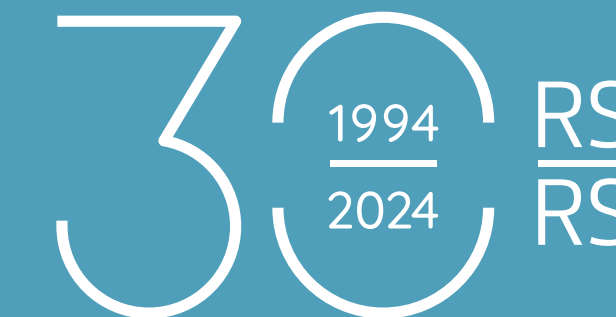




REPUBLIC OF SLOVENIA  
**COURT OF AUDIT**



## AUDIT REPORT

# **Regularity of a part of operations of the Municipality of Vranksko**

**Regularity audit**

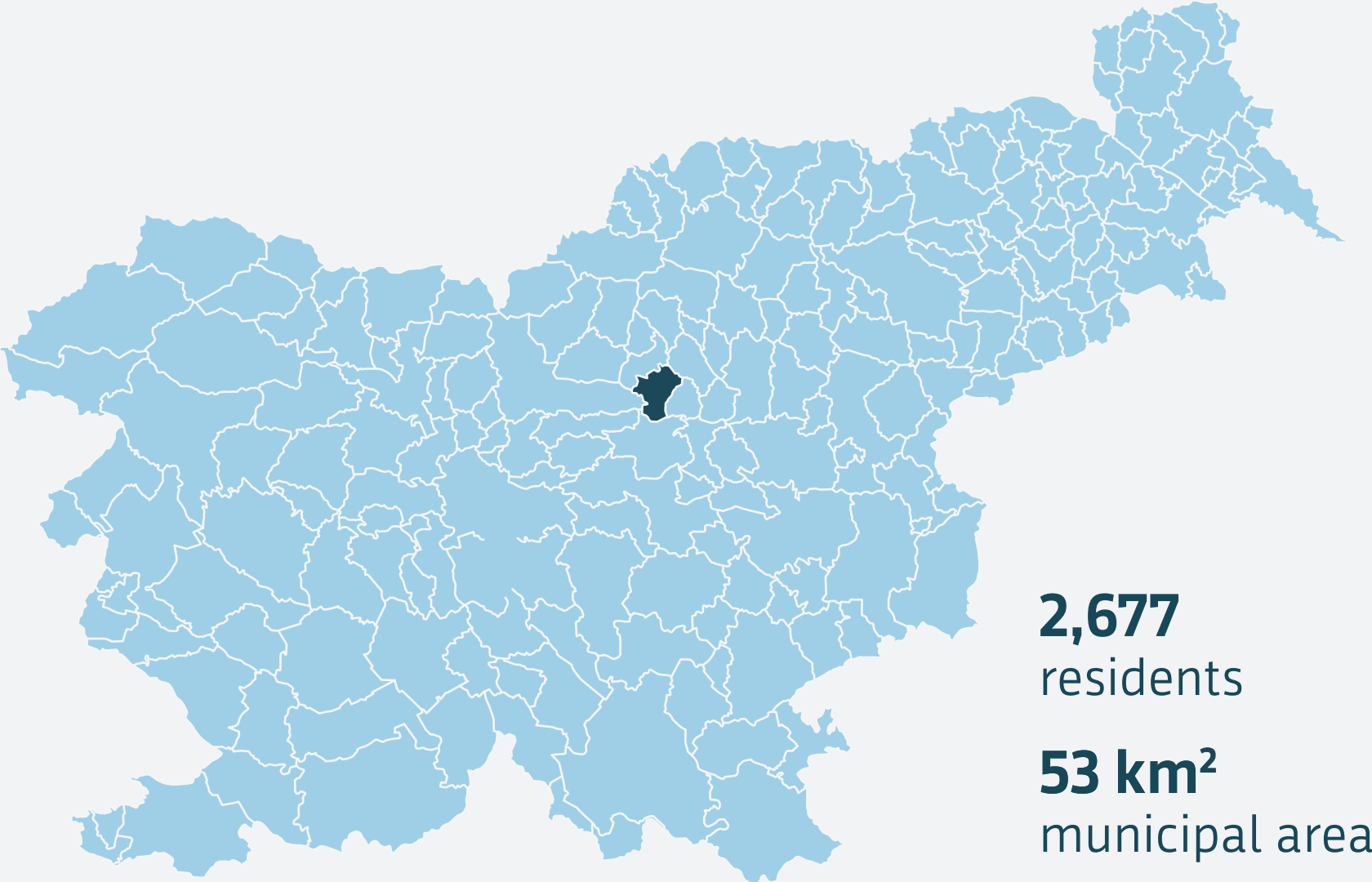
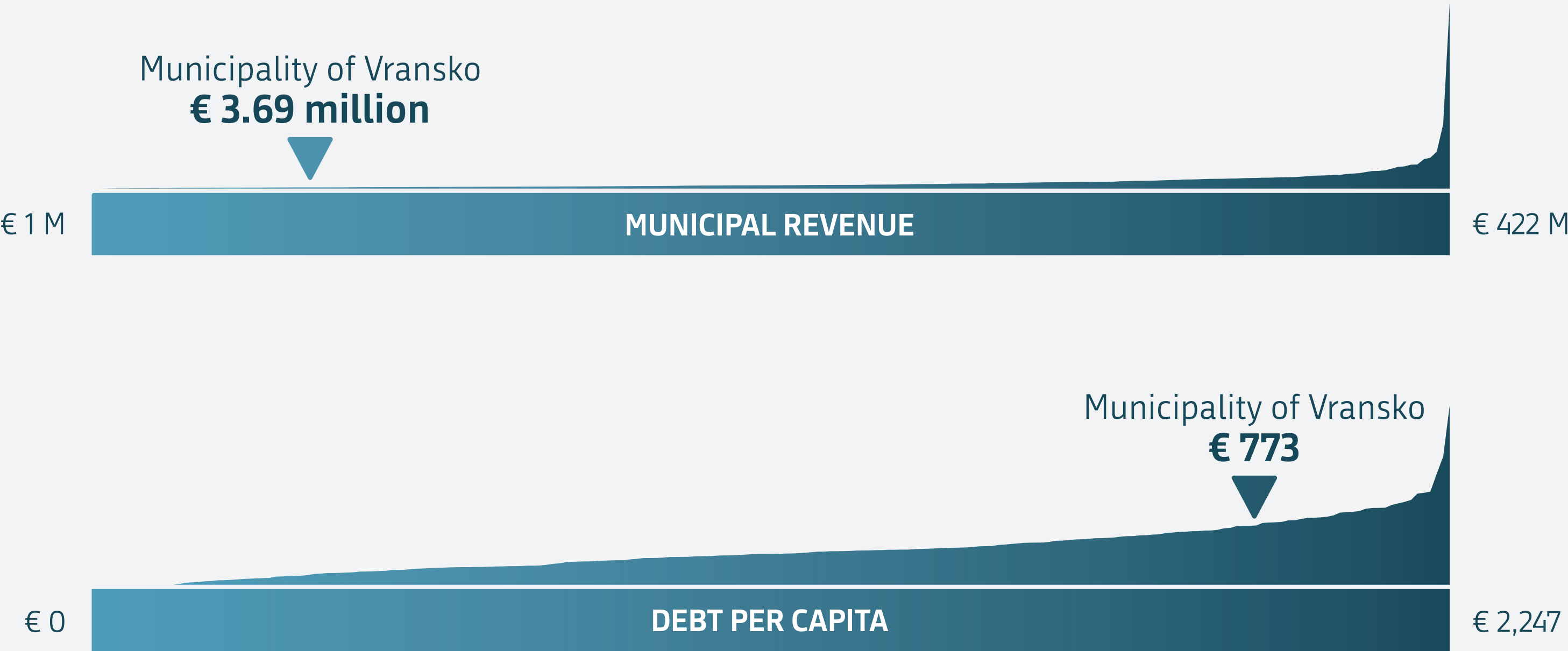
Audit period: 1 January to 31 December 2023

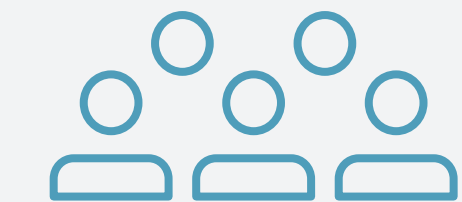
# Municipality of Vransko

## BASIC DATA

REVENUE	€ 3,691,317	EXPENDITURE	€ 3,785,720	DEBT	€ 2,069,332
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## COMPARISON WITH OTHER MUNICIPALITIES



 **Municipal bodies**

- mayor • municipal council 11 members
- supervisory committee 3 members

## OPINION OF THE COURT OF AUDIT

-  **Adverse opinion**
-  Appropriate measures implemented already during the audit
-  Proposed were 4 recommendations

# Municipality of Vranksko: identified material irregularities

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## Salaries and other payments to staff



- 2 public servants entered into employment contract for an indefinite period **without open competition**
- operational performance bonus was **not defined on the basis of appropriate criteria**
- **severance bonus** to 1 public servant and to 1 holder of public office **was incorrectly accounted and irregularly paid**

## Maintenance of municipal roads



- provision of **winter maintenance service not ensured** through the award of concession
- irregularities related to **public procurement procedure** (calculation manner of the estimated value not clear, efficient competition not provided for, circumstances for local discrimination of tenderers were created, conditions for participation in tender procedure were not clearly, precisely and unambiguously defined)
- irregularities in the **coordination of prices**
- **cost-effectiveness of amendments** to concession contract **not examined and justified**
- assuming and paying liabilities for work **not commissioned by an order form**
- long-term or annual and monthly **planning of road maintenance not based on prescribed or agreed acts**

# Municipality of Vransko: identified material irregularities

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## Public procurement spending – investment expenditure



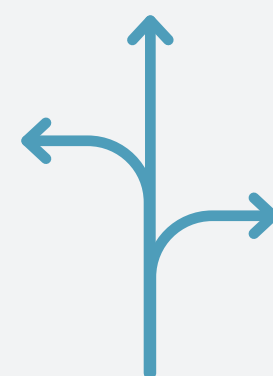
- financial collateral **not obtained**
- when assuming and paying liabilities, **not enough funds** in the municipal budget
- assuming and paying liabilities for work **not agreed in a contract** or in an order form
- in 2 cases tenders received were **not excluded as inadmissible**
- when paying budgetary commitments legally set payment **deadlines were not respected**
- in 2 cases **investment documentation was not prepared**

## Current transfers to non-profit bodies and organisations



- irregularities **in the funds allocation procedure**  
(criterion was not appropriate, president and members of the commission failed to sign a conflict of interest declaration, public calls or tender documentation did not include all necessary elements or the manner of application of criteria was not defined)
- allocating and paying funds **without a public call** or **a contract**
- **failed to adopt** a 4-year local **programme for culture**

## Other fields



- allocating and paying funds **without concluding a contract**
- when paying liabilities, **not enough funds were provided** in the municipal budget