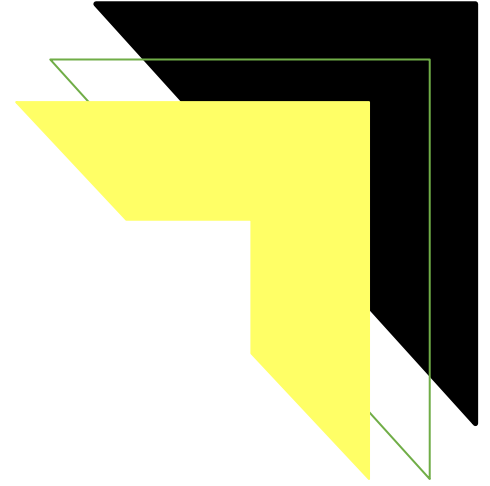
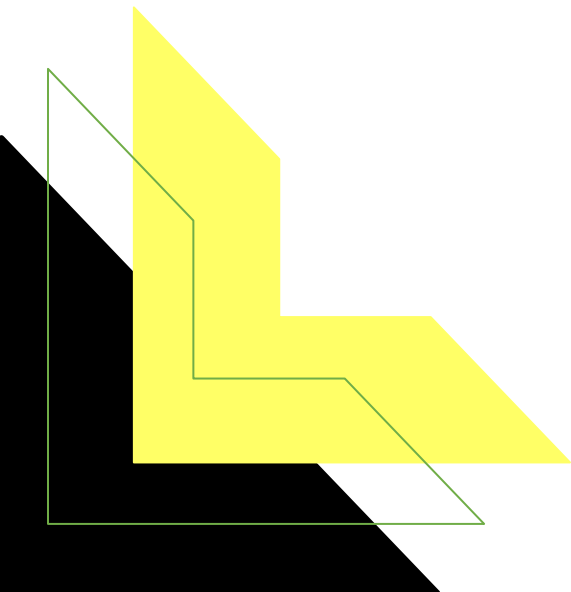




AUDITOR GENERAL'S
DEPARTMENT OF JAMAICA



**HURRICANE MELISSA RELIEF INITIATIVE AUDIT
COMPLIANCE AUDIT REPORT
FINANCIAL MANAGEMENT OF DONATED AND NATIONAL DISASTER
FUNDS & THE IMPLEMENTATION OF THE ROOF RESTORATION
PROJECT**



The Auditor General is appointed by the Governor General and is required by the Constitution, Financial Administration and Audit Act, other sundry acts and letters of engagement, to conduct audits at least once per year of the accounts, financial transactions, operations and financial statements of central government ministries and departments, local government agencies, statutory bodies and government companies.

The Department is headed by the Auditor General, Pamela Monroe Ellis, who submits her reports to the Speaker of the House of Representatives in accordance with Section 122 of the Constitution of Jamaica and Section 29 of the Financial Administration and Audit Act.

This report was prepared by the Auditor General's Department of Jamaica for presentation to the House of Representatives.

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'A better country through effective audit scrutiny'

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This report outlines the findings from our real-time audit of the Hurricane Melissa Relief Initiative, focusing on financial management and procurement under the Roof Restoration Programme.

Auditor General's Foreword

The concurrent audit of Hurricane Melissa relief is being undertaken to check specific integrity points, particularly procurement, eligibility, disbursement and financial matters, while the initiatives are being executed, and to determine whether activities were executed with due regard to transparency and accountability. The primary aim of this ongoing audit is not to impede emergency relief efforts but to reduce the risk of blurred transparency and to identify deviations before losses accumulate rather than being discovered after the fact. This report is focused on the financial management of donations received in support of Hurricane Melissa relief, the procurement and delivery of roofing materials under the Government-Directed Roof Restoration Programme, and continuing gaps in the governance and oversight of the National Disaster Fund. The findings presented herein have been communicated to the responsible entities and are intended to support continuous improvement in disaster response management, while enhancing accountability and safeguarding public funds.

I wish to thank the management of Office of Disaster Preparedness and Emergency Management (ODPEM) and the Office of the Prime Minister (OPM) for their responsiveness and courtesies extended to my staff.

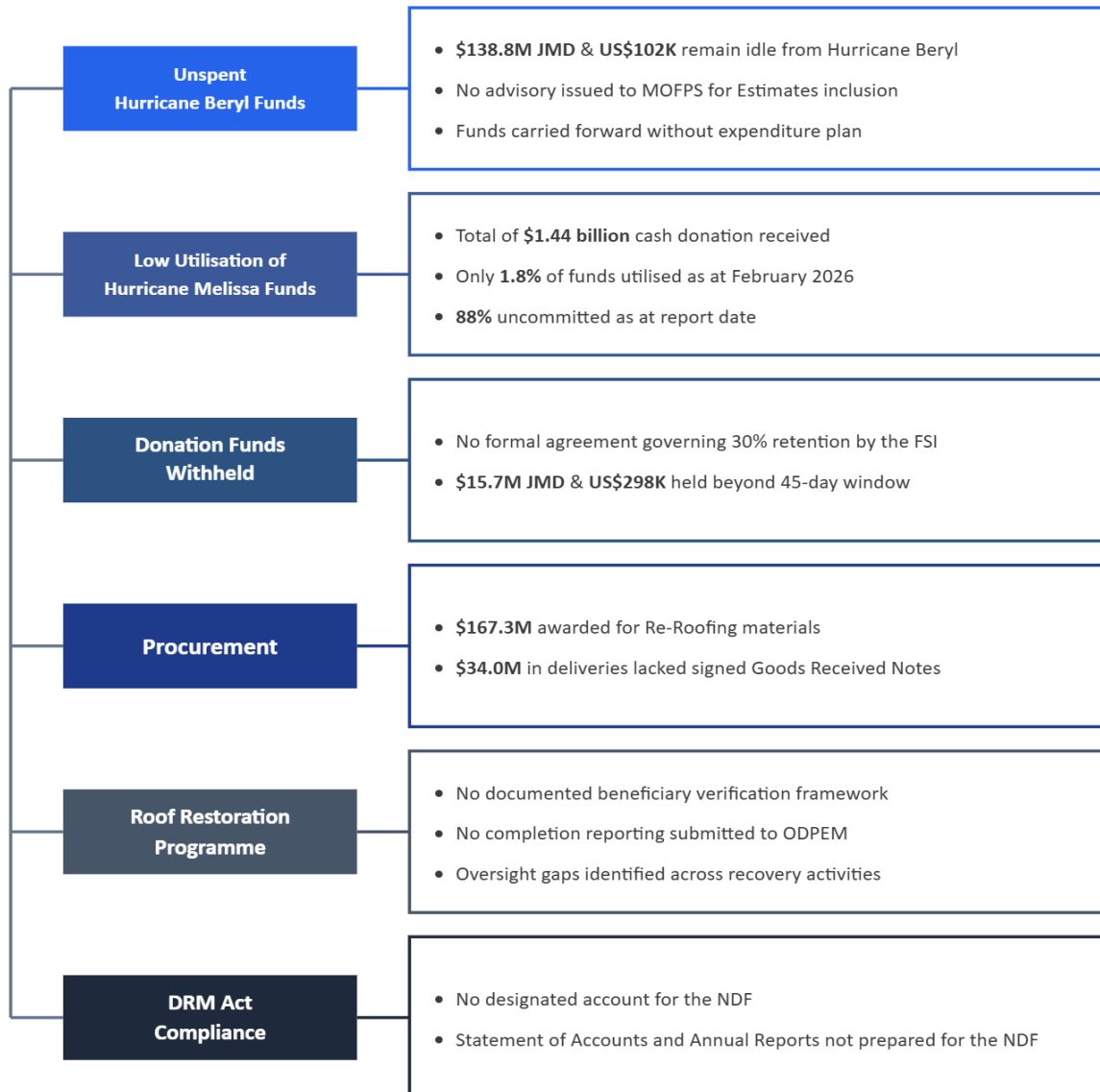


Pamela Monroe Ellis, FCCA, FCA
Auditor General



Audit at a Glance

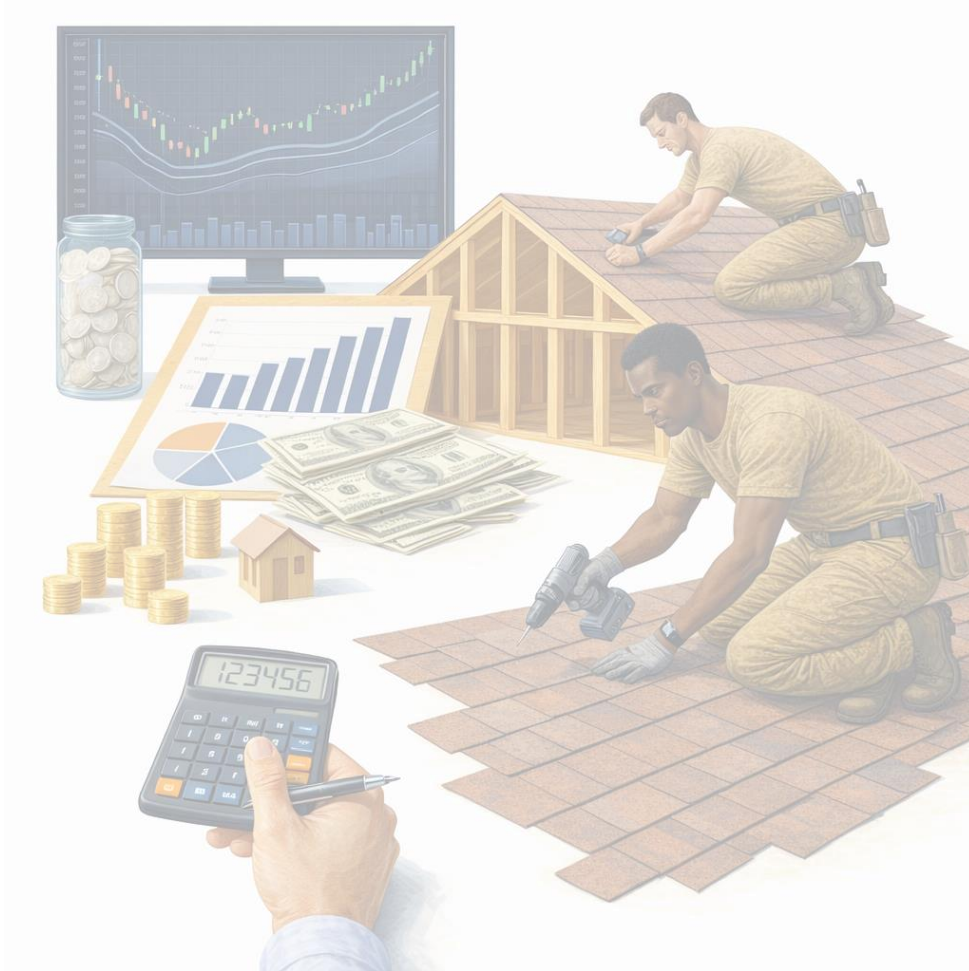
HURRICANE MELISSA RELIEF INITIATIVE



Key Financial Figures

Description	Amount (\$)	Notes
Total Hurricane Melissa donations received	\$1.44 billion	Cash donations from all sources
Amount expended as at February 23, 2026	\$26.2 million (1.8%)	Roofing materials only
Unspent Hurricane Beryl balance	\$138.8M / US\$101,974	Carried forward pre-Melissa
Total procurement commitment — Re-Roofing	\$167.3 million	Three procurement rounds
National Disaster Fund balance as at February 23, 2026	\$163M (bank) + \$293M (investments)	As at February 2026





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Executive Summary

This report is the third in a series of audit reports intended to evaluate multiple aspects of the Hurricane Melissa Relief Initiative. On October 28, 2025, Jamaica was severely impacted by Hurricane Melissa, a category five hurricane that caused widespread devastation especially in the western areas of the island. The government launched a coordinated relief effort, with the Office of Disaster Preparedness and Emergency Management (ODPEM) as the central agency responsible for emergency response and recovery operations.

The audit sought to examine whether ODPEM effectively ensured the transparency and accountability of resources received and utilised under the Hurricane Melissa Relief Initiative. In addition, the audit evaluated the adequacy of internal control systems designed to prevent and detect potential fraud, waste, and abuse of public resources during disaster response and recovery activities. Specifically, this report focuses on the financial management of donated funds, the utilisation of the funds to effectively respond to citizens' needs following Hurricane Melissa and highlights further gaps in the oversight of the National Disaster Fund.

The audit identified areas of concern regarding utilisation of the donated funds, as well as deficiencies in the governance of the Government-Directed Roof Restoration Programme. This summary outlines the key deficiencies observed and presents recommendations for strengthening controls and improving overall compliance. As this engagement is being conducted concurrently with the relief efforts, the audit acknowledges the steps ODPEM has begun to take to address the issues identified. The Auditor General's Department will continue to monitor progress against the agreed actions and will report on outstanding matters in subsequent reports in this real-time audit series.

Key Findings

Financial Management

- 1. ODPEM demonstrated a low utilisation rate of disaster relief funds donated for Hurricanes Melissa and Beryl.** As at February 23, 2026, ODPEM received a total of \$1.44 billion in cash donations for Hurricane Melissa, comprising \$473.4 million and US\$6.1 million (J\$963 million) from the Support Jamaica initiative and direct donations. However, as at that date, only \$26 million, or 1.8 per cent, had been expended. In addition, amounts totalling \$138.8 million and US\$101,974 from Hurricane Beryl cash donations remained unspent, and ODPEM did not provide information on the total funds collected and expended for that hurricane. In its April 2026 response, ODPEM indicated that the low level of utilisation was due to the absence of authorisation from the Ministry of Finance and the Public Service to expend the funds.
- 2. Donated funds withheld by a financial services institution (FSI) without a formal agreement.** ODPEM did not have in place a formal agreement with the FSI governing the retention and subsequent transfer of donated funds. While ODPEM presented email correspondence from the FSI proposing to retain 30 per cent of net donations for a period of 45 days to cover potential bank

chargeback, no evidence was submitted to demonstrate approval of the proposal or the existence of a formal binding agreement between the parties. Our review found that the FSI did not adhere to its proposed 45-day timeframe for transferring the retained funds to ODPEM. Amounts totalling \$15.7 million and US\$298,429, withheld during the period October 28, 2025, to December 31, 2025, were due for transfer to ODPEM by February 15, 2026. However, the FSI confirmed on March 9, 2026, that none of the withheld funds had been transferred by that date. On March 13, 2026, ODPEM provided a bank transfer receipt dated March 9, 2026, for \$16.1 million and US\$305,292. However, we were unable to confirm that these amounts were credited to ODPEM's bank accounts, as the transfer receipt did not disclose the recipients' bank account numbers. In addition, the corresponding bank statements were not submitted for audit review.

National Disaster Fund (NDF)

3. The National Disaster Fund (NDF) is a statutory fund established under Section 37 of the Disaster Risk Management Act (2015), comprising approved donations and grants, and other funds raised by the Council for disaster management purposes. As of February 23, 2026, the NDF bank account showed a balance of \$163 million, with additional investments of \$293 million as at February 28, 2026. Correspondence dated March 26, 2026, was submitted to ODPEM seeking updated balances for the stated accounts; however, as at the date of their response to the draft audit report on April 21, 2026, no updated information had been provided. Our review identified three material areas of non-compliance with the DRM Act 2015:
 - i. **Statement of Account and Annual report not presented:** For the financial years 2023–24 and 2024–25, ODPEM did not prepare the required statement of accounts and annual report of the NDF. This is attributable to the absence of a functioning Fund Committee and an appointed Chairman, as required by Section 42 of the DRM Act. ODPEM's Annual Reports for the financial years 2018-19 to 2024-25 were not prepared; consequently, the statutory requirement under Section 42(3) could not be fulfilled. Section 42(3) of the DRM Act requires the Director General to include the report and statement of accounts in ODPEM's annual report. The statement of accounts facilitates financial oversight and assurance over the use and safeguarding of disaster funds. In its April 2026 response, ODPEM advised that it had instructed the Director of Finance and Accounts to prepare the required statement of accounts for the National Disaster Fund (NDF) for the 2025/2026 financial year and to make the necessary representation to the Ministry of Finance and the Public Service for the NDF to be audited.
 - ii. **NDF does not have a designated bank account.** ODPEM does not have a designated bank account for the NDF as required by the DRM Act. ODPEM's capital account is being used to commingle NDF transactions with transactions relating to the Japan International Cooperation Agency (JICA)-funded Improvement of Emergency Communications System (IECS) project. ODPEM sought approval from the Accountant General in February 2019 to open a separate bank account for the JICA project, but no formal response was received, and no formal follow-up had been conducted. ODPEM in response to the draft report has advised that steps are being taken to establish a designated bank account for amounts liquidated from the NDF investment accounts.

Procurement – Roofing Programme

4. ODPEM utilised the restricted bidding and single source procurement methodologies to award four contracts for roofing materials totalling \$167.3 million in response to Hurricane Melissa. This approach was consistent with Section 24(1)(d) and Section 25(1)(d) of the Public Procurement Act (2015), which permits the use of these methodologies where there is an urgent need in the public interest arising from a catastrophic event, making it impractical to use standard competitive procurement methods. Of the four contracts awarded, three were issued to two suppliers who, at the time of contract award, did not hold a valid Public Procurement Commission (PPC) Certificate of Registration and/or a current Tax Compliance Certificate (TCC) as ordinarily required under Section 15 of the Public Procurement Act (2015) and Section 17 of the Public Procurement Regulations (2018). In each instance, ODPEM relied on the provisions of Guidance Note No. 2/2025, issued by the Ministry of Finance and the Public Service (MoFPS) on November 12, 2025, which permits the engagement of non-registered or tax non-compliant suppliers in circumstances of emergency or extreme urgency¹.

5. The audit identified significant deficiencies in both delivery acknowledgement controls and the completeness of payment documentation, as detailed below.
 - i. **Delivery Verification Deficiencies.** Of the \$122.5 million in building supplies delivered to JDF locations, only \$88.6 million was formally acknowledged as being received by the JDF, representing 72.2 per cent of total deliveries (**Appendix 3**). The remaining \$34 million in roofing materials, representing 27.8 per cent of all materials delivered, was not supported by signed delivery slips or Goods Received Notes (GRNs) countersigned by either ODPEM or a JDF representative, leaving these deliveries unverified and unacknowledged by the receiving party.
 - ii. **Outstanding Payment Documentation.** In addition to the delivery verification deficiencies, payment data for two of the four contracts remained outstanding as of the date of this report. Specifically, payment confirmation was not provided for the contracts awarded to Supplier No. 2 under Procurement Round 1 (valued at \$52.3 million) and to Supplier No. 3 (valued at \$56.2 million). As at March 31, 2026, total contract commitments for roofing materials amounted to \$167.3 million, with only \$26.2 million in payments verified to date. This leaves \$141.1 million in committed expenditure without corresponding confirmed payment documentation.

6. In April 2026, ODPEM stated that 421 roofs have been repaired under the Roof Restoration Programme and provided a geotagged list of households benefiting from the Programme. ODPEM submitted a list, prepared by a foreign military support team, containing the names of 200 beneficiaries, their addresses, contact numbers, status of work (per cent completed) and the geographic coordinates of locations. Of the 200 beneficiaries, geotagged locations were provided for

¹ Procuring entities may contract with registered suppliers or approved unregistered suppliers who were tax compliant at any time during the twelve (12) months immediately preceding the award of contract for the acquisition of goods in such exceptional circumstances.

only 149 of the beneficiaries whose roofs were repaired by a foreign military support team. Documentation on the extent of the foreign military's involvement in the roof repairs was not provided. In addition, access was granted to the platform used by the Jamaica Defence Force (JDF) to track roof repair activities, which indicated that 221 roof repairs were completed by the military. We sought to verify on a sample basis the repaired roofs using the information provided by ODPEM, however we were unable to complete the verification as:

- i. **Beneficiary selection criteria:** No documentation was provided to show the categorisation of the beneficiaries based on damage assessment with the appropriate evidence of damage to allow for audit trail from what existed before the repairs. The Jamaica Household Damage, Impact and Needs Assessment (JHDINA) was cited as the basis for beneficiary identification, but the methodology for translating assessment data into actual beneficiary selection was not presented.
- ii. **Verification and approval processes:** No documentation was provided by either the ODPEM or the Ministry of Labour and Social Security (MLSS) that sets out the processes by which selected households were independently verified and approved for participation in the Programme prior to the commencement of repair works.
- iii. **Completion reporting:** No formal completion reports were presented to substantiate that repair works were carried out at identified beneficiary households using the materials procured at a cost of \$167.3 million.

Conclusion

This audit found that weaknesses in financial management, governance and programme accountability limited transparency over Hurricane Melissa relief resources. Of \$1.44 billion in cash donations received, only \$26.2million (1.8 per cent) had been spent as at February 23, 2026, alongside unreported and unspent Hurricane Beryl balances. The audit also noted inadequate controls over donations processed through a financial services institution, including the absence of a formal agreement for retained funds and incomplete reconciliation. For the Roof Restoration Programme, emergency procurement was used, but gaps in supplier due diligence, delivery verification, payment support and completion documentation reduced assurance that the \$167.3 million in materials was fully and appropriately utilised. Continued non-compliance with the Disaster Risk Management Act including no standalone audited NDF accounts, required reporting and a dedicated NDF bank account further weakens oversight. Timely corrective action is needed to safeguard public funds, sustain donor confidence and strengthen future disaster response.

Recommendations

- i. ODPEM should, immediately, develop, approve, and document a comprehensive disaster relief expenditure plan that is aligned with donor intent and prioritises the rapid deployment of all donated funds to affected beneficiaries. The plan should set clear utilisation targets, timelines, and programme outputs, and be supported by periodic monitoring and reporting to ensure that all donated funds are substantially utilised to maximise assistance to citizens in need within the shortest possible time following a disaster.

- ii. ODPEM, in collaboration with its portfolio Ministry and the financial services institution, should establish formal timelines and monitoring mechanisms to ensure prompt transfer of donated funds. This should include documented formal agreement, periodic reconciliations and escalation procedures for delays.
- iii. ODPEM should take immediate steps to open a designated bank account for the NDF and seek to have the NDF accounts audited as required by the DRM Act.
- iv. ODPEM should establish a formal Memorandum of Understanding (MOU) with MLSS, clearly outlining roles and responsibilities for beneficiary selection, verification, monitoring and reporting. Robust monitoring mechanisms should be implemented to provide assurance to donors that items procured from cash donations are being appropriately utilised.



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Part One

Introduction

Background

1.1. In 2015, the Office of Disaster Preparedness and Emergency Management (ODPEM) was designated as a body corporate under the Disaster Risk Management (DRM) Act of 2015, as the public body mandated to oversee national disaster management². The DRM Act repealed the Disaster Preparedness and Emergency Management Act (1993). Section 4 of the DRM Act states that the principal objects of the Office shall be to advance disaster preparedness and emergency management measures in Jamaica by facilitating and coordinating the development and implementation of integrated disaster management systems; and institute measures as may be necessary for mitigating disasters. The functions of the Office include the following (**Figure 1**):

FIGURE 1 ODPEM'S STATUTORY FUNCTIONS



Source: Disaster Risk Management Act (2015)

² Section 3(1) of DRM Act: There is hereby established for the purposes of this Act, a body to be called the Office of Disaster Preparedness and Emergency Management which shall be a body corporate to which the provisions of section 28 of the *Interpretation Act* shall apply

- 1.2. On October 28, 2025, Hurricane Melissa made landfall in Jamaica as a category five hurricane, causing catastrophic damage across the island, particularly in the western parishes. In response, the Government of Jamaica (GOJ) launched the Hurricane Melissa relief and recovery initiative, a coordinated national effort designed to provide immediate relief (food, shelter, medical supplies), support housing recovery, and strengthen long-term community and climate resilience through partnerships with the private sector, non-governmental and international organisations. According to data from the Ministry of Finance and the Public Service (MoFPS), 420 contracts valued at \$11.13 billion have been awarded in response to Hurricane Melissa. The audit of these contracts is currently underway. The ODPEM directly coordinates the Hurricane Melissa relief efforts in Jamaica and plays a central role in both emergency response and recovery. Additionally, the Government of Jamaica launched the disaster relief website *supportjamaica.gov.jm*, which handles donations and humanitarian aid logistics.
- 1.3. In November 2025, the Office of Disaster Preparedness and Emergency Management (ODPEM) established a Disaster Relief Portal to record international in-kind donations received in support of Hurricane Melissa relief efforts. The portal is intended to capture key information such as the sending country or organisation, date of receipt, description and estimated value of donated items, and supporting documentation, based on shipping records and invoices submitted by donors and uploaded by officers assigned to the National Emergency Operations Centre (NEOC). The portal recorded consumables (medications, food and similar items) and other high value assets consigned to ODPEM, private entities and individuals including supporting documentation. Where documentation was not uploaded on to the portal, the intended recipient or consignee was not readily determined. This portal, however, was not used by ODPEM to generate reports on its international donations but was only used as a means for donors to upload information for items arriving as hurricane relief.

Audit rationale, scope and methodology

- 1.4. The objective of the real-time audit is to assess whether the activities relating to the Hurricane Melissa Relief Initiative were conducted with due regard for transparency and accountability. Specifically, the series of audits seek to determine whether internal controls were adequate to prevent fraud, waste and abuse of public resources during disaster response and recovery, by assessing whether (**Figure 2**);
 - a) appropriate IT controls exist over www.supportjamaica.gov.jm website,
 - b) all donations (including funds and benefits in kind) have been accounted for in keeping with the relevant GoJ guidelines; and
 - c) Procurement activities complied with the applicable laws, regulations and guidelines
- 1.5. The key audit questions and audit criteria were communicated to the Office of Disaster Preparedness and Emergency Management (ODPEM) and the Office of the Prime Minister (OPM) during the audit entrance meetings held on November 24, 2025, and December 19, 2026, respectively. The audit areas and corresponding key questions are outlined in **Figure 2**.

FIGURE 2 AREAS TO BE COVERED IN HURRICANE MELISSA RELIEF INITIATIVE REAL TIME AUDIT

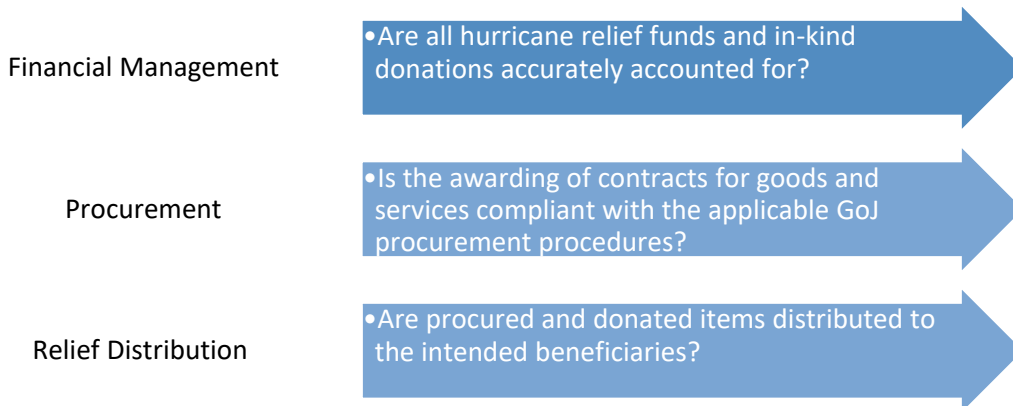
Information Technology Audit	Did appropriate IT controls exist over the supportjamaica.gov.jm website to ensure information security?
Governance & Oversight	Is there an effective institutional framework in place to manage disaster relief efforts?
Financial Management	Are all hurricane relief funds and in-kind donations accurately accounted for?
Procurement	Is the awarding of contracts for goods and services compliant with the applicable GoJ procurement procedures?
Inventory Management	Does ODPEM have an effective inventory management system in place to account for all relief items, whether procured or donated?
Relief Distribution	Are procured and donated items distributed to the intended beneficiaries?

Source: AuGD planning documents

Key Areas Covered in this Report

1.6. This report focuses on the financial management of the National Disaster Fund and donated funds. The report also offers insight into ODPEM’s role in the Government Directed Roofing Restoration Programme and its associated procurement activities and use of the internationally donated funds (Figure 3).

Figure 3 Focus of this report



1.7. We also considered how the audit will contribute to the wider strategic aim of the Auditor General’s Department to promote improvements in the use of public funds through better governance and

resource management (**Figure 4**). This audit focused on one of the thematic approaches of the Auditor General's Department, which are aligned with national priorities and key development concerns.

Figure 4: In scoping the audit, we considered how it would contribute to the achievement of the Auditor General's Department wider strategic aims by:

- a) Assisting the Government of Jamaica with useful recommendations that will aid in improvements in the delivery of public services.
- b) Targeting coverage of the Auditor General's Department (AuGD) Audit Themes, governance, resource management and accountability to aid in achieving the AuGD's vision of promoting a better Country through effective audit scrutiny of Government operations; and,
- c) Providing assurance to Parliament and the public on the efficiency, effectiveness, and economy of the operations of MDAs.

Source: AuGD's Audit Study Plan

- 1.8.** The audit was conducted in accordance with auditing standards issued by the International Organisation of Supreme Audit Institutions (INTOSAI), including the International Standards of Supreme Audit Institutions (ISSAI) 4000 on Compliance Auditing and the Guidance on Auditing Disaster Management (GUID 5330). The audit placed specific emphasis on the Recovery and Relief Activities, as well as the National and International Response to Emergency phases of the disaster management cycle. In accordance with these standards, the audit was planned and performed in compliance with applicable ethical requirements and to obtain reasonable assurance that reliance may be placed on ODPEM's systems of internal control. The audit team obtained qualitative and quantitative evidence through engagement with key stakeholders and complemented this with site visits, walkthroughs, and analytical procedures, which collectively formed the basis for the audit's opinions and conclusions.

Management's Responsibilities





- 1.9.** The audit was conducted on the understanding that management and, where appropriate, those charged with governance acknowledge and accept responsibility for establishing and maintaining internal controls that provide reasonable assurance that activities are carried out in accordance with applicable policies, laws, and prescribed procedures, and that errors, irregularities, including fraud and illegal acts, are prevented or detected in a timely manner.

Auditor's Responsibilities

- 1.10.** In accordance with ISSAI 4000, the auditor's responsibility is to plan and perform the audit in compliance with applicable ethical requirements and professional standards, exercise professional judgment and skepticism, obtain sufficient and appropriate audit evidence, and report objectively on whether the subject matter complies, in all respects, with applicable laws, regulations, and other authorities.

Part Two

Financial Management of Donated Funds

 At A Glance			
Systems and practices	Criteria	Key Findings	Assessment Against Criteria
Lack of Formal Agreement governing the retention of donated funds	Standard financial management practices require formal agreements for the retention of funds and timely release of donations after the agreed holding period. ODPEM is expected to actively monitor, assess, and recover funds in accordance with established agreements to ensure effective stewardship and accountability. We expect that all amounts donated for Hurricane Melissa will be accounted for in full by ODPEM and lodged to the deposit accounts in keeping with MoFPS's Circular No. 17 dated June 10, 2013.	Four months after Hurricane Melissa, ODPEM had not formalized an agreement with the FSI governing the retention of 30 per cent of net donations for 45 days to address potential chargebacks. In addition, as at February 23, 2026, amounts exceeding \$15 million due to ODPEM remained unreleased by the FSI. The funds were reportedly transferred in March 2026. However, bank statements confirming the credit of the amounts to ODPEM's accounts were not provided for our review.	-
Low utilisation of Donated Funds	Donation funds collected for disaster response are expected to be used promptly and transparently in accordance with established expenditure plans and donor intent to maximise benefits to donors.	For Hurricane Melissa, ODPEM received donations totalling \$1.44 billion, comprising \$473.4 million and US\$6.1 million (J\$963 million). However, as at April 2, 2026, only \$26 million, or 1.8 per cent, had been expended.	-
Disclosure of Donated Funds to the Ministry of Finance	Financial Administration and Audit Act Financial Instructions Section 9.4(i) Where approved donation of cash is received for purposes specified by the donor, MDAs shall: (a) Lodge the funds to its Deposit Bank Account; (b) Advise the Ministry of Finance of (a) above requesting its incorporation in the Estimates of Expenditure or Supplementary Estimates as Appropriation-in-Aid.	The ODPEM did not disclose to the Ministry of Finance and the Public Service (MoFPS) of the amounts received and unspent in respect of Hurricane Beryl, though \$138.8 million and US\$0.1 million remained unspent from cash donations collected in response to Hurricane Beryl prior to the passage of Hurricane Melissa. However, ODPEM sought to remedy this action in February 2026 with the Funds collected for Hurricane Melissa.	⚠
 Met the criteria  Criteria partially met; improvement needed  Did not meet the criteria			

Hurricane Melissa Donated Funds- Background

2.1 On October 28, 2025, the 'Support Jamaica' website was launched to facilitate public donations for Hurricane Melissa relief. Online transactions were managed by a private Financial Services Institution (FSI), which acted as the financial intermediary responsible for transferring funds to ODPEM's bank accounts. On November 28, 2025, and February 26, 2026, we requested confirmation from the FSI regarding the total donations collected and the subsequent remittances made to ODPEM. Our review of FSI's confirmations revealed that approximately \$72.5 million and US\$1.4 million gross donations were collected between October 28 and February 23, 2026. The FSI deducted from the gross donations a net transaction fee of US

\$0.25 per transaction, a commission fee of 3.9 per cent on gross donations collected and 15 per cent General Consumption Tax (GCT) applied to the commission as per the Sub-Merchant agreement signed by ODPEM and the FSI on July 8, 2024. Section 2.1 (Duration) of the agreement stated that the contract is renewable annually automatically unless terminated by either party.³

2.2 Following the deductions, the Financial Services Institution (FSI) retained 30 per cent of the remaining funds for a 45-day holding period to cover potential bank chargebacks. Upon the expiration of this period, the retained amounts are to be released to ODPEM, net of any actual chargeback claims. Consequently, as at February 23, 2026, the FSI indicated that net amounts of \$52.9 million and US\$1.05 million (representing approximately 73 per cent of the total collections in each currency) were transferred to ODPEM’s bank accounts, as outlined in **Table 1** and detailed in **Appendix 1**.

TABLE 1 FUNDS COLLECTED THROUGH THE SUPPORT JAMAICA WEBSITE AS AT FEBRUARY 23, 2026

Details	\$		US \$	
Gross donations received		72,473,144		1,426,674
Commission fees charged	2,826,453		55,640	
GCT withheld	423,968		8,346	
Transaction charges	182,374	(3,432,795)	3,214	(67,200)
Net donations		69,040,349		1,359,474
Donations withheld		(16,153,223)		(309,239)
Amount paid to ODPEM		52,887,126		1,050,235

Source: Confirmation received from the Financial Services Institution

Donations Withheld for over 45 Days

2.3 We sought to determine the basis and the authority for the retention of the amounts withheld as this was not noted in the signed Sub-Merchant agreement. However, we noted that ODPEM did not have in place a formal agreement with the FSI governing the retention of 30 per cent of net donations for 45 days to cover potential bank chargebacks. ODPEM presented an email correspondence from the FSI to ODPEM’s Director of Finance (Acting) and Manager of Information Systems, which stated that due to a number of donation transactions that have been flagged as suspicious, *“that an amount of 30% is retained by FSI on total donations for a period of 45 days and upon the expiration of that 45-day period, the amount retained will be released, net of any chargeback claims sent in by the bank.”* However, no evidence was submitted by ODPEM to demonstrate approval of the proposal or the existence of a formal agreement between the parties.

2.4 Notwithstanding, the FSI did not transfer the amounts withheld to ODPEM in accordance with the proposed arrangement. Additionally, we found no evidence that ODPEM made any attempts to enforce the 45-day arrangement. We found that \$15.7 million and USD \$298,429 withheld from October 2025- December

³ The Agreement commences on the Date set out in Item 2 of **Schedule 1** (the Commencement Date) and shall continue for the term set out in Item 3 of **Schedule 1** (the initial term) and shall renew automatically for successive periods of 12 months unless terminated by either party in accordance with this agreement.



31, 2025, were due for payment as at February 15, 2026. Accordingly, we requested confirmation on February 26, 2026, from the FSI regarding the amounts withheld in a context where our review of ODPEM records showed no withheld funds were received up to February 23, 2026. On March 9, 2026, the FSI confirmed that none of the withheld amounts were transferred to ODPEM’s JMD or USD accounts but indicated that the funds were in the process of being cleared for payment.

2.5 Standard financial management practices require formal agreements for the retention of funds and timely release of donations after the agreed holding period. ODPEM is expected to actively monitor, assess, and recover funds in accordance with established agreements to ensure effective stewardship and accountability. We expect that all amounts donated for Hurricane Melissa will be accounted for in full by ODPEM and lodged to the deposit accounts in keeping with MoFPS’s Circular No. 17 dated June 10, 2013.

2.6 On March 13, 2026, ODPEM provided a bank transfer receipt dated March 9, 2026, amounting to \$16.1 million and US\$305,292.46 from the FSI for the amounts withheld. However, ODPEM’s bank statements confirming actual deposits in the bank accounts were not presented (**Table 2**).

TABLE 2 SCHEDULE OF DONATIONS COLLECTED AND WITHHELD BY THE FINANCIAL SERVICES ENTITY

Months	Amounts withheld		Expected Transfer Date**	Actual Transfer date	Days outstanding/ (Received in advance)
	\$	US \$			
October 2025*	6,269,635	46,412	December 16, 2025	March 9, 2026	83
November 2025	7,903,075	221,747	January 16, 2026	March 9, 2026	52
December 2025	1,576,008	30,271	February 15, 2026	March 9, 2026	22
January 2026	302,928	6,863	March 18, 2026	March 9, 2026	(9)
Total	16,051,646	305,293			

*Withheld amounts for Oct 31, 2025 - Nov 2, 2025

** Calculated based on the last day of the month

Source: AuGD Analysis of ODPEM records

2.7 Further, no evidence was found that ODPEM took timely or effective action to enforce compliance with the proposed arrangement, despite significant delays of between 22 and 83 days beyond the proposed transfer timeline. The absence of a formal written agreement limits ODPEM’s ability to enforce claims in the event of disputes.

Management’s Response

In its April 2026 response, ODPEM stated, *“In alignment with the directive to reconcile the donation account, the matter of the informal agreement regarding the retention of 30 per cent of net donations for 45 days to cover potential bank chargebacks will be addressed, and the necessary steps taken to have a written agreement in place.”*



Low utilisation of donated funds

2.8 Donation funds collected for disaster response are expected to be used promptly and transparently in accordance with established expenditure plans and donor intent. Therefore, we expect recipient agencies, such as ODPEM, to develop and document a clear expenditure plan for donor funds. This plan should align with donor intent, ensure timely and effective use of resources, and provide transparent accounting to donors regarding how their contributions are utilised.

2.9 Our review of ODPEM’s bank accounts showed that, as at February 23, 2026, approximately four months after Hurricane Melissa, cash balances of approximately \$569.6 million and US\$5.9 million remained in the Jamaican and United States donation accounts, respectively. These balances included \$138.8 million and US\$0.1 million that remained unspent from cash donations collected in response to Hurricane Beryl (**Table 3**). ODPEM did not present information on the total amounts collected or the planned expenditure strategy for Hurricane Beryl. As a result, we were unable to ascertain whether the unspent balances related to funds earmarked for ongoing relief activities or reflected delays or omissions in programme execution. The presence of significant unutilised balances from Hurricane Beryl prior to the commencement of Hurricane Melissa fundraising further indicates weaknesses in the planning, monitoring, and utilisation of donated funds across disaster response cycles.

TABLE 3 ODPEM’S DONATION BANK ACCOUNTS BALANCE AS AT FEBRUARY 23, 2026

Details	JM \$	US \$
Hurricane Beryl - Bank Balance (At October 28, 2025)	138,760,424	101,974
Other Donations – Direct Deposits (October 29, 2025, to February 23, 2026)	294,086,462	5,482,150
Hurricane Melissa Donations Transferred to ODPEM by Financial Services entity	163,257,880	321,024
Sub-total	596,104,766	5,905,148
Less: Hurricane Melissa Expenditure ⁴	(26,248,967)	-
Bank charges	(255,724)	(3,160)
Total as at February 23, 2026.	569,600,075	5,901,988

Source: ODPEM’s records

2.10 Further, for Hurricane Melissa, ODPEM received a total of \$1.44 billion, representing \$473.4 million and US\$6.1 million (\$963 million⁵) from the Support Jamaica website and direct donations; however, only \$26 million (or 1.8 per cent) was spent as at February 23, 2026. However, the balance did not change upon the issuance of the draft report as at April 2, 2026 (**Table 4**) (**Figure 5**).

Management’s Response

In response, ODPEM in April stated, “The necessary steps are being taken to strengthen the financial tracking and reporting procedures to ensure that all donated funds are expended in accordance with donor intent and

⁴ Funds utilised for the Re-Roofing Project which is detailed further in the report.

⁵ BOJ’s average rate between October 28, 2025 - March 09, 2026 – US\$1:JM\$157.63. The average rate was used as it reflects the translation of the total funds reportedly received by the ODPEM including the amounts that were withheld by the FSI.

established policies, including a review of actual disbursements and expenditures in relation to Hurricane Melissa.”

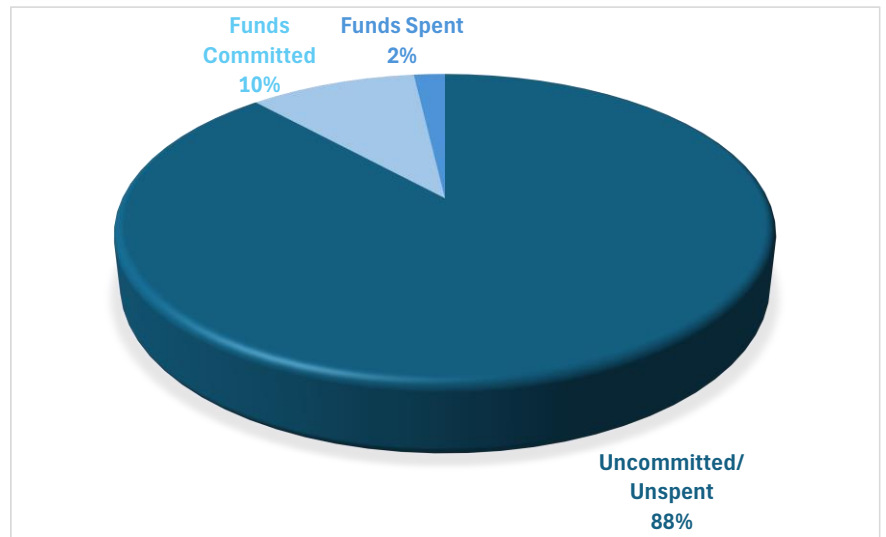
TABLE 4 TOTAL DONATED FUNDS

Details	\$	US\$	Translation	Total
	A	B	C= B@157.63	A+C
Direct Deposits (October 29, 2025, to February 23, 2026)	294,086,462	5,482,150	864,151,305	1,158,237,767
Hurricane Melissa Donations Transferred to ODPEM by FSE	163,257,880	321,024	50,603,013	213,860,893
Funds withheld (transferred March 9, 2026)	16,051,646	305,293	48,123,336	64,174,982
Total	473,395,988	6,108,467	962,877,654	1,436,273,642

Source: ODPEMs Records

FIGURE 5 UTILISATION RATE OF DONATED FUNDS

Details	\$	%
Uncommitted/ Unspent	1,269,002,536	88%
Funds Committed	141,022,139	10%
Funds Spent	26,248,967	2%
Total	1,436,273,642	



Source: ODPEMs Records

2.11 In addition, we found no evidence that ODPEM formally advised the Ministry of Finance and the Public Service (MoFPS) of the amounts received and unspent in respect of Hurricane Beryl, as required under Section 9.4(i) of the Financial Administration and Audit Act – Financial Instructions. The Financial Instructions require that donated funds be reported to MoFPS and incorporated into the Estimates of Expenditure or Supplementary Estimates as Appropriation-in-Aid. The failure to provide such notification undermines fiscal transparency, limits central oversight of donated resources, and increases the risk that significant public funds are held and utilised outside the approved budgetary framework.

2.12 However, ODPEM sought the Ministry of Finance and the Public Service’s (MoFPS) approval via letter dated February 4, 2026, to the regularise Hurricane Melissa donated funds within the approved budgetary

framework effective January 31, 2026, and absorbed under Object 27 (Other-Grants)⁶. This accords with FAA Act (Financial Instructions) which requires ODPEM to advise the Ministry of Finance of approved donation of cash received for purposes specified by the donor and request incorporation in the Estimates of Expenditure or Supplementary Estimates as Appropriation-in-Aid. The request further indicated that ODPEM intended to utilise approximately \$500 million of the regularised funds to support Government- and partner-led repair initiatives under the Government of Jamaica’s Shelter Recovery Programme, as well as other relief and recovery projects requested by donors. ODPEM advised that, as at February 23, 2026, no response was received from the MoFPS.


Management’s Response

In its April 2026 response, ODPEM stated, *“regarding Hurricane Beryl, the Office of Disaster Preparedness and Emergency Management (ODPEM) has no records indicating that authorisation for expenditure was received. At the material time, the ODPEM had not advised the MOFPS of the funds collected and logged for Hurricane Beryl, nor had the ODPEM requested their inclusion in the Estimates of Expenditure or Supplementary Estimates as Appropriations in Aid. As the Draft Audit Report No.3 shows, this trend was reversed in the Hurricane Melissa case.”*

⁶ ODPEM indicated receipt of \$357,437,277 and US\$5,941,489 as at January 31, 2026.

Part Three

The Roof Restoration Project

 At A Glance			
Systems and practices	Criteria	Key Findings	Assessment Against Criteria
Award of Contract to Suppliers	MOFPS Guidance Note 2/2025 issued 12 November 2025- Eligibility of Suppliers – For contracts of a value above the single-source competition threshold, where possible and practical, procuring entities should only engage suppliers who are registered suppliers or approved unregistered suppliers, who have been tax compliant at some point during the twelve (12) months immediately preceding the award of contract.	On three occasions, contracts were awarded to suppliers whose documentation did not fully meet the eligibility requirements of the Public Procurement Act and Regulations; however, MOFPS Guidance Note 2/2025 permits the engagement of registered or approved unregistered suppliers who demonstrated tax compliance at any time within the preceding twelve months.	✔
Non presentation of documents for the Roof Restoration Programme	ODPEM is expected to establish systems and controls to verify that disaster relief materials are properly managed, utilised efficiently, and delivered to the intended beneficiaries	Documentation outlining entity roles, programme targets, and monitoring and reporting arrangements for the Government Directed Roof Restoration Programme was not provided for review. Further, documentation supporting beneficiary damage assessments, selection justification, and verification or completion reports for the 421 roofs repaired was also not presented for review.	⊖
✔ Met the criteria ⚠ Criteria partially met; improvement needed ⊖ Did not meet the criteria			

Roof Restoration Project

3.1 ODPEM prepared the Hurricane Melissa Re-Roofing Project document dated December 2025, which outlined the purpose, objectives, scope, beneficiary selection criteria, and monitoring arrangements for the implementation of the reroofing initiative. The document identified ODPEM as responsible for beneficiary selection and overall monitoring arrangements, while the Jamaica Defence Force (JDF) was designated as the primary implementing agency for the physical repair of roofs across the most heavily affected parishes. ODPEM subsequently sought approval from the Permanent Secretary of its parent ministry to utilise the funds for the project on December 8, 2025. Approval was granted on December 9, 2025, via the signature of the portfolio minister, following which ODPEM commenced the procurement of roofing materials for the project.

3.2 Our review of the procurement process revealed that on three occasions, contracts were awarded by the ODPEM to suppliers whose submitted documentation did not meet the eligibility requirements prescribed by the Public Procurement Act and the Public Procurement Regulations for participation in the bidding process. However, ODPEM indicated that, in the circumstances of the case, the acquisition of goods in emergency or extreme urgency, the ODPEM relied on Guidance Note 2/2025 issued by the MOFPS on 12 November 2025, which allows procuring entities to engage suppliers who are registered suppliers or

approved unregistered suppliers, who have been tax compliant at some point during the twelve (12) months immediately preceding the award of contract.

3.3 Of the \$31.2 million verified total payment, \$26.2 million was paid from the donated funds and \$4.96 million from ODPEM’s recurrent account (**Table 5**). As at April 21, 2026, ODPEM did not provide updated payment information to substantiate further payments for the roofing materials. Also, the ODPEM did not provide updated information and supporting documentation on the total funds committed towards Hurricane Melissa.

TABLE 5 SUMMARY OF PROCUREMENT FOR ROOFING MATERIALS

Suppliers	Bid Criteria Satisfied	Procurement Methodology	Contract Award \$	Total Payments \$	Comments
Supplier No.1	☑	Restricted Bidding	52,497,935	26,248,967	Bid submitted 14 minutes after stated deadline
Supplier No.2	⚠	Restricted Bidding	52,345,141	NP*	Expired TCC (October 25, 2025)
Supplier No.3	⚠	Single Source	56,216,428	NP*	Expired TCC
Supplier No.2	⚠	Single Source	6,211,603	4,961,369	Expired TCC (October 25, 2025)
Total	-	-	167,271,107	31,210,337	-

☑ Met ⚠ Partially met ⓪ Not met

*NP- Not Provided

Source: ODPEM’s Records

Roofing Materials – Procurement 1 (Restrictive Bidding)

3.4 By way of correspondence dated November 15, 2025⁷, the Director of Public Procurement sought approval for the use of restrictive bidding procurement methodology and requested the Director General’s approval to proceed based on the estimated value of \$210 million for 150 houses. The approval was granted on December 15, 2025. Consequently, ODPEM, via GoJEP, published a request for quotation for roofing materials for 75 houses by way of restrictive bidding methodology to 10 suppliers, on December 15, 2025. The terms of the request for quotation stated that the items were to be delivered to Luana, St. Elizabeth. This approach was in line with Section 24(1)(d) of the Public Procurement Act (2015), which permits the use of restrictive bidding in emergency or disaster conditions⁸.

3.5 Further review of ODPEM records revealed that only one of the selected supplier was able to make delivery of \$16.3 million of roofing materials within the stipulated timeframe communicated in the bidding

⁷ Sic – The AuGD notes that this represents an error in the date stated on the document; however, in order to preserve the integrity and accuracy of the evidence presented, the date has been retained as originally reflected in the document.

⁸ Public Procurement Act Section 24- Subject to subsection (2), a procuring entity may engage in procurement by means of restricted bidding where (1) (d) where there is an urgent need in the public interest for the subject matter of the procurement, whether arising from the occurrence of a catastrophic event or otherwise, making it impractical to use any such other competitive method of procurement because of the time involved in using any such other method.



document. The invitation to bid document stipulated a completion date of December 31, 2025. The records provided by ODPEM showed that roofing materials valued at \$76.5 million were delivered to the JDF Base in Luana, St Elizabeth, between December 22, 2025, and February 17, 2026 (Table 6). Deliveries valuing \$30.4 million from Supplier No. 2 were stamped received and signed by ODPEM’s Logistics Officer and JDF representative. However, the delivery by Supplier No. 1 did not always have signed delivery slips acknowledging receipt by the ODPEM or the JDF. Of the \$46.1 million of roofing supplies delivered by Supplier No. 1, only \$12.09 million (or 26.3 per cent) was supported by delivery slip acknowledging receipt signed by a member of the JDF (Appendix 2).

TABLE 6 COMMITMENTS FOR THE PROCUREMENT OF BUILDING MATERIALS FOR ROOF REPAIR

Supplier	Commitment Date	Commitment Letter/Purchase Order	Payment Date	Payments (\$)	Delivery Date	Value of Delivery (\$)
Supplier No. 1	December 19, 2025	52,497,935	December 19, 2025	26,248,967 ⁹	January 15, 2026, and February 17, 2026	46,073,213
Supplier No. 2	December 19, 2025	52,345,141	NP	NP	December 22, 2025-February 13, 2026	30,434,320
Total	-	104,843,076	-	26,248,967	-	76,507,533

NP- Not Provided

Source: ODPEM’s records

Roofing Materials – Procurement 2 (Single Source)

3.6 The Procurement Unit sought approval from the Director General on January 08, 2026, to procure materials to facilitate repair of 75 roofs, with an estimated budget of \$100 million. On January 9, 2026, ODPEM utilised the single source procurement methodology to engage Supplier No. 3 to provide roofing materials for delivery to JDF’s Caribbean Infantry Training Base in St. James. The use of single source procurement methodology accords with the circumstances in Section 25(1)(d) of the Public Procurement Act (2015)¹⁰. Supplier No. 3 submitted its bid for \$51.15 million before the submission deadline of January 12, 2026.

3.7 The Evaluation Committee recommended the award of the contract; however, our review revealed that the supplier was not in possession of a valid Public Procurement Commission Certificate of Registration at the time of bid submission, approval and award of contract. The supplier provided a PPC certificate that expired December 18, 2025, 25 days prior to the bid submission date. This is in contravention of Section 15 of the Public Procurement Act 2015, which stipulates that entity shall not submit a bid or otherwise participate in public procurement unless they are either registered as an approved registered supplier under section 16, or approved as an unregistered supplier under section 18. The Procurement Committee approved the award by way of round robin decision on January 13, 2026, and the Director General subsequently

⁹ 50 per cent advance payment secured by advance payment guarantee from financial institutions (dated January 16, 2026), which is set to expire once 90 per cent of the accepted contract amount has been or December 31, 2026, whichever is earlier.

¹⁰ Public Procurement Act 2015, Section 25 (1) A procuring entity may, in accordance with the prescribe procedures and subject to subsection (2), engage in single-source procurement only where-(d)



granted approval on the same day, for the award of contract. ODPEM should review its eligibility-verification controls to ensure that future awards comply with section 15 of the Public Procurement Act.

3.8 ODPEM initially committed to procuring roofing materials valued at approximately \$51.2 million, as outlined in the Commitment Letter dated January 13, 2026. This amount was later revised to \$56.2 million to include additional materials. According to ODPEM’s records, just over \$40.2 million worth of roofing material was delivered to the JDF’s Caribbean Infantry Training Centre in Montego Bay, St. James between January 16 and January 27, 2026. Our review of the invoices and delivery slips revealed that all deliveries were verified by ODPEM and the JDF (**Table 7**).

TABLE 7 COMMITMENTS FOR THE PROCUREMENT OF BUILDING MATERIALS FOR ROOF REPORT- SUPPLIER NO. 3

Supplier	Commitment Date	Commitment Letter/Purchase Order	Payment Date	Payments (\$)	Delivery Date	Value of Delivery (\$)
Supplier No. 3	January 13, 2026	56,216,428	NP	NP	January 16- January 27, 2026	\$41,072,424

*NP- Not provided

Source: ODPEM records

Roofing Materials – Procurement 3 (Single Source)

3.9 On January 14, 2026, approval was granted for the use of single source methodology for the procurement of additional building materials to be procured and delivered to the JDF training base in Montego Bay. The request for quotation was published on the same day requesting Supplier No. 2 to submit their bid before the closing time of 4 hours after the time of the publication of the bid. Scrutiny of the bid documents provided by ODPEM revealed that at the point of bid submission and contract award, Supplier No. 2 again did not submit a valid TCC. No justification was included for further engagement of the supplier despite the disqualification of the supplier under Section 17 of the Public Procurement Regulations 2018.

3.10 ODPEM committed \$6.2 million to purchase the additional roofing material to support the repair work being completed by the JDF’s Caribbean Infantry Training Base in St. James. Supplier No. 2 delivered materials valued at \$4.96 million on January 23, 2026. Delivery was accompanied by signed acknowledgement from ODPEM’s logistics team and the JDF (**Table 8**).

TABLE 8 COMMITMENTS FOR THE PROCUREMENT OF BUILDING MATERIALS FOR ROOF REPORT- SUPPLIER NO. 2

Supplier	Commitment Date	Commitment Letter/Purchase Order	Payment Date	Payments (\$)	Delivery Date	Value of Delivery (\$)
Supplier No. 2	January 19, 2026	6,211,603	February 26, 2026	4,314,234*	January 23, 2026	4,961,369

*Value of Goods delivered minus GCT withheld

Source: ODPEM records



3.11 Consequently, inadequate delivery acknowledgement controls, in total from the cases presented, resulted in \$34 million in roofing materials being unsupported by signed acknowledgement of receipt, which limits the audit assurance available over the delivery of materials and exposes ODPEM to a risk that subsequent loss or shortage may not be detected.

Management's Response

ODPEM's April 2026 response stated, *"the ODPEM acknowledges that on three occasions, it issued contracts to suppliers who would not ordinarily have been eligible for such contract award. In the circumstances of the case, the acquisition of goods in emergency or extreme urgency, the ODPEM relied on Guidance Note 2/2025 issued by the MOFPS on 12 November 2025"*.

The Shelter Recovery Programme

3.12 The Disaster Risk Management (DRM) Act requires ODPEM to coordinate national emergency responses, ensuring effective oversight of disaster related activities. In keeping with this mandate, ODPEM is expected to develop a comprehensive project document prior to implementing the reroofing initiative. This document should clearly outline the project's objectives, roles and responsibilities, timelines, and monitoring and reporting arrangements. Additionally, ODPEM is expected to establish systems and controls to verify that disaster relief materials are properly managed, utilised efficiently, and delivered to the intended beneficiaries.

3.13 By letter dated February 5, 2026, the Auditor General's Department (AuGD) requested ODPEM to provide details relating to the Re-roofing Project, including the actual beneficiaries, the criteria applied for beneficiary selection, and the verification and approval processes for materials purchased and distributed. ODPEM responded on February 25, 2026, advising that the project document initially used to inform the Re-Roofting Project was considered "null and void" following the launch of the Shelter Recovery Programme (SRP) on January 15, 2026. The SRP was described as a new initiative intended to provide reconstruction and rehabilitation support to households affected by Hurricane Melissa.

3.14 ODPEM further advised that the Government-Directed (Government-Led) Roof Restoration Programme (GDRRP), a component of the SRP, was to be implemented by the Jamaica Defence Force (JDF), with ODPEM providing procurement support. ODPEM also indicated that the Ministry of Labour and Social Security (MLSS) was responsible for identifying beneficiary households under the Programme, using evaluation criteria derived from the Jamaica Household Damage, Impact and Needs Assessment (JHDINA).

3.15 By way of formal correspondence dated March 9, 2026, and follow-up correspondence dated March 23, 2026, and in recognition of the MLSS's role, we requested from the MLSS, the SRP framework, the criteria used for beneficiary selection for the re-roofing project, the list of beneficiaries, and the monitoring and reporting arrangements in place.

3.16 On April 21, 2026, ODPEM advised that a total of 421 roofs had been repaired under the Programme and provided a geotagged list of households reported to have benefited. The information submitted included a list of 200 households, detailing owners' names, addresses, contact information, status of work, and geographic coordinates for a subset of beneficiaries (149) whose roofs were reportedly repaired by a foreign military support team. No Memorandum of Understanding (MOU) or other supporting documentation was

made available for audit review to indicate the existence or terms of an agreement with the foreign military, nor to clearly outline the scope and extent of the foreign military support team’s involvement in the roof repair activities. In addition, ODPEM granted access to the platform used by the Jamaica Defence Force (JDF) to track roof repair activities, which indicated that 221 roof repairs had been completed by the military.

3.17 No documentation was presented outlining the specific roles and responsibilities of entities involved in the GDRRP, nor the programme targets or the monitoring and reporting framework. Further, documentation supporting the damage classification of the 421 beneficiaries, the assessments undertaken, and the justification for beneficiary selection was not provided for review. In addition, there was no evidence of verification or completion reports for the roof repairs conducted (**Appendix 4**).

3.18 The absence of a clearly documented project framework, defined beneficiary selection criteria, and effective monitoring and reporting arrangements for the reroofing programme limited transparency and accountability over the implementation of the initiative. As a result, it was not possible to independently assess whether beneficiary households met the established eligibility criteria or to adequately validate the extent and quality of roof repair works reportedly completed under the Programme.

Management’s Response








ODPEM stated in its April response *“a review of a draft MOU between the ODPEM, the Ministry of Labour and Social Security and the Jamaica Defence Force regarding the Government Directed Roof Repair Programme was already underway. The ODPEM notes the actions to be taken and commits to completing the process.”*

MLSS response on April 27, 2026, stated *“Authority to JDF: No formal written directive from MLSS was presented; engagement occurred through established national emergency coordination mechanisms, including Humanitarian Assistance Committee meetings. Verification of works: The current role/responsibility/expertise of the MLSS does not include the verification of construction works.”*



Part Four

Financial Management of the National Disaster Fund

 At A Glance			
Systems and practices	Criteria	Key Findings	Assessment Against Criteria
Non presentation of audited statements for the NDF	DRM Act Section 42 (1) The accounts of the Fund shall be audited and reported upon annually by the auditor appointed by the Minister, and for that purpose, the auditor or any person authorised by the auditor in that behalf, shall have access to all books, records, returns and other documents relating to such accounts.	For the past 5 years the NDF was not audited as a standalone fund, as its balance was incorporated into ODPEM's general financial statements and presented as a non-current liability	
Non preparation of the statement of accounts or annual report for the NDF	DRM Act Section 42 (2) The chairman of the Fund Committee shall within three months after the end of each financial year, cause a report on the administration of the Fund to be prepared and forwarded to the Director-General. (3) The Director-General, as part of the annual report of the Office required under section 13, include the report and the statement of accounts referred to in subsection (2).	ODPEM did not prepare the required statement of accounts or annual report for the NDF. In addition, compliance with Section 42(3) of the Act could not be confirmed, as ODPEM's Annual Reports for 2023–24 and 2024–25 were not presented for review.	
Commingling of NDF with other project funds	DRM Act Section 41(1) All monies credited to the Fund shall be kept in an account at such bank as the Financial Secretary may approve.	ODPEM did not maintain a dedicated bank account for the NDF, as required by Section 41(1) of the DRM Act, but instead processed NDF transactions through its capital account, which was also used for the JICA-funded IECS project.	
 Met the criteria	 Criteria partially met; improvement needed	 Did not meet the criteria	

Non-compliance with DRM Act 2015

4.1 The National Disaster Fund (NDF) comprises investments held with financial institutions and cash balances maintained by the Office of Disaster Preparedness and Emergency Management (ODPEM). As funding requirements arise, amounts are liquidated from investments and transferred to ODPEM's capital bank account for disbursement. As at February 23, 2026, this bank account reflected a balance of \$163 million. In addition, an investment schedule provided by ODPEM indicated total investments valued at \$293 million as at February 28, 2026. Correspondence dated March 26, 2026, was submitted to ODPEM seeking updated balances for the stated accounts; however, as at the date of their response to the draft audit report on April 21, 2026, no updated information had been provided.

4.2 Notwithstanding these balances, there was no evidence that the NDF was audited as a standalone fund, contrary to the requirements of Section 42(1) of the Disaster Risk Management (DRM) Act which

Part Four Financial Management of the National Disaster Fund

requires the accounts of the Fund to be audited and reported upon annually. Instead, the balance of the Fund was incorporated into ODPEM's general financial statements and presented as a non-current liability. As a result, the statutory requirement for the Fund's accounts to be audited and reported on annually was not demonstrably satisfied.

4.3 Further, ODPEM did not prepare the required statement of accounts or annual report for the NDF. This was attributed to the absence of a functioning Fund Committee and the lack of an appointed Chairman, key governance arrangements necessary to discharge the responsibilities prescribed under the DRM Act. Section 42(2) of the Act assigns responsibility for the preparation of the Fund's annual accounts and report to the Chairman of the Fund Committee for submission to the Director-General. In addition, we were unable to confirm whether the Director-General complied with Section 42(3) of the Act, which requires the inclusion of the NDF's report and statement of accounts in ODPEM's annual report, as ODPEM's Annual Reports for the financial years 2018–19 to 2024–25 were not presented for review.

4.4 We also found that ODPEM does not maintain a dedicated bank account for the NDF, as required by Section 41(1) of the DRM Act¹¹. Instead, NDF transactions are processed through ODPEM's capital bank account, which is also used to facilitate transactions associated with the Japan International Cooperation Agency (JICA)–funded Improvement of Emergency Communications System (IECS) project. This arrangement has resulted in the commingling of funds relating to distinct activities within a single bank account and general ledger account.

4.5 Records reviewed indicated that transactions relating to the IECS project continued to be processed through the ODPEM capital account up to September 2025. The IECS project commenced in April 2017 and, while originally scheduled to conclude on March 31, 2021, was subsequently extended to July 31, 2025. ODPEM provided correspondence dated February 28, 2019, in which approval was sought from the Accountant General's Department to open a separate bank account for the IECS project; however, no evidence was presented to indicate that a formal response or approval was received. Consequently, the continued use of a single bank account for the NDF and the IECS project remains inconsistent with both the DRM Act and the Financial Administration and Audit Act Financial Instructions.

4.6 The failure to establish and operationalise the governance arrangements mandated under the DRM Act, including the preparation and audit of the NDF's accounts, limits transparency, accountability and assurance over the management and safeguarding of disaster-related funds. In addition, the absence of a dedicated bank account for the NDF and the commingling of funds within ODPEM's capital account increase the risk of misapplication or unintended use of resources for purposes other than those prescribed by law. Collectively, these weaknesses represented a non-compliance with sections 41 and 42 of the Disaster Risk Management Act and weakened the oversight arrangements applicable to the National Disaster Fund.

¹¹ Section 41(1) of the Disaster Risk Management Act requires that all monies credited to the NDF be kept in an approved bank account.

Management's Response

ODPEM in its April 2026 response stated *“for the Financial Year 2025/2026, directives have been given to the Director of Finance and Accounts to prepare the required statement of accounts for the NDF so that they may be audited by an auditor so appointed by the Minister of Finance and the Public Service. Notwithstanding the absence of a functioning NDF Committee, the undersigned will make the necessary representation to the MoFPS for the NDF to be audited. The ODPEM did not receive formal responses to its correspondence dated 7 January 2019 and 28 February 2019, addressed to the Accountant General, concerning the establishment of new accounts; no formal follow-up has been conducted on these communications. The undersigned has directed that steps be taken to establish a designated bank account for amounts liquidated from NDF investment accounts.”*

Appendices

Appendix 1- Confirmation from the Financial Services Institution Limited.

Details	\$			US \$		
	Confirmation 1	Confirmation 2		Confirmation 1	Confirmation 2	
	Oct 28 -Nov 30	Dec 1, 2025 - Feb 23, 2026	Total	Oct 28 -Nov 30	Dec 1, 2025 - Feb 23, 2026	Total
Gross donations received	65,553,614	6,919,530	72,473,144	1,283,156	143,518	1,426,674
Commission fees charged	(2,556,591)	(269,862)	(2,826,453)	(50,043)	(5,597)	(55,640)
GCT withheld	(383,489)	(40,479)	(423,968)	(7,506)	(840)	(8,346)
Transaction charges	(174,893)	(7,481)	(182,374)	(3,065)	(149)	(3,214)
Donations withheld	(14,172,710)	(1,980,513)	(16,153,223)	(268,159)	(41,080)	(309,239)
Net donations payout to ODPEM	48,265,931	4,621,195	52,887,126	954,383	95,852	1,050,235

Source: Financial Services Institution Limited



Appendix 2 Invoices Related to Supplier No 1

Invoice Number	P.O. #	Amount \$	Invoice Date	Goods Checked on Delivery
164012	163992	12,813,095	15-Jan-2026	No
164014	ODP0011540	12,095,763	15-Jan-2026	Yes – Delivery slip signed (JDF acknowledgement dated 14-Jan-2026)
164907	ODP0011540	8,637,216	22-Jan-2026	No
166850	ODP0011540	7,277,655	2-Feb-2026	No
167519	ODP0011540	5,249,483	9-Feb-2026	No
Total		46,073,212		

Source: ODPEM Records



Appendix 3 Summary of Certified deliveries by Supplier

Suppliers	Value of Deliveries (\$)	Value of Delivery Certified (\$)
Supplier No. 1	46,073,212	12,095,763
Supplier No. 2	30,434,319	30,434,319
Supplier No. 3	41,072,423	41,072,423
Supplier No. 2	4,961,369	4,961,369
Total	122,541,323	88,563,874

Source: ODPEM Records



Appendix 4 Roles of Entity in the Roof Restoration Project

Entity	Role	What we found
ODPEM	Procured building supplies for reroofing homes affected by Hurricane Melissa.	Restricted bidding and single source procurement methodology was used to procure building supplies valued at \$167.2 million for reroofing homes affected by Hurricane Melissa.
	Verify distribution of building materials to JDF	Inconsistencies were noted with the delivery of building materials to the JDF locations. ODPEM did not provide evidence that building materials purchased at a cost of \$34 million and delivered to the JDF Base in Luana were confirmed as delivered by ODPEM.
MLSS	Develop selection criteria	Not presented.
	Evaluation process/ Determine intended beneficiaries.	Not presented.
	Provide authority/directive JDF to conduct repairs	Not presented.
	Verification of Work done	Not presented.
JDF	Collect building materials	Records provided by the ODPEM indicated that \$122.5 million of building supplies was delivered to JDF locations in Luana and Montego Bay. The JDF verified only \$88.6 million as being delivered.
	Conduct roof repair of selected homes for identified beneficiaries.	421 roofs repaired, however evidence or repairs or completion reports were not presented for review.