

Chapter XIII Premises, Assets and Inventories

Sub-Chapter XIII.2 Fixed Assets

XIII.2.3a Asset Accountability Policy10. **Purpose**

The purpose of this policy is to define the basis and steps pursuant to which individuals who work for the Pan American Health Organization (PAHO) will be held accountable for losses, thefts and damage to PAHO property or equipment when losses, thefts or damage occur as a result of negligence or willful misconduct on the part of the person(s) concerned.

20. **Scope**

This policy is applicable to everyone who works for PAHO (PAHO personnel), irrespective of type or duration of contract. PAHO personnel are provided, on a temporary basis, the necessary equipment to achieve their work objectives and the goals of the Organization. PAHO personnel are expected to take all reasonable precautions to protect this equipment, as if it were their own.

30. **Policy and essential procedures**

30.1. PAHO personnel are required to have the necessary devices and tools to effectively carry out their work. In the performance of their duties, personnel are expected to take reasonable safeguards to protect this property from loss, theft or damage. Those individuals who fail to properly safeguard organizational property will be held financially responsible for lost or damaged property and will be required to reimburse the Organization as described in paragraph 30.5 below.

30.2. **Safeguarding PAHO's assets:**

30.2.1 PAHO personnel must exercise due diligence and care to protect the Organization's property and assets from loss, theft and damage, including credit cards, vehicles, office equipment and supplies, computers, cameras, cellular telephones and other mobile communication devices. These assets, while belonging to PAHO, must be safeguarded in the same

manner that people would ordinarily use to protect their own personal property.

30.2.2 As indicated in the [PAHO Code of Ethical Principles and Conduct](#), PAHO personnel must be extremely careful and vigilant when using the Organization's property and resources. Such property, which may be used for authorized purposes only, must be properly operated and maintained, appropriately safeguarded and returned to the Organization in the same condition as it was received, except for normal wear and tear.

30.2.3 In view of the obligation of PAHO personnel to take all reasonable safeguards to protect the Organization's property, payment for the repair or replacement of any property lost, stolen, destroyed or damaged as a result of negligence or willful misconduct may be required from the person(s) determined to be responsible for such loss or damage.

30.2.4 Property lost or damaged through no fault of the person concerned will not result in any personal responsibility and will be repaired or replaced, if necessary, using PAHO funding and normal budgetary procedures.

30.3. Loss, Theft or Damage to assets:

30.3.1 A loss, theft or damage to the Organization's assets may be the result of accidental loss or damage, or unavoidable theft or robbery. Alternatively, it may be due to circumstances within a person's control, such as simple negligence, gross negligence or willful misconduct on the part of individuals or groups of individuals.

- **Simple negligence** is a failure to act as a reasonably prudent person would have acted under the same or similar circumstances.
- **Gross negligence** is a failure to exercise even a slight degree of care, or an extreme departure from the course of action expected of a reasonable person, all circumstances considered.
- **Willful misconduct** is an intentional or deliberate violation of rules or policies, including fraud and dishonesty.

30.4. Essential procedures:

30.4.1 PAHO personnel must promptly report to the General Services and Operations Department (GSO) all losses, thefts or damage of Organization property assigned to them.

30.4.2 GSO will determine the applicable value of the lost, stolen or damaged asset or property and will also review the reported circumstances of the loss, theft or damage. GSO may conclude that the loss, theft or damage occurred:

30.4.2a- Through no fault of the person concerned (e.g., third party theft supported by a police report).

30.4.2b- Due to simple negligence or carelessness (e.g. forgetting a phone or laptop on an airplane or at a security check point).

30.4.2c- Due to gross negligence or willful misconduct (e.g. willful theft or leaving an asset unattended in a high-risk area). In such cases, the matter shall be referred to the PAHO Investigations Office for review.

30.5. Financial responsibility:

30.5.1 PAHO personnel may be held personally responsible for loss or damage caused through negligence or misconduct. The level of responsibility and reimbursement will depend on whether the loss or damage was due to simple negligence, gross negligence or willful misconduct and whether there are any extenuating or mitigating factors.

30.5.2 Except in cases of gross negligence leading to the theft or loss of PAHO property or equipment, no financial responsibility will accrue to the person concerned for thefts committed by a third party when corroborated by a police report.

30.5.3 When an asset or piece of equipment has been lost or damaged due to simple negligence, the person concerned will be responsible for the payment of a flat amount to the Organization. This amount, similar to a deductible, will be \$100 for a cellular telephone, \$250 for a laptop computer, and \$100 for all other items, or the residual value, whichever is lower.

30.5.4 When an asset or piece of equipment has been lost, stolen or damaged due to gross negligence or willful misconduct, the amount of reimbursement will be the total cost of repair or the current replacement cost of the asset or equipment, whichever is lower.

30.5.5 The Director of Administration will notify the person concerned whether they are absolved from responsibility or will be held financially responsible for the loss, theft, damage of the Organization's property along with the amount due to the Organization.

30.5.6 Reimbursement will be made in accordance with subsection 30.4 of PAHO/WHO E-Manual Provision III.3.15a, *Recovery of Overpayments and Underpayments*.

30.6. Other measures:

30.6.1 When warranted due to willful misconduct or gross negligence, the Organization may also take disciplinary action, including termination of appointment or contract, in accordance with the applicable regulations, rules, policies and procedures.

30.6.2 Persons reporting losses, thefts or damage of PAHO property committed by others are protected from retaliation pursuant to PAHO's *Protection Against Retaliation Policy*.

40. **Responsibilities:** Questions regarding the application of this policy should be referred to the Ethics Office for guidance and advice.