

GS/OAS
Semiannual
Financial
Report
(SFR)

S2 - 2017

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

From January 1, 2017 to December 31, 2017
(Preliminary and unaudited)

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	99.5%	●
Regular Fund:		
YTD level of Execution	99.9%	●
% of YTD Execution related to personnel costs	64.0%	
Fund for ICR:		
YTD level of Execution	94.0%	●
% of YTD Execution related to personnel costs	62.4%	
Specific Funds YTD Expenditures	USD 56.6 m	

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	28	●
# of member states not current (without arrears)	4	●
# of member states not current (and with arrears)	2	●
Total balance due at the beginning of the year:		
Due from arrears	USD 14.9 m	
Due from current assessment	USD 85.0 m	
Total balance due at the end of the year:		
Due from arrears	USD 7.0 m	●
Due from current assessment	USD 5.0 m	●
Net quota payments received so far this year	USD 87.8 m	●

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 0 m	
Cash balance at the end of the year	USD 4.0 m	●
Projected deficits (to be covered with the 2018 loan):		
Next month to show a cash deficit in 2018	January	●
Month with possible lowest level of cash in 2018	October	●
Amount of cash projected in October 2018	USD 18.0 m	●
Loan balance to Treasury Fund (2014) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2015) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2016) at the end of the year	USD 0 m	●
Loan balance to Treasury Fund (2017) at the end of the year	USD 0 m	●

Specific Funds

YTD overall contributions received from donors	USD 57.4 m	
YTD contributions - % change over same period last year	25%	●
YTD contributions - % change over same period last year by donor:		
Member states	45%	●
Permanent observers	4%	●
Institutions and other donors	-35%	●
YTD ICR collection on Specific Funds - % change over same period last year	19%	●
Amount of new donor agreements starting execution this year	USD 39.3 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	

GS/OAS Semiannual Financial Report (SFR)

This report is presented in compliance with the financial reporting requirements established under resolution AG/RES. 2 (LI-E/16). 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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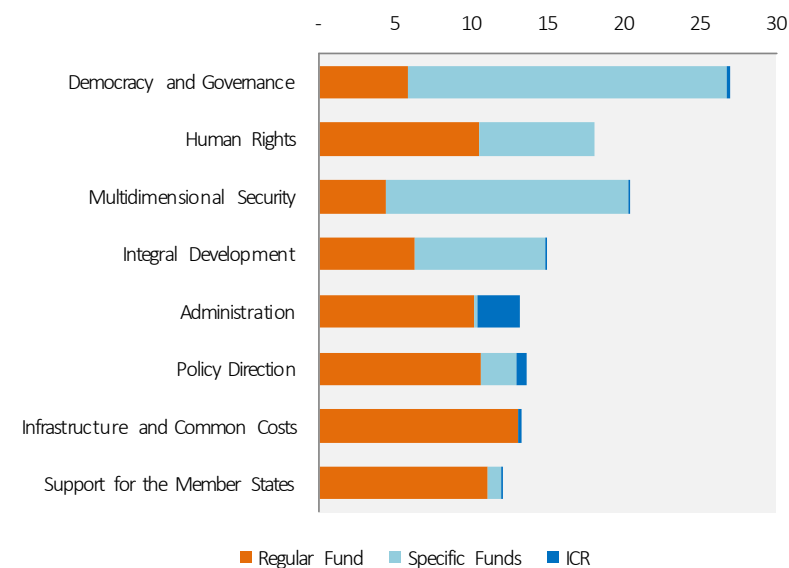
Introduction

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

Financial highlights

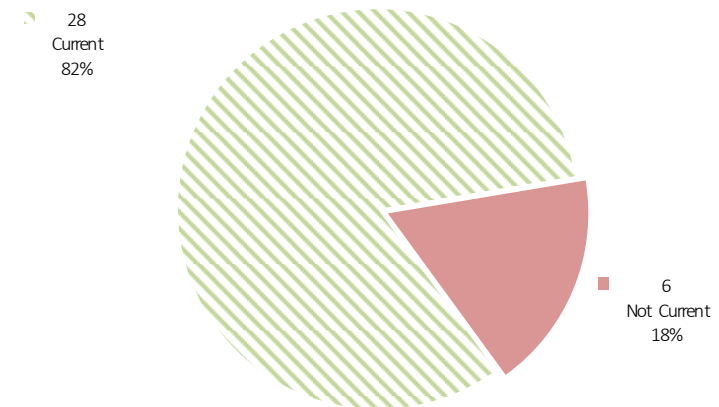
The year-to-date level of execution for the combined Regular Fund and Fund for Indirect Cost Recovery (ICR) reached 99.5% of the USD 78.0 million 2017 Approved Program-Budget (Figure 1). Regular Fund reached 99.9% and the ICR 94.0% of their approved budgets. Specific Fund expenditures reached USD 56.6 million, slightly higher when compared to the same period last year (USD 54.1 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, 28 member states are current with their quota assessment and 6 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 2016 and prior years).

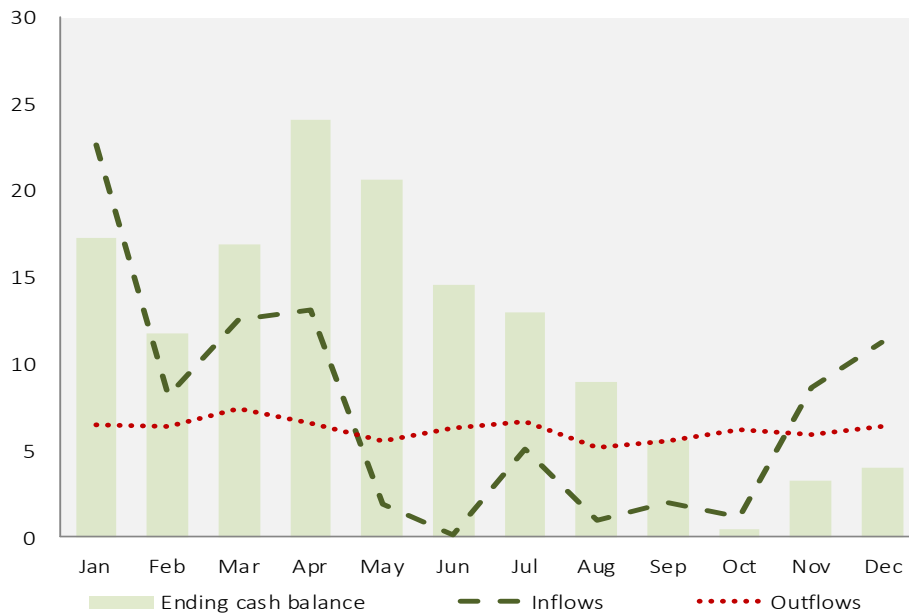
Figure 2: Share of member states’ compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating throughout the year and ending with a cash balance of USD 4.0 million (Figure 3). By the end of 2017 the General Secretariat proceeded to the full repayment of the temporary loans from the Treasury Fund from 2015 and 2016, as well to the full repayment of the loan from the OAS Scholarship and Training Programs

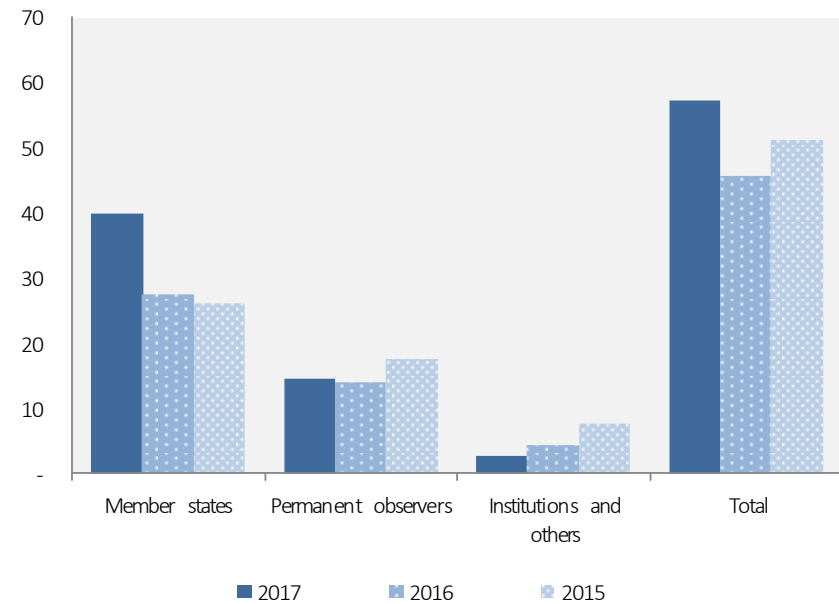
Fund. For 2018, the GS/OAS projects a possible maximum level of cash deficit of USD 18.0 million in October of 2018 considering member states' payment plans and payment history. This deficit would be covered through a Treasury Fund Loan as approved through CP/RES. 1091/18. Although no deficits are projected at the end of 2018, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity during the year in the Regular Fund.

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



Contributions to Specific Funds reached USD 57.4 million, approximately 25% higher than in 2016 (USD 45.8 million) and 12% higher than in 2015 (USD 51.1 million). The contributions from member states increased by 45% compared to the same period last year, while contributions from permanent observers slightly increased by 4%. However, contributions from other institutions significantly decreased by 35%. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

Figure 4: Contributions as of December to Specific Funds by donor (in millions of USD)



With respect to compliance and oversight issues, nine external financial audits were performed during 2017: OAS/MAPP "Basket Fund", Modernize Haiti's Civil Registry, Programming of Formative Activities and Training of the GS/OAS, the Judicial Facilitators program, Freedom of Expression program, Support and Strengthening the Work of the Inter-American Human Rights System program, OAS/MACCIH "Basket Fund", Monitoring of the situation of the right to Freedom of Expression in Americas, and Support to confidence-building and Mediation between Belize and Guatemala; all with satisfactory results. Currently, there is one audit in progress and two more are already scheduled for 2018. Potentially, up to 11 additional audits may be requested by donors during 2018.

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 3 - Principal and Specialized Organs – Personnel: Four positions were frozen in subprogram 34B, the actual average cost of the positions in subprogram 34C is lower than the approved budget. Non-personnel: No meeting was held for 2017 under subprogram 34G.

Chapter 5 - Secretariat for Access to Rights and Equity (SARE)– Personnel: Under this chapter, actual cost of positions are lower than budgeted average.

Chapter 6 - Secretariat for Strengthening Democracy (SSD) – Personnel: Two unbudgeted positions were filled one P03 in subprogram 64C and one P04 in subprogram 64D. One P04 was transferred from subprogram 14A to subprogram 64C.

Chapter 7 - The Executive Secretariat for Integral Development (SEDI) – Personnel: A P04 and a P03 were frozen in subprogram 74A and a P05 was transferred from subprogram 74I to subprogram 114F.

Chapter 8 - The Secretariat for Multidimensional Security (SMS) – Personnel: A G06 was transferred from subprogram 24B and P05 position budgeted for 6 months was filled 12 months. No personnel: Reinforcement was given to subprogram 84A to cover the cost of 5 CPRs.

Chapter 11 - Secretariat for Administration and Finance (SAF) – Personnel: A P05 was transferred to subprogram 114B. An unbudgeted G07 position was filled 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	Year-to-date execution			g % of expenditures of budget *	h=f-a Variances from budget *	
				d Personnel	e Non personnel	f=d+e Total		In USD	i=f/a In %
1 - Office of the Secretary General	2,766.3	(88.2)	2,678.1	2,244.6	428.0	2,672.6	96.6%	(93.7)	-3.4%
2 - Office of the Assistant Secretary General	12,054.7	538.2	12,592.9	9,363.0	3,202.6	12,565.6	104.2%	510.9	4.2%
3 - Principal and Specialized Organs	12,492.9	(694.6)	11,798.3	6,118.5	5,676.2	11,794.8	94.4%	(698.2)	-5.6%
4 - Strategic Counsel for Organizational Development and Management for Results	2,716.9	(58.8)	2,658.1	2,102.7	553.8	2,656.5	97.8%	(60.4)	-2.2%
5 - Secretariat for Access to Rights and Equity	1,731.5	(136.3)	1,595.2	1,426.7	168.5	1,595.2	92.1%	(136.3)	-7.9%
6 - Secretariat for Strengthening Democracy	3,368.8	292.3	3,661.1	3,506.0	151.3	3,657.3	108.6%	288.5	8.6%
7 - Executive Secretariat for Integral Development	6,229.1	(576.6)	5,652.5	4,278.3	1,360.2	5,638.5	90.5%	(590.5)	-9.5%
8 - Secretariat for Multidimensional Security	3,633.4	347.2	3,980.6	3,272.7	685.6	3,958.3	108.9%	324.9	8.9%
9 - Secretariat for Hemispheric Policies	2,492.6	100.1	2,592.7	2,209.9	381.9	2,591.8	104.0%	99.2	4.0%
10 - Secretariat for Legal Affairs	3,597.5	(122.0)	3,475.5	3,254.6	220.1	3,474.7	96.6%	(122.8)	-3.4%
11 - Secretariat for Administration and Finance	8,372.8	614.7	8,987.5	8,283.0	695.8	8,978.8	107.2%	606.0	7.2%
12 - Basic Infrastructure and Common Costs	12,971.5	(391.2)	12,580.3	6.8	12,557.0	12,563.8	96.9%	(407.7)	-3.1%
13 - Compliance Oversight Management Bodies	1,072.1	175.3	1,247.4	907.6	338.7	1,246.3	116.2%	174.2	16.2%
Total	73,500.1	-	73,500.1	46,974.5	26,419.8	73,394.3	99.9%	(105.8)	-0.1%

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

gram 114C. A G06 was transferred from subprogram 24D to subprogram 114D. A P05 was transferred from subprogram 74I to subprogram 114F. Non-personnel: Additional funding was authorized to subprograms 114D and 114F to cover operations costs.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Personnel: Two unbudgeted positions were filled in subprogram 134B, a D01 and a P03.

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

Chapter 2 - Office of the Assistant secretary General – Personnel: one P01 was frozen in subprogram 24C. Non-personnel: Additional funding was allocated to cover a CPR in the Coordinating Office in subprogram 24C.

Chapter 4 - Strategic Counsel for Organizational Development and Management for Results—Personnel: Two G06s were frozen, one in subprogram 44A and one in subprogram 84B. Non-personnel: Reinforcements were authorized to cover the costs of CPRs in subprograms 44A (2) and 44B (1).

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

Chapter	a	b	c=a+b	d			e	f=d+e	g	h=f-a		i=f/a
	Approved budget	Transfers	Modified budget	Year-to-date execution			Non personnel	Total	% of Execution of budget *	Variances from budget *		In %
				Personnel						In USD		
1 - Office of the Secretary General	-	-	-	-	-	-	-	-	**	-	**	
2 - Office of the Assistant Secretary General	98.3	(41.8)	56.5	-	56.5	56.5	56.5	56.5	57.5%	(41.8)	-42.5%	
3 - Principal and Specialized Organs	35.0	-	35.0	-	35.0	35.0	35.0	35.0	100.0%	-	0.0%	
4 - Strategic Counsel for Organizational Development and Management for Results	888.7	113.5	1,002.2	674.4	312.8	987.2	987.2	987.2	111.1%	98.5	11.1%	
5 - Secretariat for Access to Rights and Equity	-	-	-	-	-	-	-	-	**	-	**	
6 - Secretariat for Strengthening Democracy	568.6	7.1	575.7	433.6	134.8	568.4	568.4	568.4	100.0%	(0.2)	0.0%	
7 - Executive Secretariat for Integral Development	212.2	23.6	235.8	117.8	118.0	235.8	235.8	235.8	111.1%	23.6	11.1%	
8 - Secretariat for Multidimensional Security	745.5	(235.0)	510.5	376.4	22.5	398.9	398.9	398.9	53.5%	(346.6)	-46.5%	
9 - Secretariat for Hemispheric Policies	-	142.9	142.9	106.8	35.5	142.3	142.3	142.3	**	142.3	**	
10 - Secretariat for Legal Affairs	-	-	-	-	-	-	-	-	**	-	**	
11 - Secretariat for Administration and Finance	1,806.5	(123.0)	1,683.5	929.1	676.5	1,605.5	1,605.5	1,605.5	88.9%	(201.0)	-11.1%	
12 - Basic Infrastructure and Common Costs	-	99.2	99.2	(0.1)	91.2	91.1	91.1	91.1	**	91.1	**	
13 - Compliance Oversight Management Bodies	145.2	13.5	158.7	-	108.7	108.7	108.7	108.7	74.8%	(36.5)	-25.2%	
Total	4,500.0	-	4,500.0	2,637.9	1,591.5	4,229.4	4,229.4	4,229.4	94.0%	(270.6)	-6.0%	

Chapter 7 - Executive Secretariat for Integral Development (SEDI) – Personnel: A G05 was frozen in subprogram 74A. Non-personnel: Additional allocation was given to subprograms 74A and 74D to cover operational expenses.

Chapter 8 - Secretariat for Multidimensional Security (SMS) —Personnel: A P01 was transferred from subprogram 84A to 94A and a P03 was transferred from subprogram 84A to 74A. The actual cost is lower than the budgeted average. Non-personnel: Additional funding was allocated in subprogram 84A to cover of a CPR.

Chapter 11 – Secretariat for Administration and Finances (SAF) – Personnel: Actual costs are lower than budgeted average in subprogram 114B. Four positions are partially filled in subprogram 114C. Non-personnel: Reinforcements have been approved to cover the costs of CPRs in subprograms 114B and 114C.

Chapter 13 - Compliance Oversight Management Bodies (COMB) – Non-personnel: A reinforcement was approved to cover the cost of a CPR in subprogram 133A .

End of section

* 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 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		Total (1)	
				Fund for Indirect Cost Recovery (ICR)	Other accounts		
INFLOWS							
Quota payments, pledges and contributions:							
Quarter 1	43,313	74	6,331	-	-	49,718	
Quarter 2	15,100	48	6,723	-	-	21,871	
Quarter 3	8,118	81	18,788	-	-	26,987	
Quarter 4	20,864	95	25,515	-	-	46,474	
Total quota payments, pledges and contributions	87,395	298	57,357	-	-	145,050	
Interest income (2)	92	58	409	341	9	908	
Rental income	-	-	-	-	2,575	2,575	
Tax reimbursement	-	-	-	-	6,200	6,200	
Transfers, other income and refunds	415	61	2,009	6,960	3,073	12,518	
a Total inflows	87,902	417	59,775	7,301	11,857	167,251	
OUTFLOWS							
Execution:							
Expenditures:							
Quarter 1	19,134	17	11,882	936	2,415	34,384	
Quarter 2	17,233	87	13,413	1,045	3,465	35,243	
Quarter 3	16,806	90	15,317	1,026	2,637	35,876	
Quarter 4	18,519	172	15,993	1,072	1,264	37,020	
Total expenditures	71,692	366	56,604	4,079	9,781	142,522	
Obligations	1,702	134	10,159	154	3,231	15,380	
Prior year obligations (3)	-	-	(12,014)	(8)	(3,068)	(15,090)	
Total execution (3)	73,394	500	54,750	4,225	9,943	142,812	
FONDEM grants	100	-	-	-	-	100	
Return to donors	-	-	2,822	-	-	2,822	
Other decreases	1,480	-	640	-	189	2,309	
b Total outflows	74,974	500	58,212	4,225	10,132	148,043	
c=a-b	NET INCREASE (DECREASE) DURING PERIOD	12,928	(83)	1,563	3,075	1,725	19,208
d	Fund balances, beginning of period	(11,233)	5,846	57,511	2,554	(3,004)	51,674
e=c+d	FUND BALANCES, END OF PERIOD	1,695	5,763	59,074	5,629	(1,280)	70,882

(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 provide 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)

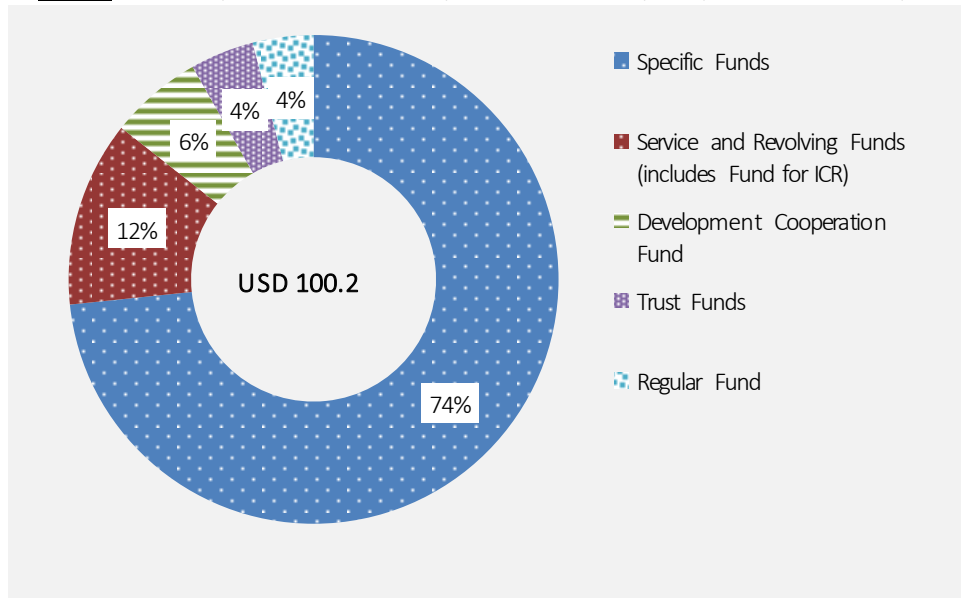
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning fund balance 01/01	2,483	47,540	17,140
Add inflows:			
Contributions and donations	3,096	13,170	-
Investment income *	-	7,987	2,365
Other Income	37	329	36
Less outflows:			
Expenses	3,223	13,673	454
Other outflows	-	-	-
Ending fund balance 12/31	2,393	55,353	19,087

* Includes 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 the year the OAS Treasury Fund held USD 100 million in cash by the various OAS funds (Figure 5). Resolutions CP/RES. 1034 (1984/14), CP/RES. 1046 (2013/15) and CP/RES. 1059 (2060/16), and CP/RES. 1072/17, 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. By the end of 2017 the Regular Fund has paid back all funds loaned.

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 444.5 thousand was credited in prompt payment discounts as well as USD 10.5 thousand in payments in advance.

At the beginning of the year, the GS/OAS had USD 99.9 million in quota receivable (i.e. balance due), USD 85.0 million from current quota assessment and USD 14.9 million for quotas in arrears—columns (a) and (e) in Table 5, respectively. By the end of the year, the GS/OAS had received USD 80.0 million towards the current quota assessment (column b in Table 5) leaving a current period balance of USD 5.0 million. The amount does not reflect discounts credited for prompt payment.

At the same time, the GS/OAS received USD 7.8 million towards the prior year quota balance (column f in Table 5), still leaving a prior year balance of USD 7.1 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, 28 member states are current and/or considered current with their quota assessment and 6 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
2005	73,727,100	63,995,000	9,732,100	87%	21,226,017	12,282,651	8,943,366	58%	80%
2006	73,727,100	65,558,294	8,168,806	89%	18,675,466	14,296,781	4,378,685	77%	86%
2007	77,277,200	70,422,008	6,855,192	91%	12,547,491	8,475,893	4,071,598	68%	88%
2008	77,447,900	74,664,529	2,783,371	96%	10,926,790	10,547,463	379,327	97%	96%
2009	78,593,000	77,985,159	607,841	99%	3,162,698	2,852,411	310,287	90%	99%
2010	78,513,615	77,447,328	1,066,287	99%	918,128	701,756	216,372	76%	98%
2011	80,950,800	79,141,697	1,809,103	98%	1,282,659	183,515	1,099,144	14%	96%
2012	81,105,400	78,815,661	2,289,739	97%	2,908,247	348,371	2,559,876	12%	94%
2013	81,105,400	79,229,276	1,876,124	98%	4,849,615	4,742,861	106,754	98%	98%
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%

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 2017 (by quarter)				2017 net payments	Year-end balance due	2018 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	18.7	-	-
Bahamas, Commonwealth of	41.8	-	41.8	0.8	41.0	41.0	-	-	-	41.0	-	-
Barbados	29.0	-	29.0	-	29.0	-	29.0	-	-	29.0	-	-
Belize	18.8	-	18.8	-	18.8	-	18.8	-	-	18.8	-	-
Bolivia	47.8	-	47.8	0.9	46.9	46.9	-	-	-	46.9	-	-
Brazil	10,605.0	7,786.6	18,391.6	-	18,391.6	18,391.6	-	-	-	18,391.6	-	-
Canada	9,031.4	-	9,031.4	262.9	8,768.5	8,768.5	-	-	-	8,768.5	-	-
Chile	1,149.5	-	1,149.5	-	1,149.5	1,149.5	-	-	-	1,149.5	-	-
Colombia	1,118.8	-	1,118.8	-	1,118.8	1,118.8	-	-	-	1,118.8	-	-
Costa Rica	196.3	-	196.3	12.5	183.8	186.3	-	-	-	186.3	-	2.5
Dominica, Commonwealth of	18.8	-	18.8	0.5	18.3	-	18.3	-	-	18.3	-	-
Dominican Republic	270.5	-	270.5	5.3	265.3	-	-	-	265.3	265.3	-	-
Ecuador	274.8	-	274.8	-	274.8	-	274.8	-	-	274.8	-	-
El Salvador	73.4	-	73.4	-	73.4	-	73.4	-	-	73.4	-	-
Guatemala	123.7	-	123.7	1.8	121.9	-	123.8	-	-	123.8	-	1.9
Guyana	18.8	-	18.8	0.4	18.4	18.7	-	-	-	18.7	-	0.3
Haiti	22.2	0.0	22.2	-	22.2	22.2	-	-	-	22.2	-	-
Honduras	35.8	0.0	35.8	-	35.8	35.8	-	-	-	35.8	-	-
Nicaragua	22.2	-	22.2	0.6	21.6	21.6	-	-	-	21.6	-	-
Panama	150.2	-	150.2	-	150.2	-	150.2	-	-	150.2	-	-
Paraguay	64.0	-	64.0	0.6	63.4	63.4	-	-	-	63.4	-	-
Peru	733.9	-	733.9	0.0	733.9	733.9	-	-	-	733.9	-	-
St. Kitts and Nevis	18.8	-	18.8	-	18.8	-	-	-	18.8	18.8	-	-
St. Lucia	18.8	-	18.8	-	18.8	-	18.8	-	-	18.8	-	-
Suriname	22.2	-	22.2	-	22.2	-	-	16.7	5.5	22.2	-	-
Trinidad and Tobago	115.2	-	115.2	-	115.2	-	-	-	115.2	115.2	-	-
Uruguay	210.8	-	210.8	-	210.8	-	-	210.8	-	210.8	-	-
1.b. Not paid in full, with payment plan												
Jamaica	59.7	14.5	74.2	-	74.2	14.5	14.9	14.9	14.9	59.3	15.0	-
2. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Argentina	2,048.1	-	2,048.1	-	2,048.1	-	-	819.2	1,018.9	1,838.1	210.0	-
Mexico	5,792.8	-	5,792.8	168.6	5,624.2	-	1,687.3	1,968.4	984.2	4,639.9	984.3	-
United States	50,750.7	-	50,750.7	-	50,750.7	12,687.7	12,687.7	5,075.1	18,422.5	48,872.9	1,877.8	-
St. Vincent and the Grenadines	18.8	19.5	38.3	-	38.3	-	-	8.1	14.2	22.3	16.0	-
2.b. With arrears												
Grenada	18.8	109.8	128.6	-	128.6	-	-	-	-	-	128.6	-
Venezuela	1,829.7	6,934.7	8,764.4	-	8,764.4	-	-	-	-	-	8,764.4	-
TOTAL	84,969.9	14,865.2	99,835.1	455.0	99,380.1	43,305.0	15,101.6	8,117.9	20,864.2	87,388.6	11,996.1	4.7

* 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 2017												2017 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%	
Bahamas, Commonwealth of	-	41.0	-	-	-	-	-	-	-	-	-	-	41.0	0.0%	
Barbados	-	-	-	-	-	29.0	-	-	-	-	-	-	29.0	0.0%	
Belize	-	-	-	-	-	18.8	-	-	-	-	-	-	18.8	0.0%	
Bolivia	-	46.9	-	-	-	-	-	-	-	-	-	-	46.9	0.1%	
Brazil	-	7,786.6	10,605.0	-	-	-	-	-	-	-	-	-	18,391.6	21.0%	
Canada	8,768.5	-	-	-	-	-	-	-	-	-	-	-	8,768.5	10.0%	
Chile	1,149.5	-	-	-	-	-	-	-	-	-	-	-	1,149.5	1.3%	
Colombia	-	-	1,118.8	-	-	-	-	-	-	-	-	-	1,118.8	1.3%	
Costa Rica	-	186.3	-	-	-	-	-	-	-	-	-	-	186.3	0.2%	
Dominica, Commonwealth of	-	-	-	-	18.3	-	-	-	-	-	-	-	18.3	0.0%	
Dominican Republic	-	-	-	-	-	-	-	-	-	-	-	265.3	265.3	0.3%	
Ecuador	-	-	-	274.8	-	-	-	-	-	-	-	-	274.8	0.3%	
El Salvador	-	-	-	-	-	73.4	-	-	-	-	-	-	73.4	0.1%	
Guatemala	-	-	-	-	121.9	-	-	-	-	-	-	-	121.9	0.1%	
Guyana	-	-	18.4	-	-	-	-	-	-	-	-	-	18.4	0.0%	
Haiti	-	22.2	-	-	-	-	-	-	-	-	-	-	22.2	0.0%	
Honduras	-	-	35.8	-	-	-	-	-	-	-	-	-	35.8	0.0%	
Nicaragua	-	21.6	-	-	-	-	-	-	-	-	-	-	21.6	0.0%	
Panama	-	-	-	150.2	-	-	-	-	-	-	-	-	150.2	0.2%	
Paraguay	-	-	63.4	-	-	-	-	-	-	-	-	-	63.4	0.1%	
Peru	-	-	733.9	-	-	-	-	-	-	-	-	-	733.9	0.8%	
St. Kitts and Nevis	-	-	-	-	-	-	-	-	-	-	-	18.8	18.8	0.0%	
St. Lucia	-	-	-	-	18.8	-	-	-	-	-	-	-	18.8	0.0%	
Suriname	-	-	-	-	-	-	-	-	16.7	-	5.6	-	22.2	0.0%	
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	115.2	-	-	115.2	0.1%	
Uruguay	-	-	-	-	-	-	-	-	210.8	-	-	-	210.8	0.2%	
1.b. Not paid in full, with payment plan															
Jamaica	-	14.5	-	-	14.9	-	-	14.9	-	-	14.9	-	59.3	0.1%	
2. Not current (not paid in full and no payment plan)															
2.a. Without arrears															
Argentina	-	-	-	-	-	-	-	-	819.2	-	1,018.9	-	1,838.1	2.1%	
Mexico	-	-	-	-	1,687.3	-	-	984.2	984.2	984.2	-	-	4,640.0	5.3%	
United States	12,687.7	-	-	12,687.7	-	-	5,075.1	-	-	-	7,612.6	10,809.9	48,872.9	55.9%	
St. Vincent and the Grenadines	-	-	-	-	-	-	8.1	-	-	14.2	-	-	22.4	0.0%	
2.b. With arrears															
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	
TOTAL	22,610.4	8,119.0	12,575.3	13,117.4	1,861.1	121.2	5,083.2	1,003.9	2,030.9	1,113.7	8,651.9	11,098.7	87,386.7	100.00%	
in %	25.9%	9.3%	14.4%	15.0%	2.1%	0.1%	5.8%	1.1%	2.3%	1.3%	9.9%	12.7%	100.0%		

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

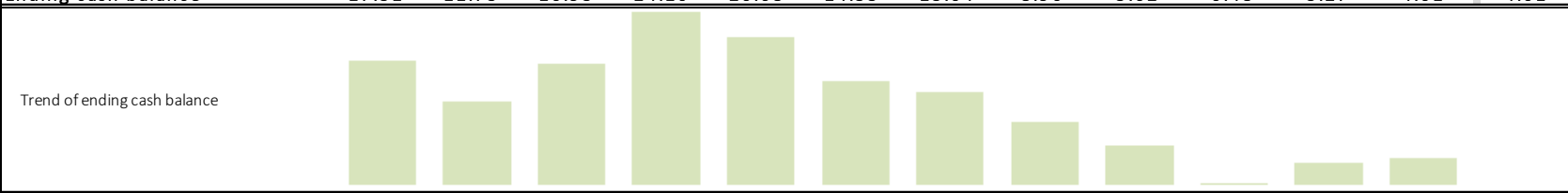
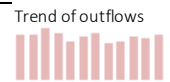
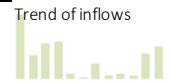
Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 0, fluctuating throughout the year and ending with a cash balance of USD 4.0 millions (Table 8). By the end of 2017 the General Secretariat proceeded to the full repayment of the temporary loans from the Treasury Fund from 2015 and 2016, as well to the full repayment of the loan from the OAS Scholarship and Training Programs Fund. For 2018, the GS/OAS projects a possible maximum level of cash deficit of USD 18.0 million in October considering member states' payment plans and payment

history. This deficit would be covered through a Treasury Fund Loan as approved through CP/RES. 1091/18. Although no deficits are projected at the end of 2018, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity and continuous operations of the Regular Fund.

Table 8: Regular Fund monthly cash flow (in millions of USD) 2017

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	0.00	17.31	11.73	16.93	24.10	20.68	14.55	13.04	8.96	5.62	0.48	3.27	0.00
Inflows													
Net quota payments	22.61	8.12	12.58	13.12	1.86	0.12	5.08	1.00	2.03	1.11	8.65	11.10	87.38
Other income	0.00	0.01	0.00	0.01	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.17	0.23
b Total inflows	22.61	8.13	12.58	13.13	1.86	0.12	5.10	1.00	2.03	1.11	8.67	11.27	87.61
Outflows													
2017 expenses	5.30	6.16	7.13	5.96	5.28	6.24	6.60	5.08	5.37	6.24	5.88	6.20	71.46
2016 expenses	1.22	0.20	0.27	0.66	0.23	0.03	0.10	0.06	0.14	0.00	0.00	0.15	3.04
c Total outflows	6.52	6.35	7.40	6.62	5.51	6.27	6.70	5.14	5.51	6.24	5.88	6.35	74.49
d=b-c Net cash flow	16.09	1.77	5.18	6.51	(3.65)	(6.15)	(1.60)	(4.14)	(3.48)	(5.13)	2.79	4.92	13.12
e From/to Loans	1.22	(7.36)	0.02	0.66	0.23	0.03	0.09	0.06	0.14	(0.01)	0.00	(4.18)	(9.11)
f=a+d+e Ending cash balance	17.31	11.73	16.93	24.10	20.68	14.55	13.04	8.96	5.62	0.48	3.27	4.01	4.01



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 2017. 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—2017

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	-	-	-	-	-	18,800	-
Argentina	1,838,100	-	-	1,195,840	-	-	3,033,940	1,234,196
Bahamas, Commonwealth of	41,800	-	15,000	31,000	-	-	87,800	52,156
Barbados	29,000	-	16,400	125,800	-	-	171,200	(9,549)
Belize	18,800	-	-	12,083	-	-	30,883	27,982
Bolivia	47,800	-	-	55,000	-	-	102,800	82,338
Brazil	10,605,000	7,786,576	-	-	-	-	18,391,576	269,162
Canada	9,031,400	-	-	7,811,475	-	-	16,842,875	2,185,848
Chile	1,149,500	-	-	268,366	-	-	1,417,866	184,347
Colombia	1,118,800	-	-	55,462	-	-	1,174,262	242,304
Costa Rica	196,300	-	30,000	59,335	-	-	285,635	61,990
Dominica, Commonwealth of	18,800	-	5,100	14,232	-	-	38,132	18,055
Dominican Republic	270,500	-	-	39,814	-	-	310,314	118,235
Ecuador	274,800	-	16,680	33,300	-	-	324,780	32,760
El Salvador	73,400	-	32,100	28,800	-	-	134,300	(3,330)
Grenada	-	-	-	-	-	-	-	4,250
Guatemala	123,700	-	-	-	-	-	123,700	129,446
Guyana	18,800	-	6,746	24,484	-	-	50,030	23,380
Haiti	22,200	20	-	50,000	-	-	72,220	9,988
Honduras	35,800	30	7,000	574,863	-	-	617,693	26,757
Jamaica	44,775	14,500	10,000	4,980	-	-	74,255	2,876
Mexico	4,808,567	-	-	1,880,818	-	-	6,689,385	6,130,303
Nicaragua	22,200	-	6,000	21,945	-	-	50,145	17,077
Panama	150,200	-	39,600	395,998	-	-	585,798	169,987
Paraguay	64,000	-	-	61,311	-	-	125,311	67,299
Peru	733,900	-	60,091	1,955,049	-	-	2,749,040	1,305,431
St. Kitts and Nevis	18,800	-	5,100	5,000	-	-	28,900	5,000
St. Lucia	18,800	-	-	22,763	-	-	41,563	6,366
St. Vincent and the Grenadines	2,855	19,514	10,200	-	-	-	32,569	30
Suriname	22,200	-	-	-	-	-	22,200	2,000
Trinidad and Tobago	115,200	-	-	20,000	-	-	135,200	113,384
United States	48,872,992	-	-	25,091,610	445,091	-	74,409,693	30,583,258
Uruguay	210,800	-	30,000	140,353	-	-	381,153	18,555
Venezuela	-	-	-	-	-	-	-	1,526
Total	80,018,589	7,820,640	290,017	39,979,683	445,091	-	128,554,020	

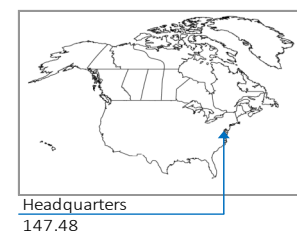
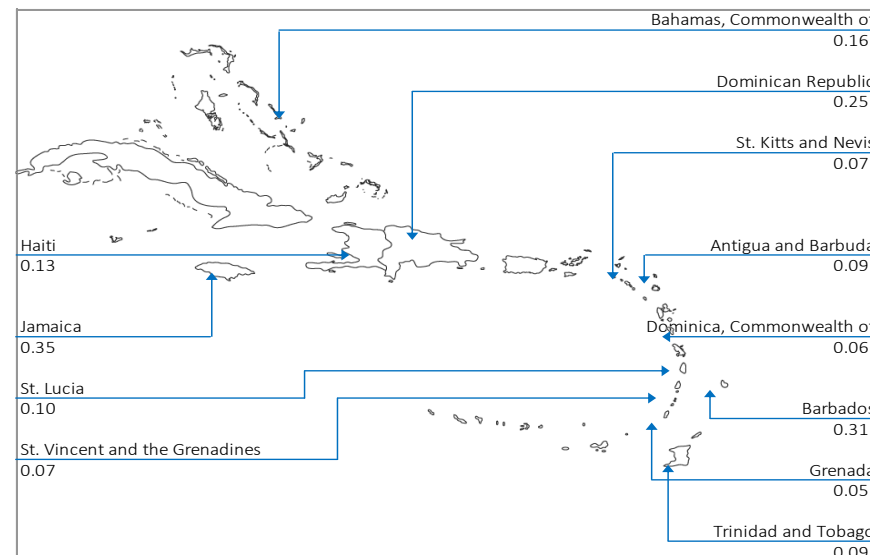
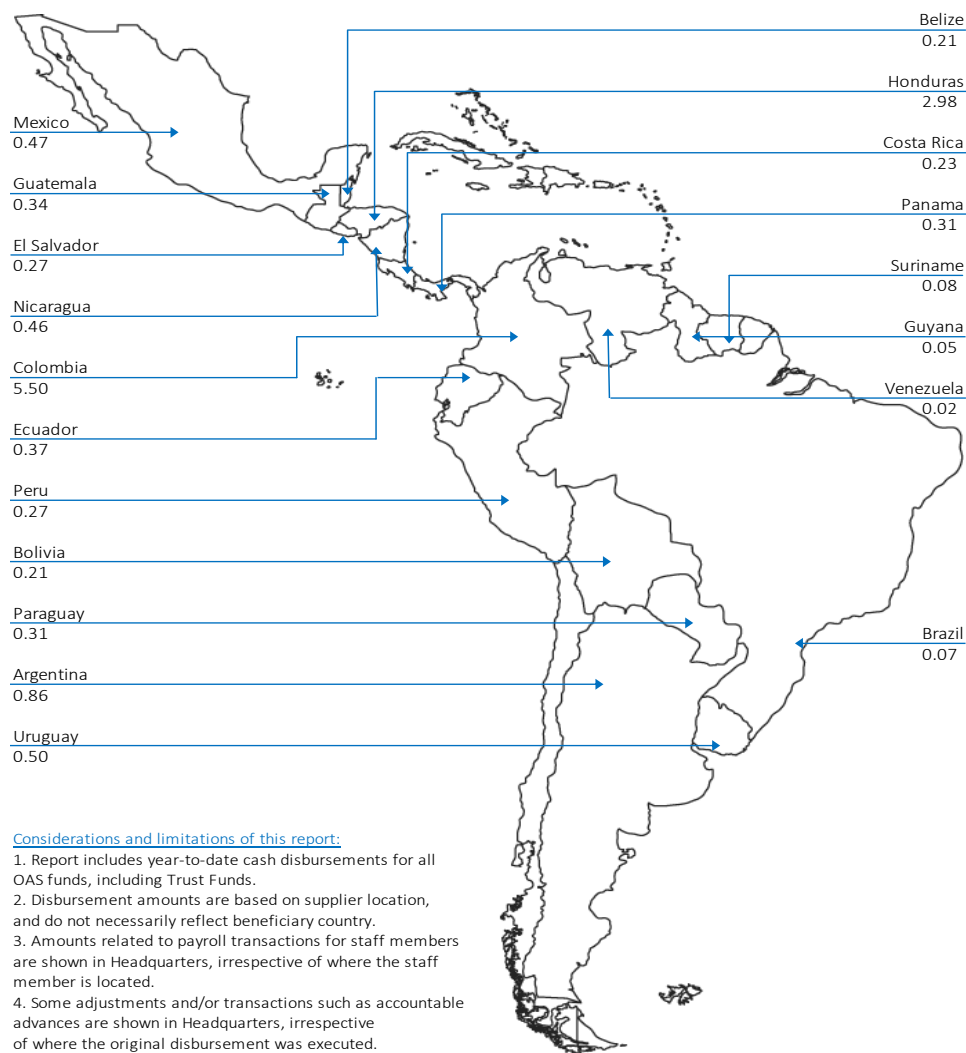
* Include prompt payment credits and/or payments in advance.

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), anti-corruption programs in Honduras and sustainable development projects in Argentina. Disbursements in a specific location do not necessarily reflect full project activity since a large portion of project activity could be disbursed in Headquarters.

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



TOTAL DISBURSEMENTS 162.72

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 5,545,220 from transfers of several sources bringing the appropriation to a total of USD 25,081,161. In addition, the fund has earned interest of USD 2,936,109 through September 30, 2017, which has been distributed to each of its activities, interest for the fourth quarter of 2017 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 29,497,270.

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

	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	6,226,592	1,691,602	13,334,135	9,850,219	3,483,916
Summit of Americas Mandates	4,000,000	-	(49,166)	443,190	4,394,024	4,211,782	182,242
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	5,545,220	2,936,109	29,497,270	25,785,600	3,711,671

* 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	51,741			3,892	23,119	3,770	7,877	38,659	90,400	1.5%	
Bahamas, Commonwealth of	70,192			6,231	594	3,634	5,795	16,253	86,445	1.5%	
Barbados	272,497	50		6,450	47,522	25,947	4,838	84,808	357,304	6.0%	
Belize	195,925			7,999	1,869	1,209	16,822	27,898	223,823	3.8%	
Bolivia	167,555	317	290	5,618	16,231	5,592	17,166	45,214	212,769	3.6%	
Costa Rica	79,001		45	3,466	21,533	3,876	1,428	30,347	109,349	1.8%	
Dominica, Commonwealth of	42,422			4,667	18,664	12,248	1,951	37,531	79,954	1.3%	
Dominican Republic	154,368	186	50	135	5,732	22,562	11,209	21,458	61,332	215,700	3.6%
Ecuador	143,166			1,860	21,340		22,789	45,988	189,154	3.2%	
El Salvador	217,204			45	3,694	36,437	12,562	3,513	56,251	273,456	4.6%
Grenada	68,715			6	1,915	27,676		4,212	33,809	102,524	1.7%
Guatemala	223,541	2,967		8,200	24,087	4,807	22,306	62,367	285,908	4.8%	
Guyana	182,434		15	5,006	10,983	5,475	6,086	27,564	209,997	3.5%	
Haiti	32,337	100	171	9,592	93,757		52,559	156,179	188,516	3.2%	
Honduras	157,434	752		12,243	38,892		40,259	92,146	249,580	4.2%	
Jamaica	200,103			3,433	19,622	12,661	2,287	38,003	238,107	4.0%	
Mexico	257,156		66	8,924	578		5,384	14,953	272,109	4.6%	
Nicaragua	56,185		1,328	4,034	17,516		8,497	31,375	87,560	1.5%	
Panama	222,036		474	4,703	30,335	3,750	13,685	52,947	274,983	4.6%	
Paraguay	228,610		214	6,663	31,367	5,137	26,256	69,637	298,247	5.0%	
Peru	76,033		590	5,643	28,902	23,423	11,154	69,712	145,745	2.5%	
St. Kitts and Nevis	191,974			4,024	1,642	10,323	4,712	20,701	212,675	3.6%	
St. Lucia	43,246			3,224	23,526	8,059	7,407	42,217	85,463	1.4%	
St. Vincent and the Grenadines	36,706			1,948	27,357	15,366	7,537	52,208	88,915	1.5%	
Suriname	135,915		200	42,570	1,337	15,884	3,458	63,448	199,363	3.4%	
Trinidad and Tobago	64,266			2,776		21,657	4,407	28,840	93,106	1.6%	
Uruguay	271,039		172	6,196	31,837	20,119	6,014	64,338	335,377	5.6%	
Venezuela	208,123			3,234	37,797	24,640	372	66,043	274,167	4.6%	
HQ Support to the Offices	204,482	2,579	1,645	104,792	32,004	90,750	29,439	261,209	465,691	7.8%	
Grand total	4,254,408	186	6,815	5,394	288,728	689,086	342,099	359,669	1,691,978	5,946,386	100.0%
% of grand total	71.5%	0.00%	0.11%	0.1%	4.9%	11.6%	5.8%	6.0%	28.5%	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

	Specific Funds		Service and Revolving Funds		Total
	Regular Fund	Offices in Member States (Fund 118)	Fund for Indirect Cost Recovery (ICR)	Other accounts (Fund 620) (3)	
FUNDING					
Budget (1)					
Personnel budget	4,254,583	-	-	-	4,254,583
Non-personnel budget	1,101,446	-	56,531	-	1,157,977
Total budget (1)	5,356,029	-	56,531	-	5,412,560
Contributions and other income:					
Quarter 1	-	184,106	-	2,357	186,463
Quarter 2	-	102,918	-	6,400	109,318
Quarter 3	-	24,910	-	9,135	34,045
Quarter 4	-	102,781	-	14,751	117,532
Total contributions and other income	-	414,715	-	32,643	447,358
Total funding available	5,356,029	414,715	56,531	32,643	5,859,918
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,436,719	88,239	15,419	2,530	1,542,907
Quarter 2	1,330,932	82,505	12,912	5,875	1,432,224
Quarter 3	1,313,989	116,813	14,100	29,297	1,474,200
Quarter 4	1,363,648	106,542	14,100	12,765	1,497,055
Total expenditures	5,445,288	394,099	56,531	50,467	5,946,385
Obligations	31,149	254,803	-	5,760	291,712
Total execution	5,476,437	648,902	56,531	56,227	6,238,097
Other decreases	-	-	-	-	-
Total decreases	5,476,437	648,902	56,531	56,227	6,238,097
NET INCREASE (DECREASE) DURING PERIOD	(120,408)	(234,187)	-	(23,584)	(378,179)
Funds available, beginning of period	129,125	364,371	-	65,988	559,484
FUNDS AVAILABLE, END OF PERIOD (2)	8,717	130,184	-	42,404	181,305

(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 57.4 million, approximately 25% higher than in 2016 (USD 45.8 million) and 12% higher than in 2015 (USD 51.1 million). The contributions from member states increased by 45% compared to the same period last year, while contributions from permanent observers slightly increased by 4%. However, contributions from other institutions significantly decreased by 35%. A decline in contributions to the Specific Funds will have a significant impact on ICR collections.

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 2017, 131 new agreements began execution for a total pledged amount of USD 39.3 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

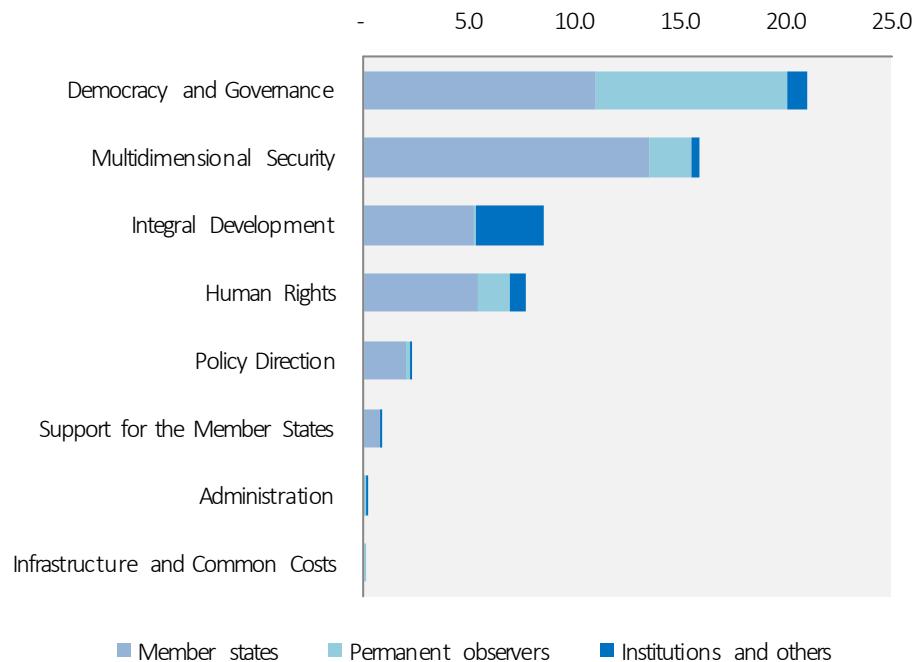
Table 13: New donor agreements starting execution this year

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	74	31,401.5	424.3	From 0 to 6 years
Permanent observers	31	6,789.3	219.0	From 0 to 6 years
Institutions and others	26	1,149.7	44.2	From 0 to 6 years
Total	131	39,340.5	300.3	

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 2017, the GS/OAS incurred a total of USD 56.6 million in Specific Fund expenditures. Almost 67% of that amount was financed with contributions from member states, 23% with contributions from permanent observers and 10% 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. Nine financial audits were performed during 2017: OAS/MAPP “Basket Fund”, Modernize Haiti’s Civil Registry, Programming of Formative Activities and Training of the GS/OAS, the Judicial Facilitators program, Freedom of Expression program, Support and Strengthening the Work of the Inter-American Human Rights System program, OAS/MACCIH “Basket Fund”, Monitoring of the situation of the right to Freedom of Expression in Americas, and Support to confidence-building and Mediation between Belize and Guatemala; all with satisfactory results. Currently, there is one new audit under way and potentially, up to 11 additional audits may be requested by donors during 2018. 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 01/01/17	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 12/31/17	f Obligations as of 12/31/17	g=e-f Fund balance 12/31/17
Chapter 1 - Office of the Secretary General	(106,345)	102,702	-	69,819	(73,462)	969	(74,431)
Chapter 2 - Office of the Assistant Secretary General	384,991	911,174	(141,708)	895,640	258,817	281,594	(22,777)
Chapter 3 - Principal and Specialized Organs	4,525,254	4,524,424	908,761	7,244,031	2,714,408	1,553,279	1,161,129
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	333,565	253,500	774,978	710,662	651,381	194,691	456,690
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	926,130	403,253	262,519	898,150	693,751	72,175	621,577
Chapter 6 - Secretariat for Strengthening Democracy (SSD)	8,957,481	21,064,350	2,610,511	19,078,094	13,554,248	3,045,163	10,509,086
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	24,056,878	3,397,568	(1,293,044)	6,810,716	19,350,686	1,156,975	18,193,711
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	11,289,743	22,324,155	474,440	15,892,452	18,195,886	2,854,436	15,341,450
Chapter 9 - The Secretariat for Hemispheric Affairs (SHA)	2,473,623	2,753,064	431,513	2,261,313	3,396,888	355,122	3,041,765
Chapter 10 - The Secretariat for Legal Affairs (SLA)	1,408,528	1,371,776	1,934	979,281	1,802,957	198,801	1,604,156
Chapter 11 - The Secretariat for Administration and Finance (SAF)	-	-	16,800	9,800	7,000	7,000	-
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	141,943	-	-	57,200	84,743	4,500	80,243
Chapter 13 - Compliance Oversight Management Bodies (COMB)	(498)	24,051	-	24,655	(1,101)	-	(1,101)
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	1,597,241	-	(1,376,125)	-	221,116	-	221,116
Interest to be reimbursed to USINL	16,035	-	(10,191)	-	5,844	-	5,844
Oliver Jackman Fund	156,057	-	988	-	157,044	-	157,044
Reconciliation / Write-Off	(148,283)	-	257,413	-	109,130	-	109,130
Resolution CP 831/2002	4,308,419	-	1,509,800	1,672,007	4,146,212	434,543	3,711,670
Unprogrammed Funds	9,204,501	227,287	(5,473,798)	-	3,957,989	-	3,957,989
Total	69,525,263	57,357,304	(1,045,210)	56,603,818	69,233,538	10,159,248	59,074,291

* 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.