



**Landesrechnungshof Oberösterreich
(Upper Austrian Court of Audit)**

Relationship with Auditees and Parliaments of Regional Courts of Audit in Austria

Presentation within the
EURORAI-Seminar
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Regional Courts of Audit focus on

- one federal state
- and have several specific duties

Supreme Court of Audit focuses on

- the whole federation
- the nine federal states
- all local authorities that exceed 20.000 inh.



European Court of Audit focuses on the use of EU-subsidies



- **Supreme Court of Audit**

Federal Constitutional Law of 1929

Art.121-128

Federal Law on Supreme Court of
Audit 1948

- **Regional Courts of Audit**

Constitutions of the federal states
and several laws on Regional
Courts of Audit



Supreme and Regional Courts of Audit

- are constitutionally implemented as part of the legislative
- are independent of the government
- are subject to legal foundations
- are supported by international standards of auditing
- adhere to the principles of the "Declaration of Lima"



Local Parliament

- elects the director and is allowed to opt him or her out
- is addressee of auditing reports
- is allowed to apply for specific audits
- has to agree to the budget of the Regional Court of Audit

The Austrian Courts of Audit are organised hierarchically and are part of the legislative

- **President/Director** acts on top and
 - is elected by the parliament or local authority for 6 to 12 years
 - is boss of the other employees as regards disciplinarian matters
 - represents the Court of Audit
 - is comparable to a senior administration official concerning his legal responsibility
- **Internal Autonomy of organisational structure**
 - Hierarchical structure
 - Project organisation

Duties of Courts of Audit are determined by constitutional law

- New duties can only be fixed by constitutional law
- Major tasks are audits on financial statements of
 - the federal states and its administrations
 - foundations and trusts
 - companies, that belong to the state (at least 25 or 50%)
 - in addition to this Austrian Courts of Audit meet various specific functions

Audits are carried out ex-post, but contemporarily

- Exception: 2 Regional Courts of Audit carry out an additional accompanying control of current projects (Styria and Carinthia)

Audit is implemented

- on one's own initiative or
- by order of local parliament or federal state government



- **Legality and truth**
- **Economy**
- **Efficiency**
- **Effectiveness**

Legally defined authorisations

- right of discovery
- access to relevant information
- right to inspect files (also electronic)
- direct contact to auditees

Audit and Consulting together as one

- maximize benefit for the auditee
- increase effectiveness and acceptance of audits
- facilitate communication with the auditees

Auditing Reports

- Auditees have the right to work out an official statement
- reports are communicated to the local parliament and federal state government and then published

Audit on Implementation

- Executive has to report on the implementation of measures to the legislative
- Exception Upper Austria: only federal state that introduced a legally based **Follow-Up** Audit



Legal Frame – at a glance

Legal Frame	Bgld	Ktn	NÖ	OÖ	Sbg	Stmk	T	Vlbg	W	Bund
Independence of government and administration	(x)	(x)	x	x	x	(x)	(x)	(x)		(x)
Independence as regards budget (directly bargained with local government)	x	x	x	x	x	x		(x)		(x)
Independence as regards human resources	(x)	(x)	x	x	x					(x)
Right to call for the Constitutional Court in case of disputes	x		x	x	x		x			x
Right to audit on one's own initiative	x	x	x	x	x	x	x	x	X	x
Right to publish reports	x			x	(x)		x	(x)		x
Right to audit public spin-offs	x	x	x	x	x	x	x	x	x	x

(x) = restricted competence