

## MANAGEMENT OF THE BRAZILIAN OLYMPIC COMMITTEE MONITORING

### Main theme

The Brazilian Olympic Committee (BOC) is a nonprofit private civil association, which aims to organize and direct the participation of Brazil in the Olympic, Pan American, South American and other Games of the same nature. It is also its function to represent the Brazilian Olympic sport before the International Olympic Committee (IOC), maintain relations with national Olympic committees of other countries and with international sports federations and promote the Olympic movement in the country.

Revenues from COB, under the provisions of Law 10,264/2001 (Agnelo / Piva Law), are also comprised of federal resources from gross revenues, after deducting the prizes, of lotteries and federal lotteries, 1.7% of this amount. In this sense, it is necessary to monitor the management of such resources in order to ensure the regular use of the amounts received.

### Purpose of management monitoring

The management monitoring was aimed at analyzing the COB's management, considering the use of proceeds from the Law Agnelo / Piva passed by the Federal Savings Bank in the amount of R \$ 87,365,078.84, for the period of 08/01/2007 to 07/31/2008.

The main issues addressed in the study were:

- payments with funds from the Agnelo/Piva Law;
- salaries paid to COB officials;
- expenses in managing the entity;
- compliance with the provisions of Law 12,527 / 2011 (Access to Information Act); and
- distribution of resources from the Agnelo/Piva Law.

### Main findings TCU

The findings of the monitoring that are worth mentioning are:

- Payment with funds from the Agnelo/Piva Law, of expenses incompatible with the objectives defined in Law 9.615/ 98 and Decree 5.139/2004;
- High salaries paid to COB officials, through the public resources of the Piva Law;
- Overspending in managing the entity, especially with the rent of its headquarters;
- Need for attention, by the COB, to the provisions of Law 12.527/2011 (Access to Information Act).

### TCU Deliberations

The TCU determined that the COB, within 60 days, formalize, through internal regulations, the criteria for obtaining the amount foreseen for the budget of each of the confederations benefited from resource decentralizations of Law 9.615/1998, aiming at full compliance with the provisions of items I and II of art. 23 of Decree 7.984/2013. The COB should also provide, if it has not already done so, refund/restitution to the specific account for the movement of funds from Law 9.615/1998, of the amounts relating to expenditure identified in the Occurrence 3.1.5.5 of the Monitoring Management Audit Report 184174, prepared by the Regional Comptroller of the Union of the state of Rio de Janeiro, given its incompatibility with the objectives set out in Law 9.615/1998 and in the Decree 5,139/2004 then in force. If the COB does not, the provisions of art. 8, and §§ 2 and 3 of IN/TCU 48/2004 will be applied, towards the establishment of the competent Special Taking of Accounts and the possible application of fines to the managers. It was also decided that the COB, within one hundred and eighty days, perform a research in order to obtain parameters for the remuneration of its staff, which should take into account the parameters listed in Section 9.1.2.1 of the



Judgment 1402/2014-TCU-Plenary, and refer to the TCU proven information about the actions taken and the results achieved.

In addition, the TCU ordered the Brazilian Olympic Committee to, within 240 days, finalize the measures, already initiated, to be available on its website, of the information in the extranet TCU, considered relevant to society in general, including regarding wages of all employees paid through public funds provided by the Agnelo/Piva Law, in compliance with the principle of publicity and the provisions of Law 12.527/2011 and the IN/TCU 48/2004.

Also, the Ministry of Sport was ordered: to adopt measures so that next Performance Agreement to be formalized with the COB, or upon renewal of the current, includes a device that sets the remuneration limits to be applied by that entity, as well as the conditions of its application in order to ensure their suitability to the market value; and refer to the TCU, within fifteen (15) days, the studies that supported the establishment of, through the item I of art. 4 of Ordinance ME No. 1/2014, the limit of 30% of the total amount allocated under the LGSD, for expenses costing the Brazilian Olympic Committee, facing this finding, that the realization of these expenditures valued in 28.9% has proved high and disproportionate, both knowing that this normative, through item I of its art. 6, set at 20% the similar limit of affiliated and/or linked entities to the COB, as under the provisions of the final part of the heading and § 1 of Art. 9, as the § 3 of art. 56, all of Law 9.615/1998, to the effect that the resources in question should be, at least primarily, directed to finalizing activities.

Furthermore, the Brazilian Olympic Committee was recommended to take steps, together with government or private entities, in order to obtain, for the installation of its headquarters, a donation, loan or lease of property at more modest values, or renegotiate the value of the rental of the property currently occupied or even adopt other measures it deems appropriate and relevant in order to substantially reduce the volume of resources used from the Agnelo/Piva Law with this nature of expense, apart from informing about the listed improprieties in items 9.4.1, 9.4.2, 9.4.3 and 9.4.4 of the Judgment 1402/2014-TCU-Plenary.

Finally, it informed the Ministry of Sport about the aspect identified in the monitoring, that the percentage of funds received under the LGSD applied by the COB in administrative and maintenance expenses, equivalent to 52.9% of the values that it was due to them, 61.3% of everything that was transferred to the 28 confederations together, and 28.9% of the resources entrusted to it initially appears to be high, disproportionate and unreasonable, this lack knowingly faced by a significant portion Brazilian high-performance sports before the final part of the heading and of § 1 of Art. 9, as the § 3 of art. 56, all of Law 9.615/1998, to the effect that the resources in question should be, at least primarily, targeted at finalizing activities.

#### Expected benefits

It is expected that the result of the monitoring of management produce an increase in the expectation of control, as well as an effective benefit of R \$ 666,803.68, regarding the devolution of resources by the entity to Agnelo/Piva Law's account. At the same time, it is expected that the determinations and recommendations can increase efficiency in management of the Brazilian Olympic Committee.

#### Judgment

Judgment: 1402/2014 - Plenary

Session date: 05/28/2014

Rapporteur: Minister substitute Augusto Sherman Cavalcanti

TC 028273 / 2010-9

Technical Unit responsible: Secretary of External Control in Rio de Janeiro (Secex / RJ)

[www.tcu.gov.br](http://www.tcu.gov.br)

[www.facebook.com/tcuoficial](https://www.facebook.com/tcuoficial) [www.twitter.com/tcuoficial](https://www.twitter.com/tcuoficial) [www.youtube.com/tcuoficial](https://www.youtube.com/tcuoficial)