

OFFICE OF THE CONTRACTOR GENERAL OF JAMAICA

Special Report of Investigation

Conducted into the Award of Contracts for the Olympic Athletes Homecoming Week of Celebrations – 2008 October 3-10

The Former Ministry of Information, Culture, Youth & Sports (MICYS)

Ministry of Youth Sports & Culture

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INTRODUCTION

On 2008 October 22, the Office of the Contractor-General (OCG), acting on behalf of the Contractor-General, and pursuant to Sections 15 (1) and 16 of the Contractor General Act, initiated an Investigation into the award of contracts that were associated with the Olympic Athletes Homecoming Week of Celebrations.

Section 15 (1) of the Contractor General Act provides that:

“...a Contractor-General may, if he considers it necessary or desirable, conduct an investigation into any or all of the following matters-

- (a) the registration of contractors;*
- (b) tender procedures relating to contracts awarded by public bodies;*
- (c) the award of any government contract;*
- (d) the implementation of the terms of any government contract;*
- (e) the circumstances of the grant, issue, use, suspension or revocation of any prescribed licence;*
- (f) the practice and procedures relating to the grant, issue, suspension or revocation of prescribed licences”.*

Section 16 of the Contractor General Act expressly provides that *“An investigation pursuant to section 15 may be undertaken by a Contractor-General on his own initiative or as a result of representations made to him, if in his opinion such an investigation is warranted”*.

The OCG’s decision to commence the Investigation was taken against the background of a Cabinet Decision, which was dated 2008 August 25, that exempted *“Artistic and cultural products and services – works of art, performance services and other cultural and creative products/services”* from the Government of Jamaica (GOJ) Procurement Procedures Handbook (GPPH). The referenced exemption took full effect as at 2008 September 22, via the issuance of Circular # 35 from the Ministry of Finance and the Public Service (MoFPS).

It should be noted, however, that although the GOJ Public Sector Procurement Procedures makes provision for the exemption of *“Artistic and cultural products and services...”*, the exemption does not in any way restrict or limit the OCG’s jurisdiction into the award of any government contract to determine if a contract has been awarded in compliance with the provisions of Section 4 (1) (a) of the Contractor General Act.

The reason for this is elementary. The provisions of a duly promulgated Act of Parliament take legal precedence over all policies, rules, procedures and regulations.

Section 4 (1) (a) of the Contractor General Act mandates a Contractor General *“... on behalf of Parliament, to monitor the award and the implementation of Government contracts with a view to ensuring that such contracts are awarded impartially and on merit (and that) the circumstances in which each contract is awarded ... do not involve impropriety or irregularity ...”*.

Consequently, all of the contracts which were awarded by the former Ministry of Information Culture, Youth and Sports (MICYS) for the Olympic Athletes Homecoming Week of Celebrations, irrespective of whether or not the above-referenced exemption was

applicable to them, must be tested for lawful validity, probity, impartiality, merit, propriety and regularity in keeping with the statutory requirements of Section 4 (1) (a) of the Contractor General Act.

The referenced Week of Celebrations took place in various parishes across Jamaica between the period of 2008 October 3 and October 10. Funding for the referenced Week of Celebrations was reportedly secured via a co-mingling of private sector and GOJ funding.

As such, and given the participation and the co-funding of events by the Public Bodies involved, the award of the referenced contracts, they being “*Government contracts*” within the meaning of Section 2 of the Contractor General Act, fell within the jurisdictional purview of the OCG.

In point of fact, the Jamaica Information Service (JIS) had published an article which was entitled “*Olympic Homecoming Celebration Fund Launched*” on 2008 September 18, which stated, *inter alia*, that “*The Olympic Homecoming Celebration Fund, a partnership between the Government and the private sector, to help underwrite the cost of a week-long celebration to welcome home Jamaica’s Olympic Team, was launched this morning at Jamaica House.*”

The article further indicated that “*The Fund has been established through the National Commercial Bank (NCB) and will be co-ordinated by the Private Sector Organization of Jamaica (PSOJ), working in association with the Ministry of Sports. Pledges in cash and kind were committed at the launch this morning, most of which will be used to finance the seven day celebratory programme...*”

On 2008 October 3, the JIS published another article which was entitled, “*\$4 Million Boost for Olympic Homecoming Celebrations*” which stated, *inter alia*, the following:

“*The Government’s Olympic Homecoming Celebration Fund has been boosted by a*

\$4 million contribution from the Spanish-Jamaica Foundation.

A cheque in this amount was, on Wednesday (Oct. 1), presented to Information, Culture, Youth and Sports Minister, Olivia Grange, by President of the Foundation, and Spanish Ambassador to Jamaica, Jesus Silva, at Jamaica House...

The funds, which will assist in offsetting the cost of staging a week of activities, between October 3 and 10, to celebrate the success of Jamaica's Olympians at the Beijing Summer Olympics in China in August, represents contributions from some 10 Spanish entities, with current investments in Jamaica...the contribution was the result of a request from State Minister in the Office of the Prime Minister, Daryl Vaz, for assistance.”¹

Based upon the above information, a number of Contractors/Suppliers were reportedly awarded contracts to provide goods and/or services for the Olympic Athletes Homecoming Week of Celebrations.

It was on this premise that the OCG, on the instructions of the Contractor-General, took the decision to investigate the procurement process which was utilized by the former Ministry of Information, Culture, Youth and Sports (MICYS), or anyone acting on its behalf, to award contracts for the Olympic Athletes Homecoming Week of Celebrations.

The referenced Investigation was of utmost importance particularly in light of the fact that the referenced ‘Celebrations’ represented a partnership arrangement between the Government of Jamaica (GOJ) and private sector entities. Further, the referenced partnership involved the spending of public funds to cover certain components of the overall expenditure.

¹ JIS article dated 2008 October 3 entitled, “\$4 Million Boost for Olympic Homecoming Celebrations”.

The OCG, in a press release which was dated 2008 October 23, indicated, in unequivocal terms, that “*the Ministry of Information, Culture, Youth & Sports is a Public Body that is now licensed to jettison the standing Government procurement procedures when undertaking certain procurements.*”

Having regard to the foregoing, and specifically the OCG’s mandate pursuant to Section 4 of the Contractor-General Act, the OCG initiated its Investigation into the award of contracts for the Olympic Athletes Homecoming Week of Celebrations.

Section 4 (1) of the Contractor General Act requires, *inter alia*, that Government of Jamaica contracts must be awarded “*impartially and on merit*” and that the circumstances of award must “*not involve impropriety or irregularity*”.

By way of a letter which was dated 2008 October 22, Mrs. Faith Innerarity, the Permanent Secretary, in the former MICYS, was requisitioned by the OCG and was required to provide the following:

- a) An Executive Summary outlining the events that were staged during the referenced ‘Olympic Athletes Homecoming Week of Celebrations’ and the planning, management and funding arrangements that were associated with same;
- b) Preliminary information in a spreadsheet format, in respect of every contract of JA\$100,000.00 in value and above that was awarded in connection with the Week of Celebrations; and
- c) A global total of the respective values of all contracts which were awarded, together with the aggregated payments that had been made there-under.

Given the aforementioned, the primary purpose of the OCG's Investigation was directed at ensuring that there was probity, transparency and accountability in the award of government contracts for all goods, works and/or services that were associated with the Olympic Athletes Homecoming Week of Celebrations and, in particular, those goods, works and/or services which were the subject of the exemption from the standing requirements of the GPPH (2001 May).

The Terms of Reference of the OCG's Investigation were primarily developed in accordance with the provisions which are contained in Section 4 (1) and Section 15 (1) (a) to (d) of the Contractor-General Act. Additionally, the OCG was guided by the recognition of the very important responsibilities which are imposed upon Public Officials and Officers by the GOJ Procurement Procedures.

The OCG, was also guided by Section 21 of the Contractor-General Act, which mandates that a Contractor-General shall consider whether he has found, in the course of his Investigation, or upon the conclusion thereof, evidence of a breach of duty, misconduct or criminal offence on the part of an officer or member of a Public Body and, if so, to refer same to the appropriate authority.

The Findings of the OCG's Investigation into the award of Government contracts that were associated with the Olympic Athletes Homecoming Week of Celebrations are premised primarily upon an analysis of the sworn statements and the documentary evidence which were provided by the Respondents who were requisitioned by the OCG, during the course of the Investigation.

TERMS OF REFERENCE

The primary aim of the Investigation was to ascertain whether there was compliance with the provisions of the Contractor General Act (1983) and the GOJ Procurement Procedures Handbook (GPPH, 2001 May) in the award of contracts by the former MICYS, in regard to the Olympic Athletes Homecoming Week of Celebrations.

Specific Objectives

The following specific objectives were outlined:

- 1) To ascertain whether there were any breaches of the Government Procurement Procedures in the award of any of the contracts which were consummated and/or executed for the provision of any of the goods, works and/or services for the Olympic Athletes Homecoming Week of Celebrations.
- 2) To ascertain if there is any *prima facie* evidence that would indicate any level of impropriety or irregularity, on the part of any individual or entity, acting on behalf of the former MICYS, in the award of any contract for the Olympic Athletes Homecoming Week of Celebrations.
- 3) To ascertain whether the process which led to the award of contracts to the Contractors/Suppliers who were engaged for the Olympic Athletes Homecoming Week of Celebrations was fair, impartial and transparent.
- 4) To identify the procurement process which was employed by the former MICYS, or anyone acting on its behalf, in engaging the referenced contractors.
- 5) To ascertain whether the contracts that were entered into with the referenced Contractors/Suppliers were awarded fairly and on merit.

- 6) To ascertain whether the referenced Contractors/Suppliers were providing cultural and/or artistic services, which would have been governed by the exemptions from the procurement process, as contained in Circular No. 35 which was issued by the MoFPS.

METHODOLOGY

The OCG, in the conduct of its Investigations, has developed standard procedures for evidence gathering. These procedures have been developed and adopted pursuant to the powers which are conferred upon a Contractor-General pursuant to the Contractor-General Act (1983).

It is instructive to note that Section 17 (1) of the Contractor-General Act empowers a Contractor-General “to adopt whatever procedure he considers appropriate to the circumstances of a particular case and, subject to the provisions of (the) Act, to obtain information from such person and in such manner and make such enquiries as he thinks fit.” (OCG Emphasis).

The Terms of Reference of the OCG’s Investigation into the award of contracts for the Olympic Athletes Homecoming Week of Celebrations, were primarily developed in accordance with those of the mandates of the Contractor-General which are stipulated in Section 4 (1) and Section 15 (1) (a) to (d) of the Contractor-General Act.

The Terms of Reference of the Investigation, and the development of the written Requisitions/Questionnaires that were utilized throughout the course of the Investigation, were guided by the OCG’s recognition of the far-reaching responsibilities and requirements that are imposed upon Public Officials and Public Officers by the GPPH, the Public Bodies Management and Accountability Act, the Financial Administration and Audit Act, the Contractor General Act and the Staff Orders for the Public Sector.

In addition, the OCG was guided by Section 21 of the Contractor-General Act which provides that “If a Contractor-General finds, during the course of his Investigations or on the conclusion thereof that there is evidence of a breach of duty or misconduct or criminal offence on the part of an officer or member of a public body, he shall refer the matter to the person or persons competent to take such disciplinary or other proceeding

as may be appropriate against that officer or member and in all such cases shall lay a special report before Parliament.” (OCG Emphasis)

A preliminary Requisition/Questionnaire, which was dated 2008 October 22, was sent by the OCG to Mrs. Faith Innerarity, Permanent Secretary, in the former Ministry of Information, Culture, Youth and Sports (MICYS).

Further Requisitions/Questionnaires were subsequently directed to other Public Officials and to representatives of private sector entities, who were considered material to the Investigation.

Where it was deemed necessary, ‘Follow-up’ Requisitions were directed to a number of Respondents in an effort to clarify certain issues which were identified in their initial sworn written statements and declarations. These ‘Follow-up’ Requisitions were also designed, *inter alia*, to clarify any discrepancies in the information which was provided by the Respondents.

The Requisitions/Questions which were utilized by the OCG, included specific questions that were designed to elucidate critical information from Respondents on the matters which were being investigated.

However, in an effort to not limit and/or exclude the disclosure of information which was germane to the Investigation, but which might not have been specifically requisitioned by the OCG, the OCG asked all Respondents the following question:

“Are you aware of any additional information which you believe could prove useful to this Investigation or is there any further statement in regard to the Investigation which you are desirous of placing on record? If yes, please provide full particulars of same.”

Very importantly, the form of written Requisition, which was utilized by the OCG, also required each Respondent to provide, under the pain of criminal prosecution, complete, accurate and truthful written answers to a specified list of written questions and to make a formal declaration attesting to the veracity of same before a Justice of the Peace.

The Requisitions were issued pursuant to the powers that are reserved to the Contractor-General under the Contractor-General Act and, in particular, Sections 4, 15, 17, 18 and 29 thereof. The Requisitions were also issued pursuant to Sections 2 and 7 of the Voluntary Declarations Act and Section 8 of the Perjury Act.

It is instructive to note that **Section 18 (2) of the Contractor-General Act** provides that, “*Subject as aforesaid, a Contractor-General may summon before him and examine on oath –*

- a) *any person who has made representations to him; or*
- b) *any officer, member or employee of a public body or any other person who, in the opinion of the, Contractor-General is able to furnish information relating to the Investigation,*

and such examination shall be deemed to be a judicial proceeding within the meaning of section 4 of the Perjury Act. (OCG Emphasis).

Further, **Section 18 (3) of the Contractor-General Act** provides that, “**For the purposes of an Investigation under this Act, a Contractor-General shall have the same powers as a Judge of the Supreme Court in respect of the attendance and examination of witnesses and the production of documents**”. (OCG Emphasis)

Section 2 (1) of the Voluntary Declarations Act provides that, “*In any case when by any statute made or to be made, any oath or affidavit might, but for the passing of this Act, be*

required to be taken or made by any person or persons on the doing of any act, matter, or thing, or for the purpose of verifying any book, entry, or return, or for any other purpose whatsoever, it shall be lawful to substitute a declaration in lieu thereof before any Justice; and every such Justice is hereby empowered to take and subscribe the same.
(OCG Emphasis)

Section 7 of the Voluntary Declarations Act provides that, *“In all cases when a declaration in lieu of an oath or affidavit shall have been substituted by this Act, or by virtue of any power or authority hereby given, or when a declaration is directed or authorized to be made and subscribed under the authority of this Act, or of any power hereby given, although the same be not substituted in lieu of an oath, heretofore legally taken, such declaration, unless otherwise directed under the powers hereby given, shall be in the form prescribed in the Schedule.”*

Section 8 of the Perjury Act provides, *inter alia*, that, *“Every person who knowingly and willfully makes (otherwise than on oath) a statement false in a material particular and the statement is made-*

(a) in a voluntary declaration; or

(c) in any oral declaration or oral answer which he is required to make by, under, or in pursuance of any enactment for the time being in force,

shall be guilty of a misdemeanour, and liable on conviction on indictment thereof to imprisonment with hard labour for any term not exceeding two years, or to a fine, or to both such imprisonment and fine”.

The material import of the foregoing, *inter alia*, is that the sworn and written evidence that is provided to a Contractor General, in response to his Statutory Requisitions, during the course of his Investigations, is (a) provided in accordance with certain specified provisions of the Statutory Laws of Jamaica, and (b) provided in such a manner that if any part thereof is materially false, the person who has provided same would have, *prima facie*, committed the offence of Perjury under Section 8 of the Perjury Act and, as will be seen, would have

also, *prima facie*, committed a criminal offence under Section 29 (a) of the Contractor General Act.

The OCG considers the above-referenced evidence-gathering procedures to be necessary in order to secure, *inter alia*, the integrity and evidentiary cogency of the information which is to be elicited from Respondents. The implications of the subject requirements also serve to place significant gravity upon the responses as well as upon the supporting documents which are required to be provided by Respondents.

It is instructive to note that the OCG, in the conduct of its Investigation, prefers to secure sworn written statements and declarations from Respondents, under the pain of criminal prosecution. This ensures, *inter alia*, that there is no question as to what has been represented to the OCG. Nor will there be any doubt as to the integrity or credibility of the information which is furnished to the OCG and on which its consequential Findings, Conclusions, Referrals and Recommendations will be necessarily based.

The OCG also went to great lengths to ensure that Respondents were adequately and clearly warned or cautioned that should they mislead, resist, obstruct or hinder a Contractor-General in the execution of his functions or fail to provide a complete, accurate and truthful response to any of the Requisitions or questions which were set out in its Requisition, they would become liable, *inter alia*, to criminal prosecution under Section 29 of the Contractor-General Act.

Section 29 of the Contractor-General Act provides as follows:

“Every person who -

(a) willfully makes any false statement to mislead or misleads or attempts to mislead a Contractor-General or any other person in the execution of his functions under this Act; or

(b) without lawful justification or excuse -

- i. obstructs, hinders or resists a Contractor-General or any other person in the execution of his functions under this Act; or*
- ii. fails to comply with any lawful requirement of a Contractor General or any other person under this Act; or*

(c) deals with documents, information or things mentioned in section 24 (1) in a manner inconsistent with his duty under that subsection, shall be guilty of an offence and shall be liable on summary conviction before a Resident Magistrate to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.”

Further, in addition to the **sworn** written answers which the Respondents were required to provide, the OCG also requested that in respect of the assertions and/or information which were to be provided, Respondents should submit documentary evidence to substantiate the statements that were made.

Requisitions/Questionnaires were directed by the OCG to the Public and Private Sector Officers/Officials who are listed below. In addition, comprehensive reviews of certain relevant information were undertaken by the OCG to assist it in its Investigation. Details of these are also summarized below.

1. The following Public Officials were required to provide sworn written responses to formal Requisitions which were directed to them by the OCG:

The named public officials are:

- a. Mrs. Faith Innerarity, Permanent Secretary, in the former Ministry of Information, Culture, Youth and Sports;
- b. Ms. Marcia Hextal, Executive Director, Jamaica Cultural Development

Commission.

2. A detailed Requisition was also directed to the following persons:
 - a. Mrs. Karis Flowers, Director, Research and Financial Services, Private Sector Organization of Jamaica;
 - b. Mr. Lenford Salmon, Managing Director, Jambiz International Limited.

3. A Follow-up Requisition/Questionnaire, requesting clarification on certain issues, was directed by the OCG to the following Public Official:
 - a. Mr. Shawn Thompson, Director of Corporate Services, in the former Ministry of Information, Culture, Youth and Sports.

4. On 2008 November 27, an OCG Investigation Team reviewed and audited the files of the former MICYS at its New Kingston Office.

FINDINGS

Contract Awards for the Olympic Athletes Homecoming Week of Celebrations

On the morning of 2008 September 18, the Olympic Homecoming Celebration Fund was launched at Jamaica House. According to an article which was published by the JIS on even date, the referenced Fund was a “...partnership between the Government and the private sector, to help underwrite the cost of a week-long celebration to welcome home Jamaica’s Olympic Team...”²

It is instructive to note that some four (4) days after the launch of the Fund, the MoFPS issued Circular No. 35, which was entitled “*Exemptions from the Government of Jamaica Handbook of Public Sector Procurement Procedures*”. The referenced Circular, which was published on 2008 September 22, became effective on even date, and stated, *inter alia*, that:

*“Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are hereby advised that via **Cabinet Decision No. 28/08 dated August 25, 2008**, the following are exempt from the procurement procedures effective **22nd September 2008**.....Artistic and cultural products and services – works of art, performance services and other cultural and creative products/services....”*

Based upon the nature of the exemptions which were granted to procuring public bodies pursuant to Circular No. 35, the OCG initiated its Investigation of the procurement activities which were undertaken by the former MICYS, for the Olympic Athletes Homecoming Week of Celebrations.

Consequently, by way of a letter which was dated 2008 October 22, the OCG wrote to the Permanent Secretary, Mrs. Faith Innerarity, in the former MICYS, requesting that certain

² Article published on 2008 September 18, on the Jamaica Information Service website entitled, “Olympic Homecoming Celebration Fund Launched.

information and documentation be provided to the OCG.

In its written requisition, which was dated 2008 October 22, the OCG requested that the Permanent Secretary provide, *inter alia*, an Executive Summary outlining the particulars of all contracts in excess of J\$100,000, which were awarded for the Olympic Athletes Homecoming Week of Celebrations.

The Permanent Secretary, in the former MICYS, in response to the referenced OCG Requisition, provided an Executive Summary, under the cover of a letter which was dated 2008 November 12.

The Executive Summary which was provided by the Permanent Secretary, outlined the events which were staged, the planning, management and funding arrangements that were associated with same, and the particulars of the contracts which were awarded for the Olympic Athletes Homecoming Week of Celebrations.³

In the referenced Executive Summary, Mrs. Innerarity indicated that:

“The outstanding performance of Jamaican athletes in Beijing fostered a spirit of national pride and unity. International recognition of the achievement of these athletes also significantly enhanced “Brand Jamaica” and increased earning potential for the country. It is against this background that the Government in partnership with the private sector planned a series of activities to honour the athletes and the entire Beijing delegation. The celebrations were aimed at providing the country with an opportunity to express its appreciation for the accomplishments of the Beijing team while solidifying the contribution of the success of the Games to social cohesion.

³ Response which was received from the Permanent Secretary, in the former MICYS, under the cover of letter which was dated 2008 November 12.

In keeping with the national character of the celebrations, the Planning Committee (established initially under the chairmanship of the Prime Minister and later delegated to the Minister of Information, Culture, Youth and Sports) was comprised of representatives from Government agencies, the Opposition and private sector entities.

The National Planning Committee had several meetings that identified a series of actions and activities deemed appropriate for the celebrations. In order to ensure proper coordination and management of the process, including the artistic and cultural elements, JAMBIZ International was contracted to provide the following services:

- 1. Conceptualization and preparation of project document for Homecoming Celebrations.*
- 2. Welcome Reception at the Norman Manley International Airport on Friday October 3.*
- 3. Olympics Sports Gala at the National Stadium on Saturday October 4*
- 4. Western Olympics Gala at the Trelawny Stadium on Wednesday October 8.*
- 5. Intermittent receiving of returning athletes at the Norman Manley International Airport, September 1- October 2.*
- 6. Three new Floats and one refurbished Float for Motorcades and three hand-drawn chariots to be used in the Galas.*

Details of the various events staged... included:

A. Pre-Celebration Activities

- 1) Return of the “Lightning Bolt” –September 8*
- 2) National Exhibition – Making Tracks: The Story of Jamaican Athletics, commencing September 10.*

- 3) *UNESCO International Conference on Sports for Peace and Development in collaboration with Ministry of Information, Culture, Youth and Sports (MICYS), Hilton Hotel, September 13-15.*
- 4) *Prime Minister's Luncheon for administrators and support staff in the Beijing contingent, Vale Royal, September 17.*
- 5) *Usain's Hometown Party, September 20, 2008.*

B. Celebration Activities

- 1) *Return of Athletes – Norman Manley International Airport, Friday October 3*
- 2) *Motorcade 1 (Corporate Area) –October 3*
- 3) *Dining with the Stars (JAAA Fundraiser), sponsored by Strawberry Hill Hotel, Friday October 3*
- 4) *Motorcade 2 (Montego Bay to Falmouth), Tuesday October 7*
- 5) *Trelawny Tribute, Sunday October 12*
- 6) *National Sports Gala, National Stadium, Saturday October 4*
- 7) *School/Community Visits, Monday October 6 – Wednesday October 8.*
- 8) *Reception Sponsored by the Jamaica Tourist Board, Ritz Carlton, October 3.*
- 9) *Digicel Banquet, Vale Royal, Friday October 10.”⁴*

⁴ Response which was received from the Permanent Secretary, in the former MICYS, under the cover of letter which was dated 2008 November 12.

The OCG found that several Contractors/Suppliers had been engaged to provide goods and/or services for the execution of the activities.

Included in the Permanent Secretary's response of 2008 November 12, was an itemized listing of forty-five (45) contracts which were reportedly awarded in regard to the Olympic Athletes Homecoming Week of Celebrations. According to the spreadsheet, which was provided to the OCG, by the Permanent Secretary, the total pecuniary value of the contracts, which were awarded above the J\$100,000 threshold, amounted to approximately \$57 million.

These contracts, the sources of funding and the respective procurement methodologies, *inter alia*, formed the sub-stratum of the OCG's analysis of the Ministry's conformance with the requirements of Circular No. 35, from the MoFPS, which became effective on 2008 September 22.

Planning, Conceptualization and Implementation of the Olympic Athletes Homecoming Week of Celebrations

In regard to the planning, conceptualization and implementation of the event, Mrs. Faith Innerarity, Permanent Secretary, in the former MICYS, indicated, in her response to the OCG's requisition, which was dated 2008 November 12, that the following decisions were made to facilitate the preparations:

1. *"A sub-committee headed jointly by Hon. Daryl Vaz, Minister of State for Development in the Office of the Prime Minister and Mr. Patrick Hylton, Chief Executive Officer of the National Commercial Bank, was assigned responsibility for the collection of cash contributions and other donations for the celebration.*
2. *Given the public-private partnership approach in the planning and funding of the event, the sub- committee was mandated to open a special account, GOJ/PSOJ Homecoming Account, for the payment of services rendered during the period of the celebration and other associated costs.*
3. *The original estimated budget presented by the Committee was approximately J\$103M, which, with further revisions, was brought down to \$77M. **The financial support required from Government was projected at \$34M. In respect of the latter, \$10M was contributed by the CHASE Fund, \$13M from the Sports Development Foundation and another \$10 committed from the Tourism Enhancement Fund (TEF)** which has not yet been fully disbursed. (OCG's Emphasis)*
4. *In addition to the foregoing expenditure, several activities were sponsored by various private sector companies which paid directly for the services required and they were also in-kind donations for some of the events."*⁵

⁵ The MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2008 November 12.

With regard to certain financial arrangements surrounding the implementation of the Olympic Athletes Homecoming Week of Celebrations, the Permanent Secretary, in her response to the OCG’s Requisition, which was dated 2008 November 12, stated that “...*the value of contracts awarded for \$100,000 and above, amounted to \$57,303,002.78. Of this sum, \$28,561,407.75 has already been paid. The outstanding balance of \$28,741.595.03 will be covered mainly from private sector commitments.*”⁶ (OCG Emphasis)

The OCG, in a Requisition, which was dated 2009 January 13, requested that the Permanent Secretary, Mrs. Faith Innerarity, in the former MICYS, indicate “*What was the total cost of conceptualizing, planning and implementing the Homecoming Week of Celebrations?*” and “... *provide, as best as possible, itemized details of the sources of the funds and/or donations which were actually used to meet these costs.*”⁷

Mrs. Faith Innerarity, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, provided the OCG with a response from the Director of Corporate Services, Mr. Shawn Thompson. In the referenced response from Mr. Thompson, it was asserted that:

“The budgeted amount for the conceptualizing, planning and implementing the Homecoming Week of Celebrations was approximately \$80M.

*Source of funds/donations pledged to finance the event are detailed as under.*⁸

Company	Remarks	Amount J(\$)
<i>Digicel</i>	<i>Floats, Chariots</i>	<i>6,683,605.00</i>
<i>Digicel</i>	<i>Other</i>	<i>19,235,000.00</i>
<i>NCB</i>	<i>School Tours</i>	<i>5,000,000.00</i>
<i>SDF</i>	<i>MICYS</i>	<i>3,000,000.00</i>
<i>SDF</i>	<i>PSOJ/GOJ</i>	<i>10,000,000.00</i>
<i>Chase Fund</i>	<i>PSOJ/GOJ</i>	<i>10,000,000.00</i>

⁶ Response from the Permanent Secretary in the former MICYS under the cover of letter which was dated 2008 November 12.

⁷ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #5

⁸ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #5

<i>TEF</i>		<i>10,000,000.00</i>
<i>Flow</i>		<i>750,000.00</i>
<i>Citibank</i>		<i>350,000.00</i>
<i>New Era Homes</i>		<i>1,000,000.00</i>
<i>Spanish Foundation of Jamaica</i>		<i>4,000,000.00</i>
<i>RBTT</i>		<i>250,000.00</i>
<i>Institute of Sports</i>		<i>1,103,000.00</i>
<i>Toyota Jamaica Ltd (US\$19,300.00)</i>		<i>1,389,600.00</i>
<i>MBJ Airports</i>		<i>500,000.00</i>
<i>Alpart</i>		<i>720,000.00</i>
<i>Boss Furniture</i>		<i>100,000.00</i>
<i>Bank of Nova Scotia</i>	<i>JAAA Diner</i>	<i>1,000,000.00</i>
<i>Other PSOJ Companies</i>	<i>Kick start Ad Campaign</i>	<i>5,000,000.00</i>
<i>Pegasus Hotel</i>	<i>194 rooms for Athletes</i>	

It should be noted that:

- *Of the \$34M that was pledged by public sector entities only \$20M was lodged directly to the PSOJ/GOJ NCB Account.*
- *\$3M from SDF was paid to MICYS Homecoming Deposit Account.*
- *\$5M from TEF was lodged to MICYS Homecoming Deposit Account.*
- *To date only \$9.1M was actually received from TEF. The amount received is broken down as follows:*

\$5M - MICYS Deposit Account.

\$3.1M - Paid directly for the Ritz Carlton function.

*\$1M - Starfish Hotel for Athletes accommodation during the
Trelawny leg of the celebrations*

(Amount to the Ritz Carlton and Starfish Hotel was paid directly by

the T.E.F)

- *A sum of \$1,103,000.00 was paid directly by the Institute of Sports.*
- *\$1M donated by BNS was lodged to MICYS Homecoming Deposit Account and was utilized for Dining with the Stars under the Stars function.”⁹*

The OCG, in its Requisition, that was addressed to Mrs. Faith Innerarity, which was dated 2009 January 13, posed the following question:

“What measures and/or steps were taken to ensure that the requirements of the Government Procurement Procedures Handbook (GPPH) were adhered to in the procurement of any and all goods, works and services for the Homecoming Week of Celebrations which were specifically procured through public funds?”

Mr. Thompson explained, *inter alia*, that “...when MICYS realized that \$20M in public funds was lodged to the PSOJ/GOJ account, documentation in respect of procurement was subsequently requested before cheques were signed and as indicated before, this was the reason for seeking approval for direct contracting/sole sourcing.”¹⁰

In the OCG’s Requisition, which was dated 2009 January 13, the Permanent Secretary, Mrs. Faith Innerarity, was further required to provide a list “...of all Government of Jamaica entities/institutions/public bodies which funded and/or made any contribution towards any aspect of the Homecoming Celebrations...”¹¹

⁹ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #5

¹⁰ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #8

¹¹ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #17

In this regard, Mr. Shawn Thompson, Director of Corporate Services, provided the following information:

<i>Name of Public Entity</i>	<i>Monetary Value</i>	<i>Date Received</i>	<i>Purpose for which funds were designated</i>	<i>Remarks</i>
<i>Sports Development Foundation</i>	<i>\$3M</i>	<i>2-10-08</i>	<i>Homecoming Celebration Events</i>	
<i>Sports Development Foundation</i>	<i>\$10M</i>	<i>Lodged directly to PSOJ/GOJ Account</i>	<i>Homecoming Celebration Events</i>	
<i>Chase Fund</i>	<i>\$10M</i>	<i>Lodged directly to PSOJ/GOJ Account</i>	<i>Homecoming Celebration Events</i>	
<i>Tourism Enhancement Fund (TEF)</i>	<i>\$9.1M</i>	<i>Lodged to MICYS Deposit Account 31/10/08</i>	<i>Homecoming Celebration events</i>	<i>Only \$5M was actually received by MICYS as \$4.1M was paid directly by TEF to suppliers.</i>
<i>Institute of Sports</i>	<i>1.103M</i>	<i>Paid directly to suppliers</i>	<i>Chin Yees travel services for transporting athletes from overseas.</i>	

By way of a letter, which was dated 2009 July 9, the OCG requisitioned Mrs. Karis Flowers, Director, Research and Financial Services, in the Private Sector Organization of Jamaica (PSOJ), to ascertain and corroborate the validity of the information, with respect to the amalgamation of public/private funds, which was provided by the former MICYS.

In this regard, the OCG, in its requisition to Mrs. Karis Flowers, which was dated 2009 July 9, posed the following verbatim question:

“Please indicate what funds were used to cover the expenses of all of the services which were contracted by the PSOJ for the Olympic Athletes Homecoming Week of Celebrations? Where possible, provide documentary evidence in support of the information.”¹²

¹² Letter dated 2009 July 9, sent from the OCG to Mrs. Karis Flowers in the PSOJ. Question #10

Mrs. Flowers, in her sworn response to the OCG's Requisition, which was dated 2009 July 20, stated the following:

*"The PSOJ did not contract any services. The funds that were deposited into the GOJ/PSOJ Homecoming Fund were used to make payments to suppliers as agreed. Please review the attached statement of inflows and outflows of funds in the NCB account."*¹³

Detailed overleaf are the inflows and outflows from the joint GOJ/PSOJ Special Account:

¹³ Letter dated 2009 July 20, sent from Mrs. Karis Flowers in the PSOJ in response to the OCG's requisition dated 2009 July 9. Response #10

LODGEMENTS		PAYMENTS		
<i>Particulars</i>	<i>\$</i>	<i>Cheque #</i>	<i>Payee</i>	<i>\$</i>
<i>Balance B/Fwd</i>	-	113316	<i>Ad Council Jamaica Ltd</i>	2,500,000.00
<i>Stewart Motors</i>	1,000,000.00	113317	<i>Fireworks & Explosives</i>	2,407,181.25
<i>Geon Group</i>	1,000,000.00	113318	<i>Jam Biz International Ltd</i>	2,544,900.00
<i>Flow</i>	750,000.00	113319	<i>Kingston Hireage Limited</i>	82,517.50
<i>Ameco</i>	25,000.00	113320	<i>Paul Hamilton</i>	700,000.00
<i>Citi</i>	350,000.00	113321	<i>JamFit Cheerleaders</i>	79,200.00
<i>Toyota Jamaica Limited – (US\$19,300.00)</i>	1,358,527.00	113322	<i>Cancelled</i>	0.00
<i>Sports Development Foundation</i>	10,000,000.00	113323	<i>Tent City Rentals</i>	143,731.88
<i>Gore Development Limited</i>	1,000,000.00	113324	<i>Phase Three Productions</i>	491,630.00
Deposit	1,000,000.00	113325	<i>Limo Tours Limited</i>	62,500.00
<i>Guardian Life Limited</i>	1,000,000.00	113326	<i>Rosina Moder</i>	162,500.00
<i>Alpart</i>	500,000.00	113327	<i>Rose & Company Limited</i>	666,962.50
<i>MBJ Airports</i>	750,000.00	113328	<i>Visual Vibe Limited</i>	1,175,000.00
<i>CHASE Fund & National Supply</i>	10,025,000.00	113329	<i>Laribo Marketing & Con.</i>	85,000.00
Deposit	10,000.00	113330	<i>Bell Communications Ltd</i>	76,890.00
<i>RBTT</i>	250,000.00	113331	<i>David Mais</i>	300,000.00
<i>Spanish Foundation of Jamaica</i>	1,750,000.00	113332	<i>Knightsman Limited</i>	244,700.00
<i>Spanish Foundation of Jamaica</i>	720,000.00	113333	<i>Cancelled</i>	0.00
<i>Best Dressed Foods</i>	900,000.00	113334	<i>Cancelled</i>	0.00
<i>Spanish Foundation of Jamaica</i>	786,000.00	113335	<i>JamBiz International</i>	1,544,900.00
		113336	<i>Fitz Harrack</i>	304,000.00
		113337	<i>JamBiz International</i>	1,206,000.00
		113338	<i>Kingston Hireage Limited</i>	57,440.00
		113339	<i>Ad Council Jamaica Ltd</i>	2,500,000.00
		113340	<i>Knightsman Limited</i>	244,700.00
		113341	<i>Sparkles Production Ltd</i>	7,616,071.00
		113342	<i>Cancelled</i>	0.00
		113343	<i>Cancelled</i>	0.00
		113344	<i>Rosina Moder</i>	162,500.00
		113345	<i>Limo Tours Limited</i>	62,500.00
		113346	<i>Phase Three Production</i>	222,398.50
		113347	<i>Tent City Rentals</i>	143,731.87
		113348	<i>JamFit Cheerleaders</i>	20,000.00
		113349	<i>Paul Hamilton</i>	300,000.00
		113350	<i>Laribo Marketing & Con.</i>	85,000.00
		113351	<i>Cancelled</i>	0.00
LODGEMENTS		PAYMENTS		

		113352	St. James Parish Council	1,000,000.00
		113353	J.C. Stephens Exq. Occ.	16,560.00
		113354	Golden Grocery	10,906.00
		113355	Jamaica Information Serv	12,000.00
		113356	Patsy Lyn Caterers	55,450.00
		113357	Cancelled	0.00
		113358	Cancelled	0.00
		113359	Cancelled	0.00
		113360	Cable & Wireless Ja. Ltd	1,870.82
		4787301	Phase Three Production	176,497.50
		4787302	Bell Communications	38,415.88
		4787303	Sparkles Production	245,329.00
		4787304	Cancelled	0.00
		4787305	Rose & Company Limited	478,037.50
		4787306	Tent City	42,000.00
		4787307	Jam Biz International Ltd.	389,000.00
		4787308	Delroy Thompson	150,000.00
		4787309	Dwayne Thompson	150,000.00
		4787310	JCF Community Safety	368,150.00
		4787311	Cancelled	0.00
		4787312	Western Bottles Limited	20,000.00
		4787313	Eva Richards	32,200.00
		4787314	Club Nazz & Restaurant	246,800.00
		4787315	Bell Communications	170,000.00
		4787316	Cancelled	0.00
		4787317	Firework & Explosive Effects	1,206,159.61
		4787318	Cancelled	0.00
		4787319	Jamaica Observer	98,625.00
		4787320	The Jamaica Pegasus	1,285,000.00
			Bank Charges	3,249.76
			Total Payments	32,388,205.57
Total Deposits	33,174,727.00		Cashbook balance	786,521.43
			Balance at NCB – 30/06/09	824,937.31
			Outstanding cheque: Bell Communications	38,415.88

It should be noted that an analysis of the lodgements to the referenced NCB account revealed that the Sports Development Foundations and CHASE Funds & National Supply had lodged \$10,000,000.00 and \$10,025,000.00 respectively.

The OCG in its requisition that was addressed to Mrs. Karis Flowers, PSOJ, which was dated 2009 July 9, further posed the following question:

“Please list the names of all Government of Jamaica entities/institutions/public bodies which funded and/or made any contribution towards any aspect of the Homecoming Celebrations. The list should include:

- i) The full name of the GOJ entity(ies)/institution(s)/public body(ies);*
- ii) The monetary value of the funds, inclusive of currency, which were received from the named GOJ entity(ies)/institution(s)/public body(ies);*
- iii) The date(s) on which the funds were received, from the named GOJ entity(ies)/institution(s)/public body(ies), by the PSOJ and/or any named representative acting on behalf of the PSOJ;*
- iv) The goods, works and/or services, if any, for which the funds were earmarked and/or designated and/or expended.”¹⁴*

Mrs. Flowers, in her sworn response to the OCG’s Requisition, which was dated 2009 July 20, stated the following:

“i) The GOJ entities/Public bodies which made deposits to the account are as follows:

(a) Sports Development Foundation.

- ii. The monetary value was J\$10 Million.*
- iii. The funds were deposited to the GOJ/PSOJ account on October 2, 2009.*
- iv. The funds went towards general payments.*

(b) CHASE Fund

- ii. The monetary value was J\$10 Million.*
- iii. The funds were deposited to the GOJ/PSOJ account on October 7, 2009.*
- iv. The funds went towards general payments.*

¹⁴ Letter dated 2009 July 9, sent from the OCG to Mrs. Karis Flowers in the PSOJ. Question #15

Apparently two lodgments were made to the account on the 7th of October. No notation was made regarding the names of the depositors. However based on correspondence received from National Supply Limited, the company made a deposit of J\$25,000, hence the sum of \$10,025,000 noted on the statement of inflows to and outflows from the NCB account.”¹⁵

Having regard to the aforementioned assertions, it is instructive to note that the OCG also posed, *inter alia*, the following question to Mrs. Flowers:

“Please provide a list of all goods, works and/or services, which were paid for in totality by Private Sector donations and/or contributions. The list should include the following:

- i. The name of the private sector entity(ies) which made the payment(s)/donation(s) and/or contribution(s);*
- ii. The name(s) of the contractor(s) which were engaged for the provision of the goods, works and/or services;*
- iii. The goods, works and/or services which were paid for by the named entity(ies);*
- iv. The total value of the goods, works and/or services which were paid for by the named entity (ies).”¹⁶*

Mrs. Flowers, in her sworn response to the OCG’s Requisition, which was dated 2009 July 20, further stated the following:

“i. & iii On September 16, 2008 at the meeting at Jamaica House, the Prime Minister spoke of a legacy advertising campaign that private sector companies should support to encourage positive values among Jamaicans. Five companies

¹⁵ Letter dated 2009 July 20, sent from Mrs. Karis Flowers in the PSOJ in response to the OCG’s requisition dated 2009 July 9. Response #15.

¹⁶ Letter dated 2009 July 9, sent from the OCG to Mrs. Karis Flowers in the PSOJ. Question #16

made pledges of J\$1,000,000.00 to support this campaign for which the Ad Council Jamaica was responsible. The five donors were: Geon Group of Companies, Guardian Life Limited, Best Dressed Foods, Stewart Motors and Gore Developments Limited.

All others deposits to the account were lumped together to make payments for various expenses. Attached is the statement of funds inflows and outflows.

According to The PSOJ's records other donations were received in the form of cash from the following companies: Stewart Motors; Geon Group; Flow; Ameco; Citi; Toyota; Sports Development Foundation [sic] Gore Developments Limited; Guardian Life; Alpart Jamaica; MBJ Airports, CHASE Fund, National Supply; RBTT Bank; Spanish Foundation of Jamaica; Best Dressed Foods . In addition, there are two deposits to the NCB account that did not reflect the name of the depositor. Funds received in the account totaled approximately J\$33,174,727.

Please note that Digicel made direct payments for goods, works and services related to the National Sports Gala and the Digicel Banquet. According to the budget, Digicel was slated to pay for all the technical aspects of the production, for which the budgeted amount was J\$25 Million. National Commercial Bank also made direct payments for the activities in respect of the school tours, for which the budgeted amount was J\$5 Million. These private entities would have made their expenditures based on their own internal vendor approval process which governs how their money is spent.

ii. The PSOJ did not engage any contractors.

iv. There were several payments made. Please see attached statement of funds inflows and outflows, for all the relevant details.

Donations in – kind were offered by:

Flow- Lifetime award of Flow’s all digital service to 15 medalists

New Era Homes- 6 Caribbean Estates townhouses

Wisynco- 500 cases of water & Bigga

Boss Furniture Company- Bed for each medalist

Red Stripe- 38 cases of liquor

J.Wray & Nephew- Bar service at Digicel Banquet

Stewart Motors- Transportation

Carib Cement- \$3 Million worth of cement

Best Dressed Foods- \$100,000 of product

It is important to note that although The PSOJ provided administrative support for the initiative, there may have been instances where private sector entities made contributions (in-kind) but the PSOJ was not informed.”¹⁷

The information that was provided by Mrs. Karis Flowers, Director, Research and Financial Services, PSOJ, in her response to the OCG’s Requisition, which was dated 2009 July 20, was cross-referenced with the tabled information detailing the source of funds, which was provided by the former MICYS, under the cover of a letter, which was dated 2008 November 12.

It is instructive to note that the tabled information which was entitled ‘*Funds Inflows and Outflows*’, that was provided by the PSOJ, revealed that \$33,174,727.00 was lodged to the joint PSOJ/GOJ Special Account inclusive of funds which were received from both private sector and public bodies. The referenced tabled information further revealed that total payments had amounted to \$32,388,205.57.

¹⁷ Letter dated 2009 July 20, sent from Mrs. Karis Flowers in the PSOJ in response to the OCG’s requisition dated 2009 July 9. Response #16

It is also instructive to note that the OCG, in its Requisition which was dated 2009 January 13, required the Permanent Secretary to provide details regarding “...whom, how and when...” the services of some thirty three (33) Contractors/Suppliers were engaged.

Mrs. Faith Innerarity, the Permanent Secretary, in the former MICYS, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which he stated as follows:

“The list of service providers and organizations/individuals that engaged their services is shown in the table below:

<i>Service Providers</i>	<i>Organizations that engaged the services</i>	<i>Date of engagement</i>
<i>Ad Council</i>	<i>Planning Committee</i>	<i>25-09-08</i>
<i>Fireworks and Explosive</i>	<i>Jambiz International</i>	<i>25-09-08</i>
<i>Jambiz International</i>	<i>Planning Committee/MICYS</i>	<i>04-09-08</i>
<i>Phase Three Production Ltd</i>	<i>Jambiz International</i>	<i>30-09-08</i>
<i>Limo Tours</i>	<i>Jambiz International</i>	<i>30-09-08 & 07-10-08</i>
<i>Bell Communications</i>	<i>Jambiz International/David Mais (Planning Committee)</i>	<i>29-09-08 & 3-10-08</i>
<i>Laribo Marketing & Consultants Ltd.</i>	<i>Jambiz International</i>	<i>26-09-08</i>
<i>Visual Vibes</i>	<i>Jambiz International</i>	<i>02-10-08 & 03-10-08</i>
<i>Rose & Company Ltd</i>	<i>Jambiz International</i>	<i>24-09-08 & 01-10-08</i>
<i>Rosina Moder</i>	<i>Jambiz International</i>	<i>26-09-08</i>
<i>Tent City Rental</i>	<i>Jambiz International</i>	<i>30-09-08 & 02-10-08</i>
<i>Paul Hamilton</i>	<i>Jambiz International</i>	<i>26-09-08</i>
<i>Fitz Harrack</i>	<i>Jambiz International</i>	<i>03-10-08</i>
<i>MRB Trading Ltd/Sparkles</i>	<i>Planning Committee</i>	<i>03-10-08. An error was made with the date for Direct contract request from the P/S date should be 04-10-08 instead of 04-09-08</i>
<i>Kingston Hireage & Wholesale Liquor</i>	<i>JCDC</i>	<i>3-10-08 – 06-10-08</i>
<i>David Mais</i>	<i>Planning Committee</i>	<i>02-10-08 & 07-10-08</i>
<i>Knightsman Ltd</i>	<i>Planning Committee</i>	<i>01-10-08</i>
<i>St. James Parish Council</i>	<i>Planning Committee/David Mais</i>	<i>07-10-08</i>
<i>Jamaica Information Service (J.I.S)</i>	<i>Planning Committee</i>	<i>1-10-08</i>
<i>Electro Tech Production Ltd</i>	<i>Pat Amos/MICYS</i>	<i>03-10-08</i>
<i>Protection & Security Limited</i>	<i>Planning Committee</i>	<i>03-10-08 & 08-10-08</i>
<i>J.C.F</i>	<i>Planning Committee</i>	<i>03-10-08</i>
<i>Air Jamaica</i>	<i>Planning Committee</i>	<i>1-10-08 & 06-10-08</i>
<i>Chin Yees Travel Services</i>	<i>Institute of Sports</i>	<i>30-09-08 & 1-10-08</i>
<i>Starfish Trelawny</i>	<i>Tourism Enhancement Fund</i>	<i>07-10-08</i>
<i>Cleveland Resort Ltd/A EL Greco Resort</i>	<i>JCDC</i>	<i>08-10-08 & 09-10-08</i>
<i>Mr. Barrier</i>	<i>JCDC</i>	<i>04-10-08</i>
<i>Dian Simpson</i>	<i>JCDC</i>	<i>23-09-08;02-10-08;10-10-08;11-10-08</i>
<i>Events R Us</i>	<i>JCDC</i>	<i>06-10-08</i>
<i>LP Azar Limited</i>	<i>JCDC</i>	<i>01-10-08</i>
<i>I Threes</i>	<i>Pat Amos/MICYS</i>	<i>03-10-08</i>
<i>Backline/Stg/Mgt</i>	<i>Pat Amos/MICYS</i>	<i>03-10-08</i>

*With the exception of Jambiz International whose services were contracted based upon a **meritorious unsolicited proposal**, the other services were contracted based upon the **direct contract/sole source methodology**.”¹⁸ (OCG Emphasis)*

The OCG’s Analysis of the Engagement/Award of Contractors

The OCG observed that information which was received from the Permanent Secretary and Mr. Shawn Thompson, in the former MICYS, in their responses to the OCG’s Requisitions, which were dated 2008 November 12 and 2009 February 2, and 2009 September 1, respectively, were inconsistent, in regard to the agencies/entities which were responsible for the award of various contracts. These inconsistencies are further outlined below.

Mrs. Faith Innerarity, Permanent Secretary, in her response to the OCG’s Requisition, which was dated 2008 November 12, indicated, *inter alia*, the following:

1. Seven (7) contracts were awarded to six (6) Contractors/Suppliers, by the JCDC, namely: Mr. Barrier, Dian Simpson, Kingston Hireage & Wholesale Liquor Ltd., L.P. Azar Ltd., Events R Us and Sonia Homestyle Cooking Restaurant.
2. Eleven (11) contracts were sub-contracted to nine (9) Contractors/Suppliers, by Jambiz International Limited, namely: Phase Three Production Limited, Laribo Marketing and Consultants Limited, Rose and Company Limited, Rosina Moder, Paul Hamilton, Kingston Hireage & Wholesale Liquor Limited, David Mais, Fitz Harrack and The Jamaica Constabulary Force.
3. Eight (8) contracts which were awarded to six (6) Contractors/Suppliers, via the Direct Contracting Procurement Methodology, were reported as being approved by the Accounting Officer within the former MICYS,

¹⁸ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #20

namely: Jambiz International Limited, Bell Communications, Knightsman Limited, MRB Trading Limited/Sparkles, Electro Tech Productions Limited and Protection and Security Limited.

4. One (1) contract was awarded via the Sole Source Procurement Methodology and was reportedly approved by the Accounting Officer, namely: Fireworks and Explosives.
5. Five (5) contracts were 'procured' by the Private Sector Organization of Jamaica, namely: Ad Council Jamaica, Limo Tours Limited, Bell Communications Limited, Visual Vibe Limited and Tent City Rentals.
6. For two (2) contracts which were reported, neither the procurement methodology nor the organization which was responsible for the award of contract was detailed.

Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, in her response to the OCG's Requisition, which was dated 2009 February 2, indicated, *inter alia*, the following:

1. The National Planning Committee was responsible for engaging ten (10) Contractors/Suppliers, namely: Ad Council, Jambiz International Limited, Bell Communications, David Mais, Knightsman Limited, St. James Parish Council, Jamaica Information Service, Protections and Security Limited, the Jamaica Constabulary Force and Air Jamaica.
2. The MICYS was responsible for engaging four (4) Contractors/Suppliers, namely: Jambiz International Limited, Electro Tech Production Limited, I Threes and Backline Stage Management.

3. The JCDC was responsible for the same seven (7) contracts which were provided under the cover of a letter which was dated 2008 November 12.
4. Jambiz International Limited was responsible for engaging eleven (11) Contractors/Suppliers, namely: Fireworks and Explosives, Phase Three Production Limited, Limo Tours, Bell Communications, Laribo Marketing & Consultants Limited, Visual Vibes, Rose and Company Limited, Rosina Moder, Tent City Rentals, Paul Hamilton and Fitz Harrack.
5. In her previous response to the OCG, which was dated 2008 November 12, Mrs. Faith Innerarity did not provide the procurement methodology and the name of the entity which awarded two (2) contracts. However, in her response which was dated 2009 February 2, Mr. Shawn Thompson, identified the same two (2) contracts, that is, the I Threes and Backline Stage Management, as being awarded by the 'MICYS/Pat Amos'.

In clarifying the inconsistencies, which were identified above, the OCG requisitioned all the organizations which were reported as having been responsible for the contracting/engaging of the Contractors/Suppliers for the supply of goods, works and/or services. In this respect, the following information, *inter alia*, was provided:

1. The Jamaica Cultural Development Commission (JCDC) in its response which was dated 2009 July 23, confirmed that the services of seven (7) Contractors/Suppliers were engaged by them.

It is instructive to note that the OCG, in its Requisition which was dated 2009 July 9, asked the JCDC the following question: "*Please indicate the organization(s) that you were required to report to in approving all*

business and/or financial transactions which were entered into for the Olympic Athletes Homecoming Week of Celebrations.”¹⁹

In response to the foregoing, the JCDC stated that it reported to “*The Ministry of Information, Culture, Youth and Sports.*”²⁰

2. Mrs. Karis Flowers, Director, Research and Financial Services, PSOJ, indicated in her response to the OCG’s Requisition, which was dated 2009 July 20, stated that “*There must have been some misunderstanding as The PSOJ did not contract services from any of the entities listed....*”²¹

3. Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, in his response to the OCG’s Requisition, which was dated 2009 September 1, stated that “*The National Planning Committee did not procure any goods/services. Jambiz International was mandated via a contract to ensure that all goods/services required for the Olympic Celebrations were procured.*”²²

¹⁹ OCG’s Requisition to Mrs. Marcia Hextall, JCDC, under the cover of letter which was dated 2009 July 9. Question #4

²⁰ Response received from Mrs. Marcia Hextall, JCDC, under the cover of letter dated 2009 July 23. Response #4

²¹ Response received from Mrs. Karis Flowers, Director, Research and Financial Services, in the PSOJ, which was dated 2009 July 20. Response #14

²² Response received from Mr. Shawn Thompson, under the cover of letter which was received 2009 September 1. Response #6

The Bank Accounts for the Olympic Athletes Homecoming Week of Celebrations

The OCG found that there were two (2) bank accounts which were utilized for the Olympic Athletes Homecoming Week of Celebrations. These were as follows:

1. The PSOJ/GOJ Special Account; and
2. The MICYS Homecoming Fund/the Beijing Deposit Account.

Mrs. Faith Innerarity, in her response to the OCG's Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which it was stated that "...*Cheques should be prepared by the PSOJ and all cheques would require three (3) signatories...*"²³

The Permanent Secretary, Mrs. Faith Innerarity, MICYS, in her response to the OCG's Requisition, which was dated 2009 February 2, informed the OCG that "...*a special PSOJ/GOJ account was established under the management of the PSOJ but with signatories from both MICYS and the PSOJ...*"²⁴

The OCG found that the designated signatories to the PSOJ/GOJ Special Account were as follows: Mr. Shawn Thompson and Miss Jo-Anne Archibald, from the former MICYS; and Ms. Marcia Ormsby and Mrs. Karis Flowers, from the PSOJ.

In the referenced response from Mrs. Faith Innerarity, the OCG was further informed that "*All monetary contributions were to be deposited in the PSOJ/GOJ Account at NCB...*"²⁵

²³The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #15

²⁴ Response from the Permanent Secretary, in the former MICYS, under the cover of letter which was dated 2009 February 2. Response #2

²⁵ Response from the Permanent Secretary, in the former MICYS, under the cover of letter which was dated 2009 February 2. Response #8

The OCG, in its Requisition that was addressed to Mrs. Karis Flowers, Director, Research and Financial Services, PSOJ, which was dated 2009 July 9, posed the following question:

“Was the GOJ/ PSOJ Homecoming Account the only account that funded the expenses for the event, if not, please indicate any other accounts that were utilized and approval(s) for utilizing same.”²⁶

It is important to note that Mrs. Karis Flowers, in her sworn response to the OCG, under the cover of a letter which was dated 2009 July 20, stated that *“I am only aware of this PSOJ/GOJ Olympic Homecoming Fund account that was set up for donations towards expenses. All other payments would have been handled by the former MICYS. I was not privy to that information.”²⁷*

In accordance with the aforementioned information, the OCG also found that not all of the funds, which were received from the public sector entities, were deposited into the GOJ/PSOJ Special Account, as some funds were deposited into another account which was entitled the ‘MICYS Homecoming Fund’.

The OCG, in its Follow-up Requisition, that was addressed to Mr. Shawn Thompson, which was dated 2009 August 13, posed the following questions in an effort to clarify the information which was previously received from the former MICYS:

“In the response to question #8 of the OCG’s Requisition, that was dated January 13, 2009, which was submitted by the Director of Corporate Services, and provided to the OCG by the Permanent Secretary in the former MICYS, under cover of letter which was dated February 2, 2009, it was indicated that, “All monetary contributions were to be deposited in the PSOJ/GOJ Account at NCB.”

²⁶ OCG’s Requisition to Mrs. Karis Flowers in the PSOJ, under the cover of letter which was dated 2009 July 9. Question #11(iv).

²⁷ Response received from Mrs. Karis Flowers in the PSOJ, under the cover of letter which was received 2009 July 20. Response #11

It was further indicated that, “The involvement of MICYS in honouring invoices for some goods and services resulted from the situation in which the PSOJ/GOJ account was temporarily out of funds and hence suppliers were told to seek payments from the MICYS Homecoming Funds.”

Further, in response to question#16 of the OCG’s Requisition, it was indicated, inter alia, that, “Based on discussion held at the final Planning Committee meeting ...held on October 2, 2008, it was decided that:

- All monetary contributions would be deposited in the PSOJ/GOJ account at NCB...*
- ...Donations from companies/associations should be recorded and would be requested as the need arises.*
 - (i) Cash inflows and/or donations were lodged to the PSOJ/GOJ Account...*
 - (ii) ... All funds were lodged to the PSOJ/GOJ account as one pool...”*

Please provide answers to the following questions:

- i. When and why was the ‘MICYS Homecoming Funds’ established?*
- ii. What was the source of funds into the ‘MICYS Homecoming Funds’?*
- iii. Please explain why the ‘MICYS Homecoming Funds’ were not deposited into the joint account; and*
- iv. Please provide a schedule detailing the inflows and outflows as it relates to the ‘MICYS Homecoming Funds’.²⁸*

Mr. Shawn Thompson, in his sworn response to the OCG’s Requisition, which was dated 2009 September 1, stated the following:

“The account titled Salute to Beijing Deposit Account was created at the Office Of [sic] the Prime Minister Accounts Department, this is where the Ministry’s accounts

²⁸ OCG’s Follow-Up Requisition to Mr. Shawn Thompson, Director of Corporate Services in the former MICYS, which was dated 2009 August 13. Question #8

are maintained, that is all cheques are prepared by OPM. Based on the O.P.M Historical Activity Listing for the Salute to Beijing Deposit Account the account was established/creative/operational on October 2, 2008 up on receipt on [sic] a cheque from the Sport Development Foundation (S.D.F)

The account was established because the Ministry had sought funding to assist with the Athletes Homecoming Celebrations prior to the establishment or announcement that a National Planning Committee was to be established to oversee the Homecoming Celebrations.

The source of funding for the Beijing Deposit Account was from the following:

<i>SDF</i>	<i>-</i>	<i>\$3M - October 2, 2008</i>
<i>TEF</i>	<i>-</i>	<i>\$5M - October 30, 2008</i>
<i>BNS</i>	<i>-</i>	<i>\$1M - October 3, 2008</i>

An additional \$2.5M was received from the UDC on February 23, 2009 that was utilized to assist with the payment of outstanding bills for the Homecoming Celebrations...

The funds in the Salute to Beijing Deposit Account was not lodged to the PSOJ/GOJ account because the funds placed in that account (PSOJ/GOJ) was funds source solely by the Sponsorship/Finance Committee of the National Planning Committee and the funds lodged to the MICYS deposit account was source directly through the efforts of the Ministry, hence the amounts received were lodged to the MICYS deposit account...

A print out of the Salute to Beijing Deposit Account representing a schedule (MICYS Homecoming Funds) detailing the inflows and outflows of the account was received

from the Office of the Prime Minister and is submitted for your attention and review... ”²⁹

The information which was provided by Mr. Shawn Thompson, in his sworn response to the OCG’s Requisition, which was dated 2009 September 1, represented that total lodgements which were made to the MICYS Deposit Account had an aggregated value of J\$11,500,000.00.³⁰

Mr. Shawn Thompson, Director of Corporate Services, further provided a listing of all the cheques, which were signed by the designated signatories in the former MICYS - these are detailed in the table below:³¹

²⁹ Response from Mr. Shawn Thompson, in the former MICYS, under the cover of letter which was dated 2009 September 1. Response #8

³⁰ Source of Funding for the Beijing Deposit Account, from the Permanent Secretary, in her response to the OCG’s requisition dated 2009 August 13, submitted under the cover of letter dated 2009 September 1.

³¹ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 September 1. Response #9

Cheque Date	Payee	Amount (\$)
03/10/2008	Kingston Hireage	57,440.00
08/10/2008	Ad Council	2,500,000.00
03/10/2008	Jambiz Intl. Ltd.	1,206,000.00
03/10/2008	Fitz Harrack	304,000.00
03/10/2008	Jambiz Intl. Ltd.	1,544,900.00
03/10/2008	Knightman [sic]	244,700.00
03/10/2008	David Mais	300,000.00
02/10/2008	Rose and Company	666,962.50
02/10/2008	Bell Communications	76,890.00
02/10/2008	Laribo Marketing	85,000.00
02/10/2008	Visual Vibe Limited	1,175,000.00
02/10/2008	Rosina Moder	162,500.00
30/09/2008	Limo Tours Limited	62,500.00
30/09/2008	Phase Three Production	491,630.00
30/09/2008	Tent City Rentals	143,731.88
30/09/2008	Jamfit Cheerleaders	79,200.00
30/09/2008	Paul Hamilton	700,000.00
30/09/2008	Kingston Hireage	82,517.50
30/09/2008	Jambiz Intl. Ltd.	2,544,900.00
30/09/2008	Fireworks and Explosives	2,407,181.25
30/09/2008	Ad Council	2,500,000.00
13/10/2008	Sparkles Production	7,616,071.00
23/10/2008	Rosina Moder	162,500.00
23/10/2008	Limo Tours Limited	62,500.00
23/10/2008	Phase Three Production	222,398.50
23/10/2008	Tent City Rentals	143,731.87
23/10/2008	Jamfit Cheerleaders	20,000.00
23/10/2008	Paul Hamilton	300,000.00
23/10/2008	Laribo Marketing	85,000.00
28/10/2008	St. James Parish Council	1,000,000.00
28/10/2008	Golden Grocery	10,906.00
28/10/2008	J.C. Stephens Exquisite	16,560.00
28/10/2008	Jamaica Info. Services	12,000.00
28/10/2008	Patsy Lyn Catere [sic] Limited	55,450.00
13/11/2008	Phase Three Production	176,497.50
13/11/2008	Bell Communications	38,415.88
18/11/2008	Sparkles Production	245,329.00
18/11/2008	Rose and Company	478,037.50
21/11/2008	Jam Biz Intl. Ltd.	389,000.00
21/11/2008	Delroy Thompson	150,000.00
21/11/2008	Dwayne Thompson	150,000.00
21/11/2008	Western Bottlers Ltd.	20,000.00
21/11/2008	Eva Richards	32,200.00

Cheque Date	Payee	Amount (\$)
21/11/2008	JCF Community Safety	368,150.00
21/11/2008	Club Nazz & Restaurant	246,800.00
21/11/2008	Bell Communications	170,000.00
28/11/2008	Fireworks and Explosives	1,206,159.61
14/01/2009	Jamaica Observer	98,625.00
02/03/2009	The Jamaica Pegasus	1,285,000.00

Based upon the foregoing, the total payments which were reportedly co-signed by the representatives of the former MICYS amounted to \$32,096,384.99.

It is instructive to note that the OCG has identified that the former MICYS was responsible for two (2) accounts which held funds which were donated/pledged for the Olympic Athletes Homecoming Week of Celebrations, namely, the PSOJ/GOJ Special Account (co-mingled funds) and the 'MICYS Homecoming Fund' (only public funds).

With regard to the management of the PSOJ/GOJ Account, the OCG, by way of written Requisition, which was dated 2009 July 9, asked Mrs. Karis Flowers to, *inter alia*, "...provide a detailed summary of how the GOJ/PSOJ Homecoming Account was utilized, operated and/or managed. The summary should detail:

- i. *The manner in which the cash inflows and/or donations were treated;*
- ii. *The approvals and/or established authorization requirements for disbursement of funds from the account;*
- iii. *Any measures which were in place to demarcate the receipt and expenditure of GOJ funds into and from the GOJ/PSOJ Homecoming Account...*³²

In her sworn response to the OCG's Requisition, which was dated 2009 July 20, Mrs. Karis Flowers, provided the following information:

³² OCG's Requisition to Mrs. Karis Flowers in the PSOJ, under the cover of letter which was dated 2009 July 9. Question #11

“i. Entities were advised to make donations directly to the NCB account and indicate when funds had been deposited via letter or notation on their deposit slip. The donations were deposited to the NCB account. However as the account was specifically set up for the purpose of the related expenditure for the celebrations, all deposits were treated as such.

ii. The main criterion for funds to be disbursed was that the invoice had to be initialed or stamped ‘okay to pay’ by Mr. Sean Thompson of the former MICYS. Upon receipt I would then send the invoice to The PSOJ’s Accountant for processing. The cheque would then be sent to MICYS for signature and returned to The PSOJ for the second signature.

iii. As mentioned in my response to (ii) all deposits made to this account were treated as contributions towards the expenses. There was no specific demarcation of funds received and expended by the GOJ.”

It is instructive to note that the aforementioned information, which was provided by Mr. Shawn Thompson, in his response to the OCG’s Requisition, which was dated 2009 September 1, which represented all the payments in which the former MICYS representatives were the designated signatories to, corroborates with payments which were provided by the PSOJ.

Exemptions from the Procurement Procedures which were utilized to award contracts for the Olympic Athletes Homecoming Week of Celebrations

In regard to the procurement of goods, works and services for the Olympic Athletes Homecoming Week of Celebrations, the Permanent Secretary, Mrs. Faith Innerarity, in her sworn response to the OCG, which was dated 2009 February 2, indicated that the former MICYS “...was guided by letter dated May 22, 2008 from the Ministry of Finance and the Public Services to the Chairman of the NCC...”³³

The referenced letter stated that “Reference is made to background document from the Ministry of Culture outlining the challenges being faced by the Ministry and its implementing agency the JCDC in acquiring services of a cultural nature. The document outlined the difficulty of procuring such services within the constraints of the procurement guidelines. The Ministry is of the view that goods and services of an artistic nature must be exempted from the procurement guidelines. Artistic and cultural products are distinguished on the bases of uniqueness and creativity and are unlike other goods and services regularly procured under the procurement guidelines. The Revised Handbook of Procedures has been amended to reflect this exemption. Until the issuing of the revised Handbook the Ministry of Finance and the Public Service will issue supplementary guidelines to indicate the exclusions. The proposal to sole source the services of JAMBIZ is justified. Under section 2.1.3.4 of the handbook a meritorious unsolicited proposal can be accepted. The Ministry therefore has no objection to the procurement.”³⁴

Based upon the foregoing, the OCG has found that the planning, conceptualization and implementation of the Olympic Athletes Homecoming Week of Celebrations was informed by, and undertaken in accordance with the referenced letter from the MoFPS, to the then Chairman of the National Contracts Commission (NCC), which was written in regard to a

³³ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #23

³⁴ Letter dated 2008 May 22 from the Ministry of Finance and the Public Service to Ms. Shirley Tyndall, then Chairman of the National Contracts Commission.

previous event.

The OCG found that the former MICYS used the prior consent of the Ministry of Finance and the Public Sector, as detailed in the foregoing letter, which was dated 2008 May 22, as a licence to proceed with the planning, conceptualization and implementation of the Olympic Athletes Homecoming Week of Celebrations without adherence to the relevant procurement guidelines.

The Ministry of Finance and the Public Service, via Circular No. 35, which was dated 2008 September 22, that was entitled, “*Exemptions from the Government of Jamaica Handbook of Public Sector Procurement Procedures*” stated, *inter alia*, that “*Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are hereby advised that via **Cabinet Decision No. 28/08 dated August 25, 2008**, the following are exempt from the procurement procedures effective **22nd September 2008**...Artistic and cultural products and services – works of art, performance services and other cultural and creative products/services...*”

The OCG, in its Requisition that was addressed to the Permanent Secretary, which was dated 2009 January 13, questioned whether Mrs. Innerarity was “... *aware of Circular No. 35 which is dated 2008 September 22 and which is entitled “Exemptions from the Government of Jamaica Handbook of Public Sector Procurement Procedures”?* If yes, please indicate the date and circumstances under which you became aware of and/or acquainted with the referenced Circular.”³⁵

In her sworn response to the OCG, which was dated 2009 February 2, Mrs. Innerarity, indicated that “*I am aware of Circular No. 35, dated September 22, 2008 and entitled “Exemptions from the Government of Jamaica Handbook of Public Sector Procurement Procedures”.* A copy was received at my office on October 1, 2008 under the signature of

³⁵ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #6

the Acting Financial Secretary. However, prior to this date I was aware of exemptions to cultural and artistic products by way of correspondence dated May 22, 2008 from the Senior Director Procurement Policy, Ministry of Finance and the Public Service to the Chairman of the NCC which was attached to a response dated May 26, 2008 in respect of a submission made to the Committee.”³⁶

Having established awareness of Circular #35, on the part of the Permanent Secretary, in the former MICYS, the OCG sought to ascertain, from the Permanent Secretary, which of the forty-five (45) reported contracts, which were above J\$100,000.00, were deemed to specifically relate to the provision of artistic and/or cultural products or services.

It is instructive to note that the list of contracts which was provided by the former MICYS, under the cover of letter which was dated 2009 November 12, detailed forty-five (45) contracts. However, upon review of the contract dates, the OCG found that six (6) different payments were recorded for Jambiz International Limited, and as such each payment had been listed as a separate contract.

The OCG found that while there were six (6) payments to Jambiz International Limited, the said payments were in regard to one (1) contract. As a result, the total number of contracts which were awarded was forty (40) and not forty-five (45) as was originally detailed by the MICYS.

The OCG, in its written requisition to the Permanent Secretary, which was dated 2009 January 13, posed the following verbatim question:

“A list of contracts provided by the Ministry of Information, Culture, Youth & Sports (MICYS), under cover of letter which was dated 2008 November 12, revealed that approximately forty five (45) contracts were awarded for the Homecoming

³⁶ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #6.

Week of Celebrations. Please indicate which of the forty five (45) listed contracts related specifically to the provision of artistic and cultural goods, works and/or services.”³⁷

In her sworn response to the OCG’s Requisition, which was dated 2009 February 2, the Permanent Secretary, provided a response which was prepared by Mr. Shawn Thompson, in which it was indicated that “*Listed contractors that relate specifically to the provision of artistic, cultural goods and services are as follows:*

Fireworks and Explosive (No.2)

Jambiz International (Nos. 3-8)

Phase Three Production Ltd (Nos.9-10)

Laribo Marketing and Consultant (No.14)

Visual Vibes (No.15)

Rose and Company Ltd (No. 16)

Rosina Moder (No.17)

Paul Hamilton (No. 20)

Fitz Harrack (No. 26)

MRB Trading Ltd/Sparkles (No. 27)

Electro Tech Production Ltd (No. 31)”³⁸

It must be noted that the Permanent Secretary, whilst detailing her knowledge of the Homecoming Week of Celebrations, indicated, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, that “*Unintentionally, the public/private sector partnership arrangements seemed to have resulted in some situations in which the matter of applicable procedural requirements for the procurement of goods and services hung in the penumbra. Additionally, the planning and implementation phases of the*

³⁷ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #7.

³⁸ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #7.

Homecoming Celebrations coincided with the transition in respect of changes in Government Procurement Guidelines, particularly in respect of exemptions for cultural and artistic services and applicable thresholds in terms of the various levels of authority for approval for sole sourcing/direct contracting.”³⁹

Therefore, the OCG found that (a) the former MICYS was aware of Circular #35 and (b) the former MICYS was of the view that due to the nature of the Public/Private partnership, that is, the mixture of private and public funds, the procurement of goods, works and/or services would not have been required to adhere to the procedures of the GOJ Public Sector Procurement Procedures (May 2001), especially in light of the exemptions.

However, the OCG, being cognizant of the public/private partnership, required the former MICYS, under the cover of letter which was dated 2009 January 13, to indicate, *“What measures and/or steps were taken to ensure that the requirements of the Government Procurement Procedures Handbook (GPPH) were adhered to in the procurement of any and all goods, works and services for the Homecoming Week of Celebrations which were specifically procured through public funds?”⁴⁰*

In her sworn response to the OCG’s Requisition, which was dated 2009 February 2, Mrs. Faith Innerarity provided a response from Mr. Shawn Thompson, in which he stated that:

“The Planning Committee established to facilitate the Athletes Homecoming Celebrations was given the responsibility to procure goods/services for the event. All monetary contributions were to be deposited in the PSOJ/GOJ Account at NCB. Cheques should be prepared by the PSOJ and all cheques would require three (3) signatories. Payment vouchers should be prepared and retained by the PSOJ, whom would be responsible for all record keeping

³⁹ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #2

⁴⁰ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #8

and accounting...

Subsequent to the above MICYS involvement was a result of the PSOJ/GOJ Account temporary running out of funds. Hence the amount of \$8M that was received for the Homecoming celebrations was required to assist with the expenditure (the \$1M from BNS was specifically donated for the Dining with the Stars under the Stars event, hence that amount was not spent for any other activity or event)

The involvement of MICYS in honouring invoices for some goods and services resulted from the situation in which the PSOJ/GOJ account was temporarily out of funds and hence suppliers were told to seek payments from the MICYS Homecoming Funds. Consequently, the Ministry sought to have the required procurement process adhered to. Most of the Homecoming expenditures were urgent in nature.

From the standpoint of MICYS, NCC registration and valid TCC were requirements for suppliers who were to be paid from MICYS Homecoming Funds. Requests for approval of direct contracting/sole source method of procurement was utilized if payments were to be made to suppliers of goods and services from the MICYS Homecoming Funds and again this was mainly because the goods/services were urgent in nature. However, most of the payments were made from the PSOJ/GOJ account with the only involvement of MICYS being the signing of cheques drawn on this account...⁴¹

The OCG found that the representatives of the former MICYS were of the opinion that because the Olympic Athletes Homecoming Week of Celebrations was a 'cultural production' certain contracts which were awarded were exempted from the procurement

⁴¹ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #8

procedures.

In point of fact, the Permanent Secretary in responding to certain OCG questions, with respect to the Procurement Committee approval, indicated, *inter alia*, that “...based on circular No. 36 [sic] dated 22-09-08 which was brought to the Ministry’s attention between the period 29-09-08 and 1-10-08, services provided by MRB Trading Limited, Electro Tech Production, Fireworks and Explosives were considered to be artistic and cultural products and services (works of art, performance services and other cultural and creative products/services hence should be exempt from procurement requirements)...”⁴²

Detailed in the table below are the particulars for the eleven (11) contracts, which the former MICYS indicated were “related specifically to the provision of artistic and cultural goods, works and/or services.”

The description, procurement methodology and contract value were tabled, under the referenced response, as follows:

⁴² The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #23

Contractor	Description of Contract	Procurement Methodology Utilized	Contract Value \$
Fireworks & Explosives	Pyrotechnic & Aerial fireworks displays	Sole Source	4,814,362.50
Jambiz International Ltd	Coordination of Homecoming celebrations	Direct Contract	15,461,869.00
Phase Three Production Ltd	Supply & Operation of video equipment	Sub-contracted by Jambiz	983,260.00
Laribo Marketing & Consultant	Rental & Operation of L.E.D Video Board	Sub-contracted by Jambiz	170,000.00
Visual Vibes	Supply & Operation of mobile video screens for live TV coverage	PSOJ	2,350,000.00
Rose and Company Limited	Décor for Trelawny Multi-purpose stadium	Sub-contracted by Jambiz	1,333,925.00
Rosina Moder	Jamaica Festival Orchestra/Jamaica Festival Choir performance	Sub-contracted by Jambiz	325,000.00
Paul Hamilton	Décor and general décor aesthetics supervision	Sub-contracted by Jambiz	1,000,000.00
Fitz Harrack	Production of 8 effigies/images of athletes	Sub-contracted by Jambiz	608,000.00
MRB Trading Ltd/Sparkles	Rental of party/production equipments	Direct Contract	9,216,071.00
Electo Tech Production Ltd	Lighting, sound & production services	Direct Contract	360,000.00

It is instructive to note that the total value of the contract which was consummated with Jambiz International Limited, on 2008 September 4, was in the amount of \$15,461,869.00.

However, a calculation of the six (6) payments which were tabled in the spreadsheet which was provided by the former MICYS, under the cover of a letter which was dated 2008 November 12, totaled \$14, 035,202.00.

The Forty-five (45) contracts which were tabled by the former MICYS

Mrs. Faith Innerarity, in her response to the OCG's Requisition, which was dated 2008 November 12, provided a spreadsheet of the contracts which were awarded to approximately thirty-three (33) Contractors/Suppliers.

The spreadsheet also detailed the following information:

1. the date of the contract award;
2. the description of the goods and/or services contracted which were provided;
3. the total value of the contract;
4. amount paid to each contractor⁴³;
5. the procurement methodology utilized; and
6. the approval(s) which were granted either from the Procurement Committee and/or from the Accountable Officer, were also detailed in the spreadsheet.

A review, by the OCG, of the referenced spreadsheet revealed that the Procurement Committee approval was not received for any of the contracts which were awarded.

The spreadsheet indicated that the following Contractors/Suppliers were awarded contracts to provide goods, works and/or services for the Olympic Athletes Homecoming Week of Celebrations:

- i. Ad Council Jamaica;
- ii. Fireworks and Explosives;
- iii. Jambiz International Limited;
- iv. Phase Three Productions Limited;
- v. Limo Tours Limited;
- vi. Bell Communications Limited;

⁴³ As at the date the information was provided i.e. 2008 November 12

- vii. Laribo Marketing & Consultants Limited;
- viii. Visual Vibe Limited;
- ix. Rose and Company Limited;
- x. Rosina Moder;
- xi. Tent City Rentals;
- xii. Paul Hamilton;
- xiii. Kingston Hireage & Wholesale Liquor;
- xiv. David Mais;
- xv. Knightsman Limited;
- xvi. Fitz Harrack;
- xvii. MRM Trading Limited/Sparkles;
- xviii. St. James Parish Council;
- xix. Jamaica Information Service;
- xx. Electro Tech Productions Limited;
- xxi. Protection & Security Limited;
- xxii. The Jamaica Constabulary Force;
- xxiii. Air Jamaica;
- xxiv. Chin Yee's Travel Service;
- xxv. Starfish Trelawny;
- xxvi. Cleveland Resorts Ltd T/A El Greco Resort;
- xxvii. Mr. Barrier;
- xxviii. Dian Simpson;
- xxix. Events R Us;
- xxx. L.P. Azar Limited;
- xxxi. Sonia's Homestyle Cooking Restaurant;
- xxxii. I'Three;
- xxxiii. Backline/Stg Mgt.

The table below represents extracts of the "Analysis of Spending Re: Beijing Home-Coming Celebrations for Expenditure" in regard to the thirty-three (33) aforementioned

Contractors/Suppliers.

No.	Date of Award of Contract	Entity Awarded Contract	Description of Contract	Total Value of Contract	Procurement Method Used
1	07/10/2008	Ad Council Jamaica	Olympic Legacy Campaign	5,000,000.00	PSOJ
2	12/09/2008	Fireworks & Explosive	Pyrotechnic & aerial firework displays	4,814,362.50	Sole Source
3	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	4,968,142.00	Direct Contract
4	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	3,089,800.00	Direct Contract
5	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	2,412,000.00	Direct Contract
6	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	1,241,627.00	Direct Contract
7	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	389,000.00	Direct Contract
8	25/09/2008	Jambiz International Limited	Coordination of Homecoming celebrations	1,934,633.00	Direct Contract
9	30/09/2008	Phase Three Production Limited	Supply & operation of video equipment	444,797.00	Sub-contracted by JAMBIZ
10	30/09/2008	Phase Three Production Limited	Supply & operation of video equipment	538,463.00	Sub-contracted by JAMBIZ
11	30/09/2008	Limo Tours Limited		125,000.00	PSOJ
12	29/09/2008	Bell Communications Limited	Rental of portable radios	115,335.00	PSOJ
13	02/10/2008	Bell Communications Limited	Rental of portable radios	170,000.00	Direct Contract
14	26/09/2008	Laribo Marketing & Consultants Ltd	Rental & operation of L.E.D Video Board	170,000.00	Sub-contracted by JAMBIZ
15	02/10/2008	Visual Vibe Limited	Supply & operation of mobile video screens for live TV coverage	2,350,000.00	PSOJ
16	24/09/2008	Rose & Company Limited	Décor for Trelawny Multi-purpose stadium	1,333,925.00	Sub-contracted by JAMBIZ
17	26/09/2008	Rosina Moder	Jamaica Festival Orchestra/Jamaica Festival Choir performance	325,000.00	Sub-contracted by JAMBIZ
18	30/09/2008	Tent City Rentals	Rental of tent equipments	287,463.75	PSOJ
19	23/09/2008	Paul Hamilton	Décor and general décor aesthetics supervision	1,000,000.00	Sub-contracted by JAMBIZ
20	30/09/2008	Kingston Hireage & Wholesale Liquor Ltd	Rental of party equipments	165,035.00	Sub-contracted by JAMBIZ
21	30/09/2008	Kingston Hireage & Wholesale Liquor Ltd	Rental of party equipments	57,440.00	Sub-contracted by JAMBIZ
22	02/10/2008	David Mais	Provision of equipment & supplies and motorcade on Oct. 3, 2008	800,000.00	Sub-contracted by JAMBIZ
23	03/10/2008	Knightsman Limited	Security service on road march	489,400.00	Direct Contract
24	08/10/2008	Knightsman Limited	Security service National Stadium/Trelawny multipurpose stadium	1,435,276.50	Direct Contract
25	03/10/2008	Fitz Harrack	Production of 8 effigies/images of athletes	608,000.00	Sub-contracted by JAMBIZ
26	22/09/2008	MRB Trading Limited/Sparkles	Rental of party/production equipments	9,216,071.00	Direct Contract

No.	Date of Award of Contract	Entity Awarded Contract	Description of Contract	Total Value of Contract	Procurement Method Used
27	08/10/2008	St. James Parish Council		1,000,000.00	
28	01/10/2008	Jamaica Information Service	Advertising campaign for the athletes homecoming events	6,385,949.00	
29	03/10/2008	Electro Tech Productions Ltd	Lighting, sound & production services	360,000.00	Direct Contract
30	08/10/2008	Protection & Security Limited	Security on Oct. 8 2008	401,265.00	Direct Contract
31	04/10/2008	Protection & Security Limited	Security on Oct. 4 2008	279,801.00	Direct Contract
32	03/10/2008	The Jamaica Constabulary	Cost of meals provided for police personnel	667,150.00	Sub-contracted by JAMBIZ
33	01/10/2008	Air Jamaica	Tickets for olympic athletes and other officials	831,151.00	
34	01/10/2008	Chin Yee's Travel Services	Athletes traveling via non Air Jamaica gateways	1,103,097.00	
35	16/10/2008	Starfish Trelawny	Accommodations	1,011,337.50	
36	07/10/2008	Cleveland Resorts Ltd T/A El Greco Resorts	Accommodations	205,790.00	
37	04/10/2008	Mr. Barrier	Rental of Security Barriers	106,000.00	Contracted by JCDC
38	02/10/2008	Dian Simpson		125,250.00	Contracted by JCDC
39	03/10/2008	Kingston Hireage & Wholesale Liquor Ltd	Rental of party equipments	256,175.50	Contracted by JCDC
40	06/10/2008	Events R Us	Rental of tents, tables, drums, barriers etc	244,516.03	Contracted by JCDC
41	04/10/2008	Mr. Barrier	Rental of Security Barriers	130,000.00	Contracted by JCDC
42	02/10/2008	L.P Azar Ltd	Purchase of cloth material	136,500.00	Contracted by JCDC
43	04/10/2008	Sonia's Home-style Cooking Restaurant	Lunches for JCDC staff working on Gala	238,250.00	Contracted by JCDC
44	03/10/2008	I'Three	Dining with the stars under the stars concert	200,000.00	
45	03/10/2008	Backline/Stg Mgt	Dining with the stars under the stars concert	140,000.00	

Analysis of Spreadsheet

Whilst the MICYS had initially reported that forty-five (45) contracts were awarded, the OCG found that the total amount of contracts which were awarded, as presented by the MICYS, was forty (40). The referenced contracts were awarded to a total of thirty-three (33) Contractors/Suppliers. The contracts, as reported by the former MICYS, had a total value of J\$57,303,002.78.

Of the forty (40) identified contracts, the OCG found that the following contracts which were reported were awarded on the same day:

- Phase Three Production – two (2) contracts which were awarded on 2008 September 30;
- Kingston Hireage & Wholesale Liquor Limited – two (2) contracts which were awarded on 2008 September 30;
- Mr. Barrier – two (2) contracts which were awarded on 2008 October 4.

With regard to the six (6) contracts which are listed above, the OCG has not seen any written agreement and, as such, has treated these contracts as are reported on the spreadsheet, that is, as separate contracts.

In this regard, of the forty (40) contracts which were reportedly awarded, sixteen (16) were reported by the former MICYS as having been procured by either the Private Sector Organization of Jamaica (PSOJ) or sub-contracted by Jambiz International Limited (Jambiz). Five (5) of the sixteen (16) contracts were reported by the former MICYS as having been awarded by the PSOJ while the remaining eleven (11) were reportedly sub-contracted by Jambiz.

The five (5) contracts, which were reportedly awarded by the PSOJ, had an aggregated value of J\$7,877,798.75.

The eleven (11) contracts which were reportedly sub-contracted by Jambiz had an aggregated value of J\$6,109,810.00.

Seven (7) of the forty (40) contracts, were reportedly contracted by the Jamaica Cultural Development Commission (JCDC). The contracts which were reported as having been awarded by the JCDC ranged in value from J\$106,000 – J\$256,175.50 and had an aggregated value of J\$1,236,691.53.

Based upon the foregoing, twenty-three (23) contracts were reportedly contracted by PSOJ, Jambiz and JCDC and had an aggregated value of J\$15,224,300.28.

Of the remaining seventeen (17) contracts which were awarded, one (1) was awarded via the Sole Source Procurement Methodology and eight (8) were reported as having been awarded via the Direct Contracting Procurement Methodology.

The contracts which were reported via the Sole Source and Direct Contracting ranged in value from J\$170,000 – J\$9,216,071.00.

The eight (8) contracts which were awarded via the Direct Contract Procurement Methodology had an aggregated total value of J\$26,387,015.50 and the contract which was awarded via the Sole Source Procurement Methodology had an aggregated total value of J\$4,814,362.50.

The spreadsheet, which was provided by the Permanent Secretary, in the former MICYS, did not indicate the procurement methodology which was utilized in the award of the remaining eight (8) contracts.

Having regard to the fact that eleven (11) of the aforementioned contracts were ostensibly held out by the former MICYS as fitting within the parameters of Circular No. 35, that is “...*Artistic and cultural products and services – works of art, performance services and other cultural and creative products/services...*”, the OCG, consequently requested that the former MICYS, provide its rationale for same.

As such, by way of a requisition, which was dated 2009 August 13, the OCG posed the following question to Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS:

“In the response to question #7 of the OCG’s Requisition, which was submitted by the Director of Corporate Services, and provided to the OCG by the Permanent Secretary in the former MICYS, under cover of letter which was dated February 2, 2009, a list of the contractors who reportedly provided artistic and/or cultural services for the Olympic Athletes Homecoming Week of Celebrations was submitted. Please indicate the basis upon which the goods and/or services which were provided by each of the contractors listed below were deemed to be artistic and/or cultural and, as such, “...exempt from procurement requirements”.

- i. Phase Three Productions;*
- ii. Jambiz International Limited;*
- iii. Rose and Company Limited;*
- iv. Paul Hamilton;*
- v. Laribo Marketing and Consultants;*
- vi. Visual Vibes;*
- vii. MRB Trading Limited;*
- viii. Electro Tech Production Limited.⁴⁴*

It should be noted that the OCG’s Requisition which was dated 2009 August 13, only listed eight (8) of the eleven (11) contractors which were previously identified by the former MICYS, as being providers of artistic and cultural goods, works and services.

In his sworn response to the OCG’s Requisition, which was dated 2009 September 1, Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, stated as follows:

“Phase Three Productions, MRB Trading Limited and Electro Tech Production Limited were deemed artistic, cultural and creative based on the services that they provide. All three (3) companies provide Lighting, Sounds and Production events

⁴⁴ The OCG’s requisition to Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 August 13. Question #4

services, which all involve creativity, designs and stage production capabilities which require the whole artistic and creative skills. In addition not every producer of lighting, sounds and production of events can deliver to the client the type of lighting composition or design, the desired sound or the type of production skills that a particular client would require since not all clients would be expected to have the same style and desires. Hence the producers of lighting, sounds and production services are categorized as been artistic, cultural and creative.

Jambiz International was deemed to be artistic, cultural and creative based on the services the Company provides and was expected to render, which involves the conceptualizing, production, directing and designing of the Olympics Sports Galas at both the National and Trelawny Stadiums. It should be noted that the production of floats and chariots involved a lot of artistic and creative skills. In a nutshell the service provided by Jambiz is generally artistic and creative.

Rose and Company and Paul Hamilton are décor experts hence there services were deemed artistic, creative and cultural. Paul Hamilton and Rose and Company were required to create masking for backstage, decorate stage boundary area and flags. Therefore the skills required to do décor of the nature that was required for the Galas in Trelawny and Kingston requires creative and artistic skills. Hence the services provided by Paul Hamilton and Rose and Company were truly artistic, creative and cultural.

Visual Vibes and Laribo Marketing and Consultants based on a review of the services they rendered should not be deemed artistic, creative and cultural service providers. Instead these suppliers were the only suppliers of a certain type and size screens. Visual Vibes is considered the only provider of very large movable video screens that were needed in different locations across Jamaica for the viewing of the Homecoming Galas and the other celebration activities.

Laribo Marketing and Consultants is the owners of the video screens in the National Stadium, hence they were the sole provider for the video activities in the National Stadium. However, the service provided by Laribo was paid for solely from the PSOJ/GOJ funds.”⁴⁵

It must be noted that the OCG does not agree, in totality, with the foregoing justifications which were provided by the former MICYS, in regard to the classification of the referenced goods and services and their subsequent exemption from the strictures of the procurement guidelines.

⁴⁵ Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 August 13. Response #4

Further analysis of contracts which were reportedly awarded via the Direct Contracting or the Sole Source Procurement Methodology

Mrs. Faith Innerarity, in her response to the OCG's requisition, which was dated 2008 November 12, provided information which revealed that nine (9) contracts were awarded via the Sole Source and/or Direct Contracting Procurement Methodology.⁴⁶

The spreadsheet which was provided by the Permanent Secretary, in her response to the OCG's Requisition, which was dated 2008 November 12, further illustrated that of the thirty-three (33) Contractors/Supplier, nine (9) had received prior approval from the Accounting Officer to utilize the Sole Source or Direct Contracting Procurement Methodology.

Of the nine (9), Ad Council was selected via the Sole Source Procurement Methodology and the remaining eight (8) were contracted via the Direct Contracting Procurement Methodology.

The referenced eight (8) contracts, which were reportedly entered into via the Direct Contracting Procurement Methodology, were awarded to the following six (6) Contractors/Suppliers:

- i. Jambiz International Limited;
- ii. Knightsman Limited;
- iii. Bell Communications Limited;
- iv. MRB Trading Limited/Sparkles;
- v. Electro Tech Limited;
- vi. Protection and Security.

⁴⁶ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2008 November 12. Question #4.

It is instructive to note that the former MICYS, in its initial response to the OCG, which was dated 2008 November 12, had indicated that the PSOJ was responsible for the contracting of Ad Council Jamaica, Limo Tours, Bell Communications, Visual Vibe Limited and Tent City Rentals.

Further, the Permanent Secretary, in her sworn response to the OCG's Requisition, which was dated 2009 February 2, provided a response from the Director of Corporate Services, Mr. Shawn Thompson, in which it was indicated that "*The request for approval of sole source by the Accounting Officer was made after MICYS was approached by Fireworks and Explosives for their final payment ...*"⁴⁷

Of import is the fact that the Accounting Officer did not approve the use of the Sole Source procurement methodology prior to the award of the contract to Fireworks and Explosives. In point of fact, approval from the Accounting Officer was for that of a **final payment** for a contract which had already been awarded and executed.

The Permanent Secretary, in her sworn response to the OCG's Requisition, which was dated 2009 February 2, provided a response from the Director of Corporate Services, Mr. Shawn Thompson, in which he indicated that "*...The Ministry was of the view that based on the urgent request of the contractors and the time constraint the Head of the Procuring Entity may approve sole source/direct contracting up to J\$3M since September 22, 2008 and since the approach to the Ministry was after 22-09-08 by the contractors the contracts above J\$1M could be approved as sole source/direct contracting by the Head of the Ministry without the procurement committee's involvement.*"⁴⁸

Based upon the foregoing, the OCG found that the approval of the Accounting Officer, for the use of the Sole Source/Direct Contracting procurement methodology was, in fact, for payments rather than the prior approval for the award of the contracts.

⁴⁷ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #19

⁴⁸ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #23

In this regard, it is instructive to note that Mrs. Faith Innerarity, Permanent Secretary, in her response to the OCG's Requisition, which was dated 2009 February 2, stated as follows:

*"...I approved direct contracting/sole sourcing for some goods and services because bona fide invoices were presented and payments were required for the successful implementation of the Athletes Homecoming Celebrations. It should be noted that while the requests for the approval of direct contracting/sole sourcing may bear earlier dates, the actual approvals were given (that is, signed approved) either on the dates of the supporting invoices or later, but in all cases, subsequent to the effective dates indicated in the relevant Ministry of Finance Circulars in respect of exemptions for cultural and artistic products and services and adjustments in thresholds for approval by Heads of Procuring entities for direct contracting/sole sourcing..."*⁴⁹ (OCG Emphasis)

It should be noted that the OCG, in its Follow-up Requisition that was addressed to Mr. Shawn Thompson, Director of Corporate Services, which was dated 2009 August 13, asked, *inter alia*, the following question:

"In the response to question #8 of the OCG's Requisition, that was dated January 13, 2009, which was submitted by the Director of Corporate Services, and provided to the OCG by the Permanent Secretary in the former MICYS, under cover of letter which was dated February 2, 2009, it was indicated that, "It is important to note that when MICYS realized that \$20M in public funds was lodged to the PSOJ/GOJ account, documentation in respect of procurement was subsequently requested before cheques were signed..." Please provide copies of all documentation that was requested before the cheques were signed and a list of the contracts for which the

⁴⁹ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #25

'documentation' was requested."⁵⁰

Mr. Shawn Thompson, in his response to the OCG's Requisition, which was dated 2009 September 1, stated that *"Documentation requested were direct contracting/sole sourcing approvals, valid tax compliance certificate and valid NCC registration for Companies that were engaged for \$275,000.00 and over. However, it should be noted that most of the payments being made at the time of MICYS realizing that \$20M from Government coffers was a part of the PSOJ/GOJ account were under \$100,000.00 or the services rendered were considered artistic, cultural and/or creative. Hence only three (3) suppliers that were being paid final payments that procurement documentations were requested. Contracts were not provided for all suppliers that documents were requested."*⁵¹

In the referenced OCG Follow-up Requisition, which was addressed to Mr. Shawn Thompson, the following question was asked:

"The "Analysis of Spending" spreadsheet that was provided to the OCG, by the former MICYS, under cover of letter which was dated November 12, 2008, illustrated that contracts were awarded to the following companies via the Direct Contracting Procurement Methodology:

- *Jambiz International;*
- *Bell Communications Limited;*
- *Knightsman Limited;*
- *MRB Trading Limited/Sparkles;*
- *Electro Tech Productions Limited;*
- *Protection & Security Limited.*

⁵⁰ OCG's Requisition which was dated 2009 August 13 to Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS. Question #7

⁵¹ Response received from the former MICYS by Mr. Shawn Thompson, Director of Corporate Services, under the cover of letter which was dated 2009 September 1. Response #7

Please provide the rationale for which the goods/works and/or services of the above listed contractors were awarded via the Direct Contracting Procurement Methodology rather than being procured competitively.”⁵²

In his response to the OCG’s Requisition, which was dated 2009 September 1, Mr. Shawn Thompson stated the following:

“Jambiz International was directly contracted based on the nature and the urgency of the request. In addition Jambiz International capabilities were well known because of the role played by the Company in the Independence Gala in August 2008. Finally the service was direct [sic] contracted based on a meritorious unsolicited proposal from the Company.

Bell Communication was directly contracted based on the urgency of the request and also the Company’s existing performance record in communication by way of two way radio systems.

Knightsman Limited and Protection and Security Limited was directly contracted based on the date the request for the services were made and the actual event date (which was very close), hence there was compelling urgency and a time constraint in both cases.

Electro Tech Production Limited and MRB Trading Limited/Sparkles Production was directly contracted based on the date the request for the services were made and the actual event date (which was very close), hence there was compelling urgency and a time constraint in both cases.”⁵³

⁵² OCG Requisition which was dated 2009 August 13 to Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS. Question #5

⁵³ Response received from the former MICYS by Mr. Shawn Thompson, Director of Corporate Services, under the cover of letter which was dated 2009 September 1. Response #5

The Role and Function of the Other Private and Public Sector Organizations in the Award of Contracts

Further information which was provided to the OCG, by the Permanent Secretary in the former MICYS, under the cover of letters which were dated, 2008 November 12 and 2009 February 2, revealed that the following organizations were also reportedly responsible for the award of contracts:

1. The Private Sector Organization of Jamaica (PSOJ);
2. The Jamaica Cultural Development Commission (JCDC);
3. Jambiz International Limited.

The Private Sector Organization of Jamaica (PSOJ)

It is important to note that the OCG requisitioned Mrs. Karis Flowers, Director, Research and Financial Services, PSOJ, under the cover of a letter which was dated 2009 July 9, in an effort to ascertain the role of the PSOJ in the award of contracts for the Olympic Athletes Homecoming Week of Celebration.

Mrs. Karis Flowers, Director, Research and Financial Services, in her response to the referenced OCG Requisition, which was dated 2009 July 20, stated that **“The PSOJ was not involved in the selection of vendors/contractors. This was the responsibility of the MICYS...The PSOJ did not engage any Contractors. Based on the agreed role, The PSOJ would not have been in any position to approve contractors. It was always maintained that approval would have to take place with the GOJ.”**⁵⁴ (OCG Emphasis)

The foregoing information, which was provided by Mrs. Karis Flowers, was contrary to the previous information which was received from the former MICYS, under the cover of a

⁵⁴ Response received from Mrs. Karis Flowers, Director, Research and Financial Services, in the PSOJ, which was dated 2009 July 20. Response Nos. 6, 8, 9 & 10

letter which was dated 2008 November 12. In this regard, the MICYS had asserted that the PSOJ had procured the following five (5) contractors.

1. Ad Council;
2. Limo Tours Limited;
3. Bell Communications Limited;
4. Visual Vibe Limited;
5. Tent City Rentals.

To the contrary, the PSOJ stated that it would not have been in a position to approve Contractors/Suppliers and “*approval would have to take place with the GOJ*”.

It is instructive to note that the OCG, in its Requisition that was addressed to Mrs. Flowers, PSOJ, which was dated 2009 July 9, posed the following question:

“The goods, works and/or services which were provided by the following contractors were listed on a Spreadsheet provided by the former MICYS as being contracted by the PSOJ:

- i. Ad Council Jamaica*
- ii. Limo Tours*
- iii. Bell Communications*
- iv. Visual Vibe Limited*
- v. Tent City Rentals*

Please answer the following questions:

- (a) Please indicate if the above listed contractors were in fact contracted by the PSOJ.*

(b) *If yes, please indicate if payment(s) was/were made from the GOJ/PSOJ Homecoming Account, the date(s) for which the service(s) were contracted and the name(s) of the signatory for each.*”⁵⁵

Mrs. Karis Flowers, in her response to the referenced OCG Requisition, which was dated 2009 July 20, stated that:

“(a) *There must have been some misunderstanding as The PSOJ did not contract services from any of the entities listed.*

(b) Not applicable. Please see previous response.”⁵⁶ (OCG Emphasis)

Mrs. Karis Flowers, in her response to the OCG’s Requisition, which was dated 2009 July 20, further stated that:

“The PSOJ was not involved in the planning, conceptualization and implementation of the activities.

The roles and responsibilities of The PSOJ were as follows:

(a.) Marketing- Information was sent to the business community regarding the schedule of activities as proposed by the former MICYS. The PSOJ requested donations from the business community in cash or kind.

(b.) Administrative- I made follow up calls to persons who had attended the meeting at Jamaica House as well as others who were deemed responsive to the marketing opportunity that would be available. I also sent out correspondence related to the

⁵⁵ The OCG’s requisition to Mrs. Karis Flowers, Director, Research and Financial Services, in the PSOJ, which was dated 2009 July 9. Question #14

⁵⁶ Response received from Mrs. Karis Flowers, Director, Research and Financial Services, in the PSOJ, which was dated 2009 July 20. Response #14

planned activities. The correspondence was received from the former MICYS.

(c.) Accounting services- A budget was provided to us that indicated the areas on which the celebratory activities would focus. It is important to note that I reviewed the initial budget that was submitted and pointed out several areas where revisions were necessary. The budget was subsequently revised and other revisions followed during the period. Based on this budget, once requests came in for payment that were in accordance with the budget and bore the approval of the MICYS representative, cheques were then issued by The PSOJ and sent to the former MICYS. Once signed by the designated person at the former MICYS, the cheques were returned to The PSOJ for a second signature by The PSOJ's representative. The cheques were then collected at the offices of The PSOJ by the payee or designated personnel. (OCG Emphasis)

(d.) Liaison between the GOJ and Private sector- There were companies that had a marketing presence at certain events. If there was a problem contacting Jam Biz International, the company that was contracted to plan, conceptualize and implement the activities, then I was asked to intervene.”⁵⁷

Mr. Shawn Thompson, in his response to the OCG's Follow-up Requisition, which was dated 2009 September 1, confirmed the role of the PSOJ.

In this respect, Mr. Thompson, stated that *“The responsibilities of the PSOJ to my knowledge was to ensure that invoices/bills submitted by the suppliers of goods/services related to the Homecoming Celebrations were paid. The PSOJ had signatories to the PSOJ/GOJ account. In addition the responsibilities of the PSOJ were as follows:*

- *Cheques should be prepared by the PSOJ.*

⁵⁷ Response received from Mrs. Karis Flowers, Director, Research and Financial Services, in the PSOJ, which was dated 2009 July 20. Response #4

- *Payment vouchers should be prepared and retained by the PSOJ.*
- *The PSOJ would be responsible for all recordkeeping and accounting relating to funds received by the PSOJ/GOJ account.*
- *The approval and or established authorization requirements for disbursement of funds from PSOJ/GOJ account would come from the PSOJ.”⁵⁸*

Based upon the foregoing, it would appear that the PSOJ did not award any contracts for the Olympic Athletes Homecoming Week of Celebrations.

Jamaica Cultural Development Commission (JCDC)

Mrs. Faith Innerarity, the Permanent Secretary, in the former MICYS, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, provided the following information which represented the contracts which were awarded by the JCDC for the Olympic Athletes Homecoming Week of Celebration:

Service Providers	Organizations that engaged the services	Date of engagement
Kingston Hireage & Wholesale Liquor	JCDC	3-10-08 – 06-10-08
Cleveland Resort Ltd/A EL Greco Resort	JCDC	08-10-08 & 09-10-08
Mr. Barrier	JCDC	04-10-08
Dian Simpson	JCDC	23-09-08;02-10-08;10-10-08;11-10-08
Events R Us	JCDC	06-10-08
LP Azar Limited	JCDC	01-10-08

The OCG requisitioned Mrs. Marcia Hextall, Executive Director, JCDC, under the cover of letter which was dated 2009 July 9, and posed the following question:

⁵⁸ Response received from Mr. Shawn Thompson, Director of Corporate Services, which was dated 2009 September 1. Response #1.

“What is/was the extent of your official and /or personal involvement in the Olympic Athletes Homecoming Week of celebrations?”⁵⁹

Mr. Delroy Gordon, Acting Executive Director, JCDC, in his response to the OCG’s Requisition, which was dated 2009 July 23, stated the following:

“The Jamaica Cultural Development Commission’s involvement was of an official nature providing human resource assistance in the form of stage management, ticket distribution, hospitality services and in procuring limited goods and services as listed below:

Goods/Services

Suppliers

- | | |
|-----------------------------|--|
| • <i>Tickets</i> | ----- <i>Dian Simpson</i> |
| • <i>Tents</i> | ----- <i>Kingston Hireage</i> |
| • <i>Lunch & Supper</i> | ----- <i>Sonia’s Homestyles</i> |
| • <i>Water</i> | ----- <i>Wisynco Trading</i> |
| • <i>Tropical Rhythm</i> | ----- <i>Grace Kennedy</i> |
| • <i>Fabric</i> | ----- <i>L.P. Azar</i> |
| • <i>Ice</i> | ----- <i>Happy Ice</i> |
| • <i>Parking Stickers</i> | ----- <i>Hot Off the Press</i> |
| • <i>Trainee Servers</i> | ----- <i>Boulevard Baptist</i> ⁶⁰ |

The OCG, in its referenced requisition to the JCDC, further posed the following question:

⁵⁹ The OCG’s requisition to Mrs. Marcia Hextall, Executive Director, Jamaica Cultural Development Commission, under the cover of letter, which was dated 2009 July 9. Question #1

⁶⁰ Response from Mr. Delroy Gordon, Executive Director, Jamaica Cultural Development Commission, which was dated 2009 July 23. Response #1

“Please indicate the organization(s) that you were required to report to in approving all business and/or financial transactions which were entered into for the Olympic Athletes Homecoming Week of Celebrations.”⁶¹

Mr. Delroy Gordon, Acting Executive Director, in his response to the OCG, under the cover of a letter, which was dated 2009 July 23, stated that the JCDC reported to *“The Ministry of Information, Culture, Youth and Sports.”⁶²*

The JCDC, was also required to *“...provide an Executive Summary detailing the circumstances under which the Jamaica Cultural Development Commission (JCDC) was given the responsibility to contract services for the Olympic Homecoming Week of Celebrations and provide a list of the individual(s) from your organization that were assigned roles and responsibilities in regard to the Olympic Homecoming Week of Celebrations?”⁶³*

In his sworn response to the OCG’s Requisition, Mr. Gordon stated the following:

“The Jamaica Cultural Development Commission (JCDC) was an agency of the then Ministry of Information, Culture, Youth and Sports. Consequently from time to time the agency would undertake assignments from the ministry in relation to the provision of support services for the staging of events of a cultural nature being spearheaded by the ministry.

Due to the fact that some of the required goods and services were similar to ones frequently utilized by the JCDC, it would not have been unusual to be asked to contract those services. The list of suppliers mentioned in #1 above, have had a proven track record of reliability and quality service and satisfied the relevant

⁶¹ The OCG’s requisition to Mrs. Marcia Hextall, Executive Director, Jamaica Cultural Development Commission, under the cover of letter, which was dated 2009 July 9. Question #4

⁶² Response from Mr. Delroy Gordon, Acting Executive Director, Jamaica Cultural Development Commission, which was dated 2009 July 23. Response #4

⁶³ The OCG’s requisition to Mrs. Marcia Hextall, Executive Director, Jamaica Cultural Development Commission, under the cover of letter, which was dated 2009 July 9. Question #5

procurement criteria... ”⁶⁴

Having regard to the information which was provided by the former MICYS, under the cover of letters, which were dated 2008 November 12 and 2009 February 2, the OCG further posed the following question to the JCDC:

“The goods, works and/or services which were provided by the following contractors were listed on a Spreadsheet provided by the MICYS, under cover of letter which was dated November 12, 2008, as being procured by the JCDC:

- i) Mr. Barrier*
- ii) Dian Simpson*
- iii) Kingston Hireage & Wholesale Liquor Limited*
- iv) Events R Us*
- v) L.P. Azar*
- vi) Sonia Home-style Cooking Restaurant*

Please answer the following questions:

- a) Please indicate if any of the above contractors were in fact contracted by your organization;*
- b) Please provide the prior written approval to obtain the service(s), if they were in fact contracted; and*
- c) Please provide the reasons/bases upon which the services of the listed contractors were procured.”⁶⁵*

⁶⁴ Response from Mr. Delroy Gordon, Acting Executive Director, Jamaica Cultural Development Commission, which was dated 2009 July 23. Response #5

⁶⁵ The OCG’s requisition to Mrs. Marcia Hextall, Executive Director, Jamaica Cultural Development Commission, under the cover of letter, which was dated 2009 July 9. Question #8

Mr. Delroy Gordon, Acting Executive Director, JCDC, in his response to the OCG's Requisition, which was dated 2009 July 23, stated the following:

“(a) Please, indicate if any of the above contractors were in fact contracted by your organization;

Response # 8a:- *Yes, all six (6) suppliers as specified.*

(b) Please provide the prior written approval to obtain the service, if they were in fact contracted.

Response # 8b:- *Based on the previous Procurement Guidelines prior approval was not sought as the services procured were less than \$275,000.00 and therefore fell below the stipulated threshold.*

(c) Please provide the reasons upon which the services of the listed contractors were procured.

Response # 8c:- *Based on proven satisfactory track record and previous services offered.”*⁶⁶

The OCG's review of the contracts, which were awarded by the JCDC, revealed that the said contracts were all below the \$275,000.00 threshold. As such, Circular #36 from the MoFPS, which was dated 2008 September 22, that was entitled “*Increase Approval Thresholds for Public Sector Procurement*”, would have been applicable to the referenced contracts which were awarded in 2008 October.

In respect to the procurement of the contracts which were awarded for the Olympic Athletes Homecoming Week of Celebration, Mr. Gordon, JCDC, also provided the OCG with the following information:

“Of the thirty three (33) contractors listed, I am only aware of the following:

xiii. Kingston Hireage & Wholesale Liquor ----- Direct Contacting by JCDC

⁶⁶ Response from Mr. Delroy Gordon, Acting Executive Director, Jamaica Cultural Development Commission, which was dated 2009 July 23. Response #8

- xxvi. *Cleveland Resorts Ltd.?*
A El Greco resorts ----- *Direct Contracting, by JCDC*
- xxvii. *Mr. Barrier* ----- *Direct Contracting by JCDC*
- xxviii. *Dian Simpson* ----- *Follow-up Contracting by JCDC*
- xxx. *L. P. Azar Limited* ----- *Direct Contracting by JCDC*
- xxxi. *Sonia's Homestyle*
Cooking Restaurant ----- *Direct Contracting by JCDC*⁶⁷

It must be noted that the procurement methodology for the award of the contract to Events R Us was not detailed by the JCDC.

It is instructive to note that the MOFPS Circular #36, which was dated 2008 September 22, also stipulated that for Direct Contracting/Sole Source, “*The Head of Procuring Entity may approve sole source/direct contracting up to J\$3,000,000.00.*” The OCG found that the contracts which were awarded by the JCDC were within the value range (below \$3M) for which the Head of Entity is allowed to approve.

The OCG has found that the JCDC had contracted a total of seven (7) Contractors/Suppliers for the Olympic Athletes Week of Celebrations.

Jambiz International Limited

The OCG, under the cover of a letter, which was dated 2009 July 27, took the decision to requisition Jambiz International Limited (Jambiz), in an effort to clarify the private company’s affiliation with the planning, implementation and conceptualization of the Olympic Athletes Homecoming Week of Celebrations.

⁶⁷ Response from Mr. Delroy Gordon, Acting Executive Director, Jamaica Cultural Development Commission, which was dated 2009 July 23. Response #13

Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, under the cover of a letter, which was dated 2009 February 2, stated, *inter alia*, the following:

“...JAMBIZ International team (was) contracted to provide the following services:

- 1. Conceptualization and preparation of project document for the Homecoming Celebrations*
- 2. Welcome Reception at the Norman Manley International Airport on Friday October 3.*
- 3. Olympics Sports Gala at the National Stadium on Saturday October 4.*
- 4. Western Olympics Gala at the Trelawny Stadium on Wednesday October 8*
- 5. Intermittent receiving of returning athletes at the Norman Manley International Airport, September 1- October 2.*
- 6. Production of three new floats and one refurbished float for motorcades and three had-drawn [sic] chariots to be used in the Galas.”⁶⁸*

As aforementioned, a contract was consummated between the GOJ through the former MICYS and Jambiz International Limited on 2008 September 4, for Jambiz to provide, *“...certain consulting services as defined in the General Conditions of Contract attached to this Contract...”⁶⁹*

Of note, is that Clause 3.6 of the referenced contract, explicitly stated that *“The Consultants shall obtain the Client’s prior approval in writing before....(b) entering into a subcontract for the performance of any part of the Services, it being understood (i) that the selection of the Subconsultant and the terms and conditions of the subcontract shall have been approved in writing by the Client prior to the execution of the subcontract, and (ii) that the Consultants shall remain fully liable for the performance of the Services by the*

⁶⁸ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #2

⁶⁹ Consultancy contract between the GOJ/former MICYS and Jambiz International Limited which was consummated on 2008 September 4.

Subconsultants and its personnel pursuant to this Contract...⁷⁰ (OCG Emphasis)

Jambiz International Limited, in its response to the OCG, enclosed a copy of a letter which was dated 2008 September 8, which was addressed to Mr. Shawn Thompson, in the former MICYS, that was entitled, “*Waiver of clause 3.6 (b) of Contract – Salute to Beijing Heroes*”. The referenced letter stated, *inter alia*, as follows:

*“Given the limited time at our disposal to pull off the activities planned for the Salute to the Athletes I respectfully ask that clause 3.6 (b) of the contract be waived to allow Jambiz International Limited full authority to engage the services of sub-contractors...We will ensure that all sub-contractors engaged will be properly vetted before selection and will be monitored to ensure effective and efficient service delivery.”*⁷¹

Mr. Shawn Thompson, in response to the foregoing letter, under the cover of a letter, which was dated 2008 September 10, wrote to Jambiz International Limited and stated, *inter alia*, the following:

“The Ministry has decided to approve your request, which was based on your previous performance in undertaking similar activities on behalf of this Ministry.

*Please be reminded of your commitment to ensure that all Subcontractors engaged are properly vetted before selection and should be monitored by you to ensure effective and efficient service delivery...”*⁷²

⁷⁰ Clause 3.6, Consultancy contract between the GOJ/former MICYS and Jambiz International Limited which was consummated on 2008 September 4.

⁷¹ Letter dated 2008 September 8 from Mr. Lenford Salmon, Administrative Director, to Mr. Shawn Thompson in the former MICYS.

⁷² Letter dated 2008 September 10 from Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, to Mr. Lenford Salmon.

It is important to note that the former MICYS asserted that Jambiz International Limited was responsible for engaging the following service providers and organizations/individuals:

Service Providers	Organizations that engaged the services	Date of engagement
Fireworks and Explosive	Jambiz International	25-09-08
Phase Three Production Ltd	Jambiz International	30-09-08
Limo Tours	Jambiz International	30-09-08 & 07-10-08
Bell Communications	Jambiz International/David Mais (Planning Committee)	29-09-08 & 3-10-08
Laribo Marketing & Consultants Ltd.	Jambiz International	26-09-08
Visual Vibes	Jambiz International	02-10-08 & 03-10-08
Rose & Company Ltd	Jambiz International	24-09-08 & 01-10-08
Rosina Moder	Jambiz International	26-09-08
Tent City Rental	Jambiz International	30-09-08 & 02-10-08
Paul Hamilton	Jambiz International	26-09-08
Fitz Harrack	Jambiz International	03-10-08

Further, it is instructive to note that the former MICYS, under the cover of a letter which was dated 2009 February 2, indicated that it was the National Planning Committee/MICYS that was responsible for engaging the services of Jambiz International Limited, on 2008 September 4.⁷³

The OCG issued a formal Requisition to Mr. Lenford Salmon, Managing Director of Jambiz International Limited. In the referenced Requisition, which was dated 2009 July 27, the OCG sought to establish, *inter alia*, (a) the precise role which was played by Jambiz International Limited; (b) the remuneration which was paid to the company; and (c) the circumstances under which they became involved in the Olympic Athletes Homecoming Week of Celebrations.

The OCG requested that Mr. Lenford Salmon “... *provide an Executive Summary detailing the circumstances under which Jambiz International Limited (Jambiz) was contracted to provided Consultancy Services for the Olympic Athletes Homecoming Week of Celebrations and provide a list of the individual(s) from your organization who were assigned roles and*

⁷³ Response, from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #20

responsibilities for the Olympic Athletes Homecoming Week of Celebrations?”⁷⁴

In his sworn response to the OCG, which was dated 2009 August 12, Mr. Salmon stated, *inter alia*, the following:

“Jambiz International Limited approached the Ministry of Information, Culture, Youth and Sport with a set of ideas as to how Jamaica could pay homage to our Beijing heroes. We were asked to develop a proposal. This was done and submitted to the Ministry of Information, Culture, Youth and Sport. This proposal then formed the basis for a formal contract between Jambiz International Limited and the Ministry of Information, Culture, Youth and Sports, requiring Jambiz to undertake the following:

- *Prepare project document for the Week of Celebrations*
- *Plan and Execute the Welcome Reception at the Norman Manley International Airport on October 3*
- *Plan and Execute the Sports Gala at the National Stadium on October 4*
- *Plan and Execute the Olympics Gala at the Trelawny Stadium on October 8*
- *Plan and Execute intermittent arrival of Athletes at the Norman Manley International Airport between September 1 and October 2*
- *Production of three (3) floats and the refurbishing of a [sic] one (1) float for the Motorcades and the production of three (3) hand drawn chariots for the galas.”⁷⁵*

According to the sworn response from Mr. Salmon, the OCG found that Jambiz reported to the former MICYS in the fulfillment of its contractual obligations.

⁷⁴ The OCG’s requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #4

⁷⁵ Jambiz International Limited’s response to the OCG under the cover of letter dated 2009 August 12. Response #4

Having regard to the fact that Mr. Salmon indicated that it was Jambiz who approached the former MICYS, it is instructive to note that in response to the OCG's question regarding his, "...official and/or personal involvement in the Olympic Athletes Homecoming Week of Celebrations?"⁷⁶ Mr. Salmon indicated as follows:

"Jambiz International Limited was engaged by the Ministry of Information, Culture, Youth and Sports to assist in the planning and execution of the Olympic Athletes Homecoming Celebrations. Whilst watching the exhilarating performance of our athletes in Beijing and being enveloped in the euphoric expression of delight amongst the populace we felt that the country had to do something special to pay tribute to the sporting heroes who had made us all proud.

We decided to put together a proposal to this effect to be presented to the Government of Jamaica through the Ministry of Information, Culture, Youth and Sports. We tracked down the Honourable Olivia Grange - Minister of Information, Culture, Youth and Sports, who was still in Beijing. We gave her a brief synopsis of what we had in mind and she said that we should make a formal presentation to the Ministry. She outlined that there was limited time at our disposal and that we should move with alacrity.

We continued almost daily dialogue with the Minister and other officers at the Ministry of Information, Culture, Youth and Sports and came up with a draft document outlining a series of events which we felt were fitting. That document eventually formed the basis for what was to become the Olympic Athletes Homecoming Week of Celebrations.

A formal contract between Jambiz International Limited and the Ministry of Information, Culture, Youth and Sports was signed on September 4, 2008. That

⁷⁶ The OCG's requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #1

*agreement outlined our duties and responsibilities under the project. A copy of the contract is attached. We carried out all our contracted obligations under the agreement. **To date we have not been fully compensated for our services having only received \$1,000,000 of the contracted amount of \$4,968,142.***⁷⁷

The OCG found that the contract which was awarded to Jambiz International Limited, which was dated 2008 September 4, stipulated a contract value of \$15,461,869.00, as was asserted by Mr. Salmon.

Nonetheless, the OCG was particularly interested in ascertaining the total cost which was incurred by Jambiz, to execute its contractual obligations, for the conceptualising, planning, implementation and provision of any goods, works and/or services pursuant to the terms of its Consultancy contract.

Mr. Salmon, in his sworn response to the OCG's Requisition, which was dated 2009 August 12, stated the following:

"The total cost incurred by Jambiz International Limited for conceptualizing, planning, implementing and providing any goods, works and / or services which were provided under the terms of the Consultancy contract was \$16,579,752.00. Of that amount only \$5,295,800 was disbursed to Jambiz International Limited. This is accounted for as follows:

\$1,000,000 - Retained by Jambiz as advance on consultancy fee and administrative expenses (inclusive of payment to administrative staff).

\$4,290,119 - Payment to Production personnel employed on the Sports Gala and the Western Gala and disbursements to cover costumes, shoes,

⁷⁷ Jambiz International Limited response to the OCG under the cover of letter dated 2009 August 12. Response #1

refreshments and transportation for several dance groups from the corporate area and St. Catherine.”⁷⁸

Upon a review of the signed Consultancy contract between the former MICYS and Jambiz International Limited, which was consummated on 2008 September 4, the terms and conditions provided, under Special Conditions, Clause 5, that *“the contract price as set out in Budget Summary in Appendix B is...J\$15,461,869.00.”⁷⁹*

In an effort to reconcile the amount which was listed under the contract, and the role and responsibilities of Jambiz International Limited, as regards sub-contracting, the OCG in its requisition, which was dated 2009 July 27, posed, *inter alia*, the following questions:

- i. “Please indicate the total sum of the payment which have been received, and please reconcile the payments with the terms and conditions of the contract;*
- ii. Does the contract sum extend to and/or include any provision for payments which are to be made to third parties contracted by Jambiz? If yes, please indicate the precise clause of the contract which governs sub-contracting undertaken by Jambiz.”⁸⁰*

Mr. Salmon, in his sworn response to the OCG’s Requisition, which was dated 2009 August 12, stated the following:

“i. The total sum received from MICYS under the contract is \$5,295,800.00. The project ran into problems with its funding resulting in scores of suppliers of goods and services not being paid. Eventually the Ministry of Information, Culture, Youth

⁷⁸ Jambiz International Limited response to the OCG under the cover of letter dated 2009 August 12. Response #6

⁷⁹ The OCG’s requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #8

⁸⁰ The OCG’s requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #8

and Sports and the Private Sector grouping assumed responsibility for the payment of all outstanding invoices. Jambiz International Limited disbursed \$4,290,119.09 of the \$5,295,800.00 [sic] received from the Ministry of Information, Culture, Youth and Sports. Details of disbursement outlined in response to Question #7 above.

ii. The contract sum extends to and includes payments which were made to third parties contracted by Jambiz International Limited. This was facilitated under approval granted by MICYS for waiver to clause 3.6 (b) of the contract... ”⁸¹

Based upon the foregoing, the OCG sought to ascertain the sub-contractors which were, in fact, contracted by Jambiz International Limited to provide the goods, works and/services for the Olympic Athletes Homecoming Week of Celebrations.

As such, the OCG, under the cover of a letter to Mr. Salmon, which was dated 2009 July 27, posed the following question:

“A list of contracts which were provided by the former Ministry of Information, Culture, Youth & Sports (MICYS), revealed that approximately forty five (45) contracts were awarded of which nine (9) contractors/suppliers were reportedly sub-contracted by your organization. Please provide a list of the contract(s) that was/were approved/sub-contracted by your organization for the Olympic Athletes Homecoming Week of Celebrations and the name(s) of the person(s), authority or entity that approved the contractors/suppliers that were sub-contracted by your organization?”⁸²

⁸¹ Response received from Mrt. Lenford Salmon, Managing Director, under the cover of letter which was dated 2009 August 12. Response #8

⁸² The OCG’s requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #9

Mr. Salmon, in his sworn response to the OCG's Requisition, which was dated 2009 August 12, stated the following:

"We subcontracted the following entities to provide supplies/services:

- 1. Knightsman Limited*
- 2. Phrase [sic] 3 Production Limited*
- 3. Paul Hamilton*
- 4. David Mais*
- 5. Laribo Marketing and Consultants Limited*
- 6. Rose and Company Limited*
- 7. Jamaica Constabulary Force*
- 8. Fitz Harrack*
- 9. Kingston Hireage and Wholesale Liquor Limited*

*We had full authority to subcontract these services without prior consultation. Approval for this is contained in letter from Mr. Shawn Thompson, Director of Corporate Services at the Ministry of Information, Culture, Youth and Sports (copy attached). Given the limited time at our disposal we wrote to the Ministry (copy attached) asking for a waiver to Clause 3.6(b) of the contract between Jambiz International Limited and the Ministry of Information, Culture, Youth and Sports."*⁸³

It is instructive to note that Fireworks and Explosives, Tent City Rentals and Bell Communications were not detailed in the list of Contractors/Suppliers which were subcontracted by Jambiz. However, Mrs. Faith Innerarity, in her response to the OCG's Requisition, which was dated 2009 February 2, stated that Jambiz had contracted the referenced Contractors/Suppliers.

⁸³ Response from Mr. Lenford Salmon, Managing Director, Jambiz International Limited, which was dated 2009 August 12. Question #9

The OCG, in its requisition that was addressed to Mr. Salmon, which was dated 2009 July 27, posed, *inter alia*, the following question:

“According to documentation provided by the former MICYS, under cover of letter dated 2008 November 12, the Homecoming Week of Celebrations was delineated via the following celebration activities: (a) Return of the Athletes (b) Motorcade 1 (Corporate Area) (c) Dining With the Stars under the Stars (d) Motorcade 2 (Mobay to Falmouth) and (e) Trelawny Tribute. Please list the names of the contractors / suppliers who were sub-contracted by your organization, if any, for the provision of any goods, works and / or services for each of the respective Celebration Activities which were held.”⁸⁴

Mr. Salmon, in his sworn response to the OCG’s Requisition, which was dated 2009 August 12, stated the following:

“The sub-contractors were engaged as follows:

Sports Gala at the National Stadium

- i. Phase Three Production Limited*
- ii. Laribo Marketing & Consultants Limited*
- iii. Rosina Moder*
- iv. Paul Hamilton*
- v. Kingston Hireage and Wholesale Liquor*
- vi. The Jamaica Constabulary Force.*
- vii. Fitz Harrack*

Western Gala at the Trelawny Stadium

- viii. Rose & Company Limited;*

⁸⁴ The OCG’s requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #11

- ix. *Phase Three Production Limited*
- x. *The Jamaica Constabulary Force.*
- xi. *Fitz Harrack*

Motorcade 1 (Corporate Area)

- xii. *Fitz Harrack*
- xiii. *The Jamaica Constabulary Force.*

Motorcade 2 (Mobay to Falmouth)

- xiv. *David Mais*
- xv. *Fitz Harrack*
- xvi. *The Jamaica Constabulary Force.*⁸⁵

It is instructive to note that Jambiz International Limited, in its response to the foregoing OCG's Requisition, which was dated 2009 August 12, stated that "...our knowledge and involvement in the Olympic Athletes Homecoming Week of Celebrations was limited to what was outlined in the contract between Jambiz International Limited and the Ministry of Information, Culture, Youth and Sports..."⁸⁶

The OCG, in the referenced Requisition, also asked Jambiz International Limited the following question:

*"Did you recommend, influence and / or approve the procurement of the services of any of the suppliers / contractors who were engaged for the Olympic Athletes Homecoming Week of Celebrations? If yes, please provide all relevant particulars and, where possible, provide documentary evidence in support of any assertions made."*⁸⁷

⁸⁵ Response from Mr. Lenford Salmon, Managing Director, Jambiz International Limited, which was dated 2009 August 12. Question #11

⁸⁶ Response from Mr. Lenford Salmon, Managing Director, Jambiz International Limited, which was dated 2009 August 12. Question #2

⁸⁷ The OCG's requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #12

Jambiz International Limited, in its response to the OCG's Requisition, which was dated 2009 August 12, stated the following:

*“Other then [sic] the sub-contractors we engaged (as outlined in response to #11 above) we did not recommend, influence and / or approve the procurement of the services of any of the other suppliers/contractors who were engaged for the Olympic Athletes Homecoming Week of Celebrations”.*⁸⁸

The OCG, in its Requisition to Jambiz International Limited, which was dated 2009 July 27, asked the entity to *“...provide copies of all the paid invoice (s) and/or payment vouchers regarding the costs which were incurred in response to Question # 6 above. Provide, as best as possible, itemized details of the source (s) of the funds and / or donations which were actually used to meet these costs.”*⁸⁹

Jambiz International Limited, in its response to the OCG's Requisition, under the cover of a letter which was dated 2009 August 12, stated that *“Invoices/Payment Vouchers/Copies of cash cheques are attached amounting to \$4,290,119.09. The source of the funds to finance ALL these activities was the Ministry of Information, Culture, Youth and Sports.”*⁹⁰

Jambiz International Limited, in its response to the OCG's Requisition, under the cover of a letter which was dated 2009 August 12, also provided a list of the payments which was made from the referenced \$5,295,800.00 which was received from the former MICYS. Detailed in the table overleaf are the referenced payments.

⁸⁸ Response from Mr. Lenford Salmon, Managing Director, Jambiz International Limited, which was dated 2009 August 12. Question #12

⁸⁹ The OCG's requisition to Mr. Lenford Salmon, Managing Director, Jambiz International Limited which was dated 2009 July 27. Question #7

⁹⁰ Response from Mr. Lenford Salmon, Managing Director, Jambiz, which was dated 2009 August 12. Question #7

No.	Contracts Awarded	Amount Paid J\$	Description
1	Adrian McKenzie	15,000.00	Transportation
2	Alvin Campbell	60,000.00	Production – Script
3	Alvin Mitchell	30,000.00	Production
4	Amina Blackwood-Meeks	70,000.00	Production – Script
5	Anastasia Palmer	30,000.00	Production
6	Angiene Cannigan	60,000.00	Production
7	Annastasia Beckford	2,000.00	Performer
8	Anthony Ellis	6,000.00	Performer
9	Antoinette Hibbert	20,000.00	Production
10	Armbands Plus	10,485.00	Printing Costs
11	Bill Stephens	50,000.00	Group Coordinator
12	Business Works Ltd	50,000.00	Production
13	Cable & Wireless	94,945.00	Administrative Costs
14	Coleen Kerr	40,000.00	Production
15	Coleen Kerr	45,000.00	Production
16	Collette Coley	2,000.00	Performer
17	CPU Supplies	15,500.00	Printing Costs
18	Crimson Dawn Co. Ltd	363,250.00	Costumes
19	Dahlia Harris	50,000.00	Production
20	Daniel Chislom	6,000.00	Performer
21	Delroy Thompson	150,000.00	Production
22	Denise Adams	10,000.00	Group Marshall
23	Dian Simpson	5,250.00	Tickets
24	Donovan Watkis	60,000.00	Production
25	Ed Barnes	50,000.00	Production
26	Eric Brown	22,800.00	Catering
27	Eric Brown	10,000.00	Transportation
28	Eric Brown	95,400.00	Catering
29	Eric Brown	276,262.00	Catering
30	Eric Brown	7,000.00	Catering

No.	Contracts Awarded	Amount Paid J\$	Description
31	Errol Allan	60,307.66	Production - Labourers
32	Errol Lee	35,000.00	Transportation
33	Free Foam Factory	4,020.00	Costumes
34	Garbage Disposal	90,870.00	Sanitation
35	Garrett Armstrong	10,000.00	Transportation
36	Glen Campbell	60,000.00	Production
37	Headline Entertainment	40,000.00	Production
38	Horace McKellop	70,000.00	Choreography
39	Hot Off the Press	4,450.00	Printing Cost
40	Hot Off the Press	120,698.68	Printing Cost
41	Howard McGowan	15,000.00	Delivery
42	Innovative Ideas	41,590.00	Public Relations
43	Janet Donnegal	26,000.00	Production – Labourers
44	Joan Shields	70,000.00	Choreography
45	Jwerks Ltd	50,000.00	Production
46	Kadian Nicely	2,000.00	Performer
47	Kenneth Casey	136,000.00	Costumes
48	Kenneth Casey	100,000.00	Choreography
49	Kingston Hireage	87,115.00	Infrastructure
50	Kriston Henry	2,000.00	Performer
51	Lauriston Watson	100,000.00	Production
52	Learie McIntosh	49,000.00	Printing Costs
53	Marcus White	6,000.00	Performer
54	Mark Rush	60,000.00	Production
55	Mark White	6,000.00	Performer
56	Marva Garrison	10,000.00	Group Marshall
57	Michael Christe	344,000.00	Banner, etc
58	Mijanne Webster	60,000.00	Production
59	Nickeisha Gordon	20,000.00	Choreography
60	Natalie Nash	30,000.00	Production
61	Orlando Anderson	60,000.00	Production
62	Orlando Anderson	27,800.00	Props

No.	Contracts Awarded	Amount Paid J\$	Description
63	Petrona Warburton	10,000.00	Group Marshall
64	R. Chen	5,000.00	Transportation
65	Ranger Security	28,660.75	Security
66	Ranger Security	27,720.00	Security
67	Ranger Security	97,251.00	Security
68	Ranger Security	28,372.00	Security
69	Ranger Security	21,372.00	Security
70	Richard Burgess	50,000.00	Production
71	Richard Scotchman	6,000.00	Performer
72	Rochelle Ferguson	2,000.00	Performer
73	Rose-Ann Tomlinson	37,000.00	Catering
74	Rupert Johnson	6,000.00	Performer
75	Scarlett Behare	30,000.00	Production
76	Screen Scene	35,000.00	Printing Costs
77	Sean Irving	104,000.00	Video Production
78	Spencer Darlington	50,000.00	Production
79	Stacy Ann Brissett	80,000.00	Production
80	Stacy Ann Smith	10,000.00	Group Marshall
81	Stephen Stewart	12,000.00	Studio Rental
82	Steve Nairne	60,000.00	Production
83	Tracey Moore	2,000.00	Performer
84	Tricia-Gaye Webb	2,000.00	Performer
85	Trissen Holder	2,000.00	Performer
86	Troy Chambers	60,000.00	Production
87	Verene Lewis	2,000.00	Performer
88	Wayne Walker	15,000.00	Transportation
89	Yanique Myrie	2,000.00	Performer
	Total	\$4,290,119.09	

It is instructive to note that Jambiz International Limited was responsible for the payments to Ranger Security and, hence, had contracted the said company. The total payments to Ranger Security, as provided above, was \$203,375.75.

The National Planning Committee

It was brought to the attention of the OCG, by the Permanent Secretary in the former MICYS, under the cover of a letter, which was dated 2009 February 2, that:

“The Prime Minister, Hon. Bruce Golding, established a National Planning Committee to spearhead Government’s effort to maximize the impact of the outstanding performance of our Athletes at the Beijing Olympics, for the general good of the country, as well as to recognize and reward their achievements. While Hon. Olivia Grange, Minister with portfolio responsibility for Sports was still in Beijing as Jamaica’s head of delegation, the Prime Minister convened two meetings on August 21 and 25, 2008, respectively, to initiate plans for the Homecoming Celebrations...He however, indicated publicly that upon the Minister’s return home she would assume responsibility for chairing the committee and steering preparations for the planned events and this was affected as announced. The representatives of MICYS at the meetings convened by the Prime Minister, upon the Minister’s recommendation, were Miss Patricia Amos, Director Special and Commemorative Events MICYS and Mr. Glen Nelson, Executive Assistant. Throughout the entire planning and implementation process for the Celebrations, Miss Amos served as the Ministry’s principal technical representative.

From observation, in addition to the formal convening of the National Committee, the Minister held a series of production and logistical planning sessions with relevant persons with a view to utilizing her extensive expertise and knowledge in the staging of such events to guide the process and ensure a successful outcome. Included in these meetings were the JAMBIZ International team...⁹¹

⁹¹ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #2

The OCG, in its Requisition to the Permanent Secretary, which was dated 2009 January 13, posed the following question: “*What is/was the extent of your official and/or personal involvement in the Homecoming Week of Celebrations?*”⁹²

The Permanent Secretary, in her response to the OCG’s Requisition, which was dated 2009 February 2, stated the following:

*“My official involvement in the Homecoming Week of Celebrations was limited, in that, I was not a member of the National Planning Committee or any of the Subcommittee established to organize and implement the related events. However, on one occasion I was requested by the Minister to chair a sitting of the National Committee until her arrival from another appointment. Upon her arrival the chairmanship was handed over to her. At the close of the general meeting I departed as the members broke into sub-committees for more detailed discussions, for which my participation was not required...”*⁹³

Further, the Permanent Secretary, in her sworn response to the OCG, which was dated 2009 February 2, stated that “*...as Permanent Secretary and consequently Accounting Officer for the Ministry, I was requested by the Director Corporate Services to approve sole sourcing/direct contracting for some services for which invoices had been presented and urgently needed to be honoured to ensure smooth implementation of events associated with the celebrations...*”⁹⁴

The OCG, in its written Requisition, which was dated 2009 January 13, posed the following verbatim questions to the Permanent Secretary, in regard to the National Planning Committee:

⁹² OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #1

⁹³ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #1

⁹⁴ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #1

1. *“Correspondence provided by the MICYS under cover of letter, which was dated 2008 November 12, made reference to a National Planning Committee. Please detail the Terms of Reference which governed the National Planning Committee. Please also list the names of the members of the National Planning Committee and specify their designated responsibilities.”*⁹⁵

2. *“Were there Minutes of the meetings of the National Planning Committee? If yes, please provide a copy of the Minutes of all of the National Planning Committee Meetings which were held.”*⁹⁶

Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, in her sworn response to the OCG, which was dated 2009 February 2, indicated that:

“The Terms of Reference (TOR) of the National Planning Committee as outlined by the Prime Minister in the first meeting of August 21, 2008 were as follows:

- *To make proposals for a fitting Homecoming Celebration for the 53-member Jamaican Olympic delegation.*

- *To advise on the most appropriate recognition and rewards for the athletes and their coaches.*

- *To determine long-term institutional-building and capacity-strengthening initiatives that can be pursued to develop other athletes.*

⁹⁵ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Question #10

⁹⁶ OCG requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Questions # 11

The National Planning Committee initially convened by the Honourable Prime Minister consisted of the following members.

<i>Hon Daryl Vaz</i>	<i>Minister of State</i>
<i>His Worship the Mayor</i>	<i>Councillor Desmond McKenzie Mayor – Kingston</i>
<i>Mr Robert Pickersgill</i>	<i>Chairman, People’s National Party</i>
<i>Mr David Mais</i>	<i>Sports Development Foundation</i>
<i>Mr Bunny Pommells</i>	<i>Social Development Commission/ Sports Development Foundation</i>
<i>Mr Glen Nelson</i>	<i>Ministry of Information, Culture, Youth & Sports</i>
<i>Miss Patricia Amos</i>	<i>Ministry of Information, Culture, Youth & Sports</i>
<i>Mr Patrick Hylton</i>	<i>National Commercial Bank</i>
<i>Mr Howard Aris</i>	<i>Jamaica Amateur Athletic Association</i>
<i>Miss Delmanda Fisher</i>	<i>Independence Park Ltd.</i>
<i>Mr Keith Latimore</i>	<i>Independence Park Ltd.</i>
<i>Miss Juliet Cuthbert</i>	<i>Olympian</i>
<i>Miss Lois Grant</i>	<i>Communication Consultant, OPM</i>

The Prime Minister stated in this meeting that he would turn over chairmanship of the National Planning Committee to Minister Grange as soon as she returned from Beijing, China.

At the next meeting (August 25), also chaired by the Prime Minister as Minister Grange had not yet returned, a number of persons were added to the committee as follows:

Mrs. Patricia Sinclair McCalla - Permanent Secretary, OPM

Mr. Russell Hadeed - *Jamaica Labour Party*
Ms. Charmaine Lawson - *Supreme Ventures*
Mr. Richard Fontaine - *Fraser Fontaine & Kong*

Mrs. Faith Innerarity, Permanent Secretary, in the Ministry of Information, Culture, Youth and Sports, at the request of the Minister, chaired the meeting of September 11 until the Minister's arrival and the meeting of October 2 was chaired by the Minister.

It should be noted that the committee included persons who had portfolio responsibilities in government ministries, sports related agencies and organizations as well as the private sector which was being approached for assistance in relation to sponsorship and specific organizational skills.

The committee was expanded to include the following in subsequent meetings convened by Honourable Olivia Grange, as follows:

Ms. Carlene Edwards - *Supreme Ventures Ltd.*
Mr Cecil Warren - *Independence Park Ltd.*
Major Desmon Brown - *Independence Park Ltd.*
Mr. Mike Fennel - *Jamaica Olympic Association*
Mr. Don Anderson - *Jamaica Olympic Association*
Mr. Lenford Salmon - *Jambiz International*⁹⁷

The OCG found, upon a review of the Meeting Minutes of the “Olympic Salute Planning Committee”, that there were no reported discussions in regard to the procurement of goods, works and/or services for the celebratory event.

⁹⁷ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #10 & 11

It is instructive to note that the OCG, in its requisition that was addressed to the Permanent Secretary, which was dated 2009 January 13, asked the following question:

“What measures and/or steps were taken to ensure that the requirements of the Government Procurement Procedures Handbook (GPPH) were adhered to in the procurement of any and all goods, works or services for the Homecoming Week of Celebrations which were specifically procured through public funds?”⁹⁸

The Permanent Secretary, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which it was stated that *“The Planning Committee established to facilitate the Athletes Homecoming Celebrations was given the responsibility to procure goods/services for the event...”⁹⁹*

Mr. Thompson further provided a table which represented the organizations which engaged the Contractor/Supplier for the specific services. Detailed below are the Contractors/Suppliers which were identified by Mr. Thompson as being engaged by the National Planning Committee.¹⁰⁰

⁹⁸ OCG Requisition to Mrs. Faith Innerarity, Permanent Secretary in the former MICYS, which was dated 2009 January 13. Questions # 8

⁹⁹ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #8

¹⁰⁰ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #20

Service Providers	Organizations that engaged the services	Date of engagement
Ad Council	Planning Committee	25-09-08
Jambiz International	Planning Committee/MICYs	04-09-08
Bell Communications	Jambiz International/David Mais (Planning Committee)	29-09-08 & 3-10-08
MRB Trading Ltd/Sparkles	Planning Committee	03-10-08. An error was made with the date for Direct contract request from the P/S date should be 04-10-08 instead of 04-09-08
David Mais	Planning Committee	02-10-08 & 07-10-08
Knightsman Ltd	Planning Committee	01-10-08
St. James Parish Council	Planning Committee/David Mais	07-10-08
Jamaica Information Service (J.I.S)	Planning Committee	1-10-08
Protection & Security Limited	Planning Committee	03-10-08 & 08-10-08
J.C.F	Planning Committee	03-10-08
Air Jamaica	Planning Committee	1-10-08 & 06-10-08

Having regard to the fact that the National Planning Committee was held out by the Permanent Secretary as having engaged the services of the foregoing contractors, the OCG, in an effort to clarify this information, further posed the following question, under the cover of a letter which was dated 2009 August 13, that was addressed to Mr. Shawn Thompson:

“In the response to question #8 of the OCG’s Requisition, which was dated January 13, 2009, and which was submitted by the Director of Corporate Services, and provided to the OCG by the Permanent Secretary in the former MICYs, under cover of letter which was dated February 2, 2009, it was indicated that, “The Planning Committee...was given the responsibility to procure goods/services for the event.” Please clarify this statement and answer the following questions:

- i. Did the National Planning Committee procure any ‘goods/services’ for the event?*
- ii. If yes, please provide a list of all the ‘goods/services’ that were procured by the said Committee;*

- iii. *Given that Government of Jamaica funds were involved in these procurements, was any consideration given to the use of, and adherence to the GPPH? If yes, please detail the measures that were undertaken to ensure compliance...*¹⁰¹

Mr. Shawn Thompson, Director of Corporate Services, in his response to the OCG's Requisition, which was dated 2009 September 1, stated that *"The National Planning Committee did not procure any goods/services. Jambiz International was mandated via a contract to ensure that all goods/services required for the Olympic Celebrations were procured."*¹⁰²

Procurement Committee Approval for the Award of Contracts

The spreadsheet which was provided by the Permanent Secretary, in the former MICYS, under the cover of a letter which was dated 2008 November 12, further represented that the thirty-three (33) Contractors/Suppliers, which were awarded contracts, were not approved by the Procurement Committee.

The OCG, in its Requisition that was addressed to the Permanent Secretary, in the former MICYS, which was dated 2009 January 13, posed the following question:

*"Did the MICYS have a Procurement Committee, up to and including 2008 October, which was constituted in accordance with the 2001 Edition of the Government Procurement Procedures Handbook (GPPH)? If yes, please provide the names of the members of the MICYS Procurement Committee and the dates on which the named individuals were appointed to the Procurement Committee."*¹⁰³

¹⁰¹ The OCG's requisition to Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 August 13. Question #6

¹⁰² Response from Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 September 1. Question #6

¹⁰³ The OCG's Requisition, under the cover of letter which was dated 2009 January 13, to the Permanent Secretary in the former MICYS. Question #22.

Mrs. Faith Innerarity, the Permanent Secretary, in the former MICYS, in her response to the OCG's Requisition, which was dated 2009 February 2, stated the following:

"Yes.

The members were:

Mr. Shawn Thompson – Chairman – February, 2008

Mr. Jermaine Spencer – December, 2007

Mr. Jeremy Hosen – December, 2007

Mrs. Faith Webster – December, 2007

Ms. Takisha Barnes – Recording secretary.

*Prior to Mr. Thompson being appointed as Chairman in February, 2008, Mr. Colin Leslie acted as Chairman."*¹⁰⁴

The OCG, in its Requisition to the Permanent Secretary, in the former MICYS, which was dated 2008 January 13, further posed the following question:

*"If the response to Question # 22 above is yes, please provide the reason(s) for which the contracts which were awarded to (a) Jambiz International Limited (b) Bell Communications Limited (c) Knightsman Limited (d) MRB Trading Limited/Sparkles (e) Electro Tech Productions Ltd (f) Protection and Security Limited and (e) Fireworks & Explosives did not receive the approval of the MICYS' Procurement Committee?"*¹⁰⁵

The Permanent Secretary, in her sworn response to the OCG's Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which it was stated that:

¹⁰⁴ Response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #22

¹⁰⁵ The OCG's Requisition, under the cover of letter which was dated 2009 January 13, to the Permanent Secretary in the former MICYS. Question #23

“The Jambiz International proposal was not presented to the MICYS Procurement Committee because the funds for the payment of the services to be rendered, based on the contract, were not taken from the MICYS budget nor was there any definite indication that the funds required for the Jambiz International contract was to be paid solely from Government funds or what amount of the J\$20M received by the PSOJ from Government was earmarked for the payment of the services to be provided by Jambiz International. In addition please see information outlined at item 21c.

In respect of:

b) Bell Communication d) MRB Trading Limited/Sparkles and e) Fireworks and Explosives, the Contractors’ deposit and/ or final payment were not made from MICYS funds hence the Procurement Committee was not required to deliberate for the procurement of these goods/services which were to be provided through Jambiz International.

In respect of:

c) Knightsman Limited e) Electro Tech and f) Protection and Security, payments were made from the MICYS Homecoming Deposit based on direct contracts approved after review of the situation/circumstances. Electro Tech was also seen as providing performance services; hence since September 22, 2008 this service would be exempt. It is important to note that since the above date the Head of Agency could approve direct contract payment of up to \$3m; hence the final payment to Knightsman Limited.

In addition to the foregoing, based on circular No. 36 [sic] dated 22-09-08 which was brought to the Ministry’s attention between the period 29-09-08 and 1-10-08, services provided by MRB Trading Limited, Electro Tech Production, Fireworks

and Explosives were considered to be artistic and cultural products and services (works of art, performance services and other cultural and creative products/services hence should be exempt from procurement requirements). In addition the Ministry was guided by letter dated May 22, 2008 from the Ministry of Finance and the Public Services to the Chairman of the NCC which indicates in part that:

“The Ministry is of the view that goods and services of an artistic nature must be exempted from the procurement guidelines. Artistic and cultural products are distinguished on the basis of uniqueness and creativity and are unlike other goods and services regularly procured under the procurement guidelines. The Revised handbook of Procedures has been amended to reflect this exemption. Until the issuing of the revised Handbook the Ministry of Finance and the Public Service will issue supplementary guidelines to indicate the exclusions.”

*The contractors, with the exception of Jambiz International, first contacted the Ministry as a result of the temporary lack of funds in the PSOJ/GOJ Account; hence for their final payment they had approached MICYS. The Ministry was of the view that based on the urgent request of the contractors and the time constraint the Head of the Procuring Entity may approve sole source/direct contracting up to J\$3M since September 22, 2008 and since the approach to the Ministry was after 22-09-08 by the contractors the **contracts above J\$1M could be approved as sole source/direct contracting by the Head of the Ministry without the procurement committee’s involvement.**”¹⁰⁶(OCG Emphasis)*

Based upon the foregoing, the OCG found that the Chairman of the Procurement Committee, Mr. Shawn Thompson, was of the opinion that once the Head of the Procuring

¹⁰⁶ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #23

Entity had approved the use of the Sole Source/Direct Contracting Procurement Methodology, then the Procurement Committee's involvement was not required.

It is instructive to note that, in accordance with the referenced information, which was received from the former MICYS, approval was received from the Accounting Officer, that is, the Permanent Secretary, who stated in her sworn response to the OCG's Requisition, which was dated 2009 February 2, that "*...I was requested by the Director Corporate Services to approve sole sourcing/direct contracting for some services for which invoices had been presented and urgently needed to be honoured to ensure smooth implementation of events associated with the celebrations.*"¹⁰⁷

However, it is instructive to note that the OCG found, based upon the foregoing, that the Accounting Officer approved payments of invoices and not the procurement methodology which was to be employed and/or which was in fact employed by the then MICYS.

¹⁰⁷ The former MICYS response from the Permanent Secretary, Mrs. Faith Innerarity, which was dated 2009 February 2. Response #1

National Contracts Commission (NCC) approval for the award of contracts for the Olympic Athletes Homecoming Week of Celebrations

Based upon the dates of the award of the contracts, as was provided to the OCG, by the former MICYS, under the cover of letters which were dated 2008 November 12 and 2009 February 2, contracts were awarded to Contractors/Suppliers before and after the effective date of Circular #36, which was issued by the Ministry of Finance and the Public Service on 2008 September 22.

Consequently, contracts which were awarded before the issuance of Circular #36 were completely governed by the provisions of the GOJ Public Sector Procurement Procedures Handbook (GPPH 2001 May).

It is instructive to note that Section 2.1.3.4 of the GPPH (2001 May), states that “*All Sole Source or Direct Contracting greater than \$1M must receive prior written approval from the NCC through the Accounting Officer.*”

Further, the MOFPS Circular #36, which became effective on 2008 September 22, provides that “*The Head of the Procuring Entity may approve sole source/direct contracting up to J\$3,000,000.00. Above this value, will require the prior approval of the National Contracts Commission.*”¹⁰⁸

Based upon the information which was provided to the OCG, by the former MICYS, under the cover of a letter which was dated 2009 February 2, the following contracts did not receive the requisite approval from the National Contracts Commission (NCC):-

¹⁰⁸ Circular #36, MOFPS, which was dated 2008 September 22.

Contractor/Supplier	Contract Value	Date of Engagement
Ad Council Jamaica	\$5,000,000.00	25-09-08
MRB Trading Limited/Sparkles	\$9,216,071.00	04-10-08
Jamaica Information Service	\$6,385,949.00	01-10-08
Fireworks and Explosives	\$4,814,362.50	25-09-08
Jambiz International Limited	\$15,461,869.00	04-09-08

Based upon the information tabled above, Jambiz International Limited was the only Contractor which was reportedly awarded a contract before the issuance of the referenced Circular #36. In this regard, the procurement strictures provided under the GPPH (2001 May) would have completely governed the award of this contract.

The other four (4) contracts which were reportedly awarded after the issuance of Circular #36, and which were above the J\$3M threshold, would have been governed by the provisions that are outlined in Circular #36.

The OCG has found that of the five (5) listed Contractors/Suppliers, Fireworks and Explosives is the only contract which may be deemed to be of an ‘artistic’ nature and which would therefore be exempted from the requirements of the procurement guidelines, as contemplated by Circular #35, “*Exemptions from the Government of Jamaica Handbook of Public Sector Procurement Procedures*”, given the reported date of the award of the contract. Circular #35 became effective 2008 September 22.

However, the OCG was provided with a letter, which was dated 2008 September 12, in which the Hon. Olivia Grange, informed Mr. Neville Shields, Fireworks & Explosives Effects Limited, as follows:

“Thank you for accepting our offer for Fireworks and Explosives Effects Limited to provide pyrotechnic and aerial fireworks displays for the ‘Salute to our Beijing Heroes’ homecoming celebrations on Saturday October 4 at the National Stadium

and at the Trelawny Multi Purpose Complex on Wednesday October 8, 2008. Please go ahead and apply for the necessary permits and clearances to facilitate the importation and display of the fireworks for this purpose. We also expect that all necessary precaution will be taken to ensure an incident free event. The producers of the event – JAMBIZ will be in touch with you to sort out the finer details of the engagement.”¹⁰⁹

The letter of 2008 September 12 contradicts the date of award of the contract which was represented by the Permanent Secretary in her response which was dated 2009 February 2.

In point of fact, the OCG was provided with documentary evidence which was dated 2008 September 24 in the form of an invoice from Fireworks and Explosive and another document which was dated 2008 September 25, the same date on which the Permanent Secretary reported that the Contractor/Supplier had been engaged, which indicated, *inter alia*, that a cheque amounting to 50% of the contract sum was being paid to Fireworks and Explosive on that date.

Based upon the compendium of facts, and should the 2008 September 12 letter from Minister Grange be accepted as factually correct, then it is apparent that Fireworks and Explosive was contracted prior to 2008 September 22, the effective date of Circular #35 which would have granted the exemption of the goods and/or services provided by the company, in this regard, from the procurement guidelines. Therefore, the award of this contract would have required endorsement from the NCC.

The OCG, in its Requisition that was addressed to the Permanent Secretary, in the former MICYS, which was dated 2008 January 13, posed the following questions:

¹⁰⁹ Letter dated 2008 September 12 from the Hon. Olivia Grange, MICYS to Mr. Neville Shields, Fireworks and Explosives Effects Ltd.

“A spreadsheet provided by the MICYS, under cover of letter dated 2008 November 12, indicated that the services of Fireworks and Explosives were procured via the Sole Source Methodology and approved by the Accounting Officer. The stated contract value is J\$4,814,362.50. Please answer the following questions:

- a. Was prior written approval for the award of the contract sought from the NCC? If yes, please provide a copy of the letter requesting such approval;*
- b. If approval was sought, please provide a copy of the written approval which was granted by the NCC.”¹¹⁰*

The Permanent Secretary, in her sworn response to the OCG’s Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which the following was stated:

“No prior approval was sought from the NCC as the first payment/deposit was made from the PSOJ/GOJ account. The request for approval of sole source by the Accounting Officer was made after MICYS was approached by Fireworks and Explosive for their final payment as the PSOJ/GOJ account was out of funds and MICYS had received \$8M to be used to offset Homecoming expenses. The origin of the funds was highlighted earlier (\$3M from SDF and \$5M from TEF). The Ministry intended to make the second payment; therefore the request for approval of sole source was made bearing in mind the fact that the supplier was the only one in the country that provided such services. Additionally, the approval for sole source was made to ensure that the Government Procurement guidelines were followed. However, subsequent to the request, the PSOJ/GOJ account received additional funds (contributions to the account were received in tranches). Therefore, although the sole source request was approved, the total payment to Fireworks came from the

¹¹⁰ The OCG’s Requisition to the Permanent Secretary in the former MICYS, under the cover of letter which was dated 2009 January 13. Question#19

*PSOJ/GOJ Account.*¹¹¹ (OCG Emphasis)

It must also be noted that the other four (4) contracts, namely those which were awarded to Jambiz International Limited, Ad Council Jamaica, MRB Trading Limited/Sparkles and Jamaica Information Service, were required to receive NCC endorsement, prior to the award of the contracts, irrespective of the date of award or the monetary values which were involved.

Mrs. Faith Innerarity, in her response to the OCG's Requisition, which was dated 2008 November 12, had indicated that the PSOJ was responsible for the contracting of Ad Council Jamaica. However, in her subsequent response to the OCG's Requisition, which was dated 2009 February 2, Mrs. Innerarity provided a response from the Director of Corporate Services, Mr. Shawn Thompson, in which he indicated that the services of Ad Council Jamaica were engaged by the Planning Committee on 2008 September 25.

It is instructive to note, that the PSOJ has denied contracting the services of any Contractor/Supplier which was involved in the Olympic Athletes Homecoming Week of Celebrations. In point of fact, Ms. Karis Flowers, PSOJ, stated that procurement was the responsibility of the GOJ.

Having regard to the foregoing, the OCG has found, based upon the representations from the former MICYS, that it appears that Ad Council Jamaica was procured via the Sole Source Procurement Methodology. However, no documentary evidence of the prior approval from the Accounting Officer and the NCC was seen regarding the referenced procurement methodology.

¹¹¹ Response from Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 February 2. Response #19.

The OCG also found that based upon representations which were made by Mrs. Faith Innerarity, the invoice for payment to Fireworks and Explosives was approved by the Accounting Officer. Further, the referenced contract was procured via the Sole Source Procurement Methodology.

The OCG, in its Requisition which was dated 2009 January 13, that was addressed to Mrs. Faith Innerarity, posed the following question:

“The goods, works and/or services which were provided by the following contractors were listed on a Spreadsheet provided by the MICYS as being procured via Direct Contracting:

- i. Jambiz International Limited;*
- ii. Bell Communications Limited;*
- iii. Knightsman Limited;*
- iv. MRB Trading Limited/Sparkles;*
- v. Electro Tech Productions Limited;*
- vi. Protection and Security Limited.*

Please answer the following questions:

- (a) For each of the listed contracts which are in excess of J\$1 Million, please indicate if prior written approval was obtained from the National Contracts Commission (NCC);*
- (b) Provide the reasons/bases upon which the services of the listed contractors were procured;*

(c) Did the contract which was awarded to Jambiz International Limited, which is in excess of J\$15 Million, receive the prior written approval of the NCC and Cabinet Approval?”¹¹²

Mrs. Faith Innerarity, in her response to the OCG’s Requisition, which was dated 2009 February 2, provided a response from Mr. Shawn Thompson, Director of Corporate Services, in which he confirmed that approval from the NCC was not received. In his referenced response, Mr. Thompson stated as follows:

a) The listed contracts of \$1M and over were;

- Jambiz International*
- Knightsman Ltd*
- MRB Trading Limited/Sparkles*

These contracts were not submitted to NCC for approval

b) Jambiz was contracted based on;

- A meritorious unsolicited proposal.*
- Their experience and past performance in providing such services (Independence Gala)*
- The extremely urgent requirement for that type of service and the existing time constraint.*

Knightsman Limited was contracted based on the urgency of the request, their competitive price and the existing time constraint.

MRB Trading Limited/Sparkles was contracted based on the urgency of the request and the existing time constraint

¹¹² The OCG’s Requisition to the Permanent Secretary in the former MICYS under the cover of letter which was dated 2009 January 13. Question#21

c) *The Jambiz International contract which was in excess of J\$15M did not received the prior written approval of the NCC and Cabinet because government funds were not exclusively identified/earmarked for the financing of the Jambiz contract, that is, the Planning Committee set up by the Prime Minister to organize the Athlete Homecoming Week of Celebrations did not identify or indicate by way of a terms of reference or memorandum of understanding how the J\$20M lodged to the PSOJ/GOJ account would be expended. In other words it was not indicated how much of the J\$15M payable to Jambiz International would be paid from the J\$20M provided from public funds. Hence the contract was not sent to NCC or Cabinet for approval.*

Contract was signed between Jambiz International and MICYS because the Minister of Information Culture Youth and Sports had indicated that her Ministry had oversight for the project hence the Ministry's intention in preparing a contract was to ensure accountability as the absence of a formal contract could leave the Ministry and the PSOJ without recourse in the event of unsatisfactory performance.¹¹³

Having regard to the foregoing, the contracts which were awarded to Jambiz International, Bell Communications Limited, Knightsman Limited, MRB Trading Limited/Sparkles, Electro Tech Production Limited, and Protection and Security Limited did not have the respective approvals of the NCC and/or the Cabinet, as the cases may have warranted.

¹¹³ Response from Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 February 2. Response #21.

Contracts awarded above J\$250,000 to less than J\$1M for the Olympic Athletes Homecoming Week of Celebrations

Based upon the information which was provided to the OCG, by the former MICYS, under the cover of letters which were dated 2008 November 12 and 2009 February 2, eleven (11) contracts were awarded within the threshold of J\$250,000.00 to less than J\$1,000,000.00.

According to the information which was provided to the OCG, by the former MICYS, under the cover of a letter which was dated 2008 November 12, the contracts which fell within the referenced threshold were as follows:

Contractor/Supplier	Date of Engagement	Expenditure (\$)
Rosina Moder	26/9/2008	325,000.00
Tent City Rentals	30/9/2008	287,463.75
David Mais	2/10/2008	800,000.00
Knightsman Limited	3/10/2008	489,400.00
Fitz Harrack	3/10/2008	608,000.00
Electro Tech Productions	3/10/2008	360,000.00
Protection & Security Limited	8/10/2008	401,265.00
Protection & Security Limited	4/10/2008	279,801.00
The Jamaica Constabulary	3/10/2008	667,150.00
Air Jamaica	1/10/2008	831,151.00
Kingston Hireage & Wholesale Liquor Limited	3/10/2008	256,175.50

It is instructive to note that the procurement methodology which was utilized for the above awarded contracts was the Direct Contracting Procurement Methodology.

However, it must be noted that Section 4.3 of the GPPH (2001 May) provides that “*Where the estimated value is equal to or greater than J\$250,000.00 but less than J\$1M goods should be procured by limited tender procedures, in accordance with the nature of the*

goods desired and the circumstances of the procurement, where tenders should be invited from a minimum of five appropriately qualified contractors that are registered with the NCC...”

Of note, however, is that although the recommended procurement methodology under the referenced Section 4.3 of the GPPH is the Limited Tender Procurement Methodology, the contracts listed above were awarded after the issuance of Circular #36 which increased the approval thresholds. The referenced Circular #36 provides that contracts J\$10M and below may be approved by the Head of the Procuring Entity.

Although the recommended procurement methodology for contracts under \$1M is the Limited Tender Procurement Methodology, the OCG is also aware that the GOJ procurement procedures which were applicable as at 2008 September 22, also permitted the use of the Sole Source or Direct Contracting Procurement Methodology for contracts less than \$3,000,000.00 for which the Head of the Procuring Entity may approve.

However, no documentary evidence was provided to indicate that quotations were requested from the companies to provide goods, works and/or services for the Olympic Athletes Homecoming Week of Celebrations, nor that prior approval was received from the Accounting Officer/Head of Entity, for the award of contracts which were procured via the Sole Source/Direct Contracting Procurement Methodology.

It must be noted that, Mr. Shawn Thompson, in his response to the OCG’s Requisition, which was dated 2009 September 1, stated that “...*Contracts were not provided for all suppliers that documents were requested...*”¹¹⁴

In this regard, the OCG found that contracts were signed for the following services:

¹¹⁴ Response from Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, which was dated 2009 September 1. Question #7

Security Services:-

- An Agreement was entered into on 2008 October 3 between GOJ/PSOJ Athlete Homecoming Welcome Committee, c/o of the MICYS and Protection and Security Limited. The contract values were \$325,968.17 for the National Stadium and \$467,473.73 for Greenfield Stadium, Trelawny, respectively.

Security Services:-

- An Agreement was entered into on 2008 October 1, between the MICYS and Knightsman Limited to maintain security presence and to provide the requisite security personnel and barriers at the National Stadium on 2008 October 4 and at the Greenfield Stadium, Trelawny on 2008 October 8.

The rates attached to the referenced agreement were as follows:

- a) Unarmed Guards - \$361.50;
- b) K-9 & Handler - \$456.00;
- c) Supervisor - \$500.00; and
- d) Bouncers - \$800.00

Invoices and Indications of Payments Approved for the Olympic Athletes Homecoming Week of Celebrations

The OCG, during the course of its Investigation was provided with several pieces of documentation, invoices and memoranda in respect of the contracts which were awarded for the Olympic Athletes Homecoming Week of Celebrations. Detailed below are the particulars of some of the payments for the contracts which were awarded.

1. Mr. David Mais, a member of the Planning Committee, by way of a letter which was dated 2008 November 10, that was addressed to Mr. Shawn Thompson, requesting payment with respect to First Alert Security Services. Attached to the referenced letter was an invoice, which was dated 2008 October 9, from the said company in the amount of \$605,800.00 (inclusive of 16.5% GCT).

Also attached to the referenced invoice, was another letter which was dated 2008 October 2, from First Alert Security Services to the GOJ/PSOJ Olympic Committee. The referenced letter stated that *“This letter serves to advise you that First Alert Security Services has been contracted by Mr. David Mais to provide specialized security coverage for athletes’ visit to Montego Bay and Falmouth from Oct 6th thru [sic] 8th 2008 at a cost of JA\$520,000.00...”*

It is instructive to note, that this contract was not listed on the spreadsheet of contracts which was provided by the former MICYS, under the cover of a letter, which was dated 2008 November 12.

2. Memorandum, dated 2008 October 16, from Mr. David Mais to Mr. Sean Thompson, in which Mr. Mais stated *“Please see attached invoices that I have approved for the services provided.* The particulars of the attached invoices are as follows:

- a) Knightsman Limited which was dated 2008 October 16 in the amount of \$631,641.50;
- b) Knightsman Limited, which was dated 2008 October 16, in the amount of \$500,055.00; and
- c) Knightsman Limited, which was dated 2008 October 3, in the amount of \$489,400.00.

This represents a cumulative value of \$1,621,096.50

- 3. A copy of a cheque, which was dated 2008 October 10, paid to the order of Knightsman Limited in the amount of \$244,700.00.

It is instructive to note that attached to this payment was an approval which was received from the Accounting Officer, in the former MICYS, to utilize the Direct Contracting Procurement Methodology.

- 4. A copy of a cheque, which was addressed to Mr. David Mais, from the Office of the Prime Minister, which was dated 2008 October 7, in the amount of \$500,000.00.

A copy of a second cheque, which was addressed to Mr. David Mais, which was paid from the PSOJ/GOJ Home Coming Account , which was dated 2008 October 3, in the amount of \$300,000.00.

This represents a cumulative value of \$800,000.00.

It is instructive to note that Mr. David Mais, a member of the National Planning Committee, was engaged to provide equipment, supplies and motorcade for the 2008 October 3 Beijing Olympians.

There was no evidence to suggest that this contract was procured competitively and that the requisite approvals were received.

This contract was, however, reported to the OCG, by the former MICYS, under the cover of a letter which was dated 2008 November 12, as having been procured by Jambiz International Limited.

The former MICYS further indicated, under the cover of letter which was dated 2009 February 2, that the National Planning Committee had engaged the services.

Despite the aforementioned, Mr. Shawn Thompson, Director of Corporate Services, under the cover of letter which was dated 2009 September 1, informed the OCG that the National Planning Committee did not procure any goods, works and/or services.

Further information which was provided to the OCG, by Jambiz International Limited, under the cover of letter which was dated 2009 August 12, revealed that the contract to David Mais was actually contracted by Jambiz International Limited.

5. A copy of a cheque, which was dated 2008 September 30, paid to the order of Jamaica Festival Choir, in the amount of \$162,500.00.
6. A letter which was dated 2008 October 3, from the JCDC to Mrs. Faith Innerarity, Permanent Secretary, in the former MICYS, requesting “...*permission to directly contract Knightsman Limited which is the recommended supplier.*”¹¹⁵

Attached to the referenced letter were two (2) invoices from Knightsman Limited to the JCDC. These are as follows:

- a) Invoice dated 2008 October 2, in the amount of \$686,810.00; and

¹¹⁵ Letter dated 2008 October 3, from JCDC to the former MICYS.

b) Invoice dated 2008 October 2, in the amount of \$1,794,993.00.

This represents a cumulative value of \$2,481,803.00.

It is instructive to note that listed on the spreadsheet of contracts which was provided by MICYS were two contracts which were awarded to Knightsman Limited, which had a cumulative value of \$1,924,676.50.

7. Jambiz International Limited, by way of a letter which was dated 2008 October 2, to Mrs. Karis Flowers, PSOJ, requested that payments be made to the following Contractors/Suppliers which had submitted invoices:

- Fitz Harrack - \$608,000.00
- Knightsman Limited – \$1,246,062.00
- Knightsman Limited - \$1,7494,993.00
- Jambiz International Limited – a) \$2,412,000.00 and b) \$3,089,800.00. This represents a cumulative value of \$5,501,800.00.
- Kingston Hireage - \$57,440.00

8. A copy of a cheque which was dated 2008 October 23, paid to the order of Tent City Rentals, in the amount of \$143,731.87.

A copy of a second cheque which was dated 2008 September 30, paid to the order of Tent City Rentals in the amount of \$143,731.88.

A copy of third cheque which was dated 2008 November 21, paid to the order of Tent City Rentals in the amount of \$42,000.00.

This represents a cumulative value of \$329,463.75.

9. The following copies of cheques represented payments which were made to Jambiz International Limited:

- Cheque which was dated 2008 November 21, in the amount of \$389,000.00.
- Cheque which was dated 2008 September 30, in the amount of \$2,544,900.00.
- Cheque which was dated 2008 October 3, in the amount of \$1,544,900.00.

The cumulative value of the foregoing cheques is \$4,478,800.00.

10. A '*Statement Re Expenses*' which was dated 2008 October 31, detailed information with respect to the amount which was sponsored by Scotia Client Group, in the amount of \$1,000,000.00. This amount was used to cover expenses for "Dining with Stars under the Stars" at Strawberry Hills.

The referenced '*Statement*' indicated that payments totaling \$830,700.00 were made as at 2008 October 31. These are as follows:

- a) Electrotech - \$360,000.00
- b) I'Three - \$200,000.00
- c) Backline/Stg Mgt - \$140,000.00
- d) Additional expenses - \$ 130,700.00.

It is instructive to note that the remaining amount was \$69,300.00. However, the said '*Statement*' detailed outstanding invoices for MC Décor and Rentals in the amount of \$266,260.00. As such, there was a reported shortfall of \$96,960.00 remaining.

11. A copy of an invoice which was received from Starfish Trelawny in the amount of US\$13,575.00 (converted at \$74.50 – J\$1,011,337.50). The payment was indicated as having been made on 2008 October 16, in the amount of \$995,454.75.

It is instructive to note that this contract was reportedly paid from the funds which were received from the Tourism Enhancement Fund, which had pledged \$10,000,000.00.

12. Letter dated 2008 September 24, from Fireworks and Explosive Effects Limited, which indicated that the total cost was US\$66,405.00 (J\$4,814,362.50). A fifty percent (50%) deposit was approved by the PSOJ in the amount of \$2,407,181.25 on 2008 September 29. Attached to the referenced letter was a copy of a cheque which was dated 2008 September 29, in the amount of \$2,407,181.25.

13. A copy of a cheque which was dated 2008 October 13, was paid to the order of Sparkles Production in the amount of \$7,616,071.00.

It is instructive to note that attached to the payment was an approval which was received from the Accounting Officer in the former MICYS, to utilize the Direct Contracting Procurement Methodology.

14. A copy of a cheque which was dated 2008 October 2, was paid to the order of Rose & Company Limited in the amount of \$666,962.00.

It is instructive to note that attached to the payment was an approval which was received from the Accounting Officer to utilize the Direct Contracting Procurement Methodology.

15. A copy of a cheque which was dated 2008 November 13, was paid to the order of Bell Communications Limited in the amount of \$38,415.88.

A copy of a second cheque, which was dated 2008 November 21, was paid to the order of Bell Communications Limited in the amount of \$170,000.00.

This represents an accumulated value of \$208,415.88

It is instructive to note that attached to the payments was an approval which was received from the Accounting Officer, in the former MICYS, to utilize the Direct Contracting Procurement Methodology for the referenced payment.

KEY CONCLUSIONS

Based upon the sworn responses which were received from the representatives of the former MICYS and other persons of interest who were involved in the award and implementation of the referenced contracts, for the Olympic Athletes Homecoming Week of Celebrations, which have been reviewed and cross-referenced, the OCG has arrived at the following Key Conclusions:

1. The Olympic Athletes Homecoming Week of Celebrations was a joint venture between the Government of Jamaica (GOJ), through the former Ministry of Information, Culture, Youth and Sports (MICYS) and the Private Sector Organization of Jamaica (PSOJ).
2. A Planning Committee was established by the Prime Minister, the Hon. Bruce Golding and the stewardship of which was later delegated to the Hon. Olivia Grange. The committee was composed of representatives from the Ministry, other Government Agencies, the Opposition and private sector entities. Several meetings were held by this National Planning Committee which “...*identified a series of actions and activities deemed appropriate for the celebrations...*”¹¹⁶
3. During the planning of the celebratory event, the former MICYS took the decision to contract Jambiz International Limited, via the Sole Source Procurement Methodology, based upon the ‘meritorious unsolicited proposal’ justification. The contract which was awarded to Jambiz International Limited, for Consultancy Services to manage and implement the Proposal for the Olympic Athletes Homecoming Week of Celebrations, was consummated on 2008 September 4.

¹¹⁶ Executive Summary which was provided by the Permanent Secretary in the former MICYS under the cover of letter which was dated 2008 November 12.

4. The decision to engage Jambiz International Limited, effective 2008 September 4, was taken by the former MICYS subsequent to a previous approval, which was received on 2008 May 26, from the National Contracts Committee (NCC), that had endorsed a recommendation to utilize the said company for a previous event - The National Festival Parade and Grand Gala.

Notwithstanding the NCC's prior approval to utilize the services of Jambiz International Limited for the National Festival Parade and Grand Gala, the OCG has concluded that, with respect to the contract which was awarded for the Olympic Athletes Homecoming Week of Celebrations, there was no approval from the NCC and the Cabinet to engage the services of Jambiz International Limited.

In this regard, the OCG has concluded that the former MICYS contravened Section 2.1.3.4 of the GPPH (2001) which provides that *"All Sole Source ... Contracting greater than \$1M must receive prior approval from the NCC through the Accounting Officer."*

5. Subsequent to the signing of the contract which was awarded to Jambiz International Limited, the company sought the approval of the former MICYS, by way of a letter which was dated 2008 September 8, for a waiver of Clause 3.6 (b) of the contract which provided that:

"The Consultants shall obtain the Client's prior approval in writing before....(b) entering into a subcontract for the performance of any part of the Services, it being understood (i) that the selection of the Subconsultant and the terms and conditions of the subcontract shall have been approved in writing by the Client prior to the execution of the subcontract, and (ii) that

the Consultants shall remain fully liable for the performance of the Services by the Subconsultants and its personnel pursuant to this Contract...”¹¹⁷

The former MICYS approved the referenced waiver by way of a letter which was dated 2008 September 10, under the signature of Mr. Shawn Thompson, Director of Corporate Services.

Consequently, Jambiz International Limited was seized with the ability, and empowered, to sub-contract the supply of goods and/or services in regard to the execution of its commitments under the Consultancy contract.

6. The former MICYS provided the OCG with a spreadsheet, under the cover of a letter which was dated 2008 November 12, which represented that forty (40) contracts, which were above J\$100,000.00, were awarded to some thirty-three (33) Contractors/Suppliers to provide goods and/or services for the Olympic Athletes Homecoming Week of Celebrations.
7. The OCG has concluded that the former MICYS relied upon the provisions of the Circular #35, that was issued by the Ministry of Finance and the Public Service on 2008 September 22, to justify the handling of its procurement activities for the Olympic Athletes Homecoming Week of Celebrations.
8. Upon a review of the documents which were provided to the OCG, by the former MICYS, the OCG has concluded that there was a clear misinterpretation of Circular #35 by the representatives of the former MICYS and, in particular, what constitutes “*Artistic Services and Cultural Products*”.

¹¹⁷ Clause 3.6, Consultancy contract between the GOJ/former MICYS and Jambiz International Limited which was consummated on 2008 September 4.

In her sworn response to the OCG, the Permanent Secretary, in the former MICYS, indicated that the following Contractors/Suppliers were related specifically to the provision of artistic and cultural goods and services:

“Fireworks and Explosive (No.2)

Jambiz International (Nos. 3-8)

Phase Three Production Ltd (Nos.9-10)

Laribo Marketing and Consultant (No.14)

Visual Vibes (No.15)

Rose and Company Ltd (No. 16)

Rosina Moder (No.17)

Paul Hamilton (No. 20)

Fitz Harrack (No. 26)

MRB Trading Ltd/Sparkles (No. 27)

Electro Tech Production Ltd (No. 31)”

Of the foregoing list which was provided, the OCG identified three (3) of the eleven (11) Contractors/Suppliers that would fit within the definition of ‘artistic services and cultural products’ namely: Fireworks and Explosives; Fitz Harrack (Production of 8 Effigies/Images of Athletes; and Rosina Moder (Jamaica Festival Orchestra).

It must be noted that that Fireworks and Explosive was contracted prior to 2008 September 22, and as such the procurement of the company’s services would not have been exempt from the procurement guidelines.

In this regard, and in keeping with the directive from the Ministry of Finance and the Public Service, it is the OCG’s opinion that only two (2) of the referenced contracts, namely Fitz Harrack and Rosina Moder, should have been considered and, consequently, ‘exempted’ *per se*, from the procurement guidelines under the provisions of Circular # 35.

9. The former MICYS, under the cover of a letter which was dated 2009 August 13, provided justifications for eight (8) of the eleven (11) Contractors/Suppliers which were considered to be of an artistic and cultural nature.

The OCG does not agree, in totality, with the justifications which were provided, particularly in regard to the nature of the goods and services which were provided by some of the named Contractors/Suppliers, and the justification for their subsequent exemption from the procurement guidelines.

It is the OCG's considered opinion that the provision of video screens, lighting and sounds, masking and décor of stage(s) and consultancy services, *inter alia*, for a production, does not meet the requirements to be categorized as 'artistic services and cultural products' under the strictures of the procurement guidelines.

10. Based upon the assertion that the engagement of Contractors/Suppliers, which were required to provide the referenced goods and/or services for the Olympic Athletes Homecoming Week of Celebration, was urgent in nature, the former MICYS purportedly utilized the Sole Source and Direct Contracting Procurement Methodologies to '*award the contracts*'.

The OCG found that approval from the Procurement Committee was not received prior to the award of contracts pursuant to Section 1.5.2.3 of the Handbook of Public Sector Procurement Procedures (May 2001) which states, *inter alia*, that "*The Procurement Committee is mandated to: ensure compliance with relevant policy guidelines and procedures...*"

11. The former MICYS indicated that approval was received from the Permanent Secretary, Mrs. Faith Innerarity, for some of the contracts which were awarded. Based upon the evidence which has been presented, the OCG has concluded that in

more than one instance the Permanent Secretary gave approval for invoices pertaining to contracts which had already been awarded.

12. The OCG has concluded that the former MICYS did not receive prior approval from the Accounting Officer and/or the NCC for the use of the Sole Source/Direct Contracting Procurement Methodology, which is particularly evidenced in the contracting of the services of Jambiz International Limited, in a sum exceeding J\$15 million, which was consummated on 2008 September 4.
13. The OCG has concluded that the former MICYS was misguided in its opinion that the funds which were expended from the PSOJ/GOJ Special Account did not require the exercise of due care and scrutiny, specifically in respect to the expenditure of funds for the award of contracts which were associated with the Olympic Athletes Homecoming Week of Celebrations.

It is the OCG's considered opinion that once private donations have been handed over to a public entity, and especially where there is a co-mingling of public monies with private donations, such funds become a part of the public purse.

As such, the GOJ should have been held accountable for the administration of said funds and, in this regard, the OCG concludes that the onus was, therefore, upon the former MICYS to establish mechanisms to ensure that there were proper accounting and procurement procedures in place, which were in line with the GOJ's accounting requirements, prior to the disbursement of funds.

As such, the applicable GOJ Procurement Procedures would have applied to, and should have been considered in the procurement activities which were to be covered by any account to which public funds were deposited.

14. The OCG observed that information which was received from the former MICYS, under the covers of letters which were dated 2008 November 12, 2009 February 2 and 2009 September 1 respectively, were inconsistent in regard to the agencies which were responsible for the 'award' of the various contracts.

Based upon the OCG's analysis of the information which was presented during the course of its Investigation, the OCG has arrived at the following conclusions:

- i. The PSOJ, as asserted by Mrs. Karis Flowers, was not responsible for the engagement of any Contractors/Suppliers and did not award any contracts for the Olympic Athletes Week of Celebrations;
- ii. The JCDC had contracted the services of seven (7) Contractors/Suppliers by way of the Direct Contracting Procurement Methodology, for and on behalf of, the former MICYS;
- iii. The National Planning Committee was not responsible for the procurement of any goods, works and/or services for the Olympic Athletes Homecoming Week of Celebrations;
- iv. Jambiz International Limited only claimed accountability for the contracting of eleven (11) of the Contractors/Suppliers which were engaged for the Olympic Athletes Homecoming Week of Celebrations.

15. The OCG has found that one (1) member of the National Planning Committee, and a company in which another member of the National Planning Committee had an interest, were engaged to provide goods and/or services for the Olympic Athletes Homecoming Week of Celebrations.

The following Committee members were identified, in the foregoing regard, based upon the information which was provided to the OCG, during the course of the

Investigation:

1. Mr. David Mais, of the Sports Development Foundation, who was a member of the National Planning Committee from the initial convening of the meetings, on 2008 August 21, was awarded a contract after he was appointed as a member of the referenced Committee. The OCG has concluded that Mr. Mais was sub-contracted by Jambiz International Limited, the main Contractor which had authority to sub-contract.

The OCG has found no documentary evidence to definitively speak to any level of irregularity or impropriety with respect to this contract award.

2. Mr. Lenford Salmon, principal of Jambiz International Limited, was the other member of the National Planning Committee whose company was identified as having benefitted from the award of a contract. However, the OCG found that Mr. Salmon was appointed as a member of the National Planning Committee *after* the contract was awarded to Jambiz International Limited.

Irrespective, however, of the foregoing, it should be noted that, based upon the evidence that was adduced to the OCG, the National Planning Committee did not procure and/or award any goods and/or services for the event and Jambiz International Limited was in fact contracted by the former MICYS.

16. The OCG has concluded that the former MICYS did not fully monitor the implementation and award of the contracts for the goods which were supplied, and the services which were rendered in regard to the Olympic Athletes Homecoming Week of Celebrations.

In this regard, the MICYS did not implement a satisfactory system to ensure accountability, transparency and impartiality in the award and implementation of the contracts and to ensure accountability in the expenditure of GOJ funds, pursuant to the provisions of the Contractor General Act and the Financial Administration and Audit Act.

Given the compendium of facts, the OCG has been led to conclude that there was indeed maladministration, an untidy state of affairs and a lack of due care, on the part of the former MICYS, in the expenditure of public funds, due in part to the Public-Private Partnership approach which was adopted.

17. In regard to the two (2) bank accounts which were utilized for the funding of the celebratory event, the OCG has not been able to definitively account for all the inflows and outflows nor can it conclude which of the accounts had covered the cost of the referenced contracts, as payments appeared to have been made from both accounts, depending on the availability of funds.

The OCG must, however, reiterate the point that once public funds are deposited into any account, the GOJ, has a responsibility to ensure that the proper accounting and administration is undertaken in accordance with the Financial Administration and Audit Act and the GPPH (2001, May).

18. The total cost of the expenditure for the contracts which were awarded above J\$100,000.00, as represented in the '*Analysis of Spending*' spreadsheet, which was provided by the former MICYS, under the cover of a letter which was dated 2008 November 12, was J\$57,303,002.78.

The PSOJ revealed that the total expenditure which was paid to the Contractors/Suppliers from the PSOJ/GOJ Special Account was J\$32,388,205.57.

19. The OCG is of the opinion that the ‘award’ of contracts for the Olympic Athletes Homecoming Week of Celebrations and, in particular, those contracts which were valued above J\$275,000.00, did not adhere to the strictures of the procurement procedures and guidelines. The former MICYS had relied upon the fact that there was an exemption for artistic and cultural products and services in respect of the said contracts.

The OCG is further of the view that it was not until after the goods and/or services were provided and invoices were to be honoured, that the former MICYS had made a decision to approve the respective procurement methodologies which were employed – all of which were undertaken in contravention of the provisions of the GPPH (May 2001).

REFERRALS

The OCG, in the conduct of its Investigation, is required to be guided by Section 21 of the Contractor-General Act.

Section 21 of the Contractor-General Act provides as follows:

“If a Contractor-General finds, during the course of his Investigations or on the conclusion thereof that there is evidence of a breach of duty or misconduct or criminal offence on the part of an officer or member of a public body, he shall refer the matter to the person or persons competent to take such disciplinary or other proceeding as may be appropriate against that officer or member and in all such cases shall lay a special report before Parliament.”¹⁴⁶ (OCG’s Emphasis)

Pursuant to the mandatory statutory obligations which are imposed upon a Contractor General by Section 21 of the Contractor General Act, the OCG is hereby formally referring a copy of this Report to the Auditor General and the Financial Secretary for them to determine what steps, if any, may be taken to hold to account the Accounting Officer, and/or any Accountable Officers, within the former MICYS, now the Ministry of Culture, Youth and Sports (MCYS).

Section 20 (1) Financial Audit and Administration Act provides as follows:

“20. (1) If it appears to the Financial Secretary upon a report by the Auditor-General that any person who is or was an officer-

(a) has failed to collect any moneys owing to the Government for the collection of which such person is or was at the time of such employment responsible;

(b) is or was responsible for any improper payment of public moneys or for any payment of such moneys which is not duly vouched; or

(c) is or was responsible for any deficiency in, or for the loss or destruction of, any public moneys, stamps, securities, stores, or other Government property, and if, within a period specified by the Financial Secretary, an explanation satisfactory to him is not furnished with regard to such failure to collect, improper payment, payment not duly vouched, deficiency, loss or destruction, as the case may be, the Financial Secretary may surcharge against the said person the amount not collected or such improper payment, payment not duly vouched, deficiency, loss or the value of the property destroyed, as the case may be, or such lesser amount as the Financial Secretary may determine.”

This Referral is in regard to the identified breaches of the Government of Jamaica (GOJ) Procurement Procedures Handbook (May 2001) and Circulars #35 and #36, dated 2008 September 22, in the award of contracts which were estimated at approximately \$57 million in value in connection with the Olympic Athletes Homecoming Week of Celebrations.

The Referral is being made on the basis that there is sufficient *prima facie* evidence which is contained herein and, more particularly and importantly, in the sworn statements that were furnished to the OCG by the relevant Respondents, to suggest that:

1. The Accounting Officer, Mrs. Faith Innerarity, Permanent Secretary, in the former MICYS, was in breach of her duty and the provisions of the GOJ Public Sector Procurement Guidelines, in approving payments for invoices for the Olympic Athletes Homecoming Week of Celebrations after the referenced contracts were awarded and executed, without the prior approval from the Head of the Agency, the NCC and/or the Cabinet, as the cases may have warranted.

Section 16 (2) of the Financial Administration and Audit Act provides that:

“An accounting officer shall be responsible for the financial administration of the department specified in a designation under subsection (1) and shall be

accountable to the Minister for (a) the assessment and collection of, and accounting for, all the moneys lawfully receivable by his department, ...(and) (c) making any payment required to be made in relation to such appropriation”.

The Accounting Officer, Mrs. Faith Innerarity, and, in particular, those members who sat on the former MICYS Procurement Committee, primarily Mr. Shawn Thompson, the Chair of the Committee, failed to take sufficient and timely action to properly ensure, among other things, (a) that the circumstances which led to the award of the contracts were fair, transparent and impartial; (b) that value for money was obtained by the former MICYS in the award of the said contracts; (c) that the proper and applicable procurement procedures and/or guidelines were complied with in the award of the said contracts; and/or (d) that there was strict compliance with the provisions of the Financial Administration and Audit Act by the management of the former MICYS.

2. Mr. Shawn Thompson, Director of Corporate Services, in the former MICYS, provided inconsistent responses to the respective OCG’s Requisitions in respect to the authorities/entities which were responsible for the procurement of the goods and/or services which were subsequently awarded for the Olympic Athletes Homecoming Week of Celebrations.

Mr. Shawn Thompson, under the cover of a letter which was dated 2009 August 13, in which he provided, in his response to the OCG’s Requisition, which was dated 2009 September 1, stated that *“The National Planning Committee did not procure any goods/service. Jambiz International was mandated via a contract to ensure that all goods/services required for the Olympic Celebrations were procured.”*

However, the OCG did not receive any documentation to suggest that Jambiz International was responsible for engaging and/or awarding contracts to all the Contractors/Suppliers which had provided goods and/or services. Further documentary evidence revealed that the PSOJ was not responsible for the award of any contracts.

To-date, and at the end of this Investigation, there is still a grey area in regard to: a) the payments which were made to the respective Contractors/Suppliers from the co-mingled funds and the other account which was reported as containing only government funds and; b) the identity of the contracts that were definitively awarded by the former MICYS.

The OCG is of the considered opinion that it is within the purview of the Auditor General and the Financial Secretary in the Ministry of Finance and the Public Service (MOFPS) to determine what appropriate and/or applicable actions may be taken or initiated against the representatives of the former MICYS, having regard to all of the circumstances of the case.

RECOMMENDATIONS

Section 20 (1) of the Contractor-General Act mandates that “*after conducting an Investigation under this Act, a Contractor-General shall, in writing, inform the principal officer of the public body concerned and the Minister having responsibility therefore of the result of that Investigation and make such Recommendations as he considers necessary in respect of the matter which was investigated.*” (OCG Emphasis)

In light of the foregoing, and having regard to the Findings and Conclusions that are detailed herein, the OCG now makes the following Recommendations:

1. The OCG must recommend that Accounting and/or Accountable Officers should scrupulously adhere to the GOJ Procurement Guidelines and Regulations in the award of contracts.

Further, the OCG must also highlight and recommend that in instances where approval for the award of a government contract is being granted by an Accounting and/or Accountable Officer, any such approval must be within the parameters of the established GOJ procurement and accounting procedures. Therefore, approvals should not be granted retroactively, nor should such approvals for the engagement of contractors be granted on the basis of the presentation of an invoice for payment.

2. All Public Bodies, which become involved in Public Private Partnerships should prepare an internal project plan or policy in accordance with the applicable GOJ procurement and accounting procedures, to guide any future project which is to be undertaken. The policy must, at a minimum, make provision for:

- a) Details of the scope of work for the project;

- b) A project implementation plan which should include a detailed breakdown of the estimated project costs, its completion time and its progress benchmarks;
 - c) The roles, responsibilities and accountabilities of all parties which will be involved in the project; and
 - d) The approvals and authorizations which must be secured before the commencement of the project as well as those which must be obtained throughout the execution of the project before the award of contract. These approvals should include provision for the agency's Procurement Committee, its Accounting/Accountable Officers, the NCC and the Cabinet.
3. The OCG recommends that in instances where a Public Body has identified that there is a breach of the procurement procedures, the responsible agency should seek to remedy the said breach in an expeditious and effective manner as opposed to continuing with the implementation of the project in violation of applicable GOJ Public Sector Procurement Procedures, the Regulations and other governing laws.
4. It is recommended that an immediate review of the accounting, procurement and public administration management practices at the now Ministry of Youth, Culture and Sports (MYCS) and at other major Public Bodies be undertaken by the Public Administration and Appropriations Committee of the House of Representatives, the Auditor General and the MOFPS.

The review should be conducted to ensure that adequate procedures, systems, checks and balances are not only implemented, but are aggressively enforced to secure a radically improved level of compliance on the part of Public Bodies and Public Officials in accordance with the provisions, *inter alia*, of the Financial Administration and Audit Act, the Public Bodies Management and Accountability Act, the Contractor General Act, Regulations and the GOJ Public Sector Procurement Procedures.

5. The Ministry of Finance and the Public Service (MOFPS) should, in an effort to prevent the recurrence and/or likelihood of a public body misinterpreting any aspect of the exemption procedures, and abusing same to by-pass the procurement process, revisit the definition of the exemption which was provided for under Circular #35 (now outlined under S-1000 of the Revised GOJ Public Sector Procurement Procedures - November 2008), which exempts '*Artistic and cultural products and services – works of art, performance services and other cultural and creative products and services*'.
6. The co-mingling of the contributions which were made by the private and the public sectors was utilized as an excuse by the former MICYS for not adhering to the provisions of the GOJ Public Sector Procurement Procedures (May 2001) in respect of the award of contracts for the Olympic Athletes Homecoming Week of Celebrations.

In this regard, the Ministry of Finance and the Public Service needs to develop a policy which provides for such Public Private Partnerships and/or joint ventures which are undertaken by Public Bodies, for and on behalf of the Government of Jamaica.

A policy of this nature should ensure that the procurement of goods, works and/or services which are funded under such a regime is executed with a vested interest in enforcing standards and protecting the public's interest. This would further promote the OCG's mandate which provides that the award and implementation of all government contracts should be undertaken in a fair and transparent manner and one which is free from impropriety and irregularity.

7. Finally, Public Bodies must be reminded that the Contractor General, pursuant to Section 4 of the Contractor General Act, has jurisdiction over the award and implementation of **all** government contracts, irrespective of whether or not such contracts are exempted from the GOJ procurement guidelines.

The OCG therefore recommends that Public Bodies ensure that the award and implementation of government contracts are awarded impartially and on merit and that the circumstances in which each contract is awarded does not involve any level of impropriety or irregularity.

To effect same, the OCG respectfully recommends that the MOFPS, through the issuance of an appropriate Circular, advise all Public Bodies that an exemption from the procurement guidelines does not preclude the award of any government contract from the jurisdiction and oversight of the OCG.