

2009 discharge: European Foundation for the Improvement of Living and Working Conditions

EUROFOUND

2010/2167(DEC) - 21/03/2011

The Committee on Budgetary Control adopted the report by Georgios STAVRAKAKIS (S&D, EL) on discharge to be granted to the Director of the European Foundation for Living and Working Conditions (Eurofound) for implementation of the Foundation's budget for the financial year 2009.

Noting that the Foundation's annual accounts for the financial year 2009 are reliable, and the underlying transactions are legal and regular, MEPs approve the closure of the Foundation's accounts. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on financial management and control of EU agencies (see [DEC/2010/2271](#)):

- **performance:** Members note that the Foundation carried out another ex-post assessment exercise of its 2005-2008 work programme which showed that it had deployed its financial resources efficiently and achieved the objectives of its work programme. They encourage it to further develop its performance monitoring system and to ensure that the results are fed back into management decision-making and planning. They support the external evaluator's recommendation to better define the Foundation's target audiences at a national level and try and reach employer and employee bodies and set up a network of focal points;
- **governing board:** Members note that the same evaluation reported that Eurofound's governing Board was not an effective decision-making body. They call on the Foundation to take steps to strengthen the Governing Board's role in providing overall direction to Eurofound;
- **procurement procedures:** Members note the presence of errors and anomalies in the evaluation of one open procurement procedure which affected its quality. Steps need to be taken to improve its evaluation and review procedure to avoid repetition of such errors in the future;
- **budgetary management:** Members call on the Foundation to make sure that appropriations are made available only when the corresponding assigned revenue has been received. They regret that the Court of Auditors was compelled to comment on the budgetary and financial statement of the Foundation, especially to the effect that the initial provisional accounts presented by the Foundation contained serious shortcomings;
- **human resources:** Members call on the Foundation to provide evidence of its staff selection decisions in order to guarantee the transparency of the recruitment procedures. They note that the Court of Auditors reported irregularities in this respect for seven audited staff selection procedures. They call for the rectification of all the shortcomings identified by the Court since 2006 in respect of Eurofound's recruitment procedures;
- **internal audit:** lastly, Members call on Eurofound to rapidly implement the recommendations of the Internal Audit Service (IAS) and, in particular, those considered to be "very important" which, in particular, relate to the internal control systems and procedures for communication improprieties.