



# PERFORMANCE AUDIT REPORT

ENGAGEMENT OF CONSULTANTS, ADVISORS AND ASSISTANTS  
AT THE MINISTRY OF FINANCE AND PUBLIC SERVICE,  
OFFICE OF THE PRIME MINISTER AND  
MINISTRY OF EDUCATION, YOUTH AND INFORMATION

Auditor General's Department

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# Summary

- The Government of Jamaica (GOJ) engages consultants, advisors as well as assistants to Ministers in various capacities throughout the public sector. The GOJ Procurement Guidelines and the Ministry of Finance and Public Service (MoFPS) Circulars governing the engagement of consultants and contract officers, allow a public body to employ such personnel where the skills or required experience to undertake particular functions or services are not available from the pool of permanently employed staff. Given that these arrangements can be costly, it is important that the process of engagement is transparent and the deliverables contribute to the effectiveness and efficiency of Government operations in order to ensure value for money.
- We undertook a performance audit of three selected public bodies, namely MoFPS, Office of the Prime Minister (OPM) and the Ministry of Education, Youth and Information (MoEYI) to determine whether value for money was obtained from the use of consultants, advisors and assistants over the period April 2010 to August 2016. We also examined whether their engagement complied with GOJ Procurement Guidelines and applicable MoFPS circulars.

# Key Findings No. 1

## Inconsistencies in gratuity payments and engagement of advisors and assistants to Ministers

- We found that the process for approving gratuity payments during the period April 2010 to August 2016 was not consistent across the selected Ministries. For example, at OPM gratuity payments were supported by formal end of contract performance evaluation reports consistent with MoFPS Circular. In contrast, at MoEYI gratuity payments were made to six of nine officers based on formal performance evaluations, while payments to the remaining three were based on notations of satisfactory performance on memoranda authorising payment.
- MoFPS, made gratuity payments based only on notations by the Accounting Officer or respective portfolio Minister indicating satisfactory performance, without indications of deliverables achieved, in contravention of its own Circular. In a context where MoFPS both develops and enforces the policy for the payment of gratuity for all Ministries, Departments and Agencies (MDAs), the breach of its own policy demonstrates poor governance and undermines its ability to hold the MDAs accountable.

# Key Findings No. 1 (Cont'd)

- MoEYI could not present TORs or job descriptions, for five of 12 advisors contracted during the period April 2010 to August 2016, despite our request. Given that MoFPS requires these documents to determine emoluments, the basis for engagement of these officers was unclear and further, without TORs, MoEYI could not have established accountability or determine that value for money was received.
- MoFPS approved remunerations in excess of the maximum applicable pay scale for 22 advisors and assistants engaged across the three selected Ministries, during the period April 2010 to August 2016. Despite requests, MoFPS did not present evidence of the assessments undertaken to justify payments in excess of the approved scales. The total excess above the pay scale's maximum salary ranged from 15 per cent to 136 per cent.

# Key Findings No. 2

## Lack of transparency and accountability in contract arrangements

- We found no material concerns for 80 per cent of files reviewed, however for the remaining 20 per cent, we noted significant weaknesses related to due process, planning and documentation, particularly at MoFPS. Of note, the donor-funded projects had greater oversight and accountability, which could be related to the fact that disbursements were contingent on strict adherence to procurement guidelines, provision of progress reports, and completion of deliverables. On the other hand, locally funded contracts revealed a number of deficiencies, which could be indicative of systemic weaknesses in governance practices.
- In July 2014, MoFPS engaged a consultant without adequate due diligence, to conduct an actuarial review of reclassification arrears for 22,000 teachers employed to MoEYI, in order to determine amounts owed. In another instance, MoFPS engaged a consultant to carry out a Public Education Campaign related to the Economic Reform Programme and the 2015/16 Budget Cycle, without evidence of the evaluation and recommendation of the Procurement Committee. MoFPS did not obtain competitive quotations, and/or advertised the procurement opportunities for the project and we saw no evidence of how the contract cost of \$5.7 million was determined.

# Recommendations

1. Ministries should ensure that engagement and employment contracts for advisors, assistants and consultants, conform to Procurement Guidelines and MoFPS Circulars, in order to promote good governance practices and the receipt of value for money.
2. The Ministry of Finance and Public Service should standardize the system for evaluating the performance of the advisors and assistants to Ministers and replicate the evaluation process across all Ministries, Departments and Agencies to ensure transparency and accountability.