

Pan American Institute of Geography and History



Audit Report 2007

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY

FINANCIAL STATEMENTS REPORT

December 31, 2007

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Mr. Oscar Aguilar Bulgarelli
President of the Pan American Institute of Geography and History
P r e s e n t

We have revised the financial statements of the Pan American Institute of Geography and History at December 31, 2007 and 2006, the statement of expenses and receipts of the general fund, and the concerning patrimonial changes for the accounting periods terminated on those dates. Such statements are responsibility of the administration of the Institute. Our responsibility consists of giving an opinion about them based in our audit process.

Our verification was carried out according to the generally accepted audit standards, same which require that the audit is planned and carried out in such a way that it allows to be reasonably sure that the financial statements do not have important mistakes, and that have been prepared in accordance with the Financial Information Standards issued or transferred to the Mexican Council for Developing and Researching Financial Information Standards, in force as of January 1, 2006. The auditing process consists of the verification, based on selective tests of the evidence that backs up the figures and disclosures of the financial states; likewise, it includes the evaluation of the Financial Information Standards used, of the significant appraisals carried out by the administration and the presentation of the financial statements as a group. We consider that our examination gives a reasonable basis to support our opinion.

As described on Note 2 to the financial statements, the financial information of December 31, 2007 and 2006 was carried out based on collected and paid cash.

It is our opinion that the aforementioned financial statements reasonably present the financial condition and the relevant aspects of the Pan American Institute of Geography and History at December 31, 2007 and 2006, the results of the operations and the variations in its estate for the periods terminated on such dates, in accordance with the Financial Information Standards.

Despacho Munir Hayek, S.C.

C.P.C. Munir Hayek Dominguez
Professional License Number 177473

Mexico City, May 23, 2008

Attachment 1

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1
FINANCIAL POSITION STATEMENT
As of December 31 2007 and 2006
(American Dollars - note 2)

Assets	2007	2006	Liabilities	2007	2006
Circulating:			Short Term Liabilities		
Cash and Banks (note 2 d)	\$ 613,444	\$ 350,354	Sundry Creditors (note 8)	\$ 21,033	\$ 4,564
Fixed Term Deposits (note 2 e)	331,858	251,943	Payments on account of future fees (note 9)	30,442	32,175
Sundry debtors (note 6)	5,390	11,899	Publication Funds	17,872	10,850
	<u> </u>	<u> </u>	Contributions	<u> </u>	<u> </u>
SUM OF THE CIRCULATING ASSETS	950,692	614,196	TOTAL LIABILITIES	69,347	47,589

Fixed (note 5)	<u> </u>	<u> </u>		<u> </u>	<u> </u>
SUM OF THE FIXED ASSETS	—	—	ESTATE		

Deferred charges:			Patrimonial Funds (note 2 b y 12)	883,250	570,763
Supplies and other Warehouse (note 4)	1,322	2,260			
Prepaid expenses (note 7)	583	1,896			
	<u> </u>	<u> </u>		<u> </u>	<u> </u>
SUM OF THE DEFERRED ASSETS	1,905	4,156	ESTATE TOTAL	883,250	570,763

TOTAL ASSETS	\$ 952,597	\$ 618,352	TOTAL LIABILITIES AND ESTATE	\$ 952,597	\$ 618,352
	<u> </u>	<u> </u>		<u> </u>	<u> </u>
	<u> </u>	<u> </u>		<u> </u>	<u> </u>
Debtor Member States (attachment 5)	2007	2006			
Accounting period fees	\$ 23,384	\$ 121,612			
Fees of previous accounting periods	47,777	170,916			
	<u> </u>	<u> </u>			
	\$ 71,161	\$ 292,528			
	<u> </u>	<u> </u>			
	<u> </u>	<u> </u>			
Disbursements pending rendering					
Of the accounting period (note 10)	\$ 5,536	\$ 16,672			
Of previous accounting periods (note 10)	14,831	23,557			
	<u> </u>	<u> </u>			
	\$ 20,367	\$ 40,229			
	<u> </u>	<u> </u>			
	<u> </u>	<u> </u>			
Operation Equipments (note 5)					
Transportation	\$ 28,889	\$ 14,722			
Computing	13,055	16,807			
Furniture and Equipment	6,664	9,898			
	<u> </u>	<u> </u>			
	\$ 48,608	\$ 41,427			
	<u> </u>	<u> </u>			
	<u> </u>	<u> </u>			

The attached notes are part of this financial statement

Attachment 2

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1
STATEMENT OF EXPENSES AND RECEIPTS OF THE GENERAL FUND
From January 1 to December 31, 2007 and 2006
(American Dollars - note 2)

	2007	2006
Receipts due to Fees (attachment 6)		
Of the accounting period	\$ 539,041	\$ 440,812
Of previous accounting periods (note 2 a)	244,751	24,444
	783,792	465,256
Other receipts (attachment 7)		
Earned interests	24,301	13,692
Publications	14,653	10,092
Services to third parties	15,356	-
Miscellaneous	7,447	11,144
	61,757	34,928
TOTAL RECEIPTS OF THE ACCOUNTING PERIOD	\$ 845,549	\$ 500,184
Expenses of the Regular Fund (attachment 6)		
Personnel	230,737	240,755
Technical assistance, information and circulation and statutory gatherings	184,754	132,694
Operating expenses	27,476	28,360
	442,967	401,809
Disbursements of the accounting period pending rendering	5,537	16,672
Expenses of the administrative fund (attachment 7)	33,767	13,670
	39,304	30,342
TOTAL EXPENSES OF THE ACCOUNTING PERIOD	482,271	432,151
RECEIPT SURPLUS OVER THE GENERAL FUND EXPENSES	\$ 363,278	\$ 68,033
Less funds to reserve from the yearly budget (note 11)	(52,608)	(61,199)
Accounting period surplus	\$ 310,670	\$ 6,834

The attached notes are part of the financial statements

Attachment 3

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - Note 1
PATRIMONIAL CHANGES CONDITION (note 2 b, 11 y 12)
Accounting periods ended on December 31, 2007 and 2006.
(American Dollars – note 2)

	Reserve Fund (note 2 c)	Operative Fund	Special Fund	Reserved Budget Fund	Total
Estate at December 31, 2005	\$ 61,943	143,106	324,933	—	\$ 529,982
2006					
Plus:					
Fund Recovery Income	—	—	12,557	—	12,557
Reserve Fund Increased	6,128	—	—	—	6,128
Less					
Expenditures due to Indemnities paid with the funds	26,843	—	—	—	26,843
Expenditures of projects financed with the funds	—	—	19,094	—	19,094
Plus					
Distribution of accounting period surplus and application of the fund (note 11)	—	—	6,834	61,199	68,033
Estate at December 31, 2006	41,228	143,106	325,230	61,199	570,763
2007					
Plus:					
Income due to fund recovery	—	—	16,367	—	16,367
Increase in the reserve fund	5,159	—	—	—	5,159
Less					
Expenditures due to Indemnities paid with the funds	5,582	—	—	—	5,582
Expenditures of projects financed with the funds	—	—	5,536	50,395	55,931
Transferred to Not involved Funds	—	—	—	10,804	10,804
Plus					
Distribution of accounting period surplus and application of the fund (note 11)	—	—	310,670	52,608	363,278
Estate at December 31, 2007	\$ 40,805	\$ 143,106	\$ 646,731	\$ 52,608	\$ 883,250

The attached notes are part of this financial statement

Attachment 4

**PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY (PAIGH)
Annotations on the Financial Statements of
December 31, 2007
(American Dollars)**

1. HISTORY AND PURPOSE

PAIGH was created on February 7, 1928 at the VI American Conference carried out by the Ministers of the American States in Havana, Cuba, and at request of the Mexican government, Mexico City was established as the headquarters of PAIGH.

The then President of the Mexican Republic, Pascual Ortiz Rubio, by means of a Decree dated May 3, 1930, put the building that is still being used, under the disposal of the American Nations.

The appointment of the building as the headquarters of PAIGH was confirmed by an agreement between the Government of the Mexican United States and PAIGH on May, 1980, signed by the President Jose Lopez Portillo.

In 1949 PAIGH signed an agreement with the Council of the Organization of American States (OAS), by means of which it was turned into the first specialized international body; such agreement was modified and signed in accordance, in Washington D.C. on May 6, 1974. Such agreement is still in force.

At the XVIII General ASSEMBLY of the PAIGH held from November 20-23, 2005 in Caracas, Venezuela, the authorities that would be in office until the XIX Assembly General were appointed as follows:

President	Dr. Oscar Aguilar Bulgarelli	Costa Rica
Vice-president	Prof. Leonel Vivas	Venezuela
Secretary General	M.Sc. Santiago Borrero Mutis	Colombia
President of the Cartography Commission	Ing. Rodgrigo Barriga Vargas	Chile
Vice-president of the Cartography Commission	Cart. Alejandra Coll E.	Chile
President of the Geography Commission	Ing. Mario Alberto Reyes I.	Mexico
Vice-president of the Geography Commission	Ing. Antonio Hernández N.	Mexico
President of the History Commission	Dra. Maria Cristina Mineiro S.	Brazil
Vice-president of the History Commission	Dr. Fernando da Silva C.	Brazil
President of the Geophysics Commission	Dr. Carlos Mendoza	United States
Vice-president of the Geophysics Commission	M.Sc. Bruce W. Presgrave	United States

Afterwards, by means of Note 414 dated December 20, 2006, The Chilean Permanent Mission before the Organization of American States (OAS), reported that Colonel Rodrigo Barriga Vargas, current President of the Cartography Commission had been appointed Director of the Military Geographic Institute, so that it meant to also take over the Presidency of the Chilean National Section of the PAIGH.

Due to the aforementioned facts, and in accordance with Article 9 of the Statutes of the Commissions of PAIGH, Colonel Barriga would effectively resign his position as a President of the Cartography Commission as of December 21, 2006.

Likewise, and in accordance with the applicable rules, the Chilean Permanent Mission before the OAS requested to the PAIGH, in order to complete the period of Ing. Rodrigo Barriga Vargas, to appoint:

President of the Cartography Commission	Cart. Alejandra Coll E.	Chile
Vice-president of the Cartography Commission	Col. Rodrigo Maturana Nadal	Chile

The purposes of the PAIGH are:

To encourage, coordinate and publicize cartographical, geophysical, geographical and historical research as well as others that science-related and of interest to the Americas.

To promote and carry out research and training concerning these disciplines.

To promote cooperation among organizations interested in these fields of activity in the Americas, and with related international organizations.

2. MAIN ACCOUNTING POLICIES

The financial statements were made on a collected and paid cash basis, in order to register the cash receipts and expenses determined by the operation.

The accounting as well as the records and the financial statements issued, were carried out using the United States Dollar, at the exchange rate of December 31, 2007 (\$10.80 Mexican Pesos per Dollar).

a) Fee receipts

This issue constitutes the major source of resources of PAIGH. In 2007, the extraordinary recovery of fees of past years added up to \$244,751 US dollars. Upon closing the fiscal year tardiness in fees added up to \$71,161 US dollars. This amount includes \$23,384 US dollars of 2007 fiscal year, and \$47,777 US dollars from previous accounting periods.

As it can be seen in the financial Statutes of the Organization, on Articles 27, 28 and 29:

Article 27. "The Secretary General is authorized to take the necessary steps towards obtaining the payment of quotas in arrears, from the Member States, and to propose to the Directing Council the draft agreement that has been studied in mutual agreement with the Officials of the Member State in debt".

Article 28. "Any Member State which by the date of the initiation of the General Assembly are current, or owe up to one quota, shall have the right for their nationals to be elected to posts of Authority in PAIGH".

Article 29. "The Member States which have not covered their contributions for more than five periods, shall not have the right to vote at the meetings of the Institute. Likewise, they shall lose the right for their projects to be approved as well as other benefits."

b) Estate

The changes in the patrimonial condition of the PAIGH during the accounting period that is under revision are shown on Attachment 3.

Bibliographical Fund Jose Toribio Medina of the PAIGH.

Based on the writing issued by the Foreign Affairs Secretariat of the Mexican United States on March 20, 1997, on number 1, it can be read: "The Mexican Government, by means of the E.N.A.H. (Escuela Nacional de Antropología e Historia) National School of Anthropology and History, shall carry out the administration of the Bibliographical Fund Jose Toribio Medina of the PAIGH", which consists of:

- a) Collections and library books
- b) Collections and series magazines and Newspaper Library.

According to the gratuitous bailment contract entered into on August 30, 2002, by the authorities of the PAIGH, of the National Institute of Anthropology and History (INAH), and the National School of Anthropology and History (ENAH), the ENAH received the Bibliographical Fund, so that it could make an inventory, in order to completely safeguard it.

By means of this gratuitous bailment contract, it was gratuitously and indefinitely granted to use and administrate the bibliographic fund Jose Toribio Medina of the PAIGH.

The initial fund that was delivered was made of 184,412 periodical publications, 34,089 books, 4,590 special materials. This makes a total of 223,091 volumes.

Later, there have been more deliveries, and on December 31, 2007, there is a total fund of 227,536 volumes, which are made up of 188,848 periodical publications, 34,089 books, 4,594 special materials and 5 compact discs.

The gratuitous bailment delivery for this fund to be used and administrated is with the only purpose to be administrated so that the ENAH library is available to the public in general. Therefore, PAIGH is in charge of checking this precept is complied with and the bibliographic fund is maintained in good shape.

Within the working audit program of the accounting period, there was a visit to the facility of the National School of Anthropology and History, in order to directly verify the control and use that is been given to the bibliographic common property.

Towards this concern, it was verified that such bibliographic common property is suitably located, in special facilities, designed for its control and use; that the different volumes are available for the people who require them; however, it was seen that due to the lack of personnel, the whole bibliographic common property has not been yet registered in the system. There is a project of ENAH, yet to be authorized, whose purpose, among others, is to hire people to classify and catalogue the PAIGH common property.

Upon closing the 2007 accounting period, the estimated value of this common property was still unknown. Therefore a determined value has not been included in the accounting records as parts of the estate of the Institute.

Just as the auditors indicated in their 2006 report, it should be important to price the Bibliographic Common Property of the PAIGH as soon as it can be possible.

As it can be remembered, the pricing of the Reserved Fund would cost over \$110,000 US dollars. Due to this, on the 67th Assembly of Authorities such expenditure in the short-term was considered unfeasible. However it is necessary to price it in the future. Therefore, it is necessary to have ENAH to get involved, taking into consideration the ninth clause of the gratuitous bailment contract.

This clause of the gratuitous bailment contract is referred to since there is nowhere in the contract that mentions that such fund should be priced, so that using such clause could result in a positive effect in the request.

Towards this concern, we are transcribing the text of such ninth clause for your comment:

“Amicable Composition”

“This contract is a result of good faith, in virtue of which the conflicts that would arise, concerning its interpretation, formalization and compliance, shall be mutually solved among the parties and such resolutions shall be unappealable”

c) Reserve Fund

As it can be seen on Article 42 of the Financial Bylaws of the PAIGH,

“The Reserve Fund is constituted to confront any severance payments that may have to be made to the staff of the General Secretariat who no longer work at the Institute. The total of this fund shall be determined by the approximate sum of these payments”. Currently, it is only made up by the amount of the bonus for services.

On December 31, 2007, the total amount of the reserve fund for this concept was of \$40,805 US dollars. (\$41,228 US dollars in 2006).

This fund does not include severance pay or seniority bonus.

Severance pay

According to the Federal Labor Law of the Mexican Republic, the PAIGH is responsible of severance pay to the workers who are fired without a just cause.

Seniority bonus

According to the Federal Labor Law, personnel of the PAIGH who have been working 15 years or more, upon their retirement, are entitled to a bonus that equals 12 working days for each year of service. (Such salary shall not exceed two times the general minimum salary of the area, standing in force on the day he/she retires).

The workers who are fired without a just case, or who die, are entitled to the seniority bonus, determined as of the number of years they had worked for the PAIGH, even when they had worked less than the fifteen years stipulated by law.

Currently, the PAIGH has stipulated the policy that consists of considering the severance pay and the seniority pay as normal expenditure of the accounting period when these events happen.

In the 2007 accounting period, the budget included \$3,450 US dollars, hoping that this amount grows every year in order to serve as severance pay and seniority bonus.

d) Temporary investments

The cash and the temporary investments shown in the financial statements at the end of the accounting period were obtained using exchange rates established by the PAIGH on a temporary basis, considered when the transactions were registered. Such exchange rates are given by the bank that is in charge of International Organizations and Embassies.

Banks	Account Number	Type	Currency	Amount US dollars
Oas Staff Federal Credit Union	7171	Special Account	US Dollars	\$ 45,454
Inbursa, S.A.	15001970027	Entrepreneurial Account	Dollars	496,108
Inbursa, S.A.	15001970019	Entrepreneurial Account	Pesos	36,017
HSBC México, SA	00199153132	Master Account	Pesos	7,308
HSBC México, SA	00199305252	Special Account	Dollars	<u>28,094</u>
Sub Total Banks				\$ 612,981
Cash				\$ <u>463</u>
Total Banks & Cash				\$ <u>613,444</u>

e) Fixed term deposits

They are represented by the following instruments:

Bank	Account Number	Type	Currency	Amount US Dollars
Oas Staff Federal Credit Union	7171	Fixed Term	US Dollars	331,858

There are two deposit certificates at the Oas Staff Federal Credit Union, at a 6-month term, for \$129,858 and \$100,777 US dollars. Both are due on January 2009, and there is also a deposit certificate at a 15-month term for \$101,223 US dollars, due on October 2008.

3. TAX POSITION

The Tax position of PAIGH is based on the Convention concerning the Prerogatives and Immunities of the United Nations that, among other Articles, stipulates the behavior guidelines for the Diplomatic Representatives, as it is stipulated by Article II concerning Property, Funds and Assets, the seventh section of such Article indicates that "The United Nations, as well as its assets, income and other property shall be:

- a) Exempt of whatever direct taxes, however provided that the United Nations shall not be entitled to claim any exemption due to those tax assessments that in fact are a compensation for public services”.

Concerning the tax regulations of the headquarters of PAIGH (Mexico), the Fiscal Code of the Federation, in the 1998 Transitory Stipulations fraction V established Tax Benefits and Exemptions for Consular and Diplomatic Missions. Towards this concern, it says: “The Diplomatic and Consular Missions, as well as the consular and diplomatic agents who are duly authorized by the Mexican government, shall have tax benefits and exemptions in accordance with the international agreements of which Mexico is part or as long as there is reciprocity. The Finance Secretariat shall issue general disposition rules that regulate the amounts, terms and conditions for applying such benefits and exemptions, as well as the concerning tax refund”.

Article 104 of the United Nations Document stipulates, “The Organization shall, in the territory of each of its members, have the necessary legal personality to carry out their duties and comply with their goals”.

On Article 105 of the aforementioned letter it is said that “the Organization shall have, in the territory of each one of its members, the necessary prerogatives and immunities to carry on their duties, and the representatives of the members of the Organization and each one of its members, shall likewise have the necessary prerogatives and immunities in order to carry out their duties concerning the Organization”.

4. STORAGE OF SUPPLIES AND OTHER THINGS

a) Paper storage

The total amount shown in the financial statement is due to purchase of paper for printing works of the PAIGH. These amounts shall be applied to the corresponding expense account when they are used. The inventory amount is priced at the purchase cost.

b) Publications Storage

This warehouse has publications of different years which were edited by the PAIGH, used for promotion, circulation and sales.

The total of the inventory at December 31, 2007 is not registered in the accounting. At the end of the accounting period it includes 29,433 units (28,530 in 2006) with a total of \$31,458 US dollars. The pricing procedure used consists of assigning one dollar for each book edited until 2006 (\$29,217 US dollars at the end of the 2007 accounting period); for those books printed as of the 2007 accounting period, the cost was assigned according to the current emission costs (\$2,241 US dollars).

5. FIXED ASSETS

The last priced inventory of fixed assets took place on January 1, 2007; the totals determined with this pricing have been used to update the figures from then until the closing of the 2007 accounting period, taking into consideration the corresponding purchases and losses, as well as the following depreciation percentages:

Equipment	2005	2006	2007
Computing Equipment	33%	33%	33%
Furniture and Equipment	10%	10%	10%
Transportation Equipment	20%	20%	20%

This amount has not been shown in the financial statements since the end of the 1994 accounting period.

The current registration procedure of the fixed assets purchased from 1995 until the closing of 2007, consists to apply them directly to the expenses of the period.

6. SUNDRY DEBTORS

The balance at December 31, 2007 is made up 97% of the loans to PAIGH personnel, withdrawn from their retirement fund, and 3% corresponds to the returns of the air tickets from TACA airlines.

7. PREPAID EXPENSES

The balance of this account is made up by the prepaid expenses for the Bogota Reunion with an HSBC credit card, for \$290 US dollars, for the margin to Servicio Observatorio S.A. for \$238 US dollars and \$55 US dollars fee paid to the International Society of Photogrammetry and Remote Sensing (ISPRS).

8. SUNDRY CREDITORS

The balance of the account is made up as follows:

Sundry Creditors	December 31, 2007
Funds Projects	\$ 2,440
GSDI - Bulletins	14,138
Difference for Mail Remittance	15
Fees of Cooperating Partner	200
George Troop - Course Geographic Names	77
Returned Tickets - CAF GEOSUR	2,601
Social Security	1,078
Interests retirement fund of November and December 2007	<u>484</u>
Total	\$ <u>21,033</u>

9. PAYMENTS ON ACCOUNT OF FUTURE FEES

This issue includes the fees paid in advance for \$30,442 US dollars, of the following countries:

Member States	Amount
Colombia	\$ 1,194
Costa Rica	4,869
United States	100
Honduras	11
Venezuela	<u>24,268</u>
Total	<u>\$ 30,442</u>

10. DISBURSEMENTS PENDING RENDERING

The total amount of this account on December 31, 2007 is made up as follows:

Country	Project	Amount	Total
Corresponding to the 2007 accounting period			
Costa Rica	Rafael Obregón Scholarship to study Postgraduate in History.	\$ 2,985	\$ 2,985
Chile	Comparative Research of Floods in Chile and Argentina	36	
	Integrating Senses for Handling GeoSpace Information	73	109
Mexico	Hydromagmatic Eruptions of the Llamatepec Volcano	790	790
Peru	Natural Disasters and Prevention Culture	1,652	1,652
Corresponding to Previous Accounting Periods			
Brazil	2nd South American Congress on History	\$ 275	\$ 275
Costa Rica	Rafael Obregón Scholarship to study a Postgraduate in History	74	
	Dynamics and Deformation of Active faults by means of Geodesic Techniques	1,015	1,089
Chile	Physical Modeling and Dynamic Simulation of the Eruptive Processes of the Lascar Volcano, 2 nd Region of Antofagasta, Chile	1,566	1,566
Guatemala	Geophysical and Archaeological Research of Housing Areas	3,000	3,000
Mexico	Comparative Research of the Recent Eruptive Events of Popocatepetill and Lascar Volcanoes	4,445	4,445
Uruguay	Creating a Conceptual Model of the Mercedes Water-Bearing	2,599	2,599
Venezuela	Course about Territorial Planning and Arrangement	1,857	<u>1,857</u>
Total			<u>\$ 20,367</u>

11. RESERVED FUNDS

When closing the operations of the accounting period, the following amounts were applied to the reserved budget fund of PAIGH:

Commission	Amount
Cartography	\$ 8,000
Geography	16,106
History	16,272
Geophysics	<u>12,230</u>
Reserved Budget Fund Total	\$ <u>52,608</u>

12. PATRIMONIAL FUNDS

At the end of the accounting period, this issue was made up as follows:

Account	2007	2006
Reserve Fund	\$ 40,805	\$ 41,228
Operative Fund	143,106	143,106
Reserved Budget Fund	52,608	61,199
Special Fund	<u>646,731</u>	<u>325,230</u>
Total	\$ <u>883,250</u>	\$ <u>570,763</u>

Operative Fund.- The financial statutes on its Article 44, stipulates as follows:

“The Operational Fund has been constituted to cover the budgetary contingencies of the Institute in order to facilitate the financial management of the projects. The total amount of this fund may not be in excess of 25% of the total budget of that year”.

According to what is stipulated on Article 44, the amount of this fund is in accordance with the maximum 25% ruled.

Concept	Amount	Fund Amount	%
General Budget	\$ 572,424	\$ 143,106	25

Special Fund. This is ruled by the Financial Bylaws of the PAIGH on its Article 41.

“The Special Fund is made up of any surplus income received from quota payments, which exceeds the Regular Fund and shall be utilized for the special projects approved by the Directing Council or General Assembly. The Secretary General is authorized to deduct up to 5% from each project within the special projects fund for administrative expenses”. For 2007, this fund was made up as follows:

Concept	Amount
Special Funds not involved	\$ 602,848
Special Funds involved	
Expenses for the 80th Anniversary of PAIGH	15,000
PAIGH Building Maintenance	12,000
Project Formulation and Administration	10,930
Participation and Support to the Global Infrastructure of Space Data	1,953
Expenses of the Pan American Agenda 2009-2019	<u>4,000</u>
Total	<u>\$ 646,731</u>

In the 2007 accounting period there was a surplus of \$310,670 US dollars, which created a greater amount of short-time available resources, so that it is necessary to recommend the prudent handling of the resources of the special not involved funds, which add up to \$602,848 US dollars at December 31, 2007, taking into consideration the historic behavior of fees paid by the state members, and due to the fact that this fund supports the handling and the transactions of the Secretary General during the latter accounting periods, where there are low receipts of regular funds, thus generating a deficit in such accounting periods.

Attachment 5

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY note 1
RELATION OF FEES TO BE COLLECTED TO MEMBER STATES (note 2 a)
At December 31 2007
(American Dollars - note 2)

	Total	Of 2007	Of Previous Accounting Periods
Argentina	\$ 6,826	\$ 6,826	\$ —
Bolivia	14,510	3,900	10,610
Colombia (1)	—	—	—
Costa Rica (2)	—	—	—
El Salvador	10	10	—
United States (3)	—	—	—
Guatemala	12	12	—
Haiti	11,700	3,900	7,800
Honduras (4)	—	—	—
Nicaragua	29,343	3,900	25,443
Paraguay	936	936	—
Uruguay	7,824	3,900	3,924
Venezuela (5)	—	—	—
Total	\$ 71,161	\$ 23,384	\$ 47,777

(1) Payment on account of future fees US\$ 1,194.23

(2) Payment on account of future fees US\$ 4,869.30

(3) Payment on account of future fees US\$ 100.00

(4) Payment on account of future fees US\$ 10.68

(5) Payment on account of future fees US\$24,268.00

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1
COMPARATIVE STATEMENT OF RECEIPTS AND EXPENSES
ESTIMATED VS REAL ONES
at December 31, 2007
(American Dollars note 2)

Regular Fund Accounts	Estimated	At December 31, 2007 Real	Differences + (-)
Receipts regular fund			
Fees of the accounting period	\$ 562,424	\$ 539,041	\$ 23,383
Due Fees	—	244,751	(244,751)
Total receipts of the regular funds	\$ 562,424	\$ 783,792	\$ (221,368)
Expenses of the regular fund			
Salaries	185,993	149,007	36,986
Social Security	30,259	27,120	3,139
Infonavit	3,738	2,599	1,139
Bonuses	20,275	17,179	3,096
Subsidies	11,859	11,859	—
Service Acknowledgement	10,226	9,277	949
Indemnification to employees	3,450	5,584	(2,134)
Bonuses due to merits	6,800	5,972	828
Visits to the place of origin	1,593	1,593	—
Representation	2,461	2,091	370
Training	1,100	1,084	16
Traveling Expenses	70,550	55,244	15,306
Traveling Expenses	1,950	1,910	40
Traveling Tickets	70,870	58,797	12,073
Scholarships	18,350	8,490	9,860
Water consumption rights	250	247	3
Financial services	1,981	1,963	18
Postal Services	700	284	416
Phone Services	5,450	4,222	1,228
Web page and email	2,075	1,474	601
Courier	2,914	446	2,468
Fees	23,400	20,682	2,718
Juridical Counseling	1,000	803	197
Electricity	3,330	3,327	3
Insurance	2,410	2,362	48
Gas and Lubricants	2,400	2,281	119
Spare parts and maintenance of transportation equipment	2,000	944	1,056
Spare parts and maintenance of computing equipment	1,400	1,256	144
Building maintenance	2,800	350	2,450
Office material	8,050	3,959	4,091
Sanitary and clearing material	900	744	156
Kitchen implements	500	372	128
Fees	100	100	—
Bonuses	2,000	—	2,000
Publications	15,490	5,554	9,936
Documents of statutory gatherings	5,400	5,359	41
Editorial committee	2,400	—	2,400
Real estate leasing	8,000	7,588	412
Miscellaneous Expenses	25,300	18,676	6,624
Contingencies	2,700	2,168	532
	\$ 562,424	\$ 442,967	\$ 119,457
Disbursements of the accounting period pending rendering	—	5,537	(5,537)
Total expenses of the regular fund	\$ 562,424	\$ 448,504	\$ 113,920
Receipts surplus over the regular fund	\$ —	\$ 335,288	\$ (335,288)

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY - note 1
COMPARATIVE STATEMENT OF OTHER EARNINGS AND EXPENSES
ESTIMATED AGAINST ACTUAL FIGURES

At december 31 2007

(US Dollars - Note 2)

Administrative Fund Accounts	Estimated	At December 31, 2007 Actual	Differences + (-)
Administrative Fund Earnings			
Earned Interests	\$ 6,000	\$ 24,301	\$ (18,301)
Publications	5,000	14,653	(9,653)
Services to Third Parties	1,000	15,356	(14,356)
Miscellaneous	3,000	7,447	(4,447)
	<hr/>	<hr/>	<hr/>
Total Administrative Fund Earnigs	\$ 15,000	\$ 61,757	\$ (46,757)
	<hr/>	<hr/>	<hr/>
Representation Expenses	3,800	4,339	(539)
Traveling Expenses	500	660	(160)
Fares	2,000	1,934	66
Mail Service	2,000	4,616	(2,616)
Equipment Buying	5,000	19,953	(14,953)
Miscellaneous	1,700	2,265	(565)
	<hr/>	<hr/>	<hr/>
Total Administrative Fund Expenses	\$ 15,000	\$ 33,767	\$ (18,767)
	<hr/>	<hr/>	<hr/>
Administrative Fund Surplus		\$ 27,990	
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