



Regional Chamber of Audit  
in Poznań



# Audit of public welfare institutions in Poland

**Stanisław Bręczewski**

Audit Inspector at the Regional Chamber  
of Audit in Poznań



## External audit bodies

- **Provincial governor** – the basic body supervising and auditing the welfare tasks,
- **Supreme Audit Office** – financial auditing in terms of compliance with law, economic prudence, purposefulness and diligence,
- **Regional Chambers of Audit** - financial auditing in terms of compliance with law and compliance of documentation with the real status, and in terms of government administration tasks – also based on the criteria of purposefulness, diligence and economic prudence.



# Internal audit

## Managerial audit:

- Head of the county, mayor, president
- Head of the county
- Provincial marshal
- Heads of organizational units



## Examples of misappropriation of funds by welfare employees

- An employee of the centre for family support was paying rent for his own apartment from the centre's bank account from which housing benefits were paid to the persons in need. The dealings were not identified as part of the managerial control of the centre. It was disclosed only when the employee, having made a considerable excessive payment, tried to get it back by having it transferred to his own bank account.
- A welfare facility issued a decision and transferred the funds to the name of a non-existent person. The funds were being transferred to the bank account the holder of which was the person related to the welfare facility employee.



## Welfare facilities Audit results

- Welfare facilities audited ensured neither the adequate documenting nor the effective recognising and monitoring of the social situation of the needy who should be supported by welfare,
- they did not have complete knowledge about the persons the welfare should have been addressed to
- they did not use their own Public Information Bulletin (BIP) website, to inform potential beneficiaries about the welfare support forms offered,
- they did not make an adequate analysis and evaluation of the phenomena affecting the demand for welfare benefits



## Nursing homes Audit results

- show mostly the infringements in terms of the room-and-board conditions of the residents, especially exceeded area norm for the rooms shared by two or more people and exceeded number of nursing homes residents as compared to the number specified in the decision of the Provincial Governor.



## Results of the audit by regional chambers of audit

- granting benefits in a pecuniary form without documenting the grounds for such allocation,
- issuing decisions about a benefit refusal without a detailed explanation of the real status,
- non-compliance with the income criterion when granting benefits, including incorrect determining of the income of a person/ family applying for the benefit



## Results of the audit by regional chambers of audit

- allocating benefits violating the legal grounds,
- spending the funds from subsidies for financing the welfare tasks in a way which is non-compliant with their purpose,
- an excessive discretion when granting the benefits.





# Welfare system evaluation

- Tasks mostly performed by local authorities as delegated tasks
- More and more often the tasks are commissioned to non-public entities
- Welfare expenditure of local authorities accounts for 15% of the total expenditure; a growing trend is reported
- As evaluated by the audit, the system operates adequately and the scale of irregularities is inconsiderable