



Key facts

Auditing work on the collection and processing of the data used as a basis for the calculation of resource equalization for 2014 has revealed no significant errors or shortcomings.

The annual volume of equalization payments under the national fiscal equalization (NFE) system for 2014 will be slightly higher than in the previous year, reaching CHF 4,813 million (up from CHF 4,786 million). Resource equalization accounts for CHF 3,728 million of that figure (up from CHF 3,697 million). CHF 1,507 million (up from CHF 1,500 million) is to be borne by the financially strong cantons (horizontal resource equalization). The Confederation will assume CHF 3,185 million (up from CHF 3,166 million), covering in particular the entire cost compensation amount of CHF 726 million (down from CHF 730 million).

Based on the audit actions carried out, the Swiss Federal Audit Office (SFAO) considers that overall the quality of data is good. In all of the cantons audited this year, the controls conducted for the transmission of NFE data for resource equalization were described and documented in a comprehensible manner. Nevertheless, the SFAO found systematic errors in some cantons.

For the quality of NFE data transmission, special importance is attributed to the extraction program. The extraction program is influenced both by adjustments due to amendments to Federal Department of Finance (FDF) directives and by adjustments to the "basis" systems (assessment and/or reference system). The extraction program's change management should take this fact into account. Predefined test cases for the standardised testing of changes to the extraction program are generally lacking. The SFAO recommends that the cantonal tax offices and administrations establish these.

The Federal Tax Administration (FTA) examines the data transmitted by the cantons for resource equalization by means of meaningful controls. Corrections within the framework of data collection are comprehensible. The SFAO believes that improvements could be made to the description of processes and controls, particularly in terms of completeness and comprehensibility. The IT solution used by the FTA is a proprietary tool that is maintained by an FTA employee. It is planned to replace the existing IT solution in the medium term.

The data transmitted by the Federal Statistical Office (FSO) for cost compensation is obtained from the standard FSO statistics using the cross-functional NFE data gathering process. Aside from summary controls of NFE data transmission, the quality assurance measures of the sections which produce statistics are crucial. These sections have considerable autonomy regarding the administration of the software used, e.g. in terms of change management. During in-depth investigations of the poverty indicator, the SFAO discovered that multiple payments of social benefits, which have to be eliminated for NFE data transmission in accordance with the Fiscal Equalization and Cost Compensation Ordinance, are adjusted in a sweeping manner using factors rather than on a case-by-case basis. The FSO is working on a concept for adjusting the catalogue of social assistance which is taken into consideration in the poverty indicator. According to the FSO, these adjustments could have financial implications for the cantons with regard to socio-demographic cost compensation.

The Federal Finance Administration (FFA) has revised the documentation of the NFE process. Aside from process and control descriptions, there are delivery and control journals where the treatment of the individual process steps is documented in a comprehensible manner. The fiscal equalization technical report describes how the values are calculated; these have to be re-determined only once every four years (Alpha factor by the FFA and Beta factor by the FTA).

Original Text in German