



ÁLLAMI
SZÁMVEVŐSZÉK

AUDIT OF THE USE OF FUNDS SPENT ON BY-ELECTIONS

Summary for the Press

on the audit of the use of funds spent on by-elections (16031)

In compliance with its statutory obligation, the State Audit Office of Hungary audited the use of funds for the preparation and conduct of the 2014 parliamentary by-elections and repeated municipal voting scheduled after the 2014 general elections. The audit found that, on the basis of the cumulative accounts of the Nemzeti Választási Iroda (National Electoral Office) (NVI), the use of public funds in the amount of HUF 90.4 million spent on the parliamentary by-elections and in the amount of HUF 12 million spent on repeated municipal voting was assigned to a particular purpose and regular. The auditors discovered deficiencies mainly in the performance of payments.

The audited period lasted from the setting of the by-elections to the end of the post-election accounting period. In the audit, the NVI, the Közigazgatási és Elektronikus Közszolgáltatások Központi Hivatala (Central Office of Public Administration and Electronic Public Services) (KEKKH), the Külgazdasági és Külügyminisztérium (Ministry of Foreign Affairs and Trade) (KKM) and 12 regional and local election offices selected by sampling were examined.

According to the SAO's audit, the financial planning of the elections, the distribution of the central budget resources allocated to the elections and the management of the appropriations were performed in accordance with the regulations. The NVI implemented the modifications of justified, chapter-managed appropriations and institutional appropriations. With the exception of the KEKKH and the KKM, the organisations participating in the parliamentary by-elections were provided with the necessary funds required for the performance of their duties, and the disbursement of the advances due to the regional and local electoral offices was also carried out in accordance with the regulations. The support related to the expenditures of the repeated municipal voting was paid to the regional and local electoral offices in accordance with the statutory requirements, after the acceptance of the accounts, subsequently. Modifications of appropriations justified on the basis of budget support for the elections were duly performed by the audited entities. In the case of procurements reaching public procurement thresholds, the NVI, as the only affected entity, complied with the legal requirements.

The audited entities had regulations in place regulating the exercise of financial management and control powers, deficiencies were found at one regional and three local electoral offices. In the case of controlled expenditures related to the by-elections, the exercise of financial management powers at the NVI and the KEKKH was in compliance with the requirements, at the KKM it was partially in line with the regulations, and of the regional and local electoral offices, five were in compliance with the requirements, three complied in part, and four did not meet the requirements.

The funds were used in a targeted manner despite the deficiencies of several electoral bodies concerning the exercise of financial management and control powers. The audited entities prepared the accounts with content that complies with the regulations; however, the KEKKH and the KKM and one local electoral office fulfilled their obligations beyond the deadline. The leaders of the regional electoral offices have duly reviewed the accounts of the local electoral offices, and the president of the NVI decided on the acceptance the accounts of the electoral offices and the additional costs requirements. The payment of personal allowances for the leaders and members of the regional electoral offices, and the transfer of additional subsidies, were made within the deadline, following acceptance of the accounts. In the course of the repeated municipal voting, the payment of the allowance of the head of a local electoral office and the payment of the members' allowances at three local electoral offices took place before the acceptance of the accounts and prior to the decision of the president of the NVI, despite those contained in the statutory provisions. The majority of the electoral bodies arranged for the follow-up audit of the use and settlement of funds.

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