EIDGENÖSSISCHE FINANZKONTROLLE
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SWISS FEDERAL AUDIT OFFICE

Press release

Fewer but more effective controls

Bern, 23.4.2015 – An analysis of the Swiss Federal Audit Office (SFAO) has concluded that controls are to be better targeted to the main risks. This study's review of the introduction of the internal control system within the Federal Administration was mixed. The Federal Finance Administration (FFA) has accepted to examine certain proposals.

At present, every invoice for more than CHF 500 has to be signed by two people before being paid by the Federal Administration. Paradoxically, the director of a federal office can entrust a single person, at any hierarchical level whatsoever, with the task of signing a procurement contract or a subsidy decision worth several million francs. Such differences in controlling Federal Administration financial decisions are incomprehensible for the SFAO.

Further examples exist. In their business relationships with the Federal Administration, suppliers and banks do not know, for example, which employees can validly commit the Confederation. In the worst case scenario, a bank could even open an account in good faith on behalf of a federal office without the FFA being informed.

Yet the Confederation has had a legal basis on its own control system since 2007 in order to prevent errors and fraud, as well as to ensure correct and efficient management. The FFA has since been very active in developing these controls in order to ensure the reliability of the Confederation's accounts and financial flows.

The aforementioned examples, which are taken from an SFAO report published today, show that the Federal Administration's current internal control policy is overly patchy. In its position statement, the FFA accepted to examine certain SFAO proposals in order to have better control over the risks of poor management or non-compliance with the law.

Further details
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The audit report is available on the SFAO's website: www.cdf.admin.ch