



REPORT OF THE
AUDITOR GENERAL
ON THE
FINANCIAL TRANSACTIONS
AND FINANCIAL STATEMENTS
OF THE GOVERNMENT OF JAMAICA
FOR THE FINANCIAL YEAR ENDED
31ST MARCH, 2014



**HEAD 5600-MINISTRY OF SCIENCE, TECHNOLOGY,
ENERGY & MINING**

E – LEARNING JAMAICA COMPANY LIMITED

6.2.118 E-learning Jamaica Company Ltd. (E-Ljam Co. Ltd) was established as an Agency under the Ministry of Science, Technology, Energy and Mining. E-Ljam Co. Ltd manages two major projects namely the E-Learning High School Project and the Tablet in School (TIS) Project. These projects represent special interventions of the Government of Jamaica in partnership with the Ministry of Education and other stakeholders to improve the quality of education through information and communication technologies.

6.2.119 The High School project was developed as a joint initiative with the MOE after extensive consultation with principals and teachers and other stakeholders. Its components include providing digitalized instructional materials for teachers and students, computers and multimedia equipment, and training of teachers in the use of the technology in instructional delivery. It had been anticipated that the project would have been fully completed by March 2012 and that all aspects of the project, which were to be institutionalized, would have been handed over to the MOE. The project was however delayed and the MOE requested that E-Ljam defer the handover of those elements that were completed until they were in a better position to take on the functions and bear the cost of sustaining the intervention.

6.2.120 E-Ljam commenced start up activities for the Tablets in School pilot project in April 2013. The Project will provide approximately 25,000 tablets to students and teachers in 38 pre-primary, primary and secondary schools island-wide. The project will also provide other e-learning technologies, internet connectivity, relevant e-content, as well as the training of teachers, instructors and facilitators at the various access points in the surrounding neighbourhood of the selected schools.

6.2.121 In our audit, we assessed how effective and efficient E-Ljam Co. Ltd. corporate governance practices were. Specifically, the audit examined whether:

- the board was executing its fiduciary duties efficiently; and
- there was proper oversight over the E-Learning's TIS & High School Projects

KEY FINDINGS

6.2.122 No documented evaluation of the Board of Directors. The Corporate Governance Framework for Public Bodies in Jamaica Chapter 2 principle 12: Board Performance Evaluation states that “Each Board of a Public Body should be subject to a formal and rigorous annual appraisal of its performance and that of its committees and individual Directors”. We found that there was no documented evaluation of the Board of Directors of the E-LJam for the period February 13, 2012 to March 31 2014.

6.2.123 Time overrun on the High School Project. The High School project was to be completed within a 3 years’ timeline from its start in 2006. However we found that up to August 2014, the project has yet to be fully completed and handed over to the Ministry of Education. Phase 3 of the consultant evaluation report indicated that the timelines provided for the project were unrealistic and as such E-Learning failed to achieve the target that was originally planned. Additionally, the feasibility study was used as the official document to guide the project. We found that while the feasibility study provided the rationale and justification of the project including detailed description of project components and how the company will be governed and structured, it fell short of being a project management plan as it only broadly indicated that the project would be executed over a three to four year period. The absence of a Project Management document may have contributed to the five year delay in completing the High School Project.

6.2.124 Stolen Equipment from Schools. Internal audit report dated July 3, 2014 for period April 2012 to September 2013 revealed that 447 items costing approximately US\$344,393.34 were stolen as at September 2013. In addition, E-LJam breached the Ministry of Finance’s circular which indicated that these missing items should be reported to the Auditor General’s Department and the Ministry of Finance & Planning.

6.2.125 Under-utilization of Equipment Purchase. Equipment purchased at a cost of US\$874, 000.00 and delivered to MOE since July 2010 to be used as the Central Repository for Educational Materials (CREM) is yet to be used for its intended purpose. E-LJam informed us that the inability of the Ministry of Education (MOE) to fund the necessary infrastructural works required for the main and back-up sites of the CREM delayed full implementation of the CREM. In the

absence of this facility, E-LJam established for themselves an Interim Central Repository on its servers. Back-up is done using a USB hard drive which is then taken offsite by a worker. This inordinate delay in implementing the equipment could result in loss of critical data.

6.2.126 Absence of Feasibility Study for TIS Project. Prior to investing in any project, a feasibility study should be conducted to test the viability of the project and would outline the potential areas of risks, possible implications and how these would be managed. Our review of the TIS Project document indicated that preparatory work commenced in May 2013 and included research into the use of integrating technology in education worldwide. From this research, E-learning prepared a document which outlined suggested best practices, findings and outcomes in other countries. The findings revealed that none of the countries had successfully integrated technology in education. Given the shortcomings in the management of the High School project and the absence of a feasibility study for the TIS Project, we could not determine the basis on which they would be able to overcome the challenges that resulted in the failure in the other countries in order to achieve their objectives. Further, E-LJam stated that care has been taken to avoid the pitfalls identified in the projects implemented elsewhere; however, the document which was eventually presented provided no evidence of review and approval of the appropriations of the strategies to be engaged.

6.2.127 Additionally, during the Pilot Phase, TIS is expected to deliver 25,000 tablets to 38 schools free of cost after which there is expected to be a rolling out of tablets to all institutions on a cost sharing basis. We could not determine the strategy that would allow E-Learning to achieve its objectives in the event that parents are unable to afford the cost in the rollout phase.

RECOMMENDATIONS

To improve the efficiency and effectiveness of the management of projects, E-Learning should consider adopting the following recommendations:

1. E-Learning should ensure that there is a project management document to guide all its projects. This will allow for smoother execution resulting in greater efficiency in its processes. Further, E-Learning needs to

implement measures to improve its monitoring and evaluation capabilities.

2. E-Learning and the Ministry of Education (MOE) should develop a standard procedure for safeguarding the equipment and outline the possible sanctions to be imposed for loss resulting from negligence.
3. E-Learning should seek to review the completeness of its key records in its paper-based filing system, including project documentation so that a project can be traced through the complete project cycle. This can be done by reviewing its records management processes and practices, associated standards and policies, and implement changes as appropriate.
4. E-Learning should ensure that a feasibility study is conducted for all projects. This will help to determine whether the project will be worth undertaking given the investment of scarce resources.