

Summary of the audit report *Education of Controllers of the Structural Funds*

Assessing the eligibility of expenditure is a mandatory and very important step in utilisation of European Structural Funds. Prompt and quality implementation of controls enables smooth utilisation of the Structural Funds and decreases the risk of financial corrections and permanent loss of part of the appropriations. In the current programming period that is between 2007 and 2013, the function of controls relating to the 2004-2006 programming period shall have to strengthen, because the Republic of Slovenia has ten times more Structural Funds available, which shall all be subject to controls.

Professional qualification of controllers is one of the basic conditions for quality implemented controls, which is why the Court of Audit wanted to assess how efficient was the education of controllers with regard to the training and further training in the Republic of Slovenia in the period between 1 January 2004 and 31 June 2007. The auditee was the Government Office for Local Self-Government and Regional Policy (hereinafter, the Government Office), which the Government of the Republic of Slovenia appointed in October 2004 to direct and manage training of public servants, who participate in the utilisation process of EU funds.

To assess the efficiency of controller's education the auditors examined how the responsibilities of state administration authorities were defined in the field of education. They assessed whether there are processes, which ensure that the education is of good quality, and determined whether the acquired knowledge was being maintained in the control units. They determined that the education system was not efficient enough, because in the period between 2004 and 30 June 2007 certain deficiencies occurred, presented in continuation.

For education of an individual controller several state administration authorities are responsible and their tasks intertwine, which is why it is not unequivocally clear which tasks should the Government Office perform as the coordinator of education. The Government Office accepted the tasks to direct and manage education and also included it in its internal acts, and it implements it by organising education. The manner of education, which was performed by the Government Office when it assumed the task to perform the education itself, is reasonable because more participants were trained with relatively less costs.

Enough assets were available to realise the required education, mostly in the frame of technical assistance of the 2004-2006 Single Programming Document of the Republic of Slovenia. The controllers also had the opportunity to participate in education by different education providers in Slovenia as well as abroad, which the Court of Audit assessed as good.

During the planning of the content of education, the Government Office prepared an integrated gathering and analysis of requirements of education users in 2004, and in the next years it gathered the requirements promptly. This enabled it a quick response in implementation of required education. During the planning of education, it did not systematically consider the determined irregularities, under-performances and other difficulties, determined by the paying authority and the supervisory authority and which originate from insufficiently qualified controllers.

The Government Office did not have an overview over which contents the controllers were educated most often and if this education reflected the contents, at which most problems were detected in utilisation due to inappropriate qualification. The Government Office also did not determine how the education contributed to everyday quality performance of working tasks. Because of lack of knowledge

and experience in the previous programming period, almost all education contents in the field of Structural Funds implementation for the controllers were appropriate. In the beginning of the 2007-2013 programming period the control units are much more qualified to implement the controls, therefore a more directed selection of education will be required from now on, which will contribute to a more efficient controller's work.

In 2004 and 2005 many personnel changes occurred in control units. After this period the changes somewhat calmed down, however in the last period many new additional employments occurred. Changes of controllers and additional employments represented also the fluctuation of qualification of the control units. The Government Office did not observe this fluctuation during education planning.

To eliminate the determined under-performances the Government Office has to submit a response report to the Court of Audit within 90 days after the receipt of the report, in which it has to show that it analysed conclusions, errors, irregularities and under-performances, determined by various supervisory authorities. It also has to present the most important reasons, because of which the paying authority rejects the refund claims, and prepare an action plan for the conclusions of both analyses to be appropriately observed during preparation of the programme of education. The Court of Audit gave the Government Office also a few recommendations on how to improve the efficiency of controllers' education, among other things, that it should establish an overview of attendance at education, organise education in as practical manner as possible, to determine the suitability of education at the approval thereof with regard to the determined need for a more efficient utilisation, and together with the Ministry of Public Administration find appropriate solutions that would contribute to a long-term personnel stability of the Cohesion policy implementation system.

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