

MONITORING OF THE MANAGEMENT OF THE BRAZILIAN OLYMPIC COMMITTEE**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 along with 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.

Most of BOCs revenue is constituted by federal funds. Among other sources, pursuant to the Law 9.615 / 1998 (Pelé Law) and 10,264 / 2001 (Law Agnelo / Piva), 85% of 2% of total funds raised in lotteries, federal lotteries and similar whose realization is subject to federal approval, are passed on to the entity, after the premiums are deducted. In addition to this amount, annually, the total net income of one of the Federal Sports Lottery tests is destined to COB and additionally in the years of the Olympic Games and Pan American Games, the net income from a second test.

The Agnelo/Piva Law also establishes that the Brazilian Court of Audit should monitor the application of funds transferred to the BOC under that law, which is done through annual management accompaniments of such resources in order to ensure the regular use of the amounts received by the entity.

Goal of management monitoring

This work by the TCU was to evaluate the use of funds from the Agnelo/Piva Law, passed on to the BOC by Caixa Econômica Federal in the amount of R \$ 127,169,335.70, from 1/8/2009 to 31/7 / 2010. The transfer of these resources has a distinct system from the transfers via the Federal Budget, because the funds are transferred directly by Caixa to the committee's checking account.

The work covered the following points:

- Payment by BOC of sport confederations expenses;
- Amount of transfers by the BOC to the confederations;
- Revenue collection estimates;
- Selection process for hiring service providers and the provision of goods;
- Disclosure of fair bidding;
- Control of the transferrings to the confederations;
- Residence changes by the Confederations;
- Registration of movable assets acquired by the confederations; and
- Transparency of BOC's actions.

Main findings TCU

The following are the findings of monitoring that deserve further attention are:

- Direct payment by the BOC of the expenses of two sports confederations (Ice Sports and Sailing and Motor Sports), due to constriction by legal action in the checking accounts of these confederations;
- Considerably different revenue forecast from what was effectively collected, with repercussions in the distribution of resources to the confederations, since it was based on this estimate;
- Insufficient disclosure of contract bidding contest for food supply, with the estimated maximum value of R \$ 1.1 million, resulting in low competitiveness;



- Confederations office changes without proper reasons;
- Lack of an analysis of financial autonomy and viability of sports management entities, under Pelé Law ; and
- The need of a normative that governs the custody and responsibility of movable and immovable property acquired by the confederations with public funds from the Agnelo/Piva Law, should they be detached from the Brazilian Olympic Committee.

TCU Deliberations

TCU ordered the BOC to, within ninety days: (i) develop a normative on the proceeds from the Pelé Law, run directly by the committee and distributed to the sports federations, providing for the fiscal year, effectiveness, the terms, the elaboration and organization of the annual and multi-annual budgets, being able to treat specific issues such as minimum transfer values, addressing the remaining balances and direct bill payments; (ii) and develop a normative aimed at improving the terms of the signed agreements with the sports management entities, in order to make clear that the assets, permanent materials or equipment purchased, produced or built with funds from the Pele and Agnelo/Piva Laws belong to those entities, provided they remain affiliated or linked to the BOC and to use the assets to develop the program geared toward high performance Olympic sport.

Furthermore, the Court gave the BOC a period of sixty days to fully comply with the constant determination in Judgment 1248/2009-TCU-Plenary, which dealt with the inclusion of internal regulations with specific rules for bids aimed at using public funds from Law 9.615 / 1998.

In addition, the Ministry of Sports recommended to: (i) regulate the application of art. 18, item I of Law 9,615/1998, establishing objective criteria to analyze the feasibility and financial autonomy of the sports management entities linked and affiliated to the BOC; (ii) demand the confederations that wish to change their headquarters pass through a fundamental study in what becomes evident that the office transfer will not affect the viability and financial autonomy of the confederation.

Finally, the TCU recommended to the BOC that when conducting bidding for services related to events in other states, to publish it with the press from the place of the event, and as appropriate, hold a selection process for procurement of goods and services in order to print greater publicity of the acts of management of federal funds.

Expected benefits

It is expected that the outcome of the monitoring produces an increase in the expectation of control in the Brazilian Olympic Committee and specifically that the determinations and recommendations can increase efficiency in the management of public resources for the promotion of sports activities in the country.

Judgment

Case 566/2014-TCU-Plenary

Session date: 03/12/2014

Rapporteur: Minister substitute Marcos Costa Bemquerer

Procedure: TC 006 120 / 2012-1

Technical Unit Responsible: Secretary of External Control in Rio de Janeiro (RJ-Secex)

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