

SPORTS AND LEISURE

COMPLIANCE AUDIT OF APPLICATION OF LAW AGNELO/PIVA RESOURCES BY THE ENTITIES THAT MAKE UP THE NATIONAL SPORTS SYSTEM (SND)

Between 2014 and 2015, TCU carried out a Survey with the aim to understand how the National Sports System (SND) entities work, as well as its financial sources, how they use public resources received, their controls and results.

In that occasion we observed that performance sports in Brazil are funded, especially, by public federal resources that represented 94% of all the funding sources in the system from 2010 to 2014.

According to data informed by the Olympic entities that are part of SDN, considering amounts received projections of amount to be received in the years following the Survey, about 48% of the funding comes from Law Agnelo/Piva (Lei 9.615/98, changed by Law 10.264/01).

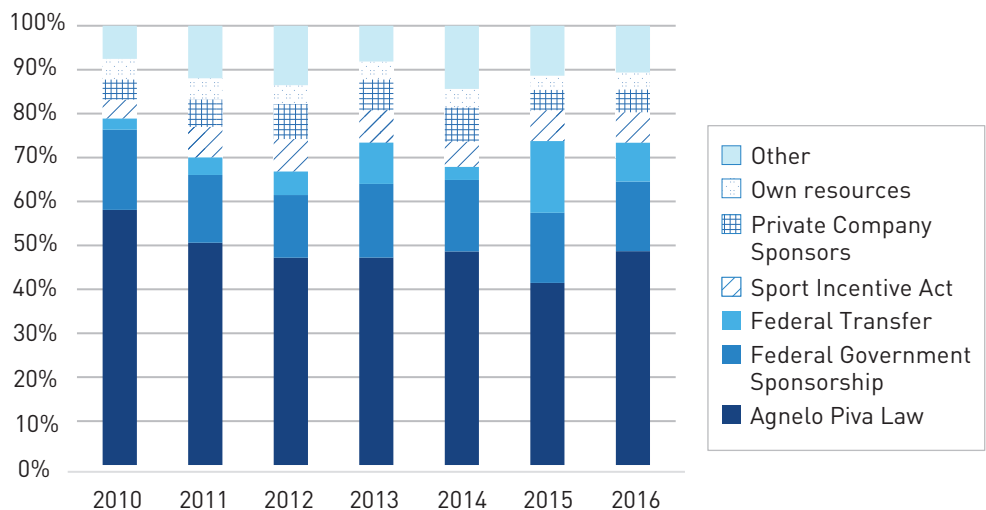
The Survey showed there are risks regarding the adequate application of public resources by the entities of SND, which is why this audit was performed.

Objective

The objective of the audit was to verify the regularity of the application of resources coming from the Law Agnelo/Piva by the SND entities.

The following entities were audited: Brazilian Paralympic Committee (CPB), Brazilian Olympic Committee (COB), Brazilian Recreation Centers Confederation (CBC), Brazilian Basketball Confederation, Brazilian Water Sports Confederation, Brazilian Cycling Confederation, Brazilian Judo Confederation, Brazilian Volleyball Confederation, Brazilian Gymnastics Confederation, Brazilian Athletics Confederation and Brazilian Rugby Confederation, Brazilian Equestrianism Confederation and Brazilian Sports for the Visually Impaired Confederation.

Figure 1:
Percentage participation of the main funding sources of the Brazilian Olympic sports



Source:
TC 021.654/2014-0
Elaboration: TCU/
SecexEducação

Main results

The main findings from the auditing were the following:

- Existence of requirements in electoral processes of some SND entities that hinder alternation in management positions;
- Maintenance of a single account to carry out transactions with funds from several projects, resulting in an obstacle to controlling the specific expenses of each action;
- Lack of market prices research in procurement processes;
- Failures in disclosure of public notice for procuring goods and services;
- Absence of three valid proposals in procurement processes and harm to competitiveness;
- Signs of directing contracting to specific companies, assembly of bids and irregular direct contracting;
- Deficiency in the characterization of contracted objects/services;
- Uneconomical acquisitions;
- Absence/deficiency in the presentation of documentation proving the expenses incurred;
- Lack of details of the work plans of agreements signed by COB;
- Payment of salaries to employees and managers in amounts up to 400% above the limit prescribed by the reference legislation; and
- Lack of entity transparency to COB and CPB in the concurrent request for resources for administrative expenses;

Main TCU Deliberations

TCU requested that the COB, CPB and CBC provide, within 120 days, a result of the general review process and show that its regulations regarding the use of Law Agnelo/Piva resources are in conformity with the set of rules applicable to the Union when forging partnerships with private non-profit entities. TCU also determined that adjustments be made in the systematic transfer/use of these resources by parties of the audited entities, in order to avoid and mitigate the failures found by TCU.

TCU also recommended to COB and CPB that they identify which affiliated entities receive public resources for the concurrent maintenance of the two committees. The Court recommended that they require that such entities inform COB and CPB of the existence of other sources of revenue to cover maintenance expenses, the expense items to be covered by the resources provided by each committee, as well as the respective total and unit values of the objects of expenditure when requesting resources.

In addition, TCU recommended to the Ministry of Sports and to the Committees, that they evaluate the establishment of rules and normative changes that provide exceptions for the remuneration limits. This should be done in those cases where, due to the peculiar nature of the service provision and the impacts on sports results, duly motivated and justified, it is necessary to adopt market prices as the ceiling of the remuneration of these professionals.

DELIBERATION DATA

Decision: 3162/2016–TCU–Court

Date of the Session: 12/7/2016

Rapporteur: Min. Vital do Rêgo

TC: 023.922/2015-0

Responsible Technical Unit: SecexEducação