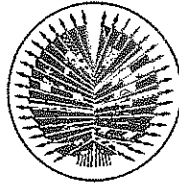


ORGANIZATION OF AMERICAN STATES



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June 28, 1993
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REPORT TO THE
PERMANENT COUNCIL
OF THE
ORGANIZATION OF AMERICAN STATES

**AUDIT OF ACCOUNTS AND
FINANCIAL STATEMENTS
FOR THE YEAR
ENDED
DECEMBER 31, 1992**

By the
Board of External Auditors

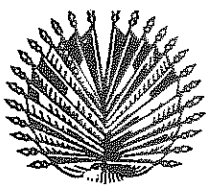
GENERAL SECRETARIAT
ORGANIZATION OF AMERICAN STATES
WASHINGTON, D.C. 20006
1993

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ORGANIZATION OF AMERICAN STATES BOARD OF EXTERNAL AUDITORS

The Board is responsible for the external audit of the accounts of the General Secretariat pursuant to the General Assembly Resolution 123 adopted on April 14, 1973, and Permanent Council Resolution 124 dated June 30, 1975. It began to function in March 1976, and adopted detailed rules and procedures to carry out its duties and responsibilities. These rules reflect the standards and requirements prescribed by the General Assembly and the Permanent Council for the external audit of the OAS.

The Board is composed of three members elected by the General Assembly.



ORGANIZACION DE LOS ESTADOS AMERICANOS
ORGANIZAÇÃO DOS ESTADOS AMERICANOS
ORGANISATION DES ETATS AMERICAINS
ORGANIZATION OF AMERICAN STATES

JUNTA DE AUDITORES EXTERNOS
BOARD OF EXTERNAL AUDITORS
JUNTA DE AUDITORES EXTERNOS
COMMISSION DE VÉRIFICATEURS EXTÉRIEURS

17th Street and Constitution Avenue, N.W. Washington, D.C. 20006

June 18, 1993

To the Permanent Council of the
ORGANIZATION OF AMERICAN STATES

The Board of External Auditors is pleased to present its annual report on the external audit of the accounts and financial statements of the ORGANIZATION OF AMERICAN STATES (OAS). Our report covers the year ended December 31, 1992, and includes:

- Comments and recommendations by the Board for improving the OAS operating procedures and internal accounting controls;
- Audit of the accounts and financial statements of major OAS funds:
 - Regular Fund
 - Special Development Assistance Fund
 - Special Multilateral Fund for Education, Science,
and Culture
 - Special Account for Culture
 - Mar del Plata Account
- Audit of the accounts and financial statements of the Retirement and Pension Fund;
- Audit of the accounts and financial statements of the Rowe Memorial Benefit Fund and the Leo S. Rowe Pan American Fund;
- Audit of the accounts and financial statements of the Inter-American Defense Board;
- Audit of the accounts and financial statements of the International Commission of Support and Verification (CIAV-OAS); and

- Audit of the accounts and financial statements for the Activities of the Unit for the Promotion of Democracy

The Board's annual report is based primarily on the independent audit by Ernst & Young performed in accordance with generally accepted auditing standards. The Board reviewed and discussed the audit work and related work papers with representatives of the firm. In preparing its report, the Board has also considered the reports of the General Secretariat's Inspector General and discussions with management officials.

The financial statements included in this report represent the financial activity for the year ended December 31, 1992, on a comparative basis with December 31, 1990 -- the first year of the previous biennium. (See Note 3 to the financial statements). Except as described in the following paragraph, the statements have been prepared in conformity with accounting practices prescribed by the Budgetary and Financial Rules of the General Secretariat which require the measurement of financial position and operating results in terms of historical cost without regard to changes in the purchasing power of money over time.

Ernst & Young's opinion on the financial statements is qualified because the recording of certain obligations totaling about \$16 million in 1991. These obligations departed from the criteria set forth in the General Standards to govern the operations of the General Secretariat and the Budgetary and Financial Rules in that they did not represent firm commitments as prescribed by such rules. In addition, the Regular Fund recognized 1991 administrative and technical support contributions from the CIECC Funds on the basis of these obligations. As a result of these departures from the Budgetary and Financial Rules of the OAS during 1991, the December 31, 1992 financial statements reflect misstatements causing 1992 deobligations to be overstated by \$4.3 million; 1992 obligations to be understated by as much as \$11.3 million; and, charges to the CIECC Funds for administrative and technical support and corresponding Regular Fund income to be understated by as much as \$800,000.

Based on the opinions rendered by Ernst & Young on funds audited, the Board certifies in accordance with Article 103 of the General Standards to govern the operations of the General Secretariat that:

- Except as described in the preceding paragraph, the transactions reflected in the financial statements of the funds audited are in accordance with the General Standards to govern the operations of the General Secretariat, the financial regulations, and other applicable provisions.
- The financial statements of all funds audited agree with the books, records, documents, and vouchers of the General Secretariat.
- The securities and cash on deposit have been checked by means of certification from depositories of the General Secretariat and the cash on hand has been checked by actually counting it as deemed appropriate by the Board in accordance with generally accepted auditing standards.

We have included as Appendix A of Section I Ernst & Young's opinion on compliance with the General Standards to govern the operations of the General Secretariat. In addition, our report contains a number of recommendations designed to improve OAS operating procedures and internal accounting controls both at Headquarters and at the Offices in the member states.

Article 108 of the General Standards, provides:

"The Board shall submit its report to the Permanent Council and the General Secretariat within the first semester of every year. The Permanent Council shall make the observations it deems necessary. Bearing in mind such observations, within sixty days of receiving them, the General Secretariat shall submit a report to the Permanent Council on the measures taken to implement the Board's recommendations."

The Board's report for 1991 was referred by the Permanent Council to its Committee on Administrative and Budgetary Affairs on October 28, 1992. The

Committee on Administrative and Budgetary Affairs submitted its report to the Permanent Council, document CP/doc. 2356/93, on March 18, 1993, which approved the report.

At December 31, 1992, the Regular Fund had a positive fund balance of approximately \$3.8 million, representing an increase of approximately \$14.2 million from the December 31, 1991 deficit of \$10.4 million. This increase in fund balance was attributable to continued improvement in quota collections during 1992, including \$15.7 million of reduction in arrearages, and other income (including deobligations) recorded in the Regular Fund during the year. Quota payments to the Regular Fund for both the current year and for arrears during 1992 totalled \$71.4 million, compared to \$69.3 million during 1991.

The Members of the Board wish to express their appreciation for the cooperation of the General Secretariat in facilitating the audit work and to the General Assembly and Permanent Council for the opportunity to assist in evaluating the financial operations of the OAS.

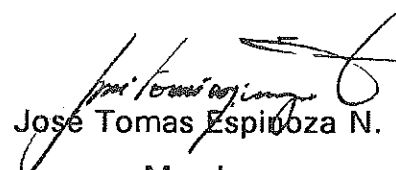


Brian P. Crowley

Chairman



Marcelo Zalles B.
Member



José Tomás Espinoza N.
Member

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SECTION I

COMMENTS AND RECOMMENDATIONS TO IMPROVE

OPERATING PROCEDURES AND INTERNAL ACCOUNTING CONTROLS

CHAPTER 1

COMMENTS RELATING TO THE GENERAL SECRETARIAT

Five issues discussed in last year's report related to the General Secretariat continue to be of concern to the Board. Also, the Board identified three new issues that it wishes to bring to the attention of the Permanent Council. Two other issues discussed last year have been appropriately dealt with and their significance has been reduced. Issues related to the General Secretariat have been grouped into three categories as follows: (1) issues of continuing concern, (2) new issues, and (3) action on prior issues.

ISSUES OF CONTINUING CONCERN

Accounting for Fixed Assets

During 1992 two individuals continued the task of updating the fixed asset records, concentrating on the 1992 acquisitions and disposals. Current year efforts focused on accurately capturing and recording 1992 activity as well as reviewing global amounts recorded in 1990 and 1989, although a physical inventory was not performed again this year. The situation merits continued attention by the Department of Material Resources. In addition, the Board recommend that, in order to reduce the administrative burden associated with tracking smaller dollar items, the Department of Material Resources increase its minimum capitalization amount from the current \$50 to \$500.

Financial Position of the General Secretariat

During 1992 the OAS continued to make good progress in collecting quota arrearages. Quota collections during 1992 were \$71.4 million which included \$15.7 million of quota arrearages and the Regular Fund had a positive balance of \$3.8 million. However, current claims against the fund balance total \$5.4 million which could result in a deficit fund balance in 1993. To avoid subsequent deficit fund balances, OAS should continue to emphasize quota collections.

Management Information Systems

Many of the accounting software programs utilized by OAS were developed internally more than fifteen years ago. Although the Department of Management Systems has been successful in modifying these programs to fulfill internal needs, Ernst & Young encountered problems again this year with the accuracy of computer generated information related to the Leo S. Rowe Pan American Fund, the utility of certain fixed asset reports, and the income tax reimbursement system. The Board again recommends that the Organization study its management information system capabilities, including those systems related to income tax reimbursement, fixed asset management, and the Leo S. Rowe Pan American Fund.

Budgetary Execution

Again this year the Board noted a delay in the execution of the program budgets of the Voluntary Funds. A total of about \$20.1 million of appropriations and obligations have been carried forward into the current biennium from prior budgetary periods. This represents a decrease of \$25.5 million from last year.

	<u>Carry-Over Appropriations</u>	<u>Carry-Over Obligations (In Millions)</u>	<u>Combined</u>	<u>% of 1992 Budget</u>
FEMCIECC	\$5.6	\$1.5	\$7.1	86%
CEC	0.5	0.2	0.7	78%
CMP	<u>3.2</u>	<u>0.7</u>	<u>3.9</u>	93%
CIECC Funds	9.3	2.4	11.7	87%
SDAF	<u>6.9</u>	<u>1.5</u>	<u>8.4</u>	60%
TOTAL	<u>\$16.2</u>	<u>\$3.9</u>	<u>\$20.1</u>	74%

The Board again recommends that an evaluation of project execution levels be conducted to identify the elements that preclude the timely execution of approved budgets.

Contribution for Administrative and Technical Support

In prior reports, the Board had suggested that the Organization reevaluate the 15 percent rate used to reimburse the Regular Fund for expenditures borne on behalf of Special Multilateral Fund programs. The Board believes that, as part of the evaluation, the Organization should

consider charging directly to the programs benefitted, salaries and related benefits for all individuals who provide direct support to such programs.

This matter was referred to the Committee on Administrative and Budgetary Affairs in September 1991. The Committee decided to recommend to the Permanent Council that no change be made to the current method of assessing the Voluntary Funds contribution for support provided by the Regular Fund, pending completion of a study of the overall operations of the Voluntary Funds.

At its XXIII Regular Session, the General Assembly adopted a resolution which combines the technical cooperation activities under a single secretariat. The Board believes that it is time again to study the assessments, but it will defer further comment on this issue pending completion of a study of the overall operations of the Voluntary Funds. This study is scheduled to be addressed by the General Assembly during the June 1994 meeting.

NEW ISSUES

Compliance with Reporting Requirements

The Organization has not been able to meet the financial reporting required by the various specific fund contribution agreements. The number and dollar volume of activities financed by specific fund contributions from member states, permanent observer countries, and other institutions have increased significantly--from a level of some \$6 million per year in 1983 to \$25 million per year in 1990 through 1992. As a result the number, types, and complexity of monthly, quarterly, and ad hoc reports required by donors has expanded beyond the capacity of the Department of Financial Services to complete the reports. Although Ernst & Young noted no instances where funding had been denied or withdrawn because of a lack of reporting, some funding has been delayed and a number of member states and other institutions have complained about timeliness and frequency of required reports. Such complaints may well lead to a reluctance of donors to provide such funds in the future. In order to alleviate this reluctance, the Board recommends that the Department of Financial Services contact donors

and develop standardized reporting criteria and, with the assistance of Ernst and Young, develop a standard format that will be acceptable to all donors.

**Local Currency
Payroll System**

During the 1992 audit, Ernst & Young noted that a manual local currency payroll register was used to account for the salaries and benefits of approximately 28 employees paid in local currencies in 18 different member states. This process could be more efficient if it were integrated with the regular payroll process. The Board recommends that the local currency payroll process be integrated into the regular payroll system.

**Specific Criteria
for Firm
Commitments**

Ernst & Young noticed that within the technical cooperation, training, and development programs, it was not clear when a firm commitment had been made in accordance with the Budgetary and Financial Rules. The rules are not clear in those instances when the Organization is acting as a provider of goods and services. The Board recommends that specific criteria be established to indicate when a firm commitment has been made when the Organization is acting as the provider of goods and services.

ACTION ON PRIOR ISSUES

**Unliquidated
Obligations Carried
Forward**

Obligations in the Regular Fund and the CIECC Funds totalling about \$16 million were recorded during the 1991 biennium closing which were not in compliance with criteria set forth in the General Standards to govern the operations of the General Secretariat and the Budgetary and Financial Rules in that they did not represent firm commitments as prescribed by such rules. In addition, the Regular Fund recognized 1991 administrative and technical support contributions of \$1.4 million from the CIECC Funds on the basis of obligations which were not supported by firm commitments.

During 1992, the General Secretariat took appropriate measures to deobligate \$5.0 million of these funds in the Regular Fund and \$3.6 million in the CIECC Funds. The

Regular funds were reobligated as firm commitments, minimizing their impact upon the 1992 financial statements. As a result of the departures from the Budgetary and Financial Rules in 1991, the 1992 deobligations were overstated by \$4.3 million, 1992 obligations were understated by as much as \$11.3 million, and charges to the CIECC Funds for administrative and technical support and corresponding Regular Fund income was understated by as much as \$800,000.

**Termination
Benefits**

In prior years management instituted a policy whereby liabilities were recorded in the Special Multilateral and Specific Funds for certain termination benefits accruing to long-term contract employees who had been transferred between funds during their period of employment. This policy assures the equitable distribution of termination costs. However, no accruals were made during the 1991 biennium. In accordance with the Board's recommendation, the policy of accruing termination benefits as earned was reinstated in 1992.

CHAPTER 2

COMMENTS RELATING TO OFFICES OF THE GENERAL SECRETARIAT IN THE MEMBER STATES

In 1992 the Inspector General conducted reviews of five Offices of the General Secretariat in the member states including, Antigua and Barbuda, Dominica, El Salvador, Costa Rica, and Nicaragua. Additionally, during 1992 an independent public accounting firm performed four audits of Offices in member states including Uruguay, Argentina, Paraguay, and Brazil.

Essentially the same types of control deficiencies identified in past reviews continued to occur at the Organization's Offices in the member states. The Inspector General's office has reported to the Secretary General the following findings at these member states:

- The fixed assets inventory was not updated - Antigua and Barbuda, Dominica, Nicaragua, and Uruguay.
- Supporting documents were not cancelled once an invoice was paid - Antigua and Barbuda, Dominica, and El Salvador.
- Insufficient controls over blank checks and drafts - Antigua and Barbuda, Uruguay, Paraguay, and Brazil.
- Payments were made for contracts prior to ensuring the contract had been completed satisfactorily - Uruguay and Argentina.
- Lack of segregation of duties - Argentina, Paraguay, and Brazil.
- Drafts over \$5,000 were issued without two authorized signatures - Paraguay and Argentina.
- Receipts processed by unauthorized individuals - Uruguay, Argentina, and Paraguay.

In addition to these common findings, the following significant findings were also noted by the Inspector General:

Antigua and Barbuda

- The Office did not have contracts for cleaning and maintenance provided by a local company nor for the subrenting of OAS office space.

- The Office needs to ensure that duty free import reports are filed and entrance visas to the United States are requested only for OAS employees.

Dominica

- Tax exemptions were not negotiated for local purchases.

El Salvador

- Drafts and checks were not used in sequential order.
- Checks issued by the Office were not properly authorized by Headquarters.

Nicaragua

- Local purchase orders were not used in sequential order.
- The office lease was not renewed as prescribed in the lease, upon maturing in August 1992.
- Non-authorized personnel were working at the office.
- Courtesy round trip airline tickets for family members were inappropriately obtained.
- Reimbursement for personal long distance phone calls was not deposited into the OAS bank account.
- Gasoline for automobiles was charged to the office without the appropriate documentation.

Uruguay

- There was a lack of physical control over fixed assets.

Argentina

- No inventory of the publications stock was made.

CHAPTER 3

COMMENTS RELATING TO THE INSPECTOR GENERAL

The Inspector General issued five reports on the Offices of the General Secretariat in the member states and two other reports in 1992. Additionally, during 1992 an independent public accounting firm performed four audits of Offices in the member states.

Audit reports issued in 1992:

Audits of Offices of the General Secretariat in the member states

- Antigua and Barbuda
- Dominica
- El Salvador
- Costa Rica
- Nicaragua
- Uruguay
- Argentina
- Paraguay
- Brazil

Other Audits

- Special audit - Office of the General Secretariat in Nicaragua
- Travel Office - Department of Material Resources

The Board noted that the Offices of the General Secretariat in the member states were not aware of the Inspector General's findings and recommendations on a timely basis and that the reports were always written in Spanish rather than the language of the audited office. Currently, the Inspector General's findings and recommendations are forwarded to the Secretary General who forwards the findings to the appropriate Assistant/Executive Secretary. Consequently, there are significant delays in the offices' receipt of the report and in many cases, the staff of the offices in the English speaking member states have difficulty understanding the findings. Thus, the appropriate corrective action may not be taken. In order to streamline the process and facilitate the communication of the findings, the Board recommends that copies of the Inspector General's reports also be given directly to the Office audited and that the report be prepared in the native language of the office audited.

Previously, findings and recommendations in the Inspector General's reports were tracked on a manual basis. The Board noted that during the year, the Inspector General established a new automated tracking system to monitor the status of recommendations made during reviews. This system should facilitate the tracking and follow-up activities of the Inspector General.

The Board believes that the Inspector General's Office has done a good job given the present levels of funding and staffing. Although one additional staff person has been budgeted for, the Board continues to express its concern that the Office's resource level prevents it from providing adequate coverage of the Organization's activities, particularly at headquarters where most of the expenditures take place.

It is the Board's opinion that the Organization is not benefitting from a fully staffed audit function, consequently decreasing its ability to conduct programmatic reviews and economy and efficiency audits. When conducting a programmatic review, the Inspector General could independently determine if the desired results or benefits of an existing program are being achieved and identify factors inhibiting satisfactory performance. In addition, the Inspector General could determine whether proposed or existing programs complement, duplicate, or conflict with other programs and identify ways of making programs work better. When conducting economy and efficiency audits, the Inspector General could determine whether OAS is acquiring, protecting, and using its resources (such as personnel, property, and space) economically and efficiently. In addition, the Inspector General would determine the causes of the inefficiencies or uneconomical practices and suggest possible solutions. Economy and efficiency audits may, for example, consider whether OAS is following sound procurement practices; is acquiring the appropriate type, quality and amount of resources at the lowest cost; is properly protecting and maintaining its resources; is avoiding duplication of effort by employees; and is using efficient operating procedures.

The Board acknowledges the progress made in that funds for one additional staff auditor have been approved. However, the Board again urges the General Secretariat to review the staffing and funding of the Audit Office in order to ensure its ability to maintain a proper control environment in the Organization.

CHAPTER 4

COMMENTS RELATING TO THE INTER-AMERICAN DEFENSE BOARD

Financial Position

As discussed in Ernst & Young's opinion, the Board relied upon OAS to fund a significant portion of its day-to-day operating activities. The Board received from OAS about \$2.3 million in general purpose funding for 1992 as compared to \$2.5 million in 1991. During 1993 this funding was again reduced to \$2.2 million. As a result of the Board's reduced funding, we believe the continued viability of the Board is in question and alternative financing should be considered. To help alleviate the financial difficulties faced by the Board and ensure continued operations if a staff reduction is necessary, we believe the Board should consider requesting that civilian personnel be provided by the supporting member states to replace any staff members lost during the reduction.

Recording of Open Purchase Orders

To prevent excess spending at year-end, purchase orders which were not approved at the time of closing, were held open until 1993. To ensure that the appropriate process was not circumvented, these open purchase orders were recorded as contingent liabilities in the financial statements at year-end. This practice was not in accordance with generally accepted accounting principles in that expenses must represent amounts incurred as of the end of the period and should not include amounts to be incurred in future periods. We recommend the Board use separate budgetary accounts and procedures to monitor and analyze actual versus budgeted results.

CHAPTER 5

OTHER MATTERS

(Action on prior issues)

Leo S. Rowe Pan American Fund

During its 1991 audit of student loans, Ernst & Young noted instances where the loan recipient did not meet certain requirements as established by the fund and that no formal documentation existed whereby the Committee acknowledged it was aware of the unique situation involved in granting these student loans. During the 1992 audit, Ernst & Young noted no instances of student loans being awarded without meeting all of the requirements established by the fund.

Retirement and Pension Fund

As a result of the extended illness of its accountant the 1991 audit of the accounts of the Retirement and Pension Fund was complicated by the lack of attention to the accounting records. In 1992 the Fund hired another accountant, the accounting records were maintained and updated on a timely basis and Ernst & Young was able to conduct its 1992 audit on schedule.

APPENDIX A

Independent Auditor's Report on Compliance

Board of External Auditors
Organization of American States

We have audited the financial statements of the funds of the Organization of American States (the Organization) as of and for the year ended December 31, 1992, listed in the accompanying table of contents, and have issued our report (the Audit Report) thereon dated May 11, 1993.

We conducted our audits in accordance with generally accepted auditing standards and the external auditing requirements prescribed in Chapter VII of the General Standards of the Organization of American States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with the rules and regulations of the Organization (rules and regulations) is the responsibility of the Organization's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Organization's compliance with provisions included in Chapters IV, V, VI and VII of the General Standards. However, our objective was not to provide an opinion on overall compliance with such provisions.

We also tested certain expenditures of senior executives concerning executive compensation, travel, official entertainment, contracting and consulting services, speaking honoraria and gifts, and executive perquisites to determine compliance with the Organization's Staff Rules and Chapters III and VIII of the General Standards.

In 1991, we noted certain obligations were recorded by the Organization at December 31, 1991 in the Regular and CIECC Funds, which in our opinion, represented a significant departure from the criteria set forth in the Budgetary and Financial Rules of the Organization in that they were not supported by firm commitments as prescribed by such rules. As described in the fourth paragraph of the Audit Report referred to above, as a result of this departure from the Budgetary and Financial Rules of the Organization during 1991, the December 31, 1992 financial statements reflect significant misstatements.

The results of our tests indicate that, except as noted in the preceding paragraph, with respect to the items tested, the Organization complied, in all material respects, with the provisions referred to above. With respect to items not tested, nothing came to our attention that caused us to believe that the Organization had not complied, in all material respects, with those provisions. In addition, we noted certain immaterial instances of noncompliance with the rules and regulations in the following areas: fixed assets and unliquidated obligations. Our comments on these matters have been reported to the Board of External Auditors in separate correspondence dated May 11, 1993.

This report is intended solely for the information of the Board of External Auditors, the General Secretariat, Permanent Council, and the General Assembly of the Organization. This restriction is not intended to limit the distribution of this report, which is a matter of public record.



May 11, 1993

SECTION II

FINANCIAL STATEMENTS OF THE ORGANIZATION OF AMERICAN STATES

WITH

REPORT OF INDEPENDENT AUDITORS

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The General Secretariat has prepared and is responsible for the integrity of the financial data included in the accompanying financial statements. Except as described in note 7 of the financial statements, the statements have been prepared in conformity with accounting practices prescribed by the Budgetary and Financial Rules of the Organization which include the financially oriented General Standards to Govern the Operations of the General Secretariat and other provisions approved by the General Assembly.

The accounting practices utilized by the General Secretariat differ in certain respects from generally accepted accounting principles customarily applied in the presentation of financial statements. A description of the significant differences from generally accepted accounting principles is set forth in Note 4 to the financial statements. The General Secretariat maintains an accounting system and related controls to provide reasonable assurance that financial records are reliable for preparing financial statements. The system includes a program of internal audit to provide assurance that proper procedures and methods of operations are used to implement plans, policies and directives of the General Secretariat.

In addition, the Board of External Auditors, which consists of three members elected by the General Assembly, is authorized to audit all accounts, funds, and operations of the Organization. The Board of External Auditors has engaged the services of the independent accounting firm of Ernst & Young to audit the financial statements. Their opinion on the financial statements is based on auditing procedures which include a review of the internal control structure and selected tests of transactions and records. These auditing procedures are intended to provide a reasonable level of assurance that the financial statements are fairly stated in all material respects. The Board periodically meets with the independent auditors, officials of the General Secretariat, and internal auditors to review and evaluate accounting, auditing and financial reporting activities and responsibilities. The Board of External Auditors, the independent auditors as well as the internal auditors have unlimited access to all records maintained by the General Secretariat.

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the combining financial statements of the following funds of the Organization of American States (the Organization) as of December 31, 1992 and for the year then ended, listed in the accompanying table of contents on page II-9 herein. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the external auditing requirements prescribed in Chapter VII of the General Standards of the Organization of American States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 4, the Organization of American States prepares its financial statements on the basis of accounting practices prescribed by the Budgetary and Financial Rules (which include the applicable financially-oriented General Standards adopted by the General Assembly of the Organization of American States) which is a comprehensive basis of accounting other than generally accepted accounting principles.

At December 31, 1991, the Organization recorded certain obligations in the Regular Fund and in FEMCIECC, CEC and CMP (the CIECC) Funds, which in our opinion, departed from criteria set forth in the Budgetary and Financial Rules of the Organization in that they did not represent firm commitments as prescribed by such rules. In addition, the Regular Fund recognized its 1991 administrative and technical support contribution from the CIECC Funds on the basis of these obligations. Income

to the Regular Fund, as well as the corresponding charges to the CIECC Funds, should not have been recognized because the obligations on which such amounts were determined did not constitute valid obligations under the terms of the Budgetary and Financial Rules. As a result of these departures from the Budgetary and Financial Rules of the Organization during 1991, the December 31, 1992 financial statements reflect misstatements as more fully described in Note 7.

In our opinion, except for the effects caused by the recording of certain obligations and related interfund income, as discussed in the preceding paragraph, the financial statements listed in the accompanying table of contents present fairly, in all material respects, the individual and combined funds' assets, liabilities and fund balances for the funds of the Organization of American States referred to above at December 31, 1992, and the changes in fund balances for the year then ended on the basis of accounting described in Note 4.

Our audits have been made primarily for the purpose of expressing an opinion on the basic financial statements listed in the accompanying table of contents for the funds of the Organization of American States referred to in the first paragraph of this report taken as a whole. The accompanying supplementary information in Schedules 1 through 20 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements mentioned above taken as a whole.

We have previously audited and expressed an unqualified opinion on the financial statements of the above funds of the Organization of American States for the year ended December 31, 1990, summarized comparative information from which is presented herein.



May 11, 1993

ORGANIZATION OF AMERICAN STATES

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ORGANIZATION OF AMERICAN STATES
FINANCIAL STATEMENTS

ORGANIZATION OF AMERICAN STATES

GENERAL, OPERATING, WORKING CAPITAL AND RESERVE SUBFUNDS
COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
(in thousands)

	December 31, 1992				December 31, 1990	
	Regular	SDAF	FEMCIECC	CEC		CMP
ASSETS						
Cash and equity in OAS Treasury Fund (Note 6)	\$ 27,548	\$ 10,465	\$ 9,068	\$ 1,001	\$ 3,017	\$ 51,099
Due from affiliated OAS funds (Note 16)	59	3,469	3,599	306	3,501	(a) 63
Advances to employees	54	27	4	6	1	61
Other assets						
Amounts to be charged to future years' appropriations (Note 4)	3,544		9			3,553
Equity in land, buildings and equipment (Notes 5 and 11)	27,244					27,244
	<u>\$ 58,449</u>	<u>\$ 13,961</u>	<u>\$ 12,680</u>	<u>\$ 1,313</u>	<u>\$ 6,520</u>	<u>\$ 82,048</u>
LIABILITIES AND FUND BALANCES						
Unliquidated obligations (Note 7)	\$ 11,617	\$ 1,674	\$ 1,495	\$ 239	\$ 742	\$ 15,767
Quotas/Pledges collected in advance	158	12	101	28	20	319
Accounts payable and other liabilities	4,746	349	9	19	10	5,133
Due to affiliated OAS funds (Note 16)	10,875					(a) 1
Long-term debt (Note 11)	11,882					22,414
Deferred interest income (Note 16)		345	790	71	1,670	(b) 900
Fund balances:						
General/Operating Subfund Appropriated	2,418	6,864	5,605	487	3,198	21,448
General/Operating Subfund Unappropriated		1,717	902	102		2,721
Working Capital/Reserve Subfund	1,392	3,000	3,778	367	880	9,417
Investment in land, buildings and equipment	15,361					15,361
	<u>\$ 58,449</u>	<u>\$ 13,961</u>	<u>\$ 12,680</u>	<u>\$ 1,313</u>	<u>\$ 6,520</u>	<u>\$ 82,048</u>
						\$ 29,005

(a) The combined amount excludes \$10,875,000 of interfund loans and receivables in 1992 and \$11,118,000 in 1990
(b) The combined amount excludes deferred interfund interest income of \$2,876,000 in 1992 and 1990

See accompanying notes

ORGANIZATION OF AMERICAN STATES

GENERAL, OPERATING, RESERVE, AND WORKING CAPITAL SUBFUNDS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
(in thousands)

	Year ended December 31, 1992					Year ended
	Regular	SDAF	FEMCIECC	CEC	CMP	December 31, 1990 Combined
Increases						
Quota/Pledge collections (Note 4)	\$ 71,529	\$ 5,640	\$ 7,649	\$ 860	\$ 1,979	\$ 74,724
Less prompt payment credits	129					129
Contribution for administrative and technical support (Note 4)	71,400	5,640	7,649	860	1,979	74,724
OAS Treasury Fund income (Note 6)	1,474					20 (a)
Other income, refunds, and deobligations (Note 7)	1,184	496	353	36	134	2,543
	4,360	115	2,554	217	854	4,129
Decreases						
	\$ 78,418	\$ 6,251	\$ 10,556	\$ 1,113	\$ 2,967	\$ 81,416
Expenditures and obligations pursuant to appropriations:						
General Assembly and Permanent Council	\$ 9,245					\$ 7,640 (a)
Executive Office of the General Secretariat	6,669					5,222
Activities of the Secretariat for Economic and Social Affairs	7,198	7,008				13,292 (a)
Activities of the Secretariat for Educational, Scientific and Cultural Affairs	11,541					14,653 (a)
Activities of the Offices Away from Headquarters	6,351		\$ 2,699	\$ 379	\$ 1,060	5,284
Activities of the Secretariat for Legal Affairs	1,493					1,290
Activities of the Secretariat for Management	7,737					7,737
Common administrative and personnel costs	9,738					9,738
Contributions to other agencies	4,278					4,278
	64,250	7,008	2,699	379	1,060	73,942
Net increase (decrease) during period	14,168	(757)	7,857	734	1,907	23,909
Fund balances (deficits) at beginning of period	(10,358)	12,338	2,428	222	2,171	9,677 (b)
Fund balances at end of period	\$ 3,810	\$ 11,581	\$ 10,285	\$ 956	\$ 4,078	\$ 33,586 (b)

(a) The combined amount excludes \$1,454,000 in 1992 and \$1,301,000 in 1990 of interfund contributions to the Regular Fund. Such contributions are eliminated as expenditures in the respective funds.

(b) The combined amounts of the fund balances at the end of 1992 and 1990 exclude \$2,876,000 of accumulated deferred interest.

See accompanying notes

ORGANIZATION OF AMERICAN STATES

SPECIFIC FUNDS
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
(in thousands)

	December 31, 1992				December 31, 1990 Combined
	REGULAR	SDAF	FEMCIECC	CEC	
ASSETS					
Cash and equity in OAS Treasury Fund (Note 6)	\$ 12,527	\$ 8,293	\$ 3,169	\$ 294	\$ 873
Advances to employees and other receivables	24	277	11		312
	<u>\$ 12,551</u>	<u>\$ 8,570</u>	<u>\$ 3,180</u>	<u>\$ 294</u>	<u>\$ 873</u>
					<u>\$ 25,156</u>
					<u>381</u>
					<u>\$ 18,254</u>
LIABILITIES AND FUND BALANCES					
Unliquidated obligations	\$ 3,038	\$ 1,097	\$ 493	\$ 44	\$ 112
Accounts payable and other liabilities	531	409		12	2
Fund balances	8,982	7,064	2,687	238	759
	<u>\$ 12,551</u>	<u>\$ 8,570</u>	<u>\$ 3,180</u>	<u>\$ 294</u>	<u>\$ 873</u>
					<u>\$ 4,784</u>
					<u>986</u>
					<u>7,601</u>
					<u>\$ 18,254</u>

SPECIFIC FUNDS
COMBINING STATEMENT OF CHANGES IN FUND BALANCES
(in thousands)

	For the year ended December 31, 1992				Year ended December 31, 1990 Combined
	REGULAR	SDAF	FEMCIECC	CEC	
Increases					
Contributions (Notes 4 and 9)	\$ 16,592	\$ 7,651	\$ 2,388	\$ 111	\$ 258
Other income, return to donors, and transfers	304	100	(50)	(68)	24
	<u>16,896</u>	<u>7,751</u>	<u>2,338</u>	<u>43</u>	<u>282</u>
					<u>\$ 36,145</u>
Decreases					
Obligations and expenditures	12,687	3,978	1,035	28	165
Net increase during period	<u>4,209</u>	<u>3,773</u>	<u>1,303</u>	<u>15</u>	<u>117</u>
					<u>17,893</u>
Fund balances at beginning of period	4,773	3,291	1,384	223	642
Fund balances at end of period	<u>\$ 8,982</u>	<u>\$ 7,064</u>	<u>\$ 2,687</u>	<u>\$ 238</u>	<u>\$ 759</u>
					<u>\$ 19,730</u>
					<u>168</u>
					<u>36,492</u>
					<u>7,433</u>
					<u>\$ 7,601</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992 AND 1990

ORGANIZATION OF AMERICAN STATES

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1992 AND 1990

1. Organization and Financial Statements

The General Secretariat is the central and permanent organ of the Organization of American States (OAS). To ensure observance of limitations and restrictions placed on the use of resources available to the OAS, the accounts of the OAS are maintained in accordance with fund accounting principles. Separate accounts are maintained for each fund. In the accompanying financial statements, the funds administered by the General Secretariat are grouped in the following categories, according to their source of financing and purpose:

Regular Fund, financed mainly by the assessment of quotas to the member states and contributions from certain other OAS funds (see Note 4D). The purpose of this fund is to provide the General Secretariat with general support as well as technical supervision and administrative services to the programs;

Special Multilateral Funds, financed mainly by voluntary contributions of the member states to support the programs adopted by the Councils and approved by the General Assembly;

Specific funds and funds from special contributions (Specific Funds), financed by grants or bequests to finance activities specified by the donor or legator, and any other contributions by national or international, public or private entities, for carrying out or strengthening specific activities or programs of the General Secretariat.

The financial position and changes in fund balances of the Regular and Special Multilateral Funds are reflected in Exhibits 1 and 2 on a combined basis. In addition, the financial position and changes in fund balances of the Specific Funds are included as Exhibit 3 on a combined basis.

A. General and Operating Subfunds

Quota and voluntary pledge contributions and the corresponding costs incurred in carrying out budgetary activities of the funds are included in the

accompanying financial statements, where applicable, as general or operating subfunds activity.

a. Regular Fund

In addition to the activities of the General Secretariat, the following activities are financed through budgetary appropriations of the Regular Fund and are included in the financial statements of the Regular Fund:

- General Assembly
- Meeting of Consultation of Ministers of Foreign Affairs
- Special Consultation Committee on Security
- Permanent Council of the OAS
- Inter-American Council for Education, Science and Culture
- Inter-American Economic and Social Council
- Inter-American Commission of Human Rights
- Inter-American Nuclear Energy Commission
- Inter-American Commission of Women
- Inter-American Committee on Peaceful Settlement
- Inter-American Juridical Committee
- Inter-American Children's Institute
- Inter-American Statistical Institute
- Inter-American Court on Human Rights
- Inter-American Commission for Drug Abuse Control
- Inter-American Quincentennial

b. Special Development Assistance Fund

The Special Development Assistance Fund (SDAF) was established in 1964 to provide training, technical and other assistance in the economic and social affairs areas to the member states. SDAF is under the supervision of the Inter-American Economic and Social Council.

c. Special Multilateral Fund of the Inter-American Council for Education, Science and Culture

The Special Multilateral Fund of the Inter-American Council for Education, Science and Culture (FEMCIECC) was established in 1968 to promote relations and mutual understanding between the peoples of the Americas through educational, scientific and cultural cooperation and exchange among the member states. FEMCIECC is under the supervision of the Inter-American Council for Education, Science and Culture.

d. Special Account for Culture

The Special Account for Culture (CEC) was established in 1971 to promote the identification, restoration and preservation of the many manifestations of cultural heritage of Latin America and the Caribbean. CEC is under the supervision of the Inter-American Council for Education, Science and Culture.

e. Mar del Plata Account

The Mar del Plata Account (CMP) was established in 1972 as a regional effort to promote institutional development of the educational, scientific and technological infrastructure in the member states by seeking both to expand it and to apply it to practical problems of development. CMP is under the supervision of the Inter-American Council for Education, Science and Culture.

f. Other Entities and Specialized Organizations

The assets and liabilities at December 31, 1992 and 1990, and the related income and expenses for the year then ended, of the following organizations, which are subject to separate budgetary control and financial reporting, are not included within the accompanying financial statements of the OAS:

- Inter-American Defense Board *
- Inter-American Indian Institute
- Inter-American Institute for Cooperation on Agriculture*
- Inter-American Library Simon Bolivar *
- Inter-American Music Council *
- Leo S. Rowe Pan American Fund *
- OAS Medical Benefits Trust Fund *
- OAS Retirement and Pension Fund *
- Pan American Development Foundation *
- Pan American Health Organization
- Pan American Institute of Geography and History
- Rowe Memorial Benefit Fund *

* Recipients of cash and/or in kind contributions or administrative services from the Regular Fund.

2. Working Capital and Reserve Subfunds

Subfunds have been established and are financed under the following criteria:

- a. Regular Fund - Working Capital Subfund is a contingency reserve to provide for the continuous functioning of the regular activities of the General Secretariat. In accordance with the General Standards to Govern the Operations of the General Secretariat (General Standards), the excess of income over obligations and expenditures of the General Subfund is to be added to the Working Capital Subfund. To the extent that there is a Working Capital Subfund balance, excess obligations and expenditures over income in the General Subfund is covered by a transfer from the Working Capital Subfund. In addition, the General Standards permit the temporary use of the Working Capital Subfund to finance Regular Fund expenditures pending the receipt of anticipated income.

As of December 31, 1992, \$1,391,070 was transferred from the General Subfund to the Working Capital Subfund. The balance of the General Subfund of \$2,418,468 is restricted to finance unobligated appropriations.

- b. SDAF - Reserve Subfund is a contingency reserve to provide for the continuous functioning of the regular activities of the Operating Subfund. In accordance with the statutes of the SDAF, interest earned and miscellaneous income are added to the Reserve Subfund.

In order to adjust the Reserve Subfund to the maximum level of 25 percent of the annual Program Budget as of December 31, 1992, \$495,488 was transferred from the Reserve Subfund to the Operating Subfund.

- c. FEMCIECC, CEC, CMP - Reserve Subfund Pursuant to the Uniform Statutes of FEMCIECC, CEC and CMP, approved by the General Assembly in 1988, AG/RES. 919 (XVIII-0/88), the Reserve Subfunds are contingency reserves to provide for the continuous functioning of the regular activities of the Operating Subfunds. The Reserve Subfunds are financed by the expired appropriations of the corresponding Operating Subfunds, interest earned on their balance, and other miscellaneous income. The Reserve Subfunds may not exceed 20% of the biennium appropriation of their corresponding Operating Subfund.

In order to adjust the Reserve Subfund to the maximum level of 20% of the biennium budget as of December 31, 1992, the following amounts were transferred from the Operating Subfunds to the Reserve Subfunds: \$3,425,391 for FEMCIECC, and \$331,933 for CEC. In CMP, in order to adjust the operating subfund to the level of 1992 unobligated appropriations, \$746,965 was transferred from the Operating Subfund to the Reserve Subfund.

Specific Funds (Exhibit 3)

These funds include contributions and grants from member states observers and other interested parties for purposes of conducting special projects and activities. These funds also include designated funds which have been segregated for specific purposes and whose use is restricted through designation by the General Assembly or the General Secretariat.

3. Biennium Financial Reporting

The OAS operates on a two-year (biennium) budgetary reporting period. As a result, the aggregate funds appropriated for the biennium are divided into two reporting periods: 1) the Secretary General approved budget representing that portion of appropriations allocated to the first year of the biennium; and 2) appropriations reserved for execution during the second year of the biennium.

To the extent that the appropriations allocated to the first year are not obligated at the end of the first year, they are added to the second year's reserved balances and the aggregate becomes available for obligation in that year. The preparation of financial statements is based on this biennium cycle, with interim statements being prepared at the end of the first year, the midpoint of the biennium. The statements at the end of a biennium period include the cumulative financial information for the two-year period. For comparative purposes, interim statements at the midpoint of the biennium are compared to the most recent previous midpoint; statements at the end of a biennium are compared to the most recent previous biennium.

The General Standards provide that appropriations are available to meet the obligations incurred during the fiscal period for which they were approved. At the end of a fiscal period, unobligated appropriations expire and are not available for future use, unless otherwise approved by the General Assembly.

4. Accounting Principles

Except as described in Note 7 below, the accompanying financial statements have been prepared in accordance with the Budgetary and Financial Rules of the OAS (Rules). The Rules provide the basis for the accounting principles applied in the preparation of the financial statements. The Rules were adopted to meet budgetary and other requirements of the OAS and, as such, result in accounting principles which vary in certain material respects from generally accepted accounting principles. The significant deviations from generally accepted accounting principles are as follows:

- A. The General Secretariat deems it impractical to evaluate the collectibility of assessed but uncollected quotas and voluntary pledges outstanding; therefore, quotas and pledges are included in the financial statements of the various funds only to the extent collected. Contributions from member states and from other interested parties for specific purposes are similarly recorded at the time of collection.
- B. As described in Note 7, unliquidated obligations in certain funds include amounts related to commitments resulting from offers made by the funds to member states or other institutions to disburse monies for the procurement of goods or services in future periods. Such amounts do not represent liabilities or unrelated third party commitments at the end of the respective periods. They represent amounts anticipated to be expended in the subsequent year or biennium in the completion of a particular program or activity.
- C. The OAS provides certain benefits to its employees which accrue to them during periods of employment and are payable at various times during employment or upon separation, whether voluntary or involuntary. Costs for such employee benefits are recorded upon payment rather than as such benefits accrue. Such expenditures during 1992 amounted to \$228,000 for home travel, \$115,000 for repatriation of family and household goods upon separation, \$805,000 for separation indemnity and termination pay and \$988,000 for medical benefits subsequent to separation. Unrecorded earned annual and special leave approximated \$8,033,000 and \$7,332,000 at December 31, 1992 and 1990, respectively.

- D. The General Assembly of the OAS adopts a consolidated program-budget which includes the budgets for the Special Development Assistance Fund, the Special Multilateral Fund of the Inter-American Council for Education, Science and Culture, the Special Account for Culture and the Mar del Plata Account in addition to the Regular Fund. In the consolidated budget, the amounts appropriated for substantially all approved (career) personnel costs are included in the Regular Fund's budget. In addition, certain other administrative costs benefiting all funds are included in the budget of the Regular Fund. In lieu of allocating these costs to various funds on a services-rendered basis, the General Assembly has provided that the other funds pay a contribution to the Regular Fund for administrative and technical support. The amount of the contribution may not bear a direct relationship to the actual cost of the services provided to those funds during the period.
- E. The Combining Statement of Assets, Liabilities and Fund Balances of the Regular Fund and FEMCIECC include certain amounts to be charged against future appropriations. These expenditures are deferred as a means of budgetary financing and not because of or in relation to benefits which may accrue to future periods.
- F. The Statements of Assets, Liabilities and Fund Balances of the Regular and consolidated Special Multilateral Funds do not include unexpended advances issued in the performance of certain OAS programs. (See Note 8).
- G. Contributions from member states and other interested parties in the form of use of facilities and services are received by certain of the activities of the funds administered by the General Secretariat. No amounts are recorded in the accompanying financial statements relating to the use of such facilities or services inasmuch as the General Secretariat deems it impractical to measure their value.

5. Land, Buildings and Equipment

The General Secretariat follows the practice of charging to current fiscal period's appropriations the amount disbursed in acquiring real property, equipment, and works of art and subsequently capitalizing such acquisitions in a separate Fixed Assets Fund. This practice allows the OAS to continue to reflect those expenditures for fixed assets against the amounts appropriated for such purposes while, at the same time, presenting them as capitalized assets on the Combining Statement of Assets, Liabilities and Fund Balances. Such assets acquired by the Regular Fund with associated long-term debt are

capitalized in the amount of the total cost including the long-term debt. That portion of the Regular Fund's purchase not financed by long-term debt is included in investment in land, buildings and equipment.

The associated debt is then amortized against current and future years' appropriations (\$531,000 in 1992 and \$537,000 in 1990) to provide for current mortgage payments. (See Note 11).

A sinking fund aggregating \$516,000 at December 31, 1990 was established in the Regular Fund for the purpose of retiring the original \$1,200,000 note payable in 1992. On December 31, 1986, the General Secretariat paid \$600,000 of the principal amount and the remaining balance of \$600,000 was paid in February 1991. The related fund balance is reflected in Exhibit 1 as investment in land, buildings and equipment.

Land, buildings and equipment are recorded at cost and depreciated on a straight-line basis over their estimated useful lives. The composition of fixed assets at December 31, was as follows:

<u>Depreciation Basis</u>	<u>December 31</u>	
	<u>1992</u>	<u>1990</u>
Land (Note 11) - not depreciated	\$ 5,491,305	\$ 5,491,305
Buildings (Note 11) - 50 years	24,374,561	24,374,561
Vehicles - 5 years	1,197,012	1,051,417
Furniture and equipment - 10 years	7,747,098	7,837,200
Technical machinery and equipment - 10 years	3,506,322	2,484,871
Works of art - not depreciated	<u>1,136,092</u>	<u>399,142</u>
	43,452,390	41,638,496
Less: accumulated depreciation	<u>(16,208,860)</u>	<u>(14,519,776)</u>
Book value as of December 31	<u>\$27,243,530</u>	<u>\$27,118,720</u>

Only those assets under direct control of the General Secretariat at its headquarters and its offices in the member states are included in the financial statements. Acquisitions on behalf of OAS supported projects in the member states are recorded in memorandum accounts only since it is the policy of the General Secretariat to donate these assets to the recipient projects after a two-year period.

Effective in 1988 equipment and/or scientific materials provided to projects in the CIECC area are treated as donations at the time of delivery.

6. 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. The Regular Fund, the Special Multilateral Funds, and the Specific Funds maintain an equity to the extent of their cash balances retained therein. The Treasury Fund is administered by the General Secretariat and amounts not immediately required for operations are invested. Subject to certain conditions, income earned by the Treasury Fund is added to the equities of the various funds in proportion to their equity balances.

The composition of the OAS Treasury Fund at the end of the corresponding periods is as follows:

	December 31	
	1992	1990
Demand and time deposits, net of \$1,449,000 and \$1,569,000 drafts not presented for payment at December 31, 1992 and 1990, respectively	\$25,227,000	\$44,935,000
Repurchase Agreements	5,160,000	-
United States Treasury Notes (Market Value \$45,851,000)	45,848,000	-
Accrued interest receivable	<u>636,000</u>	<u>431,000</u>
	<u>\$76,871,000</u>	<u>\$45,366,000</u>

7. Unliquidated Obligations

At its Twenty-First Regular Session in June 1991, the General Assembly adopted AG/RES.1137 (XXI-O/91) which authorized the carryover of unobligated appropriations in the Special Multilateral Funds from the 1989 and 1991 biennia into the 1993 biennium. In the CIECC area, 90% of the unobligated appropriations were authorized for use in 1992-1993 programming, while 10% was designated for the reserve subfunds.

In conjunction with the 1991 biennium closing, obligations totalling approximately \$16 million were recorded in the Regular and CIECC Funds which were not in compliance with criteria set forth in the General Standards. The effect of recording the obligations was that at December 31, 1991: a) obligations and unliquidated obligations of the Regular and CIECC Funds were overstated by approximately \$7 million and \$9 million, respectively, and b) the contribution for administrative and technical support (income of the Regular Fund and expense of the CIECC Funds) was overstated by \$1.4 million.

As a result of these departures from the Budgetary and Financial Rules of the Organization during 1991, the December 31, 1992 financial statements reflect misstatements causing 1992 deobligations to be overstated by \$4.3 million; 1992 obligations to be understated by as much as \$11.3 million; and, charges to the CIECC Funds for administrative and technical support and corresponding Regular Fund income to be understated by as much as \$0.8 million.

8. Accountable Advances

In the performance of various activities, the administrators of the various funds may deem it necessary or appropriate to advance funds for the conduct of a program or a specific event prior to the actual occurrence of the expenses. In the opinion of the administrators of the funds such action is necessary to assure the timely performance of such activities. Recipients of advances are required to submit an accounting or suitable supporting documentation for the resulting expenditures in a form deemed adequate by the administrators of the funds and by the Department of Financial Services. Advances of this nature are recorded as expenditures in the period in which funds are advanced. Advances for which a subsequent accounting was required at December 31, 1992 and 1990, were as follows:

	December 31	
	1992	1990
Regular Fund	\$ 147,000	\$ 233,000
Special Development Assistance Fund	41,000	74,000
Special Multilateral Fund of the Inter-American Council for Education, Science & Culture	152,000	258,000
Special Account for Culture	-	16,000
Mar del Plata Account	<u>47,000</u>	<u>165,000</u>
	<u>\$387,000</u>	<u>\$746,000</u>

9. Contributions to Specific Funds

Contributions to Specific Funds during the year ended December 31, 1992 as reflected in Exhibit 3 of the accompanying financial statements were as follows:

<u>Contributor</u>	<u>REGULAR FUND</u>	<u>SDAF</u>	<u>FEMCIECC</u>	<u>CEC</u>	<u>CMP</u>	<u>TOTAL</u>
<u>Members:</u>						
Argentina	\$ 79,504	\$ 2,713,284	\$ 259,772		\$ 161,103	\$ 3,213,663
Bahamas	316,763					316,763
Brazil		9,653				9,653
Canada	737,700	421,426	95,815			1,254,941
Chile	21,075	120,486		\$ 73,000		214,561
Colombia	25,703		20,675			46,378
Costa Rica	29,623					29,623
Dominica	1,000					1,000
Dom. Rep.	482					482
Ecuador		4,404				4,404
El Salvador		100,000				100,000
Guatemala	67,205	67,813				135,018
Honduras		96,275				96,275
Jamaica	15,269					15,269
Mexico		450,000	297,800	26,600	97,300	871,700
Panama		176,000				176,000
St. Lucia	1,860					1,860
Trinidad Tobago	7,421					7,421
United States	11,362,075	1,352,612	600,000			13,314,687
Uruguay		469,881				469,881
Venezuela	12,361	17,808	136,995			167,164
<u>Observers:</u>						
European E.C.	657,180					657,180
Finlandia		507,631				507,631
Germany	132,000		867,802			999,802
Italy	183,750					183,750
Japan	1,300,000					1,300,000
Netherlands	263,603					263,603
Spain	279,307					279,307
<u>Non Member States:</u>						
Norway	56,317					56,317
United Nations	429,267	233,400				662,667
Others	612,404	910,803	108,902	11,027		1,643,136
	<u>\$16,591,869</u>	<u>\$7,651,476</u>	<u>\$2,387,761</u>	<u>\$110,627</u>	<u>\$258,403</u>	<u>\$27,000,136</u>

10. Tax Reimbursements

Tax reimbursements represent amounts assessed or to be assessed to certain member states for reimbursements made to certain employees of the General Secretariat for income taxes paid to the respective member state.

11. Long-term Debt

Long-term debt was incurred solely by the Regular Fund under the following terms and conditions:

A. First Mortgage with Aetna Life Insurance Company (secured by the General Secretariat Building - 1889 F St.)

Principal amount at December 31, 1991:	\$12,413,558
Repayment terms:	25 years, due in monthly installments through September 2004.
Annual interest rate:	9.375%
Interest expense during 1992:	\$1,141,319
Amortization of principal during 1992:	\$531,470
Principal balance, December 31, 1992:	\$11,882,088

Principal payments due for the next five years are as follows:
1993, \$583,493; 1994, \$640,609; 1995, \$703,315; 1996, \$772,159;
1997, \$847,741.

B. Note Payable to the Dacor Bacon House Foundation incurred as part of purchase of land

Original amount:	\$1,200,000
Repayment terms:	13 years, due January 1992
Annual interest rate:	8.5%
Principal repaid in 1991:	\$600,000
Interest expense during 1990/91	\$55,250
Principal balance, December 31, 1991	\$0

The principal balance due as of December 31, 1990 was repaid on February 1, 1991.

C. Second Mortgage with American Security Bank (secured by the General Secretariat Building - 1889 F St.)

Principal amount at December 31, 1991:	\$1,600,000
Repayment terms:	Repayment commenced February 10, 1990. As amended effective January 1, 1991, all quota receipts which serve to reduce quota arrearages with minimum repayment of \$3,200,000 per annum payable in quarterly installments. Prior repayments terms were collection of quota arrears plus \$3,280,000 per annum payable quarterly.
Annual Interest Rate:	Variable, American Security Bank's base (prime rate).
Interest expense during 1992:	\$34,942
Balance required:	A balance of 5% of outstanding loan balance must be maintained at American Security Bank during the term of the loan.
Amortization of Principal during 1992:	\$1,600,000
Principal Balance at December 31, 1992:	\$0

12. Leases

The General Secretariat leases certain facilities and equipment. Rental expense for such leases was approximately \$631,500 and \$461,181 for the year ended December 31, 1992 and 1990, respectively. Aggregate rentals subsequent to December 31, 1992 are not significant.

13. Retirement Plans

All qualified employees of the General Secretariat are participants in either the Retirement and Pension Plan or the Provident Plan. The plans are funded by the General Secretariat, other participating agencies and employee contributions at fixed percentages of salaries. Pension expense aggregated approximately \$4,874,000 in 1992 and \$4,861,000 in 1990.

As of December 31, 1992 accumulated plan benefits and plan net assets were as follows:

Actuarial present value of accumulated plan benefits:

Vested	\$164,121,000
Nonvested	<u>3,308,000</u>
Total at December 31, 1992	<u>\$167,429,000</u>
Net plan assets available for benefits	<u>\$237,876,000</u>

The weighted average assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 9%.

In addition to the retirement plan described above, the General Secretariat provides a lifetime annuity to former Secretaries General and Assistant Secretaries General with survival benefits for their spouses and has extended pension benefits to certain former staff members with expired fixed term pensions. The cost of these annuities, \$252,000 in 1992 and \$242,000 in 1990, is budgeted and recognized in the year paid. The approximate present value of estimated future payments of \$3.5 million, and 3.4 million at December 31, 1992 and December 31, 1990 respectively, is reflected in the statement of Assets, Liabilities and Fund Balance of the Regular Fund.

14. Post Employment Health Care and Life Insurance Benefits

In addition to providing pension benefits as described in Note 13 above, the General Secretariat provides health care and life insurance benefits for retirees and their dependents. The cost of health care is partially borne by the retirees. The cost to the General Secretariat for its portion of the health care as well as the life insurance is recognized when paid. For 1992 and 1990 those costs were \$1,093,000 and \$910,000, respectively.

15. Foreign Currencies

Certain income and expense transactions during the years ended December 31, 1992 and 1990 were in currencies other than United States dollars. These transactions have been translated into United States dollar equivalents at rates of exchange in effect at the time of the transactions. Foreign currency assets included in the accompanying financial statements, consisting principally of cash and time deposits (\$185,000 and \$420,500 as of December 31, 1992 and 1990, respectively) have been translated into United States dollars at the then applicable rates of exchange. Certain of these currencies are restricted as to convertibility and, therefore, must be utilized in OAS activities.

16. Interfund Borrowings

From time to time during 1988, the Regular Fund effected temporary borrowings from each of the Special Multilateral Funds pursuant to Permanent Council authorizations. The borrowings were non-interest bearing with various terms of repayment.

In addition to temporary borrowings the budget approved by the General Assembly for the Regular Fund for 1987 included authority to borrow \$242,800 from the Mar del Plata Account.

As of December 31, 1992 and 1990, the Regular Fund owed the Special Multilateral Funds a principal amount totalling \$8,000,000 and \$8,242,800 respectively. In addition, accrued interest payable of \$2,875,809 on 1980 to 1983 borrowings was outstanding at December 31, 1992 and 1990. This amount was payable in 1985 but because of insufficient resources, the interest has not been paid. The Special Multilateral Funds have accrued the corresponding interest receivable. Interest income on the loans by the Special Multilateral Funds has been deferred, and will be recognized at such time as the Funds receive the corresponding payment from the Regular Fund.

In February, 1993, the Secretary General decided that resources available in the Regular Fund permitted a partial repayment of the interfund loans. The following repayment of \$391,000 to SDAF, \$351,000 to FEMCIECC, \$29,000 to CEC, and \$229,000 to CMP, was made to reduce the outstanding principal balance from \$8.0 million to \$7.0 million.

17. Contingencies

There are several pending and threatened actions before the Administrative Tribunal in which it is alleged that the Secretary General has taken administrative actions which have adversely affected the interests of the complaining staff members. Among those actions is the claim of more than six hundred staff members for alleged failure to apply in good faith the salary policy implemented under General Assembly resolutions AG/RES.498 and AG/RES.632 and an agreement with the Staff Association of May, 1993. Legal counsel believes the case is procedurally inadmissible and substantively without merit. Also, some 225 staff members have initiated the hearing and reconsideration process for reclassification and promotion. The Secretary General has appointed an Ad Hoc Committee to conduct a prehearing review of those cases. The review process is pending completion. In addition, there are several cases now pending in the labor courts in Brazil brought by individuals who allege that they were employees of the General Secretariat and therefore entitled to certain benefits. In the opinion of management these actions will not result in any material adverse effect on the financial condition of the General Secretariat.

SUPPLEMENTARY INFORMATION

ORGANIZATION OF AMERICAN STATES

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**STATEMENTS OF QUOTA ASSESSMENTS,
PLEDGES, COLLECTIONS, AND BALANCES**

ORGANIZATION OF AMERICAN STATES
REGULAR FUND
STATEMENT OF QUOTA ASSESSMENTS, COLLECTIONS, AND BALANCES
YEAR ENDED DECEMBER 31, 1992

Member State	Balances at December 31, 1991		Quota assessments for 1992	Collections for tax reimbursements*	Prompt payment credit	Collections		Uncollected balances at December 31, 1992
	Uncollected	Received in advance				Percent	Amount	
Antigua and Barbuda	\$ 9,175		0.02	\$ 12,500				\$ 21,675
Argentina	6,920,753		5.02	3,135,600				—
Bahamas			0.07	43,700				22,400
Barbados	16,234		0.08	50,000	\$ 1,800			—
Belize			0.03	18,700				—
Bolivia	563,282		0.07	43,700			53,400	553,582
Brazil	5,403,000		8.76	5,471,600	\$ 110,000			10,874,600
Canada			10.24	6,396,100	6,800		6,286,100	—
Chile			0.55	343,500	6,800		336,700	—
Colombia		\$ 60,167	0.96	599,600	11,900		587,700	—
Costa Rica	29,730		0.13	81,200			110,930	—
Cuba	2,166,322		1.27					2,166,322
Dominica		12,300	0.02	12,500	200		12,300	—
Dominican Republic	1,233,237		0.18	112,400				1,345,637
Ecuador	9,327		0.18	112,400			74,706	47,021
El Salvador	42,600		0.07	43,700			84,253	2,047
Grenada	64,900		0.03	18,700			6,300	77,300
Guatemala	274,826		0.13	81,200			105,852	250,174
Guyana	12,200		0.02	12,500			24,700	—
Haiti	283,825		0.07	43,700				327,525
Honduras	42,600		0.07	43,700			42,600	43,700
Jamaica	99,500		0.18	112,400				211,900
Mexico			6.23	3,891,300			3,891,300	—
Nicaragua	996,596		0.07	43,700		12,200	133,952	906,344
Panama	336,958		0.13	81,200			120,000	298,158
Paraguay			0.18	112,400				112,400
Peru	1,034,532		0.42	262,300			1,296,832	—
St. Kitts and Nevis			0.01	6,200	100		6,100	—
Saint Lucia			0.03	18,700	400		18,300	—
St. Vincent and the Grenadines			0.02	12,500			12,500	—
Suriname	371,474		0.07	43,700				415,174
Trinidad and Tobago			0.18	112,400			92,586	19,814
United States	37,226,090		60.96	38,077,100		3,400,000	45,722,691	29,580,509
Uruguay			0.27	168,600			168,600	—
Venezuela			3.28	2,048,700		9,600	2,048,700	—
	<u>\$ 57,137,161</u>	<u>\$ 72,467</u>	<u>100.00</u>	<u>\$ 61,689,200</u>	<u>\$ 129,400</u>	<u>\$ 3,423,600</u>	<u>\$ 71,399,679</u>	<u>\$ 47,276,282</u>

* Uncollected balances at December 31, 1992; United States \$600,000; Venezuela \$1,200.

ORGANIZATION OF AMERICAN STATES
SPECIAL DEVELOPMENT ASSISTANCE FUND
STATEMENT OF PLEDGES, COLLECTIONS, AND BALANCES
YEAR ENDED DECEMBER 31, 1992

Member State	Balances at December 31, 1991		Pledges for 1992	Collections		Uncollected balances at December 31, 1992
	Uncollected	Received in advance		For 1992 and prior years	In advance for 1993	
Antigua and Barbuda	\$ 3,475		\$ 5,500	\$ 4,850	\$ 4,125	
Argentina			100,000	100,000	-	
Bahamas	4,600		11,000	4,950	6,050	
Barbados			13,800	18,400	-	
Belize			8,800	8,800	-	
Bolivia	22,164		21,600	21,600	22,164	
Brazil	7,228				7,228	
Canada			895,323	895,323	-	
Chile			5,000	3,000	2,000	
Colombia		\$ 10,021	188,000	188,000	-	
Costa Rica	10,708		36,300	22,976	24,032	
Cuba	24,000				24,000	
Dominica		6,596	5,500	5,500	-	
Dominican Republic	25,110		24,200	39,310	10,000	
Ecuador			33,400	28,783	4,617	
El Salvador	16,850		39,600	56,450	-	
Grenada	4,900		8,800	13,700	-	
Guatemala	24,750		33,000	57,750	-	
Guyana			5,500	5,500	-	
Haiti	31,991		42,900		74,891	
Honduras				29,925		
Jamaica	10,536		30,500		575	
Mexico			10,000		20,536	
Nicaragua	49,324		550,000	550,000	-	
Panama		4,184	29,700	14,850	64,174	
Paraguay			37,821	37,821	-	
Peru	331,759		42,900	10,725	32,175	
St. Kitts and Nevis			79,100	107,025	303,834	
Saint Lucia			1,100	1,100	-	
St. Vincent and the Grenadines		200	7,700	7,700	-	
Suriname			5,500	5,500	-	
Trinidad and Tobago		2,151	27,500	8,921	18,579	
United States	3,358,020 *		24,200	8,901	15,299	
Uruguay			3,000,000	3,000,000	3,358,020 *	
Venezuela		50,000	129,700	129,700	-	
	\$ 3,925,415	\$ 73,152	350,000	253,145	96,855	
	\$ 5,803,944	\$ 5,640,205			\$ 4,089,154	
		\$ 11,682				

* Uncollected balance of the United States results from a 1977 pledge for which the Government, in 1985, informed the General Secretariat that funding is unavailable. It is uncertain whether future funding will be made available to enable the United States to satisfy that amount.

ORGANIZATION OF AMERICAN STATES

SPECIAL MULTILATERAL FUND OF THE INTER-AMERICAN COUNCIL FOR EDUCATION, SCIENCE AND CULTURE
STATEMENT OF PLEDGES, COLLECTIONS, AND BALANCES
YEAR ENDED DECEMBER 31, 1992

Member State	Balances at December 31, 1991		Pledges for 1992	Collections		Uncollected balances at December 31, 1992
	Uncollected	Received in advance		For 1992 and prior years	In advance for 1993	
Antigua and Barbuda	\$ 1,450		\$ 2,000		\$ 3,450	
Argentina	2,131,061		505,900	\$ 5,813	—	
Bahamas			7,000		3,450	
Barbados	2,016		8,000		—	
Belize			3,000		—	
Bolivia		\$ 10,576	7,000	3,576	—	
Brazil	891,951		431,427		460,524	
Canada			417,818		—	
Chile			29,200	26,500	—	
Colombia	7,296		57,896	32,388	—	
Costa Rica	10,005		12,900		—	
Dominica		2,000	2,000		—	
Dominican Republic	99,884		17,900		117,784	
Ecuador	4,703		17,900		14,763	
El Salvador		1,750	7,000		—	
Grenada	3,100		3,000		—	
Guatemala	33,106		12,900		46,006	
Guyana			2,000		—	
Haiti	7,100		7,000		14,100	
Honduras	4,289		7,000	30,177	—	
Jamaica	8,200		4,500		12,700	
Mexico			329,400		—	
Nicaragua			7,000		3,500	
Panama	13,200		12,900		3,975	
Paraguay	17,700		17,900		12,925	
Peru	242,046				242,046	
St. Kitts and Nevis			1,100		—	
Saint Lucia			3,000		—	
St. Vincent and the Grenadines			2,000	2,100	—	
Suriname			7,000		7,000	
Trinidad and Tobago			17,900		—	
United States	3,500,000 *		3,250,000		3,448,000 *	
Uruguay			26,800		—	
Venezuela	132,000		173,300		42,980	
	\$ 7,109,107	\$ 14,326	\$ 4,972,918	\$ 100,554	\$ 4,433,203	

* Uncollected balance of the United States results from a 1977 pledge for which the government, in 1985, informed the General Secretariat that funding is unavailable. It is uncertain whether future funding will be made available to enable the United States to satisfy that amount.

ORGANIZATION OF AMERICAN STATES

SCHEDULE 4

SPECIAL ACCOUNT FOR CULTURE
STATEMENT OF PLEDGES, COLLECTIONS, AND BALANCES
YEAR ENDED DECEMBER 31, 1992

Member State	Balances at December 31, 1991		Pledges for 1992	Collections		Uncollected balances at December 31, 1992
	Uncollected	Received in advance		For 1992 and prior years	In advance for 1993	
Antigua and Barbuda	\$ 75		\$ 300		\$ 375	
Argentina	244,000		74,900		—	
Bahamas		\$ 100	1,000		450	
Barbados			1,200		—	
Belize			500		—	
Bolivia		2,100	1,000	\$ 1,100	—	
Brazil	80,600				—	
Canada			41,781		—	
Chile	700		8,200		—	
Colombia		5,074	15,400	23,397	—	
Costa Rica	900		1,900		—	
Dominica		300	300		—	
Dominican Republic			2,600		—	
Ecuador		2,219	3,100		—	
El Salvador		450	1,000	510	—	
Grenada	500		500		—	
Guatemala	9,559		1,900		11,459	
Guyana			300		—	
Haiti	1,100		1,000		2,100	
Honduras	1,100		1,000	943	—	
Jamaica					—	
Mexico			66,300		—	
Nicaragua			1,000		500	
Panama		1,000	1,900		—	
Paraguay	3,100		2,600	2,200	1,950	
Peru	24,300				24,300	
St. Kitts and Nevis			400		—	
Saint Lucia			500		—	
St. Vincent and the Grenadines		200	300	300	—	
Suriname			1,000		1,000	
Trinidad and Tobago			2,600		—	
United States			250,000		—	
Uruguay			4,000		—	
Venezuela	19,050		34,900		6,175	
	<u>\$ 384,984</u>	<u>\$ 11,443</u>	<u>\$ 523,381</u>	<u>\$ 28,450</u>	<u>\$ 48,309</u>	

ORGANIZATION OF AMERICAN STATES

MAR DEL PLATA ACCOUNT
STATEMENT OF PLEDGES, COLLECTIONS, AND BALANCES
YEAR ENDED DECEMBER 31, 1992

Member State	Balances at December 31, 1991		Pledges for 1992	Collections		Uncollected balances at December 31, 1992
	Uncollected	Received in advance		For 1992 and prior years	In advance for 1993	
Antigua and Barbuda	\$ 375		\$ 600		\$ 975	
Argentina	409,500		82,200	\$ 491,700	—	
Bahamas			2,200	1,150	1,050	
Barbados	866		2,500	3,366	—	
Belize			900	900	—	
Bolivia		\$ 3,400	2,200	2,200	—	
Brazil	116,612			103,069	13,543	
Canada			137,283	137,283	—	
Chile	800		17,700	17,900	600	
Colombia		22,897	32,300		32,300	
Costa Rica	2,449		4,100	6,549	—	
Dominica		600	600	600	—	
Dominican Republic	33,917		5,700	4,028	39,617	
Ecuador		1,551	5,700	2,200	1,672	
El Salvador		500	2,200		—	
Grenada	1,000		900	1,900	—	
Guatemala	9,800		4,100	600	13,900	
Guyana			600		—	
Haiti	2,300		2,200		4,500	
Honduras		3,300	2,200	2,200	—	
Jamaica					—	
Mexico			102,100	102,100	—	
Nicaragua			2,200	1,100	1,100	
Panama	6,837		4,100	5,600	5,337	
Paraguay	5,600		5,700	7,025	4,275	
Peru	64,100				64,100	
St. Kitts and Nevis			400	400	—	
Saint Lucia			900	900	—	
St. Vincent and the Grenadines			600	600	—	
Suriname			2,200		2,200	
Trinidad and Tobago			5,700	5,700	—	
United States	1,850,000 *		1,000,000	1,000,000	1,850,000 *	
Uruguay			8,500	8,500	—	
Venezuela	28,200		53,700	71,625	10,275	
	<u>\$ 2,532,356</u>	<u>\$ 32,248</u>	<u>\$ 1,492,283</u>	<u>\$ 1,979,195</u>	<u>\$ 19,534</u>	
					<u>\$ 2,045,444</u>	

* Uncollected balance of the United States results from a 1977 pledge for which the Government, in 1985, informed the General Secretariat that funding is unavailable. It is uncertain whether future funding will be made available to enable the United States to satisfy that amount.

STATEMENTS OF SUMMARY OF APPROPRIATIONS

ORGANIZATION OF AMERICAN STATES

REGULAR FUND
SUMMARY OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992-93 approved by the General Assembly (a)	Reserved for execution in 1993	Approved for 1992	Cost of living adjustment (b)	Secretary General discretionary transfers	Supplementary	1992 Final
General Assembly and Permanent Council	\$ 19,751,300	\$ 10,366,200	\$ 9,365,100	\$ 207,700	\$ (526,562)	\$ 400,682	\$ 9,046,238
Executive Office of the General Secretariat	12,001,100	6,050,000	5,951,100	99,700	263,513		6,714,995
Activities of the Executive Secretariat for Economic and Social Affairs	15,492,600	7,792,900	7,699,700	111,400	470,273		8,281,373
Activities of the Executive Secretariat for Educational, Scientific, and Cultural Affairs	26,025,200	13,478,700	12,546,500	98,700	(286,119)		12,359,081
Offices Away from Headquarters	12,898,100	6,505,500	6,392,600	134,200	(159,044)		6,367,756
Activities of the Secretariat for Legal Affairs	2,962,600	1,496,800	1,465,800	30,300	15,619		1,511,719
Activities of the Secretariat for Management	15,547,600	7,866,200	7,681,400	157,600	225,521		8,064,521
Common Administrative and Personnel Costs	22,765,900	12,909,700	9,856,200				9,856,200
Contributions to:							
Inter-American Defense Board	4,554,600	2,218,900	2,335,700				2,335,700
Inter-American Children's Institute	2,352,300	1,223,500	1,128,800	22,100	(25,435)		1,125,465
Inter-American Commission of Women	1,424,600	744,500	680,100	6,400	23,766		710,266
Pan American Development Foundation	409,200	208,700	200,500				200,500
Inter-American Music Council	189,400	94,700	94,700	1,900	(1,532)		95,068
	\$ 136,354,500	\$ 70,956,300	\$ 65,398,200	\$ 870,000	\$ -	\$ 400,682	\$ 66,668,882

(a) AG/R.es. 1137 (XXI-O/91) and A G/R.es. 1177 (XXII-O/92).
(b) A G/R.es. 1177 (XXII-O/92).

REGULAR FUND
SUMMARY OF DISPOSITIONS OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992 Final	Charges for expenditures	Unliquidated Obligations	Total expenditures and obligations	Unobligated balance carried forward	Unobligated and reserved for execution in 1993
General Assembly and Permanent Council	\$ 9,046,238	\$ 8,899,300	\$ 345,655	\$ 9,244,955	\$ (198,717)	\$ 10,167,483
Executive Office of the General Secretariat	6,714,995	6,259,701	409,280	6,668,981	46,014	6,096,014
Activities of the Executive Secretariat For Economic and Social Affairs	8,281,373	6,857,128	341,169	7,198,297	1,083,076	8,875,976
Activities of the Executive Secretariat for Educational, Scientific, and Cultural Affairs	12,359,081	7,520,397	4,020,902	11,541,299	817,782	14,296,482
Offices Away from Headquarters	6,367,756	6,221,569	129,498	6,351,067	16,689	6,522,189
Activities of the Secretariat for Legal Affairs	1,511,719	1,472,551	20,811	1,493,362	18,357	1,515,157
Activities of the Secretariat for Management	8,064,521	7,544,389	191,992	7,736,381	328,140	8,194,340
Common Administrative and Personnel Costs	9,856,200	7,695,473	2,042,527	9,738,000	118,200	13,027,900
Contributions to:						
Inter - American Defense Board	2,335,700	2,322,039	13,661	2,335,700		2,218,900
Inter - American Children's Institute	1,125,465	1,081,045	18,816	1,099,861	25,604	1,249,104
Inter - American Commission of Women	710,266	543,055	39,973	583,028	127,238	871,738
Pan American Development Foundation	200,500	170,500		170,500	30,000	238,700
Inter - American Music Council	95,068	86,468	2,515	88,983	6,085	100,785
(b) Budgeted Funding:	<u>\$ 66,668,882 (b)</u>	<u>\$ 56,673,615</u>	<u>\$ 7,576,799 (c)</u>	<u>\$ 64,250,414</u>	<u>\$ 2,418,468</u>	<u>\$ 73,374,768</u>
Quotas	\$ 61,668,200					
Other sources:						
Americas subscriptions revenue:	400,682					
Other Funding:	<u>\$ 4,600,000</u>					
	<u>\$ 66,668,882</u>					
(c) Unliquidated obligations						
Charged to 1992 appropriations			\$ 7,576,799			
Charged to prior years appropriations			<u>4,039,834</u>			
			<u>\$ 11,616,633</u>			

ORGANIZATION OF AMERICAN STATES

SPECIAL DEVELOPMENT ASSISTANCE FUND
SUMMARY OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992-93 Approved by the General Assembly (a)+(b)	Reserved for execution in 1993 (b)	Approved for 1992 (a)	Unobligated Appropriations carried forward at Dec 31, 1991 (c)	Adjusted by CEPCIES (d)	CEPCIES discretionary transfers	1992 Final
National Technical Cooperation Projects	\$ 16,485,400	\$ 8,185,400	\$ 8,300,000	\$ 5,545,679	\$ (4,905,300)	\$ (372,357)	\$ 8,568,022
Plurinational Projects	1,607,600	825,500	782,100	363,884	56,641		1,202,625
Inter-American Centers	2,403,700	1,222,500	1,181,200	491,648		84,555	1,757,403
Special Conferences					39,900		39,900
Executive Secretary						205,914	205,914
Support Resources	149,500	75,700	73,800	5,581	(43,450)	30,000	65,931
Contribution for Administrative and Technical Support	3,353,800	1,690,900	1,662,900	1,120,818	(803,620)	51,888	2,031,986
	\$ 24,000,000	\$ 12,000,000	\$ 12,000,000	\$ 7,527,610	\$ (5,655,829)	\$ --	\$ 13,871,781

(a) 1992: AG/R.es. 1137 (XXI-0/91).
(b) 1993: AG/R.es. 1177 (XXII-0/92).
(c) AG/R.es. 1137 (XXI-0/91).
(d) CEPCIES/Res. 44 (CXVII-91-92); CEPCIES/Res. 46 (CXXI-0/92); and CIES/Res. 457 (XXVI-0/92).

ORGANIZATION OF AMERICAN STATES

SPECIAL DEVELOPMENT ASSISTANCE FUND
 SUMMARY OF DISPOSITION OF APPROPRIATIONS
 YEAR ENDED DECEMBER 31, 1992

	1992 Final	Charges for expenditures	Unliquidated Obligations	Total expenditures and obligations	Unobligated balance carried forward	Unobligated and reserved for execution in 1993
National Technical Cooperation Projects	\$ 8,568,022	\$ 2,687,012	\$ 1,035,532	\$ 3,722,544	\$ 4,845,478	\$ 13,030,878
Plurinational Projects	1,202,625	765,377	136,147	901,524	301,101	1,126,601
Inter-American Centers	1,757,403	1,144,506	98,329	1,242,835	514,568	1,737,068
Special Conferences	39,900	31,532	3,663	35,195	4,705	4,705
Executive Secretary	205,914	30,448	10,746	41,194	164,720	164,720
Support Resources	65,931	54,820	6,687	61,507	4,424	80,124
Contribution for Administrative and Technical Support	2,031,986	953,280	49,487	1,002,767	1,029,219	2,720,119
	<u>\$ 13,871,781</u>	<u>\$ 5,666,975</u>	<u>\$ 1,340,591 (a)</u>	<u>\$ 7,007,566</u>	<u>\$ 6,864,215</u>	<u>\$ 18,864,215</u>

(a) -- Unliquidated Obligations Charged to 1992 appropriations Charged to prior years appropriations

\$ 1,340,591
333,189
<u>\$ 1,673,780</u>

ORGANIZATION OF AMERICAN STATES
SPECIAL MULTILATERAL FUND OF THE INTER-AMERICAN COUNCIL
FOR EDUCATION, SCIENCE AND CULTURE
SUMMARY OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992-93 approved by the General Assembly (a)+(b)	Reserved for execution in 1993 (b)	Approved for 1992 (a)	Unobligated appropriations carried forward at Dec 31, 1991 (c)	Adjusted by CEPCIECC (d)	CEPCIECC discretionary transfers	1992 Final
Activities of the Executive Secretariat	\$ 649,700	\$ 334,100	\$ 315,600	\$ 17,072	\$ (126,325)	\$ 89,253	\$ 295,600
Regional Educational Development Programs	8,600,200	4,435,300	4,164,900	1,283,772	(2,096,800)	(49,272)	3,302,600
Regional Scientific and Technological Development Programs	8,599,100	4,436,000	4,163,100	1,595,881	(2,095,800)	(39,981)	3,623,200
Contribution for Administrative and Technical Support	2,677,000	1,380,600	1,296,400	108,204	(321,504)		1,083,100
	\$ 20,526,000	\$ 10,586,000	\$ 9,940,000	\$ 3,004,929	\$ (4,640,429)	\$ -	\$ 8,304,500

(a) 1992: AG/Res. 1137 (XXI-0/91).
 (b) 1993: AG/Res. 1177 (XXII-0/92).
 (c) AG/Res. 1137 (XXI-0/91).
 (d) CEPCIECC/Res. 245/92 (XLIII-0/92) and CEPCIECC/Res. 247/93 (XLIV-0/93).

ORGANIZATION OF AMERICAN STATES
 SPECIAL MULTILATERAL FUND OF THE INTER-AMERICAN COUNCIL
 FOR EDUCATION, SCIENCE AND CULTURE
 SUMMARY OF DISPOSITION OF APPROPRIATIONS
 YEAR ENDED DECEMBER 31, 1992

	1992 Final	Charges for expenditures	Unliquidated Obligations	Total expenditures and obligations	Unobligated balance carried forward	Unobligated and reserved for execution in 1993
Activities of the Executive Secretariat	\$ 295,600	\$ 119,113	\$ 62,986	\$ 182,099	\$ 113,501	\$ 447,601
Regional Educational Development Programs	3,302,600	365,920	1,068,871	1,434,791	1,867,809	6,303,109
Regional Scientific and Technological Development Programs	3,623,200	366,983	363,467	730,450	2,892,750	7,328,750
Contribution for Administrative and Technical Support	<u>1,083,100</u>	<u>352,101</u>		<u>352,101</u>	<u>730,999</u>	<u>2,111,599</u>
	<u>\$ 8,304,500</u>	<u>\$ 1,204,117</u>	<u>\$ 1,495,324</u>	<u>\$ 2,699,441</u>	<u>\$ 5,605,059</u>	<u>\$ 16,191,059</u>

ORGANIZATION OF AMERICAN STATES

SPECIAL ACCOUNT FOR CULTURE
SUMMARY OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992-93 Approved by the General Assembly (a)+(b)	Reserved for execution in 1993 (b)	Approved for 1992 (a)	Unobligated Appropriations carried forward at Dec 31, 1991 (c)	Adjusted by CEPCIECC (d)	CEPCIECC discretionary transfers	1992 Final
Activities of the Executive Secretariat	\$ 28,800	\$ 15,100	\$ 13,700	\$	\$ (5,916)	\$ 55,316	\$ 63,100
Regional Cultural Development Program Direction	165,800	85,500	80,300	29,042	(34,216)	(19,626)	55,500
Cultural Policies and Regional Studies	347,900	179,500	168,400	109,080	(71,755)	(49,225)	156,500
Cultural Heritage	544,200	280,700	263,500	98,674	(112,277)	(8,297)	241,600
Arts	147,300	76,000	71,300	16,862	(30,381)	(3,481)	54,300
Popular Culture and Education	192,000	99,000	93,000	9,140	(39,627)	(21,613)	40,900
Libraries, Communication and Information	212,300	109,500	102,800	34,977	(43,803)	46,926	140,900
Contribution for Administrative and Technical Support	245,700	126,700	119,000	(13,626)	7,626		113,000
	\$ 1,884,000	\$ 972,000	\$ 912,000	\$ 284,149	\$ (330,349)	\$ -	\$ 865,800

(a) 1992: AG/Res. 1137 (XXI-0/91).

(b) 1993: AG/Res. 1177 (XXII-0/92).

(c) AG/Res. 1137 (XXI-0/91).

(d) CEPCIECC/Res. 245/92 (XLIII-0/92) and CEPCIECC/Res. 247/93 (XLIV-0/93).

ORGANIZACION DE LOS ESTADOS AMERICANOS

SPECIAL ACCOUNT FOR CULTURE
SUMMARY OF DISPOSITION OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992 Final	Charges for expenditures	Unliquidated Obligations	Total expenditures and obligations	Unobligated balance carried forward	Unobligated and reserved for execution in 1993
Activities of the Executive Secretariat	\$ 63,100	\$ 8,960	\$ 1,600	\$ 10,560	\$ 52,540	\$ 67,640
Regional Cultural Development Program Direction	55,500	49,499	59,233	108,732	(53,232)	32,268
Cultural Policies and Regional Studies	156,500	2,592	90,107	92,699	63,801	243,301
Cultural Heritage	241,600	27,923	82,627	110,550	131,050	411,750
Arts	54,300		1,400	1,400	52,900	128,900
Popular Culture and Education	40,900	1,345	2,055	3,400	37,500	136,500
Libraries, Communication and Information	140,900		2,100	2,100	138,800	248,300
Contribution for Administrative and Technical Support	113,000	49,416		49,416	63,584	190,284
	\$ 865,800	\$ 139,735	\$ 239,122	\$ 378,857	\$ 486,943	\$ 1,458,943

ORGANIZATION OF AMERICAN STATES

MAR DEL PLATA ACCOUNT
SUMMARY OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992-93 Approved by the General Assembly (a)+(b)	Reserved for execution in 1993 (b)	Approved for 1992 (a)	Unobligated Appropriations carried forward at Dec 31, 1991 (c)	Adjusted by CEPCIECC (d)	CEPCIECC discretionary transfers	1992 Final
Executive Secretariat	\$ 275,000	\$ 141,900	\$ 133,100	\$ 469,543	\$ (35,772)	\$ 81,766	\$ 648,637
Director of Educational Department				317,214		(20,404)	296,810
Multinational Project of Basic Education	667,700	343,300	324,400	254,241	(165,087)	(41,354)	372,200
Education For Work	1,112,700	573,900	538,800	172,620	(274,195)	(48,225)	389,000
Secondary and Higher Education	544,200	280,700	263,500		(134,095)	216,695	346,100
National Projects Unprogrammed Funds	85,900	44,300	41,600		(21,170)	(20,430)	
Director of Science and Technology Department	290,600	150,500	140,100	555,921	(71,297)	(187,186)	437,538
Environment and Natural Resources	691,100	356,500	334,600	65,970	(170,278)	135,708	366,000
Biotechnology and Food	549,100	282,300	266,800	107,100	(121,718)	(6,182)	246,000
Materials	806,400	415,800	390,600	210,440	(198,776)	33,936	436,200
Microeletronic and Informatics	604,700	311,900	292,800	146,178	(149,006)	(138,057)	151,915
Unprogrammed Funds	77,200	39,800	37,400		(19,033)	10,700	10,700
National Projects						(16,967)	1,400
Contribution for Administrative and Technical Support	818,400	422,100	396,300	(14,264)	173,264		555,300
	\$ 6,523,000	\$ 3,363,000	\$ 3,160,000	\$ 2,284,963	\$ (1,187,163)	\$ -	\$ 4,237,800

(a) 1992: AG/Res. 1137 (XXI-0/91).
 (b) 1993: AG/Res. 1177 (XXII-0/92).
 (c) AG/Res. 1137 (XXI-0/91).
 (d) CEPCIECC/Res. 245/92 (XLIII-0/92) and CEPCIECC/Res. 247/93 (XLIV-0/93).

ORGANIZATION OF AMERICAN STATES

MAR DEL PLATA ACCOUNT
SUMMARY OF DISPOSITIONS OF APPROPRIATIONS
YEAR ENDED DECEMBER 31, 1992

	1992 Final	Charges for expenditures	Unliquidated Obligations	Total expenditures and obligations	Unobligated balance carried forward	Unobligated and reserved for execution in 1993
Executive Secretariat	\$ 648,637	\$ 20,793	\$ 10,107	\$ 30,900	\$ 617,737	\$ 759,637
Director of the Education Department	296,810	3,593	6,415	10,008	286,802	286,802
Multinational Project of Basic Education	372,200	14,644	151,130	165,774	206,426	549,726
Education for Work	389,000	6,627	269,923	276,550	112,450	686,350
Secondary and Higher Education	346,100	5,418	230,436	235,854	110,246	390,946
National Projects Unprogrammed Funds						44,300
Director of Science and Technology Department	437,538	80,606	8,617	89,223	348,315	498,815
Environment and Natural Resources	366,000	13,604	30,991	44,595	321,405	677,905
Biotechnology and Food	246,000	1,732	11,168	12,900	233,100	515,400
Materials	436,200	3,988	18,171	22,159	414,041	829,841
Microelectronic and Informatics	151,915	27,924	5,007	32,931	118,984	430,884
Unprogrammed Funds	10,700				10,700	10,700
National Projects	1,400	726		726	674	40,474
Contribution for Administrative and Technical Support	555,300	138,243		138,243	417,057	839,157
	<u>\$ 4,257,800</u>	<u>\$ 317,898</u>	<u>\$ 741,965</u>	<u>\$ 1,059,863</u>	<u>\$ 3,197,937</u>	<u>\$ 6,560,937</u>

**SPECIFIC FUNDS - STATEMENTS OF ASSETS,
LIABILITIES AND CHANGES IN NET ASSETS AND FUND BALANCES**

REGULAR FUND
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project Designated by Donor:	From January 1, 1992 to December 31, 1992				Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Contributions	Transfers	Returns and Refunds Interest			
Argentina XII CI ECC Meeting	\$ (66,356)	\$ 316,763			\$ (66,356)		\$ (66,356)
Bahamas XXII General Assembly	(41,870)				(43,618)		(43,618)
Bolivia I - A Conference Int'l Law	(55,001)				(41,870)		(41,870)
Brazil IX General Assembly	15,165				(55,001)		(55,001)
Brazil Social Integrated Development Program	5,000				15,165	\$ 4,858	10,307
Chile I - A Tribune					5,000		5,000
Colombia XI Ordinary Meeting - CI ECC	(25,703)	25,703			(11,335)		(11,335)
Dominican Republic IACW - XX Assembly	(11,335)				103		103
Dominican Republic I - A Discovery America Meeting	31,749				31,749		31,749
Ecuador OAS Building	9,287				9,287		9,287
El Salvador XVIII General Assembly	(14,341)				(14,341)		(14,341)
Grenada VII General Assembly	(1,373)				(1,373)		(1,373)
Guatemala XVI General Assembly							
Guatemala I - A Commission of Nuclear Energy	42,109		511		41,598	52	41,546
Guatemala XXIII CI ECC Meeting	(363,508)	67,205	\$ (14,721)	52,484	(363,508)		(363,508)
Honduras/El Salvador Military Observers Mission	(6,769)	8,769					
Jamaica XIV CI ECC Meeting - 1983	1,619				1,619		1,619
Jamaica Chaikmaking Industry - St. Thomas	6,398				6,398		6,398
Jamaica Food & Nutrition Policy	(24,703)				(24,703)		(24,703)
Nicaragua/Costa Rica Civilian Observers	(24,487)				(24,487)		(24,487)
Panama Canal Treaty							
Paraguay XX Ordinary Meeting CI ECC	37,588				37,588		37,588
Paraguay XX General Assembly	4,064						
St. Vincent Fellowship Program	1,374			4,064	1,374		1,374
U.S. NEA Grant - Latin American Paintings	366				366		366
U.S. NEH Grant - Museum Humanities Catalog	6,940				6,940		6,940
U.S. CIAV Nicaragua	575,506	6,106,077	\$ 28,066	5,166,321	1,574,026	1,008,812	565,214
U.S. Observation Electoral El Salvador	1,150,934		43,478	3,618	1,190,794	6,653	1,184,141
U.S. XIV Panamerican Child Congress	(11,218)				(11,218)		(11,218)
U.S. Telecommunications Law Symposium	5,000		(5,000)		(5,000)		
U.S. Elections Constituents Paraguay	(114,492)	275,000		2,976	(117,408)		(117,408)
U.S. - Conference on Persons with Disabilities				235,000	40,000	35,000	5,000
Uruguay IV I - A Special Conference Int'l Law	126				126		126
Venezuela - Promotion Peace in Suriname		5,000			5,000		5,000
Germany - Observation Electoral Paraguay	20,000			50	19,950	2,000	17,950
Italy Cooperative Tourism	2,300				2,300		2,300
Italy to 500 Anniversary Discovery of America	9,953			5,464	(5,464)		
Netherlands - Promote Peace in Suriname		269,603		195,869	67,734	1,158	3,331
UN - ACNUR - Refugees in Latin America	12,756			1,016	(1,016)	16,635	51,099
Demining Central America		417,000		15,301	401,735	1,332	400,403
CICAD - IA Program of Rio de Janeiro	1,384,830	1,589,577		1,029,196	620,945	379,231	1,626,544
CICAD - Meetings		11,994		14,583	(2,589)	1,712	(4,301)
Constructora Norberto Odebrecht - Peru	17,420			12,382	(12,382)	193	4,845
Emilio Odebrecht Foundation - Brazil	2,164						2,164

ORGANIZATION OF AMERICAN STATES

REGULAR FUND
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	From January 1, 1992 to December 31, 1992				Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Contributions	Transfers	Returns and Refunds Interest			
Ford Foundation - Indian Leaders Meet.	2,189			2,189	(2,189)		
Inter-American Emergency Aid Fund	15,508	2,500		8,920	(5,770)	9,738	4,081
Inter-American Children Institute	671,275	650,541	650	181,847	502,712	1,173,987	99,227
Inter-American Comm. on Human Rights	105,894	338,089	34,018	134,205	203,884	309,778	6,206
Inter-American Quincentennial Fund	16,539	26,452		27,760	(1,308)	15,231	1,158
Inter-American Statistical Institute	211,352	16,925	8,681	19,883	5,726	217,078	13,341
Inter-American Commission of Women	68,838	49,443	4,081	5,817	47,707	116,545	5,869
Inter-American Music Council	(4,140)	\$ 4,140			4,140		
I - A Priority Assistance Haiti	840,152	(20,000)	28,637	1,927	(65,123)	775,029	87,764
IBM/IPADF/OAS Education Program	7,936			7,936		7,936	
Luis O Carneiro Exposition - Paraguay	766			766		766	
Observation Electoral Process Peru		4,520,000	14,410	2,600,357	1,934,053	1,934,053	472,646
OAS/DEMOC		1,361,875	28,828	642,043	768,660	768,660	526,901
Ohio University-500 Ann. Disc. of America	7,648	2,520		4,808	(2,288)	5,360	2,740
PALCO to Museum	2,363			2,363		2,363	
Support Offices away of Headquarter	345,448	119,251		156,174	(16,549)	328,899	59,767
SDAF/FEMCIECC to OAS Fellowship Program	111,690	5,708		62,338	(56,630)	55,060	48,161
SECAB - Restoration Course		8,000			8,000	8,000	
Xerox - Latinamerican Art Museum	881					881	
XXI Consult Meeting Ministers	4,600					4,600	
Subtotal	4,988,594	16,187,998	4,140	11,021,244	5,455,821	10,444,215	2,785,377
Designated by OAS:							
Art Permanent Collection	73	2,744		3,064	(320)	(247)	(247)
Columbus Memorial Library	78,373	35,068		8,140	26,928	105,301	3,284
GSB Cafeteria Operation	272,453			10,846	(10,846)	261,607	1,000
IICA - Administrative Tribunal	4,916	16,024		12,412	3,612	8,528	1,749
Publications sales	222,167	69,711		43,665	26,046	248,213	39,716
Microfische sales	40,046			3,548	(3,548)	36,498	1,424
Model OAS - Public Information	7,504	18,228		18,031	197	7,701	4,248
OAS Vehicle Accident Ins. Refund	1,606	45,822	(19,869)	2,684	23,269	24,875	2,317
OAS Vehicle Replacement Fund			19,869	16,000	3,869	3,869	
Rental, Hall of the Americas	401,532	97,684		108,926	(11,242)	390,290	154,510
Audio Visual Materials sales	16,932	8,104		7,131	973	17,905	5,105
Staff Development Activities	751	6,363		131	6,232	6,983	91
Technical Electoral Mission in Paraguay				1,777	(1,777)	(1,777)	(1,777)
Work Related Disabilities Fund	436,068	104,123	15,866	89,302	30,687	466,755	39,550
Subtotal	1,482,421	403,871	15,866	325,657	94,080	1,576,501	252,994
	\$ 6,471,015	\$ 16,591,869	\$ 4,140	\$ 11,346,901	\$ 5,549,701	\$ 12,020,716	\$ 3,038,371
Consisting of:							
Cash and equity in OAS Treasury Fund						\$ 12,526,722	\$ 12,526,722
Travel, salary advances and other receivables						24,151	24,151
Accounts payable and other liabilities						(530,157)	(530,157)
Unliquidated obligations						(3,038,371)	(3,038,371)
						\$ 8,982,345	\$ 8,982,345

ORGANIZATION OF AMERICAN STATES

SPECIAL DEVELOPMENT ASSISTANCE FUND
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	From January 1, 1992 to December 31, 1992				Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Contributions	Transfers	Returns and Refunds			
Argentina CIET	\$ 84,873	\$ 611,733		\$ 11,599	\$ 187,105	\$ 436,227	\$ 9,136
Argentina CICAP	41,706	100,705		3,118	53,678	50,145	91,851
Argentina CIDES	45,129	120,846		5,213	49,459	76,600	121,729
Argentina School Dinning Program	529				500	(500)	29
Argentina - Horizontal Cooperation	108,708	1,880,000		43,858	62,105	1,861,753	1,970,461
Bolivia Parapeti CORDECRUZ	981						981
Bolivia Technical Cooperation CORDECH	461						461
Bolivia Filcomayo River Basin - Phase II	1,217						1,217
Brazil CODEVASF to PLANVASF	8,689						8,689
Brazil SUDAN	293,107	9,653			289,073	(279,420)	10,417
Brazil SUDENE to PLANVASF	2,908				2,387	(2,387)	521
Brazil CODEVASF to PRONI	573,070				306,397	(306,397)	266,673
Brazil Reconstruction ALAGOAS	37,650						37,650
Brazil CIENES - SUDENE	733						733
Canada CIDA Technical Coop. - Unprogrammed	5,211	116,749	(50,900)	6,200	400	(400)	333
						72,049	77,260
Canada CIDA Interamerican Customs	1,380						1,380
Canada CIDA Tech. Coop. Honduras	50,800		(43,500)		406	(406)	974
Canada CIDA River Basin Putumayo	(27,919)		94,400		4,512	(48,012)	2,788
Canada CIDA Envir. Protection Amazonas	278,603				12,538	81,862	53,943
Canada CIDA Small Business Development	105,241	304,677			210,181	94,496	373,099
Canada CIETEL	130				46,365	(46,365)	58,876
Colombia CAR Conservat. Natural Resources	69,027						130
Chile CIENES	359,538	120,486		15,458	53,423	(53,423)	15,604
					121,320	14,624	374,162
Chile CIETEL	(12,730)						(12,730)
Dominican Republic Public Finance IDB	1,754						1,754
Dominican Republic Tech. Coop. Preinvestment	11,113						13
Dominican Republic VI I - A Ports Conference	6,444				11,100	(11,100)	13
Ecuador Putumayo River Basin	11,522	4,404			10,755	(6,351)	6,444
Finlandia - Trifinio II	492,354	507,631			274,035	251,464	5,171
Guat - Hond - Salv - IICA Trifinio II	60,940	264,088			195,816	68,272	743,818
Italy Telecommunications Study CONSULTEL	290,738		123,319	5,596	311,253	(182,338)	129,212
							108,400
Mexico Unprogrammed funds		450,000					453,786
Panama Tourism Development		176,000					176,000
Paraguay Tax Administration	3,355						1,622
Paraguay Programming and Budgeting	2,414				1,733	(1,733)	1,622
Paraguay Rural Colonies ATS - PAR/IDB/OAS					1,927	(1,927)	487
Peru Capacitation Model	1,165						1,165
Suriname Van Wouwe Canal	76,139						65,546
					10,593	(10,593)	13,300
U.S. Central America Energy and Food	2,548				2,548	(2,548)	
U.S. Hazards Mitigation Latin America	3,591				3,591	(3,591)	
U.S. TDP Telecommunications	59,964						294
U.S. Modernization Telecom. Systems	240,268	1,412		\$ (110,896)	17,095	(17,095)	42,869
U.S. AID Hazards Support to AID Mission	166,229	61,200			76,037	(185,523)	54,745
U.S. AID Amazon Environmental Program		190,000			208,905	(147,705)	18,524
U.S. Telecom. Develop. Fellow. Program		75,000			1,559	188,441	188,441
U.S. Temporary Committe CIETEL		5,000				75,000	75,000
						5,000	5,000

ORGANIZATION OF AMERICAN STATES

SPECIAL DEVELOPMENT ASSISTANCE FUND
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	From January 1, 1992 to December 31, 1992					Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Contributions	Transfers	Interest and Refunds	Expenditures			
U.S. to CITEI	20,000				14,582	(14,582)	762	4,656
U.S. - BICIP	(2,231)	20,000			71	(71)		20,000
Uruguay Network Public Transportation	285							(2,302)
Uruguay Forestry Development Seminary	1,527	321,273			245,353	75,920	33,087	285
Uruguay Forestry Development Project	19,984	148,608			147,136	1,472	4,492	44,360
Uruguay Public Transportation Montevideo	4,067	17,808			18,923	(1,115)		16,964
Venezuela Telecommunication Mobiles								2,952
BIRF - Center for Privatization	151				50	(50)		101
BIRF - Formulation and Evaluation	2,335				2,335	(2,335)		(465)
CAF - Energy in Bolivia	1,023				465	(465)		827
CAF - Energy in Ecuador	34,908				196	(196)		29,412
CINDER/CIDIAT	7,635				741	(741)		8,304
CICOM - various sources	8,896	3,392			2,723	669		136
Development Project Staff Reimbursement	11,991				8,760	(8,760)		6,074
European Economic Community - Trifinio Grant					5,916	(5,916)	1	
IDB - Meeting PISDIC	2,817							2,817
IDB - Inter-American Customs Program	96,716	356,210			352,056	4,154	65,328	35,542
IDB - National Customs Costa Rica	128,216	425,756			274,059	151,697	76,460	203,453
IDB - Environmental Study Uruguay	20,200				28,944	(28,944)	5,700	(14,444)
IDB/GUA/HON - El Cajon River Basin	(17,436)	66,301			30,278	36,023		18,585
IDB - Forestry Basin Artibonito Haiti	1,881							1,881
ILDES	2,236							2,236
PAHO - Parliamentary Health Meeting	17,683				950	(950)		16,733
Information Service Foreign Trade - SICE	175,340	1,059,144		22,953	3,003	1,079,094	822	1,253,612
Inst. Coop. Ibero-Americana to CIENES	233							233
JICA/OAS Manabi Ecuador	15,840				15,840	(15,840)		5,034
UNDP - Fiscal Policy	7,190				1,028	(1,028)	1,128	66,480
UN - Disaster Management Training	27,542	158,400			104,660	53,740	14,802	31,000
UNEP Watershed Colombia - Venezuela	31,000							75,000
UNEP La Amistad Costa Rica	2,734	75,000				75,000		2,734
Saudi Arabia - Rural Development	4,857							4,827
Social Affairs Department					30	(30)		
Administrative and accounting Support	123,319		(123,319)				991	32,813
Accounting Support	79,240			36,035	83,471	(45,436)	13,934	12,083
Regional Development Support	80,362			38,035	92,380	(54,345)		
	<u>\$ 4,370,119</u>	<u>\$ 7,651,476</u>	<u>\$</u>	<u>\$ 211,719</u>	<u>\$ 3,960,746</u>	<u>\$ 3,791,551</u>	<u>\$ 1,097,198</u>	<u>\$ 7,064,472</u>
Consisting of:								
Cash and equity in OAS Treasury Fund								\$ 8,292,953
Travel, salary advances and other receivables								276,935
Accounts payable and other liabilities								(408,218)
Unliquidated obligations								(1,097,198)
								<u>\$ 7,064,472</u>

ORGANIZATION OF AMERICAN STATES

SCHEDULE 18

SPECIAL MULTILATERAL FUND OF THE INTER-AMERICAN COUNCIL FOR EDUCATION, SCIENCE AND CULTURE
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	Cash Balance		From January 1, 1992 to December 31, 1992		Net Change	Cash Balance		Unliquidated Obligations	Fund Balance (deficit) Dec. 31, 1992
	Jan. 1, 1992	1992	Contributions	Transfers		Interest and Refunds	Expenditures		
Argentina Science Projects	\$ 135,009	\$ 242,360	\$ 4,483	\$ 153,644	\$ 93,199	\$ 228,208	\$ 38,167	\$ 190,041	
Argentina Unprogrammed funds		17,411			17,411	17,411		17,411	
Canada Education Projects	32,688	95,815		84,279	11,536	44,224	45,478	(1,254)	
Canada Science Projects									
Chile Science Projects	30,529			28,528	(28,528)	2,001	2,000	1	
Colombia Unprogrammed funds	55,208	20,675	(64,471)		(43,796)	11,412		11,412	
Colombia Secretariat Projects		14,601			14,601	14,601		14,601	
Colombia Education Projects		49,871		25,899	23,972	23,972	23,903	69	
Dominican Republic Education Projects	25,919					25,919		25,919	
Germany Science Projects	102,521	867,802	16,277	545,787	340,856	443,377	161,052	282,325	
Mexico Unprogrammed funds—Secretariat	572,237	297,800	(891,449)		(571,722)	515		515	
Mexico Secretariat Projects		220,134		159,822	60,312	60,312	39,887	20,425	
Mexico Unprogrammed funds—Education		256,677			256,677	256,677		256,677	
Mexico Education Projects		96,505		11,321	85,184	241,596	16,362	68,822	
Mexico Unprogrammed funds—Science		241,596			241,596	241,596		241,596	
Mexico Science Projects		76,537		285	76,252	76,252	34,979	41,273	
Paraguay Unprogrammed funds	46,714		2,776		2,776	2,776		2,776	
Paraguay Education Projects			(2,776)	17,520	(20,296)	26,418	2,974	23,444	
U.S. Unprogrammed funds	204,140				18,866	223,006		223,006	
U.S. Education Projects	60,243			39,244	(39,244)	20,999	4,880	16,119	
U.S. Science Projects	17,641	600,000		4,852	595,148	612,789	11,570	601,219	
Venezuela Unprogrammed funds	197,602	136,995	(243,547)		(98,366)	99,216	7,579	99,216	
Venezuela Education Projects			106,552		46,870	46,870		39,291	
Other Education Projects	81,042	67,127			39,577	120,619	95,330	25,289	
Other Science Projects	19,141	21,657		34,588	(12,931)	6,210	2,774	3,436	
Scientific Monographs	82,095	7,530		12,000	(4,470)	77,625	6,370	71,255	
Caribbean Basin Scholarship	383,526	12,589	15,798		28,387	411,913	1	411,912	
	<u>\$ 2,046,255</u>	<u>\$ 2,387,761</u>	<u>\$ (136,994)</u>	<u>\$ 1,205,001</u>	<u>\$ 1,133,847</u>	<u>\$ 3,180,102</u>	<u>\$ 493,306</u>	<u>\$ 2,686,796</u>	
Consisting of:									
Cash and equity in OAS Treasury Fund						\$ 3,169,377		\$ 3,169,377	
Travel, salary advances and other receivables						10,926		10,926	
Accounts payable and other liabilities						(201)		(201)	
Unliquidated obligations								(493,306)	
						<u>\$ 3,180,102</u>		<u>\$ 2,686,796</u>	

ORGANIZATION OF AMERICAN STATES

SCHEDULE 19

SPECIAL ACCOUNT FOR CULTURE
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	From January 1, 1992 to December 31, 1992		Returns	Net Change	Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Transfers					
Brazil Unprogrammed funds	\$ 44,420			\$	\$ 44,420	\$	\$ 44,420
Chile Unprogrammed funds	19,295	\$ 73,000	\$ (73,200)	\$ 574	18,521		18,521
Chile Cultural Projects							
Colombia Cultural Projects	15,843				15,843	\$ 2,469	13,374
Mexico Unprogrammed funds - Education	135,384	26,600	(68,082)	\$ 5,977	99,879		99,879
Mexico Cultural Projects			68,082		68,082	41,123	26,959
Uruguay Cultural Projects	177				177		177
Venezuela - Unprogrammed funds	22,902		(21,955)		947		947
Venezuela Cultural Projects			21,955	418	21,537	136	21,401
Beca Amalia Fortabat Music friends	11,385	2,506		13,015	876		876
Miscellaneous records	3,532	8,414		423	11,523		11,412
IAME	(287)	107		394	107		107
OAS - Concert - UTAH Chambers players	101			(51)	50		50
	\$ 252,752	\$ 110,627	\$ 287	\$ 14,481	\$ 281,962	\$ 43,889	\$ 238,073
Consisting of:							
Cash and equity in OAS Treasury Fund					\$ 293,932		\$ 293,932
Travel, salary advances and other receivables					(11,970)		(11,970)
Accounts payable and other liabilities							(43,889)
Unliquidated obligations					\$ 281,962		\$ 238,073

ORGANIZATION OF AMERICAN STATES

MAR DEL PLATA ACCOUNT
SPECIFIC FUNDS

STATEMENT OF ASSETS, LIABILITIES, CHANGES IN NET ASSETS AND FUND BALANCES

Donor and Project	From January 1, 1992 to December 31, 1992					Cash Balance Dec. 31, 1992	Unliquidated Obligations Dec. 31, 1992	Fund Balance (deficit) Dec. 31, 1992
	Cash Balance Jan. 1, 1992	Contributions	Transfers	Interest and Refunds	Expenditures			
Argentina Unprogrammed funds	\$ 95,819	\$ 161,103		\$ 3,181	\$ 55,651	\$ 108,633	\$ 80,766	\$ 123,686
Brazil Unprogrammed funds	3,895							3,895
Colombia - FITOQUIMICA	23,171			1,187	(1,187)		19,984	2,000
Costa Rica Science projects	1,547							1,547
Mexico Unprogrammed funds--Secretariat	419,993	97,300	(533,462)	16,231	(419,931)			62
Mexico Secretariat Projects			11,974		7,124		5,846	1,278
Mexico Unprogrammed funds--Education			150,045		150,045			150,045
Mexico Education Projects			58,016		58,016		1,365	56,651
Mexico Unprogrammed funds--Science			224,907		224,907		3,720	224,907
Mexico Science Projects			88,520		19,960	68,540		64,820
Venezuela Unprogrammed funds	161,977		(39,585)	5,179	(34,406)			127,571
Venezuela Science Projects	\$ 706,402	\$ 258,403	\$ 39,585	\$ 24,591	\$ 36,134	\$ 871,594	\$ 112,238	\$ 759,356
Consisting of:								
Cash and equity in OAS Treasury Fund						\$ 872,853		\$ 872,853
Travel, salary advances and other receivables						(1,259)		(1,259)
Accounts payable and other liabilities								(112,238)
Unliquidated obligations						\$ 871,594		\$ 759,356

SECTION III
FINANCIAL STATEMENTS
OF THE RETIREMENT AND PENSION FUND
WITH
REPORT OF INDEPENDENT AUDITORS

RETIREMENT AND PENSION FUND

The Retirement and Pension Fund of the Organization of American States is administered by the Retirement and Pension Committee. At December 31, 1992, the committee was composed of:

Chairman:	Ambassador Lawrence Chewing Fabrega, representing the Permanent Council
Vice Chairman:	Mr. Owen B. Lee, representing the Permanent Council
Member:	Mr. Jose Luis Restrepo, representing the Secretary General
Alternate:	Mr. Raul Sanguinetti, representing the Secretary General
Member:	Mr. Patricio Chellew, representing the participants in the Plan
Alternate:	Mr. Roberto Recalde, representing the participants in the Plan
Secretary-Treasurer: <i>(not a member of the Committee)</i>	Mr. Luis M. Lizondo

The jurisdiction of the Board with respect to the external audit of the Fund was clarified by the Department of Legal Affairs of the General Secretariat in 1976 at the request of the Board.

The Board used the services of Ernst & Young to audit the accounts and financial statements of the Fund at December 31, 1992 and 1991 and for the years then ended. That firm's opinion on the statements is included in this report.

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statements of net assets available for participant benefits of the Retirement and Pension Fund of the General Secretariat of the Organization of American States (the Fund) as of December 31, 1992 and 1991, and the related statements of changes in net assets available for participant benefits for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Fund's net assets available for participant benefits at December 31, 1992, and the changes therein for the year then ended, and the financial status of the Fund at December 31, 1991, and the changes therein for the year then ended, in conformity with generally accepted accounting principles.



April 30, 1993

ORGANIZATION OF AMERICAN STATES
RETIREMENT AND PENSION FUND
STATEMENT OF NET ASSETS
AVAILABLE FOR PARTICIPANT BENEFITS

ASSETS	December 31,	
	1992	1991
Investments, at market		
Short Term Investments	\$ 12,711,416	\$ 12,804,576
U.S. Govt. And Agency Issues	68,087,718	68,032,799
Corporate Bonds	29,668,864	35,277,813
Municipal Bonds	986,101	1,041,318
Miscellaneous Bonds	3,140,290	1,409,642
Common Stock	123,873,466	109,066,575
	238,467,855	227,632,723
Equity in OAS Treasury Fund	781,275	760,969
Receivables, principally accrued dividends and interest	1,839,873	2,119,035
	\$ 241,089,003	\$ 230,512,727
LIABILITIES		
Participant accounts pending liquidation	1,181,548	2,242,088
Provident Plan participants accounts	1,780,080	2,387,791
Miscellaneous payables	251,698	89,722
	3,213,326	4,719,601
Net assets available for participant benefits	\$ 237,875,677	\$ 225,793,126

See accompanying notes

ORGANIZATION OF AMERICAN STATES
RETIREMENT AND PENSION FUND
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR PARTICIPANT BENEFITS

	<u>Year ended December 31,</u>	
	<u>1992</u>	<u>1991</u>
Investment income		
Net unrealized appreciation in value of investments	\$ 698,672	\$ 24,595,874
Net realized gains on sale of investments	3,282,406	4,294,215
Interest	8,642,077	9,397,051
Dividends	2,699,355	2,746,167
	<u>15,322,510</u>	<u>41,033,307</u>
Less investment expenses	341,370	326,476
	<u>14,981,140</u>	<u>40,706,831</u>
Contributions		
Institutions	6,740,389	6,497,004
Participants	3,370,918	3,233,129
	<u>10,111,307</u>	<u>9,730,133</u>
Increase	<u>25,092,447</u>	<u>50,436,964</u>
Payments to pensioners	1,708,695	1,724,096
Liquidations paid to participants (or their beneficiaries)	10,672,133	9,985,585
Interest credited to Provident Plan accounts	213,714	266,854
	<u>12,594,542</u>	<u>11,976,535</u>
Administrative expenses	415,354	383,740
Decrease	<u>13,009,896</u>	<u>12,360,275</u>
Net increase	12,082,551	38,076,689
Net assets available for participant benefits:		
Beginning of year	225,793,126	187,716,437
End of year	<u>\$ 237,875,677</u>	<u>\$ 225,793,126</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES

RETIREMENT AND PENSION FUND NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

1. Description of plans

The activity of the Organization of American States Retirement and Pension Fund includes both the Retirement and Pension Plan (Plan) and the Provident Plan. The following brief description of the Plan and the Provident Plan is provided for general information purposes only. The Plan documents should be consulted for detailed information.

General - The Plan is a contributory plan maintained for the benefit of all staff members of the Organization of American States (OAS) and other affiliated agencies. Compulsory contributions are shared 2/3 by the institution and 1/3 by the staff member.

The Provident Plan is also a contributory plan established for the benefit of certain contracted employees. Contributions by the employer and the participant are made in equal amounts, and the balances in the accounts are fully vested in the name of the participants. The total of the accumulated funds in the Provident Plan participants' accounts may only be withdrawn at the time of death, transfer to the Plan, or separation.

Benefits - Amounts included in participants' Plan accounts may only be withdrawn at the time of death, separation or retirement. Should participants in the Plan resign, they are entitled to receive the amount of their personal credits (contributions plus interest) and a percentage of the institutional credit (employer's contributions plus interest) based upon the vesting provisions of the Plan.

The vesting provisions provide that participants with less than four years of participation receive, in addition to 100% of their personal credits, 35% of the institutional credit. Participants with four years of participation receive 40% of the institutional credit. Participants receive an additional 20% of the institutional credit for each additional year in excess of four. They are fully vested in their institutional credits after seven years of contributory participation.

Minimum conditions for retirement are 55 years of age and 15 years of participation in the Plan. Upon retiring, participants in the Plan are entitled to

pensions payable for life. Participants who joined the Plan before January 1, 1982, may elect, instead of the preceding benefit, an ordinary life annuity based on the total sum standing to their credit in their accounts. Alternatively, at their request, the Committee has the power to substitute some other form of benefit of equivalent value.

The Plan provides for minimum pension benefits. The minimum life pension for a participant at age sixty-five, with not less than fifteen years of participation in the Plan, is an annual amount equal to 2% of the average annual pensionable remuneration for the thirty-six consecutive months of highest pensionable remuneration within the last five years of remunerated participation, multiplied by the number of years of participation up to a maximum of thirty, and 1 2/3% additional for every year of participation in excess of thirty but no more than forty. The same method is used to determine the amount of the voluntary retirement pension due to participants who elect that form of retirement which is applicable to participants fifty-five years of age or older but less than sixty-five whose years of participation and age, when added, total not less than eighty-five. Certain reductions are made for retirement at an age less than sixty or participation of less than thirty years when retiring at age less than sixty five, if the participant does not qualify for voluntary retirement. Cost-of-living adjustments to pensions are contemplated in the Plan.

Death benefits - Upon death of a pensioner (or a participant with no less than five years of participation who dies while in active service), the pensioner's surviving spouse, and minor or disabled children, are entitled to a pension, as defined in the Plan. When an active participant dies with less than five years of participation, the surviving spouse and the minor or disabled children, if any, receive the total of the accumulated funds in the participant's account.

Disability benefits - Participants with five or more years of participation in the Plan, whose services are terminated because of physical or mental disability receive annual disability benefits, in the form of a life pension, as defined in the Plan. Participants who have less than five years of participation receive the total of the accumulated funds in their accounts. A participant who joined the Plan before January 1, 1982 may elect to be covered instead by alternative provisions on disability retirement defined in the Plan.

Amendments to the Plan - Effective July 1st, 1990, following recommendations of the Retirement and Pension Committee, the General Assembly of the OAS approved the following changes in the Retirement and Pension Plan:

- A surviving spouse of a present annuitant who retired before January 1, 1982, and who is alive on July 1st, 1990, shall be entitled to an annuity on the same terms as those on which this benefit is applied to a surviving

spouse of an annuitant who retired on or after that date.

- Authorized the Retirement and Pension Committee to grant cost-of-living adjustments of up to 3% per annum on annuities, subject to conditions set forth in Resolution AG/RES 1051 (XX-0/90).
- Reduced from 15 to 7 the number of years of participation required for a participant to become entitled to withdraw the entire amount of the institutional credit upon leaving the service, and modified the vesting schedule.
- Increased from 10 to 50% the annuity of unmarried children who are totally and permanently disabled, when both parents are deceased.
- Authorized payment of the respective personal credit to the beneficiaries designated by a participant who dies while in active service with no surviving spouse or children.
- Established an alternative minimum annuity to participants at the lowest salary levels.
- Repealed the rule that the surviving spouse may not continue to receive an annuity if he or she remarries.
- Incorporated the necessary provisions for the Plan to continue to enjoy the status of a "qualified plan".
- Authorized the Retirement and Pension Committee to enter into agreements with the boards of retirement plans of other international organizations and member state governments to permit the transfer and continuity of pension rights and the transfer of funds of participants who leave to work in those organizations or governments, or vice versa, as set forth in the amended Plan.
- Several other amendments to facilitate the application of the Plan were approved.

2. Income tax status of the Fund

As an international organization, the OAS is exempt from U.S. Federal income taxes and such exemption applies to the Retirement and Pension Fund of the General Secretariat of the OAS.

3. Funding policy

The plans are funded by the General Secretariat, other affiliated agencies and compulsory participants' contributions at fixed percentages of annual pensionable remuneration. A portion of the income earned on the Retirement and Pension Fund's investments is allocated semi-annually to Provident and Plan participants' accounts at rates determined by the Retirement and Pension Committee. The remaining portion, if any, is retained in the Plan's General Reserve for administrative expenses and to ensure continued Plan stability. Interest credited to participants' accounts was 10.5% and 13.25% in 1992 and 1991, respectively. Present participants accumulated contributions were \$60,400,000 and \$55,800,000 at December 31, 1992 and 1991, respectively, including interest credited at rates determined by the Committee, compounded semi-annually.

4. Investments

The Fund's investment portfolio is managed by the State Street Bank of Boston, The Northern Trust Company of Chicago, and Wells Fargo Institutional Trust Company of San Francisco, within the investment policy guidelines established by the Retirement and Pension Committee. The Committee also retains the firm Buck Consultants (Pension Fund Services) as financial advisors.

The State Street Bank manages the domestic equity and bond portfolios, including the Dedicated Bond Portfolio. The Northern Trust Company manages the short-term investment portfolio. The Wells Fargo Institutional Trust Company manages and acts as custodian of the international equity portfolio. The Northern Trust Company is the custodian of all remaining investments of the Fund, except for the funds in the Treasury Account of the General Secretariat of the OAS.

The above mentioned firm Buck Consultants also performs the monitoring of the investment managers and investment returns to assure compliance with the Committee's established policies. Quarterly reports are presented by Buck Consultants to the Committee.

The classification of investments in terms of portfolios and financial instruments allows the matrix presentation that follows:

PORTFOLIOS 1991

FINANCIAL CATEGORIES	SHORT TERM	FIXED TERM	DOMESTIC EQUITIES	INTL. EQUITY	DEDICATED	TOTAL
SHORT TERM INVESTMENT	\$ 6,805,710	\$ 4,860,206	\$ 333,910	\$ 12,953	\$ 791,797	\$12,804,576
U.S.GOVERNMENT AND AGENCY ISSUES	23,012,195	31,923,809			13,096,795	68,032,799
CORPORATE BONDS	6,700,400	28,577,413				35,277,813
MUNICIPALITIES BONDS		1,041,318				1,041,318
MISCELLANEOUS BONDS		1,409,642				1,409,642
COMMON STOCK			93,092,495	\$15,974,080		109,066,575
TOTAL	\$36,518,305	\$67,812,388	\$93,426,405	\$15,987,033	\$13,888,592	\$227,632,723

PORTFOLIOS 1992

FINANCIAL CATEGORIES	SHORT TERM	FIXED TERM	DOMESTIC EQUITIES	INTL. EQUITY	DEDICATED	TOTAL
SHORT TERM INVESTMENT	\$ 7,576,650	\$ 4,531,776	\$ 569,711		\$ 33,279	\$12,711,416
U.S. GOVERNMENT AND AGENCY ISSUES	17,078,237	37,278,409			13,731,072	68,087,718
CORPORATE BONDS	7,214,610	22,454,254				29,668,864
MUNICIPALITIES BONDS		986,101				986,101
MISCELLANEOUS BONDS		3,140,290				3,140,290
COMMON STOCK			104,670,169	19,203,298		123,873,466
TOTAL	\$31,869,497	\$68,390,830	\$105,239,880	\$19,203,298	\$13,764,350	\$238,467,855

These tables facilitate the understanding of the composition and nature of the investment structure of the Fund. Also, the listing of investment assets in the Statement of Net Assets available for Participant Benefits follows the classification by financial instruments in full compliance with generally accepted accounting principles.

5. Investment valuation

Common stocks and bonds are valued at fair market value measured by the quoted price of the active market on which the security is traded as of the latest trade date prior to year end.

Any asset not traded on an active market such as thinly traded issues are valued by either obtaining a price from their issuer, a reputable private dealer, or from pricing specialists. Quoted prices in active markets or prices otherwise determined are provided by The Northern Trust Company. Investments for which fair values were determined by means other than a quoted price in an active market and net unrealized appreciation (depreciation) for the years ended December 31, 1992 and 1991, are as follows:

DECEMBER 31, 1992			
Net Unrealized Appreciation (depreciation)			
	Quoted Price on Active Market	Otherwise Determined	Total
Short Term Investment	\$ -	\$ -	\$ -
Common stocks	3,061,508	124,746	3,186,254
United States Government Obligations	(1,350,801)	10,702	(1,340,099)
Corporate bonds	(1,196,102)	69,088	(1,127,014)
Municipalities bonds	(20,469)	-	(20,469)
	\$ 494,136	\$ 204,536	\$ 698,672

DECEMBER 31, 1991			
Net Unrealized Appreciation (depreciation)			
	Quoted Price on Active Market	Otherwise Determined	Total
Short Term Investment	\$ (316,198)	\$ -	\$ (316,198)
Common stocks	19,299,505	454,013	19,753,518
United States Government Obligations	3,300,139	143,196	3,443,335
Corporate bonds	1,067,511	523,234	1,590,745
Municipalities bonds	124,474	-	124,474
	\$23,475,431	\$1,120,443	\$24,595,874

6. Plan termination

If the Plan is terminated, every participant, regardless of length of participation, is entitled to all the contributions credited to his or her account and the increment thereon.

Except to correct any actuarial errors, no part of the contributions to the Fund made by the General Secretariat of the OAS or any other affiliated institution, or of the increment thereon, shall revert to the general funds of the institutions or be used for any other purpose than the exclusive benefit of the participants or their beneficiaries.

7. Actuarial present value of accumulated plan benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the participants or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by the consulting actuaries, George B. Buck Consulting Actuaries, Inc.

The significant assumptions used in the valuation as of December 31, 1991, the date of the most recent in-depth valuation, were (a) life expectancy of participants (United Nations Mortality Tables - males 1990 table and female 1982 table); (b) retirement assumptions (assumed 1.3% - 26.4% for ages 55-64 with 7 or more years of participation or immediately if older than 64); (c) investment return (an assumed annual rate of return of 9%, of which 6% assumed credited semi-annually to retirement accounts); (d) retirement benefit elections (the 1991 valuation assumed 20% of participants prior to January 1, 1982, and 100% of subsequent participants elect pensions upon retirement with all such individuals commuting 1/3 of their benefits, the remaining assumed to elect full commutation); (e) cost-of-living adjustments to pensions (the 1991 valuation assumes that all cost-of-living granted to prospective pensioners will be funded directly by the Plan, but that the cost-of-living paid to current pensioners will be funded by the Plan only starting in 1996; (f) pensionable salary increases of 5% in 1992, 10% in 1993, and 5% in 1994 and thereafter; and (g) administrative expenses of 0.4%.

In addition, the 1991 study assumes that the participating population would remain level at 800 with new entrants assumed to have the age characteristics of new entrants since 1988. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated Plan benefits, and benefit information for December 31, 1990, 1991 and 1992 are shown in the following table:

	DECEMBER 31		
	1990	1991	1992
	(US \$1,000)		
ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS			
Vested Benefits			
Participants	\$ 98,057	\$ 120,337	\$135,691
Pensioners	<u>28,407</u>	<u>28,373</u>	<u>28,430</u>
Total vested benefits	126,464	148,710	164,121
Non vested benefits	<u>2,079</u>	<u>2,932</u>	<u>3,308</u>
Total actuarial present value of accumulated plan benefits	<u>\$128,543</u>	<u>\$151,642</u>	<u>\$167,429</u>

The reconciliation shown below sets forth the reasons for the increase in the total actuarial present value of accumulated Plan benefits between December 31, 1991 and December 31, 1992:

	YEARS ENDED DECEMBER 31	
	1991	1992
	(US \$1,000)	
Total actuarial present value of accumulated Plan benefits at beginning of the year	\$128,543	\$151,642
Increase (decrease) attributable to:		
Interest earned on accumulated Plan benefits	11,569	13,648
Benefits paid	(12,093)	(9,602)
Benefits accumulated	16,907	11,741
Assumption changes	<u>6,716</u>	<u>-</u>
Total actuarial present value of Accumulated Plan benefits at end of the year	<u>\$151,642</u>	<u>\$167,429</u>

8. Equity in the OAS Treasury Fund

All United States dollars available for use in carrying out the activities of the various funds of the General Secretariat of the OAS are consolidated in the Treasury Fund, in which the Retirement and Pension Fund maintains an equity to the extent of its cash balance retained therein. The Treasury Fund is administered by the General Secretariat. Amounts not immediately required for operations are invested by the Treasury Fund and income earned thereon is added to the equity of the Retirement and Pension Fund in proportion to its equity balance.



SECTION IV
FINANCIAL STATEMENTS
OF THE ROWE MEMORIAL BENEFIT FUND AND
THE LEO S. ROWE PAN AMERICAN FUND
WITH
REPORTS OF INDEPENDENT AUDITORS

SECTION IV
ROWE MEMORIAL BENEFIT FUND AND
LEO S. ROWE PAN AMERICAN FUND

The Rowe Funds are trust funds established from monies made available by Dr. Leo S. Rowe, former Director General of the Pan American Union, the predecessor of the General Secretariat, and are administered within the General Secretariat by special committees.

Ernst & Young has audited the accompanying financial statements of these trust funds and their opinion on the statements of each fund is included in this report.

Rowe Memorial Benefit Fund

The Fund is administered by the Rowe Memorial Benefit Fund Committee. The Committee is composed of five ex-officio members who are officers of the General Secretariat.

Beginning in 1931, the assets of the Fund have been accumulated principally by contributions received from Dr. Rowe during his lifetime and are held in trust to provide certain benefits to staff members of the General Secretariat.

Leo S. Rowe Pan American Fund

The Fund is administered by the Committee of the Leo S. Rowe Pan American Fund. The Committee is composed of representatives from four OAS member states, elected by representatives to the Permanent Council for a four year term and with the Secretary General of the OAS as a permanent member.

The Fund was established in 1948 as a trust in accordance with the will of Dr. Rowe. Its purpose is to provide loans to students from member states other than residents and citizens of the United States and to make loans to OAS staff members for educational purposes or in emergency situations.

**ROWE MEMORIAL BENEFIT FUND
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1992 AND 1991
WITH
REPORT OF INDEPENDENT AUDITORS**

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statements of assets and fund balance of the Rowe Memorial Benefit (the Fund) as of December 31, 1992 and 1991, and the related statements of income, expenses, and changes in fund balance for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rowe Memorial Benefit Fund at December 31, 1992 and 1991, and the results of its operations and changes in fund balance for the years then ended in conformity with generally accepted accounting principles.



April 23, 1993



ORGANIZATION OF AMERICAN STATES
ROWE MEMORIAL BENEFIT FUND
STATEMENT OF ASSETS AND FUND BALANCE

	December 31,	
	1992	1991
Assets and Fund Balance		
Equity in OAS Treasury Fund (Note 2)	\$ 18,017	\$ 18,001
Investments at cost (approximate market value of \$167,000 and \$158,000 at December 31, 1992 and 1991, respectively)	157,063	137,154
Total assets and fund balance	\$ 175,080	\$ 155,155

**STATEMENT OF INCOME, EXPENSES AND
CHANGES IN FUND BALANCE**

	Year ended December 31,	
	1992	1991
Income		
Dividends and interest	\$ 6,637	\$ 6,945
Capital gain distributions from mutual funds	13,272	11,889
Income from OAS Treasury Fund (Note 2)	716	450
	20,625	19,284
Expenses		
Awards and other benefits (Note 1)	700	7,400
Net Increase during the year	19,925	11,884
Fund balance, beginning of year	155,155	143,271
Fund balance, end of year	\$ 175,080	\$ 155,155

See accompanying notes

ORGANIZATION OF AMERICAN STATES

ROWE MEMORIAL BENEFIT FUND NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

1. Organization and Financing

The assets of the Rowe Memorial Benefit Fund (Fund) have been accumulated principally from contributions received from Dr. Leo S. Rowe, a former Director General of Pan American Union. These assets are held in trust to provide certain welfare benefits for employees of the OAS. Administrative functions of the Fund are provided without charge by the General Secretariat of the OAS. No amounts are recorded in the accompanying financial statements relating to the use of services and facilities provided to the Fund as no objective basis is available to measure the value of such contributions.

2. 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 Treasury Fund. Each fund administered by the General Secretariat maintains an equity to the extent of its cash balance retained therein. The Treasury Fund is administered by the General Secretariat and amounts not immediately required for operations are invested. Income earned by the Treasury Fund is added to the equity of each fund in proportion to its balance.

3. Investments

Investments are presented in the financial statements in the aggregate of the lower of cost or market value as determined by the latest available published or brokers' prices. At December 31, 1992 and 1991, gross unrealized gains pertaining to investments were \$10,611 and \$21,030 and gross unrealized losses were \$1,063 and \$260 respectively.

**LEO S. ROWE PAN AMERICAN FUND
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 1992 AND 1991
WITH
REPORT OF INDEPENDENT AUDITORS**

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statements of assets, liabilities and fund balances of the Leo S. Rowe Pan American Fund (the Fund) as of December 31, 1992 and 1991, and the related statements of income, expenses and changes in operating account fund balance for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Leo S. Rowe Pan American Fund at December 31, 1992 and 1991, and the results of its operations and changes in operating account fund balance for the years then ended in conformity with generally accepted accounting principles.



April 23, 1993

ORGANIZATION OF AMERICAN STATES

**LEO S. ROWE PAN AMERICAN FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES**

<u>ASSETS</u>	December 31,	
	1992	1991
Equity in OAS Treasury Fund (Note 2)	\$ 99,232	\$ 137,914
Investments at cost (approximate market value at December 31, 1992, and 1991, respectively shown in parentheses)		
Equity investments and related mutual funds (\$1,751,000 and \$1,821,000)	1,394,210	1,318,301
Fixed income securities and related mutual funds (\$4,907,000 and \$4,769,000)	4,743,841	4,565,915
	6,237,283	6,022,130
Loans receivable (Note 3)		
Students		
Installments not yet due	780,738	583,243
Installments past due	179,036	163,994
Allowance for uncollectible loans	(93,525)	(86,917)
	866,249	660,320
Employees of the Organization of American States	356,911	207,406
	1,223,160	867,726
	\$ 7,460,443	\$ 6,889,856
<u>LIABILITIES AND FUND BALANCES</u>		
Miscellaneous payable	\$ 73,000	\$ 75,082
Fund balances		
Capital account (Note 1)	1,000,000	1,000,000
Operating account	6,387,443	5,814,774
	\$ 7,460,443	\$ 6,889,856

See accompanying notes

ORGANIZATION OF AMERICAN STATES

LEO S. ROWE PAN AMERICAN FUND
STATEMENT OF INCOME, EXPENSES AND CHANGES
IN OPERATING ACCOUNT FUND BALANCE

	<u>Year ended December 31,</u>	
	<u>1992</u>	<u>1991</u>
Income		
Dividend and interest income	\$ 355,932	\$ 366,832
Capital gains distributions from mutual funds	257,508	—
Gain on sale of investments	20,395	
Miscellaneous income	24,442	26,575
	<u>658,277</u>	<u>393,407</u>
Expenses		
Increase in allowance for uncollectible loans (Note 3)	6,608	2,375
Investment management and custodian fees	15,000	15,000
Administrative expenses (Note 4)	20,000	20,000
Loss on sale of investments	—	13,830
Other expenses	44,000	29,800
	<u>85,608</u>	<u>81,005</u>
Net increase during year	572,669	312,402
Fund balance, beginning of year	5,814,774	5,502,372
Fund balance, end of year	<u>\$6,387,443</u>	<u>\$5,814,774</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES

LEO S. ROWE PAN AMERICAN FUND NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

1. Organization and Financing

The Leo S. Rowe Pan American Fund (Fund), a charitable trust, was established in 1948 by the Governing Board of the General Secretariat of the Pan American Union (PAU) in accordance with the will of Dr. Leo S. Rowe, a former Director General of the Pan American Union. The purpose of the Fund is to provide loans to students from member states, who desire to study at colleges in the United States and to provide education and emergency loans to employees of the OAS. Although the assets of the capital account and the operating account are not segregated, the assets of the capital account (\$1,000,000) are regarded as being comprised of investments held by the Fund and, to that extent, are not considered to be available for the purpose of granting loans.

2. 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 Treasury Fund. Each fund administered by the General Secretariat maintains an equity to the extent of its cash balance retained therein. The Treasury Fund is administered by the General Secretariat and amounts not immediately required for operations are invested. Income earned by the Treasury Fund is added to the equity of each fund in proportion to its balance.

3. Loan Status

Non-interest bearing loans are granted to students, payable on various terms not to exceed five years from the termination of the studies for which the loans are granted. The Committee of the Leo S. Rowe Pan American Fund (Committee) has extended the repayment dates for certain loans.

The activity in the allowance for uncollectible loans was as follows:

	1992	1991
Balance, beginning of year	\$ 86,917	\$ 84,542
Provision for uncollectible loans	<u>6,608</u>	<u>2,375</u>
Balance, end of year	<u>\$ 93,525</u>	<u>\$ 86,917</u>

In the opinion of the Committee, the allowance of \$93,525 at December 31, 1992 is sufficient to provide for losses that may be incurred upon the ultimate realization of these loans.

During 1992 and 1991 the Fund disbursed new student loans aggregating approximately \$372,000 and \$182,000, respectively. The Fund received loan repayments of approximately \$160,000 and \$145,000 in 1992 and 1991, respectively.

New loans to employees for educational purposes or in emergency situations aggregated \$172,000 and \$76,000 in 1992 and 1991 respectively. The Fund received loan repayments of approximately \$44,000 and \$41,000 in 1992 and 1991 respectively. The interest rate on new employee loans granted in 1992 was 7.5%. Interest rates on outstanding loans granted in prior years varied from 10% to 12%.

4. Administrative Expenses

The Committee authorized payments of \$20,000 in both 1992 and 1991 to the General Secretariat of the OAS as a reimbursement for a portion of costs incurred in the administration of the Fund. The accompanying financial statements include approximately \$24,000 in other expenses related to the services of a contract employee in 1992 (\$22,800 in 1991). No additional amounts are recorded in the accompanying financial statements relating to the use of services and facilities provided to the Fund by the General Secretariat as no objective basis is currently available to measure the value of such contribution.

5. Investments

Investments are presented in the financial statements in the aggregate of the lower of cost or market value as determined by the latest available published or brokers' prices. At December 31, 1992 and 1991, gross unrealized gains pertaining to investments were \$539,013 and \$717,097, and gross unrealized losses were \$19,416 and \$11,563 respectively.

SECTION V
FINANCIAL STATEMENTS
OF THE INTER-AMERICAN DEFENSE BOARD
WITH
REPORT OF INDEPENDENT AUDITORS

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statements of assets, liabilities, and fund balance of the Inter-American Defense Board (the Board) as of December 31, 1992 and 1991, and the related statements of revenue, expenses, and changes in fund balance, and changes in financial position for the years then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 4, the Board relies upon the Organization of American States (the OAS) for funding a significant portion of its operating activities and is dependent upon the continued financial support of the OAS, or its ability to obtain alternative sources of funding. Board funding received from the OAS in 1992 was 5% less than that received in 1991; and 1993 appropriations in support of the Board's general purpose funding have been further reduced by approximately 5% from the 1992 level.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Inter-American Defense Board at December 31, 1992 and 1991, and the results of its operations and changes in financial position for the years then ended in conformity with generally accepted accounting principles.



April 19, 1993

ORGANIZATION OF AMERICAN STATES
INTER-AMERICAN DEFENSE BOARD
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE

	December 31,	
	1992	1991
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 617,030	\$ 784,176
Prepaid expenses and other assets	48,777	41,210
Total current assets	665,807	825,386
Property and equipment, at cost:		
Furniture and equipment (Note 5)	541,512	535,146
Vehicles	11,891	11,891
	553,403	547,037
Less accumulated depreciation	336,490	270,045
Net property and equipment	216,913	276,992
Total assets	\$ 882,720	\$ 1,102,378
<u>LIABILITIES AND FUND BALANCE</u>		
Current liabilities:		
Accounts payable	\$ 29,564	\$ 70,793
Accrued leave (Note 2)	244,239	223,367
Total current liabilities	273,803	294,160
Unrestricted fund balance	608,917	808,218
Total liabilities and fund balance	\$ 882,720	\$ 1,102,378

See accompanying notes

ORGANIZATION OF AMERICAN STATES
INTER-AMERICAN DEFENSE BOARD
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN FUND BALANCE

	<u>Year ended December 31,</u>	
	<u>1992</u>	<u>1991</u>
Revenue:		
Funding received from the Organization of American States (Note 4)	\$ 2,335,700	\$ 2,458,700
Interest and other income	30,630	54,212
Total revenue	<u>2,366,330</u>	<u>2,512,912</u>
Expenses:		
Personnel expenses	2,112,372	2,055,564
Building and maintenance	86,907	83,004
Building renovation	936	57,535
Equipment and supplies	96,518	136,761
Other general and administrative costs	94,660	153,011
Travel	35,258	28,382
Depreciation	66,446	79,629
Printing and reproduction	42,382	30,726
Contracts	30,152	26,113
Total expenses	<u>2,565,631</u>	<u>2,650,725</u>
Deficit of revenue over expenses before disposal of equipment	(199,301)	(137,813)
Loss on disposal of equipment (Note 5)	—	(10,497)
Deficit of revenue over expenses	<u>(199,301)</u>	<u>(148,310)</u>
Fund balance, beginning of year	808,218	956,528
Fund balance, end of year	<u>\$ 608,917</u>	<u>\$ 808,218</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES
INTER-AMERICAN DEFENSE BOARD
STATEMENT OF CHANGES IN FINANCIAL POSITION

	Year ended December 31,	
	1992	1991
Sources of cash and cash equivalents:		
Increase in accrued leave	\$ 20,872	\$ —
Increase in accounts payable	—	32,797
Items not involving use of cash:		
Depreciation	66,446	79,629
	87,318	112,426
 Uses of cash and cash equivalents:		
Deficit of revenue over expenses	199,301	137,813
Increase in prepaid expenses and other assets	7,567	14,636
Decrease in accounts payable	41,230	—
Decrease in accrued leave	—	4,318
Net acquisitions of property and equipment	6,366	89,477
	254,464	246,244
Net decrease in cash and cash equivalents	(167,146)	(133,818)
Cash and cash equivalents at beginning of year	784,176	917,994
Cash and cash equivalents at end of year	\$ 617,030	\$ 784,176

See accompanying notes

ORGANIZATION OF AMERICAN STATES

INTER-AMERICAN DEFENSE BOARD NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992 AND 1991

1. Organization

The Inter-American Defense Board (the Board) was established on March 30, 1942 and was designated, by executive order, as a public international organization on March 26, 1951. The Board is comprised of military officers representing the highest echelons of their nations' defense establishments. Its mission is to maintain the collective self-defense of the Western Hemisphere with peace and security as primary objectives.

The Inter-American Defense College was established in 1962 as a suborganization of the Board. Its primary goal is the preparation of future military and civilian leaders for their role in hemispheric security.

2. Summary of Significant Accounting Policies

Basis of presentation - The accompanying financial statements are prepared on the accrual basis of accounting.

Depreciation - Depreciation expense is recognized using the straight-line method over estimated useful lives as follows: Furniture and equipment - 5 to 10 years, and vehicles - 5 years.

In-Kind Contributions - Significant contributions are received by the Board from the Organization of American States (OAS) and member countries in the form of use of facilities, services of military personnel and air transportation. No amounts are recorded in the accompanying financial statements relating to the use of such facilities or services inasmuch as the Board deems it impractical to measure the value of such contributions.

Employee benefits - The Board provides certain benefits to its employees, which accrue to them during periods of employment and are payable upon separation. All employees are entitled to accrued vacation; certain other employees receive terminal pay, merit awards and special leave. The payments made during 1992 and 1991 for these benefits amounted to approximately \$10,000 and \$34,000, respectively.

Income taxes - The Board is a public international organization, and as such is exempt from paying income tax.

3. Pension Plan

Substantially all of the employees of the Board participate in a defined benefit multi-employer pension plan (Plan) administered by the Retirement and Pension Committee of the Organization of American States. Contributions to the Plan by the Board and employees are based on fixed percentages of annual pensionable salaries. Pension expense aggregated approximately \$272,000 and \$258,000 in 1992 and 1991, respectively.

4. Funding

The Inter-American Defense Board is an affiliated agency of the OAS, and as such receives a substantial portion of its funding through OAS appropriations. The managements of the two organizations, however, function independently.

Funding received from the OAS in the form of direct cash contributions decreased from \$2,458,700 in 1991 to \$2,335,700 in 1992. Contributions for 1993 are currently appropriated by the OAS to be \$2,218,900. The Board relies upon the OAS for funding a significant portion of its operating activities and is dependent upon the continued financial support of the OAS, or its ability to obtain alternative sources of funding.

The headquarters of the Board is a building owned by the General Secretariat of the OAS. Expenditures incurred for building renovation and improvements are not capitalized by the Board since the building is owned by the OAS. Building renovations and improvements incurred and expended by the Board during 1992 and 1991 were \$946 and \$57,535 respectively.

5. Furniture & Equipment

During 1991, a physical inventory of all assets maintained at both the Board's and the Inter-American Defense College's Headquarters locations was performed, and the fixed asset records were appropriately updated. As a result, fixed assets with a historical cost totalling approximately \$176,000 were removed from the fixed asset records. Related accumulated depreciation of \$165,500 was also written off.

During 1992, there were \$6,366 of new additions to fixed assets and no disposals.

6. Contingency

In 1985, the General Secretariat contracted for the renovation of the building occupied by the Board, as well as for the construction of a separate annex. Two years into the renovation, the General Secretariat terminated the contract, citing breach of duties by the builder. The construction was never completed by the builder, and additional contractors were hired by the Board to complete the job. In 1989, the builder filed a claim for unpaid costs and elected the arbitration clause contained in the contract with the General Secretariat to settle the claim. In January 1992, the Arbitral Tribunal Panel denied the builder's claim against the General Secretariat, and ruled in favor of the counterclaim presented by the General Secretariat. The builder subsequently filed suit in the District of Columbia courts seeking to overturn the tribunal's decision. In the opinion of management and the General Secretariat counsel, the possibility of the builder prevailing is remote.

The General Secretariat has requested the Board to pay its share of the costs of the arbitration, estimated to be approximately \$100,000 from its operating funds. As of December 31, 1992, the Board has remitted this entire amount to the General Secretariat.

SECTION VI

FINANCIAL STATEMENTS

**FUND FOR THE INTERNATIONAL COMMISSION
OF SUPPORT AND VERIFICATION**

WITH

REPORT OF INDEPENDENT AUDITORS

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statement of assets, liabilities and fund balance of the Fund for the International Commission of Support and Verification of the Organization of American States (the Fund), pursuant to the agreements between the Organization of American States (the OAS), the United States Department of State and the United States Agency for International Development (the Agreements), as of December 31, 1992, and the related statement of activity and changes in fund balance for the period from February 27, 1990 (inception) to December 31, 1992. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, the financial statements of the fund have been prepared on the basis of accounting practices prescribed by the Budgetary and Financial Rules of the Organization of American States (which include the applicable financially-oriented General Standards adopted by the General Assembly of the OAS) which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund at December 31, 1992, and its activity and changes in fund balance for the period from February 27, 1990 (inception) to December 31, 1992 on the basis of accounting described in Note 2.

As explained in Note 1, the financial statements being presented are only for the fund referred to above, which was established by the Organization of American States to account for the assets, liabilities and fund balance and the support, revenues and expenses of the Fund pursuant to the Agreements.

Ernst & Young

May 11, 1993

ORGANIZATION OF AMERICAN STATES
INTERNATIONAL COMMISSION OF SUPPORT AND VERIFICATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
DECEMBER 31, 1992

ASSETS

Equity in OAS Treasury Fund (Note 3)	\$ 1,636,083
Other assets	6,134
	<u>\$ 1,642,217</u>

LIABILITIES AND FUND BALANCE

Unliquidated obligations (Note 2)	\$ 1,008,811
Accounts payable	68,192
Fund balance	565,214
	<u>\$ 1,642,217</u>

See accompanying notes

**ORGANIZATION OF AMERICAN STATES
INTERNATIONAL COMMISSION OF SUPPORT AND VERIFICATION**

**STATEMENT OF ACTIVITY AND CHANGES IN FUND BALANCE
FROM INCEPTION (FEBRUARY 27, 1990) TO DECEMBER 31, 1992**

	Feb. 27, 1990 (Inception) to Dec.31 1991	Jan. 1, 1992 to Dec. 31, 1992	<u>TOTAL</u>
Increases			
Contributions			
United States – State Department	\$ 39,100,000	\$ 5,300,000	\$ 44,400,000
United States – AID	1,376,790	25,000	1,401,790
Venezuela	10,000		10,000
Republic of Cyprus	2,000		2,000
European Economic Community (EEC)	294,670	644,695	939,365
Italy		91,875	91,875
Fund Vasco		34,244	34,244
HUPRIN		10,263	10,263
OAS Treasury Fund income	551,267	28,066	579,333
Miscellaneous	1,348	30,698	32,046
	<u>41,336,075</u>	<u>6,164,841</u>	<u>47,500,916</u>
Decreases			
Obligations and Expenditures			
Operational Costs	8,138,050	2,821,245	10,959,295
Transportation	2,892,649	218,443	3,111,092
Food	10,216,525	23,446	10,239,971
Clothing	1,206,923		1,206,923
Kitchen Utensils	422,455		422,455
Personal Hygiene	232,355		232,355
Construction Material and Tools	4,369,353	4,720	4,374,073
Agricultural Tools	2,125,572		2,125,572
Negotiation, Land Survey other	207,561	29,000	236,561
Special Reconstruction Projects	3,117,476	596,557	3,714,033
Cash to Demobilized	976,357		976,357
Nicaraguan Repatriation Institute	822,077	469,823	1,291,900
Phase II Distribution and Delivery	405,216		405,216
Pan–American Health Organization	2,433,000		2,433,000
Resettlement of Disabled	2,690,112	580,029	3,270,141
Atlantic Coast Agriculture	935,241	64,759	1,000,000
Emergency Medical Assistance	189,571	28,540	218,111
Rights and Warranties Seminar		39,580	39,580
National Network for Justice		79,946	79,946
Humanitarian Assistance		11,085	11,085
Others	3,900	8,100	12,000
EEC activities	126,550		126,550
EEC Commercialization of Grain	165,675	107,216	272,891
EEC Reinforce Miskut Radio	5,000	5,325	10,325
Fund Vasco Construction Houses		34,244	34,244
HUPRIN Construction Houses		10,263	10,263
Italy Disarmament of Civilians		91,875	91,875
	<u>41,681,618</u>	<u>5,224,196</u>	<u>46,905,814</u>
Interest due to contributor – AID	29,888		29,888
	<u>41,711,506</u>	<u>5,224,196</u>	<u>46,935,702</u>
Fund (deficit) balance at beginning of period		(375,431)	
Fund (deficit) balance at end of period	<u>\$ (375,431)</u>	<u>\$ 565,214</u>	<u>\$ 565,214</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES

INTERNATIONAL COMMISSION OF SUPPORT AND VERIFICATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1992

1. Organization

On August 7, 1989, the five Central American Presidents met in Tela, Honduras, and entered into what is commonly known as the Tela Agreement (Agreement).

The Agreement provides for the demobilization and voluntary repatriation or relocation into Nicaragua and third countries of members of the former Nicaraguan Resistance and their families. The agreement also provided for the assistance to persons involved in combat operation in the countries of the region at their voluntary request. On September 6, 1989, the Tela agreement further established the International Commission of Support and Verification (CIAV) to execute and fulfill the objectives of the agreement. This commission is composed of the Secretaries General of the United Nations (CIAV/UN) and of the Organization of American States (CIAV/OAS).

In general, CIAV/UN is responsible for the activities conducted outside of Nicaragua, whereas CIAV/OAS is responsible for activities within Nicaragua.

The Secretary General of the OAS established an OAS International Commission of Support and Verification (The Fund) to account for the proceeds and disbursements pursuant CIAV's activities.

The first funding of CIAV/OAS was provided by the United States Government in March 1990.

2. Basis of Accounting

The accompanying financial statements have been prepared in accordance with the Budgetary and Financial Rules of the OAS (Rules) and, accordingly, are presented for a two year (Biennium) reporting period. The Rules provide the basis for the accounting principles applied in the preparation of the financial statements. The Rules were adopted to meet budgetary and other requirements of the OAS and, as such, result in accounting principles which vary in certain material respects from generally accepted accounting principles. The significant deviation from generally accepted accounting principles is as follows:

Unliquidated obligations include amounts related to commitments resulting from offers made by the Fund to vendors to disburse monies for the procurement of goods or services in future periods. This amount does not represent liabilities to unrelated third party commitments at December 31, 1992. It represents amounts anticipated to be expended in the subsequent year in the completion of the project.

3. 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 General Secretariat maintains an equity to the extent of its cash balance retained therein. The OAS Treasury Fund is administered by the General Secretariat, and amounts not immediately required for operations are invested. Subject to certain conditions, income earned by the OAS Treasury Fund is added to the equity of each fund in proportion to its balance.

4. Funding

The Government of the United States has contributed to CIAV/OAS a total of \$45,801,790 from the inception of the mission to December 31, 1992. In addition, CIAV/OAS received contributions from the Governments of: Italy \$91,875, Venezuela \$10,000, Cyprus \$2,000, from the European Community Commission \$939,365, and from other sources in the amount of \$44,507.

5. Status of the Commission

CIAV/OAS is headquartered in Managua, Nicaragua and its activities include a number of stages: demobilization, repatriation and monitoring of guaranteed human and civil rights, programs for development areas, and assistance to members of the Resistance and their families.

6. Administrative Support

The General Secretariat of the OAS has provided non-reimbursable administrative support in the form of personnel, communication and office space to CIAV/OAS.

SECTION VII
FINANCIAL STATEMENTS
FUNDS FOR THE UNIT FOR THE PROMOTION OF DEMOCRACY
WITH
REPORT OF INDEPENDENT AUDITORS

Report of Independent Auditors

Board of External Auditors
Organization of American States

We have audited the accompanying statement of assets, liabilities and fund balance of the activities of the Unit for the Promotion of Democracy of the Organization of American States (the Unit) as of December 31, 1992, and the related combining statement of activity and changes in fund balance for the period from inception (with respect to each restricted fund therein) to December 31, 1992. These financial statements are the responsibility of the Unit's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, the financial statements of the activities of the Unit have been prepared on the basis of accounting practices prescribed by the Budgetary and Financial Rules of the Organization of American States (which include the applicable financially-oriented General Standards adopted by the General Assembly of the Organization of American States) which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the Unit's assets, liabilities, and fund balance at December 31, 1992, and the combining activity and changes in fund balances for the periods referred to above on the basis of accounting described in Note 2.

As explained in Note 1, the financial statements being presented are only for the funds referred to above, which was established by the Organization of American States to account for the assets, liabilities and fund balances and the support, revenues and expenses of activities of the Unit for the Promotion of Democracy.

Ernst & Young

May 11, 1993

ORGANIZATION OF AMERICAN STATES

UNIT FOR THE PROMOTION OF DEMOCRACY
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
AS OF DECEMBER 31, 1992

ASSETS

Equity in OAS Treasury Fund (Note 3)	\$ 2,761,934
Other assets	11,706
	<u>\$ 2,773,640</u>

LIABILITIES AND FUND BALANCE

Unliquidated obligations (Note 2)	\$ 1,016,181
Accounts payable	18,194
Fund balance	1,739,265
	<u>\$ 2,773,640</u>

COMBINING STATEMENT OF ACTIVITY AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1992

	PROMOTION DEMOCRACY AND PEACE SURINAME	INTERNAT. CIVILIAN PRESENCE HAITI	ELECTORAL OBSERVATION PERU	DEMOCRATIC INITIATIVES	COMBINED
Increases					
Contributions:					
United States		\$ 1,000,000	\$ 3,500,000	\$ 200,000	\$ 4,700,000
Argentina			20,000		20,000
Japan			1,000,000		1,000,000
Germany		70,000			70,000
Italy		91,875			91,875
Netherlands	\$ 263,603				263,603
Venezuela	5,000				5,000
OAS Treasury Fund income		28,828	14,410		43,238
	<u>268,603</u>	<u>1,190,703</u>	<u>4,534,410</u>	<u>200,000</u>	<u>6,193,716</u>
Decreases					
Obligations and Expenditures:					
Travel	105,381	180,718	1,583,107		1,869,206
Equipment and Supplies	57,837	220,759	310,994		589,590
Contracts	25,200	529,821	186,212		741,233
Other	24,086	237,646	992,690		1,254,422
	<u>212,504</u>	<u>1,168,944</u>	<u>3,073,003</u>		<u>4,454,451</u>
Fund balance at end of period	<u>\$ 56,099</u>	<u>\$ 21,759</u>	<u>\$ 1,461,407</u>	<u>\$ 200,000</u>	<u>\$ 1,739,265</u>

See accompanying notes

ORGANIZATION OF AMERICAN STATES
UNIT FOR THE PROMOTION OF DEMOCRACY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

1. Organization

In Resolution AG/RES.1063/90, the General Assembly requested the Secretary General to establish within the General Secretariat a Unit for the Promotion of Democracy. On October 15, 1990, the Secretary General by Executive Order 90-3 created the Unit for the Promotion of Democracy, assigning the following functions:

Develop standards and procedures for organizing electoral observation missions

Plan and coordinate electoral observer missions

Develop inventories and data banks of individuals and institutions specializing in political studies on democratic systems and institutions as well as human and material resources for carrying out missions, training, and other activities

Coordinate with other multilateral organizations, and governments and private institutions activities, and missions concerned with democratic development

Plan, and coordinate courses, seminars, and training programs to facilitate exchange of information and expertise in order to strengthen political institutions and democratic procedures in member states

The Secretary General established various OAS funds (the funds) to account for the proceeds and disbursements pursuant to the activities coordinated by the Unit for the Promotion of Democracy.

2. Basis of Accounting

The accompanying financial statements have been prepared in accordance with the Budgetary and Financial Rules of the OAS (Rules). The Rules provide the basis for the accounting principles applied in the preparation of the financial statements. The Rules were adopted to meet budgetary and

other requirements of the OAS and, as such, result in accounting principles which vary in certain material respects from generally accepted accounting principles. The significant deviation from generally accepted accounting principles is as follows:

Unliquidated obligations include amounts related to commitments resulting from offers made by the Funds to vendors to disburse monies for the procurement of goods or services in future periods. This amount does not represent liabilities to unrelated third party commitments at December 31, 1992. It represents amounts anticipated to be expended in the subsequent year in the completion of the project.

3. 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 General Secretariat maintains an equity to the extent of its cash balance retained therein. The OAS Treasury Fund is administered by the General Secretariat, and amounts not immediately required for operations are invested. Subject to certain conditions, income earned by the OAS Treasury Fund is added to the equity of each fund in proportion to its balance.

4. Status of Missions

HAITI

At the Ad Hoc meeting of Ministers of Foreign Affairs held on October 2, 1991, it was resolved to establish an OAS civilian mission entrusted to facilitate reestablishment and strengthening of the democratic institutions in Haiti. To this end, financing from Member States and Permanent Observers totaling \$1,161,875 was received during the year ended December 31, 1992. In addition there were in-kind contributions by other countries such as an aircraft by Argentina, Canada, Colombia, Chile and Venezuela. The Civilian Mission has been further expanded during 1993, for which the United States Department of State has provided an additional \$5,000,000.

PERU

On May 18, 1992, the President of Peru made a commitment to the OAS XXII General Assembly in Bahamas to hold elections for the Constituent Assembly. In subsequent meetings held by the Ministers of Foreign Affairs, the General Secretariat was requested to observe the electoral process leading to the elections which took place on November 22, 1992.

SURINAME

The Special Mission to Suriname was established by agreement between the General Secretariat of the Organization of American States and the Government of the Republic of Suriname. The agreement specifies a presence of the mission in that country for a period of two years during which it will assist in formalizing and safeguarding a durable peace between the Government of Suriname, the Jungle Commando and Tucajan Amazons, and in further strengthening the national institutions within the framework of democratic institutions in Suriname.

DEMOCRATIC INITIATIVES

The government of the United States contributed the amount of \$200,000 to finance a meeting of the parliamentary leaders of the member states at the Headquarters of the Organization. This meeting had not been held as of December 31, 1992.

PARAGUAY

On October 4, 1991, the Government of the Republic of Paraguay requested the Organization of American States to send a mission to observe the Constituent Elections which were held on December 1, 1991. The elected constituents had the responsibility of drafting a new constitution. The elections took place as planned and was temporarily financed by the OAS Regular Fund, pending receipt of external funding. On December 26, 1991, the Government of Germany contributed \$20,000 to the mission, and on September 30, 1992, the United States Government committed itself to providing \$110,000, which was received in February 1993.

6. Administrative Support

The personnel posts assigned to the Unit for Promotion of Democracy are financed by the Regular Fund of the General Secretariat.

THE ORGANIZATION OF AMERICAN STATES

The Organization of American States (OAS) is the world's oldest regional organization, dating back to the First International Conference of American States, held in Washington, D.C., from October 1889 to April, 1890. This meeting approved the establishment of the International Union of American Republics. The Charter of the OAS was signed in Bogota in 1948 and entered into force in December 1951. The Charter was subsequently amended by the Protocol of Buenos Aires signed in 1967, which entered into force in February 1970, and by the Protocol of Cartagena de Indias, signed in 1985, which entered into force in November 1988. In 1992 the Protocol of Amendments, "Protocol of Washington", was signed and will enter into force upon ratification by two-thirds of the Member States. The OAS currently has 35 Member States. In addition, the Organization has granted Permanent Observer status to 29 States, as well as the European Economic Community.

The basic purposes of the OAS are as follows: to strengthen the peace and security of the continent; to promote and consolidate representative democracy, with due respect for the principle of nonintervention; to prevent possible causes of difficulties and to ensure the pacific settlement of disputes that may arise among the Member States; to provide for common action on the part of those States in the event of aggression; to seek the solution of political, juridical and economic problems that may arise among them; to promote, by cooperative action, their economic, social and cultural development, and to achieve an effective limitation of conventional weapons that will make it possible to devote the largest amount of resources to the economic and social development of the Member States.

The OAS accomplishes its purposes through the following organs: the General Assembly; the Meeting of Consultation of Ministers of Foreign Affairs; the Councils (the Permanent Council, the Inter-American Economic and Social Council and the Inter-American Council for Education, Science, and Culture); the Inter-American Juridical Committee; the Inter-American Commission on Human Rights; the General Secretariat; the Specialized Conferences; the Specialized Organizations and other entities established by the General Assembly.

The General Assembly holds regular sessions once a year. Under special circumstances it meets in special session. The Meeting of Consultation is convened to consider urgent matters of common interest and to serve as Organ of Consultation under the Inter-American Treaty of Reciprocal Assistance (Rio Treaty), the main instrument for joint action in the event of aggression. The Permanent Council takes cognizance of such matters as are entrusted by the General Assembly or the Meeting of Consultation and implements the decisions of both organs when their implementation has not been assigned to any other body, it monitors the maintenance of friendly relations among the Member States and the observance of the standards governing General Secretariat operations and also acts provisionally as Organ of Consultation under the Rio Treaty. The purpose of the other two Councils is to promote cooperation among the Member States in their respective areas of competence. These Councils hold one annual meeting and meet in special sessions when convoked in accordance with the procedures provided for in the Charter. The General Secretariat is the central and permanent organ of the OAS. The headquarters of both the Permanent Council and the General Secretariat is in Washington, D.C.

MEMBER STATES: Antigua and Barbuda, Argentina, The Bahamas (*Commonwealth of*), Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba, Dominica (*Commonwealth of*), Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, United States, Uruguay and Venezuela.

