



PAN AMERICAN HEALTH ORGANIZATION
WORLD HEALTH ORGANIZATION



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MASTER CAPITAL INVESTMENT PLAN

Periodic Report on the Implementation of the Master Capital Investment Plan

Introduction

1. This document summarizes the Master Capital Investment Plan (MCIP) activities and projects completed in the 2010–2011 biennium, those proposed for the 2012–2013 biennium, and those for the remainder of the 10-year plan 2014–2019 that may be funded by the Master Capital Investment Fund (MCIF) and by the PAHO Holding Account (HA).

Master Capital Investment Plan

2. The Master Capital Investment Plan reflects increasing efforts by the Pan American Health Organization (PAHO) to systematically maintain and improve the building infrastructure, equipment, and information technology at its installations throughout the Region. In an effort to improve transparency and show the coordination between related activities and projects in the Master Capital Investment Plan that are funded by the MCIF and the HA, the Secretariat has included references to both MCIF and HA activities and projects in this document and in the attached annexes.

3. The Holding Account was created as a result of excess budget availability from the 2006–2007 biennium. One-time, major infrastructure projects in the administrative and technical areas were authorized by the 48th Directing Council in Resolution CD48.R1 (October 2008). These included the creation of the Emergency Operations Center/Knowledge Center and repairs to the roof of the Washington, D.C., Headquarters building. Specific descriptions of HA projects are found in Document CE146/27 (June 2010). Details on the MCIF are outlined below.

Master Capital Investment Fund, 2012–2013 Biennium Funding

4. In accordance with Resolution CSP27.R19 (October 2007), the Director is required to notify the Executive Committee of any of funds transferred to the MCIF from excess income over expenditure in the Regular Program Budget. For the 2012–2013 biennium, this amount, if any, will be determined upon full closure of the financial accounts.

5. At the close of the 2010–2011 biennium (December 2011),¹ there was a balance of US\$ 2,499,702.26² in the Information Technology Subfund, \$2,137,198.17 of which is unobligated; Information Technology Services (ITS) expects to carry over the latter sum into the 2012–2013 biennium for new projects. At the close of the 2010–2011 biennium (December 2011), there was a balance of \$1,662,443.52 in the Real Estate and Equipment Subfund, \$1,619,965.35 of which is unobligated; General Services Operations (GSO) expects to carry over the latter sum into the 2012–2013 biennium for new projects.

6. The Real Estate and Equipment Subfund may receive additional funding in 2012 from the WHO Capital Plan, which was reactivated in the 2010–2011 biennium. The distribution of funds from this program has not yet been finalized. To support PAHO's effort to mobilize funding to rebuild the earthquake-damaged PAHO/WHO Representative Office (PWR) building in Haiti, the Director of Administration funded an analysis by the Washington, D.C., architectural/engineering firm that designed the U.S. Embassy chancery in Haiti to review preliminary design and cost figures supplied by UNOPS (United Nations Office for Project Services). Their report is under review.

Real Estate and Equipment Subfund

Projects at Headquarters in 2012–2013

7. A total of \$51,900 was provided for two MCIF projects at the Headquarters building in 2010–2011 (Annex A).

8. A solicitation of bids for rehabilitation of the four elevators at the Headquarters building was issued in November 2011. A construction contract is expected to be issued in late January 2012 for this project, which should take approximately one year to complete. A cost proposal is under review from an architectural/engineering firm to conduct a comprehensive study of the major building systems, and a contract should be

¹ Figures are preliminary until the accounting closure exercise for the 2010–2011 biennium is completed.

² Unless otherwise indicated, all monetary figures in this report/document are expressed in United States dollars.

issued in spring 2012 for its execution. This information will be used to verify the existing 10-year renovation plan for the Headquarters building.

Projects in PAHO/WHO Representative Offices in 2012–2013

9. A total of \$599,880 was provided to seven PWRs³ for projects in 2010–2011 (Annex A).

10. For the 2012–2013 biennium, the major effort will be to rebuild the Haiti PWR office destroyed by the January 2010 earthquake. The architectural/engineering analysis cited in paragraph 6 above will be part of this effort. If additional funding becomes available, there is a long-term plan to examine all PWRs to ascertain their physical condition, note any deficiencies, and develop individual 10-year plans for renovation and major maintenance.

Projects Planned for the 2014–2015 to the 2018–2019 Bienniums for Headquarters and PWRs

11. Given the limited funds available, the proposed real estate and buildings projects planned for 2014–2019 (as well as 2012–2013) will be reviewed by the Project Infrastructure Investment Committee, which was created by the Director in September 2009 to analyze the Master Capital Investment Plan projects in both subfunds and issue recommendations regarding their feasibility and priority (Annex B). The distribution of approved projects for 2012–2013 will depend upon funding that has yet to be determined.

Information Technology Subfund

Projects at Headquarters and PWRs in 2012–2013

12. A total of \$2,544,631.50 was expended in 2010–2011 on various Master Capital Investment Plan information technology projects (Annex D), including desktop computers and peripherals, servers and hosting infrastructure, software, and information security.

13. Proposed expenditures during the 2012–2013 biennium (Annex C) will include support at both Headquarters and PWRs in the following areas:

- software licenses;
- network infrastructure;

³ Informally referred to as “country offices.”

- licenses and replacement systems for telephone systems, primarily at the country level;
- information security;
- replacement of desktops, notebooks, and peripherals, including printers and scanners where necessary;
- hosting infrastructure required for the PASB Management Information System (PMIS).

Projects in 2014–2015 to 2018–2019

14. The projects planned for the 2014–2019 biennia (Annex D) will include:

- software licenses;
- network infrastructure;
- licenses and replacement systems for telephone systems, primarily at the country level;
- information security;
- replacement of desktops, notebooks, and peripherals, including printers and scanners, as necessary.

15. Planned efforts during 2012 will focus on the deployment of virtual desktops to the Regional Office and to those PWRs where the telecommunication infrastructure would support it. This is a shift to a server-centric computing model that emphasizes cloud computing—user access from anywhere, on any device, at any time. Consequently, the investment in workstations will shift toward notebooks replacing desktops in cases where high mobility is required, and toward increased use of smartphones and tablets. This shift will also require robust, secure connectivity and network infrastructure.

16. Annex D, which shows the 2012–2013 investment program, also outlines the planned program for the biennia ending in 2019. Because the currently anticipated costs from 2013 onward are likely to be affected by the deployment of the PMIS, significant changes in the projected costs are expected from that point on. At present, costs are estimates.

Next Steps

17. The Organization is committed to monitor and reassess essential projects and their estimated costs on an ongoing basis and to regularly provide Member States with the most accurate updated information.

Action by the Subcommittee on Program, Budget, and Administration

18. The Subcommittee is invited to take note of this report and provide comments and recommendations to the Executive Committee.

Annexes

Annex A
Master Capital Investment Fund
Real Estate and Equipment Subfund
Completed Projects 2010–2011
(in US\$)

Location	Project (completed or in progress)	2010	2011
PWR Chile	Internal renovations at new office site after relocation in February 2010 following earthquake	32,997	
PWR Trinidad and Tobago	Internal renovations at new office site after relocation to office space provided by the Member State	288,775	
PWR Panama	Partial costs for rental of replacement air conditioning system at PWR office	12,000	
PWR Suriname	Final renovation costs at PWR office building provided by the Member State	65,000	
PWR Guyana	Expenditures for repair/renovation of a building provided by the Member State	50,800	
PWR Haiti	Legal fees to complete purchase of parking lot adjacent to PWR office (\$6,048) and initial repairs to PWR office (\$40,000)	46,048	
PWR Jamaica	Expenditures for relocation to CFNI building		104,260
Headquarters (Washington, D.C.)	Rehabilitation of four elevators—architectural/engineering study		35,000
Headquarters (Washington, D.C.)	Sub-basement computer room energy use—architectural/engineering study		16,900
Subtotal		495,620	156,160
Grand Total		651,780	

Annex B
Final 2010–2011 and Planned 2012–2013 Expenditures for GSO
Projects Funded by the Holding Account as of 1 January 2012
(in US\$)

Location	Project	2010–11 Final Expenditures	2012–2013 Estimated Expenditures
Regional	Emergency Operations Center (EOC) and Knowledge Center (KC) (Holding Account Profile 1A)—first funding source	1,578,693	1,321,307
PAHO/WHO Representative Offices	Improvements to facilities: Minimum Operating Security Standards (MOSS) upgrades and security measures (Holding Account Profile 4A)	153,953	146,047
Headquarters (Washington, D.C.)	Improvements to facilities: energy-saving measures (Holding Account Profile 4B)	0	2,500,000
Headquarters (Washington, D.C.)	Improvements to facilities: plaza drainage system repairs (Holding Account Profile 4C)	3,500	371,500
Headquarters (Washington, D.C.)	Improvements to facilities: security and sanitary measures (Holding Account Profile 4D)	35,378	294,242
Headquarters (Washington, D.C.)	Improvements to facilities: HQ office tower roof repairs (Holding Account Profile 4E)	250,000	0
Headquarters (Washington, D.C.)	Improvements to facilities: renovation of Headquarters building and annexes (Holding Account Profile 4F)—first funding source	22,397	952,603

Annex C
Planned 2012–2013 Expenditures for ITS Projects
Funded by the Holding Account as of 1 January 2012
(in US\$)

Project	Amount Approved	2012–13 Allotted Planned Expenditures
2-C. Strengthening communications through improved PWR connectivity	2,000,000	615,000
3-B. Modernization of service model for the delivery of information technology and knowledge management and services	1,500,000	500,000*

*\$300,000 allotted to the Area of Knowledge Management and Communication.

Annex D
Projected Costs for Projects in the Information Technology Subfund
as of 1 January 2012
(in US\$)

Project	2010–2011	2012–2013	2014–2015	2016–2017	2018–2019	Total
Desktops and laptops	425,000	250,000	250,000	250,000	250,000	1,486,200
Other peripherals including printers	106,900	150,000	250,000	250,000	250,000	1,106,900
Servers and hosting infrastructure	421,000	1,500,000	1,200,000	1,400,000	1,200,000	6,100,000
Information security	212,650	200,000	230,000	250,000	280,000	1,372,650
Telephony	216,800	200,000	200,000	200,000	200,000	1,016,800
Network infrastructure	190,281	500,000	400,000	200,000	400,000	1,610,500
Software	972,000	1,125,000	1,125,000	1,125,000	1,125,000	5,628,500
Totals	2,544,631	3,925,000	3,655,000	3,675,000	3,705,000	18,321,550
