

Executive Summary







The Auditor General's Department conducted a Special Audit of key operational areas in response to the following allegations:

- i. a fleet vehicle was used for private purposes by the Facilities and Operations Manager,
- ii. the government-funded credit card utilised for personal use, and
- iii. procurement breaches occurred in relation to the renovation of the Members' Lounge and the purchase of air conditioning equipment.

Based on the allegations, we sought to assess whether HoP's procurement, credit card management, and fleet vehicle practices aligned with applicable laws, regulations, and best practices to ensure compliance and value for money.

The audit confirmed that a fleet vehicle was used for unofficial purposes by the Facilities and Operations Manager (FOM), and procurement breaches occurred in the renovation of the Member's Lounge and purchase of air conditioning units. No personal misuse of the credit card was found; but deficiencies in its management and monitoring were identified, necessitating stronger oversight controls.

The allegations and key findings of the audit are summarized below.

Allegation(s)	Criteria	What we found	Assessment Against Criteria 1
Fleet vehicle was used for private purposes by the Facilities and Operations Manager (FOM).	Government motor vehicles should only be used for official duties.	A fleet vehicle was used for private purposes by the FOM to attend classes at the university and subsequently parked at his home.	
Improper use of the government-funded credit card	Credit cards must not be used for private and personal expenses.	No evidence of personal use but weak monitoring and reconciliation practices noted.	
Procurement breaches in relation to the renovation of member's lounge and purchase of air conditioning equipment.	Procurement activities accorded with applicable laws, regulations, guidelines and good practices, to attain value for money.	Procurement undertaken without budgetary allocation, varying bid procedures, improper contract selection and award noted.	
 Substantiated	 Partially Substantiated		 Unsubstantiated

¹ **Substantiated:** There is sufficient and reliable evidence to support the allegation made; **Unsubstantiated:** There is insufficient evidence to either prove or disprove the allegation. **Partially Substantiated:** There is some evidence to support the allegation, but not enough to fully prove it.

Key Findings

Fleet Management

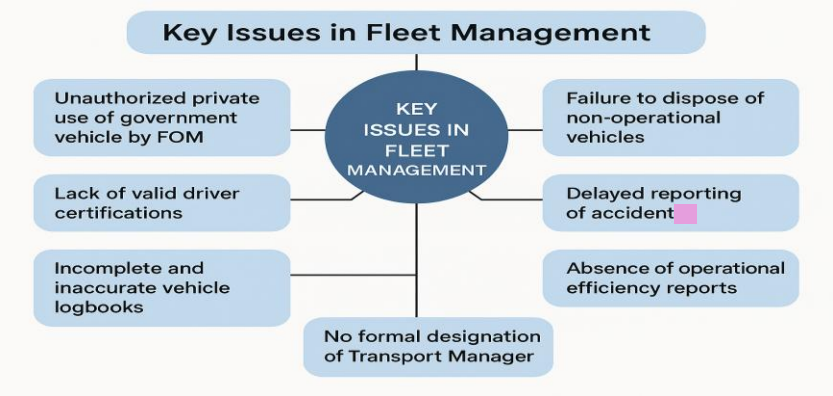
- 1. Our audit confirmed that a fleet vehicle was used for unofficial purposes by the Facilities and Operations Manager (FOM).** This practice contravenes Section 5.4.2 of the Revised Comprehensive Motor Vehicle Policy for the Public Sector (RCMVP), which stipulates that *“The government motor vehicles should only be used for official duties; therefore, on no occasion should these vehicles be used privately”*. Our analysis of logbooks for the period June 20, 2024, to December 19, 2024 (183 days) showed that the fleet vehicle was utilised by the FOM for 173 days, inclusive of weekends and public holidays. Further, analysis of the times recorded in the logbooks showed that this fleet vehicle was not parked at the HoP at the end of the working day but apparently parked at the FOM’s place of abode during the night on 173 occasions. In September 2025, HoP indicated that:

*Since June 13, 2025, following legal guidance and Clerk instructions, the FOM has **ceased driving government vehicles**². I am awaiting confirmation of the certification of the other driver and authorization for the vehicle to be kept overnight will be done in accordance with GoJ policy before the end of September 2025.*

- 2.** The policy stipulates that government vehicles should not be retained overnight or beyond the period of the specific assignment except in special circumstances such as, where a vehicle is used to transport members of staff to and from work or for any other justified extenuating circumstances. The policy also authorised the Accounting Officer to grant permission for the extenuating circumstances; however, he/she must satisfy himself of the continued safe custody of the vehicle during these specific assignments. We saw no evidence granting the FOM permission to use the vehicle due to any extenuating circumstances, and no evidence was presented that the Accounting Officer had conducted the necessary assessment regarding the continued safe custody of the vehicle while in the possession of the FOM at nights. HoP responded in September 2025 *“that by memo dated August 15, 2025, the FOM stated that the vehicle use was conducted pursuant to permission granted by the Clerk in recognition of extended official hours and the need for personal safety during late-night duties”*. However, evidence of the stated authorisation was not provided.
- 3.** The audit revealed shortcomings in the management of fleet vehicles at the HoP, including a lack of proper certification for drivers, absence of required quarterly efficiency reports, and inadequate maintenance of vehicle records. Several vehicles have remained unused for years without timely disposal, and a motor vehicle accident was reported to the Financial Secretary and the Auditor General approximately 15 months after the accident had occurred. Additionally, while the Facilities and Operations Manager (FOM) was responsible for managing the HoP’s fleet, there was no formal designation of the FOM as the Transport

² HoP’s emphasis.

Manager, and logbooks were not faithfully maintained and presented for review. These deficiencies not only breached the GoJ Revised Comprehensive Motor Vehicle Policy but raised concerns about oversight and asset use.



Management of Government-Funded Credit Card

4. The audit revealed weaknesses in HoP’s oversight of government-funded credit card usage. These deficiencies were due to poor monitoring and absence of required reconciliations, which increased the risk of non-compliance and financial exposures.
- i. **Our review of the credit card statements for the selected period revealed no transactions of a personal or private nature.** We found that HoP appropriately used the credit card for 65 sampled transactions, totalling US\$14,279.68 .
 - ii. **HoP failed to consistently monitor its credit card and recurrent bank accounts, which resulted in a \$28.96 million transfer to its credit card account that went undetected for approximately four months.** On January 28, 2025, HoP requested a transfer of the Jamaican equivalent of \$181,026.73 to its USD credit card account. However, the bank withdrew \$28.96 million instead and credited US\$181,026.73 to the credit card account. HoP only requested a correction on May 28, 2025, and the bank reversed the erroneous transaction on June 18, 2025. This delay raised concerns about the effectiveness of the reconciliation of the recurrent bank account and lack of monthly monitoring over the credit card account, as required by FAA Act. Additionally, HoP provided no evidence that its Credit Card Administrator (CCA) performed the required monthly reconciliations, despite 40 transactions totalling US\$11,377 from February 2025 to May 2025 (**Appendix 2**).
 - iii. **HoP failed to consistently submit quarterly credit card reports to the Accountant General’s Department, breaching FAA Act requirements.** HoP submitted only two of the five reports due between October 2023 and June 2025, which were both late – one report by 3 days and the other by 40 days. As of September 30, 2025, the remaining three reports were still outstanding, with delays ranging from 302 to 427 working days.

Commented [TP1]: Issue #1 addressed.

Commented [DH2R1]: Accepted

Procurement and Contract Management

In October 2024, HoP entered into a contractual agreement valued at \$24.407 million for the renovation of its members' lounge. Additionally, in March 2025, HoP committed to the purchase of 16 air-conditioning units valued at \$3.2 million. We noted weaknesses in procurement planning and budgeting, unauthorized bid modifications, use of incorrect procurement methodology, absence of contract agreement and the non-inclusion of critical terms to protect government's interest.

- i. **HoP's procurement of renovation works, and air-conditioning units lacked proper needs assessment and was not included in its procurement plan and annual capital budget.** While HoP cited urgent health and safety concerns for the lounge refurbishment and identified 14 air-conditioning units in need for replacement, no supporting evidence or analysis was presented to justify these procurement decisions. Additionally, due to the non-submission of Appropriation Accounts for the 2024-25 financial year, we were unable to determine if the expenditures exceeded the approved budget. Our 2024 Annual Report noted that HoP had not submitted Appropriation Accounts for the six years from 2018-19 to 2023-24. This continued non-submission constitutes a breach of the Financial Administration and Audit (FAA) Act.
- ii. **HoP's modification to the original bid price by way of discount of \$1 million, which reduced the original bid from \$25.407 million to \$24.407 million, breached both the Instructions to Bidders and GoJ Procurement Guidelines.** The Instructions to Bidders stipulates that bids cannot be modified or withdrawn after the submission deadline and the GoJ Procurement Guidelines states that modifications or withdrawals received after the deadline must not be opened and discounts must be disclosed at the bid opening, and any undisclosed discounts cannot be considered during evaluation. However, HoP sought and obtained approval for discount from the bidder on August 23, 2024, the same day of the evaluation committee meeting, undermining the integrity and transparency of the procurement process. The evaluation committee subsequently recommended that the contract be awarded to the preferred bidder for a revised cost of \$24.407 million.
- iii. **Our review of procurement records revealed that the contract for renovation works, valued at \$24.407 million, was signed after the works had been substantially completed.** The related contract was dated October 2024; however, the Quantity Surveyor's report indicated that the works commenced on September 1, 2024, and were completed by October 4, 2024. This practice contravenes standard procurement procedures, which require a signed agreement outlining terms and conditions to be in place before work commences, to safeguard the Government's interests. We noted that critical terms were not included in the contract agreement to minimise the exposure to financial risk in the event that the contractor failed to perform satisfactorily. The Instruction to Bidders documents submitted to prospective bidders stipulates that performance security must be provided to HoP by the successful bidder within 28 days of receipt of the letter of acceptance and that failure to provide the security shall constitute sufficient grounds for annulment of the award and forfeiture of the bid security. However, the required performance bond was neither considered in the

evaluation of the bidders nor included as a term of the contract agreement. Also, retention and liquidated damages clauses were not included in the contract agreement.

- iv. **The HoP commenced variation works without the requisite prior approvals from the Accounting Officer.** Our review of the variation order showed that the HoP formally approved variation works after the works had been completed. The order dated September 30, 2024, indicated that the HoP proposed the variation works on October 31, 2024, while practical completion of the works was on October 4, 2024. HoP approved net variations of \$0.3 million to the original contract sum, comprising additions of \$6.4 million and omissions of \$6.8 million. However, \$1.06 million of the omissions reflected deductions from the provisional sum rather than actual reductions in the scope of works, contrary to the contract agreement and procurement best practices (**Appendix 4**). Further, the HoP did not provide evidence of the specific works omitted, limiting the ability to assess whether the variation represented an actual change in renovation works. The use of the provisional sum appears improper, as it reduced the contract value without formally altering the scope of works. Since the scope remained unchanged, the deduction from the provisional sum does not constitute a valid variation under the contract's procedures. The GoJ's procurement guidelines refer to variation as a change to the deliverable(s) under a contract caused by an increase or decrease in the scope of works to be performed, amount/type of goods to be supplied or services to be provided and shall be specific to the specific contract.
- v. **HoP did not follow the required competitive bidding process for the procurement of 16 air-conditioning units costing \$3.2 million.** HoP procured the equipment directly from a single supplier, instead of using the Limited Tender method, which mandates at least three quotations for procurements between \$1.5 million and \$5 million. This breach of the government procurement guidelines undermines transparency and fairness and denied other suppliers the opportunity to participate. The supplier was also engaged without a formal contract, purchase order or provision of warranty. Additionally, the required attestation from the Commitment Control Officer confirming availability of funds was not presented, in a context where no budgetary allocation was in place. There was no evidence that the assets were recorded in the HoP's inventory records, and supplier documentation lacked identifying details such as serial numbers, preventing physical verification. The absence of a signed contract limits the HoP's ability to enforce claims if the equipment is found to be substandard.

Commented [TP3]: Issue #9- Report updated

Commented [DH4R3]: Accepted