

GS/OAS
Semiannual
Financial
Report
(SFR)

S1 - 2018

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

From January 1, 2018 to June 30, 2018

Key financial data

Legend:

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

Budgetary execution

Overall program-budget - YTD level of expenditures	47.8%	●
Regular Fund:		
YTD level of expenditures	48.0%	●
% of YTD expenditures related to personnel costs	60.6%	
Fund for ICR:		
YTD level of expenditures	44.2%	●
% of YTD expenditures related to personnel costs	62.9%	
Specific Funds YTD Expenditures	USD 26.0 m	

Information on Regular Fund quotas

Quota compliance:		
# of member states current or considered current	19	●
# of member states not current (without arrears)	12	●
# of member states not current (and with arrears)	3	●
Total balance due at the beginning of the year:	USD 97.0 m	
Due from arrears	USD 12.0 m	
Due from current assessment	USD 85.0 m	
Total balance due at the end of the semester:	USD 51.7 m	●
Due from arrears	USD 8.9 m	●
Due from current assessment	USD 42.8 m	●
Net quota payments received during the first semester	USD 45.3 m	●

Regular Fund liquidity risk assessment

Cash balance at the beginning of the year	USD 4.0 m	
Cash balance at the end of the semester	USD 8.6 m	●
Projected deficits (to be covered with the 2018 loan):		
Next month to show a cash deficit in 2018	September	●
Month with possible lowest level of cash in 2018	October	●
Amount of cash deficit projected in October 2018	USD 11.4 m	●
Projected loan balance to Treasury Fund at the end of the year	USD 0 m	●

Specific Funds

YTD overall contributions received from donors	USD 15.1 m	
YTD contributions - % change over same period last year	+ 15%	●
YTD contributions - % change over same period last year by donor:		
Member states	-24%	●
Permanent observers	+ 225%	●
Institutions and other donors	+ 54%	●
YTD ICR collection on Specific Funds - % change over same period last year	+ 6%	●
Amount of new donor agreements starting execution this year	USD 7.8 m	
Programmatic pillar with largest amount of YTD expenditures	Democracy and gov.	
Amount of Awards already expired at the end of the semester	USD 1.6 m	●

GS/OAS Semiannual Financial Report (SFR)

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

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

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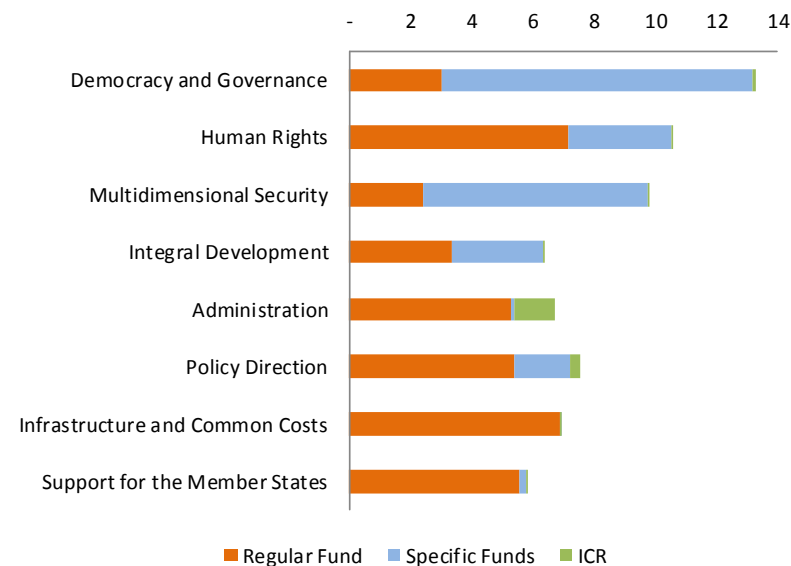
Introduction

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

Financial highlights

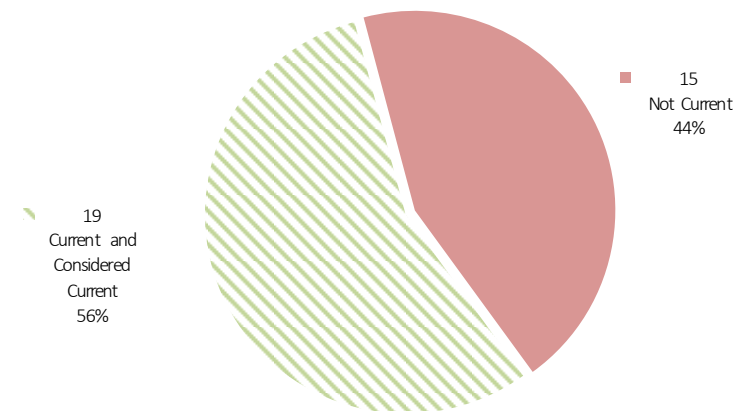
The year-to-date level of expenditures for the combined Regular Fund and Indirect Cost Recovery (ICR) Fund reached 47.8% of the USD 86.1 million 2018 Approved Program-Budget (Figure 1). Regular Fund reached 48.0% and ICR Fund 44.2% of their approved budgets. Specific Fund expenditures reached USD 26.0 million, slightly higher when compared to the same period last year (USD 25.3 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, 19 member states are current with their quota assessment and 15 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. Three member states within the “not current group” have not paid their quota balance in arrears (amounts owed for 2017 and prior years).

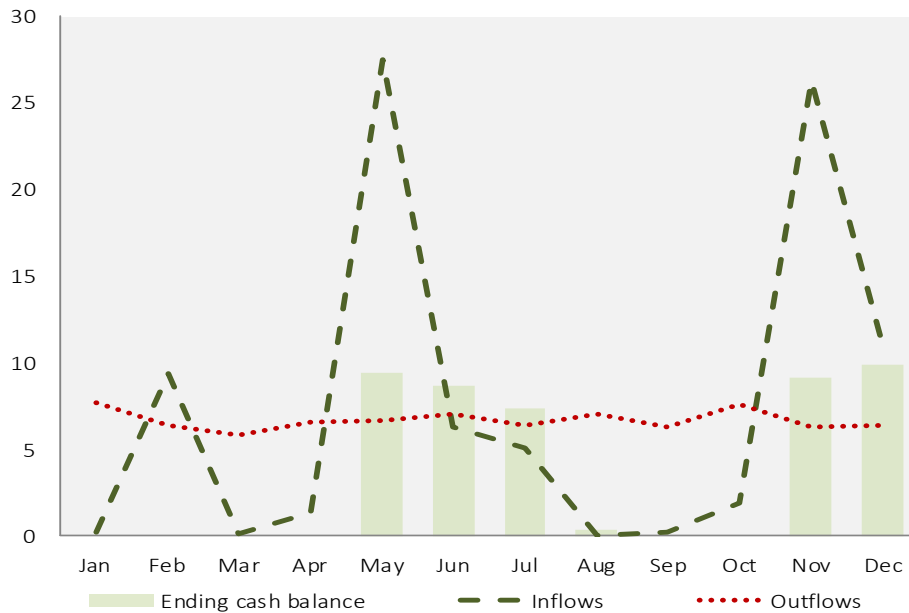
Figure 2: Share of member states’ compliance with quota payments to the Regular Fund (in %)



In terms of liquidity, the Regular Fund began the year with a cash balance of USD 4.0 million, fluctuating through the year, ending the first semester in USD 8.6 million (Figure 3). The GS/OAS projects a deficit level of cash USD 11.4 million by the end of October of 2018 considering member states’ payment plans and payment history (excludes member states with balances in arrears), the GS/OAS will temporarily bor-

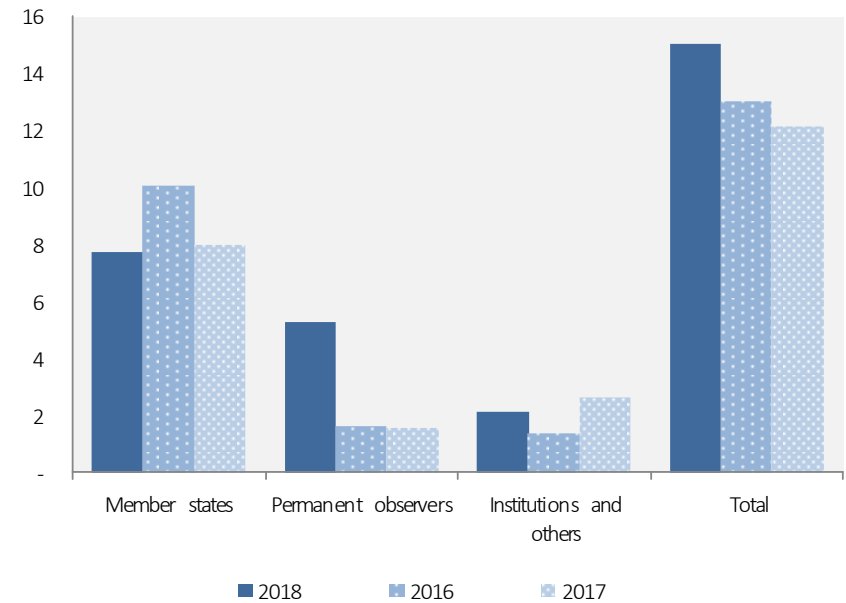
row from the Treasury Fund as authorized by the Permanent Council through CP/RES. 1091/18. Although no deficits are projected through the end of 2018, the delay in quota payments continues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund.

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



Contributions to Specific Funds reached USD 15.1 million, approximately 15% higher than in 2017 (USD 13.1 million) and 24% higher than in 2016 (USD 12.2 million). While contributions from member states decrease by 24% compared to the same period last year, contributions from permanent observers and from other institutions increased by 225% and 54%, respectively. The increase in contributions from permanent observers was seen mainly in the unprogrammed funds and for the Democracy and Governance pillar.

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



With respect to compliance and oversight issues, one financial audit has been performed during the first semester 2018: OAS/MAPP “Basket Fund-2017” with a satisfactory result. Currently, there is one additional audit in progress and four more already scheduled for 2018. Potentially, up to 11 further audits may be requested by donors during 2018.

GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. The Department of Financial Services (DFS) also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of the end of the first semester there was approximately USD 1.6 million in expired funds.

Regular Fund budgetary execution and variances by chapter

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

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

Chapter 3 - Principal and Specialized Organs – Personnel: In subprogram 34B, there are 13 vacant positions projected to be filled by the end of the fourth quarter of the year and 1 P04 post is frozen for half of the year. In subprogram 34C, 2 P04s positions will not be filled during 2018. The actual average cost of the positions in subprogram 34E is higher than the approved budget. Non-personnel: In subprogram 34B, addition-

al resources were authorized to address the situation in Nicaragua and to cover the costs of a CPR. For subprogram 34E, extra funding was authorized to maintain the same level of participants in the Course of International Law as in previous years.

Chapter 7 - The Executive Secretariat for Integral Development (SEDI) – Personnel: Four positions are planned to be filled by the end of the fourth quarter of the year (a P02 in subprogram 74A, a P02 in subprogram 74C, a P03 in subprogram 74D and a P02 in subprogram 74I). Four positions are frozen (P04 in subprogram 74A, 2 P05s and 1 P02 in subprogram 74D). Non-personnel: Additional resources were authorized for subprogram 74I to cover the cost of two CPRs.

End of section

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

Chapter	a Approved budget	b Transfers	c=a+b Modified budget	d			g % of Execution of budget *	h Projected Jul-Dec execution	i=f+h Total projected execution	h=f-a		i=f/a
				Year-to-date execution						Variances from budget *		
				Personnel	Non personnel	f=d+e Total				In USD	In %	
1 - Office of the Secretary General	2,571.6	50.0	2,621.6	2,318.1	209.1	2,527.2	98.3%	123.4	2,650.6	79.0	3.1%	
2 - Office of the Assistant Secretary General	12,654.9	48.1	12,703.0	9,236.4	2,239.0	11,475.4	90.7%	859.4	12,334.9	(320.0)	-2.5%	
3 - Principal and Specialized Organs	16,163.4	(518.3)	15,645.1	6,852.9	6,430.6	13,283.5	82.2%	1,914.0	15,197.4	(966.0)	-6.0%	
4 - Strategic Counsel for Organizational Development and Management for Results	2,698.6	113.4	2,812.0	2,178.1	438.4	2,616.5	97.0%	212.0	2,828.5	129.9	4.8%	
5 - Secretariat for Access to Rights and Equity	1,670.8	43.5	1,714.3	1,489.7	132.3	1,622.0	97.1%	91.6	1,713.6	42.8	2.6%	
6 - Secretariat for Strengthening Democracy	3,840.5	227.8	4,068.3	3,625.7	188.0	3,813.6	99.3%	118.3	3,931.9	91.4	2.4%	
7 - Executive Secretariat for Integral Development	8,533.9	(505.3)	8,028.6	4,445.4	1,119.7	5,565.2	65.2%	1,957.8	7,523.0	(1,010.9)	-11.8%	
8 - Secretariat for Multidimensional Security	4,228.7	(49.5)	4,179.2	3,329.4	455.1	3,784.5	89.5%	363.3	4,147.8	(80.9)	-1.9%	
9 - Secretariat for Hemispheric Policies	2,409.9	278.5	2,688.4	2,237.6	224.0	2,461.5	102.1%	39.4	2,500.9	91.0	3.8%	
10 - Secretariat for Legal Affairs	3,678.4	-	3,678.4	3,354.2	139.4	3,493.6	95.0%	126.5	3,620.1	(58.3)	-1.6%	
11 - Secretariat for Administration and Finance	9,129.9	304.0	9,433.9	8,604.3	631.5	9,235.8	101.2%	259.2	9,495.0	365.1	4.0%	
12 - Basic Infrastructure and Common Costs	12,539.2	44.8	12,584.0	16.5	9,088.9	9,105.5	72.6%	4,051.4	13,156.9	617.7	4.9%	
13 - Compliance Oversight Management Bodies	1,455.2	(37.1)	1,418.1	915.0	274.0	1,189.0	81.7%	229.1	1,418.1	(37.1)	-2.6%	
Total	81,575.0	-	81,575.0	48,603.3	21,570.0	70,173.3	86.0%	10,345.4	80,518.7	(1,056.3)	-1.3%	

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

ICR Fund budgetary execution by chapter

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

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

Chapter	a	b	c=a+b	Year-to-date execution			g	h=f+g
	Approved budget	Transfers	Modified budget	Non			Projected Jul-Dec execution	Total projected execution
				d Personnel	e personnel	f=d+e Total		
1 - Office of the Secretary General	-	-	-	-	-	-	-	-
2 - Office of the Assistant Secretary General	89.9	(41.8)	56.4	-	47.0	47.0	9.4	56.4
3 - Principal and Specialized Organs	35.0	-	35.0	-	35.0	35.0	-	35.0
4 - Strategic Counsel for Organizational Development and Management for Results	1,081.6	113.5	1,151.4	595.2	466.6	1,061.8	59.2	1,121.1
5 - Secretariat for Access to Rights and Equity	-	-	91.3	91.3	-	91.3	-	91.3
6 - Secretariat for Strengthening Democracy	642.3	7.1	543.4	350.6	114.8	465.3	25.1	490.5
7 - Executive Secretariat for Integral Development	372.3	23.6	343.2	184.6	87.2	271.8	27.1	298.8
8 - Secretariat for Multidimensional Security	485.8	(235.0)	468.6	392.9	-	392.9	-	392.9
9 - Secretariat for Hemispheric Policies	89.9	142.9	127.0	127.0	-	127.0	-	127.0
10 - Secretariat for Legal Affairs	-	-	-	-	-	-	-	-
11 - Secretariat for Administration and Finance	1,558.0	(123.0)	1,532.4	1,130.6	269.4	1,400.0	104.6	1,504.6
12 - Basic Infrastructure and Common Costs	-	99.2	6.1	-	5.2	5.2	200.9	206.1
13 - Compliance Oversight Management Bodies	145.2	13.5	145.2	-	0.9	0.9	144.3	145.2
Total	4,500.0	-	4,500.0	2,872.1	1,026.1	3,898.2	570.7	4,468.9

End of section

Combining Statement of Changes in Fund Balances

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

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

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

	Regular Fund	Development Cooperation Fund	Specific Funds	Service and Revolving Funds		Total (1)
				Fund for Indirect Cost Recovery (ICR)	Other accounts	
INFLOWS						
Quota payments, pledges and contributions:						
Quarter 1	9,714	37	7,920	849	2,019	20,539
Quarter 2	35,137	40	7,148	1,394	1,064	44,783
Quarter 3	-	-	-	-	-	-
Quarter 4	-	-	-	-	-	-
Total quota payments, pledges and contributions	44,851	77	15,068	2,243	3,083	65,322
Interest income (2)	2	19	256	-	4	281
Rental income	-	-	-	-	280	280
Tax reimbursement	-	-	-	-	2,054	2,054
Transfers, other income and refunds	187	202	(496)	-	5,235	5,128
a Total inflows	45,040	298	14,828	2,243	10,656	73,065
OUTFLOWS						
Execution:						
Expenditures:						
Quarter 1	19,980	14	11,091	1,166	2,265	34,516
Quarter 2	19,326	68	14,869	967	3,383	38,613
Quarter 3	-	-	-	-	-	-
Quarter 4	-	-	-	-	-	-
Total expenditures	39,306	82	25,960	2,133	5,648	73,129
Obligations	31,066	-	9,948	1,915	2,554	45,483
Prior year obligations (3)	-	-	(10,156)	(154)	(3,231)	(13,541)
Total execution (3)	70,372	82	25,752	3,894	4,971	105,071
FONDEM grants	-	-	-	-	-	-
Return to donors	-	-	-	-	-	-
Other decreases	-	-	-	4,976	-	4,976
b Total outflows	70,372	82	25,752	8,870	4,971	110,047
c=a-b NET INCREASE (DECREASE) DURING PERIOD	(25,332)	216	(10,924)	(6,627)	5,685	(36,982)
d Fund balances, beginning of period	1,753	5,763	61,048	5,711	(1,175)	73,100
e=c+d FUND BALANCES, END OF PERIOD	(23,579)	5,979	50,124	(916)	4,510	36,118

(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)

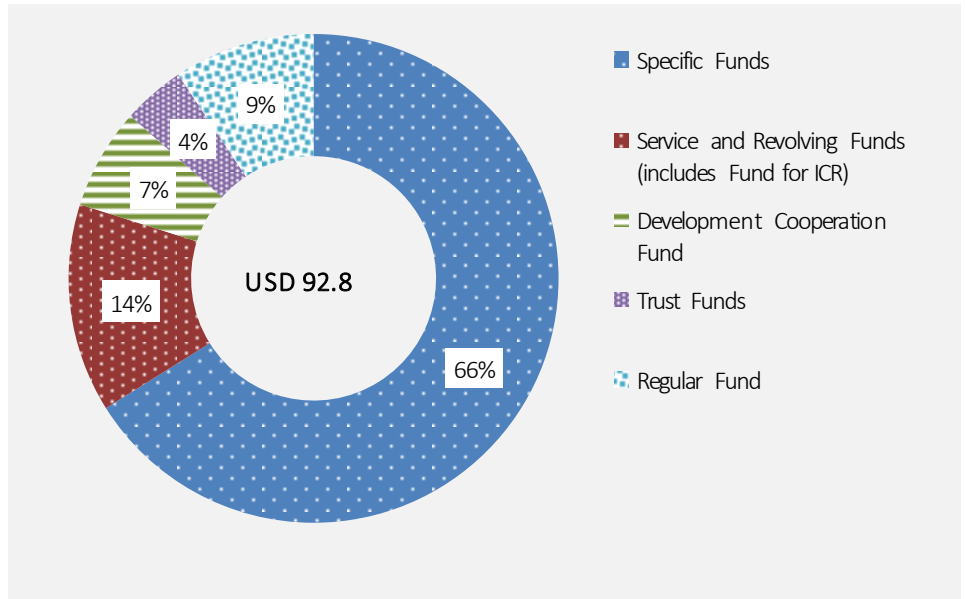
	Trust for the Americas	Medical Benefits	Leo S. Rowe Funds
Beginning fund balance 01/01	2,649	54,994	18,888
Add inflows:			
Contributions and donations	915	6,225	-
Investment income *	-	1,418	209
Other Income	1	47	17
Less outflows:			
Expenses	1,686	8,047	214
Other outflows	-	-	223
Ending fund balance 6/30	1,879	54,637	18,677

* Includes net realized and unrealized gains.

Cash and Equity in OAS Treasury Fund

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

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



At the end of the semester the OAS Treasury Fund held USD 93 million in cash by the various OAS funds (Figure 5). Resolutions CP/RES. 1091/18 instructed the GS/OAS, as a highly exceptional circumstance, to utilize the resources in the OAS Treasury Fund as an interest-free internal loan for the Regular Fund, as a temporary solution to cover cash shortages if needed. By the end of June 2018 the Regular Fund has paid back all funds loaned from the Treasury Fund.

Information on quotas

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

The GS/OAS had USD 97.0 million in quota receivable (i.e. balance due) at the beginning of the year, USD 85.0 million from current quota assessment and USD 12.0 million for quotas in arrears—columns (a) and (e) in Table 5, respectively. By the end of the semester, the GS/OAS had received USD 42.2 million towards the current quota assessment (column b in Table 5) leaving a current period balance of USD 42.8 million. The amount does not reflect discounts credited for prompt payment.

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

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

Out of 34 member states, 19 member states are current and/or considered current with their quota assessment and 15 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
2006	73,727,100	34,763,604	38,963,496	47%	18,675,466	11,767,864	6,907,602	63%	50%
2007	77,277,200	30,495,210	46,781,990	39%	12,547,491	8,453,493	4,093,998	67%	43%
2008	77,447,900	46,712,289	30,735,611	60%	10,926,790	10,547,463	379,327	97%	65%
2009	78,593,000	45,621,339	32,971,661	58%	3,162,697	2,835,011	327,686	90%	59%
2010	78,513,615	53,398,815	25,114,800	68%	918,128	692,677	225,451	75%	68%
2011	80,950,800	48,201,594	32,749,206	60%	1,282,659	183,487	1,099,172	14%	59%
2012	81,105,400	47,000,425	34,104,975	58%	2,908,247	166,320	2,741,927	6%	56%
2013	81,105,400	54,581,823	26,523,577	67%	4,849,615	4,729,436	120,179	98%	69%
2014	81,105,400	43,763,522	37,341,878	54%	1,982,878	234,700	1,748,178	12%	53%
2015	82,440,400	42,399,048	40,041,352	51%	11,700,047	71,152	11,628,895	1%	45%
2016	82,440,400	43,805,703	38,634,697	53%	19,660,941	4,059,562	15,601,379	21%	47%
2017	84,969,900	51,055,826	33,914,074	60%	14,865,171	7,801,126	7,064,045	52%	59%
2018	84,958,900	42,203,815	42,755,085	50%	11,995,843	3,086,867	8,908,976	26%	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 2018 (by quarter)				2018 net payments	Year-end balance due	2019 proj. advance payments
						Q1	Q2	Q3	Q4			
. Current and/or considered current												
1.a. Paid in full												
Barbados	22.2	-	22.2	-	22.2	-	22.2	-	-	22.2	-	-
Bolivia	59.7	-	59.7	1.0	58.7	-	58.7	-	-	58.7	-	-
Canada	8,364.0	-	8,364.0	270.9	8,093.1	8,093.1	-	-	-	8,093.1	-	-
Chile	1,207.5	-	1,207.5	34.5	1,173.0	-	1,173.0	-	-	1,173.0	-	-
Costa Rica	218.5	-	218.5	6.5	212.0	213.3	-	-	-	213.3	-	1.3
Dominica, Commonwealth of**	18.8	-	18.8	-	18.8	-	-	-	-	-	-	-
El Salvador	64.9	-	64.9	-	64.9	-	64.9	-	-	64.9	-	-
Guatemala	145.9	-	145.9	1.9	144.0	-	144.0	-	-	144.0	-	0.2
Guyana	18.8	-	18.8	0.5	18.3	18.3	-	-	-	18.3	-	-
Haiti	18.8	-	18.8	0.7	18.1	-	18.1	-	-	18.1	-	-
Honduras	36.7	-	36.7	0.7	36.0	36.0	0.0	-	-	36.0	-	-
Jamaica	45.2	14.9	60.1	-	60.1	60.1	-	-	-	60.1	-	-
Nicaragua	18.8	-	18.8	0.4	18.4	18.8	-	-	-	18.8	-	0.4
Panama	163.0	-	163.0	-	163.0	-	163.0	-	-	163.0	-	-
Paraguay	74.2	-	74.2	1.3	72.9	72.9	-	-	-	72.9	-	1.3
St. Lucia	18.8	-	18.8	0.6	18.2	-	18.2	-	-	18.2	-	-
1.b. Not paid in full, with payment plan												
Antigua and Barbuda	18.8	-	18.8	-	18.8	4.7	4.7	-	-	9.4	9.4	-
Mexico	5,521.4	984.2	6,505.6	-	6,505.6	984.2	-	-	-	984.2	5,521.4	-
United States	50,750.7	1,877.7	52,628.4	-	52,628.4	-	27,253.1	-	-	27,253.1	25,375.3	-
. Not current (not paid in full and no payment plan)												
2.a. Without arrears												
Bahamas, Commonwealth of	40.1	-	40.1	0.8	39.3	-	-	-	-	-	39.3	-
Belize	18.8	-	18.8	-	18.8	-	-	-	-	-	18.8	-
Brazil	10,630.6	-	10,630.6	106.1	10,524.6	-	5,375.6	-	-	5,375.6	5,149.0	-
Colombia	1,397.8	-	1,397.8	11.2	1,386.6	-	-	-	-	-	1,386.6	-
Dominican Republic	228.7	-	228.7	-	228.7	-	-	-	-	-	228.7	-
Ecuador	343.1	-	343.1	-	343.1	-	-	-	-	-	343.1	-
Peru	857.7	-	857.7	7.3	850.4	-	841.0	-	-	841.0	9.3	-
St. Kitts and Nevis	18.8	-	18.8	-	18.8	-	-	-	-	-	18.8	-
Suriname	18.8	-	18.8	-	18.8	-	-	-	-	-	18.8	-
Trinidad and Tobago	110.1	-	110.1	-	110.1	-	-	-	-	-	110.1	-
Uruguay	254.3	-	254.3	-	254.3	-	-	-	-	-	254.3	-
2.b. With arrears												
Argentina	2,560.2	210.0	2,770.2	-	2,770.2	210.0	-	-	-	210.0	2,560.2	-
Grenada	18.8	128.6	147.4	-	147.4	-	-	-	-	-	147.4	-
St. Vincent and the Grenadines	18.8	15.9	34.7	-	34.7	-	-	-	-	-	34.7	-
Venezuela	1,655.6	8,764.4	10,420.0	-	10,420.0	-	-	-	-	-	10,420.0	-
OTAL	84,958.9	11,995.8	96,954.7	444.4	96,510.4	9,711.3	35,136.7	-	-	44,848.0	51,645.3	3.1

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

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

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

	Net payments received in 2018												2018 Net payments	Net payments in %
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
1. Current and/or considered current														
1.a. Paid in full														
Barbados	-	-	-	-	-	22.2	-	-	-	-	-	-	22.2	0.0%
Bolivia	-	-	-	58.7	-	-	-	-	-	-	-	-	58.7	0.1%
Canada	-	8,093.1	-	-	-	-	-	-	-	-	-	-	8,093.1	18.0%
Chile	-	-	-	1,149.5	-	23.5	-	-	-	-	-	-	1,173.0	2.6%
Costa Rica	-	213.3	-	-	-	-	-	-	-	-	-	-	213.3	0.5%
Dominica, Commonwealth of**	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
El Salvador	-	-	-	-	64.9	-	-	-	-	-	-	-	64.9	0.1%
Guatemala	-	-	-	144.0	-	-	-	-	-	-	-	-	144.0	0.3%
Guyana	-	-	18.3	-	-	-	-	-	-	-	-	-	18.3	0.0%
Haiti	-	-	-	-	18.1	-	-	-	-	-	-	-	18.1	0.0%
Honduras	-	-	36.0	0.0	-	-	-	-	-	-	-	-	36.0	0.1%
Jamaica	45.2	14.9	-	-	-	-	-	-	-	-	-	-	60.1	0.1%
Nicaragua	-	-	18.8	-	-	-	-	-	-	-	-	-	18.8	0.0%
Panama	-	-	-	-	163.0	-	-	-	-	-	-	-	163.0	0.4%
Paraguay	-	72.9	-	-	-	-	-	-	-	-	-	-	72.9	0.2%
St. Lucia	-	-	-	-	18.2	0.1	-	-	-	-	-	-	18.2	0.0%
1.b. Not paid in full, with payment plan														
Antigua and Barbuda	-	4.7	-	4.7	-	-	-	-	-	-	-	-	9.4	0.0%
Mexico	-	984.2	-	-	-	-	-	-	-	-	-	-	984.2	2.2%
United States	-	-	-	-	27,253.1	-	-	-	-	-	-	-	27,253.1	60.8%
2. Not current (not paid in full and no payment plan)														
2.a. Without arrears														
Bahamas, Commonwealth of	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Belize	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Brazil	-	-	-	-	-	5,375.6	-	-	-	-	-	-	5,375.6	12.0%
Colombia	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dominican Republic	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Ecuador	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Peru	-	-	-	-	-	841.0	-	-	-	-	-	-	841.0	1.9%
St. Kitts and Nevis	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Suriname	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Trinidad and Tobago	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Uruguay	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
2.b. With arrears														
Argentina	210.0	-	-	-	-	-	-	-	-	-	-	-	210.0	0.5%
Grenada	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
St. Vincent and the Grenadines	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Venezuela	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TOTAL	255.2	9,383.1	73.0	1,357.0	27,517.3	6,262.3	-	-	-	-	-	-	44,848.0	100.00%
in %	0.6%	20.9%	0.2%	3.0%	61.4%	14.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	

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

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

Regular Fund liquidity risk assessment

In terms of liquidity, the Regular Fund began the year with a cash balance of USD 4.0 million, fluctuating through the year, ending the first semester in USD 8.6 million (Figure 3). The GS/OAS projects a deficit level of cash USD 11.4 million by the end of October of 2018 considering member states' payment plans and payment history (excludes member states with balances in arrears). This deficit would be covered through a Treasury Fund Loan as approved through CP/RES. 1091/18. Although no deficits are projected through the end of 2018, the delay in quota payments contin-

ues to be a long-term management concern as it significantly impacts liquidity in the Regular Fund.

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
a Beginning cash balance	4.02	0.00	0.00	0.00	0.00	9.46	8.64	7.38	0.36	0.00	0.00	0.00	4.02
Inflows													
Net quota payments	0.26	9.38	0.07	1.36	27.52	6.26	5.08	0.00	0.25	1.90	7.63	26.21	85.92
Other income	0.00	0.00	0.05	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.02	0.09	0.17
b Total inflows	0.26	9.38	0.12	1.36	27.52	6.26	5.09	0.00	0.25	1.90	7.65	26.30	86.09
Outflows													
2018 expenses	6.94	6.17	5.76	6.43	6.64	7.07	6.34	7.02	6.29	7.64	7.07	6.32	79.71
2017 expenses	0.75	0.19	0.11	0.18	0.05	0.01	0.01	0.00	0.00	0.00	0.00	0.00	1.30
c Total outflows	7.69	6.36	5.87	6.61	6.69	7.08	6.35	7.02	6.29	7.64	7.07	6.32	80.99
d=b-c Net cash flow	(7.43)	3.02	(5.75)	(5.25)	20.83	(0.82)	(1.26)	(7.02)	(6.04)	(5.74)	0.58	19.98	5.10
e From/to Loans	3.41	(3.02)	5.75	5.25	(11.37)	0.00	0.00	0.00	5.68	5.74	(0.58)	(10.84)	0.02
f=a+d+e Ending cash balance	0.00	0.00	0.00	0.00	9.46	8.64	7.38	0.36	0.00	0.00	0.00	9.14	9.14

Trend of inflows

Trend of outflows

Trend of ending cash balance

Contributions from member states to OAS funds

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

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

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

Member state	Regular Fund					Trust for the Americas	Total	Specific Funds - Fund Balance
	Current Year Collection *	Prior Year Bal. Collection	Development Cooperation Fund	Specific Funds				
Antigua and Barbuda	9,400	-	1,000	-	-	-	10,400	-
Argentina	-	210,000	20,000	255,471	-	-	485,471	860,541
Bahamas, Commonwealth of	836	-	-	-	-	-	836	53,520
Barbados	22,200	-	-	20,126	-	-	42,326	(3,159)
Belize	-	-	-	6,045	-	-	6,045	10,212
Bolivia	59,700	-	-	10,995	-	-	70,695	73,974
Brazil	5,481,607	-	-	-	-	-	5,481,607	260,933
Canada	8,364,000	-	-	3,041,758	-	-	11,405,758	1,002,517
Chile	1,207,500	-	-	10,000	-	-	1,217,500	140,293
Colombia	11,188	-	-	479,529	-	-	490,717	192,691
Costa Rica	218,500	-	-	36,813	-	-	255,313	59,910
Dominica, Commonwealth of	-	-	-	-	-	-	-	3,318
Dominican Republic	-	-	9,919	402,904	-	-	412,823	172,121
Ecuador	-	-	-	-	-	-	-	32,758
El Salvador	64,900	-	32,100	28,800	-	-	125,800	20,210
Grenada	-	-	-	5,000	-	-	5,000	9,250
Guatemala	145,900	-	-	25,209	-	-	171,109	142,716
Guyana	18,800	-	-	78,237	-	-	97,037	38,556
Haiti	18,800	-	-	-	-	-	18,800	9,596
Honduras	36,700	-	13,999	137,206	-	-	187,905	154,788
Jamaica	45,200	14,925	-	-	-	-	60,125	2,750
Mexico	-	984,233	-	688,509	-	-	1,672,742	4,424,276
Nicaragua	18,800	-	-	-	-	-	18,800	16,077
Panama	163,000	-	-	59,309	-	-	222,309	129,980
Paraguay	74,200	-	-	54,933	-	-	129,133	113,426
Peru	848,364	-	-	70,596	-	-	918,960	321,650
St. Kitts and Nevis	-	-	-	5,000	-	-	5,000	9,250
St. Lucia	18,800	-	50	-	-	-	18,850	6,269
St. Vincent and the Grenadines	-	-	-	-	-	-	-	30
Suriname	-	-	-	-	-	-	-	2,000
Trinidad and Tobago	-	-	-	80,000	-	-	80,000	159,426
United States	25,375,420	1,877,709	-	2,164,604	531,426	-	29,949,159	23,564,811
Uruguay	-	-	-	47,500	-	-	47,500	49,293
Venezuela	-	-	-	-	-	-	-	1,526
Total	42,203,815	3,086,867	77,068	7,708,545	531,426	531,426	53,607,721	

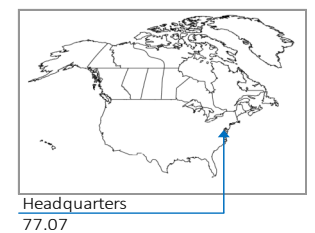
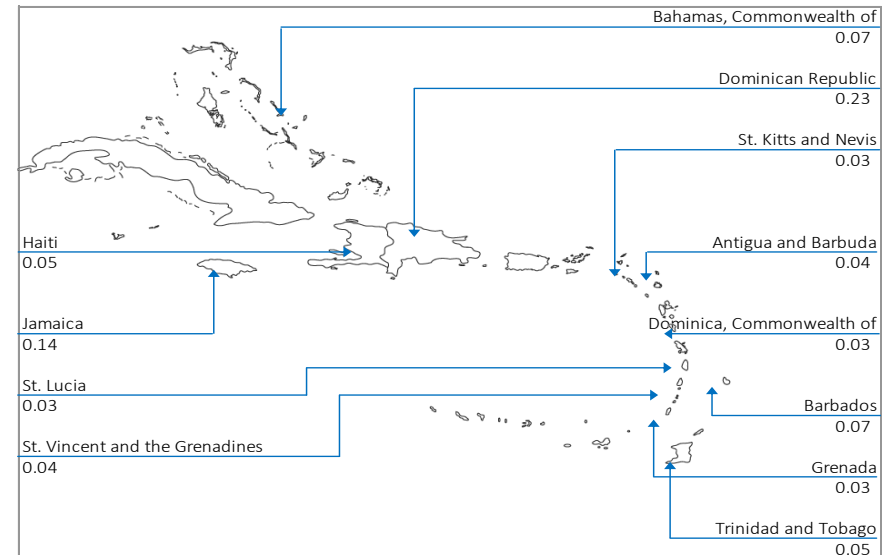
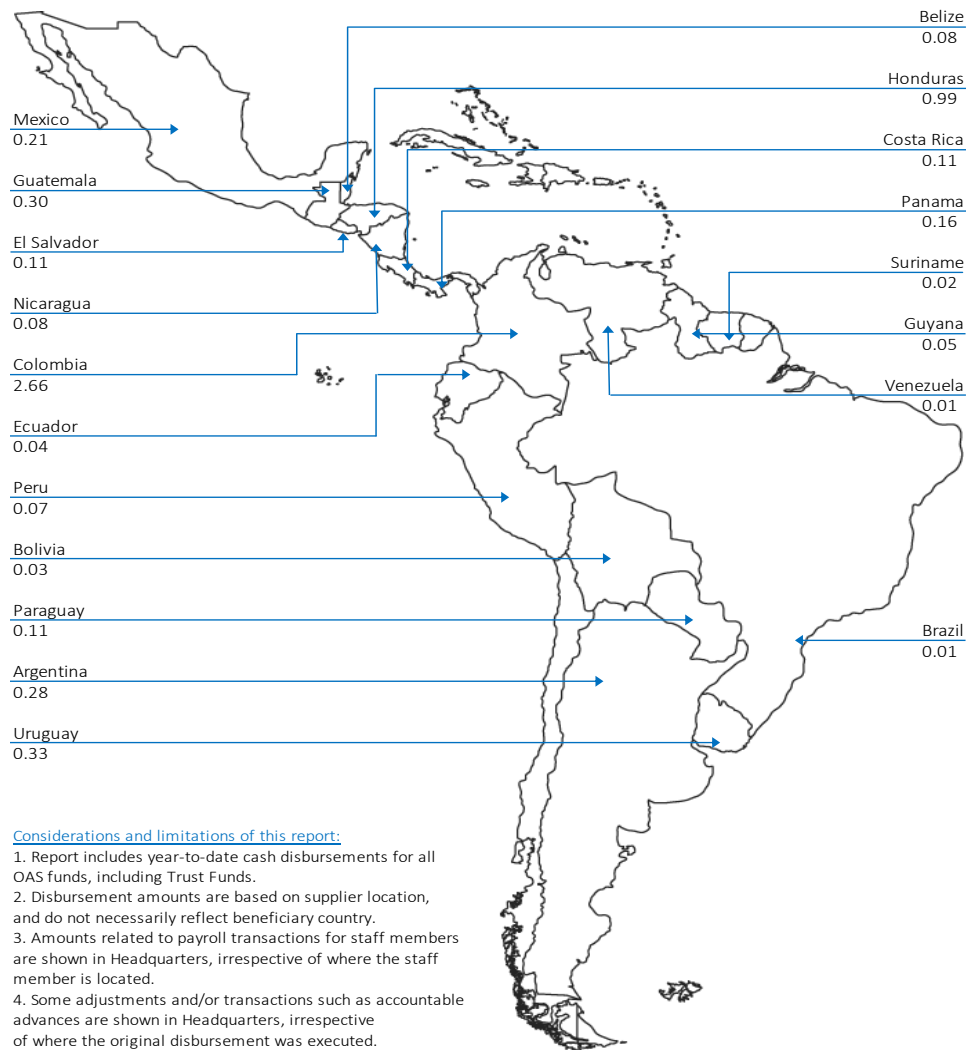
* Include prompt payment credits and/or payments in advance.

Disbursements by location

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

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

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



TOTAL DISBURSEMENTS 83.51

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 5,795,220 from transfers of several sources bringing the appropriation to a total of USD 26,811,161. In addition, the fund has earned interest of USD 2,956,362 through March 31, 2018, which has been distributed to each of its activities, interest for the second quarter of 2018 are still pending to be recorded at the time of presentation of this report. Thus, the total funding to date provided to the fund is USD 29,767,523.

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	6,476,592	1,710,782	13,603,315	9,846,059	3,757,256
Summit of Americas Mandates	4,000,000	-	(49,166)	444,263	4,395,097	4,211,744	183,353
Inter-American Court of Human Rights	600,000	-	-	-	600,000	600,000	-
Total	20,600,000	415,941	5,795,220	2,956,362	29,767,523	25,781,402	3,986,121

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

OAS Country Offices

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

Expenditures by Country Office

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

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

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

	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				
OAS Country Office											
Antigua and Barbuda	25,902	-	-	-	600	22,470	1,985	3,865	28,920	54,822	1.9%
Bahamas, Commonwealth of	32,270	-	-	-	1,310	633	1,817	3,457	7,217	39,487	1.4%
Barbados	128,675	-	-	-	2,938	23,873	12,944	3,307	43,064	171,739	6.1%
Belize	98,797	-	-	-	2,184	972	605	9,145	12,906	111,703	4.0%
Bolivia	84,196	-	-	-	1,466	8,711	1,435	10,147	21,759	105,955	3.7%
Costa Rica	41,428	-	-	-	1,177	14,170	1,977	1,630	18,954	60,383	2.1%
Dominica, Commonwealth of	21,237	-	-	-	633	10,635	6,134	814	18,217	39,454	1.4%
Dominican Republic	83,307	-	-	289	1,460	18,091	-	11,993	31,833	115,140	4.1%
Ecuador	32,580	-	-	-	286	9,276	-	9,137	18,700	51,280	1.8%
El Salvador	110,713	-	112	-	1,323	18,467	6,296	1,070	27,268	137,981	4.9%
Grenada	34,400	-	-	-	1,212	14,812	-	1,798	17,822	52,222	1.8%
Guatemala	112,552	-	53	-	2,679	10,403	2,571	9,148	24,854	137,406	4.9%
Guyana	92,210	-	50	15	4,730	2,417	2,821	2,770	12,803	105,013	3.7%
Haiti	25,541	-	-	-	5,034	60,099	4,500	47,711	117,344	142,885	5.1%
Honduras	79,895	-	-	697	2,584	19,271	-	18,859	41,411	121,306	4.3%
Jamaica	105,928	-	-	-	989	10,479	7,038	1,731	20,237	126,165	4.5%
Mexico	131,786	-	-	87	3,398	307	-	2,578	6,369	138,155	4.9%
Nicaragua	27,419	-	-	493	1,085	8,460	-	4,302	14,340	41,759	1.5%
Panama	114,504	-	-	-	849	16,615	1,775	7,232	26,471	140,975	5.0%
Paraguay	114,746	-	-	-	2,652	16,730	2,697	12,708	34,787	149,533	5.3%
Peru	37,948	-	-	-	3,437	14,375	10,119	5,226	33,157	71,106	2.5%
St. Kitts and Nevis	21,649	-	-	-	372	11,690	4,031	3,819	19,912	41,562	1.5%
St. Lucia	18,687	-	-	-	380	15,492	7,680	2,965	26,518	45,205	1.6%
St. Vincent and the Grenadines	21,649	-	-	-	1,084	997	5,160	2,290	9,531	31,181	1.1%
Suriname	73,868	-	-	75	2,743	220	8,023	1,492	12,554	86,422	3.1%
Trinidad and Tobago	32,904	-	-	-	-	-	10,860	765	11,625	44,529	1.6%
Uruguay	142,715	-	-	102	3,622	14,439	5,249	1,389	24,801	167,516	5.9%
Venezuela	95,200	-	-	-	846	18,923	10,648	329	30,746	125,946	4.5%
HQ Support to the Offices	104,552	-	1,012	700	4,482	3,845	52,905	3,555	66,499	171,050	6.0%
Grand total	2,047,257	-	1,227	2,459	55,556	366,875	169,272	185,233	780,622	2,827,879	100.0%
% of grand total	72.4%	0.00%	0.04%	0.1%	2.0%	13.0%	6.0%	6.6%	27.6%	100.0%	

Statement of Funds Available for OAS Country Offices

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

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

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

	Regular Fund	Specific Funds Offices in Member States	Service and Revolving Funds Fund for Indirect Cost Recovery (ICR)	Other accounts (Fund 620) (3)	Total
FUNDING					
Budget (1)					
Personnel budget	4,138,461	-	-	-	4,138,461
Non-personnel budget	1,140,210	-	56,400	-	1,196,610
Total budget (1)	5,278,671	-	56,400	-	5,335,071
Contributions and other income:					
Quarter 1	-	123,168	-	23,483	146,651
Quarter 2	-	193,119	-	-	193,119
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total contributions and other income	-	316,287	-	23,483	339,770
a Total funding available	5,278,671	316,287	56,400	23,483	5,674,841
DECREASES					
Execution:					
Expenditures:					
Quarter 1	1,354,770	76,696	9,400	2,193	1,443,059
Quarter 2	1,257,000	110,106	14,100	3,614	1,384,820
Quarter 3	-	-	-	-	-
Quarter 4	-	-	-	-	-
Total expenditures	2,611,770	186,802	23,500	5,806	2,827,879
Obligations	2,381,769	216,546	23,500	19,039	2,640,854
Total execution	4,993,539	403,348	47,000	24,845	5,468,732
Other decreases	-	-	-	-	-
b Total decreases	4,993,539	403,348	47,000	24,845	5,468,732
c=a-b NET INCREASE (DECREASE) DURING PERIOD	285,132	(87,061)	9,400	(1,362)	206,109
d Funds available, beginning of period	31,149	384,987	-	42,404	458,540
e=c+d FUNDS AVAILABLE, END OF PERIOD (2)	316,281	297,926	9,400	41,042	664,649

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

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

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

Specific Funds

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

Key financial developments

Contributions to Specific Funds reached USD 15.1 million, approximately 15% higher than in 2017 (USD 13.1 million) and 24% higher than in 2016 (USD 12.2 million) . While contributions from member states decrease by 24% compared to the same period last year, contributions from permanent observers and from other institutions increased by 225% and 54%, respectively. The increase in contributions from permanent observers was seen mainly in the unprogrammed funds and on the Democracy and Governance pillar.

Signed donor agreements

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

The GS/OAS actively tracks and manages over 500 donor agreements every year in its financial system, each with its own set of administrative requirements. This volume is high considering that the average dollar amount expended is only USD 75 thousand (based on 2017 data). Furthermore, almost 80% of these agreements are

below this average. Thus, management believes that an organizational wide effort is necessary to negotiate more framework agreements or “basket funds” with donors in order to reduce administrative costs, whereby one donor agreement finances several large projects or programs. The recommendations issued in the *Strategic Plan for Management Modernization at the OAS* also encourage this effort. The GS/OAS has made progress on this with a few donors such as Canada and Spain, and a few programs such as OAS/MAPP Peace Process in Colombia, but a more systematic effort is required.

Through 2018, 58 new agreements began execution for a total pledged amount of USD 7.8 million. Table 13 summarizes these agreements by type of donor. A detailed list of signed donor agreements is published in the [OAS website](#).

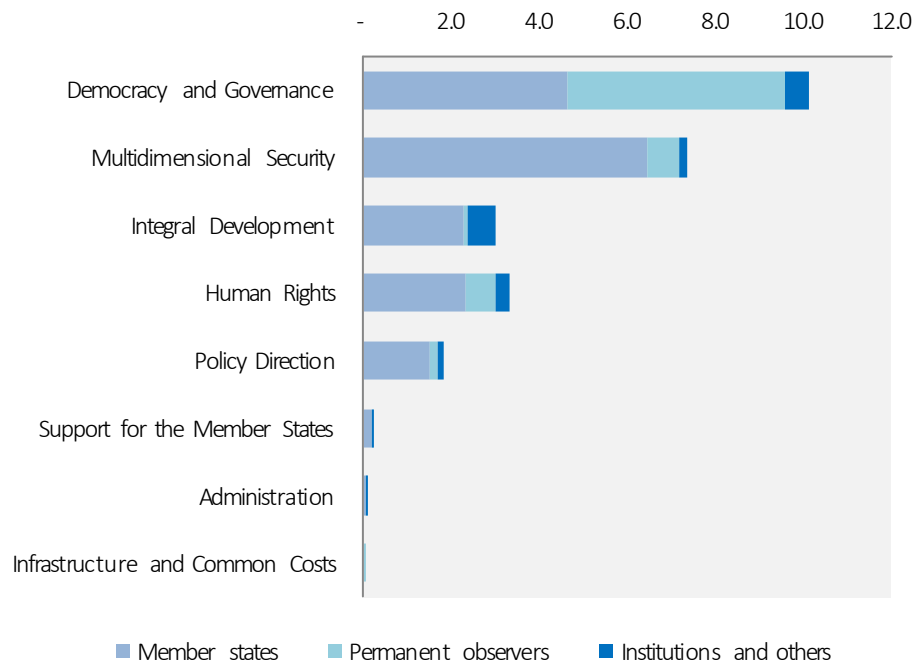
Table 13: New donor agreements starting execution this year

Donor	a Quantity	b Amount in thousands of USD	c=b/a Average amount in thousands of USD	d Range of execution periods
Member states	36	3,704.8	102.9	From 0 to 3 years
Permanent observers	16	3,655.4	228.5	From 0 to 3 years
Institutions and others	6	478.0	79.7	From 0 to 3 years
Total	58	7,838.2	135.1	

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 the first semester of 2018 the GS/OAS incurred a total of USD 26.0 million in Specific Fund expenditures. Almost 67% of that amount was financed with contributions from member states, 25% with contributions from permanent observers and 8% with contributions from institutions and other donors. Permanent observers tend to finance more activities within the programmatic pillar of democracy and governance while institutions and other donors such as the United Nations tend to finance activities within integral development (Figure 7).

Statement of Changes in Fund Balance

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

External financial audits requested by Specific Fund donors

With respect to compliance and oversight issues, one financial audit has been performed during the first semester 2018: OAS/MAPP “Basket Fund-2017 “with a satisfactory result. Currently, there is one more audit in progress and four more are already scheduled for 2018. 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](#).

Expired and inactive Specific Funds

GS/OAS dependencies, through their Administrative Management Support (AMS) sections, must monitor overall unspent balances and must conduct systematic reviews to assure the return of unspent funds to donor within the timeframe established in the agreements, if so required. DFS also monitors overall unspent balances as well and may initiate actions to resolve these balances if instructions from GS/OAS dependencies are not received in a timely manner. By the end of the end of the first semester there was approximately USD 1.6 million in expired funds. A detailed list of these funds is published in the [OAS website](#).

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

Chapter	a Cash balance 01/01/18	b Contributions *	c Other net activity **	d Expenditures	e=a+b+c-d Cash balance 06/30/18	f Obligations as of 06/30/18	g=e-f Fund balance 06/30/18
Chapter 1 - Office of the Secretary General	(73,462)	-	57,000	69,170	(85,631)	7,136	(92,767)
Chapter 2 - Office of the Assistant Secretary General	236,928	313,699	16,107	219,084	347,650	222,797	124,853
Chapter 3 - Principal and Specialized Organs	2,714,408	2,387,420	9,696	3,323,290	1,788,233	759,516	1,028,717
Chapter 4 - Strategic Counsel for Organizational Development and Management for Results	653,646	201,500	66,954	293,222	628,879	124,290	504,589
Chapter 5 - The Secretariat for Access to Rights and Equity (SARE)	693,751	101,013	(53,945)	195,436	545,383	49,244	496,139
Chapter 6 - Secretariat for Strengthening Democracy (SSD)	15,501,960	2,438,473	1,461,829	9,088,351	10,313,911	3,334,427	6,979,484
Chapter 7 - The Executive Secretariat for Integral Development (SEDI)	19,358,161	1,534,650	(68,113)	2,861,621	17,963,077	1,277,333	16,685,744
Chapter 8 - The Secretariat for Multidimensional Security (SMS)	18,196,397	4,611,156	(107,927)	7,383,571	15,316,055	2,918,790	12,397,265
Chapter 9 - The Secretariat for Hemispheric Affairs (SHA)	3,394,621	382,182	88,057	1,840,446	2,024,413	554,409	1,470,004
Chapter 10 - The Secretariat for Legal Affairs (SLA)	1,814,846	30,000	891	513,244	1,332,493	362,101	970,392
Chapter 11 - The Secretariat for Administration and Finance (SAF)	7,000	41,380	-	22,830	25,550	16,625	8,925
Chapter 12 - Basic Infrastructure and Common Costs (BICC)	84,743	-	-	4,500	80,243	15,438	64,805
Chapter 13 - Compliance Oversight Management Bodies (COMB)	(1,102)	24,051	-	11,516	11,433	248	11,185
Other activities:							
Fund for Cooperation with Latin America & the Caribbean	221,116	-	-	-	221,116	-	221,116
Interest to be reimbursed to USINL	11,262	-	(5,203)	-	6,060	-	6,060
Oliver Jackman Fund	157,458	-	489	-	157,947	-	157,947
Reconciliation / Write-Off	109,130	-	12,764	-	121,894	-	121,894
Resolution CP 831/2002	4,153,647	250,000	16,882	130,381	4,290,148	304,027	3,986,121
Unprogrammed Funds	3,959,577	2,752,838	(1,736,472)	-	4,975,944	-	4,975,944
Specific Funds Interest to ICR	-	-	-	-	-	-	-
Inter-American Emergency Aid Fund (FONDEM)	10,000	-	-	3,386	6,614	1,213	5,402
Total	71,204,088	15,068,361	(240,992)	25,960,046	60,071,411	9,947,595	50,123,816

* 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.