

## Public Hearing Summary – Ninth Meeting

Wednesday November 9, 2022

### Inquiry Subject:

Examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of government grants.

### Committee Members:

The following Committee Members were present for the meeting:

- Mr. Davendranath Tancoo, MP - Chairman
- Ms. Jearlean John - Vice-Chairman
- Ms. Charisse Seepersad - Member
- Mrs. Ayanna Webster-Roy, MP - Member
- Mr. Adrian Leonce, MP - Member

### Witnesses who appeared:

#### Auditor General's Department

- Ms. Lorelly Pujadas - Auditor General
- Ms. Reahla Balroop - Assistant Auditor General (Ag.)
- Ms. Neela Sookra - Audit Supervisor (Ag.)
- Ms. Diane Ragoonath - Audit Executive (Ag.)
- Mrs. Nela Dwarika Ali - Audit Director

#### Ministry of Finance (MOF)

- Mrs. Joycelyn Thomas-Vialmosa - Deputy Permanent Secretary, Strategic Management & Execution Office (SMEO)
- Mrs. Enid Zephyrine - Director, SMEO
- Mrs. Atayla Guerra - Senior Project Manager, SMEO
- Mr. Dexter Jaggernaut - Program Manager, SMEO

#### Ministry of Social Development and Family Services (MSDFS)

- Ms. Jacqueline Johnson - Permanent Secretary
- Mrs. Jennifer Harvey- Bethel - Director, Finance and Accounting

**Auditor General's Report 2021 – Administering Government Grants**

- Mr. Rawlins Jailal - Accounting Executive II
- Ms. Carla Mc Kie - Auditor II
- Ms. Rhonda Francis - Head, Investigation and Compliance Unit
- Mrs. Christine John-Guy - Deputy Director, Social Welfare Division
- Mr. Brennan Gowrie - Director, Monitoring and Evaluation

**Ministry of Tourism, Culture and the Arts (MTCA)**

- Mrs. Satie Jamraj-Marimuthu - Permanent Secretary (Ag.)
- Mr. Damian Richardson - Director, Culture (Ag.)
- Mr. Michael Murray - Cultural Programme Coordinator
- Ms. Simone Williams - Senior Research Officer (Ag.)

**Key Topics Discussed:**

1. The prominence of Current Transfers and Subsidies as a portion of total Government Expenditure;
2. The proportion of expenditure under Current Transfers and Subsidies allocated to the MSDFS for the administration of grants;
3. The observations made by the Auditor General on the processing of government grants since FY 2016;
4. The overall context within which governments were provided during FY 2021;
5. The processes involved in the administration of grants;
6. The integrity of the data used for the processing of grants;
7. The number of recipients of grants from the MTCA;
8. The general controls surrounding the data processing in relation to grants;
9. The initiatives undertaken by the MSDFS, the MOF and the MTCA since the publication of the Auditor General's Report for FY 2021;
10. The estimated sum lost due to grant-related fraud in FY 2021 and 2022;
11. The measures implemented to mitigate against instances of fraud in the administering of grants including the reporting of matters to the Trinidad and Tobago Police Service and the referral of staff involved in suspected fraud to the Service Commissions Department for disciplinary proceedings;
12. The number of MSDFS staff under investigation with respect to suspected incidences of fraud occurring before FY 2021;

**Auditor General's Report 2021 – Administering Government Grants**

13. The creation of an Investigation and Compliance Unit at the MSDFS to investigate matters relative to compliance with public service financial regulations, procedures and policies applicable to the administering of grants;
14. The strengthening of the work of the Internal Audit Unit to identify and close gaps in the system for the processing of grants at the MSDFS;
15. The development of an IT Framework to detect illegal or suspicious transactions in the grants system;
16. The increase vigilance of the Social Development Division in identifying areas for potential fraudulent transactions;
17. The MSDFS' engagement with key stakeholders including the Central Bank of Trinidad and Tobago and the National Insurance Board of Trinidad and Tobago to address gaps in the system via policies or legislation;
18. The challenges in adequately staffing units of Ministries tasked with addressing fraud risks;
19. The need for the recruitment of highly skilled staff such as investigators, compliance officers, audit officers, forensic accountants and cybercrime analysts to support the MSDFS efforts in mitigating instances of fraud;
20. The need for enhanced staff training at the MSDFS;
21. The challenges involved in the recruitment process including the issue of the remuneration packages offered;
22. The challenges incurred in the transference of data from manual to electronic files;
23. The need for improvement of the current data capture system;
24. The length of time required to complete data cleansing activities;
25. The need for alternative payment methods for the disbursement of grants and efforts by the MSDFS to transition away from payment of grants by cheque;
26. The reported prevalence of human errors in the manual data entry and storage systems used by Ministries administering grants;
27. The lack of definite deadlines for the completion of the identified improvement processes in the administering of grants;
28. The number of beneficiaries of the Public Assistance Grant in FY 2021;
29. The creation of a Caseload Model to assist with the challenge of heavy caseloads relative to client to staff ratio;
30. The implementation of a case management system;
31. The ongoing collaboration between the MOF and the NIB to address discrepancies in payments of the Salary Relief Grant;
32. The recovery of Emergency Relief Grant overpayments by the MTCA;

**Auditor General's Report 2021 - Administering Government Grants**

33. The status of applications for all grants administered by the MSDFS;
34. The length of time required for the processing of grants by the MSDFS and the number of applications which remained outstanding;
35. The estimated timeframe for the conclusion of investigations into possible grant-related fraud; and
36. The challenges experienced by the Auditor General in accessing certain documentation required for the conduct of the audit.

**View the Hearing:**

The hearing can be viewed on our YouTube page via the following link:  
<https://www.youtube.com/watch?v=Bp5-fo2qZwM>

**PAC Secretariat  
November 9, 2022**