

Port Authority 2017 – Potential Abuses/Fraud Report

Guidance Standards – ISA 240 THE AUDITOR’S RESPONSIBILITIES RELATING TO FRAUD IN AN AUDIT OF FINANCIAL STATEMENTS (Practice guidance from ISSAI 1240 related to abuse)

Background

The OAG has started the audit planning process for the 2017 Port Authority Audit. As part of the planning process we are required by auditing standards to identify and assess the risk of fraud at the audited entity. One of the procedures to identify such risk is to inquire from management and TCWG if they are aware of any instances of fraud, alleged fraud and non-compliance with laws and regulation. Some responses to these inquiries highlighted matters that could be deemed as non-compliance with laws and regulations and merited further investigation.

OAG Key’s responsibilities in response to such matters – ISA 240

If the auditor has identified a fraud or has obtained information that indicates that a fraud may exist, the auditor shall communicate these matters on a timely basis to the appropriate level of management in order to inform those with primary responsibility for the prevention and detection of fraud of matters relevant to their responsibilities.

Unless all of those charged with governance are involved in managing the entity, if the auditor has identified or suspects fraud involving:

- (a) management;
- (b) employees who have significant roles in internal control; or
- (c) others where the fraud results in a material misstatement in the financial statements,

The auditor shall communicate these matters to those charged with governance on a timely basis. If the auditor suspects fraud involving management, the auditor shall communicate these suspicions to those charged with governance and discuss with them the nature, timing and extent of audit procedures necessary to complete the audit.

The auditor shall communicate with those charged with governance any other matters related to fraud that are, in the auditor’s judgment, relevant to their responsibilities.

Communications to Regulatory and Enforcement Authorities

If the auditor has identified or suspects a fraud, the auditor shall determine whether there is a responsibility to report the occurrence or suspicion to a party outside the entity. Although the auditor’s professional duty to maintain the confidentiality of client information may preclude such reporting, the auditor’s legal responsibilities may override the duty

of confidentiality in some circumstances

Key ISSAI 1240 consideration from Practice note

As stated in the INTOSAI Lima Declaration, General Section 14 "The concept and establishment of audit is inherent in public financial administration as the management of public funds represents a trust. Audit is not an end in itself but an indispensable part of a regulatory system whose aim is to reveal deviations from accepted standards and violations of the principles of legality, efficiency, effectiveness and economy of financial management early enough to make it possible to take corrective action in individual cases, to make those accountable accept responsibility, to obtain compensation, or to take steps to prevent--or at least render more difficult--such breaches". Public sector auditors therefore remain alert throughout the audit for occurrences of abuse. In this context, the Practice Note adds an additional definition:

- Abuse – involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations, or provisions of a contract or grant agreement. Abuse is a departure from the concept of propriety, which relates to the general principles of sound public sector financial management and conduct of public sector officials.

Communications to Regulatory and Enforcement Authorities – AC Law key considerations

Duty of a public officer...

A public officer or a member of the Legislative Assembly who has reasonable cause to believe that another public officer or a member of the Legislative Assembly has-

- (a) solicited;
- (b) accepted or obtained; or
- (c) agreed to accept or obtain;

any loan, reward, advantage or other benefit in contravention of any provision of this Law, shall report such belief to the Commission and shall provide the name, if known, of the person who gave, promised or offered such loan, reward, advantage or other benefit to the public officer or the member of the Legislative Assembly...

Abuse of Office

A public officer or a member of the Legislative Assembly who does or directs to be done, in abuse of the authority of his office, any arbitrary act prejudicial to the rights of another commits an offence and is liable on summary conviction to imprisonment for a term of two years.

If the act under subsection (1) is done or directed to be done for purposes of a loan, reward, advantage or other benefit such person commits an offence and is liable on summary conviction to imprisonment for a term of three years.

Port Authority 2017 – Potential Abuses/Fraud Report – Recruitment Breaches

From interviews conducted and the review of board minutes, financial records, the PACI employee handbook and applicable legislations, the following breaches were noted in with regards to the recruitment of staff.

Key findings	Assessment of breach/non-compliance	Ref
<p>The HR manager was not directly involved in the hiring of a number of employees during the noted period, although the employee handbook explicitly states the role of recruiting new staff is to be done by the HR manager.</p> <p>New staff in this context would be persons being recruited from outside of PACI.</p>	<p>For new hires prior to 1 June 2017 the PACI employee handbook would be the effective policy for recruitment. Effective 1 June 2017 the Public Authorities Law adds additional consideration for HR practices, and also stresses that 'Public Authorities shall prepare and act pursuant to a human resource policy and procedural manual and such manual shall be in compliance with this Law and approved by the board' (see extract)</p> <p>The PACI employee handbook states that the PACI can fill vacancies from within the existing staff providing they are suitably qualified and have the necessary experience. It further states that vacancies will be advertised internally and externally only when necessary. (see extract)</p> <p>The handbook also states that the recruitment of new staff will be done by the HR manager and the respective manager/supervisor. The final hiring is subject to the approval of the Port Director. (see extract)</p>	<p>PA 1</p> <p>PA 2</p> <p>PA2</p>
<p>Breach/Non-compliance Act #1 -The HR Manager being excluded from New Hires process is a departure from the PACI employee handbook and (effective 1 June 2017) is also a breach of the Public Authorities Law.</p>		
<p>Hiring of Office Manager – [redacted]</p> <p>The PACI through Deloitte advertised for the post of Office Manager in 2016. The salary range for the post as advertised was CI\$42,564 to CI\$63,912 per annum. [redacted] was interviewed by a panel and hired on the 1st September 2016. [redacted] agreed salary was CI. [redacted]/month. [redacted] resigned effective 4th November 2016.</p>	<p>The agreed salary as per [redacted] contract equated to approx. CI\$ [redacted] per annum which exceeded the advertised salary scale.</p> <p>The HR manager noted that [redacted] was involved in the interview process but not in the determination of the agreed salary.</p>	<p>PA 3</p> <p>PA 4</p>
<p>Breach/Non-compliance Act #2 – Contracting of salary in excess of advertised salary range.</p>		

[redacted] - redacted in accordance with section 23(1) FOI Law

<p><u>Hiring of Operations Manager – Administration: 2nd January 2017</u> Following the resignation of the Office Manager the Port Director advised the HR manager that he did not wish to go through the advertising/interviewing process again and had identified someone to fill the vacant post of Office Manager.</p> <p>The Port Director produced a new job description with the post of Operations Manager – Administration and directed the HR Manager to prepare the contract to hire [redacted] effective 2 January 2017 at a salary of Cl. [redacted] per annum.</p>	<p>The vacancy was not filled from internal staff of the PACI and therefore should have been deemed a recruitment of new staff and advertised/subject to interview etc. (as was done for the previous post holder).</p> <p>The HR manager was not involved in the recruitment process as required by the PACI employee handbook.</p> <p>The Port Director giving the HR Manager a directive to hire a new employee is not in compliance with the PACI employee handbook.</p> <p>Although the post titles differed, the contents of the Operation manager –Admin job description was the same as that for the Office manager; however the salary as per the contract exceeded the amount advertised by Deloitte previously.</p> <p>The salary as per is however within the range for a management post as outlined in a salary band used by PACI (provided by KPMG in 2000)</p>	<p>PA 5</p> <p>PA 6</p> <p>PA 7</p>
<p><u>Breach/Non-compliance Act #3 – Not including the HR Manager in the recruitment process is in contravention of the PACI employee handbook. The hiring of new staff by the Board Director without allowing other applicants to be considered was done in contravention of the PACI employee handbook.</u></p>		
<p><u>Confirmation of [redacted]: 12th June 2017</u> On the 12th June 2017, the Port Director advised the HR Manager via email that [redacted], the Operation Manager – Administration, had completed [redacted] probation and [redacted] salary should be increased from Cl\$ [redacted] to Cl\$ [redacted] per annum</p>	<p>There is no evidence from the email communication that indicates the position was re-evaluated thereby meriting a salary increase as required by the PACI employee handbook</p> <p>The terms of the contract states that the agreed salary shall be reviewed at fiscal yearend and annual thereafter. The directive to increase [redacted] salary by \$21,000 occurred 6 months prior to the fiscal yearend.</p> <p>The amount to be paid as stated by the Port Director exceeded the range used to publicly advertise the post of other managers at PACI in March 2017. It also exceeds the amount that was approved in the PACI 2017 budget for the post of Office Manager. The budget does include the post of Operation Manager – Administration.</p>	<p>PA 8</p> <p>PA 9</p> <p>PA 10</p> <p>PA 11</p>
<p><u>Breach/Non-compliance Act #4 – Increasing the salary of [redacted] without an evaluation and prior to the end of the fiscal yearend contravenes the PACI employee handbook and the terms of the contract.</u></p>		

Port Director's awareness of the Public Authorities Law (2017) and its implementation

As a number of the proceeding breaches relate to the Public Authorities Law (2017), which came into effect on 1 June 2017, an assessment was done to determine if it was reasonable to expect that the Port Director should have been aware that the Law was implemented.

Key Findings	Ref
The CO for the relevant Ministry sent an email to all SAGCs on the 1 st June 2017 stating that the Law was in effect. The Port Director was included in this communication.	PA 12
In the Board of Directors meeting held on the 15 th June 2017, there is recorded item which states that – implementation of the Public Authorities Law: members were furnished with copies of the law and noted its contents.	PA 13
The Port Director was presented at that meeting and prepared the related minutes.	
In email communication sent to the HR manager on the 10 th July related to the hiring of a new employee, the Port Director made reference to the Public Authorities Law and its contents regarding recruitment matters.	PA 14
On the 18 th July 2017 the CO send an email to SAGCs reminded them to adhere to the personnel management requirements of the Public Authorities Law. The Port Director acknowledged receipt of this email on the 19 th July 2017	PA 15
Assessed below.	
It is reasonable to conclude that the Port Director was aware of the implementation of the Public Authorities Law (2017) effective 1 June 2017, and his actions should been in accordance with the Law.	

Key findings	Assessment of breach/non-compliance	Ref
Promotion of [redacted]		
On the 16 th June 2017 the Port Director advised the HR Manager that he had offered [redacted] a promotion to Deputy Director & COO effective the 25 th June 2017 and [redacted] new salary should be increased to C\$ [redacted] per annum.	As this promotion occurred post 1 June 2017, the Public Authorities Law would be applicable in assessing the directives given in this email .	PA 16
The Port Director also provided a new job description to the HR Manager for [redacted] The job description was prepared on the 14 th June 2017.	The filling of the new position of DD & COO was not done in an open and fair manner as required by Part 6 of the Law . There was no notification of the new and vacant position to allow suitably qualified persons to apply for the position as required by Part 6 of the Law .	PA 17
	Considering that the job description for DD & COO was prepared on the 14th June 2017 ,	PA 18

	<p>only two days prior to the directive that [REDACTED] [REDACTED] should be promoted to the post, it is clear that (even if the vacancy had been advertised) there was no time allotted for the consideration of any other potential applicants for the post. This would suggest that some favoritism was shown towards [REDACTED] [REDACTED] This is in breach of the Public Authorities Law.</p> <p>It should be noted that in March 2017 the PACI publicly advertised for two other Deputy Director positions, so this (not advertising the post of COO) was a clear departure from that recent practice.</p>	<p>PA 19</p> <p>PA 20</p>
<p>Breach/Non-compliance Act #5 The Port Director promotion of [REDACTED] was in direction contravention of the Public Authorities Law, and his actions occurred following formal notification from the CO via email on 1 June 2017 of the law being in effect, and 1 day after the implementation of the Law was discussed at a PACI Board meeting, at which he was present.</p>		
<p><u>Hiring of [REDACTED] – Operations & Events Manager</u></p> <p>[REDACTED] who is a former employee from MACI was ‘on loan’ to the PACI assisting them with their 40th anniversary celebrations. The HR manager advised that this arrangement was coordinated by [REDACTED] and [REDACTED] previously worked together at MACI, and are also said to be close friends. (<i>evidenced via social media</i>)</p> <p>On the 10th July 2017 [REDACTED] (COO) gave the HR manager an accepted offer of employment for [REDACTED] to be employed as the PACI Operations & Events Manager. The salary for the post was set at Cl\$ [REDACTED] per annum.</p> <p>The HR Manager advised the Port Director that she was advised by the COO that [REDACTED] did not have to complete a medical. [REDACTED] also advised the Port Director that two references would be need for [REDACTED] as well as proof of [REDACTED] being a Caymanian.</p> <p>The Port Director stated that as [REDACTED] worked for MACI and they used the same insurer as PACI no medical was required. He further referred to the Public Authorities Law</p>	<p>As this appointment occurred post 1 June 2017, the Public Authorities Law would be applicable.</p> <p>The filling of the new position of Operations & Events Manager was not done in an open and fair manner as required by Part 6 of the Law.</p> <p>There was no notification of the new and vacant position to allow suitably qualified persons to apply for the position as required by Part 6 of the Law.</p> <p>The position of Operations & Events Manager and the related salary as per the contract were not presented in the PACI 2017 budget.</p> <p>The PACI employee handbook explicitly states that all successful applicants (i.e. new hires) need to pass a medical examination and a police clearance is also required.</p> <p>The Public Authorities Law also states that ‘A chief executive officer shall, before making an appointment, undertake a background check on the appointee relevant to the duties of the position and which shall be in addition to any</p>	<p>PA 13</p> <p>PA 17</p> <p>PA 21 PA 11</p> <p>PA 22</p> <p>PA 23</p>

<p>and indicated that public servants did not need to produce police clearance certificates or reference letters.</p> <p>The Port Director also noted that [REDACTED] has lived in Cayman for the past 20 years and being married to a Caymanian has granted Caymanian Status.</p>	<p>references'</p> <p>The Port Director's directive that a medical examination and references were not required is a breach of the PACI employee hand book and the Public Authorities Law.</p>	
<p>Breach/Non-compliance Act #6 - The Port Director hiring of [REDACTED] was in direction contravention of the Public Authorities Law, and his actions occurred following formal notification from the CO via email on 1 June 2017 of the law being in effect, and after the implementation of the Law was discussed at a PACI Board meeting, at which he was present. The Port Director's directive that a medical examination and references were not required is a breach of the PACI employee hand book and the Public Authorities Law (2017).</p>		
<p><u>Hiring of the Deputy Director – Human Resources</u></p> <p>In March 2017 the PACI advertised for the post of DD- Human Resources. The advertised salary range for the post was CI\$88,000 to CI\$125,000. The successful candidate [REDACTED] was employed effective 1 September 2017. [REDACTED] contract which was signed on the 11 August 2017 was for an annual salary of CI\$ [REDACTED] CI\$ [REDACTED] in excess of the maximum advertised salary.</p>	<p>As this appointment occurred post 1 June 2017, the Public Authorities Law would be applicable.</p> <p>It is not clear on what basis the contracted salary was raised to an amount which exceeds the advertised range.</p> <p>The Public Authorities Law states 'where the chief executive officer establishes to the satisfaction of the relevant board that the salary range for a post is not adequate to attract the best person for the post, the chairperson, after consultation with the relevant chief officer, may increase the salary in an individual case by taking into account market rates'</p> <p>The salary exceeds the amount approved in the PACI 2016/17 budget for the port of Deputy Directors. Note: the DD Human Resources was not included in the budget.</p> <p>The CO for the relevant Ministry has confirmed that this matter was not brought to his attention and consequently he did not provide consultation on the matter.</p> <p>On the pre interview panel matrix which shows the scoring for selecting an interviewee, there were three other Caymanians who scored higher in the matrix than the preferred candidate</p>	<p>PA 24</p> <p>PA 20</p> <p>PA 25</p> <p>PA 26</p>

	Panel report to be reviewed	
	Did the Chair / Board approve the increase?.	
Breach/Non-compliance Act #7 – Contracting of salary in excess of advertised salary range and the PACI 2016/17 budget.		
<p>Promotion of [redacted] to Deputy Director and CLO</p> <p>[redacted] who was a current employee of the PACI and acted as Deputy Director or Operations, was promoted to DD and Chief Logistic Officer effective 25th June 2017. This position was not advertised. The agreed salary was C\$ [redacted] per annum.</p> <p>contract was signed on the 1st June 2017</p>	<p>As the date coincides with the date of enforcement of the Public Authorities Law it is not explicit if this contract was considered under the law.</p> <p>The salary exceeds the amount approved in the PACI 2016/17 budget for the port of Deputy Directors. Note: this post was not included in the budget.</p> <p>To discuss with PACI</p>	
Breach/Non-compliance Act #8 – Contracting of salary in excess of the PACI 2016/17 budget.		
<p>Financial analysis</p> <p>In the Board of Directors meeting minutes dated 6th September 2017, under the section matters for noting, the Port Director updated the board on the recent recruitment of staff.</p> <p>In response to the OAG asking for an expansion of the recorded point in the minutes regarding staff recruitment, the Port Director stated that the update was in relations to positions that were advertised in March 2017. He did not refer to either of the positions that were filled in June 2017 [redacted] and in July 2017 [redacted]</p> <p>In his response the Port Director also pointed out that the recruitment cost was \$1.1 million which was within the \$2million budgeted in the 2016/17 Budget.</p>	<p>In details provided by the Port Director as an expansion of the point which was noted in the minutes, he pointed out that the cost from recruiting new positions was below the amount included in the 2016/17 budget.</p> <p>The amount included in the budget of \$1.9million represents the budget expectations of new staff (17 posts) for the 18 month period 1 July 2016 to 31 December 2017, inclusive of pension, health and life insurance cost. For the 12 months fiscal period ended 31 December 2017 the budgeted cost for new employees as per the 2016/17 budget is \$1.3million inclusive of pension, health and life insurance cost.</p> <p>As at October 2017 the PACI had 18 new post filled, some of which were not included in the 2016/17 budget, i.e. there are posts as per the budget that are still not filled.</p> <p>The projected annual cost for these new employees is \$1.7 million.</p>	<p>PA 27</p> <p>PA 28</p> <p>PA 26</p> <p>PA 29</p>
Breach/Non-compliance Act #9 – The recruitments approved and in some instances initiated by the Port Director has increased the PACI annual payroll cost by \$1.7 million per annum. This amount exceeds the budgeted annual increase by \$400,000 per year.		

Port Authority 2017 – Potential Abuses/Fraud Report – Granting Special Leave

From a review of the PACI leave reports the OAG analyzed significant exceptions in order to discuss with management the basis of such expectation and to assess compliance with the PACI employee handbook and the applicable law(s).

Key findings	Assessment of breach/non-compliance	Ref																									
<p>From the review it was noted that there were instances of leave denoted as 'excused'. A more in depth analysis and discussion with management of PACI highlighted that a significant amount of excused leave was taken by [redacted] and approved by the Port Director – Clement Reid. Evidence reviewed showed that the leave was approved to allow [redacted] to travel/assistance the Leader of the Opposition on what was classified as official business. In total [redacted] was granted 63 days special leave between 1 March 2016 and 7th March 2017 to travel/assist the leader of the Opposition.</p> <table border="1" data-bbox="123 919 857 1675"> <thead> <tr> <th>Period of leave</th><th># of Days</th><th>Reason for leave</th></tr> </thead> <tbody> <tr> <td>1st March 2016 to 5th March 2016</td><td>5</td><td rowspan="6">Travel/assistance the Leader of the Opposition on what was classified as official business. Approved by PD</td></tr> <tr> <td>April 6th 2016 to April 16th 2016</td><td>11</td></tr> <tr> <td>May 18th to 28th 2016</td><td>11</td></tr> <tr> <td>June 17th 2016 to July 5th 2016</td><td>15</td></tr> <tr> <td>August 17th 2016 to August 30th 2016</td><td>14</td></tr> <tr> <td>March 2nd 2017 to March 7th 2017</td><td>7</td></tr> <tr> <td>Total leave for 'Official business'</td><td>63</td><td></td></tr> <tr> <td></td><td></td><td></td></tr> <tr> <td>June 2nd 2017 to October 16th 2017</td><td>4.5 months</td><td>On suspension [redacted]</td></tr> </tbody> </table>	Period of leave	# of Days	Reason for leave	1 st March 2016 to 5 th March 2016	5	Travel/assistance the Leader of the Opposition on what was classified as official business. Approved by PD	April 6 th 2016 to April 16 th 2016	11	May 18 th to 28 th 2016	11	June 17 th 2016 to July 5 th 2016	15	August 17 th 2016 to August 30 th 2016	14	March 2 nd 2017 to March 7 th 2017	7	Total leave for 'Official business'	63					June 2 nd 2017 to October 16 th 2017	4.5 months	On suspension [redacted]	<p>The PACI employee handbook provides details on the types of leaves that employees are entitled to, and the type of leave that can be granted at the Port Director's discretion.</p> <p>Leave that is an entitlement – Annual leave, sick leave and maternity leave</p> <p>Leave that can be granted by the Port Director – Special leave, leave without pay (which includes paternity leave for male employees after using all vacation leave)</p> <p>Special leave as per the employee handbook is defined as leave granted to an employee if selected to represent the Cayman Islands as a member of a sporting team or a cultural body at a national level, upon the presentation of a written request from the organization.</p> <p>There are no provisions in the PACI Employee Book that gives the Port Director discretion to grant leave for the purpose of travel/assistance to MLAs.</p> <p>There is evidence that the Port Director approved/directed that [redacted] be granted paid leave to travel/assist the Leader of the Opposition.</p>	<p>PA 30</p> <p>PA 31</p>
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<p>reach/Non-compliance Act #10 – The granting of paid leave for 63 days by the Port Director contravenes the PACI Employee Handbook.</p>																											

[redacted] - redacted in accordance with section 23(1) FOI Law

Key findings	Assessment of breach/non-compliance	Ref
<p><u>Release of Wrecked Vessel to Port Employee where Ownership was Disputed</u></p> <p>Our audit reviewed the wrecks index for 2016 and 2017 and noted one dispute.</p> <p>Matter Arising: A Customs Official reported to the PACI Manager of Cruise Operations & Security that in July 2015 police took possession of a wrecked vessel (boat) which was overturned. He noted that [REDACTED] (A PACI employee) delivered the boat to the police at the launch ramp.</p> <p>In a request for further details by the PACI Manager of Cruise Operations & Security, a RCIPS Officer who was copied on that same email responded and noted that another person, a [REDACTED] delivered the boat to police officers.</p> <p>This created a scenario of two conflicting stories of who found the boat and further confusion as to who actually has the right to claim for the boat if the real owner was not identified. As the issue developed the two persons in the reports [REDACTED] (PACI Employee) & [REDACTED] both made claims for ownership.</p>	<p>In November 2016, the Port Director (PD) instructed the PACI Manager of Cruise Operations & Security via email to release the boat to [REDACTED]. The PACI Manager of Cruise Operations & Security responded to inform the PD that there were two claims to the boat and conflicting reports as to who actually delivered the boat. He referenced to an email received from PC [REDACTED] which noted that [REDACTED] delivered the boat.</p> <p>The PD however signed a release letter that was not drafted by the PACI Manager of Cruise Operations & Security (the usual officer dealing with this in PACI) and released the boat in March 2017 without the knowledge of either that PACI Official or [REDACTED] line manager, [REDACTED] Deputy PD to [REDACTED].</p> <p>OAG requested and received the official RCIPS report and it noted [REDACTED] towed the boat to shore after [REDACTED] had found the vessel and had difficulty in pulling it ashore alone.</p>	<p>PA31 (Law)</p> <p>PA32 (Email Summary)</p>
<p><u>Breach/Non-compliance Act #11 – Release of wrecked vessel to Port Authority employee without proper & clear evidence of rights to owner of vessel.</u></p>		

[REDACTED] - redacted in accordance with section 23(1) FOI Law

Key findings	Assessment of breach/non-compliance	Ref
<p><u>Theft of Four Boat Engines</u></p> <p>Four boat engines owned by the Port and stored at Harbour House Marina were reported to be taken by Port Employees without authorization. The process indicated that the proper guidelines and channels for disposing of fixed assets were not followed. The estimated residual value of the engines were CI\$6,000 (CI\$1,500 each). These boat engines which were kept at the Harbor House Marina were taken from that location. The Harbor House Marina is contracted by the Port to replace engines, generators, AC units and refurbish both Harbour Patrol Vessels. One port employee in receipt of one of the engines claimed that the Port Director gave authorisation.</p>	<p>Port Policy</p> <p>Presently the PACI do not have a written Disposals Policy but have been followed a long standing practice on disposing of assets by either an auction, a donation to charity or schools or scrapping and disposing at the landfill. One very important business practice that the Port adopted many years ago was that of informing the public of what was being auctioned or donated.</p> <p>Senior Management's Position</p> <p>Based on the enquiries of various members of management, including the Port Director and the relevant Deputy Port Director, by the PACI Manager of Cruise Operations & Security no one claims to be aware of Authority being given to release these engines.</p> <p>This would suggest theft but there is no evidence of further actions being taken by Senior Management in spite of knowing of this loss following its reporting by the Manager of Cruise Operations & Security.</p>	

Breach/Non-compliance Act #12 – Theft of government assets and a failure of management to properly investigate as to the whereabouts of Government assets

Key findings	Assessment of breach/non-compliance	Ref
<p><u>Redecoration of PACI Offices</u></p> <p>Port director approved over \$100k to renovate his and another office within the Port Authority building.</p> <p>The Port processed contracts, payment requisitions, purchased Orders, and invoices for a total of CI\$135,773.62 consisting of the following:</p> <ol style="list-style-type: none"> 1. Garrison Industries for CI\$14,332.00, (Office Furniture & Accessories) 2. Iron Shore Contractors for CI\$90,514.00 (Patio, 2 Offices Developments & Upgrades), 3. Design Studio for US\$37,716.61 	<p>There is no evidence of:</p> <ul style="list-style-type: none"> • these expenditures being included in the budget of \$2.7M capital expenditures for 2016 • a business case to justify the need for this expenditure over other priorities • approval from Board for office redecorations / any of these expenditures • tendering to demonstrate value for money 	

CI\$30,927.62 (Rugs, Vases, Lounge Chairs, Poufs, Dining Tables)		
The purchase orders were approved by the Port Director		
Breach/Non-compliance Act #13 – Incurrence of expenditures in excess of \$100,000 on renovations with no evidence provided of business case, tendering, approval from board or inclusion in the ownership agreement budget.		

PART 6 – PUBLIC AUTHORITY PERSONNEL MANAGEMENT REQUIREMENTS

41. (1) A public authority shall make all personnel management decisions without patronage, favouritism or consideration of political factors and, pursuant thereto a public authority shall ensure that open and fair processes apply to all -

- (a) appointments;
- (b) promotions;
- (c) remunerations;
- (d) discipline;
- (e) dismissal; and
- (f) any other personnel management decisions.

(2) All public authorities shall prepare and act pursuant to a human resource policy and procedural manual; and such manual shall be in compliance with this Law and approved by the board.



Employee Manual

Filling of Vacancies

Whenever possible, the Port Authority will fill a vacancy from within the existing staff provided that a suitable employee with the necessary qualifications, experience, ability and potential is available for the vacancy. Vacancies will be advertised internally and externally only when necessary.

Caymanians will be given first right of refusal and will be employed in all positions wherever possible. Non-Caymanians will be employed only when it is not possible to find a Caymanian with the necessary qualifications and experience for the job. Caymanians identified for the replacement will be given every possible tool to enable them to make the easy transition.

Recruitment

Recruitment of new staff will be done by the Human Resources Manager and the respective Manager/Supervisor, with approval from the respective Deputy Director. However, the final hiring will be subject to the approval of the Port Director. The following hiring practices are strictly adhered to:

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OUR CLIENT, THE PORT AUTHORITY OF THE CAYMAN ISLANDS IS SEEKING TO FILL A VACANCY FOR THE POST OF THE
OFFICE MANAGER

Reporting to the Port Director, the Office Manager ("Manager") is responsible for organising and coordinating all of the administrative activities and procedures that facilitate the efficient operations of the offices of the Port Authority of the Cayman Islands ("PACI"). The Manager must be experienced in handling a wide range of administrative and executive support related tasks, and be able to work independently. The Incumbent must be exceedingly well organised, flexible and enjoy the administrative challenges of supporting an office of diverse people with a broad customer base. The incumbent must ensure office equipment is maintained, records are up to date and that all administration processes work effectively and efficiently in the PACI. As a member of the organisation's leadership team, the incumbent will be involved in personnel management, interpersonal communications, procurement, Board support, corporate communications and customer service. The Manager must maintain professional decorum and discretion at all times. In addition, the Incumbent will support the Port Director with executive administrative tasks. The Incumbent will be familiar with an office environment and possess a strong understanding of business principles.

The successful candidate will be rewarded with a competitive remuneration package with excellent benefits. Salary for the above position will be in the range of C\$42,564 to C\$63,912 per annum, commensurate with the qualifications and experience of the successful applicant.

JOB DESCRIPTION

JOB TITLE:	Operations Manager - Administration
DEPARTMENT:	Administration
REPORTS TO:	Port Director

JOB SUMMARY

The Operations Manager – Administration ("Manager") is responsible for the organisation and coordination all administrative activities and procedures that facilitate the efficient operation of the offices of the Port Authority of the Cayman Islands ("PACI"). The incumbent will handle a wide range of administrative and executive support related tasks, and will be required to work independently. The Manager will support an office of diverse people with a broad customer base. The incumbent will be responsible for ensuring office equipment is maintained, records and policies are kept up-to-date and that all administration processes work effectively and efficiently. In addition, the incumbent will support the Port Director with executive administrative tasks.

As a member of the organisation's leadership team, the incumbent will be involved in personnel management, interpersonal communications, procurement, Board support, corporate communications and customer service. The Manager will maintain professional decorum and discretion at all times.

ESSENTIAL DUTIES & RESPONSIBILITIES

Administrative Support

- Uses office productivity software including email, spreadsheets and databases to help organise and coordinate the administrative functions of the PACI's office environment and information resources.
- Responsible for maintaining sufficient inventory and tracking the use of office supplies.
- Responsible for reviewing and approving all PACI purchasing requisitions to support the organisation's operations.
- Responsible for maintaining the operational and aesthetic conditions of the PACI offices, and arranging for necessary repairs or improvements.
- Responsible for designing / enhancing filing systems, as needed, for the proper retention / release of information.
- Plans and implements office systems, layouts / layout changes, and equipment procurement for the office environments of the PACI.
- Responsible for organising and scheduling all executive meetings and appointments. Additionally, assists with other meetings and appointments when possible.
- Responsible for ensuring all executive travel is within the PACI travel policy.
- Partners with the Information Technology department on all office equipment selections and purchases. Reviews equipment lifecycle and replacement plans annually.
- Responsible for managing relationships with vendors and service providers, ensuring that all services / goods are invoiced / paid on time.
- Participates on the PACI crisis management team.

Management

- Responsible for developing and implementing office policies and procedures for all operations in the offices of the PACI. Responsible for measuring operations effectiveness quarterly against standards, and for reviewing / updating the policies and procedures on an annual basis, as required.
- Maintains and updates the library of operational compliance records in accordance with international regulatory requirements.
- Responsible for assigning and monitoring the effectiveness of clerical functions at the PACI.
- Delegates work to staff and manages their workload and output in support of the PACI office operations.
- Responsible for promoting staff development and training for all direct report staff through performance management and coaching. Responsible for collaborating with the management team and Human Resources ("HR") for annual reviews of the development and training programs of the PACI.
- Responsible for carrying out staff appraisals, managing performance and disciplining staff, as outlined in the PACI HR policies, for all direct reports.
- Responsible for designing and proposing procedures for retention, protection, retrieval, transfer, and disposal of records in accordance with executive directives and legal requirements. Reviews and updates as necessary, all data retention policies and procedures on an annual basis.
- Manages contract / price negotiations with office supply / equipment vendors and service providers, and manages all purchase requisitions for PACI supplies and equipment.
- Supervises and monitors the work of office secretarial, clerical and administrative staff.
- Manages office operating budgets for the offices of the PACI.

Communications

- Writes reports, press releases, special announcements and communications for executive leadership, and senior management as required, and delivers presentations to both PACI employees and external entities.
- Responsible for controlling PACI wide correspondence, including all organisation wide communications in any format. Ensures that all communications adhere to internal policies and legal requirements.
- Attends industry / regulatory conferences, as required.
- Keeps management informed by reviewing and analysing reports, summarising information and identifying trends as instructed by executive leadership and ensuring accuracy and timeliness of reporting.
- Attends meetings with (or on behalf of) executive management as needed, including Board of Director meetings.
- Maintains relationships with strategic partners including the Cayman Islands Department of Tourism, cruise lines, etc.

CONTRACT OF EMPLOYMENT

The Parties

PORT AUTHORITY OF THE CAYMAN ISLANDS

of P.O. Box 1358 George Town, Grand Cayman. KY1-1108
(Hereinafter referred to as "the Employer")

And

[REDACTED]
of P.O. Box [REDACTED], Grand Cayman, KY1-[REDACTED]
(Hereinafter referred to as the Employee")

Remuneration

5. The Employee's rate of remuneration will be **CI\$** [REDACTED] **per annum** and shall be paid monthly in arrears by on the 24th day of each month. The said salary shall be reviewed by the Employer at fiscal yearend and annually thereafter, without any commitment on the part of the Employer to increase the said salary on each or any such review. The Employee may enjoy such annual cost of living adjustments as may be approved by the Employer.

[REDACTED] - redacted in accordance with section 23(1) FOI Law

Capacity of parties to sign

Both the Employer and Employee warrant that they have the requisite capacity, authority and permission to enter into this agreement.

Signature for Employer 

Name of signatory Clement Reed

Designation _____

Date 19.12.16.

Signature of witness _____

Name _____

Designation _____

Date _____

Employee's signature 

Name 

Designation _____

Date 19/DEC/2016

 - redacted in accordance with section 23(1) FOI Law

The table below shows the minimum and maximum salaries per band:

Band	Minimum (CIS p/month)	Maximum (CIS p/month)
Director	15,000	17,000
Management	8,000	14,500
Professional	4,000	8,000
Technical	3,000	6,000
Clerical	2,500	5,000
Band	Minimum (CIS p/hour)	Maximum (CIS p/hour)
Skilled/Unskilled Labour	14.86	22.28

The current employees will be placed in the band that corresponds with their job. There will be no changes in current salaries/wages. Bands will increase annually with approved cost of living increases.

PA 8

[redacted]

From: Clement Reid
Sent: Monday, June 12, 2017 9:26 AM
To: [redacted]
Subject: Employment Confirmation for [redacted]

Good morning [redacted]

[redacted] has completed [redacted] probation with PACI and requires a Confirmation Letter for [redacted] file.

salary will be increased to C\$ [redacted] per annum effective June 25th, 2017.

Rgds,

Clement Reid - Port Director

[redacted] - redacted in accordance with section 23(1) FOI Law



Employee Manual

Band of the new position, and shall be nearest to the pay rate the employee is paid in the present position.

- d) At no time will an employee receive a salary greater than the maximum of the pay range for his/her Salary/Wage Band as specified in the Compensation Plan.

The new salary will be determined by the Port Director, based on:

- » the employee's current salary;
- » the new Salary/Wage Band;
- » the most recent performance appraisal;
- » the level of acquired skills and knowledge of the employee relevant to the new job;
- » the expected potential of the employee; and
- » the career history of the employee with the Port Authority.

Position Re-evaluation

- a) Where an employee occupies a position which is re-evaluated, resulting in its having a higher pay range, the employee shall receive not less than the minimum rate of the new pay range.
- b) Where his/her salary falls within the new pay range, any adjustment shall be done at the discretion of the Port Director.
- c) Where an employee's salary exceeds the maximum of the applicable Salary/Wage Band, the employee shall not be entitled to received further pay increases until such time as the maximum salary assigned to the applicable Salary/Wage Band exceeds the employee's present salary.

Where the re-evaluation of a position takes place there will be no retroactive salary adjustment.

FLEET MANAGER

SALARY: CI\$69,000 – \$104,000 PER ANNUM

Reporting to the Deputy Director – Cargo Operations, the Fleet Manager manages the activities of the Fleet / Mechanical department to ensure that fleet and heavy equipment are available, dependable and safe at all times.

The Incumbent develops, refines, and oversees the preventative maintenance programmes and ensures compliance with organisational policies, Government regulations and manufacturer requirements.

FINANCE MANAGER

SALARY: CI\$ 69,000 – \$104,000 PER ANNUM

Reporting to the Financial Controller (FC), the Finance Manager is responsible for the financial health of the Port Authority of the Cayman Islands (PACI). The incumbent produces financial reports, develops strategies based on financial research, provides support to the Deputy Director – Finance and FC, and provides guidance to management to assist in short- and long-term decision making. The incumbent also assists the FC in managing the day-to-day Accounting department operations.

Benefits will be determined in accordance with the Labour Law (2011 Revision). Preference will be given to suitably qualified and experienced Caymanians
Detailed Job Descriptions and Application Form are available online at <https://www.caymanport.com/human-resources/>

PLEASE SUBMIT A COVER LETTER, OFFICIAL APPLICATION FORM AND RESUME TO:

Port Director

Port Authority of the Cayman Islands


PO Box 1358, 45A Harbour Drive, Grand Cayman KY1-1108, Cayman Islands

Email: creld@caymanport.com

CLOSING DATE: 31 March, 2017

PACI 2017 BUDGET

Expected effects on the Staff Costs for the 18 months to December 31, 2017

	<u>Administration/Staffing (NEW):</u>	Dec-16	Dec-17
	Project Manager		
	Facilities Manager		
	Deputy Director - Cargo Operations		
	Deputy Director - Maritime Affairs/Harbor Master		
	Office Manager		
		36,000	73,000

- redacted in accordance with section 23(1) FOI Law

PA 12

From: Bodden, Stran

Sent: Thursday, June 01, 2017 2:21 PM

To: Fabian Whorms (fabianwhorms@caymanairways.net); Tim Adam (timadam@TURTLE.KY); Clement Reid (creid@caymanport.com); Jackson, Jonathan; Watler, Dalton (Dalton.Watler@gov.ky)

Subject: FW: Public Authorities Law

Good Afternoon Gentlemen,

Please find attached Public Authorities Law and the below email from the Deputy Governor.

Best regards,

Stran A. Bodden, JP

Permanent Secretary & Chief Officer

Ministry of District Administration, Tourism and Transport

From: Manderson, Franz

Sent: Tuesday, May 30, 2017 12:56 PM

To: Chief Officers

Cc: Gough, Peter; Rodrigues, Mary

Subject: Public Authorities Law

Dear Chief Officers,

The Public Authorities Law 2017 was passed at a recent sitting of the Legislative Assembly. The Law was gazetted on Monday 8 May 2017 and the majority of the Law will become effective on 1 June 2017. Section 47 of the Law which relates to a pay scale for the SAGC's will come into effect on 1 June 2018. The law specifies your responsibilities as Chief Officers in relation to public authorities. I have attached the Law for your perusal.

The Law enshrines a standard, best practice framework for all Public Authorities for achieving good governance and best human resource practices. Improvements in these areas will benefit the community by enhancing the effectiveness of public authorities and ultimately the achievement of important public policy goals. The Law does not affect the principal functions of any public authority or their independent regulatory decision-making processes. I know that the commencement date is very near but we wanted to ensure that any new Board members of the SAGC's were appointed in accordance with the new Law. Can you please notify your SAGC's that the Law will come into effect on 1 June 2017.

We will discuss how we can consistently implement the Law at our next meeting.

BOARD OF DIRECTORS MEETING
Port Authority of the Cayman Islands
45A Harbour Drive
15th June, 2017
Meeting No. 413

Other Attendees

Mr. Clement Reld – Port Director

Mr. James Parsons – Deputy Port Director - Finance

7. New Business

- a. Snack Shack letter to PACI requesting explanation on his refusal and subsequent

Mr. Gerry Kirkconnell cited a conflict and recused himself from the meeting. Members requested additional information from Snack Shack and deferred the matter to the July 27th meeting.

- b. Tender proposal for North Terminal Refurbishment Project


Mr. Gerry Kirkconnell rejoined the meeting. The Board noted the contents of the proposal.

- c. **Implementation of the Public Authorities Law (2017)**

Members were furnished with copies of the Law and noted its contents.

9. Adjournment and Date of Next Meeting

There being no further business the meeting was adjourned at 3:00 pm. The next meeting is scheduled for July 27th, 2017.



Mr. Errol L. Bush – Chairman



Mr. Clement Reld - Secretary

PA 14

From: Clement Reid
Sent: Monday, July 10, 2017 2:37 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: New Staff - [REDACTED]

Hi [REDACTED]

[REDACTED] is currently an employee of MACI and they have the same insurance provider as PACI, hence the reason for not requiring a medical.

Under the new Public Authorities Law, all persons employed in SAGC's are considered Public Servants and do not require references or Police Clearance Certificates when moving from one SAGC to another, you are still a public servant. The same will apply for [REDACTED] residency status, having lived and worked in Cayman for the past 20 years and being married to a Caymanian has granted [REDACTED] Caymanian Status. As an employee of MACI, no work permit was required given the fact that [REDACTED] has Caymanian Status.

For future reference, the recruitment of Civil Servants and Public Servants are not required to produce Police Clearance Certificates or reference letters. They will only require a medical if the plan they are currently on is different from our provider. We all work for the same company, the Cayman Islands Government.

[REDACTED] - redacted in accordance with section 23(1) FOI Law

PA 15

From: Clement Reid (<mailto:creid@caymanport.com>)
Sent: Wednesday, July 19, 2017 8:56 AM
To: Bodden, Stran; Tim Adam; Fabian Whorms; Albert Anderson; Patrick Thompson
Subject: Re: Public Authorities Law

Good morning CO,

Message received and noted.

Warm regards,

From: Stran Bodden
Date: Tuesday, July 18, 2017 at 4:44 PM
To: Timothy Adam, Fabian Whorms, Clement Reid, Albert Anderson, Patrick Thompson
Subject: FW: Public Authorities Law

Good Afternoon Gentlemen,

I have been requested by the Deputy Governor to remind all SAGCs on adherence to the personnel management requirements outlined in the attached Public Authorities Law, specifically in relation to the recruitment and appointment of staff of a public authority.

Best regards,

Stran A. Bodden, JP
Permanent Secretary & Chief Officer
Ministry of District Administration, Tourism and Transport

PA 16

Sandra Barnett

From: Clement Reid
Sent: Friday, June 16, 2017 11:00 AM
To: [REDACTED]
Subject: [REDACTED] a Employment Confirmation and New Title
Attachments: Deputy Director Chief Operating Officer (COO) 14JUN2017 v2.docx

Hi [REDACTED]

[REDACTED] has completed her probation at PACI, I am pleased to offer [REDACTED] a promotion to Deputy Director & Chief Operating Officer (COO) effective June 25th, 2017. A copy of the new JD is attached.

[REDACTED] new salary will be C\$ [REDACTED] per annum and C\$ [REDACTED] per month for car allowance. As a Deputy Director, [REDACTED] will also receive 30 days per year for annual vacation.

Please create a new Employment Contract for our signatures prior to the close of business today.

Rgds,

Clement Reid - Port Director

[REDACTED] - redacted in accordance with section 23(1) FOI Law

42. (1) A public authority -

- (a) shall operate an open and fair appointment process for all staff;
- (b) shall notify a vacant position in such manner as enables suitably qualified persons to apply for the position; and
- (c) may, if necessary, publicly advertise in local or international media or both, a vacant position in such manner as would enable suitably qualified persons to apply for the vacant position.

JOB DESCRIPTION

JOB TITLE: Deputy Director & Chief Operating Officer (COO)
SERVICE LINE: Operations (Administration), Facilities and Port Development
REPORTS TO: Port Director
DATE CREATED: 14 June, 2017
DATE MODIFIED: 14 June, 2017

JOB SUMMARY

The incumbent is responsible for managing, directing and integrating the functions, programmes and activities of assigned departments. The incumbent provides strategic leadership in the development and implementation of policies, procedures, systems and processes, and ensures all assigned operations and services meet the needs of internal and external customers. In addition, the incumbent participates in development of short- and long-term organisational and administrative strategies and plans to meet operational and service delivery objectives while making optimal utilisation of the Port's resources.

41. (1) A public authority shall make all personnel management decisions without patronage, favouritism or consideration of political factors and, pursuant thereto a public authority shall ensure that open and fair processes apply to all -

- (a) appointments;
- (b) promotions;
- (c) remunerations;
- (d) discipline;
- (e) dismissal; and
- (f) any other personnel management decisions.

DEPUTY DIRECTOR – COMMERCIAL AND CUSTOMER SERVICES

SALARY: CI\$88,000 – \$125,000 PER ANNUM

Reporting to the Port Director, the Deputy Director – Commercial and Customer Services is responsible for the commercial and customer services strategies for the Port Authority of the Cayman Islands (PACI), which involves working collaboratively with the management team and other internal and external partners in order to ensure the provision of a commercially viable, efficient, and customer-friendly Port environment. The incumbent will direct the planning and management of business development, marketing, property management, public relations and commercial and customer services.

DEPUTY DIRECTOR – HUMAN RESOURCES

SALARY: CI\$88,000 – \$125,000 PER ANNUM

Reporting to the Port Director, the Deputy Director – Human Resources is responsible for providing leadership in developing and implementing human resources (HR) strategy in support of the overall business plan and strategic direction of the Port Authority of the Cayman Islands (PACI), specifically in the areas of change management; performance management; talent management; and compensation and benefits. The incumbent provides strategic leadership by articulating HR needs and plans to the management team and the Board of Directors as required.

Benefits will be determined in accordance with the Labour Law (2011 Revision). Preference will be given to suitably qualified and experienced Caymanians
Detailed Job Descriptions and Application Form are available online at <https://www.caymanport.com/human-resources/>

PLEASE SUBMIT A COVER LETTER, OFFICIAL APPLICATION FORM AND RESUME TO:

Port Director
Port Authority of the Cayman Islands
PO Box 1358, 45A Harbour Drive, Grand Cayman KY1-1108, Cayman Islands
Email: creld@caymanport.com

CLOSING DATE: 31 March, 2017

CONTRACT OF EMPLOYMENT

The Parties

PORT AUTHORITY OF THE CAYMAN ISLANDS
of P.O. Box 1358 George Town, Grand Cayman. KY1-1108
(Hereinafter referred to as "**the Employer**")

And

[REDACTED]
of P.O. Box [REDACTED], Grand Cayman, KY1-[REDACTED]
(Hereinafter referred to as "**the Employee**")

Remuneration

5. The Employee's rate of remuneration will be CI\$ [REDACTED] **per annum** and shall be paid monthly in arrears by on the 24th day of each month. The employee will also receive a monthly car allowance of CI\$ [REDACTED]. The said salary shall be reviewed by the Employer at fiscal year-end and annually thereafter, without any commitment on the part of the Employer to increase the said salary on each or any such review. The Employee may enjoy such annual cost of living adjustments as may be approved by the Employer.

[REDACTED] - redacted in accordance with section 23(1) FOI Law

Capacity of parties to sign

Both the Employer and Employee warrant that they have the requisite capacity, authority and permission to enter into this agreement.

Signature for Employer 

Name of signatory CLEMENT REID

Designation Port Director

Date July 12, 2017

Signature of witness 

Name 

Designation Manager H.R.

Date July 12, 2017

Employee's signature 

Name 

Designation Operations & Events
Manager

Date July 12, 2017

 - redacted in accordance with section 23(1) FOI Law

PORT AUTHORITY OF  THE CAYMAN ISLANDS

Employee Manual

5. The Manager Human Resources will write to all applicants, both successful and unsuccessful, advising them of the Port Authority's decision. A contract will be entered into with all successful applicants which will set out the starting rate of pay, the terms and conditions of employment, including the need to pass a medical examination (which includes testing for HIV, drugs and alcohol), before employment commences. Additionally, a police clearance certificate is also required.

(10) A chief executive officer shall, before making an appointment, undertake a background check on the appointee relevant to the duties of the position and which shall be in addition to any references.

CONTRACT OF EMPLOYMENT

The Parties

PORT AUTHORITY OF THE CAYMAN ISLANDS
of P.O. Box 1358 George Town, Grand Cayman, KY1-1108
(Hereinafter referred to as "**the Employer**")

And

[redacted]
of P.O. Box [redacted] Grand Cayman, KY1-[redacted]
(Hereinafter referred to as **the Employee**")

Remuneration

5. The Employee's rate of remuneration will be CI\$ [redacted] per annum and shall be paid monthly in arrears by on the 24th day of each month. The Employee will also receive a monthly car allowance of CI\$ [redacted]. The said salary shall be reviewed by the Employer at fiscal year-end and annually thereafter, without any commitment on the part of the Employer to increase the said salary on each or any such review. The Employee may enjoy such annual cost of living adjustments as may be approved by the Employer.

[redacted] - redacted in accordance with section 23(1) FOI Law

made in writing and signed by both parties specifying the date on which they shall come into operation.

Capacity of parties to sign

Both the Employer and Employee warrant that they have the requisite capacity, authority and permission to enter into this agreement.

Signature for Employer 

Name of signatory Clement Noel

Designation Para Director

Date Aug 11, 2017

Signature of witness 

Name 

Designation COO

Date 11 AUG / 2017

Employee's signature 

Name 

Designation Ch. Human Resource Officer

Date Aug 11, 2017

 - redacted in accordance with section 23(1) FOI Law

(6) In establishing the terms and conditions and remuneration of a staff member, a public authority shall -

- (a) take into consideration the terms and conditions and remuneration of positions with comparable managerial and technical responsibility in both the civil service and in the private sector; and
- (b) ensure that the terms and conditions and remuneration are consistent with those positions mentioned in paragraph (a);
- (c) where the chief executive officer establishes to the satisfaction of the relevant board that the salary range for a post is not adequate to attract the best person for the post, the chairperson, after consultation with the relevant chief officer, may increase the salary in an individual case by taking into account market rates; and

PACI 2017 BUDGET

Expected effects on the Staff Costs for the 18 months to December 31, 2017

<u>Administration/Staffing (NEW):</u>	Dec-16	Dec-17	18 month Total
Project Manager			
Facilities Manager			
Deputy Director - Cargo Operations			
Deputy Director - Maritime Affairs/Harbor Master			
Office Manager			
Fleet Manager			
Property Manager			
Training Co-ordinator			
HR Officer			
Payroll & Benefits Supervisor			
Clerical - Finance (2 Clerks @ <input type="text"/> each)			
Clerical - Receptionists			
Security Officers/Taxi Dispatchers (4 @ <input type="text"/> k each)			
TOTALS BASE SALARY	545,000	1,090,000	1,635,000
TOTAL PENSION	54,500	109,000	163,500
TOTAL HEALTH/ LIFE	51,900	103,800	155,700
TOTAL PROPOSED NEW STAFF COSTS	651,400	1,302,800	1,954,200

 - redacted in accordance with section 23(1) FOI Law

PA 27

From: Clement Reid
Sent: Wednesday, November 1, 2017 3:14 PM
To: Sobers, Winston
Subject: Re: 2017 Audit - Port Authority of the Cayman Islands

Mr. Sobers,

My update was in relation to the following jobs that were advertised in the Cayman Compass in March 2017 and positions that were filled:

Deputy Director – Commercial and Customer Services
Deputy Director – Human Resources
Finance Manager
Fleet Manager
Safety and Crisis Management Manager
Harbour Patrol Officers

Through an open recruitment process, we are able to fill the above positions except for the Fleet Manager. The monies that were realized in not filling this position was transferred to the Harbour Patrol Officers recruitment. We were able to hire the full complement of Officers by forgoing the Fleet Manager which brings the department up to its regular operational level. Through this recruitment process we hired 4 officers from the Civil Service.

Two additional candidates that were shortlisted for the Harbour Patrol position were identified as having expertise that could be used in other operational areas at PACI and were offered positions in Fleet Mechanic and Taxi Dispatcher.

All recruited were within the \$2million that was budgeted for the 2016/17 budget. Of the \$2million dollars, PACI only spent \$1.1million. All of the new recruits are Caymanian.

BOARD OF DIRECTORS MEETING
Port Authority of the Cayman Islands
45A Harbour Drive
6th September, 2017
Meeting No. 415b

Matters for noting

- a) The Board discussed representations relating to the new shift system for night workers that was implemented on Monday, 21st August, 2017. Ms. Jacqueline Scott-Rankine suggested PACI conduct an engagement survey.
- b) A policy is to be drafted regarding MLA's requests for PACI employee services.
- c) Training for the new yard management system commenced on Monday, 4th September, 2017.
- d) The Port Director updated the Board on the recent recruitment of staff.

PACI Hires from July 1st, 2016 to date						
Working Title	Annual Salary	Vehicle Allowance	10% Pension	Medical	Life Insurance	Total Salary
Receptionists						
Facilities Manager						
Customer Service Representative						
Snr Project Manager - Cruise						
Dep. Director & C.O.O. ****						
Dep. Director & C.L.O. *****						
Dep. Director & C.C.O.						
Safety & Crisis Mngt. Mngr						
Dep. Director C.H.R.O.						
Operations & Events Coordinator						
Taxi Dispatcher						
Taxi Dispatcher						
Harbour Patrol Officer						
Fleet Mechanic						
Harbour Patrol Officer						
Harbour Patrol Officer						
Harbour Patrol Officer						
Finance Manager						
	\$1,388,369.36	\$18,900.00	\$140,726.94	\$127,718.64	\$13,200.00	\$1,688,914.94

- redacted in accordance with section 23(1) FOI Law

Special Leave

The Port Director may from time to time grant special leave (not necessarily with pay) for an employee who is selected to represent the Cayman Islands as a member of a sporting team or a cultural body at a national level, upon presentation of a written request from the organisation.

On Mar 2, 2016, at 11:23 AM, Clement Reid <creid@caymanport.com> wrote:

Dear All:

I received a request on Monday from the Hon. McKeeva Bush, Opposition Leader, to have accommodate him on an official visit to Jamaica as driver from Tuesday to Saturday. I have given approval to the request and ask that time card be manually edited to reflect this and have sign the Leave Form on return. The time off will be treated as official travel and not recorded as vacation.

Rgds,

Last week I received another request from the Leader of the Opposition, the Hon. McKeeva Bush, to allow to have time off from work to assist him in an official capacity.

The time off from work for official business commenced on April 6th, 2016 and will run thru April 16th, 2016. When returns to work next week please have sign a leave form that reflects absence was for official government business. In the meantime please manually edit punches for the days away from PACI.

Rgds,

Clement Reid - Port Director

On Jun 16, 2016, at 3:34 PM, Clement Reid <creid@caymanport.com> wrote:

Hi

Please edit ADI and manually enter time for on the following days:

May 18-28, 2016

The Hon Opposition Leader requested services for official business during that period.

Rgds,

Clement Reid - Port Director

- redacted in accordance with section 23(1) FOI Law

From: Clement Reid

Sent: Monday, July 11, 2016 12:15 PM

To: [redacted] >

Cc:

Subject: [redacted]

Hi [redacted]

[redacted] has been assisting the Hon. McKeeva Bush with his travels off island between June 17th – July 5th, 2016, 15 working days.

Approval is granted for [redacted] to receive [redacted] salary for these days out of office when [redacted] was on official business.

Rgds,

Clement Reid - Port Director

[redacted] has been assisting the Hon. McKeeva Bush with his travels off island between August 17th – 30th, 2016.

Approval is granted for [redacted] to receive [redacted] salary for these days out of office when [redacted] was on official business.

Rgds,

Clement Reid - Port Director

From: [redacted]

Sent: Thursday, March 02, 2017 8:52 AM

To: [redacted]

Subject: [redacted]

Good morning [redacted]

I received a phone call yesterday afternoon from Mr. McKeeva Bush. He stated he is in need of [redacted] from today Thursday March 2nd until next Tuesday when they will be returning to the island. So [redacted] will be out from today and return next Wednesday to work. Clement knows about it.

Kind regards,

[redacted]
Manager, Human Resources
Port Authority of the Cayman Islands

[redacted]

[redacted] - redacted in accordance with section 23(1) FOI Law

Summary of Emails relating to the Ownership of the disputed wrecked Vessel

(these are grouped into 4 blocks based on the time sequence – all emails are available but are not attached here in the interests on conciseness)

Month & Year	Major Parties to Email	Main Points Raised
January 2016	<ul style="list-style-type: none"> • [REDACTED] – Customs • [REDACTED] Manager Cruise Operations Port Authority • [REDACTED] RCIPS 	<ul style="list-style-type: none"> • [REDACTED] – [REDACTED] delivered the boat to police officers • [REDACTED] noted – [REDACTED] delivered the boat to police officers
July 2016	<ul style="list-style-type: none"> • [REDACTED] – Father [REDACTED] of [REDACTED] • Clement Reid – PD • [REDACTED] – Manager of Cruise Port 	<p>Direct email to PD by one of the claimants that [REDACTED] delivered the boat and how [REDACTED] can show [REDACTED] interest to receive the boat</p> <p>PD reached out to [REDACTED] and other Port Officials for information on the boat</p> <p>[REDACTED] informed the PD that there were two competing interest for the boat</p>
November 2016	<ul style="list-style-type: none"> • [REDACTED] – Manager of Cruise Port • Clement Reid – PD 	<p>PD Instructed [REDACTED] to prepare a release letter to [REDACTED] based on support of an email from PC [REDACTED] and [REDACTED] who both indicated that [REDACTED] had delivered the boat to the police</p> <p>[REDACTED] indicated that there are dual claims to the vessel and he has instructed them that if they cannot resolve it, they will have to auction the vessel and pay each a salvage fee. He provided a supporting email from PC [REDACTED] who originally mentions the second claimant.</p>
March 2017	<ul style="list-style-type: none"> • Clement Reid – PD • [REDACTED] Manager of Cruise Port • [REDACTED] 	<p>[REDACTED] enquired of who released the boat over the weekend</p> <p>The PD notified that he released the boat on Friday March 17, 17 on the email from PC [REDACTED]</p>

Legal Authority: Sections 279 & 286 Merchant Shipping Law (2016) Revision

Part XII – Wreck & Salvage

279. (1) A person who finds or takes possession of any wreck in Cayman Islands waters or finds or takes possession of any wreck outside Cayman Islands waters and brings it within those waters shall-

(a) if he is the owner of it, give notice to the Receiver stating that he has found or taken possession of it and describing the marks by which it may be recognised; or (b) **if he is not the owner of it, give notice to the Receiver that he has found or taken possession of it and, as directed by the Receiver, either hold it to the Receiver's order or deliver it to the Receiver.**

286. (1) where, as respects any wreck found in the Islands or in Cayman

Islands waters and in the possession of the Receiver, no owner establishes a claim to it within one year after it came into the Receiver's possession, the wreck shall be dealt with as provided in subsections (2) to (6).

(2) If the wreck is claimed by a person who has delivered the statement required by section 285 and has proved to the **satisfaction of the** Receiver his entitlement to receive unclaimed wreck found at the place where the wreck was found, the wreck shall, on payment of all expenses, costs, fees and salvage due in respect of it, be delivered to that person.