



STATE AUDIT
OFFICE OF HUNGARY

The Audit Plan of the State Audit Office of Hungary
for the Second Half of 2012

A-032-005/2012

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Approved by

László Domokos
President

INTRODUCTION

The State Audit Office of Hungary (SAO) carries out its audit activities on the basis of its audit plan approved by its President.

The audit plan of SAO for the second half of 2012 is based on the audit plan for the first half of 2012, issued in December 2011. Specific elements of the plan were modified or completed depending on and as a result of the audit planning processes.

The reorganisation of the audit planning system of SAO is still in progress, in harmony with the strategic objectives of the institution. In the introduction part of the audit plan of the first half of 2012, the changing nature of the planning process was already indicated. In the audit plan for the first half of the year, audit tasks were also included which were part of a further preparation and approval process, the titles thereof were only working titles, their final title and the respective audit objectives were established only upon the approval of the audit plan. Accordingly, in the audit plan for the second half of the year, these data were updated as below.

As indicated in the audit plan for the first half of 2012, it was necessary to redraft some tasks (those of serial numbers 11-15) due to the change in the legislation.

The audit tasks included in chapters II and III of the audit plan for the second half of the year have already got through the approval process of the audit plan, therefore the titles thereof changed since the publication of the audit plan for the first half of the year, according to the audit programmes approved in the meantime.

Chapter IV contains the audit tasks which have to be carried out annually or biannually, and tasks are implemented basically under the same title and according to a standard audit programme. The implementation thereof will begin in the second half of 2012.

Owing to the nature of and the time required for the changing process of audit planning, there are still tasks which are included in the audit plan without having approved audit programmes. Accordingly, among the tasks presented in Chapter V of the audit plan for the second half of the year there are some, in case of which the elaboration of the audit programme and the approval process is already in an advanced stage.

Furthermore, in case of some of the tasks included in Chapter V, the elaboration of the audit programme has not begun yet. Preliminary studies indicate already the justification and direction of the respective audit task, as well as the substantiation of the topic suggested. However, only upon the conclusion of the approval and assessment process, as well as the elaboration of the audit programme can these tasks become substantiated audit tasks in terms of their title and content.

LIST OF AUDIT SUBJECTS

(table of contents, based on the serial number of the audit subjects)

I. AUDITS STARTED IN 2011 AND CARRIED OVER TO 2012

- 01 Performance (systems) audit on the effectiveness of the measures aimed at the repair and maintenance of state-owned public roads and on the effect of these measures on the condition of state-owned public roads
- 02 Other regularity audit on the enforcement of EU regulations on waste shipment
- 03 Performance (systems) audit on the operation of the record systems applied in the eligibility scheme of benefits and services provided from the Social Security Funds
- 04 Performance audit on the financial management system of local governments in 2011
- 05 Performance audit on the implementation and social utilisation of the contracts of cultural and higher education priority projects implemented in PPP schemes
- 06 Performance audit on the reorganisation of psychiatric health care
- 07 Performance audit on the effectiveness and efficiency of the utilisation of funds used for the implementation of rural development objectives and the strengthening of the role of local communities and its role in the improvement of the quality of life in rural areas
- 08 Performance audit on the debt of the central subsystem of public finances and its commitments for periods exceeding one year
- 09 Performance (systems) audit on the state subsidy system of rail transport
- 10 Performance audit on investment-related tax allowances and subsidies

Revised audits

- 11 Regularity audit on the utilisation of budget subsidies provided for the performance of public tasks of economic chambers, as well as on the costs accountable in the course of the utilisation of vocational training contributions, arising at economic entities organising vocational training in 2009-2011
- 12 Performance (systems) audit on the activities related to the exercise of proprietary rights over state property in 2011
- 13 Performance audit on the efficiency and effectiveness of the subsidy scheme of public employment and the related training programmes
- 14 Regularity audit on local government associations and the task performance thereof
- 15 Performance audit on the utilisation of the funds provided for the operation of hospital care

II.

AUDITS PLANNED TO BE LAUNCHED IN THE FIRST HALF OF 2012, AND TO BE CARRIED OUT ANNUALLY (BIANNUALLY) BY LAW
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- 16 Financial regularity audit on the execution of the 2011 budget of the Republic of Hungary
- 17 Opinion on the 2013 budget bill of Hungary
- 18 Financial regularity audit on the legality of the financial management of the Democratic Community of Welfare and Freedom in 2010-2011
- 19 Financial regularity audit on the legality of the financial management of the Antall József Foundation in 2010-2011
- 20 Financial regularity audit on the legality of the financial management of the MIÉP-Jobbik Third Way Party in 2008-2010
- 21 Financial regularity audit on the legality of the financial management of the Foundation for Hungarian Justice and a Better Hungary in 2009-2010
- 22 Financial regularity audit on the legality of the financial management of the Alliance of Free Democrats Party – the Hungarian Liberal Party in 2009-2010
- 23 Financial regularity audit on the legality of the financial management of the Szabó Miklós Liberal Foundation of Science, Education and Research in 2009-2010
- 24 Financial regularity audit on the accounting for the financial resources allotted to the campaigns of mid-term parliamentary elections in 2011 performed at the nominating organisations that obtained representation

III.

FURTHER AUDITS PLANNED TO BE LAUNCHED IN THE FIRST HALF OF 2012
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- 25 Other regularity audit on the regularity of internal control and internal audit at central budgetary institutions involved in the audit on the final accounts
- 26 Other regularity audit on the planning and the interim modifications of the chapter-managed appropriations of the 2011 budget in terms of financial and professional substantiation
- 27 Financial regularity and performance audit on Regional Training Centres (Türr István Training and Research Institute)
- 28 Financial regularity and performance audit on the institutions of agricultural secondary vocational training and consultancy
- 29 Financial regularity and performance audit on the task performance and property management of National Park Directorates
- 30 Financial regularity and performance audit on Zrínyi Miklós National Defense University
- 31 Financial and other regularity audit on the Hungarian Authority for Consumer Protection
- 32 Financial and other regularity audit on the Geological Institute of Hungary and the Eötvös Loránd Geophysical Institute

- 33 Performance audit on the state subsidy system of the employment of disabled persons and the utilisation of the subsidies allocated for this purpose
- 34 Other regularity audit on the set-up of the internal control system of local governments and the operation of specific control activities and internal audit
- 35 Other regularity audit on the situation and regularity of the financial management of local governments
- 36 Other regularity audit on the property management of local governments
- 37 Performance audit on the utilisation of funds allocated for the development of the cycle path network (parallel audit with the SAI of Slovakia)
- 38 Follow-up audits
- 39 Other regularity audit on the performance of public tasks of business associations in a majority ownership of local governments

IV.

<p>AUDITS PLANNED TO BE LAUNCHED IN THE SECOND HALF OF 2012 AND TO BE CARRIED OUT ANNUALLY (BIANNUALLY) BY LAW</p>

- 40 Financial regularity audit on the legality of the financial management of FIDESZ – Hungarian Civic Union in 2010-2011
- 41 Financial regularity audit on the legality of the financial management of the Foundation for a Civic Hungary in 2010-2011
- 42 Financial regularity audit on the legality of the financial management of the Christian Democratic People’s Party in 2010-2011
- 43 Financial regularity audit on the legality of the financial management of the István Barankovics Foundation in 2010-2011
- 44 Review of the local government decree on revenues due to and shared by the Budapest Municipality and the Budapest district local governments in 2012

V.

<p>FURTHER AUDITS PLANNED TO BE LAUNCHED IN THE SECOND HALF OF 2012</p>
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AUDITS IN THE PREPARATORY PHASE (WITHOUT AN APPROVED PROGRAMME YET)

- 45 Other regularity audit on the regularity of the operation of the National Bank of Hungary and the accounts made in relation to the central budget
- 46 Other regularity audit on the activities of regional and micro-regional development councils related to the allocation of resources
- 47 Other regularity and performance audit on the simplification of the regulations in Structural Funds (cooperative audit coordinated by the EU Working Group on Structural Funds)

- 48 Other regularity audit on the financial management of local and minority local governments
- 49 Other regularity audit on the activities of economic organisations to maintain and increase property value at specific selected public service companies or other groups of companies performing similar activities
- 50 Other regularity audit on the specific institutions of the central subsystem in terms of financial management situation and property management thereof