

Republic of Trinidad and Tobago

Levels G – 9, Tower D

The Port-of-Spain International Waterfront Centre

1A Wrightson Road, Port-of-Spain

# **Joint Select Committee on State Enterprises**

## **Public Hearing Summary**

Monday June 5, 2017 at 10:28 a.m.

### **TOPIC:**

Inquiry into the efficiency and effectiveness of the Educational Facilities Company Limited (EFCL) in managing the construction and repair of Government and Government Assisted Schools

#### **COMMITTEE MEMBERS:**

The following Committee Members were present for the meeting:

•	Mr. David Small	Chairman
•	Brig. Gen. (Ret) Ancil Antoine	Member
•	Ar. Adrian Leonce	Member
•	Mr. Fazal Karim	Member
•	Mr. Wade Mark	Member
•	Ms. Allyson Baksh	Member

### WITNESSES WHO APPEARED:

Officials from the Education Facilities Company Limited (EFCL):

Mr. Clyde Permell     Director, Bo	oard of Directors
• Mr. Denis Cox General Ma Chief Finan	0 \ 0 /

## **Officials from** the Ministry of Finance:

•	Ms. Lisa Phillips	Permanent Secretary (Ag.) Ministry of Finance
•	Mr. Suresh Dan	Business Analyst

• Mr. Lester Herbert Director, Central Audit Committee

# Officials from the Ministry of Education:

Mrs. Angela Sinaswee-Gervais
 Permanent Secretary (Ag.)
 Ministry of Education

Ms. Shobha Jaisir

Deputy Permanent Secretary (Ag.)

Ministry of Education

#### KEY ISSUES DISCUSSED WITH EFCL AND THE MINISTRIES

- i. The matter of EFCL's Board of Directors being summoned to a meeting with the Minister of Education later in the day on Monday June 5, 2017.
- ii. The Committees powers under Standing Order 102 (12 and 13) of the Senate and Standing Order 112 (12 and 13) of the HOR, to "Send for Persons, Papers and Records".
- iii. The measures taken by the Ministry of Finance, Investments Division, in light of the allegations made against EFCL.
- iv. Whether a meeting took place between Mr. Denis Cox, General Manager, EFCL, and Ms. Suzette Lee Chee, Permanent Secretary (PS) (Ag), Ministry of Finance, following Mr. Cox's November, 2016 letter to the Permanent Secretary, Ministry of Finance.
  - a. The circumstances that led to the penning of that letter by Mr. Cox.
  - b. The outcome of the meeting with the PS
- v. The expected timeframe for completion of the EFCL audit by the Central Audit Committee.
  - a. What triggered the audit?
  - b. The reason for the gap between the date of the request for an audit by the Minister of Finance (January, 2017), and the date for the commencement of the audit (June, 2017).
  - c. The Terms of Reference for the audit.
- vi. The number of forensic audits conducted in the past six (6) months.
  - a. The cost to the State of the forensic audits conducted.
  - b. The reason that PricewaterhouseCoopers appears to be the preferred provider of audits.
  - c. The results of the audits conducted.
- vii. Whether Executive Management and Board of Directors of State Enterprises commonly have issues.

- viii. The Ministry's strategy for managing the undue involvement of Board Members in the day to day running of State Enterprises.
  - ix. The process from initiation of a project by the Ministry of Education, to the disbursement of funds from:
    - a. Ministry of Education to EFCL
    - b. EFCL and contractors.
  - x. The issue of delayed disbursements from the Ministry of Education to pay contractors.
  - xi. Clarification on what would be considered "misrepresentations" in the public domain, concerning the allegations made in the media.
- xii. Whether EFCL has a whistleblower policy.
- xiii. Whether there is truth to the allegations about the dismissal of EFCL's ICT Manager along with ten (10) other employees.
- xiv. Whether there is truth to the allegations that there is a level of discord between the Board of EFCL and the Management Team, and possibly Staff.
- xv. The actions taken following the recent media publications that have quoted, verbatim, correspondence between EFCL and the Office of the Parliament.
- xvi. The reasoning behind the heavy staffing of the Technical Services Department at EFCL, in light of the reduction in the workload.
- xvii. Whether the current overall staffing at EFCL is sufficient for the organization to achieve its goals and objectives.
- xviii. The issue of salary increases for certain members of staff during the last six to eight months.
  - xix. Whether there is truth to the allegations that multiple contracts were awarded to various entities under the same parent company, Junior Sammy Group of Companies.
  - xx. The protocol to be followed when there is a conflict of interest surrounding a Board decision and a member of the Board.
  - xxi. Whether the prequalified list of contractors was recently updated.
- xxii. Verification that the Board of Tenders Committee has a representative from the Procurement Department.
  - a. Whether the Board of Tenders Committee always had a representative from the Procurement Department.
- xxiii. Concern whether proper procurement procedure has always been followed at EFCL.

- xxiv. Whether EFCL has a fraud policy.
- xxv. The amount of money owed to contractors by EFCL.
  - a. Whether any lawsuits have resulted as a result of monies owed.
  - b. Whether allegations that payments were expedited to certain companies are true.
- xxvi. The revenue sources of the Company.
- xxvii. Whether the Corporate Secretary has the power to issue contracts.
- xxviii. EFCL's projects in Tobago, and the role that the Tobago House of Assembly (THA) plays.
- xxix. Clarification concerning the allegations in the media concerning the Barrackpore Vedic Primary School.
- xxx. The Internal Auditor vacancy at EFCL.
  - a. Plans for filling the position.
  - b. EFCL's record with respect to submission of Internal Audit reports.

### View the Hearing:

The hearing can be viewed on our YouTube page via the following link: <a href="https://www.youtube.com/watch?v=Lptgn\_S1taw">https://www.youtube.com/watch?v=Lptgn\_S1taw</a>

#### **Contact Information:**

You may contact the Committee's Secretariat at <a href="mailto:jscse@ttparliament.org">jscse@ttparliament.org</a> or 624-7275 Ext. 2309/2527.

Committees Unit

June 13, 2017