



22 July 2014, Prizren

PRESS RELEASE

Municipality of Mamuşa/Mamushë failing to implement the Auditor's recommendations

Within the project of overseeing the work of local government of Mamuşa/Mamushë Municipality, in July, EC Ma Ndryshe has looked at the findings of the Audit Report on the Financial Statements of the Municipality of Mamuşa for the year 2013 (http://oag-rks.org/repository/docs/3_Report_Mamushe_13_ENG_FINISHED_READY_FOR_PRINT_792781.pdf), with a retrospective look at the reports for the years 2012, 2011, 2010 and 2009.

The Auditor's overall conclusion is that the areas of the management and financial reporting within the municipality continue to struggle with weaknesses given the fact that the municipal government has not addressed OAG's recommendations from previous years. "The municipality has not addressed our other recommendations from previous years. The municipality does not have in place a robust process that would ensure a timely and complete implementation of our recommendations," states in the OAG's report.

This state authority has found that, during the last years, the Municipality of Mamuşa/Mamushë has only partially addressed OAG's recommendations in relation to the Article 16 "Disclosure of assets and payments from the third parties" and as a result, this area continues to represent a significant risk, due to the nature of the underlying records and lack of supporting documents, uncertainties exist with regard and there several uncertainties regarding to the ownership rights, completeness and valuation of the property, plant and equipment.

For years now OAG warns that the municipality does not yet have an automatic billing system for all types of own source revenues and receivables related to them, whereas the budget execution is also one of the main areas where more improvements are necessary.

The auditor has also identified the non-compliances in the procurement process related to wrong classification of expenses and to excess of budget limits. Another matter of concern is that the municipality has not established an Internal Audit Unit and an Audit Committee, which is also another recommendation repeated year after year by the OAG.

In its latest report, OAG finds that the Municipality of Mamuşa/Mamushë has not addressed yet any of the nine (9) recommendations for the financial year 2012, while of eleven (11) recommendations for the year 2011, only one has been addressed and 3 were partially addressed. Meanwhile, from six (6) recommendations given for the financial year 2010, the municipality has addressed only one (1) entirely and another one partly by ignoring the remaining four (4) recommendations.

EC Ma Ndryshe therefore considers that failure to address the OAG's recommendations by the Municipality of Mamuşa/Mamushë has caused for the management and financial reporting to face with issues that put to the risk good governance of the municipal budget.

Taking into account all these findings, EC Ma Ndryshe recommends the Municipality of Mamuşa/Mamushë to:

- Immediately begin with implementation of all recommendations of the OAG;
- Undertake serious actions for improving management and financial reporting in all areas identified by the OAG;
- Enhance transparency in decision-making with the aim of better management of public money;

In addition, EC Ma Ndryshe recommends members of the Municipal Assembly to exert greater pressure on the municipal executive to implement the recommendations of the OAG.

EC Ma Ndryshe's project for the transparency oversight of the executive branch will continue on publicizing monitoring findings through regular press releases and the project's website, where the findings will be posted directly by the monitors. So far, all monitoring findings, including regular press releases and other information relative to local governments of Prizren, Mamuşa/Mamushë and Prishtina are being regularly published on the project's website: www.online-transparency.org.

Thank you for your cooperation,

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British Embassy
Prishtina

The "Online Transparency of Prizren, Mamusha and Prishtina Municipalities" project is financially supported by the British Embassy in Prishtina.