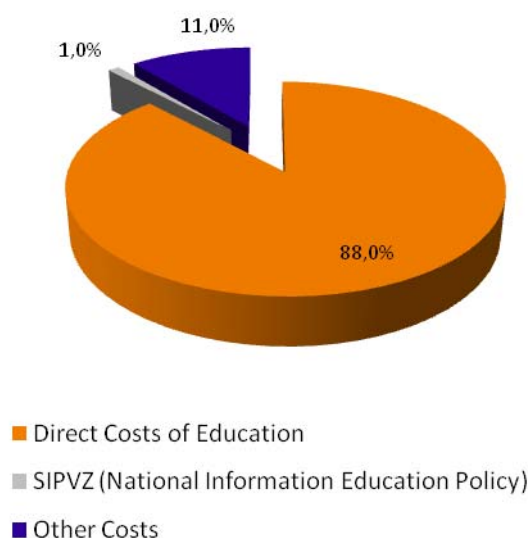


Chart 8: Distribution of Educational Expenditure Covered by the State Budget



Legitimacy of the Utilization of State Budget Funding (Ministry of Education allocation)

During the inspections conducted at 640 schools, the inspectorate focused on looking at the legitimacy, effectiveness and the nature of the timing of the utilization of the provided State Budget funding and adherence to statutory labour limits (limits on salaries and other payments for work performed).

In 51 instances, the inspectorate uncovered improper conduct on the part of the schools in the utilization of State Budget funds, which qualified as a violation of budgetary guidelines, pursuant to the provisions of Section 22, Subsection 2 of Act No. 250/2000 Coll. on regional budgetary guidelines (as last amended). In one instance, this involved a violation of budgetary guidelines, pursuant to the provisions of Section 44, Subsection 1 (b) of Act No. 218/2000 Coll. on budgetary guidelines and changes to certain related laws (budgetary guidelines) (as last amended). The findings from these inspections were forwarded to the respective supervising entities of the schools, to the regional authorities and, in one instance, to the local revenue authority. In 48 instances, the examined operations did not conform to the predefined strategies and objectives, the approved budgets or the applicable programmes, projects, contracts or other binding requirements.