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## SUMMARY

### **Summary of report 3/2015, relating to the Industrial School of Barcelona Consortium, year 2013**

*Barcelona, 15 May 2015*

The Public Audit Office for Catalonia has issued audit report 3/2015 on the CEIB, the Industrial School of Barcelona Consortium (*Consorci Escola Industrial de Barcelona*), for the financial year 2013, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Mr Jordi Pons i Novell, was approved by the Audit Office Board when it met on 26 March 2015.

The work carried out includes the audit of the budget outturn for the financial year 2013 and a review of compliance with relevant legislation in the areas of accounting, budgeting, procurement and staff pay-roll.

The CEIB is responsible for the University School of Technical and Industrial Engineering of Barcelona (EUETIB) and is jointly owned by the Government of Catalonia (*Generalitat*), Barcelona Provincial Council (*Diputació*) and the Polytechnic University of Catalonia (UPC).

The buildings and facilities used by the EUETIB, within the premises of the Industrial School of Barcelona, are owned by the Provincial Council and loaned to the CEIB. There are plans for the Consortium to move to the Diagonal-Besòs Campus in 2015.

The budget outturn for the year 2013 shows received income of € 17.07m and recognised expenditure of € 13.07m. The main sources of income are the contribution from the Catalan Government, the student enrolment fees and the contribution from Barcelona Provincial Council. The main expenditure items are related to personnel, to the capital expenditure contribution for the Diagonal-Besòs Campus and to current expenses for goods and services.

In the Conclusions section of the report there is a summary of the main findings from the work carried out, of which the following can be highlighted:

- The CEIB was set up with the ultimate aim of integrating the EUETIB within the UPC, but as at 31 December 2014 this had still not taken place. The EUETIB continues to be a school affiliated to the UPC, even though, in actual fact, it operates as one of the UPC's own university schools.
- The CEIB is considered to be an entity with a non-majority holding by the Catalan Government. As such, certain measures laid down by the Catalan Government, particularly relating to public sector employment, applicable both to the Government itself and

to public universities, have not been applied. Since staff working at the CEIB include civil servants from the UPC, civil servants from Barcelona Provincial Council and staff hired directly by the CEIB, the situation arises that in the same organisation there are personnel doing equivalent jobs but with different conditions of employment; this can complicate personnel management. In the Audit Office's opinion, a range of factors converge which together mean that the CEIB could be considered a consortium within the Catalan Government's public sector.

- In addition, as at 31 December 2014 the CEIB had not adapted its Statutes as required by transitional provision six of the LRSAL, the Local Government Rationalisation and Sustainability Act (Act 27/2013 of 27 December), and as from 1 January 2015 it will, in principle, become attached to the Catalan Government.
- According to the CEIB's Statutes, the UPC teaching staff who give lectures at the EUETIB should be on the official staff register of the CEIB and, therefore, their wages should be paid to them directly by the CEIB itself. Also according to the CEIB's Statutes, UPC administrative and service personnel (PAS) attached to the CEIB are understood to be on the official staff register and, therefore, the CEIB should be paying them their wages directly.
- The CEIB has registered a contribution to the b\_TEC Foundation to help finance the building work at the Diagonal-Besòs Campus as a current expenditure transfer in chapter 4 of the 2013 budget. The audit carried out has shown that this transfer of money is a capital expenditure item which should have been registered in chapter 7 of the 2014 budget, since this expenditure was not actually approved until that year. As a consequence, the recognised liabilities in the expenditure budget for 2013 are overstated, and the year-end net working capital (*Romanent de tresoreria*) understated, by € 1.49 m.

In the Conclusions section of the report various recommendations are made which, in the view of the Audit Office, would help to improve the CEIB's management and correct some of the issues mentioned in the Findings section. Of these, the most prominent is the following:

- The final integration of the EUETIB within the UPC should be expedited, in order to fulfil the purpose which led to the creation of the CEIB. Until this integration takes place, the CEIB needs to adapt its Statutes and undertake the measures needed to comply with the provisions of the LRSAL.

<p>This summary is purely for information purposes. The audit report (in Catalan and Spanish) can be consulted at <a href="http://www.sindicatura.cat">www.sindicatura.cat</a>.</p>
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