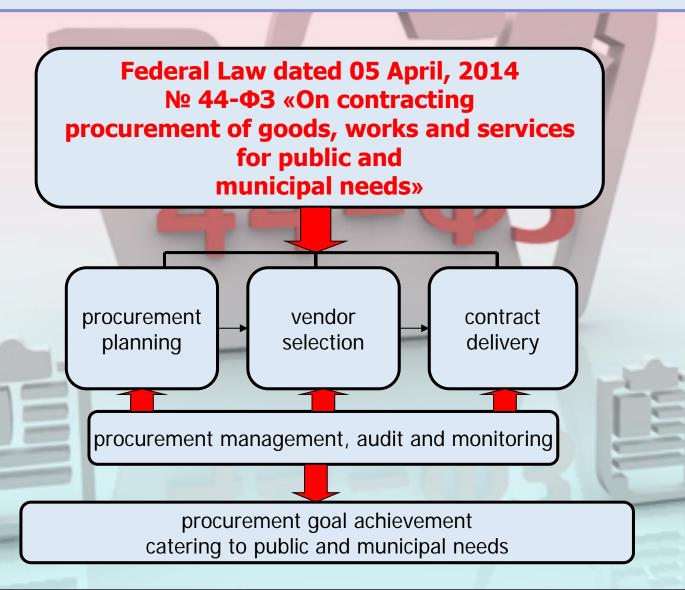


Leningrad Region Audit Chamber

Current problems of audit of public contracts in Leningrad Region

Slide 1. Public and municipal procurement system in the Russian Federation





Официальный сайт Российской Федерации для размещения информации о размещении заказов

поиск по заказам	
	a)
С учетом морфологии	Расииренный поиск

Искать и найденном

Главная

Ин

Slide 2. Goals of Federal Law № 44-Ф3 On Contracting

абинет

Федеральный округ:

Центральный округ

Субъект РФ

Москва

Дата публи За сегодня quality (efficiency and performance) improvement of municipal and public procurement,

public expenditure optimization and procurement procedure transparency enhancement

- Заказы

competitive environment promotion,

Все заказы

Заказы по регис

Заказы, опублиз Федеральном о сайте

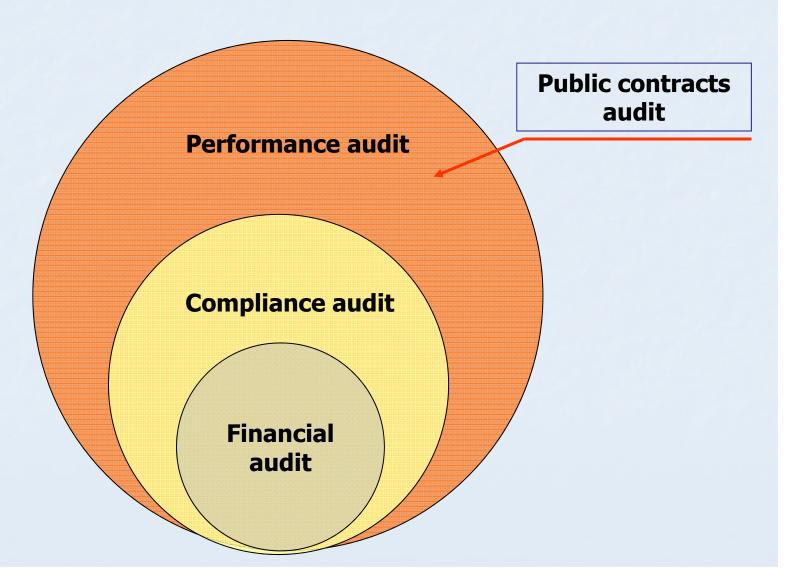
Ппаны-графики заказов corruption risk and procurement malpractice prevention

improvement of procurement management efficiency

Slide 3. Public contracts control, audit and monitoring **Audit Public Departmental** (municipal) control control **Procurement** Civil **Monitoring** control Customer inspection

Slide 4. Public contracts audit **Procurement audit** analysis and assessment procurement goal of procurement performance achievement control, assessment and evaluation expenditure purchasing expenditure expenditure expenditure expenditure expenditure appropriatefeasibility timeliness productivity efficiency compliance ness contract departmental procurement procurement customer procurement stipulation control of output planning inspection process and delivery procurement operation contracts under delivered contracts negotiation contracts executed

Slide 5. Public contracts audit as part of performance audit



Slide 6. Public contracts audit assessment of compliance with the key principles of public contracting



disclosure and transparency

СЧЕТНАЯ ПАЛАТА РОССИЙСКОЙ ФЕДЕРАЦИИ

> **Public contracts** audit

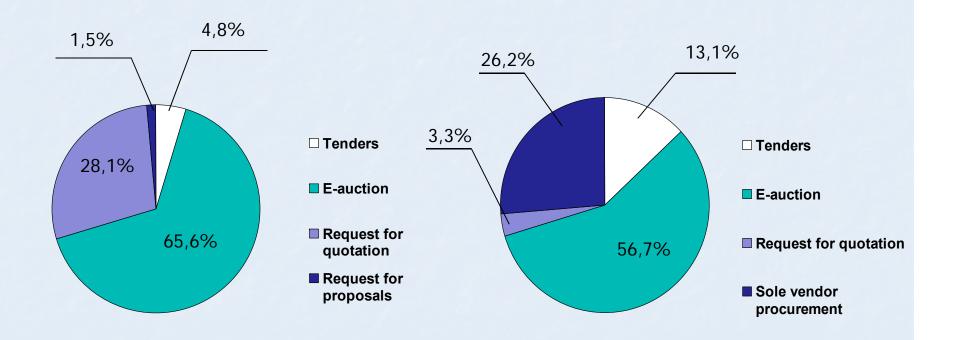
> > **Promotion** of competition

Liability for public and municipal procurement productivity and performance

Slide 7.

Leningrad Region tender based public contracts, %

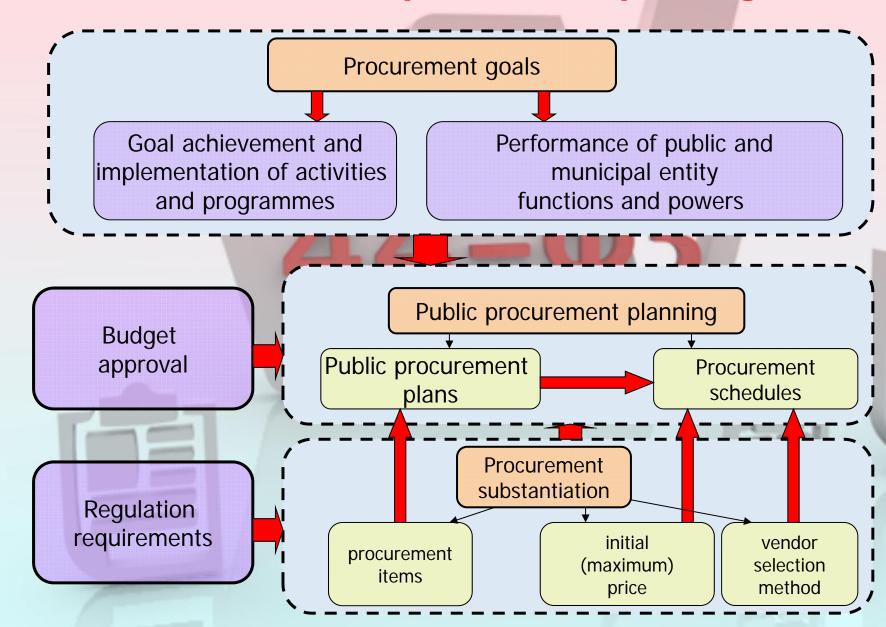
Leningrad Region public contracts by vendor selection method (in monetary terms), %



Slide 8. Public and municipal procurement dynamics in Leningrad Region in 2012-2014

Item	2012	2013	2014
Total procurement, units	175 703	184 183	110 760
Negotiated contracts and agreements, units	175 056	182 642	107 979
amount, RUR million	30 205,6	41 308,5	28 633,1
EUR million	548,1	749,6	519,6
Saving, RUR million	2 694,7	3 907,0	3 536,4
EUR million	48,9	70,9	64,2
Relative saving, %	8,2	8,6	10,9

Slide 9. Public procurement planning



Slide 10. Public contracts regulation

Public contracts regulation

Public contract specifications, including marginal prices

Target cost of public and municipal entity operation support

Russian Government

General public contracting regulations

Constituent entities of the RF (regional) and local government

Constituent entity and municipal government regulations on public contracts

Public and municipal government

Specifications to individual categories of goods (works, services), incl. marginal prices

Target cost of public and municipal government operation support

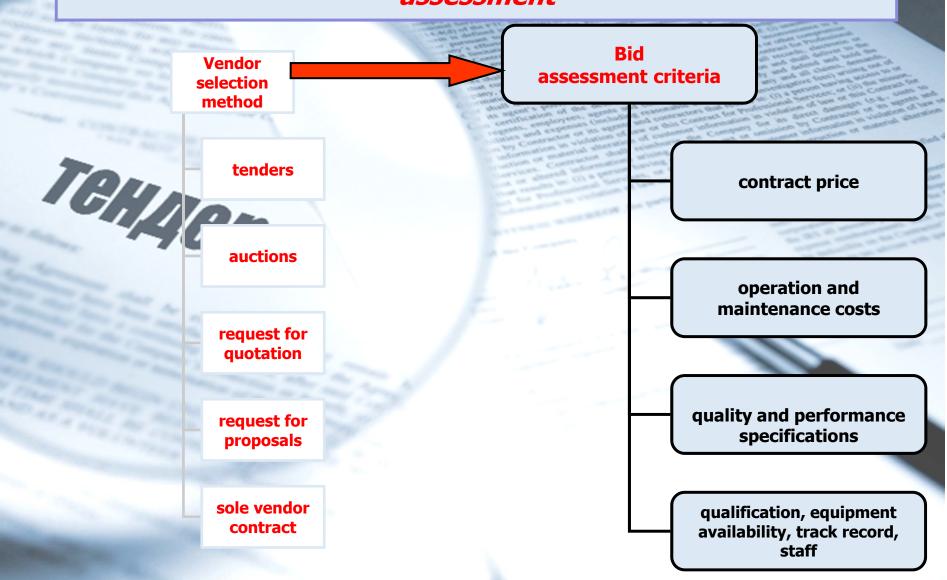
Slide 11. Initial (maximum) contract price (IMCP) definition and substantiation

IMCP definition and substantiation procedure

- measurement of need in the goods (works, services in relation to procurement goal;
- 2. approval of specifications to procured goods, works, services;
- 3. market research for identification of availability of goods, works, services conforming to the specifications;
- 4. procurement item description;
- 5. IMCP method selection:
- 6. IMCP calculation, validation and publication on the official web site

IMCP definition methods **Comparable uncontrolled** price method (market analysis) Standard cost method **Tariff method Project budgeting method Cost method**

Slide 12. Public contracts audit: Vendor selection method compliance and validity assessment



Slide 13. Public procurement expenditure performance assessment

Public procurement performance:

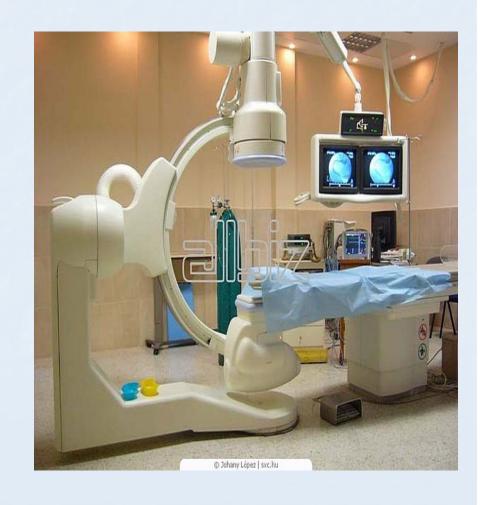
- Achievement of best contract terms and price-quality ratio
- Achievement of public procurement goals and public/municipal procurement targets

Public procurement expenditure inefficiency criteria:

- failure to deliver,
- overstatement of unit prices, standard costs and requirement of goods (works, services),
- failure to use the contracted goods (works, services),
- acquisition of low quality goods (works, services),
- payment for goods (works, services) that are not stipulated in the specifications and contract, etc.

Slide 14. Performance audit findings regarding medical facilities acquisition for Leningrad Oblast public health care institutions

- Acquisition of items regardless the actual need for specific equipment categories
- Components and engineering specifications of individual facilities did not conform to the requirements of the health care institutions and, accordingly, failed to deliver the required quality of diagnostic examination
- Inefficient expenditure of public funds at all levels for a total amount in excess of RUR 170 million.



Slide 15. Solutions for public contracting performance improvement



- Introduction of public contracts substantiation and regulation procedures;
- approval of standard contracts and contract terms at the federal level;
- implementation and expansion of a National public contracts database for procurement automation from planning through contract performance;
- public contracting centralization system
 rollover;
- implementation of additional tools for public customer protection from unfair contractors



Thank you very much!

Leningrad Region Audit Chamber

St. Petersburg, ul. Nekrasova, 14 tel. (812) 579-82-70

E-mail: ksplo@ksplo.ru