

facilities are, for the purpose of such checks, broken down according to their founders, who are as follows:

- the Ministry of Education, Sports and Youth;
- registered church or religious society which is authorised to exercise a special right to establish church schools;
- a municipality or an association of municipalities;
- a region;
- any other founder which is not the state, region, municipality or association of municipalities, registered church or religious society (hereinafter referred to as a “private school”).

## **2. Public-Legal Audits of Using Funds Allocated from the State Budget to Schools and School Facilities Pursuant to Sections Sec. 160–163 of the Education Act**

The principal task of any public-legal audits is to review the authorisation and effectiveness of using funds allocated from the state budget to schools of all founders to cover the area of personnel, material and other financial expenditure, namely to cover the payroll, the mandatory insurance of employees and other social fees, and to pay other non-investment expenditure (such as on the further education of teachers, textbooks, teaching aids and basic needs of schools).

- To check whether the data on financial management of funds provided from the state budget under the provisions of Section 160 (1) (c) of the Education Act reliably and precisely describe the sources, amounts and transfers of such funds, and further to review the compliance of the checked transactions with legal regulations, objectives specified by the checked entity and to monitor whether criteria of cost-effectiveness are followed.
- To verify whether funds allocated from the state budget were used lawfully, i.e. within the given fiscal year and for the purposes for which they were provided.
- To verify whether the data concerning the financial management of funds allocated from the state budget under Section 160 of the Education Act reliably and precisely describe the sources, amounts and transfers of such funds.
- To verify whether the checked transactions comply with the legal regulations, tasks and objectives specified by the checked entity.
- To verify whether the checked transactions comply with the criteria of cost-effectiveness, efficiency and reasonableness.

### **Respecting Legal Regulation Concerning the Use of Funds Allocated from the State Budget**

#### ***Clearing of State Budget Funds***

The subject of the check was to find whether the school provides the provider of the subsidy with timely, correct and complete data about clearing funds allocated from the state budget within the meaning of the provisions of Section 6 of Decree No. 551/2004 Coll. laying down principles and deadlines for clearing funds allocated from the state budget, clearing state financial assets or settling relations with the National Fund, or Decree No. 52/2008 Coll. laying down principles and deadlines for clearing funds allocated from the state budget, clearing state financial assets or settling relations with the National Fund (as a follow up to the period which has been reviewed).

#### ***Checks of Personnel Expenditure***

The subject of the checks was, in particular, to verify whether funds from the state budget were used lawfully pursuant to the relevant provisions of Act 262/2006 Coll. the Labour Code, as amended (hereinafter referred to as the “Labour Code”) and Gov-