

2011 discharge: European Foundation for the Improvement of Living and Working Conditions (EUROFOUND)

2012/2184(DEC) - 05/09/2012 - Court of Auditors: opinion, report

PURPOSE: presentation of the EU Court of Auditors' report on the annual accounts of the European Foundation for the Improvement of Living and Working Conditions (EUROFOUND) for the financial year 2011, together with the Foundation's reply.

CONTENT: in accordance with the tasks conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, the Court presents to the European Parliament and to the Council, in the context of the discharge procedure, a Statement of Assurance as to the reliability of the annual accounts of each institution, body or agency of the EU, and the legality and regularity of the transactions underlying them, on the basis of an independent external audit.

This audit concerned, amongst others, the annual accounts of the European Foundation for the Improvement of Living and Working Conditions (EUROFOUND).

In the Court's opinion, the **Foundation's Annual Accounts fairly present, in all material respects, its financial position as of 31 December 2011** and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation.

The Court also considers that the **transactions underlying the annual accounts** of the Foundation for the financial year ended 31 December 2011 are, in all material respects, **legal and regular**.

The report confirms that the Foundation's 2011 budget amounted to EUR 20.6 million, and that the number of staff employed by the Foundation at the end of the year was 106.

The report also makes a series of observations on the budgetary and financial management of the Foundation, accompanied by the latter's response. The main observations may be summarised as follows:

Court's observations:

carry-overs: the Court notes that the Foundation carried over 47% of appropriations (operational expenditure) which is at odds with the budgetary principle of annuality;

recruitment: the Court identified a need to improve the transparency of recruitment procedures: selection board meetings were not always sufficiently documented and there is no evidence that questions for interviews or written tests were set before the examinations.

Foundation's replies:

Eurofound is highly committed to continue and even increase efforts to reduce the amount of unplanned carry-forward through closer budget monitoring;

the Foundation noted that the audited procedures took place before the improvements initiated following previous audits became fully evident. The shortlisting and interview criteria are exactly as used in the vacancy notice. The questions are linked directly to these criteria. Therefore, the areas of questioning, and

by extension the questions, are set from the moment that the vacancy notice is agreed and published. The written tests are always set before the shortlisting of candidates.

Lastly, the Court of Auditors' report contains a summary of the **Foundation's activities in 2011**. This is focused on the following:

- networking of European observatories such as European Industrial Relations Observatory (EIRO), European working conditions (EWCO), European Restructuring Monitor (ERM);
- monitoring and investigating working conditions;
- reporting on employment and competitiveness in Europe as well as industrial relations, workplace development and social cohesion;
- communication and sharing ideas and experiences: dissemination of 73 952 printed publications, four e-alerts totalling of 18 440, 895 new web and print publications; 873 contacts and briefings with policy makers at European level; over 2 million user sessions, 20 media activities resulted in reaching 178 million Europeans in the work of the Foundation; 228 enquiries from journalists more 3 300 quotations in European media, more than 450 quotations of The Foundation research in scientific journals in Europe;
- cooperation with other EU agencies in a joint European Parliament seminar/EU agencies on youth and employment.