



PAN AMERICAN HEALTH ORGANIZATION  
WORLD HEALTH ORGANIZATION



## **THIRD SESSION OF THE SUBCOMMITTEE ON PROGRAM, BUDGET, AND ADMINISTRATION OF THE EXECUTIVE COMMITTEE**

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### **MASTER CAPITAL INVESTMENT FUND**

#### **Periodic Report on the Implementation of the Master Capital Investment Fund**

1. This document summarizes the activities funded under the Master Capital Investment Fund since its inception in January 2008, as authorized by the 27th Pan American Sanitary Conference.

#### **Biennium Plans and Initial Projects**

2. The two sub-funds of the Master Capital Investment Fund were initially funded in January 2008 at (a) US\$ 2 million for Buildings and Equipment and at (b) \$6 million for Information Technology Infrastructure.

#### ***Real Estate and Equipment Sub-fund***

3. Planning for the 2008-2009 biennium currently contains \$1,926,636 in projects for PAHO's Washington, D.C., Headquarters and for 13 PAHO/WHO Country Offices.

#### ***Projects at Headquarters***

4. Two projects have been completed so far: (a) the installation of a domestic booster pump to ensure water flow to the chillers for the building's air conditioners; (b) the installation of previously purchased simultaneous-translation equipment in conference rooms B and C.

5. In addition, a space study project is under way, which is designed to relocate staff within the Headquarters office buildings to reflect the new alignment of project teams. Draft relocation plans have been delivered to the Steering Group (composed of representatives from various Executive Management offices) for review and then will be presented to the Director for approval. A consultant has examined several types of energy efficient glass to replace existing Headquarters' windows; a second consultant is preparing technical specifications to replace the leaking roof over the office tower. The replacement of motors and other machinery in all four elevators at Headquarters has been postponed until late 2009 to ensure that roof repair crews have as many available elevators as possible to transport supplies and crews to the work site. This equipment is 44 years old and obsolete; completing the replacement will require between one year and 18 months.

*Projects in PAHO/WHO Country Offices*

6. Several projects will be launched shortly in PAHO/WHO Country Offices when funds are disbursed. The Costa Rica Country Office relocated staff at the request of the Ministry of Health, and the new space required cabling and remodeling funds. The Nicaragua Country Office is undergoing a major remodeling of its office space, including installing new electrical wiring and eventually a fire alarm system. Several other Country Offices have projects at pre-bid or initial bidding stages. The attached Annex A shows the specific 2008-2009 biennium projects; Annex B shows the overall program plan for 2008-2016.

***Information Technology Sub-Fund***

7. A total of \$4,200,000 is planned for the biennium 2008-2009 (see Annex C). From this amount, the Area of Information Technology Services (ITS) has received an allotment of \$3,115,404 and spent in calendar year 2008 some (a) \$1,084,487 on software licenses, most of which extend into different dates of 2009, (b) \$839,706 on infrastructure and on continuity of information technology services, (c) \$356,275 on personal computers and other peripherals, and (d) \$240,030 on installing a new telephone system at Headquarters. Approximately \$594,906 will be carried over into the final year of the biennium and spent on other computer items.

8. In calendar year 2009, the balance of the amount planned, some \$1,084,596 will be used for the acquisition of desktops and laptops in field offices, the installation of a satellite system in Cuba, the replacement of obsolete telephone systems in field offices, the upgrade of the e-mail system at Headquarters to improve continuity of service, and the purchase of additional software licenses. (See Annex C).

9. Annex C shows the specific 2008-2009 biennium projects, and Annex D shows the overall proposed spending for 2008-2016.

**Next steps**

10. Given the limited funds and uncertainty over future funding availability, constant monitoring and reassessment of essential projects and their estimated costs is required in the current biennium and beyond.

Annexes

## Master Capital Investment Plan for 2008-2009 in US\$ (costs split by year)

BOLD figures are disbursements					
Location	Project Description	2008	2009	Est. costs	Country Subtotal
					<b>Barbados</b>
<b>Barbados</b>	Install security and safety upgrades to include security cameras and detectors, emergency lights and alarms		29,200	29,200	
<b>Barbados</b>	Install electric gates and barriers to compound		15,000	15,000	
<b>Barbados</b>	Interior remodeling of offices		42,000	42,000	
<b>Barbados</b>	Install shatter resistant blast film on windows		30,000	30,000	<b>116,200</b>
					<b>Belize</b>
<b>Belize</b>	Remodeling costs for interior		40,000	40,000	<b>40,000</b>
	<b>Note: relocation will occur in spring 2009</b>				
<b>Brazil</b>	Repair electrical system		27,000	27,000	
<b>Brazil</b>	Build small warehouse for archives/supplies		45,000	45,000	<b>Brazil</b>
<b>Brazil</b>	Replace roof membrane		35,000	35,000	<b>107,000</b>
	<b>Note - small warehouse completed in 1st quarter 2008 with local funds, also 40% of roof membrane, awaiting allotment data to provide reimbursement</b>				
<b>Chile</b>	Architects/Engineering Study (A/E) for new office space in Santiago		75,000	75,000	<b>Chile</b>
	Project manager to oversee construction of new PWR (construction to be paid by Ministry of Health)		75,000	75,000	<b>150,000</b>
	<b>Note: awaiting approval of construction funds by Ministry of Health</b>				
<b>Costa Rica</b>	Install computer cables and other office remodeling for new office space		<b>15,000</b>	15,000	<b>Costa Rica</b>
	<b>Note: project completed in late 2008</b>				<b>15,000</b>

**Master Capital Investment Plan for 2008-2009 in US\$ (costs split by year) (cont.)**

Location	Project Description	2008	2009	Est. costs	Country Subtotal
					<b>Cuba</b>
<b>Cuba</b>	Major rehabilitation of office space		20,000	20,000	<b>20,000</b>
	<b>Note - project to start in early 2009</b>				
<b>Dominican Republic</b>	Install exterior hurricane windows and repaint walls		27,000	27,000	
<b>Dominican Republic</b>	Remodel technical area offices		43,100	43,100	
<b>Dominican Republic</b>	Remodel PWR office		25,000	25,000	
<b>Dominican Republic</b>	Install building access control		15,500	15,500	
<b>Dominican Republic</b>	Install fire detection system		40,000	40,000	<b>Dominican Republic</b>
<b>Dominican Republic</b>	Major rehabilitation of air conditioning units (A/C)		20,000	20,000	<b>170,600</b>
	<b>Note: hurricane windows are now \$40,464, awaiting funding</b>				
					<b>Jamaica</b>
<b>Jamaica</b>	Remodeling costs for interior		40,000	40,000	<b>40,000</b>
	<b>Note: relocation is under discussion with Ministry of Health</b>				
<b>Nicaragua</b>	Install combined identity card and fire alarm systems		32,975	32,975	<b>Nicaragua</b>
<b>Nicaragua</b>	General remodeling (verify prior project replace ceiling, change vinyl walls, anticyclone windows)	<b>100,000</b>		<b>100,000</b>	<b>132,975</b>
	<b>Note: allotment provided \$100,000 in July for remodeling project</b>				
					<b>Panama</b>
<b>Panama</b>	Replace 1.5 ton air conditioning (A/C) unit (over 40 years old) which require frequent repairs		15,000	15,000	<b>15,000</b>
	<b>Note - awaiting update from PWR</b>				

**Master Capital Investment Plan for 2008-2009 in US\$ (costs split by year) (cont.)**

Location	Project Description	2008	2009	Est. costs	Country Subtotal
					<b>Paraguay</b>
<b>Paraguay</b>	Remodel office space including new steel entry doors and electrical upgrade		16,600	16,600	<b>16,600</b>
	<b>Note - this work completed using 2006-2007 funds and these funds to be re-programmed for other uses in Paraguay</b>				
					<b>Trinidad &amp; Tobago</b>
<b>Trinidad and Tobago</b>	Remodeling costs		45,000	45,000	<b>45,000</b>
	<b>Note: relocation is under discussion with Ministry of Health</b>				
					<b>Uruguay</b>
<b>Uruguay</b>	Remodeling costs interior		60,000	60,000	<b>60,000</b>
	<b>Note: Relocation planned for spring 2009</b>				
<b>Washington</b>	Install interpretation equipment in Rooms B and C	<b>68,710</b>		<b>68,710</b>	
<b>Washington</b>	Analysis of major renovations projects planned for Headquarters Building, including energy conservation and their cost effectiveness (not in original plan)		50,000	50,000	
<b>Washington</b>	Install water booster pump	<b>36,751</b>		<b>36,751</b>	
<b>Washington</b>	Rehabilitate four elevators		700,000	700,000	
<b>Washington</b>	Architects/Engineering study (A/E) for lobby-second floor		30,000	30,000	<b>Washington</b>
<b>Washington</b>	Architects/Engineering study (A/E) for space study of DC offices	<b>112,800</b>		<b>112,800</b>	<b>998,261</b>
	<b>Note: Work completed on interpretation equipment installation and water pump, space study in progress</b>				
	<b>annual totals</b>	333,261	1,593,375	1,926,636	<b>cross check</b>
			<b>Grand Total</b>	<b>1,926,636</b>	
			<b>Total amount available</b>	<b>2,000,000</b>	
<b>Note: start/end dates subject to confirmation due to contracting</b>			<b>Reserve amount</b>	<b>73,364</b>	

**Master Capital Investment Fund (MCIF)  
Real Estate and Equipment Sub-Fund  
Projected Needs Per Biennium 2008-2017  
(in US\$)**

<b>PWR Country Office</b>	<b>2008-2009</b>	<b>2010-2011**</b>	<b>2012-2013**</b>	<b>2014-2015**</b>	<b>2016-2017**</b>
Argentina		67,000	97,000		
Barbados	116,200	10,000			50,000
Belize	40,000				
Brazil	107,000	77,000		10,000	8,000
Colombia		45,000			
Chile	150,000				
Costa Rica	15,000				
Cuba	20,000		20,000		
Dominican Republic	170,600			64,900	
Ecuador		12,000			
El Salvador		69,850			
Guyana		24,600	31,228		
Jamaica	40,000				
Nicaragua	132,975	18,751		25,000	
Panama	15,000				
Paraguay	16,600	17,850	22,220	13,000	
Peru		181,131			
Trinidad and Tobago	45,000				
Uruguay	60,000				
Venezuela		45,000	20,000		20,000
Washington, DC	998,261	300,000	324,000	837,000	1,489,000
<b>TOTAL</b>	1,926,636	868,182	514,428	949,900	1,567,000
<b>Grand total</b>	5,826,146				

\*\* Dependent on future funding availability.

Note: Headquarters projects funded by the Holding Account (as authorized in October 2008) are not included in the above table.

Activities for 2008-2009 are more fully described in Annex A.

**Master Capital Investment Fund - 2008-2009**  
**Information Technology Sub-fund**  
**As of 19 December 2008**

	Activities	Projected 2008-2009	Allotted 2008	Obligated 2008	Unobligated Balance 2008	Comments	Planned 2009	Comments	Revised Projected 2008-2009
1	Computer equipment	910,000	577,120	356,275	220,845	PCs and Laptops for FO	380,000	PCs for HQs and Country Offices	955,000
2	Telephony and Voice-over-Internet protocol (VoIP)	370,000	240,030	240,030	-		150,000	Telephone switchboard system for Country Offices	390,000
3	Infrastructure	425,000	170,190	150,688	19,502	Miscellaneous purchases	90,000	Wireless at OAS and Virginia Avenue and Network performance	260,000
4	IT Service Continuity	800,000	789,231	679,254	109,977	Cuba satellite and other	125,000	Consolidation of e-mail messaging and Satellite link for CUBA	915,000
5	Information Security	200,000	-	-	-		10,000		10,000
6	Cabling	70,000	9,764	9,764	-		15,596		25,000
7	Software	1,425,000	1,329,069	1,084,487	244,582	Tier Technology Company and others	314,000	Mricrosoft, Elluminate, and others	<u>1,645,000</u>
		4,200,000	3,115,404	2,520,498	594,906		1,084,596		4,200,000

**Master Capital Investment Fund (MCIF)  
Information Technology Sub-fund  
Projected Needs per Biennium 2008-2017  
(in US\$)**

<b>Type of Investment/Year</b>	<b>2008-2009</b>	<b>2010-2011**</b>	<b>2012-2013**</b>	<b>2014-2015**</b>	<b>2016-2017**</b>
Desktop, printers and other peripherals	955,000	1,000,000	1,000,000	1,000,000	1,000,000
Telephony and VoIP	390,000	400,000	400,000	400,000	400,000
Infrastructure and IT services continuity	1,210,000	1,200,000	1,200,000	1,200,000	1,200,000
Software	1,645,000	1,200,000	1,200,000	1,200,000	1,200,000
<b>TOTAL</b>	<b>4,200,000</b>	<b>3,800,000</b>	<b>3,800,000</b>	<b>3,800,000</b>	<b>3,800,000</b>
Grand total	19,400,000				

\*\* Dependent on future funding availability

Within the current 2008-2009 allotment of \$3,115,404, ITS has spent \$1,084,487 on software licenses, \$839,706 on Infrastructure and IT services continuity, \$356,275 for personal computers and other peripherals, and \$240,030 on the telephone system at the headquarters building in Washington D.C.

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