of section

Table 2: Fund for ICR—budgetary execution and variances (in thousands of USD)

Chapter	a Approved budget	b Transfers	c=a+b Modified budget	d			g % of expenditures of budget *	h Projected Jul-Dec execution	i=f+h Total projected execution	h=f-a		i=h/a
				e						Variances from budget *		
				f=d+e						In USD	In %	
Year-to-date expenditures			Personnel	Non personnel	Total							
1 - Office of the Secretary General	-	-	-	-	-	-	**	-	-	-	**	
2 - Office of the Assistant Secretary General	96.3	52.0	148.3	38.2	114.9	153.1	158.9%	237.4	390.5	294.2	305.5%	
3 - Principal and Specialized Organs	35.0	12.8	47.8	-	30.3	30.3	86.4%	17.6	47.8	12.8	36.6%	
4 - Strategic Counsel for Organizational Development and Management for Results	1,295.2	(402.1)	893.1	435.6	91.6	527.3	40.7%	313.9	841.2	(454.0)	-35.1%	
5 - Secretariat for Access to Rights and Equity	-	-	-	-	-	-	**	-	-	-	**	
6 - Secretariat for Strengthening Democracy	609.1	(43.0)	566.1	270.8	65.4	336.2	55.2%	227.5	563.7	(45.4)	-7.5%	
7 - Executive Secretariat for Integral Development	91.2	90.9	182.1	57.1	70.9	128.0	140.3%	320.9	448.9	357.7	392.2%	
8 - Secretariat for Multidimensional Security	892.7	6.3	899.0	309.1	36.0	345.1	38.7%	96.0	441.1	(451.6)	-50.6%	
9 - Secretariat for Hemispheric Policies	-	35.7	35.7	-	10.7	10.7	**	25.0	35.7	35.7	**	
10 - Secretariat for Legal Affairs	-	-	-	-	-	-	**	-	-	-	**	
11 - Secretariat for Administration and Finance	1,335.3	-	1,335.3	567.5	143.1	710.5	53.2%	386.9	1,097.4	(237.9)	-17.8%	
12 - Basic Infrastructure and Common Costs	-	247.5	247.5	-	73.6	73.6	**	173.9	247.5	247.5	**	
13 - Compliance Oversight Management Bodies	145.2	-	145.2	-	82.9	82.9	57.1%	62.3	145.2	-	0.0%	
Total	4,500.0	(0.0)	4,500.0	1,678.1	719.4	2,397.5	53.3%	1,861.5	4,259.0	(241.0)	-5.4%	

* Refers to approved budget. OAS General Standards do not require explanations on ICR variances; however, the GS/OAS provides them as supplementary information.

** A budget was not originally allocated for this Chapter.

Combining Statement of Changes in Fund Balances

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

Other accounts 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 are not part of the approved program-budget and are therefore 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		Total (1)	
				Fund for Indirect Cost Recovery (ICR)	Other accounts		
INFLOWS							
Quota payments, pledges and contributions:							
Quarter 1	27,827	81	5,452	-	-	33,360	
Quarter 2	19,700	2	6,719	-	-	26,421	
Quarter 3	-	-	-	-	-	-	
Quarter 4	-	-	-	-	-	-	
Total quota payments, pledges and contributions	47,527	83	12,171	-	-	59,781	
Interest income (2)	7	4	126	76	1	214	
Rental income	-	-	-	-	1,670	1,670	
Tax reimbursement	-	-	-	-	1,559	1,559	
Transfers, other income and refunds	697	21	199	2,198	2,313	5,428	
a Total inflows	48,231	108	12,496	2,274	5,543	68,652	
OUTFLOWS							
Execution:							
Expenditures:							
Quarter 1	20,818	84	11,029	1,146	1,377	34,454	
Quarter 2	17,719	182	13,509	1,252	4,509	37,171	
Quarter 3	-	-	-	-	-	-	
Quarter 4	-	-	-	-	-	-	
Total expenditures	38,537	266	24,538	2,398	5,886	71,625	
Obligations	32,411	595	11,200	1,606	2,321	48,133	
Prior year obligations (3)	-	-	(11,730)	-	(1,842)	(13,572)	
Total execution (3)	70,948	861	24,008	4,004	6,365	106,186	
New administration's transition	-	-	-	-	-	-	
FONDEM grants	25	-	-	-	-	25	
Return to donors	-	-	956	-	-	956	
Other decreases	-	-	446	-	76	522	
b Total outflows	70,973	861	25,410	4,004	6,441	107,689	
c=a-b	(22,742)	(753)	(12,914)	(1,730)	(898)	(39,037)	
d	Fund balances, beginning of period	(17,978)	6,567	66,645	323	682	56,239
e=c+d	FUND BALANCES, END OF PERIOD	(40,720)	5,814	53,731	(1,407)	(216)	17,202

(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, and thus show in financial statements beginning in the 4th month of the year.

(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 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.

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

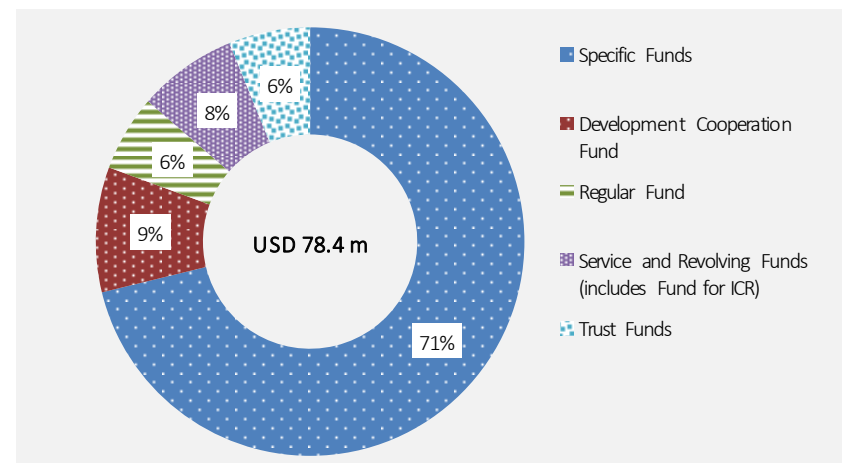
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning cash balance 01/01	1,568	44,072	16,830
Add inflows:			
Contributions and donations	3,012	6,675	-
Investment income *	-	1,467	132
Other Income	44	251	466
Less outflows:			
Expenses	1,585	6,801	255
Other outflows *	8	305	97
Ending cash balance 6/30	3,031	45,359	17,076

* Includes unrealized gains or unrealized losses

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 this period, USD 78.4 million in cash were held in the OAS Treasury Fund shared by the various OAS funds (Figure 5). Resolutions CP/RES. 1034 (1984/14), CP/RES. 1046 (2013/15) and CP/RES. 1059 (2016/16), 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. At the end of this period, the Regular Fund has a total outstanding loan balance against the OAS Treasury Fund of USD 11.8 million related to the 2015 loan. During May 2016 a temporary loan of USD 3.3 million was required. However, as of the end of June the 2014 and 2016 budgetary year loans were fully paid.

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 338.0 thousand was credited in prompt payment discounts as well as USD 47.1 thousand in payments in advance.

At the beginning of the year, the GS/OAS had USD 102.1 million in quota receivable (i.e. balance due), USD 82.4 million from current quota assessment and USD 19.7 million for quotas in arrears—columns (a) and (e) in Table 5, respectively. By the end of this quarter, the GS/OAS had received USD 43.8 million towards the current quota assessment (column b in Table 5) leaving a current period balance of USD 38.6 million. **The amount does not reflect discounts credited for prompt payment.**

At the same time, the GS/OAS had received USD 4.1 million towards the prior year quota balance (column f in Table 5), still leaving a prior year balance of USD 15.6 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, 22 member states are current and/or considered current with their quota assessment and 12 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. Five member states within this group have not paid their quota balance in arrears and the GS/OAS cannot anticipate when payments will be received in 2016 (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
Q2 - 2005	73,727,100	35,134,753	38,592,347	48%	21,226,017	4,923,951	16,302,066	23%	42%
Q2 - 2006	73,727,100	34,763,604	38,963,496	47%	18,675,466	11,767,864	6,907,602	63%	50%
Q2 - 2007	77,277,200	30,495,210	46,781,990	39%	12,547,491	8,453,493	4,093,998	67%	43%
Q2 - 2008	77,447,900	46,712,289	30,735,611	60%	10,926,790	10,547,463	379,327	97%	65%
Q2 - 2009	78,593,000	45,621,339	32,971,661	58%	3,162,698	2,835,011	327,687	90%	59%
Q2 - 2010	78,513,615	53,398,815	25,114,800	68%	918,128	692,677	225,451	75%	68%
Q2 - 2011	80,950,800	48,302,794	32,648,006	60%	1,282,659	183,515	1,099,144	14%	59%
Q2 - 2012	81,105,400	47,000,425	34,104,975	58%	2,908,247	166,320	2,741,927	6%	56%
Q2 - 2013	81,105,400	54,581,823	26,523,577	67%	4,849,615	4,729,436	120,179	98%	69%
Q2 - 2014	81,105,400	43,763,522	37,341,878	54%	1,982,878	234,700	1,748,178	12%	53%
Q2 - 2015	82,440,400	42,399,048	40,041,352	51%	11,700,047	71,152	11,628,895	1%	45%
Q2 - 2016	82,440,400	43,805,703	38,634,697	53%	19,660,941	4,059,562	15,601,379	21%	47%

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 2016 (by quarter)				2016 net payments	Year-end balance due	2017 proj. advance payments
						Q1	Q2	Q3	Q4			
1. Current and/or considered current												
1.a. Paid in full												
Bahamas, Commonwealth of	40.6	-	40.6	0.8	39.8	39.8	-	-	-	39.8	-	-
Barbados	28.2	-	28.2	-	28.2	-	28.2	-	-	28.2	-	-
Bolivia	46.4	-	46.4	0.5	45.9	45.9	-	-	-	45.9	-	-
Canada	8,762.5	-	8,762.5	262.9	8,499.6	8,499.6	-	-	-	8,499.6	-	-
Chile	1,115.3	-	1,115.3	11.2	1,104.1	-	1,104.1	-	-	1,104.1	-	-
Colombia	1,085.5	-	1,085.5	-	1,085.5	-	1,085.5	-	-	1,085.5	-	-
Costa Rica	190.4	-	190.4	1.9	188.5	197.2	-	-	-	197.2	-	8.7
Dominica, Commonwealth of	18.2	-	18.2	18.2	-	-	-	-	-	-	-	-
Dominican Republic	262.5	-	262.5	-	262.5	262.5	-	-	-	262.5	-	-
El Salvador	71.2	-	71.2	-	71.2	-	71.2	-	-	71.2	-	-
Guatemala	120.1	-	120.1	3.7	116.4	-	118.2	-	-	118.2	-	1.8
Guyana	18.2	-	18.2	0.2	18.0	18.0	-	-	-	18.0	-	-
Mexico	5,620.3	-	5,620.3	56.2	5,564.1	5,564.1	-	-	-	5,564.1	-	-
Nicaragua	21.5	-	21.5	-	21.5	21.5	-	-	-	21.5	-	-
Paraguay	62.1	-	62.1	1.9	60.2	60.2	-	-	-	60.2	-	-
St. Kitts and Nevis	18.2	-	18.2	-	18.2	-	18.2	-	-	18.2	-	-
St. Lucia	18.2	-	18.2	-	18.2	-	18.2	-	-	18.2	-	-
Suriname	21.5	-	21.5	-	21.5	-	21.5	-	-	21.5	-	-
Trinidad and Tobago	111.8	-	111.8	-	111.8	-	111.8	-	-	111.8	-	-
1.b. Not paid in full, with payment plan												
Antigua and Barbuda	18.2	-	18.2	-	18.2	9.1	4.6	-	4.6	18.2	-	-
Jamaica	58.0	14.5	72.5	-	72.5	14.5	14.5	14.5	14.5	58.0	14.5	-
United States	49,240.0	-	49,240.0	-	49,240.0	12,310.0	12,310.0	12,310.0	12,310.0	49,240.0	-	-
2. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Argentina	1,987.2	-	1,987.2	25.8	1,961.4	-	662.4	1,299.0	-	1,961.4	-	-
Belize	18.2	-	18.2	-	18.2	-	-	18.2	-	18.2	-	-
Ecuador	266.6	-	266.6	-	266.6	-	-	266.6	-	266.6	-	-
Honduras	34.8	-	34.8	0.7	34.1	-	-	34.1	-	34.1	-	-
Panama	145.7	-	145.7	-	145.7	-	128.9	16.8	-	145.7	-	-
Peru	712.1	-	712.1	0.6	711.5	706.4	-	5.1	-	711.5	-	-
Uruguay	204.5	-	204.5	-	204.5	-	-	204.5	-	204.5	-	-
2.b. With arrears												
Brazil	10,289.3	14,293.8	24,583.1	-	24,583.1	-	4,004.4	-	-	4,004.4	20,578.7	-
Grenada	18.2	129.6	147.8	-	147.8	-	-	-	-	-	147.8	-
Haiti	21.5	21.5	43.0	-	43.0	-	-	-	-	-	43.0	-
St. Vincent and the Grenadines	18.2	42.0	60.2	-	60.2	40.7	-	-	-	40.7	19.5	-
Venezuela	1,775.2	5,159.5	6,934.7	-	6,934.7	-	-	-	-	-	6,934.7	-
TOTAL	82,440.4	19,660.9	102,101.3	384.5	101,716.9	27,789.6	19,701.8	14,168.7	12,329.1	73,989.1	27,738.3	10.5

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

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

	Net payments received in 2016 based on payment plans and/or history												2016 net payments	Net payments in %
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
							Projected based on plan or history							
1. Current and/or considered current														
1.a. Paid in full														
Bahamas, Commonwealth of	-	39.8	-	-	-	-	-	-	-	-	-	-	39.8	0.1%
Barbados	-	-	-	-	28.2	-	-	-	-	-	-	-	28.2	0.0%
Bolivia	-	45.9	-	-	-	-	-	-	-	-	-	-	45.9	0.1%
Canada	8,499.6	-	-	-	-	-	-	-	-	-	-	-	8,499.6	11.5%
Chile	-	-	-	1,104.1	-	-	-	-	-	-	-	-	1,104.1	1.5%
Colombia	-	-	-	-	-	1,085.5	-	-	-	-	-	-	1,085.5	1.5%
Costa Rica	-	197.2	-	-	-	-	-	-	-	-	-	-	197.2	0.3%
Dominica, Commonwealth of	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dominican Republic	-	262.5	-	-	-	-	-	-	-	-	-	-	262.5	0.4%
El Salvador	-	-	-	-	-	71.2	-	-	-	-	-	-	71.2	0.1%
Guatemala	-	-	-	-	-	118.2	-	-	-	-	-	-	118.2	0.2%
Guyana	-	18.0	-	-	-	-	-	-	-	-	-	-	18.0	0.0%
Mexico	5,564.1	-	-	-	-	-	-	-	-	-	-	-	5,564.1	7.5%
Nicaragua	21.5	-	-	-	-	-	-	-	-	-	-	-	21.5	0.0%
Paraguay	-	-	60.2	-	-	-	-	-	-	-	-	-	60.2	0.1%
St. Kitts and Nevis	-	-	-	18.2	-	-	-	-	-	-	-	-	18.2	0.0%
St. Lucia	-	-	-	-	18.2	-	-	-	-	-	-	-	18.2	0.0%
Suriname	-	-	-	-	21.5	-	-	-	-	-	-	-	21.5	0.0%
Trinidad and Tobago	-	-	-	111.8	-	-	-	-	-	-	-	-	111.8	0.2%
1.b. Not paid in full, with payment plan														
Antigua and Barbuda	4.6	-	4.6	-	-	4.6	-	-	-	-	-	4.6	18.2	0.0%
Jamaica	-	14.5	-	-	14.5	-	14.5	-	-	14.5	-	-	58.0	0.1%
United States	12,310.0	-	-	-	-	12,310.0	-	4,924.0	7,386.0	-	-	12,310.0	49,240.0	66.6%
2. Not current (not paid in full and no payment plan)														
2.a. Without arrears														
Argentina	-	-	-	-	662.4	-	-	1,299.0	-	-	-	-	1,961.4	2.7%
Belize	-	-	-	-	-	-	-	18.2	-	-	-	-	18.2	0.0%
Ecuador	-	-	-	-	-	-	-	266.6	-	-	-	-	266.6	0.4%
Honduras	-	-	-	-	-	-	-	34.1	-	-	-	-	34.1	0.0%
Panama	-	-	-	-	128.9	-	16.8	-	-	-	-	-	145.7	0.2%
Peru	-	706.4	-	-	-	-	-	5.1	-	-	-	-	711.5	1.0%
Uruguay	-	-	-	-	-	-	-	-	204.5	-	-	-	204.5	0.3%
2.b. With arrears														
Brazil	-	-	-	4,004.4	-	-	-	-	-	-	-	-	4,004.4	5.4%
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Haiti	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
St. Vincent and the Grenadines	-	-	40.7	-	-	-	-	-	-	-	-	-	40.7	0.1%
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TOTAL	26,399.8	1,284.4	105.4	5,238.6	873.7	13,589.4	16.8	6,561.5	7,590.5	-	14.5	12,314.6	73,989.1	100.00%
in %	35.7%	1.7%	0.1%	7.1%	1.2%	18.4%	0.0%	8.9%	10.3%	0.0%	0.0%	16.6%	100.0%	

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

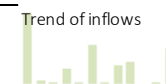
Regular Fund liquidity risk assessment

The Regular Fund began the year with a cash balance of USD 0, fluctuating through the first semester ending in USD 4.5 million (Table 8). Although the approval of the extension of the temporary loan from the Treasury Fund through CP/RES. 1058 (2055/16) will help to mitigate cash shortages through the end of the year, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund and therefore GS/OAS operations. At this

time, the General Secretariat cannot project the repayment of the temporary loans, since it has not received indications from the member states in arrears, as to when the due amounts will be paid. Table 8 shows monthly cash flows and member states' net monthly payments received this year.

Table 8: Regular Fund monthly cash flow (in millions of USD) 2015

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	0.00	20.60	14.92	7.80	2.25	0.00	4.46	0.00	0.00	0.00	0.00	0.00	0.00
Inflows													
Net quota payments	26.40	1.28	0.11	5.24	0.87	13.59	0.02	6.56	7.59	0.00	0.01	12.31	73.98
Administrative support	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Replenishment of the Reserve	0.00	0.00	0.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48
Other income	0.02	0.00	0.04	0.01	0.00	0.00	0.01	0.00	0.00	0.00	0.05	0.00	0.13
b Total inflows	26.42	1.30	0.63	5.25	0.87	13.59	0.02	6.56	7.59	0.00	0.06	12.31	74.62
Outflows													
2016 expenses	5.54	6.62	7.65	6.78	6.39	5.79	7.87	6.11	7.19	7.47	7.19	6.37	80.96
2015 expenses	0.28	0.35	0.06	0.02	0.04	0.03	0.04	0.04	0.02	0.02	0.02	0.02	0.94
c Total outflows	5.82	6.97	7.70	6.80	6.43	5.82	7.91	6.15	7.21	7.49	7.21	6.39	81.90
d=b-c Net cash flow	20.60	(5.67)	(7.08)	(1.55)	(5.56)	7.77	(7.89)	0.41	0.38	(7.49)	(7.14)	5.93	(7.28)
e From/to Treasury Fund	0.00	(0.01)	(0.04)	(4.00)	3.31	(3.31)	3.43	(0.41)	(0.38)	7.49	7.14	(5.93)	7.29
f=a+d+e Ending cash balance	20.60	14.92	7.80	2.25	0.00	4.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Contributions from member states to OAS funds

Table 9 summarizes contributions from member states to OAS funds. In addition, 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 so far by each member state as of this period. Amounts in this column include discounts for prompt payment and payments in advance so they might differ slightly with 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

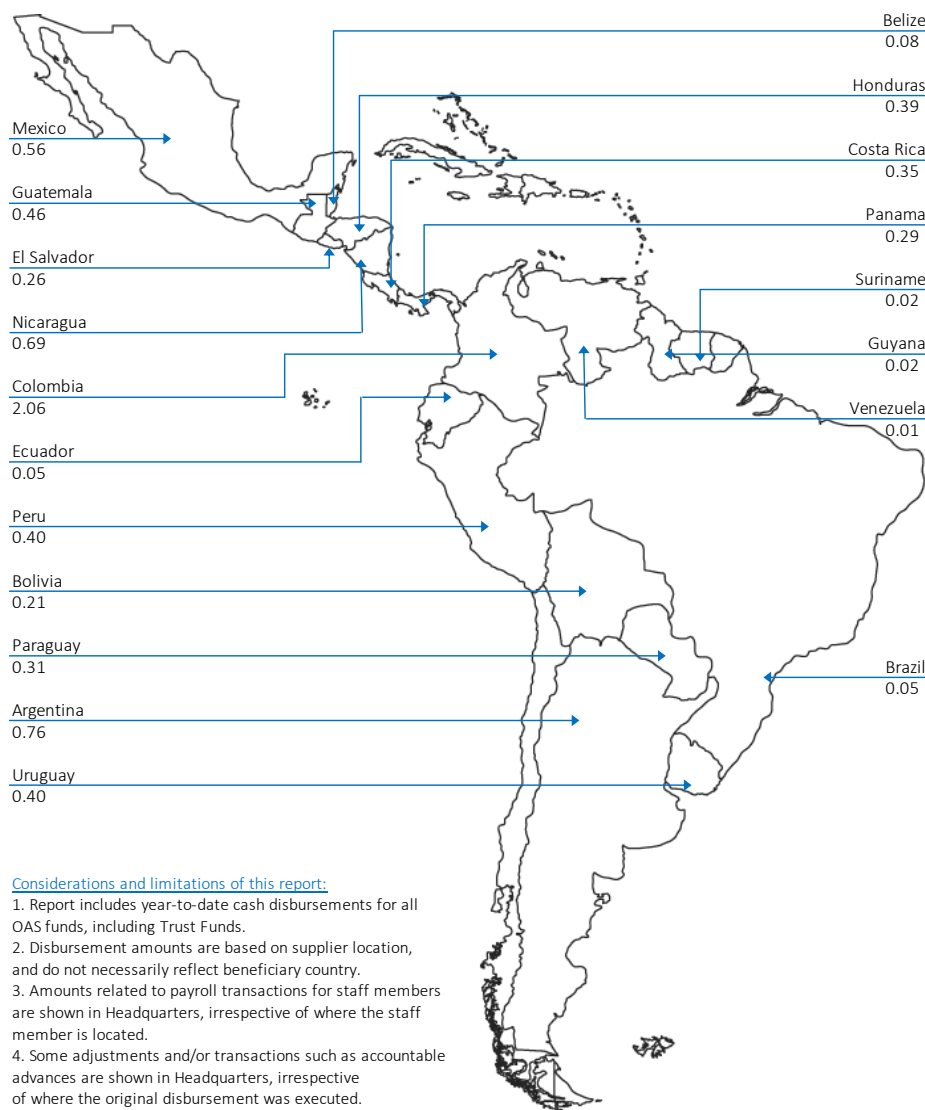
Member state	Regular Fund		Development Cooperation Fund	Specific Funds	Trust for the Americas	Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection					
Antigua and Barbuda	13,650	-	2,000	1,800	-	17,450	1,800
Argentina	688,248	-	-	96,000	-	784,248	465,033
Bahamas, Commonwealth of	40,600	-	20,000	15,000	-	75,600	17,904
Barbados	28,200	-	-	118,902	-	147,102	26,659
Belize	-	-	8,000	3,267	-	11,267	7,743
Bolivia	46,400	-	-	-	-	46,400	75,829
Brazil	-	4,004,411	-	211,906	-	4,216,318	727,875
Canada	8,762,500	-	-	2,938,573	-	11,701,073	2,349,136
Chile	1,115,300	-	-	130,000	-	1,245,300	258,926
Colombia	1,085,500	-	-	139,263	492,891	1,717,654	374,793
Costa Rica	190,400	-	-	14,402	-	204,802	37,648
Dominica, Commonwealth of	18,200	-	-	-	-	18,200	10,645
Dominican Republic	262,500	-	-	666,669	-	929,169	381,377
Ecuador	-	-	-	9,340	-	9,340	48,167
El Salvador	71,200	-	-	28,800	-	100,000	34,552
Grenada	-	-	-	-	-	-	-
Guatemala	120,100	-	-	-	-	120,100	168,162
Guyana	18,200	-	-	-	-	18,200	6,319
Haiti	-	-	-	100	-	100	143
Honduras	696	-	-	112,210	-	112,906	166,719
Jamaica	14,500	14,500	-	-	-	29,000	6,845
Mexico	5,620,300	-	-	901,750	-	6,522,050	7,584,032
Nicaragua	21,500	-	6,000	17,000	-	44,500	4,635
Panama	128,900	-	39,600	55,000	-	223,500	180,488
Paraguay	62,100	-	-	135,066	-	197,166	222,573
Peru	707,009	-	-	62,238	-	769,246	95,227
St. Kitts and Nevis	18,200	-	-	-	-	18,200	-
St. Lucia	18,200	-	7,570	15,757	-	41,527	28,585
St. Vincent and the Grenadines	-	40,651	-	-	-	40,651	30
Suriname	21,500	-	-	-	-	21,500	5,178
Trinidad and Tobago	111,800	-	-	-	-	111,800	95,001
United States	24,620,000	-	-	2,273,394	184,862	27,078,256	25,974,894
Uruguay	-	-	-	24,460	-	24,460	156,345
Venezuela	-	-	-	-	-	-	1,526
Total	43,805,703	4,059,562	83,170	7,970,896	677,753	56,597,084	

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

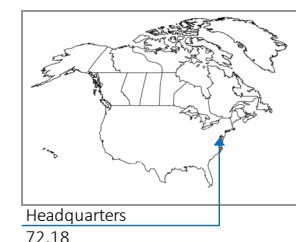
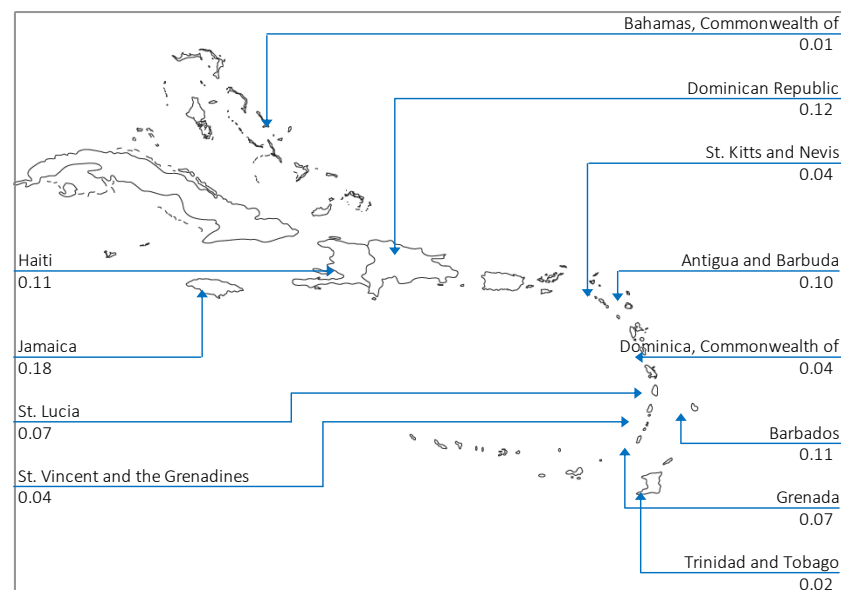
Disbursements by location

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-

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



ture costs. In Latin America, a large portion of disbursements are related to the Mission to Support the Peace Process in Colombia (MAPP), ammunition control in Nicaragua and drug prevention in Mexico. Disbursements in a specific location do not necessarily reflect full project activity since a large portion of project activity is disbursed in Headquarters.



TOTAL DISBURSEMENTS 80.43

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 3,325,220 from transfers of several sources bringing the appropriation to a total of USD 24,341,161. In addition, the fund has earned interest of USD 2,909,318 through March 31, 2016, which has been distributed to each of its activities, interest for the second quarter of 2016 will be recorded during the third quarter of 2016. Thus, the total funding to date provided to the fund is USD 27,250,479.

Table 10 summarizes the financial activity of this appropriation since its 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

	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	-	(4,497,114)	318,373	21,259	-	21,259
Main and Administrative Building Technology Improvement	-	-	1,708,000	86,042	1,794,042	1,786,071	7,971
CP/CAAP-3022/09 - Use of Capital Building Fund	-	-	1,209,000	54,610	1,263,610	1,263,556	54
Subtotal	4,200,000	-	(1,580,114)	459,025	3,078,911	3,049,627	29,284
Special Revenue Fund Technical Areas							
UPD Conflict Resolution Initiatives	400,000	-	-	22,107	422,107	408,194	13,913
Fund for Peace	1,000,000	-	(527,519)	59,595	532,076	532,076	-
Fund for Peace Sub-fund	-	-	419,313	40,350	459,663	460,208	(545)
Cuenca Rio Negro Honduras / Nicaragua	-	-	100,000	4,742	104,742	101,882	2,860
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	-	(9,122)	155,011	2,545,889	2,529,661	16,228
Management Study	1,000,000	-	(259,542)	20,522	760,980	760,980	-
OAS Fellowships, Scholarships and Training Programs	5,000,000	415,941	4,006,592	1,665,987	11,088,520	7,246,672	3,841,848
Summit of Americas Mandates	4,000,000	-	(49,166)	442,014	4,392,848	4,206,784	186,064
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	3,325,220	2,909,318	27,250,479	23,177,055	4,073,424

* 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 secretary 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	25,902	-	-	-	372	21,292	5,154	1,279	28,097	53,999	1.7%
Bahamas, Commonwealth of	49,931	-	-	-	1,718	223	1,510	2,591	6,042	55,973	1.8%
Barbados	137,380	-	-	-	3,147	23,180	12,965	2,399	41,690	179,069	5.7%
Belize	98,791	-	-	-	1,959	1,140	603	6,566	10,268	109,059	3.5%
Bolivia	80,859	-	-	-	1,371	6,467	1,536	11,831	21,206	102,064	3.2%
Costa Rica	41,037	-	-	331	1,863	16,046	2,601	823	21,663	62,701	2.0%
Dominica, Commonwealth of	21,237	-	-	-	601	9,596	9,052	1,032	20,281	41,518	1.3%
Dominican Republic	83,581	-	-	-	3,913	24,329	-	11,784	40,026	123,607	3.9%
Ecuador	97,318	-	-	-	215	6,070	-	9,366	15,651	112,969	3.6%
El Salvador	108,651	-	-	-	4,640	16,968	5,460	1,330	28,398	137,049	4.3%
Grenada	33,988	-	-	-	354	17,082	-	2,536	19,971	53,959	1.7%
Guatemala	110,472	-	50	-	2,468	7,997	2,312	16,118	28,944	139,416	4.4%
Guyana	98,510	-	-	-	1,307	4,562	2,649	2,751	11,270	109,780	3.5%
Haiti	16,187	-	-	97	5,693	120,583	290	43,195	169,857	186,044	5.9%
Honduras	75,027	-	-	-	2,621	13,897	-	18,491	35,008	110,035	3.5%
Jamaica	97,886	-	-	-	1,009	11,657	6,606	210	19,482	117,368	3.7%
Mexico	129,532	-	-	-	2,490	140	-	1,341	3,971	133,503	4.2%
Nicaragua	26,748	-	-	-	1,079	8,542	-	4,054	13,675	40,422	1.3%
Panama	105,358	-	-	-	1,290	14,176	1,788	5,818	23,072	128,430	4.1%
Paraguay	102,207	-	-	305	3,559	13,261	2,373	11,026	30,524	132,731	4.2%
Peru	35,947	-	-	-	2,001	15,967	9,419	4,934	32,321	68,269	2.2%
St. Kitts and Nevis	21,649	-	-	-	383	11,520	7,622	3,850	23,374	45,024	1.4%
St. Lucia	17,441	-	-	-	159	15,049	7,664	3,122	25,994	43,435	1.4%
St. Vincent and the Grenadines	94,795	-	-	-	1,404	806	5,453	2,494	10,157	104,952	3.3%
Suriname	65,145	2,781	-	-	4,686	229	5,988	1,401	15,086	80,231	2.5%
Trinidad and Tobago	126,355	-	-	-	-	465	11,105	1,667	13,237	139,592	4.4%
Uruguay	118,253	-	-	129	3,223	20,569	9,334	2,103	35,357	153,611	4.9%
Venezuela	168,055	-	-	-	352	21,649	6,376	169	28,547	196,602	6.2%
HQ Support to the Offices	151,712	-	-	45	3,540	-	12,500	23,269	39,353	191,065	6.1%
Grand total	2,339,956	2,781	50	908	57,415	423,461	130,359	197,547	812,521	3,152,476	100.0%
% of grand total	74.2%	0.09%	0.00%	0.0%	1.8%	13.4%	4.1%	6.3%	25.8%	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. This balance does not include year-end and therefore differs from the balance presented in Tables 1 and 2 for the Regular Fund and the Fund for ICR for Chapter 13. 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 118)	Fund for Indirect Cost Recovery (ICR)	Other accounts (3)	
FUNDING					
Budget (1)					
Personnel budget	4,786,684	-	275,573	-	5,062,257
Non-personnel budget	1,105,441	-	114,895	-	1,220,336
Total budget (1)	5,892,125	-	390,468	-	6,282,593
Contributions and other income:					
Quarter 1	-	70,045	-	684	70,729
Quarter 2	-	115,303	-	1,368	116,671
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total contributions and other income	-	185,348	-	2,052	187,400
a Total funding available	5,892,125	185,348	390,468	2,052	6,469,993
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,448,289	75,874	124,023	265	1,648,451
Quarter 2	1,391,846	81,944	29,045	792	1,503,626
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total expenditures	2,840,134	157,818	153,068	1,057	3,152,077
Obligations	2,641,873	111,247	237,400	679	2,991,199
Total execution	5,482,007	269,065	390,468	1,736	6,143,276
Other decreases	-	10	-	-	10
b Total decreases	5,482,007	269,075	390,468	1,736	6,143,286
c=a-b NET INCREASE (DECREASE) DURING PERIOD	410,118	(83,728)	-	316	326,707
d Funds available, beginning of period	-	346,663	-	10,269	356,932
e=c+d FUNDS AVAILABLE, END OF PERIOD (2)	410,118	262,935	-	10,585	683,639

(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

Key financial developments

Contributions to Specific Funds reached USD 12.2 million, approximately 30% and 48% lower than the same periods in 2015 (USD 17.3 million) and in 2014 (USD 23.6 million), respectively. The contributions from member states have slightly increased by 3% compared to the same period last year. However, contributions from permanent observers and other institutions significantly decreased by 70% and 40%, respectively. The increase of contributions from member states has not been enough to offset the overall decrease in contributions to Specific Funds. Although it is too early to tell at this point in time, the overall decrease in contributions may only reflect a timing issue in donor programming. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Signed donor agreements

A donor agreement is any pact, 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 spreadsheets manually because of the current limitations of its 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 expensed is only USD 105 thousand per signed donor agreement (based on 2015 data). Furthermore, over 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 found 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 the first semester of 2016, 59 new agreements started execution for a total pledged amount of USD 16.5 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

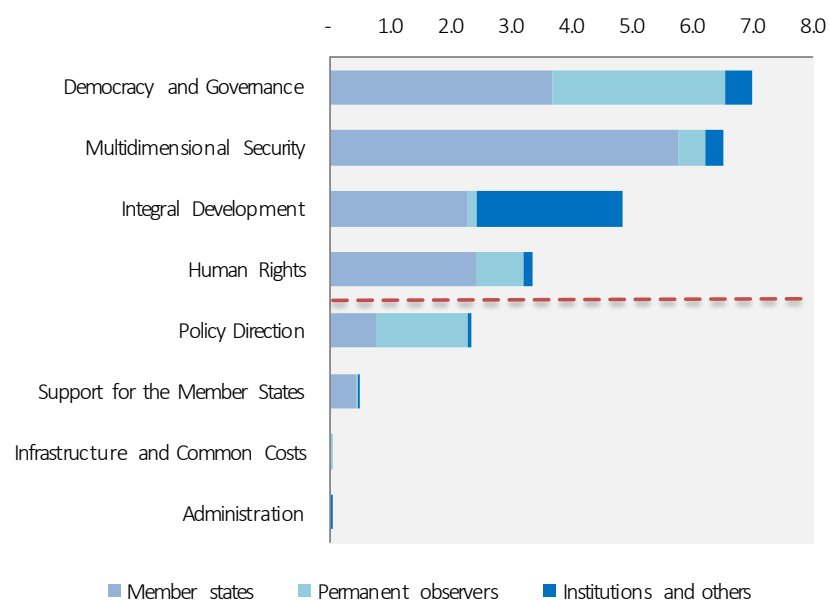
Table 13: New donor agreements starting execution this year

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	42	15,594.3	371.3	From 0 to 6 years
Permanent observers	10	705.6	70.6	From 0 to 6 years
Institutions and others	7	175.0	25.0	From 0 to 6 years
Total	59	16,474.9	279.2	

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)



Through the first semester, the GS/OAS incurred a total of USD 24.5 million in Specific Fund expenditures. Almost 62% of that amount was financed with contributions from member states, 24% with contributions from permanent observers and 14% 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 Fund for Indirect Cost Recovery (ICR) 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

As part of donor-imposed conditions, the GS/OAS coordinates external financial audits for some of its projects and activities. The coordination of these audits typically lasts four months from beginning to end, and include activities such as the preparation of audit terms of reference, the bidding of external auditing firms, comprehensive financial data collection and review, management and legal letters, and the final audit report. So far this year, three financial audits were performed on OAS/MAPP “Basket Fund”, the SAVIA program and the Judicial Facilitators program. Two additional project audits are programmed to start during the third quarter of this year. And, potentially, up to 25 additional audits may be requested by donors during 2016. A detailed list of the status of financial audits is published in the [OAS website](#).

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

Chapter	a Cash balance 01/01/16	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 06/30/16	f Obligations as of 06/30/16	g=e-f Fund balance 06/30/16
Chapter 1 - Office of the Secretary General	(106,345)	-	-	-	(106,345)	-	(106,345)
Chapter 2 - Office of the Assistant Secretary General	324,895	680,839	(85,640)	433,713	486,381	184,159	302,222
Chapter 3 - Principal and Specialized Organs	1,900,538	1,634,751	3,040,784	3,292,571	3,283,502	961,138	2,322,364
Chapter 4 - Strategic Counsel for Organizational Development a	476,157	61,393	25,522	372,011	191,061	47,492	143,569
Chapter 5 - The Secretariat for Access to Rights and Equity (SAF)	299,800	252,913	134,267	199,073	487,906	77,161	410,746
Chapter 6 - Secretariat for Strengthening Democracy	6,424,048	790,328	1,703,050	6,090,438	2,826,988	1,617,308	1,209,680
Chapter 7 - The Executive Secretariat for Integral Development	26,445,676	2,782,651	(427,205)	4,296,515	24,504,607	2,066,304	22,438,304
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	15,783,686	5,215,932	(133,639)	6,527,619	14,338,360	2,921,143	11,417,217
Chapter 9 - The Secretariat for Hemispheric Policies (SHP)	547,728	519,640	238,853	953,396	352,825	269,853	82,972
Chapter 10 - The Secretariat for Legal Affairs (SLA)	6,184,485	30,622	279,248	1,794,561	4,699,793	1,943,947	2,755,846
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	1,143	95,000	-	11,400	84,743	-	84,743
Chapter 13 - Compliance Oversight Management Bodies (COM)	9,525	12,025	(12,025)	4,494	5,031	7,000	(1,969)
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	1,594,007	-	797	-	1,594,804	-	1,594,804
Interest to be reimbursed to USINL	98,841	-	(95,484)	-	3,357	-	3,357
Oliver Jackman Fund	155,741	-	-	-	155,741	-	155,741
Reconciliation / Write-Off	(146,672)	-	(1,785)	-	(148,457)	198	(148,654)
Resolution CP 831/2002	5,719,156	-	27,052	562,127	5,184,081	1,104,657	4,079,424
Unprogrammed Funds	12,662,284	95,000	(5,771,573)	-	6,985,711	-	6,985,711
Total	78,374,693	12,171,095	(1,077,778)	24,537,919	64,930,091	11,200,359	53,729,732