



**HELLENIC REPUBLIC
COURT OF AUDIT
THE PRESIDENT**

**Athens, 14 April 2020
Ref. No.: 20478**

**TO
Judges & judicial employees of the Court of Audit**

**Preliminary Work in Setting
the Overall Audit Strategy of the Court of Audit**

Taking into consideration article 14 par. 1 of the Rules of Procedure of the Administration and Audit Services of the Court of Audit

1. In setting the overall audit strategy of the Court of Audit during the current decade, under the present circumstances, the environment wherein the Institution operates and the wide-ranging challenges which are being raised, the answer to the following questions is of fundamental importance:

(a) *Do we want* a Court of Audit to conduct audits similar to and on par with those carried out by large private audit firms, or a Court of Audit which will emphasise the public nature of its audits by highlighting findings that are specific to what the audited public body should, due to the special principles that govern it, respect and protect? This means, that in the audits we conduct, our attention will be focused on the accounts of public interest (budget execution), while in the others (balance sheet etc.), in the observance by the auditee of what makes sense in the public sphere of interests.

(b) *Do we want* audits, oriented towards discovering only negative findings, built on the idea of ills or audits that will delve deeply in public policies, highlighting their positive points? This means that the Court of Audit will be able to schedule audits without their necessary starting point being a preliminary negative finding or suspicion, but audits under a broader theme, such as whether the beneficial obligations of the State pertinent to the fundamental social rights (health, employment, welfare etc.) are satisfactorily fulfilled.

(c) *Do we want* to retain the structure of the Court of Audit as it is with some improvements or to balance the image of the Court of Audit highlighting its audit

work as well as its jurisdictional, with the necessary reorganisation of the Institution? This means that in addition to the seven Jurisdictional Chambers, there will be, not one, but at least three Audit Chambers, with a corresponding increase in the number of judges, that the General Advocated of the State will emerge an intermediary body between Commissioners and Court in exercising the jurisdiction of imputation, aided by judges and judicial employees, and that the Commissioners of the Court of Audit will be formally imbued with the independence of the public servant, in order to elevate the audit and prestige of all employees.

(d) *Do we want* a Court of Audit organised, like many other European, in a central office in the Capital, with auditor missions conducting audits across the country or do we want to keep intact and reinforce all the branches of the Institution across the State, so that it is in accordance with the tradition of being close to the auditee? This means that now the ex-ante audit has ceased to be exercised, it will be replaced by another type of audit, equally effective, which will substantially, not ostensibly, justify maintaining of our services where they are today

(e) *Do we want* a pre-contractual audit that will use as an auditing technique something similar to what the jurisdictional review (annulment) technique is in administrative justice, i.e. leaving unchecked the technical and the substantive judgments of the administration or a pre-contractual audit which will send the message that nothing is out of the audit scope, least of all the determination of the value of the tendering procedure's object, the tenderer-specific or the indefinite nature of the tendering procedure, the technical evaluation of tenders, the pre-consultation between candidates? If we respond positively to the second part of the question this means that we must develop special auditing techniques and regularly resort to technical assistance.

(f) *Do we want* a Court of Audit which will communicate with the financial management only through the declaration of "correctness" of the accounts, the imputation acts, the negative or positive audit findings in the pre-contractual audit or even via providing recommendations in the targeted audits or an institution, guardian of financial legality, which through constant monitoring of reality, will inspire and guide public action towards compliance with the requirements of financial sustainability. This entails openness of the Institution, by taking initiatives so that the general principles of sound financial management are implemented.

(g) *Do we want* an institution with its own national profile, whose approaches and tools as an audit body will be based on the profound needs of our society, with full integration of all expedient audit techniques used internationally or a Court of Audit that will be modernised enough to sever its ties with its historical past and be integrated into the international avant-garde by adopting exclusively those good practices that are internationally accepted? If we reject the second alternative, our arguments must be structured in such a way so that they are

convincing in the international audit setting.

(h) *Do we want* an institution whose “distinguishing feature” will be limited to the protection of public funds and to that alone, without an alertness for the protection of other goods of the rule of law or an institution whose senses will be active in identifying other ills that are identical with those that a rule of law wants to tackle or remedy? This means that when we audit social expenditure we will not restrict ourselves to whether there was an embezzlement or illegality but ascertain whether it made a difference, if it was really effective, and when we audit prison expenses, we will audit not only whether the supporting documents account for the cost incurred, but also whether the prisoners live in an environment that cannot be described as inhuman or degrading.

2. The above questions can be answered by any judge or judicial employee, but not in the form of a vote, i.e. the expression of a simple preference for one or the other solution, but in the form of a reasoned opinion.

3. Two clarifications are deemed necessary at this point: *First*, when the verb “we want” is used in the questions, it does not mean “we prefer” or “we would like” on the basis of purely personal criteria, but it is used in the sense of what “we should want” in order for the Institution to collectively fulfill its duty to society and democracy within the current Constitution. *Secondly*, although it is clear from the way the questions are posed what would the answer of the questioner be, nevertheless the questions seek to open a forum of organised discussion, so that, finally, with argumentation and persuasion, the Institution, with full respect to the Constitution and the laws, determine its strategy, and thus enhance its effectiveness.

4. Answers can be given in writing - individually or collectively - or orally at special meetings organised by the Office of the President. By “home” it is meant that all electronic means of communication available to the Institution are available to those who wish to organise discussions or meetings.

5. The general coordination will be undertaken by a Working Group under Vice-President Sotiria Ntouni, Consellor Virginia Skevi and General Coordinator Erietta Zervoudaki. The Vice-President will appoint a Junior Judge or Probationary Junior Judge of the Court for her assistance, as well as the Secretary of the Group. The task of the group will be mainly to gather and categorise the arguments that will be developed in favor and against each alternative solution, in order to facilitate the Plenary to make its decision when the matter is brought before it by the President of the Court, after analyzing the arguments.

6. It is emphasised that herein you are called to express yourself individually or collectively, but still freely, maintaining in each case the individuality and uniqueness of your opinion. This phase of defining the General Strategy of the Institution is preliminary, and aims at specifying our main objectives. At this

stage, it is important to think about the Institution as a whole, illuminating the role it is called to play under the present circumstances, and to argue in depth.

7. The consultation will end on June 15 this year.

THE PRESIDENT

Ioannis D. Sarmas