

## **SUMMARY**

### **Summary of Report 15/2021, relating to the Public Administration School of Catalonia, year 2017**

*Barcelona, 15 September 2021*

The Public Audit Office for Catalonia has issued Report 15/2021, relating to the Public Administration School of Catalonia (EAPC), financial year 2017, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Ms Emma Balseiro, was approved by the Audit Office Board at its meeting on 27 July 2021.

The regularity audit included a review of the EAPC's annual accounts for year 2017, to check that they had been drawn up in accordance with the relevant financial reporting regulatory framework and, in particular, the accounting principles and criteria contained in that framework. It also included verifying that in the period covered by the audit the entity had carried out its activities in accordance with applicable legislation.

The EAPC is Catalonia's basic institution for training, recruitment and studies relating to public administration, as stated in Act 4/1987, of 24 March, which regulates the entity. It is an autonomous administrative agency of the Catalan Government (*Generalitat*). In the year covered by the audit, the EAPC reported to the Department for Governance, Public Administration and Housing, through the Secretariat for Government and the Civil Service.

The EAPC's starting budget for year 2017 was for €10.35m. During the year €1.29m in modifications to appropriations in the expenditure budget were approved.

The EAPC's budget outturn as at 31 December 2017 showed realised revenues of €10.18m and recognised expenditures of €9.75m.

The Audit Office's opinion, as stated in section 3.1 of the report, is that, except for the matters described in findings 11, 12 and 13, the annual accounts represent, in all significant aspects, a true and fair view of the EAPC's assets and financial position as at 31 December 2017, and also of its results and budget outturn corresponding to the financial year ending on that date.

Findings 11 and 13 describe the effects of failing to match revenues from enrolment fees to the correct accounting period, valued at €97,396, and failing to account for the loan of the use of the building where the EAPC has its headquarters, estimated at €568,885. Finding 12 refers to the fact that in year 2017 and previous years the EAPC had surpluses from grants for current expenditures, but did not register any liability item for them, as applicable regulations

required. Therefore, as at 31 December 2017, its results for the year and for previous years were overvalued, and current liabilities undervalued, by € 1,425,120.

Other significant findings arising from the audit carried out can be summarised as follows:

- The EAPC showed a surplus of €423,350 in its budget outturn, but did not report its adjusted budgetary result, in which deviations in expenditures involving earmarked funds would have given rise to a surplus of €613,937.
- In 2017 the average time taken by the EAPC to pay its invoices was forty-two days and it overran the payment times laid down in legislation.
- The EAPC did not have a complete inventory, including valuations, of its fixed assets.
- As regards its public sector procurement, there was no evidence that the tables governing the fees for lecturing activities had received the requisite clearance from the Directorate-General for Budgeting and the Directorate-General for the Civil Service as laid down in regulations.
- In some of the contracts reviewed, certain anomalies were detected relating to the contracts' object or purpose, amounts, dates or contract types, which constituted an infringement of the stipulations of article 86, subsection 2, of Spain's Consolidated Public Sector Contracts Act. The audit therefore considered that an improper splitting-up of contracts had occurred.
- In the audit of the sample of training activities that had been contracted out the review detected various administrative issues which are detailed in section 2.8.2 of the report.
- Regarding the lecturers hired by the EAPC, in the case of public sector employees not working for the Catalan Government the audit found a lack of effective compatibility controls relating to the upper limits for their number of teaching hours and pay.
- In relation to grants, the Audit Office found various formalities which had not been adhered to in the procedures for processing, assigning and paying the grants awarded by the EAPC in year 2017 to fund job training programmes for public sector employees in local authorities.
- As regards the qualitative criteria laid down in the rules governing particular grants, some were complicated to assess and handle objectively and, in most cases, no record was kept of the arguments or specific aspects that were considered when allocating scores for the established criteria.
- Regarding the eight cooperation agreements signed by the EAPC with a series of Catalan Government organisations and public universities, to commission them with running activities financed by the Funds for Ongoing Training that they were beneficiaries of, the Audit

Office considered that an in-house service commission was not the appropriate legal instrument for distributing these funds.

Lastly, the report includes a series of recommendations which, in the Audit Office's opinion, would help to improve some of the issues mentioned in the Findings section.

This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at [www.sindicatura.cat](http://www.sindicatura.cat).