



OFFICE OF THE CONTRACTOR-GENERAL

Special Enquiry Management Report of Investigation Conducted Into Allegations Surrounding Procurement Breaches Associated with the Installation Ceremony for the Interim President of the College of Agriculture, Science and Education (CASE)

**College of Agriculture, Science and Education (CASE)
Ministry of Education (MOE)**

INTRODUCTION

On Thursday, October 14, 2010, an Installation Ceremony was held for Dr. Victor Watt, in his position as Interim President of the College of Agriculture, Science and Education (CASE). Dr. Watt was a member of the Board of Management of CASE and was on Secondment from the University of Technology, Jamaica (UTech). Dr. Watt's tenure as the Interim President of CASE, was for a period of one (1) year and took effect on August 3, 2010.

On October 21, 2010, the Office of the Contractor-General (OCG), received an electronic mail from a complainant, regarding the expense which was associated with the said Installation Ceremony, which was held on October 14, 2010, for the Interim President of CASE.

The referenced electronic mail stated, *inter alia*, that “*the recent installation of former member of the Board of Management ... as the new interim president... cost over ONE MILLION DOLLARS, WITH OVER HALF OF IT GOING FOR FOOD AND LIQUOR... the Event Planner was paid a quarter million dollars, without competitive tendering!*”



Pursuant to Sections 4 and 15 of the Contractor-General Act, the OCG took the decision to commence an enquiry into the allegations. Section 4 (1) of the referenced Act requires, *inter alia*, that Government of Jamaica (GOJ) contracts should be awarded “*impartially and on merit*” and that the circumstances of award should “*not involve impropriety or irregularity*”.

Section 15 (1) of the Act provides, *inter alia*, that “... a Contractor-General may, if he considers it necessary or desirable, conduct an investigation into any or all of the following matters –...

- (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;”*

In order to ascertain the veracity of the complaint, the OCG, by way of a letter which was dated October 26, 2010, commenced an Enquiry into the circumstances surrounding the referenced event, and the procurement of goods and services for the aforementioned Ceremony. As such, the OCG, in its letter, requested documentation pertaining to the Installation Ceremony from the Interim President of CASE.

It is instructive to note that on November 19, 2010, the OCG received information which alleged that representatives from CASE and its Board of Management were modifying and tweaking documentation, and “cooking” the information which was to be submitted to the OCG. Based upon the allegation which was received, the OCG made an unannounced visit to CASE on Wednesday, November 23, 2010, in order to retrieve documents related to the Installation Ceremony, and to conduct interviews with CASE personnel, who were reportedly involved with the planning and execution of said event.

Records indicate that five hundred (500) guests were invited to the Installation Ceremony. As at the time of the OCG’s visit to the CASE, on November 23, 2010, and



based upon the documentation which was reviewed, the amount of money which was already expended for Goods and Services, stood at Six Hundred and One Thousand, Five Hundred and Forty-Eight Dollars and Ninety-Three Cents (\$601,548.73). An additional amount, totalling Four Hundred and Seventy-Nine Thousand, Eight Hundred and Ninety-Five Dollars (\$479,895.00), was also yet to be paid for the provision of goods and services associated with the hosting of the Installation Ceremony.

However, and subsequent to said period, further payments amounting to Three Hundred and Twenty-Two Thousand, Three Hundred and Forty Dollars and Forty-Six Cents (\$322,340.46) were made to various suppliers of goods and services. As such, the outstanding amount which was to be paid to Suppliers, by the CASE, as at December 31, 2011, amounted to One Hundred and Fifty-Seven Thousand, Five Hundred and Fifty-Four dollars and Fifty-Four cents (\$157,554.54).

CASE also reported to the OCG that there were Invoices which were submitted, which had not yet been honoured for varying reasons. The referenced Invoices amounted to One Hundred and Twenty-Eight Thousand, Seven Hundred and Twenty-Nine Dollars and Fifty-Four Cents (\$128,729.54).



TERMS OF REFERENCE

The OCG, in conducting the Enquiry into the award of contracts in relation to the Installation Ceremony, sought to determine, *inter alia*, the following:

1. Whether competitive Tender processes were undertaken in the award of the contracts;
2. Whether the procurement procedures which were undertaken, if any, were conducted in accordance with the Revised Government of Jamaica (GOJ) Handbook of Public Sector Procedures (November 2008), and that such procurement(s) was/were undertaken/conducted in a fair and transparent manner;
3. Whether the award of contracts for the Installation Ceremony were based upon merit;
4. Whether there was any evidence of impropriety, collusion and/or conflict of interest in the award of the referenced contracts; and
5. Whether there was any merit to the complaint which was made to the OCG.



METHODOLOGY

The following methodology was employed by the OCG in an effort to conduct a thorough Enquiry into the complaint which had been received:

1. The requisition of documentation pertaining to the procurement allegations;
2. The conduct of interviews with CASE personnel who were reportedly involved in the planning and execution of the Installation Ceremony; and
3. The perusal of all documents obtained in relation to the Installation Ceremony.

By way of a letter, which was dated October 26, 2010, the OCG requested the following information from Dr. Victor Watt, Interim President at CASE:

1. An Executive Summary detailing, *inter alia*, the process which was used to undertake the procurement of all goods and services, including the procurement methodologies employed;
2. Documentary evidence, listed below, detailing the procurement process which was undertaken to contract the services of the Event Planner, and any other associated goods:
 - A copy of the Tender Document(s);
 - A copy of the signed Evaluation Report(s);
 - A copy of the requisite Approvals;
 - A copy of the signed Contract Agreement(s); and
 - A copy of the Purchase Orders, Invoices and/or receipts to date.

Under cover of a letter, which was dated November 9, 2010, the then Interim President, Dr. Victor Watt, wrote to the OCG requesting an extension to the deadline of November



5, 2010 which was given by the OCG, for the requested information to be received. The requested deadline of November 16, 2010, was granted by the OCG.

By way of a letter, which was dated November 16, 2010, which was received by the OCG on November 17, 2010, Ms. Kathryn Phipps, Attorney-At-Law, acting on behalf of CASE, responded to the OCG's letter of October 26, 2010, enclosing some of the information requested and advised that *"in order to provide all of the documents required, I would ask that a further extension be granted to Friday, 19th November, 2010. I require the time to review some documents which are not yet in my possession."* The documents which were received by the OCG included copies of Bills, Invoices and Payment Vouchers for goods received and services rendered in regard to the Installation Ceremony.

Subsequently, a further electronic mail was received from the complainant on November 19, 2010, which alleged, *inter alia*, as follows:

- *"I am advised that since you Sir wrote to the Interim President few days ago, the upper echelons of the College administration met and they are modifying and tweaking the documentation to be presented to your office."*
- *In addition, prominent members of the Board of Management are working hard since your letter was received "cooking" the information along with the echelons of the Administrative hierarchy at CASE."*

Based upon the allegation which was received, the decision was taken by the OCG, to make an unannounced visit to CASE on Wednesday, November 23, 2010. The intent of the visit was to retrieve documents related to the Installation Ceremony, and to conduct interviews with CASE personnel who were allegedly involved with the planning and execution of said event.



As such, on November 23, 2010, an OCG Team visited CASE and interviews were conducted simultaneously with the following CASE personnel:

- a. Dr. Victor Watt – Interim President;
- b. Mrs. Charmaine McKenzie - Administrative Assistant to the Interim President;
and
- c. Mrs. Claudette McLeod – Director of Finance.

In addition, documents related to the Installation Ceremony were requested and received by the OCG Team during the said visit.

In addition, Ms. Michelle Allen, Lecturer in the Hospitality Department of CASE, was interviewed on Thursday, November 24, 2010, at the OCG's Office, due to her unavailability at the time of the OCG's visit to CASE on the previous day.

Among the documents which were received from CASE on the day of the OCG's visit, were Minutes of the meetings held by the Board of Management, Minutes of a meeting which was held by the Administrative Council, listings of "*Bills already paid*" and "*Bills not yet paid*", along with supporting documentation, and a copy of the Programme for the Installation Ceremony.

It was noted that the Minutes of the Board of Management meetings, which were held on October 6, 2010 and October 27, 2010, were submitted to the OCG Team, as 'Drafts', as they had not yet been confirmed. The then Secretary of the Board of Management, Mrs. Emelyn Johnson, committed to forwarding the confirmed Minutes, once the Board of Management did the necessary confirmations at the next scheduled meeting. The confirmed Minutes were received by the OCG on December 7, 2010, under cover of letter, which was dated December 6, 2010.



Upon the review of documents which were submitted by CASE, and taking into account the information garnered from the interviews which were conducted with CASE personnel, in relation to the hosting of the Installation Ceremony for the Interim President of CASE, the OCG arrived at its considered Findings and Conclusion into the current matter.



FINDINGS

Procurement Methodology

In response to the question asked regarding the procurement methodology which was utilised, it was indicated by CASE representatives that no procurement process was undertaken for the goods and services procured for the Installation Ceremony. The ‘procurement’ method which was used to secure goods and services was, therefore, most akin to the Direct Contracting procurement methodology, as there was no competitive bidding undertaken and the parties identified were the sole suppliers who were approached for the provision of the respective goods and services.

The OCG was advised that Suppliers were selected based upon their relationship with the institution over the years and, in some instances, upon recommendation by CASE personnel. The sole exception to the foregoing was the Graphic Designer, who was recommended by the Event Planner¹ and who was also known to the then Interim President of CASE.

Analysis of Expenditure related to the Ceremony

The OCG was presented with documentation to indicate the various amounts which were to be expended in regard to the Installation Ceremony. In particular, two (2) listings were provided, which indicated the “*Bills already paid*” and the “*Bills not yet paid*”.

Table 1 overleaf represents the aggregate value of the funds which were expended and/or to be expended as at November 30, 2010:

¹ Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Questions # 15 and 18.



Table 1 – Combined Expenditure related to the Ceremony

Payee	Good/ Service Provided	Amount
Alfanzo Delano Fraser	Graphic Design for Programmes & Invitations	\$ 12,000.00
Ann Marie Greenwood *	Catering	\$ 78,000.00
Anthony Thomas *	Jerking of Pigs	\$ 10,000.00
Arlene Harris	Meats and Water	\$ 4,427.61
Claudette McLeod	Liquor and other items purchased at Hi-Lo	\$ 23,908.32
Gifts & Events	Events Planner	\$ 250,000.00
Joanne Simpson	Invitations	\$ 13,000.00
Joanne Simpson	Programmes & additional Invitations	\$ 45,730.00
Kamals Supermarket *	Food & Meat	\$ 23,741.00
Kingston Hireage	Chairs & Utensils	\$ 46,820.00
Michelle Allen (Staff)	Purchase of Goods for Caterer	\$ 79,082.80
Monique Oates *	Rental of Tables & Tents	\$ 34,500.00
Monique Oates *	Rental of Jerk Pan	\$ 3,000.00
Morris Guy	Video Coverage	\$ 20,000.00
Natalie Lynch *	Bartender	\$ 4,500.00
Rainforest Sea Foods	Fish & Shrimp	\$ 96,580.00
Roger Lewinson *	Fruits & Vegetables	\$ 52,000.00
Shoppers Pride *	Liquor	\$ 90,234.35
Shoppers Pride *	Drinks	\$ 20,992.65
Sophia Edwards	Floral Arrangement	\$ 10,000.00
Sophia Edwards *	Floral Arrangement	\$ 25,000.00
Students *	Waiters & Servers	\$ 17,000.00
Sundry Suppliers *	Food & Miscellaneous Items	\$ 39,425.00
T Geddes Grant *	Food	\$ 53,502.00
Winston Jones *	Photography Services	\$ 28,000.00
	Total	\$ 1,081,443.73

* Items/suppliers which were not yet paid as at November 30, 2010

Tables 2 and 3 overleaf illustrate the expenditure as at November 30, 2010, as submitted by CASE:



Items Already Paid

Table 2 - Expenditure related to the Ceremony		
Payee	Good/ Service provided	Amount
Alfanzo Delano Fraser	Graphic Design for Programmes & Invitations	\$ 12,000.00
Arlene Harris	Meats and Water	\$ 4,427.61
Claudette McLeod	Liquor and other items purchased at Hi-Lo	\$ 23,908.32
Gifts & Events	Events Planner	\$ 250,000.00
Joanne Simpson	Invitations	\$ 13,000.00
Joanne Simpson	Programmes & additional Invitations	\$ 45,730.00
Kingston Hireage	Chairs & Utensils	\$ 46,820.00
Michelle Allen *	To Purchase Goods for Caterer	\$ 79,082.80
Morris Guy	Video Coverage	\$ 20,000.00
Rainforest Sea Foods	Fish & Shrimp	\$ 96,580.00
Sophia Edwards	Floral Arrangement	\$ 10,000.00
Total		\$ 601,548.73

* Payment to Michelle Allen was initially \$100,000.00 (advance amount to purchase goods for the Ceremony), however \$20,917.20 was returned.

Items Not Yet Paid

Table 3 - Expenditure related to the Ceremony		
Payee	Good/ Service Provided	Amount
Ann Marie Greenwood	Catering	\$ 78,000.00
Anthony Thomas	Jerking of Pigs	\$ 10,000.00
Kamals Supermarket	Food & Meat	\$ 23,741.00
Monique Oates	Rental of Tables & Tents	\$ 34,500.00
Monique Oates	Rental of Jerk Pan	\$ 3,000.00
Natalie Lynch	Bartender	\$ 4,500.00
Roger Lewinson	Fruits & Vegetables	\$ 52,000.00
Shoppers Pride	Liquor	\$ 90,234.35
Shoppers Pride	Drinks	\$ 20,992.65
Sophia Edwards	Floral Arrangement	\$ 25,000.00
Students	Waiters & Servers	\$ 17,000.00
Sundry Suppliers	Food & Miscellaneous Items	\$ 39,425.00
T. Geddes Grant	Food	\$ 53,502.00
Winston Jones	Photography Services	\$ 28,000.00
Total		\$ 479,895.00



In accordance with Sub-Section S-2040 of the then applicable Handbook of Public Sector Procurement Procedures (November 2008) (hereinafter referred to as ‘the GOJ Procurement Handbook’), a Public Body is allowed to utilise the Direct Contract Procurement Methodology for contract values up to J\$100,000.00.

It must be noted that the largest sum of expenditure associated with any one Contractor who/which was involved in the Installation Ceremony, amounted to \$250,000.00, which was paid to ‘Gifts and Events’, the Event Planner.

Subsequent to the aforementioned Expenditure Report, CASE reported the following additional payments to the OCG, as at December 31, 2011:

Table 4 - Expenditure as at December 31, 2011		
Payee	Good/ Service Provided	Amount
Ann Marie Greenwood	Catering	\$ 78,000.00
Anthony Thomas	Jerking of Pigs	\$ 10,000.00
Kamals Supermarket	Food & Meat	\$ 23,741.00
Monique Oates	Rental of Tents & Transportation to & from venue	\$ 34,500.00
Monique Oates	Rental of Jerk Pan	\$ 3,000.00
Monique Oates *	Rental of 12 Tables	\$ 4,200.00
Natalie Lynch	Bartender	\$ 4,500.00
Roger Lewinson	Fruits & Vegetables	\$ 52,000.00
Shoppers Pride	Liquor	\$ 31,247.46
Sophia Edwards **	Floral Arrangement	\$ 23,000.00
Catherine Palmer ***	Food & Miscellaneous Items	\$ 4,650.00
T. Geddes Grant	Food	\$ 53,502.00
	Total	\$ 322,340.46

* Previously unreported

** Supplier discounted the original amount by \$2,000.00.

*** Supplier was previously incorporated under “Sundry Items”

In light of the payments which were made in 2011, the balance which was yet to be paid to Suppliers, as at December 31, 2011, amounted to \$157,554.54. The CASE also



reported that there were Invoices which had been submitted by Suppliers, which had not yet been honoured for varying reasons. The referenced Invoices amounted to \$128,729.54. However, taking into account the \$4,200.00 paid to M. Oates, which was previously unreported, and the discount of \$2,000.00 which was extended to CASE by S. Edwards, CASE reported that there was an amount ‘*unaccounted for*’ (which was initially incorporated under “*Sundry Items*”), in the sum of \$31,025.00.

Procurement of Event Planning Services

Sub-Section S-2040 of the then applicable GOJ Procurement Handbook, indicates that the Limited Tender Procurement Methodology is the required methodology for contracts within the J\$100,000.00 to J\$275,000.00 value threshold. Given the stated contract value range, the referenced procurement methodology required, *inter alia*, that, (a) three (3) Contractors be invited to submit quotes, (b) Contractors are not required to be registered with the National Contracts Commission (NCC), and (c) that the contract be approved by the Accounting Officer/ Head of Procuring Entity.

It is instructive to note that Sub-Section No. 2040 (E) of the then applicable GOJ Procurement Handbook states, *inter alia*, that:

***“The Head of the Procuring Entity may approve sole source/direct contracting up to J\$3M. Contract values above this threshold will require the pre-approval of the NCC.*”**

Procurement by sole source or direct contracting methods must be justified according to the terms above. The justification must form part of the record of the procurement.”



In relation to the Direct Contracting Procurement Methodology, Sub-Section No. 2040 (E) of the GOJ Procurement Handbook, also states, *inter alia*, that “...*Use of this method may be justified when:*

- i. In response to a catastrophic event, making it impractical to use other methods of procurement because of the time involved in using those methods.*
- ii. For the purposes of research, experiment, study or development.*
- iii. In emergency circumstances.”*

The OCG found no evidence to suggest that a minimum of three (3) Contractors were invited to quote for the provision of the referenced Event Planning Services. Additionally, the OCG has seen no documented evidence to indicate that the Head of Entity approved the use of the Direct Contracting Procurement Methodology, by which, it would appear, the Event Planner was retained. However, it must be noted that the Minutes of the Board of Management Meeting of October 27, 2010, recorded that “*Dr. Goodridge said that he had asked the President to set up a Committee to organize the function and that he had authorized the involvement of the Events Planner to plan the event based on the recommendation received from the University of Technology in the planning and executive [sic] of similar functions.*”²

Notwithstanding the foregoing declaration, there was no documentary evidence of said authorization having been given prior to the function. Further, there was no justification given for the engagement of the Event Planner, which would meet the criteria for the utilisation of the Direct Contracting Procurement Methodology, in accordance with Sub-Section No. 2040 (E) of the GOJ Procurement Handbook.

On November 23, 2010, when representatives from the OCG made an unannounced visit to the CASE, the OCG was informed during an interview with the then Interim President,

² Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 2.



that he had recommended the engagement of the Event Planner, based upon his awareness of prior work done which she had done with UTech.³

It is apparent, therefore, that both the then Chairman of the Board of Management and the then Interim President supported the engagement of the Event Planner. The recommendation of the Event Planner by the then Interim President and the subsequent authorisation of her engagement by the then Chairman, are found to be highly irregular and improper, given that:

- i. No competitive process was employed for the contracting of the service;
- ii. The stated justification does not satisfy the criteria for use of the Direct Contracting Procurement Methodology; and
- iii. The award of ‘contract’ was ultimately approved by the person who made the recommendation.

In an effort to determine the extent to which the service of the Event Planner (Gifts and Events Limited/Gloria Dawkins) was engaged by UTech, the OCG reviewed a Consolidated Report of all contracts which were reported to the OCG, by way of the Quarterly Contract Awards (QCA) Report, between 2006 and 2010. The review evidenced only two (2) contracts, which were both reported in 2008.

The first contract was awarded on April 11, 2008 for “*Décor for Student Awards April 2008*”, in the amount of \$345,000.00, and the second contract was awarded on December 5, 2008, to “*Decorate Venue, for 50th Anniversary Gala*”, in the amount of \$491,000.00,

Based upon the foregoing, the OCG was able to establish a relationship between UTech and the Event Planner, relative to her involvement in functions similar to the Installation Ceremony which was hosted at CASE. Accordingly, the OCG was able to substantiate

³ Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Question # 15.



the statement which was made by the Interim President, that the subject Event Planner had been previously engaged by UTech.

Accountability for Expenditure and Governance-related Issues

The responses which were received from representatives of CASE, and/or documentation which were reviewed, indicated that there was no set budget and/or approval for same for the subject event.

In the Minutes of the CASE Board of Management Meeting, which was held on October 27, 2010, Board Member, Dr. Wayne Myrie, indicated that he had no problem with Dr. Watt being appointed as the Interim President. He added, however, that “...*his problem was that no installation ceremony should have been held for an Interim President.*” He also stated that “...*when the matter of the function was brought to the Board of Management he did not know that it would be so elaborate.* **He said that the Board was not presented with a budget for discussion.**”⁴ (OCG’s Emphasis)

Further, the referenced Minutes states, *inter alia*, that “Mrs. Nichols asked if it was a Board function and the Chairman responded in the affirmative. She further questioned who had signed off on the budget for the function. She was advised that the holding of the ceremony had been signed off by the Board of Management, but **no budget had been presented at the meeting.**”⁵ (OCG’s Emphasis)

The OCG found that approvals for the provision of goods and services were not communicated among the parties which signed-off on same. The signing parties were the Interim President⁶, the Chairman of the Board of Management⁷ and the Vice President

⁴ Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 8.

⁵ Minutes of Board of Management Meeting of October 27, 2010. Page 9, Paragraph 9.

⁶ Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Question # 27.

⁷ Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 1.



for Administration and Human Resources.⁸ This could explain why the level of expenditure which was undertaken, was not immediately noticed.

Further, the OCG found that members of the Board of Management who were not involved in the approval process were unaware of the level of expenditure and details pertaining to the function. Records indicate that the then Interim President and the then Chairman of the Board of Management, were the individuals who were primarily involved with the conception, planning and subsequent approvals for the function. The foregoing was confirmed by the then Interim President, Dr. Watt, in his interview with OCG personnel on November 23, 2010.

The OCG further found that the Board of Management, acted in contravention, *inter alia*, of Sections 17(1) (a) and (b) and Section 6 of the Public Bodies Management and Accountability Act. It is particularly important to record that Boards of Directors of Public Bodies are appointed, *inter alia*, to efficiently and effectively manage the affairs of Public Bodies and to ensure the accountability of all individuals who manage and administer the affairs and resources of the said Public Bodies.

Section 6 of the Public Bodies Management and Accountability Act provides, *inter alia*, as follows:

“6. Every board shall-

(a) take such steps as are necessary-

(i) for the efficient and effective management of the public body;

(ii) to ensure the accountability of all persons who manage the resources of the public body; [OCG’s emphasis]

(b) develop adequate information, control, evaluation and reporting systems within the body;

⁸ Minutes of Board of Management Meeting of October 27, 2010. Page 8, Paragraph 5.



- (c) develop specific and measurable objectives and performance targets for that body;*
- (d) advise the responsible Minister on matters of general policy relating to the management of the body”.*

Section 17 (1) of the Public Bodies Management and Accountability Act provides, *inter alia*, as follows:

17- (1) “Every director and officer of a public body shall, in the exercise of his powers and the performance of his duties-

- (a) act honestly and in good faith in the best interests of the public body;*
- and*

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances including, but not limited to the general knowledge, skill and experience of the director or officer.” [OCG’s emphasis]

Other Accountability Issues

- i. The OCG found that the accountability for the planning and execution of the Installation Ceremony was lacking, as parties sought to distance themselves from the event when the extent of the expense was revealed.

Regarding authorisation of expenditure, the then Chairman of the Board of Management, Dr. Cecil Goodridge, stated that “...*his signature was on some of those documents authorizing the expenditure. The Chairman said that the Director of Finance had indicated that he had authorized other items of expenditure but that his signature did not appear on those documents and he*



would be seeking clarification accordingly.”⁹ He further stated that “...something went horribly wrong in the documentation and that he would not be accused of authorizing expenditure about which he knew nothing.”¹⁰

In addition, Dr. Goodridge stated that he had entrusted the planning and implementation of the function “...to the Interim President as the Principal Accounting and Chief Executive Office of the College and that he had not been presented with a budget for the function... He said that he became aware of the expenditure when he read the message from his cellular phone.”¹¹

According to Dr. Goodridge, the execution of the ceremony “...was an Administrative function but he would take responsibility in the matter of the Installation Ceremony as he did not participate in the planning and implementation of the function.”¹² Upon being asked what his expectations had been regarding expenditure for the Ceremony, Dr. Goodridge responded that “...his expectation was five hundred thousand dollars (\$500,000) since the cost of the last annual Christmas Dinner was well under two hundred thousand dollars (\$200,000).”¹³ Dr. Goodridge further stated that “...he regretted the outcome as it was never intended to be that expensive. **He said that he blamed himself fully for asking the President to manage/the planning and execution of the function and not supervising him more carefully.**”¹⁴ [OCG’s emphasis]

In the referenced meeting, the then Interim President, Dr. Watt, apologised as “... the Responsible Officer at the College” but stated that “...he had been entrusted

⁹ Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 1.

¹⁰ Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 6.

¹¹ Minutes of Board of Management Meeting of October 27, 2010. Page 4, Paragraph 4.

¹² Minutes of Board of Management Meeting of October 27, 2010. Page 4, Paragraph 4.

¹³ Minutes of Board of Management Meeting of October 27, 2010. Page 7, Paragraph 4.

¹⁴ Minutes of Board of Management Meeting of October 27, 2010. Page 11, Paragraph 1.



very critical duties to some functionaries at the College who had failed him and subsequently the Board of Management.”¹⁵

However, while being interviewed by the OCG, Dr. Watt stated that he got “... *the general feeling that the stakeholders would like to go on record as putting the whole responsibility of the expenditure on the President’s office.*”¹⁶

- ii. Responses offered by CASE personnel who were interviewed by OCG representatives, were conflicting in some instances. For instance, upon being asked about a Planning Team for the Ceremony, both Dr. Watt and Ms. Michelle Allen, Lecturer in the Hospitality Department, CASE, indicated that Mrs. Charmaine McKenzie, the Administrative Assistant to Dr. Watt, was associated with the Planning Team, and also acted as liaison between the administration and the designated Planning Team; yet Mrs. McKenzie responded *inter alia*, that she (a) was unaware of the team members, (b) unaware of the function of team members, (c) unaware if the event was planned by a committee or an individual, and (d) unaware of how instructions were given to team members.
- iii. The Events Planner, though paid Two Hundred and Fifty Thousand Dollars (\$250,000.00), was reportedly not intimately involved in the actual planning of the event, but showed-up on the day of the event and performed minor duties such as dressing the Tents and Bistro Tables and strategically positioning lights and potted plants.¹⁷
- iv. Inventory of goods for the Ceremony was not properly managed. Records indicate that “... *it was rumoured that some of the goods that had been*

¹⁵ Minutes of Board of Management Meeting of October 27, 2010. Page 6, Paragraph 5.

¹⁶ Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Question # 27.

¹⁷ Interview Transcript - Ms. Allen - Lecturer in Hospitality (Food and Beverage) at CASE. November 24, 2010.



purchased for the function had been stolen.”¹⁸ There were, however, no records available to confirm this claim.

Additional information gleaned from documents reviewed/ interviews conducted

Through interviews conducted, and documents obtained from CASE, it was revealed that the Installation Ceremony was conceived by the then Chairman of the Board of Management, Dr. Cecil Goodridge, and the President of the University of Technology, Professor Errol Morrison, in a meeting.¹⁹ The date of the referenced meeting was, however, not indicated.

The referenced persons perceived it to be “... *a good time to sign the MOU and to introduce the Interim President to the Community.*”

Quite curiously, the Board of Management of CASE was not party to the discussions regarding the MOU. When confronted with the foregoing by Board Members, Dr. Goodridge indicated that “... *he could not recall that any MOU was discussed with the Board as it was an administrative matter.*”²⁰ He further stated that “... *the MOU had been a work in progress and further the final document had been presented to him just before the start of the function.*”²¹

The then Interim President, Dr. Watt, when asked about the primary reason for the function, stated that the thought behind the Installation Ceremony was that “*They would use the opportunity as an expanded MOU between UTECH and CASE. It was also an opportunity to rebrand CASE. The installation of the president was secondary.*”²²

¹⁸ Minutes of Board of Management Meeting of October 27, 2010. Page 7. Sentence 10.

¹⁹ Minutes of Board of Management Meeting of October 27, 2010. Page 11, Paragraph 2.

²⁰ Minutes of Board of Management Meeting of October 27, 2010. Page 5, Paragraph 3.

²¹ Minutes of Board of Management Meeting of October 27, 2010. Page 5, Paragraph 4.

²² Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Question # 3.



The Chairman of the Board of Management advised, in a Board of Management Meeting which was held on October 27, 2010, that “...*he had authorized the involvement of the Events Planner to plan the event based on the recommendation received from the University of Technology in the planning and executive [sic] of similar functions.*”²³

Interestingly, while being interviewed by the OCG Team, the Director of Finance, Mrs. Claudette McLeod, commented that: “*It’s the first that we have used an event coordinator in the 21 years since I have been here.*”²⁴

Of significant note, is that at the meeting of the Administrative Council, which was held on October 11, 2010, the Director of Finance, requested information regarding “...*the budget that was being worked with, so approval could be sought. The President informed her that the project was being facilitated by the Board of Management and the payments would be taken from the President’s Responsibility and Accountability Centre (RAC) (OCG’s Emphasis) and therefore he would certify requests from the Committee for the Board of Management’s approval.*”²⁵

Dr. Watt, during his interview with OCG personnel on November 23, 2010, when asked about the budgetary allocation for the function, responded that “*There was no budgetary allocation for the function. But there is budgetary allocation for events in general. He is however, unsure of the source of the funds.*”²⁶

Of note, however, is that at the meeting of the Board of Management, which was held on October 27, 2010, the Director of Finance, when asked from which account the funds were expended, replied that the funds were taken from the ‘Improvement Fund’.²⁷ Further, CASE Payment Vouchers which were obtained by the OCG, represented that

²³ Minutes of Board of Management Meeting of October 27, 2010. Page 3, Paragraph 2.

²⁴ Interview Transcript: Mrs. Claudette McLeod, Director of Finance. Question #15. November 23, 2010.

²⁵ Minutes of Administrative Council Meeting of October 11, 2010. Page 4, Paragraph 3.

²⁶ Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010. Question # 9.

²⁷ Minutes of Board of Management Meeting of October 27, 2010. Page 9, Paragraph 7.



two (2) payments, which were made to (a) Rainforest Seafood - \$96,580.00 and (b) Michelle Allen - \$100,000.00 to purchase items for catering, were taken from the “Student Fee” Account.

At the Meeting of the Board of Management, which was held on October 27, 2010, however, Board Member, Mr. Ewan Millen, chided the Director of Finance, claiming that “...in her position, she should have ensured that an approved budget was received from the Interim President.”²⁸ In addition, Mrs. Mary Nichols, Board Member, indicated that **“... the Board of Management should take full responsibility for not having a budget for the function as none was requested when the idea of having the function was first presented.”**²⁹ [OCG’s emphasis]

Also of significant note, is that the Director of Finance, at the meeting of the Administrative Council, which was held on October 11, 2010, cautioned that “...the College had to be careful how the services were handled, especially the cost for the Event Planner. She said the College had to ensure that the cost was within the Office of the Contractor General stipulation.”³⁰

The Minutes of the Board of Management Meeting of October 27, 2010 represented that Board Member, Mr. Norman Thompson, was of the view that “... it was the cost for catering that had escalated the cost of the function.”³¹ The referenced Minutes also indicated that “Dr. Watt informed the Board that he was of the opinion that the Hospitality students would have been used for catering. He said that he had no knowledge that the service would have been contracted to outsiders.”³²

²⁸ Minutes of Board of Management Meeting of October 27, 2010. Page 9, Paragraph 8.

²⁹ Minutes of Board of Management Meeting of October 27, 2010. Page 10, Paragraph 10.

³⁰ Minutes of Administrative Council Meeting of October 11, 2010. Page 4, Paragraph 3.

³¹ Minutes of Board of Management Meeting of October 27, 2010. Page 8, Paragraph 10.

³² Minutes of Board of Management Meeting of October 27, 2010. Page 9, Paragraph 1.



Given the foregoing, it should be noted that the catering for the Installation Ceremony, was, in fact, undertaken by an external party, one ‘Ann-Marie Greenwood’.

Having regard to the aforementioned contentions, it is instructive to note that in the Minutes of the Board of Management Meeting of October 27, 2010, Mrs. McLeod, Director of Finance, CASE, commented that “...*given the time when she was informed of the function and also when Ms. Michelle Allen was informed that she would cater for the function, they had done their best in preparing.*”³³ In the referenced Minutes, Dr. Watt, however, countered that “...*he could recall that he had requested of Ms. Allen to do the catering far in advance and she had accepted...*”³⁴

On November 24, 2010, Ms. Allen attended an interview at the OCG, upon the request of the Senior Inspector – Non-Construction Contracts, at which time she stated, *inter alia*, the following:

1. That she was summoned by the then President and advised by Mrs. McKenzie, the Administrative Assistant to the President, on October 5, 2010, that she would be “anchoring” the Catering for the function;
2. That she prepared a Menu and submitted it on the said date of the meeting.³⁵
3. That she was again summoned by the President on October 8, 2010, who informed her that he was not familiar with food and beverage and, as such, she was asked to meet with Mrs. Dawkins, the Event Planner.
4. That she met with Mrs. Dawkins, a gentleman who accompanied Mrs. Dawkins and Mr. Campbell, the Acting Director of Property, Transport and Farms, CASE,

³³ Minutes of Board of Management Meeting of October 27, 2010. Page 10, Sentence 7.

³⁴ Minutes of Board of Management Meeting of October 27, 2010. Page 10, Sentence 8.

³⁵ Transcript of Interview conducted with Ms. Michelle Allen. November 24, 2010. Question #4.



and together they modified the Menu. Ms. Allen also stated that she then met with Ms. Greenwood (Caterer) on the same day and compiled a shopping list, which was subsequently submitted to the RAC Cost Centre and was duly signed.³⁶

5. That *“Ms. Greenwood has done work before and provides services to CASE consistently.”*³⁷

During her interview with OCG personnel on November 23, 2010, the Director of Finance, Mrs. McLeod, stated that *“...The list of food required for the function was received from Ms. Allen on the Tuesday prior to the function.”* She further advised that *“...suppliers were contacted on Tuesday. Suppliers were called on the phone and some things were purchased.”*³⁸ Of note, Ms. Allen, Lecturer in the Hospitality Department, in her referenced interview, further stated that *“...suppliers were contacted on the 11th and 12th of October”*³⁹.

Bearing in mind that the Installation Ceremony was held on Thursday, October 14, 2010, it is the OCG’s considered opinion that these timelines would indeed have presented a problem to personnel involved with the planning and execution of the event, as there would not have been sufficient time to employ proper procurement procedures.

With reference to the expenditure for the Installation Ceremony, Mr. Barry Wahrmann, then member of the Board of Management, stated that *“...the expenditure might have been out of control but the Board had a responsibility to advance the College and assist the students in whatever way possible and that the function had played a major part in fulfilling those objectives.”*⁴⁰

³⁶ Transcript of Interview conducted with Ms. Michelle Allen. November 24, 2010.

³⁷ Transcript of Interview conducted with Ms. Michelle Allen, Hospitality Lecturer. Question #26.

³⁸ Transcript of Interview conducted with Mrs. Claudette McLeod, Director of Finance. Questions #10 & 13.

³⁹ Transcript of Interview conducted with Ms. Michelle Allen, Hospitality Lecturer. Question #13.

⁴⁰ Minutes of Board of Management Meeting of October 27, 2010. Page 6, Paragraph 8.



The Minutes of the Board Meeting of October 27, 2010, also indicated that the Installation Ceremony “...attracted expenditure of eight-five [sic] thousand dollars (\$85,000) for Board fees and fifteen thousand dollars (\$15,000) for members of staff.”

The then Chairman of the Board disputed the inclusion of the fees in the expenditure, as, in his opinion, “...it was normal for Members of the Board of Management to be paid fees and travelling expenses for official duties on the behalf of the College”⁴¹. It is instructive to note that the listings of Suppliers, both paid and unpaid, which were submitted to the OCG by CASE, did not include these amounts.

The then Interim President, Dr. Watts, in his interview with OCG personnel on November 23, 2010, when asked for an estimated expenditure with reference to the Installation Ceremony, stated that “At the time, e [sic] thought a million dollars was nothing to frown on.”⁴²

Absence of Documentation

The OCG found that the engagement of parties for the Ceremony was only evidenced through the submission of Invoices and through CASE documents relative to payments for the goods and/or services provided. Further, there was no formal contractual agreement between the College and the respective Contractors. The only other documentation which made reference to the engagement of parties, were the Minutes of Board of Management Meetings and Minutes of Administrative Council Meetings, which were conducted post-Installation Ceremony.

The OCG is of the considered opinion that the foregoing is highly improper and irregular and does not lend itself to the principles of accountability and proper record keeping.

⁴¹ Minutes of Board of Management Meeting of October 27, 2010. Page 4, Paragraph 1.

⁴² Transcript of Interview conducted with Dr. Victor Watt. November 23, 2010.



CONCLUSIONS

Based upon the representations which were made to the OCG during the course of interviews which were conducted with representatives of CASE as well as the supporting documentary evidence which was provided, the OCG has arrived at the following considered Conclusions:

1. Based upon the information which was obtained from CASE, the OCG has been led to conclude that proper procurement procedures were not undertaken for the hosting of the Installation Ceremony for the then Interim President. As such, the OCG has concluded that the procurement of goods and services was neither fair nor transparent, and the amount expended was not properly managed. The fact that there is an amount to be paid, for which there is no clear explanation (Sundry Items), speaks to the apparent haphazard way in which goods and services were procured.
2. Additionally, the OCG found and concluded that the Board of Directors, did not act, *inter alia*, in accordance with the provisions of Section 6 and Sections 17(1) (a) and (b) of the Public Bodies Management and Accountability Act.

The OCG has noted the explanation which was given by both the Chairman of the Board of Management and the President, that the primary purpose of the function was to advance the MOU between CASE and UTech, and that the Installation Ceremony was secondary. However, it should be pointed out, that the issue is not in regard to the purpose of the function, but rather the planning and execution of same, coupled with the amount of money expended and the seeming disregard for the established procurement guidelines.



3. The OCG has further concluded that the contracts which were awarded were not awarded based upon merit but were awarded out of convenience, owing, amongst other things, to time constraints surrounding the hosting of the Installation Ceremony. However, whilst the OCG fully appreciates the fact that the event was planned within a short timeframe, it is of the considered view that the planning of the event could have been better managed, had a more favourable timeframe, a proper planning team, a prescribed budget and a proper approval process been engaged. The sequence of events, therefore, begs the question, as to why same was so hurriedly 'put together' and why the event could not have been scheduled for a later date to facilitate the proper planning of same.
4. The OCG has found and concluded that the engagement and overall involvement of the Events Planner, at a cost of two hundred and fifty thousand dollars (\$250,000.00), is of grave concern, particularly as it is apparent, based upon representations which have been made to the OCG, that the said Event Planner was not intimately involved in the actual planning of the Installation Ceremony. Further, the fact that neither the Chairman nor the President sought to enquire whether the services 'contracted' could have been properly undertaken by CASE personnel, is also of concern, as the services which were reportedly delivered could have been executed by CASE personnel. In light of this Finding, the OCG has been led to question whether value for money was realised by the CASE.
5. As it relates to whether there was any evidence of impropriety, collusion and/or conflict of interest, the OCG found that, as the Accountable Officer, the then Interim President, in recommending and subsequently approving the engagement of the services of the Event Planner, acted inappropriately in so doing. The OCG's Findings, however, did not evidence any level of collusion and/or conflict of interest on the part of the President in making the referenced recommendation.



6. The OCG has concluded that there was merit to the complaint which was levied against the CASE, relative to the procurement of goods and services without proper procurement procedures being conducted. In this regard, the OCG has found and concluded that the CASE, through its respective Accountable Officers, breached Sub-Section S-2040 (Procurement Methods for Goods, Works and General Services), of the GOJ Procurement Handbook.
7. Ultimately, the OCG has concluded that the planning of the subject function was poorly managed, which resulted in overspending and irregular and/or improper procurement of goods and services.

The OCG is of the considered view that the foregoing Findings are serious in nature, as CASE abandoned all procurement principles, thus demonstrating disregard for the procurement guidelines, as outlined in the GOJ Procurement Handbook and the attendant Public Sector Procurement Regulations (December 2008). Consequently, disregard was also demonstrated in the College's spending of what, ultimately, was Government funds.

In light of the Findings arrived at, the OCG anticipates that CASE will make every effort to ensure that it fully complies with the Government of Jamaica Public Sector Procurement Procedures, for all current and future procurement opportunities.



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.” (OCG Emphasis)

1. The OCG, based upon documentary evidence which has been presented to it by CASE, is hereby referring a copy of its Special Enquiry Report to the Director of Public Prosecutions, for such further action and/or investigation as she may deem fit, having regard to the breaches of the Government of Jamaica Procurement Procedures and the attendant Regulations, which have been identified herein.

The OCG is hereby referring the matter for the determination to be made as to whether the Accountable Officer, in this instance, the then Interim President of CASE, Dr. Victor Watt, breached Sub-Section S-2040, of the Handbook of Public Sector Procurement Procedures (November 2008), which states, *inter alia*, that the Limited Tender Procurement Methodology is the required method to be employed for contracts within the threshold of J\$100,000.00 to J\$275,000.00. The value of the contract awarded to the Event Planner, was J\$250,000.00.



The OCG is referring this matter to the Director of Public Prosecutions, having particular regard to the provisions of Section 40 of the Public Sector Procurement Regulations (2008), which provides as follows:

“A person who –

(a) contravenes these Regulations; or

(b) aids, abets or otherwise knowingly facilitates or is an accessory to the contravention of these Regulations, commit an offence and is liable, on summary conviction in a Resident Magistrate’s Court, to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding three months or to both ...” (OCG Emphasis)

2. The OCG, based upon documentary evidence which has been presented to it by CASE, is hereby referring a copy of its Special Enquiry Report to the Director of Public Prosecutions, for such further action and/or investigation as she may deem fit, having regard to the apparent conflicting responses which have been submitted to the OCG by functionaries of CASE.

The OCG is hereby referring the matter for the determination to be made as to whether Ms. Charmaine McKenzie, then Secretary to the then Interim President of CASE, or any other person, breached Section 29 of the Contractor-General Act, having regard to the conflicting statements which were provided by the said Ms. Charmaine McKenzie, Dr. Victor Watt, and Ms. Michelle Allen, Lecturer at CASE, regarding the extent of Ms. McKenzie’s knowledge of and involvement in the planning of the subject Installation Ceremony.

3. The OCG, based upon documentary evidence which has been presented to it by CASE, is hereby referring a copy of its Special Enquiry Report to the Attorney



General, for such further action and/or investigation as he may deem fit, having regard to the evidence of the breach of the Public Bodies Management and Accountability Act, which has been identified herein.

The OCG is hereby referring the matter for the determination to be made as to whether the then Chairman of the Board of Management of CASE, Dr. Cecil Goodridge, acted in contravention, *inter alia*, of Section 6 and Section 17(1) (a) and (b), of the Public Bodies Management and Accountability Act, having regard to (a) the extent of his involvement in the planning of the Installation Ceremony, (b) the fact that members of the Board of Management were not involved in the approval process and were ignorant of the level of expenditure and details pertaining to the function and (c) the fact that Boards of Directors of Public Bodies are appointed, *inter alia*, to efficiently and effectively manage the affairs of Public Bodies and to ensure the accountability of all individuals who manage and administer the affairs and resources of the said Public Bodies.



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 therefor of the result of that Investigation **and make such Recommendations as he considers necessary in respect of the matter which was investigated.**”* (OCG’s Emphasis)

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

1. The OCG recommends that the Permanent Secretary in the Ministry of Education, seeks to establish guidelines pertaining to the hosting of Installation Ceremonies and similar events, to include the circumstances under which such events are to be hosted, the proper planning and execution of same, the period of time individuals are required to serve an entity in order to qualify for such events to be hosted in their honour.
2. The OCG recommends that the Auditor General conduct such further investigation and/or enquiry into the expenditure which was undertaken for the Installation Ceremony, if she has not already done so, to ensure that same was in compliance with the requirements of the Financial Administration & Audit Act, and any other Government accounting requirements and/or financial regulations.
3. The OCG recommends that in undertaking the planning of all future events, CASE personnel entrusted with such responsibility, should, as a policy, ensure that a prescribed budget is submitted for approval, and such documented approval received at the required level, prior to the execution of any activity related to said event.



It is further being recommended that CASE:

4. Should seek to ensure that procurement practitioners within the organisation are trained in procurement procedures, as outlined in the GOJ Public Sector Procurement Procedures Handbook (October 2010);
5. Implements a formal, documented internal procurement process, which addresses all types of procurement opportunities, and which conforms to the provisions embodied in the Government of Jamaica (GOJ) Handbook of Public Sector Procurement Procedures (October 2010); and
6. Should seek to ensure that documentation relating to all procurement opportunities/contracts awarded, be maintained, on-file, to include evidence of all recommendations and approvals obtained.