



Eighteenth session
Agenda item 68

UNITED NATIONS INTERNATIONAL SCHOOL

Report of the Secretary-General

1. It is now four years since the General Assembly decided to support the United Nations International School for a period of five years through contributions to an International School Fund to ensure the financial base of the School sufficiently to enable long-range plans to proceed towards a self-supporting educational institution in adequate physical premises. Since the action to be taken by the General Assembly this year will fulfil this five-year commitment, the School appears to have reached an important turning point in many ways, and it seems timely to review the role which the School plays in the life of the United Nations as well as its prospects in the years ahead.
2. In several ways this is a unique school. In the midst of a highly developed city which abounds in educational facilities, it meets needs felt by Secretariat parents, by delegations, and indeed by the Organization as a whole. Secretariat parents expressed their need for such an institution as early as 1947: they wanted an education for their children which would prepare them for return to their own school systems or a school at another duty station and, at the same time, help them make the proper adjustment to American life in which they would take part for a number of years. As the Organization and the school grew, from twenty young children in 1947 to 550 children from five to seventeen years of age during the current school term, the parents felt more strongly the need for a school in the spirit of the United Nations - with no discrimination on account of race, creed or national origin. This goal has demanded special attention to language training and to the teaching of the social sciences without national bias. There is sound

evidence that the United Nations International School is meeting these needs more adequately than any existing school in the New York area and that it is succeeding in spite of serious physical and financial handicaps in building a curriculum based on the best elements from all major systems of education.

3. The School is also unusual in its adaptation to the special needs of children of United Nations parents. The priority for United Nations children is absolute and they are taken at any time during the school year, a privilege which cannot be expected from other private schools in the area. Tuition fees are also slightly lower than in most good private schools in New York since the General Assembly has constantly urged that the School should be open to the widest possible number of United Nations children; fees must therefore bear a reasonable relation to United Nations salary scales for parents in the 27-52 age group. There are still problems to be solved in the admission of United Nations children whose parents are not eligible for the education grant. The Staff Council has expressed the view that these children should be admitted on an equal footing with the children of expatriate staff but, apart from other considerations, this has not been possible under present financial conditions. The Board has also been reluctant to grant scholarships equivalent to the education grant to children of United States staff without some change in policies established by the General Assembly in connexion with the education grant. A recent survey jointly conducted by the Staff Committee and the Board of Trustees of the School indicated that at least 400 additional United Nations children would seek admission if the financial handicap could be overcome.

4. For all these reasons, it is clear that the United Nations International School is an institution whose existence is an important factor in the recruitment and retention of qualified staff for the Organization.

5. The Secretary-General wishes to call the attention of the General Assembly to the evidence presented in the report of the Board of Trustees that the deficit for the current school year - in spite of rising costs in some areas - is the lowest since the School was established in Manhattan. In the fifth year of operation in the City (plus the feeder school in Parkway Village), the operating deficit is less than 7 per cent of the total expenditure, and the School seems

well on the way to attaining the economic viability which the Assembly has been eager to see it achieve. The Board calls attention to the fact, however, that no further increases in enrolment can be accommodated in the present buildings and that significant savings cannot be expected from further management improvements. It does not seem reasonable to expect, therefore, that the School will be able to achieve a completely balanced budget in the next year.

6. In addition, the School is facing an increasingly serious problem with regard to the physical plant for the School. The building at 70th street and First Avenue - built as a public school in 1880 - is constantly in need of repairs to ensure the safety of the children and can never be made adequate for modern secondary education. The Parkway Village establishment, housed in sixteen apartments, becomes increasingly expensive and inadequate as a school. The Board of Trustees, as well as the General Assembly, has recognized this problem for several years as the major handicap to development of this School to its full potential. In the past three years, the Assembly has called upon the Secretary-General to assist the Board of Trustees in securing a permanent site and raising funds necessary to build and endow a new school building.

7. As the report of the Board of Trustees^{1/} shows, this question has been given highest priority by the Board and, for my part, I have requested senior members of the staff - including Mr. Paul Hoffman, Mr. Ralph Bunche, Mr. Bruce Turner and Miss Julia Henderson - to assist in this effort. Several of the Ambassadors on the Board, in particular H.E. Ambassador Agda Rössel of Sweden, have given much time and attention to this matter over the past nine months. Aside from the substantial pledge from a Swedish source reported last year, however, gifts have been small. Some thirty foundations in the New York area have now been approached without concrete results to date. The main question asked in most cases has related to the expectation that Governments should support a school which provides an essential service for the recruitment and retention of qualified staff. New efforts are under way with international corporations and individuals, both here and abroad, but it seems clear that at least half of the necessary funds will have to be raised from governmental

^{1/} The report of the Board of Trustees is annexed to the present report.

sources if this School is to survive and prosper. There seem to be numerous precedents for Governments supporting schools for the education of their nationals stationed abroad on official business, both on a bilateral and a regional basis. I have, therefore, come to the conclusion that a greater effort is required on the part of Member States, on a voluntary basis, to solve this problem.

8. The amounts required, on the basis of present plans, are indicated in the Board's report (paragraphs 27 to 32). While these figures are subject to change on the basis of factors still unknown, I have satisfied myself that the order of magnitude is correct: land within a reasonable distance of the United Nations Headquarters and in an area convenient for our widely-scattered United Nations families cannot be found at less than \$33-\$35 per square foot; for 750 children (a minimum estimate of demand by 1966) a plot of 50,000 square feet is highly desirable; building costs for school construction, without luxury items, are in the neighbourhood of \$27.00 per square foot and 130,000 square feet of floor space are required for 750 children. Furniture and equipment have been costed according to New York private school standards. The Endowment Fund seems smaller than would be desirable to provide income for an adequate scholarship plan and for allowing some flexibility in teaching staff to improve the quality of education. This is obviously the most flexible element in the plan.

9. In making its decision on the possible voluntary contributions of Governments, the General Assembly will wish to note, of course, that actual cash requirements are spread over five years as follows:

1963 - downpayment on land costs (balance on a five-year mortgage)	\$ 700,000
1964 - cost of removing tenants, clearing the site and beginning construction	1,500,000
1965 - major building costs	2,000,000
1966 - completion of building, furniture and equipment	750,000
1967 - payment of mortgage on the land	800,000
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	\$5,750,000

Endowment funds are not included in this schedule and could, of course, be paid at any time.

10. The appropriate services of the Secretariat have given some thought to the modalities of governmental contributions to the Building and Endowment Fund if the General Assembly should agree to call upon Governments. It is suggested that contributions could be made through the Secretary-General to the International School Fund, established under resolution 1439 (XIV) and subject to all necessary controls and audit including an annual report to the General Assembly.
11. While recognizing the priority of solving the problem of premises, the Secretary-General hopes that the General Assembly will find it possible, bearing in mind the intent and purposes of resolution 1439 (XIV), to make an appropriate grant to the International School Fund for 1964 to cover the operating deficit of the School and to allow planning to proceed in respect of the new building.

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ANNEX

REPORT OF THE BOARD OF TRUSTEES OF THE UNITED NATIONS
INTERNATIONAL SCHOOL

1. The Board of Trustees of the United Nations International School^{a/} has the honour to present through the office of the Secretary-General, for the information of the General Assembly, the following report on the School's development and progress during the past year.
2. The School has expanded its usefulness in providing a service necessary for the recruitment and retention of qualified international staff at the United Nations. There has been a substantial increase in enrolment United Nations children in the School which on 1 October was serving 549 children of sixty-three nationalities. The Board is satisfied that the quality of education continues to improve at the School as experience is gained in the difficult problem of building an international curriculum.

a/ The Board of Trustees, which is responsible for the policy and the overseeing of the administration of the School, is composed of members chosen in accordance with article IV of the Constitution of the Association for the United Nations International School. Its present membership is as follows: Dr. Julia Henderson, Director, Bureau of Social Affairs, United Nations, Chairman; Mr. B.N. Chakravarty, Permanent Representative of India to the United Nations, Vice-Chairman; Mr. Bohdan Lewandowski, Permanent Representative of Poland to the United Nations, Vice-Chairman; Mr. Alex Quaison-Sackey, Permanent Representative of Ghana to the United Nations, Vice-Chairman; Mrs. Agda Rössel, Permanent Representative of Sweden to the United Nations, Vice-Chairman; Mr. Roger Seydoux, Permanent Representative of France to the United Nations, Vice-Chairman; Sir Alexander MacFarquhar, Director of Personnel, United Nations, Vice-Chairman; Mr. Bruce R. Turner, Controller, United Nations; Mr. Shukri Salameh, Personnel Officer, United Nations, Secretary; Miss Karen Petersen, Secretary of the Committee on Contributions, Office of the Controller, United Nations, Treasurer; Mr. Godfrey K.J. Amachree, Under-Secretary, Office of the Secretary-General, United Nations, Member; Dr. Walter Anderson, Dean, School of Education, New York University, Member; Dr. Andrew Cordier, Dean, School of International Affairs, Columbia University, Member; Dr. Pearl Foster, M.D., Member; Mrs. Murray Fuhrman, Member; Mr. Paul G. Hoffman, Managing Director, United Nations Special Fund, Member; Mrs. Walker Stuart, Member; Mr. Oliver Weerasinghe, Chief, Physical Planning Section, Bureau of Social Affairs, United Nations, Member.

During the past twelve months three vacancies in the elective offices, which occurred through the expiration of the terms of Dr. Julia Henderson, Miss Karen Petersen and Dr. W. Malinowski, have been filled by the election of the following: Dr. Julia Henderson, Miss Karen Petersen and Mrs. Walker Stuart.

The firm of Cleary, Gottlieb, Steen and Hamilton continued to act as Legal Counsel to the Board.

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3. A solution to the problem of physical facilities remains the greatest need of the School; however, considerable progress has been made in planning for the permanent accommodation for the School. The Board reported last year that a site had been selected at 89th Street and York Avenue in Manhattan, a site considered convenient for the widely spread United Nations families in Manhattan, Long Island and Westchester. The title for an L-shaped plot of 34,500 square feet was transferred from the previous owners to the Association for the United Nations International School on 30 April 1963 with the payment of \$340,000. The Board of Trustees at present has been considering the purchase of an adjoining 15,000 square feet of property which would make a much more adequate site for the School and would allow room for an expansion from a school of 750 to 1,000 students. The problem of re-locating the forty-six tenants remaining on the site has occupied the attention of the Board. Architectural plans have been drawn up by the firm of Harrison and Abramovitz in consultation with the Educational Facilities Laboratories of the Ford Foundation. The Board is satisfied that these plans represent an imaginative as well as functional approach to education of children in a crowded urban area.
4. The necessity of raising funds for the new School has naturally been given first priority by the Board of Trustees. While contacts have been made with foundations on an informal basis over a long period of time, the first formal application to a major United States foundation was made in April 1963. A broader campaign was also launched through a benefit performance at the Metropolitan Opera on 17 April 1963. This highly successful occasion featuring the première of the Royal English Ballet in its spring season in New York and sponsored by the Secretary-General, Ambassador Sir Patrick Dean and Ambassador Adlai Stevenson, netted \$25,000 for the Endowment Fund. The Board wishes to express its special thanks to the Secretary-General for his personal interest in the campaign and also for his decision to assign a senior staff member of the United Nations to concentrated effort during the current months to assist the Board in raising funds for the building and endowment.
5. The Board considers that the fund-raising campaign is now well under way with the able assistance of its special fund-raising committee composed of

Mr. Paul Hoffman, as Chairman, H.E. Ambassador Agda Rössel, Mr. Bruce Turner, Miss Julia Henderson and Mrs. Murray Fuhrman. Experience gained to date indicates that all sources must be mobilized including voluntary gifts from Governments, as well as private gifts from foundations, from firms engaged in international business and from individuals interested in the School.

6. The current financial position of the School, described in detail in a later section of this report, has continued to improve under the able management of the Director, Mr. Aleck Forbes. In spite of the serious handicaps of the buildings - both in Manhattan and in Parkway Village - an increase of seventy-seven students has materially improved the income side of the current budget. At the same time, the necessity of making certain adjustments in teachers' salaries and of adding some new teachers, since the curriculum offerings have expanded as well as the enrolment, has resulted in an estimated deficit for the current year of \$36,000. This compares with an estimated deficit for the last school year of \$57,300. While some further savings have been achieved in the purchase of supplies, the main difference in the two financial years lies on the income side of the important fact that the size of the classes has measurably increased. It should be noted that we are now at the end of the possibilities of increasing enrolment in the present buildings. We have also taken all reasonable savings on supporting programmes such as the lunch and transportation programmes which are paid for by parents in addition to the sizable fees. It cannot be expected therefore that the operating deficit will disappear until an endowment fund is available to cover scholarship costs at least.

7. In addition to the deficit on operations, the Board has been faced with serious financial problems in connexion with planning for the permanent premises. Over and above the architectural and legal fees which were anticipated, there have been substantial charges in connexion with acquisition of the land, as explained later in this report.

BURSARIES AND SCHOLARSHIPS

8. The General Assembly will recall that the bursary and scholarship item in the school budget was reduced radically between 1961/1962 and 1962/1963 in response to an increase in the education grant paid to expatriate United Nations

staff members. The Board of Trustees pointed out last year that there remained serious problems for Secretariat members of the United Nations not in receipt of the education grant. This problem has received considerable attention during the current year through the Staff Committee and in consultations between the staff and the Board of Trustees. The staff has felt that the School should be made available to a wider group of Secretariat children on the same basis as it is made available to the expatriate children. Indeed, the Staff Association had adopted a resolution requesting an automatic grant or fee reduction for all United Nations staff members with a view to making the United Nations International School available to the largest possible number of persons associated with the United Nations. It is estimated, on the basis of an inquiry recently made by the Staff Committee with the Board of Trustees, that an additional 400 to 500 United Nations Children would attend the School if it were made financially possible.

9. In the current year, \$12,000 has been allocated for scholarships for United Nations children without an education grant, \$1,860 for United Nations children with an education grant, and an additional \$11,600 for children of delegations and those outside the Organization. (The cost of scholarships for children not belonging to United Nations families is raised from voluntary sources.)

DEVELOPMENT OF THE SCHOOL IN 1963

10. The 1963-1964 school year was inaugurated on 12 September, with an enrolment of 552, made up of 224 secondary and 328 primary children, the latter being almost equally divided between Manhattan and Parkway Village - 160 and 168 respectively. This is an absolute increase of 77 from 475 in September 1962. (The number fluctuates, of course, as parents return to or depart from the United Nations; on 1 October 1963 the enrolment was 549. The Director estimates the average number for the year will be 545).

11. At the opening of school, children were classified as follows:

248 Secretariat families

47 delegation families

58 International origin not immediately connected with the United Nations

199 Local United States families

12. The admission policy of the School continues to give first priority for children of staff members and members of delegations. In many cases, the placement of a child is assured before the staff member has left his home country. The School is adjusted to accepting students arriving during the course of the school year and inducting them quickly into the School and all its activities. A specialized curriculum - drawing upon many national systems together with an accent on language teaching - creates an environment especially suited to overseas students. The sympathetic acceptance of new students into the group and the individual help in solving language problems creates a welcoming atmosphere. Every attempt is made to keep the class size to less than twenty children in order to ease the adjustment of children from cultures and languages other than the language of instruction and to give them individualized attention.

13. Special attention is given to teaching the languages of instruction (English and French) in order to enable all students to make rapid progress. Supplementary classes are given at present in Arabic, Chinese, Hindi and Spanish. The School has set as its goal not only a high level of academic achievement but also the pursuit of an international ideal in education. The School represents an important effort to break through national and cultural barriers in education.

14. Until 1963, the Board had followed a policy of admitting up to 40 per cent of children from the local community to ensure that the United Nations children would not be isolated from the cultural environment in which they were to be living for a number of years. However, in view of a marked increase in United Nations children this year and the School's policy of giving priority to these children, it has not been possible to admit any significant number of new non-United Nations children for the present school year and it is envisaged that the

proportion of children of non-United Nations families should decline over a period of the next few years to approximately 20 to 25 per cent of the total.

15. The staff of the School is composed of 43 full-time and 11 part-time teachers representative of 18 different countries and educational systems.

16. In the light of changes in teachers' salaries in New York City and problems of transition from the old to the new salary scale last year, the Board of Trustees has re-examined the question of the International School scale and the cost of living in New York. It has decided to maintain the existing salary scale adopted in 1961 which provides a range from \$4,800 rising by fifteen annual increments of \$250 to \$8,300. On the basis of advice from the Controller's Office on the movement of the cost of living in the New York area since this salary scale was put into effect (1.9 per cent), the Board has agreed to the principle of an adjustment for all teachers and office staff when a change of 5 per cent is sustained for more than four months. Certain other individual adjustments have also been made to reflect more adequately the experience of teachers now on the staff.

17. With these adjustments, the average salary will amount to \$6,553. This average salary is still below the public school salaries in New York City but is comparable to the salaries of teachers in the well-established private schools.

INTERNATIONAL SCHOOL FUND

18. In accordance with the Financial Rules for the International School Fund^{b/} the report of the Board of Trustees shall contain details of the operation of the Special Account for the United Nations contributions to the Fund and shall contain an audited statement therein.

19. As reported last year, the balance in the Fund on 30 June 1962 was \$26,569, including the sum of \$20,000 granted by the General Assembly for the purpose of forwarding plans for the permanent accommodation of the School. At its seventeenth session, the General Assembly decided^{c/} to contribute to the International School Fund \$50,000 towards liquidating the operational deficit anticipated for the school

^{b/} Official Records of the General Assembly, Fifteenth Session, Annexes, agenda item 61, document A/4541, appendix I.

^{c/} General Assembly resolution 1853 (XVII) of 19 December 1962.

year 1962-1963, and an additional amount of \$20,000 for the purpose of forwarding plans for the permanent accommodation of the School.

20. An audited statement of the Special Account of the International School Fund is contained in appendix I to the present report, giving the status of the account as at 30 June 1963. As shown by that statement, a sum of \$37,868.48 was used to liquidate the deficit of the School for the year 1962-1963. Furthermore, the two General Assembly grants of \$20,000 for the forwarding of plans for the permanent accommodation of the School have been used in full. After meeting these charges, the available balance in the Fund as at 30 June 1963 was \$18,700.19.

FINANCING THE OPERATION OF THE SCHOOL

21. A table is appended (appendix II) showing a breakdown of the finances of the School for the years 1961-1962 and 1962-1963 and of the budget estimates for 1963-1964. As may be seen from that table, the basic income is from tuition fees and other dues in which there has been marked increase over the three-year period reflecting the increase in the enrolment of the School. Additional income is derived from donations and fund-raising events. The main item of expenditures relates to the salaries of teachers and other staff. Other items are rentals, maintenance and utilities, school lunches, supplies and equipment.

Financial year 1962-1963

22. In the Board's report of last year,^{d/} budget estimates for 1962-1963 were submitted showing an anticipated operational deficit of \$50,731, after allowing for a carry-over of \$6,569 from the General Assembly grant of \$50,000 for 1962, while the actual deficit as shown by the audited accounts for the year 1962-1963 was \$37,868. This deficit was met by a transfer from the International School Fund. As mentioned above, an audited statement pertaining to the Special Account of the International School Fund showing the position as at 30 June 1963 is contained in appendix I to the present report.

d/ Official Records of the General Assembly, Seventeenth Session, Annexes, agenda item 72, document A/5308, annex.

23. The improvement in the financial situation of the School on the operational side as evidenced by the reduced deficit for 1962-1963 was, to a large extent, due to a higher average enrolment throughout the year than the figure of 460 pupils originally estimated, which resulted in an increase in income from tuition fees of approximately \$10,000. Other reasons were the savings achieved through strict economy in the daily administration of the School.

Budget 1963-1964

24. The budget estimates for 1963-1964 are based on an average enrolment of 545 pupils, which is slightly below the actual enrolment when the School opened in September (552). This is based on turnover experience in previous years. Income from tuition fees is estimated at \$480,000, which represents an increase of approximately \$80,000 as compared to the estimates for last year. On account of the higher enrolment, certain necessary additions have had to be made, however, to the teaching and other staff of the School. Staff costs and related expenses for 1963-1964 are estimated at \$404,000. This represents an increase over last year's estimate of about \$52,000. This increase includes, however, the adjustment of teachers' salaries referred to in paragraphs 15 and 16 of the report, as well as the annual increment in the salaries of teachers and other staff. The Board also decided to augment the amount allowed for scholarships by \$8,600, taking into account that a major part of this increase would be off-set by additional income from donations and funds already available from fund-raising events. Through this increase, it was also intended to provide a more generous scholarship programme for the Secretariat members of the United Nations who are not in receipt of an education grant, in order to enable them to enrol their children in the International School.

25. On this basis, the estimated operational deficit for 1963-1964 would amount to \$36,000, as compared to the operational deficit of \$57,300 for 1962-1963 envisaged at this time last year.

26. The improvement in the financial situation of the School over the last five years will be illustrated by the figures given in the following table:

	<u>1959/1960</u>	<u>1960/1961</u>	<u>1961/1962</u>	<u>1962/1963</u>	<u>1963/1964</u> ^{b/}
Average enrolment	<u>330</u>	<u>375</u>	<u>435</u>	<u>460</u>	<u>545</u>
Income (in thousand US \$)	275.5) 20.0) <u>a/</u>	334.6	391.6	424.5	493.1
Expenditures (in thousand US \$)	336.8	421.7	437.5	462.4	529.1
Operating deficit (in thousand US \$)	41.3	87.1	45.9	37.9	36.0

a/ Represents a grant of \$20,000 from the Fund for the Advancement of Education.

b/ Estimate.

As these figures show, the income from tuition, donations and other miscellaneous income has increased over the five-year period by 79 per cent, while, in spite of rising staff and other costs, expenditures during the same period have increased by 57.1 per cent. It will be noted that the operational deficit which for 1960-1961 reached the all-time high of \$87,100 has been reduced for the last school year which ended 30 June 1963 to approximately \$37,900.

FINANCING THE PERMANENT SCHOOL

27. By a series of General Assembly resolutions beginning in 1959, the Secretary-General has been requested to assist the Board of Trustees in raising funds from voluntary sources for construction of a permanent school and the creation of an endowment fund. The late Secretary-General, Mr. Hammarskjöld, undertook negotiations for voluntary funds and these negotiations and subsequent contacts through the Swedish Mission have now resulted in the first substantial pledge from a Swedish source in the amount of \$350,000. The late Secretary-General also assisted the Board of Trustees through the assignment of Colonel Alfred Katzin who made many initial contacts for this project with United States and European foundations and corporations for the School. However, at that period, the site had not been chosen and plans were not firm.

28. Over the past 2 1/2 years, the requirements of the permanent building have become more precise and necessary decisions on site and plans for the school have been made by the Board of Trustees as noted above. These plans, which are based on the site acquired at 89th Street and York Avenue and a building initially intended for 750 students, result in the following cost plan:

(a) Land cost	\$ 1,750,000
(b) Building	3,500,000
(c) Equipment and furnishings	500,000
(d) Endowment	500,000

Total requirements \$ 6,250,000

29. Elements (a)-(c) are all based partly on prices already contracted for land and partly on estimates of our real estate consultant, and of the Architects (Harrison and Abramovitz). The endowment fund item is based on the experience of this School and all other private schools in New York that tuition cannot be set at a high enough level to cover operating costs and scholarships for children whose parents cannot cover the full fees. In the present School, tuition fees cover 92 per cent of the operating cost of the School, which is considered a very good record among private schools. An endowment fund which would produce annually \$20,000 in income, plus other revenue-producing activities, should cover the anticipated scholarship costs and also provide some flexibility in teaching materials and experimentation necessary to improve continuously the quality of education in the United Nations International School.

30. The building will be air-conditioned throughout and will provide not only classrooms of adjustable sizes, but also science and language laboratories, a double gymnasium, an auditorium, garden, play area, and eating facilities. It is expected that arrangements can be made with the United Nations and possibly with community groups for use of these facilities outside school hours in order to share the cost of maintenance as well as to maintain appropriate ties with the United Nations and with the community in which the School will be located. These arrangements would assure a self-supporting school.

Analysis of financial requirements

31. Title was taken on 30 April 1963 for the site at 89th Street and York Avenue (the L-shaped plot of 34,500 square feet) for \$1,165,000. An amount of \$365,00 was paid and a mortgage of \$800,000 to be carried at 5 1/2 per cent interest for five years, was entered into by the Association for the United Nations International School.

32. This acquisition results, of course, in annual interest charges of \$44,000 which the Board hopes to reduce as quickly as possible by donations which will reduce the size of the mortgage, or a low-interest loan. Thus far, these charges have been met through rental income from the property, donations, and from the General Assembly grant. The Board of Trustees considers that the acquisition of additional land would be desirable to allow room for expansion of the School to a total of 1,000 pupils and to accommodate a more attractive school plant from a functional viewpoint, but this may not be possible in view of the scarcity of suitable land which is available in Manhattan. Any additional land would have to be purchased within the next three months if the 1966 target for completion of the School is to be maintained and therefore represents an immediate financial requirement which is included in the cost plan.

33. Major building expenses would fall in 1964 and 1965 and therefore the programme calls for \$1,500,000 in 1964 and \$2,000,000 in 1965. It is hoped that these costs will be shared by Governments and private donors.

34. Equipment, furnishings and endowment are required for the first half of 1966. It is expected that equipment and furnishing will be donated by Governments.

Fund raising plans

35. The Fund-Raising Committee appointed by the Board of Trustees is now seeking funds from:

(a) American and European foundations and corporations - especially those interested in education and international affairs;

(b) Governments - especially those whose nationals are in the school or which have shown special interest in the School;

(c) Individual gifts - this campaign was begun with the premiere of the Royal English Ballet at the Metropolitan Opera on 17 April 1963.

36. Experience thus far indicates that private funds will not be forthcoming in significant amounts without concrete evidence of support from Member Governments of the United Nations. It is also clear that sums of this magnitude will not be raised in six months but that a sustained and organized effort must be made over a long period, possibly two years.

37. Until substantial results from the fund-raising plans materialize, there remains the immediate problem of meeting the extra costs, and charges connected with the acquisition of the site such as legal and architectural fees, insurance, servicing of the mortgage, relocation of tenants and other expenses. While the General Assembly grant for the purpose of forwarding plans for the permanent accommodation of the School has been used in full, there remains in the Special Account for the International School Fund a balance of \$18,700, after meeting the operating deficit of the School for 1962/1963. The availability of this balance is due to the substantial decrease in the operating deficit of the School for the last school year; namely, from an estimated amount of \$57,300 to \$37,900, due mainly to the increase in enrolment of United Nations children. The Board hopes that this balance can again be carried over for the purpose of helping to finance the initial expenses incurred in connexion with the acquisition of the site. As such expenditures will continue during 1964, it is also hoped that the General Assembly will continue to assist in meeting these special costs by making a new planning grant for next year.

38. The Board of Trustees is hopeful that the General Assembly will give its support to these plans in order speedily to complete an institution which is vital to the recruitment and retention of staff as well as the solution to serious educational problems of delegations in New York.

APPENDIX I

INTERNATIONAL SCHOOL FUND

Status statement of the Special Account for the United Nations
contributions to the International School for the fiscal year
1 July 1962 through 30 June 1963

Expressed in U.S. dollars

<u>FUND BALANCE AS AT 1 JULY 1962</u>	26,568.67
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Funds provided by:

United Nations contributions pursuant to
General Assembly resolution 1853 (XVII) for:

Liquidation of anticipated operational deficit	50,000.00
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Forwarding plans for permanent accommodation of the School	20,000.00
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TOTAL funds available	<u>96,568.67</u>
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Less: funds applied to:

Subsidy to the Association for the United Nations International School to liquidate the operational deficit for the year ended 30 June 1963	37,868.48
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Expenditures in connexion with permanent accommodations	<u>40,000.00</u>	<u>77,868.48</u>
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FUND BALANCE AS AT 30 JUNE 1963	<u>18,700.19</u>
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Assets of the Fund:

Cash in bank - Chemical Bank New York Trust Company	10,332.90
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Due from the Association for the United Nations International School	<u>8,367.29</u>
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FUND BALANCE AS AT 30 JUNE 1963	<u>18,700.19</u>
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AUDIT CERTIFICATE

I have examined the above statement of status of the special account for the United Nations contribution to the International School. In the course of conducting my examination I obtained all the information and explanations which I required, and, as a result of the audit performed, I certify, that in my opinion, the above statement is correct as presented.

(Signed) DONALD R. LA MARR, CPA (D.C)
Auditor

APPENDIX II

BUDGET ESTIMATES FOR 1963/1964 AND FINANCIAL EXPERIENCE OF THE TWO PRECEDING YEARS

(in thousands of U.S. dollars)

	<u>1963-1964</u>	<u>1962-1963</u>	<u>1961-1962</u>
	(estimate)	(actual)*	(actual)
INCOME			
Gross tuition and other dues ^{a/}	483.1	416.5	385.3
Donations and other income ^{b/}	10.0	8.0	6.3
	<u>493.1</u>	<u>424.5</u>	<u>391.6</u>
United Nations grants	-	37.9	45.9
	<u>493.1</u>	<u>462.4</u>	<u>437.5</u>
EXPENDITURES			
Staff costs and related expenses ^{c/}	404.0	343.1	288.5
Rentals ^{d/}	31.0	31.0	29.6
Maintenance and utilities ^{e/}	12.5	12.1	8.7
Supplies and equipment ^{f/}	18.0	21.1	22.4
School lunches ^{g/}	10.0	8.3	36.7
Other expenses ^{h/}	11.0	13.6	17.1
	<u>486.5</u>	<u>429.0</u>	<u>403.0</u>
Automatic rebates and scholarships ^{i/}	42.6	33.2	34.5
	<u>529.1</u>	<u>462.4</u>	<u>437.5</u>
Estimated operational deficit	<u>36.0</u>		

* Provisional figures subject to final audit.

^{a/} This item includes admission fees and association membership fees as well as tuition fees. The estimates income from tuition fees for 1963-1964 is based on an enrolment of 545 pupils, as compared to an average of 460 pupils for 1962-1963 and 435 pupils for 1961-1962.

(Foot-notes continued on following page.)

/...

- b/ This item includes donations, dividends and other miscellaneous income. It also includes a transfer to meet scholarship grants to non-United Nations children, from the financial results of special fund-raising events.
- c/ This item includes salaries and allowances of all personnel on the payroll: teachers, office staff and maintenance staff. It also includes Provident Fund and Social Security payments, as well as recruitment expenses and travel on home leave.
- d/ This item covers the rental for the temporary quarters in Manhattan as well as the apartments in Parkway village.
- e/ This item includes the cost of maintaining the Manhattan building as well as the apartments in Parkway Village but does not include the salaries of the maintenance staff. Also included are the costs of utilities, covering the cost of coal, gas, water and electricity for Manhattan and electricity only for Parkway Village, where gas, water and heating are included in the rental. Furthermore, this item includes repairs and alterations to building.
- f/ This item includes specialist equipment and furniture for laboratories, classrooms and lunch-rooms, as well as textbooks, stationery, office and art supplies.
- g/ The operation of the programme is under a contractor, on a cost-plus-management fee basis. Starting with the school year 1962-1963, free lunches to the pupils were suspended, but arrangements were made to provide lunches at an annual fee of \$100 which does not cover the full cost. Free lunches continue to be provided for teachers and office personnel as well as free milk for all children.
- h/ This item covers the costs of telephone, insurance, physical education programmes, etc.
- i/ This item includes rebates for United Nations pupils in secondary grades, rebates for multiple enrolment and scholarships to children of United Nations, non-United Nations and delegation families.

APPENDIX III

UNITED NATIONS INTERNATIONAL SCHOOL

Geographical distribution of students

1. Argentina	6	28. Iraq	1
2. Australia	7	29. Ireland	6
3. Austria	1	30. Israel	6
4. Belgium	4	31. Italy	4
5. Brazil	4	32. Jamaica	6
6. Bulgaria	1	33. Japan	3
7. Burma	2	34. Jordan	2
8. Canada	4	35. Kuwait	1
9. Ceylon	9	36. Lebanon	6
10. China	31	37. Liberia	7
11. Chile	2	38. Libya	2
12. Colombia	1	39. Mongolia	1
13. Costa Rica	1	40. Morocco	1
14. Cuba	4	41. Nepal	3
15. Cyprus	1	42. Netherlands	4
16. Dahomey	2	43. New Zealand	10
17. Denmark	5	44. Nigeria	1
18. Finland	1	45. Norway	4
19. France	31	46. Pakistan	10
20. Germany	4	47. Panama	2
21. Ghana	1	48. Peru	5
22. Greece	1	49. Philippines	4
23. Guatemala	3	50. Poland	10
24. Haiti	2	51. Romania	5
25. Hungary	2	52. South Africa	3
26. India	29	53. Spain	1
27. Indonesia	4	54. Sweden	3

55.	Syria	6
56.	Thailand	2
57.	Turkey	3
58.	United Arab Republic	1
59.	United Kingdom of Great Britain and Northern Ireland	30
60.	United States of America	212 ^{a/}
61.	Union of Soviet Socialist Republics	12
62.	Viet-Nam	1
63.	Yugoslavia	8
		<hr/>
		549
		<hr/>

a/ This figure includes 15 children of United Nations Secretariat staff.