

# Public Comptrollers, custom-made

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With the initiative "Tracking the comptroller's offices", CdR put the magnifying glass on these local treasury inspection bodies and found that, out of 20 comptrollers analyzed, 16 have closeness to their supervised, be it for friendship, political career and even family relations.



Illustration-Consejo de Redacción (CdR)

**In Bogotá, Comptroller Juan Carlos Granados** is in the eye of the hurricane because it was mentioned in the investigations of Odebrecht, for alleged funding of that company to his campaign for Governor of Boyacá in 2011; while former Comptroller Miguel Ángel Moralesrussi has just been convicted for his participation in the so-called carousel of contracts -a corruption network discovered in the capital, Bogotá.

In Cartagena, the Mayor, two city councilmen and the Comptroller were arrested, for an investigation according to which the election of this would have been forged from the Council, in exchange for positions and contracts in the control body. **And the Comptroller of Antioquia is being investigated criminally and disciplinarily but refuses to resign his position.**

These are just examples of the irregularities that have reached the Colombian media headlines, related to those who have the responsibility to audit the public treasury in each region.

But, as it was diagnosed this year by a [study](#) by the **Leadership and Democracy Foundation, the Institute of Political Science and Transparency Colombia**, "politicization does not allow for the necessary independence between the control bodies and the entities and officials that they watch. Secondly, they do not allow the person with the most capacities to reach the position of territorial Comptroller, on the contrary, the elected person himself appoints officials by political commitment to the councilmen and deputies who elect him."

This investigative report, in which 18 journalists from ten Colombian regions participated, identified multiple examples of those wrong *modus operandi* in the control entities. The initiative, of the NGO Consejo de Redacción (CdR), is called ***Tracking the comptroller's offices*** and analyzed 20 of these territorial entities. The findings show that at least two Comptrollers monitor who they recognize as their friends, five must observe the public money management of those who could be considered their political mentors, while seven others belong to the same political clan of their supervised and two more have family ties with the mayors of their municipalities.

The Secretary of Transparency of the Presidency, Gabriel Cifuentes, said in an interview for this project that one of the problems in the control of the comptroller's offices is that **the crime of illegal political influence** is not properly defined.

The contracts in these bodies are another approach mechanism, because it is not clear, for example, how a comptroller can sign a contract with the same entity to which he must evaluate, as is the case of the Comptroller of the Atlantic. In addition, the payrolls of some comptroller's offices include people with current investigations, relatives or political heirs of those who should be monitored and persons who are close to the councilmen or deputies who elected the comptrollers.

The collected data, also allowed to elaborate a visualization that shows almost 300 connections of the comptrollers. **This "Network-gram" seeks to explain how relations with political partners, friends and family members might influence the work of fiscal control.**

### **Among friends**

The bonds between controllers and supervised are of all kinds. The Comptroller and Governor of Santander have been friends and political allies for 15 years. The Comptroller of Manizales is an old friend of the Mayor, Octavio Cardona, of the condemned politician Ferney Tapasco and of several of those who manage entities of the municipality - which she must also audit.

This is not illegal, but the problem is that it could become a conflict of interest. In this regard, the recently appointed Auditor General, Carlos Hernán Rodríguez, who is the one who must supervise the comptrollers, assures that his speech with them is: "Are you willing to assume the political cost of having to proceed against your friend when there is a circumstance that makes it necessary? They have to do it because that's what the law says."

Several have been coinciding for years in the same political group. This is the case of the Elías - Besaile clan, a local force that has elected Governor in the last two periods in Córdoba and to which the Comptroller Emilio Otero is very close; or the conservatism of Sierra (a local politician) in Caldas, to which belong not only the main public entities in that state, but also the Comptroller and the Governor.

The same thing seems to happen in Pereira, where a city councilman assures that the Comptroller and the Mayor have political affinity, which has evident effects such as the controversial statement that the inspector published defending the Mayor, a week before he lost his position.

Political closeness is sometimes reinforced by the times when they have worked together. The Comptroller of Barranquilla was part of the previous government of current Mayor Alejandro Char; and Magdalena's Comptroller was a legal advisor to

the prior Governor Luis Miguel Cotes Habeych, whose last year of management he must now audit.

Even, there are those who supported the campaigns of their supervised. This is the case with the Comptroller of Monteria and with the Comptroller of Floridablanca, whose husband was one of the three promoters of the political group that promoted the campaign of the current mayor.

And to complete the panorama of *mice watching the cheese*, the possible conflicts of interest are not only with mayors and governors, but also with other officials. The Comptroller of Bucaramanga, for example, supervises the administration of former mayor Luis Francisco Bohórquez, with whom his wife worked as a high councilor for social policy; and the Comptroller of Valle del Cauca must monitor, among others, the actions of the Women's Secretariat, where his father's wife is deputy director.

This project investigated, through FOIA requests and review of hundreds of documents, the main decisions that have been undertaken by the comptroller's offices analyzed. In some cases, this analysis makes it evident how these closeness with the entities or persons audited might affect the work of the comptrollers.

In the Bucaramanga comptroller's office, the processes of fiscal responsibility have been focused on the actions of the current government, while denunciations of possible corruption, such as those that led to the capture of the former liberal mayor Luis Francisco Bohórquez, were filed in the comptroller's office. In fact, the Audit General said in a report on this comptroller's office that he found a "poor analysis of the financial situation of the municipality" after finishing the previous administration, taking into account that there are allegations according to which that administration left the city in bankruptcy.

In Santander there have been questions about the lack of rigor applied to the cases of the current administration. The most striking is the School Feeding Program, in which the Office of the Prosecutor found failures that today have the Secretary of Education in jail, but that the Comptroller Diego Fran Ariza, determined only as administrative failures and decided to file.

## **Contracts that tend ties**

This investigation reviewed the public contracts of the comptroller's offices since 2008. Among the most striking cases, we found that the Atlantic Comptroller signed a contract for 1,186 million Colombian pesos (around U\$ 400,000) with the Government - the main entity that he must supervise -, as legal representative of the Social Welfare Fund of the control entity. According to the agreement, the Fund must carry out training activities with the agricultural technical assistance units and the rural development councils.

As for the comptroller's office in Cali -capital city of Valle del Cauca, the General Secretary of that institution is Aimer Arango, who is the father of the Comptroller of the state Valle del Cauca. Among the contracts that Aimer's office must audit are those of Cali's Department of Protection of Citizens' Rights, which has seven contracts with his son's company, between 2012 and 2017.

Another aspect that draws attention is the investment in advertising, which, according to the Auditor General, is not prohibited, but "we must differentiate the scope of the content [of the contracts]. **You cannot disguise, under pedagogical content or training, advertising contracts.**"

The Comptroller of Medellín signed a contract with the Foundation Sembremos País, for services and logistical support to the press and communications office, and for the issuance of pedagogical advertisement. **That foundation was created by Andrés Guerra Hoyos**, former candidate to Governor and now president of the Democratic Center in Antioquia. Like that contract, there are more than one hundred that exceed 500 million Colombian pesos (around U\$170,000).

One of the problems evidenced in the investigation is the preference of the comptroller's offices -as in the entire public sector- for direct hiring, which generates many difficulties and lack of transparency.

The way to make contracts more visible is in the new platform of the Electronic Public Information System (Secop), which is the website where all public entities

must have full information on each of the contracts they convene. **Juan David Duque, director of Colombia Compra Eficiente -which manages that platform, explained that currently the contracting platform is changing from Secop 1 to Secop 2** and with it all contractors will be visible. However, it is only mandatory for national entities while for territorial entities it is optional. In the case of the comptroller's offices, none has made the change of platform. "They should set an example," since the new platform boosts transparency, said Duque.

### **Favorable appointments**

The positions available in the comptroller's offices are also a way for inspectors to appoint people who are friends of the governors they have to supervise. There are also officials who had questionable performances in previous positions, which generates doubts about how they will evaluate the work of the current governors and officials.

Examples of this occur in Barranquilla, where one of the main officials of the Comptroller's Office has publicly campaigned in favor of the Char house -family of the mayor-; in Norte de Santander, where the Deputy Comptroller occupied two positions in the Governor's Office during the two periods of the current Governor; in Manizales, where one of those who evaluated the resumes for electing the Comptroller is now her Deputy Comptroller; and in Santander, where the Comptroller requested the formal resignation of all personnel that could be removed and, apparently, used the new appointments to fulfill commitments with the deputies who elected him.

In addition, in the center of the country appear the samples of officials with questionable backgrounds, because among those who must audit the management of public resources in the capital, there are political heirs of the city councilmen who are being investigated for corruption in public contracts, a politician with four investigations in the Attorney General's Office and there also worked the daughters of magistrates Leonidas Bustos and Gustavo Malo, who are being investigated for possible acts of corruption in the judicial branch.

As for **the Comptroller of Cundinamarca, he hired in high positions people who have ongoing investigations in the Attorney General's Office** and the Prosecutor's Office, for cases such as mismanagement in public policy related to land ownership, corruption during the period of former Mayor Samuel Moreno and the POT corruption cartel in Cundinamarca.

### **The dilemmas of election**

The comptrollers are elected by the local Assemblies and Councils, through a merit contest that includes aptitude and knowledge tests, and an interview for the preselected ones.

The questions and possible conflicts of interest start appearing from the beginning of that process, because the closeness of some candidates to their electors (deputies and councilmen) ignites the first alarms. **As in Santander, where the winner admitted having met with the Government coalition in the Assembly to present his resume, before being elected with only one vote against.** Or the case of the Comptroller of Bucaramanga, who has a special closeness to three councilmen who actively participated in his election, as they accompanied him previously when he aspired to the Congress.

Another focus of issues is the knowledge exams. In Córdoba, the office of Transparency of the Presidency warned about the inconvenience of selecting the University Coroporación Unificada de la Costa to make these tests -as it finally happened- for alleged political interests that were behind.

And the scores also give something to talk about. The comptroller of Bucaramanga was elected, although he failed the knowledge tests, as the councilmen later revoked that process and started a new one in which he was the winner. Those from Bogotá and Manizales scored lower than their opponents. **The first, ranked 37 out of 43 finalists and the second was the lowest level among the three finalists that the Council evaluated, but then, in a second evaluation, she was the only one whose score suddenly went up.**

The Comptroller of Antioquia, Sergio Zuluaga, admitted that he has not finished his doctoral studies, as he said in the resume with which he participated in the selection for the position, and he has not been able to explain other doubts about his documentation, for which the Procurator's Office is currently investigating him disciplinarily.

Precisely, it was the irregularities in the election of the Comptroller that generated the scandal in the Council of Cartagena. Similarly, the 18 councilmen who participated in the election of Luz Marina Díaz Mantilla, in Floridablanca , are now facing an investigation for that selection process.

In the Office of the Attorney General, according to a query made for this investigation, there are 30 proceedings against councils, assemblies, universities and even a regional attorney for possible irregularities in the last elections of district, municipal and departmental comptrollers. **28 of them are in preliminary investigation stage, seven have already gone to disciplinary investigation and one is in exculpatory tests.**

Therefore, the auditor general insists that this mechanism must be reformed. "What should have a preponderance is the technical factor. I admit that today it does not happen that way and hence the flaws we currently have. "

### **And who controls the comptrollers?**

The entity responsible for putting magnifying glass to the comptroller's offices is the Audit General's Office. **Carlos Hernán Rodríguez Becerra**, a lawyer who arrived in the midst of questioning because he has investigations and prosecutions for cases of fiscal responsibility and for his closeness to the convicted ex-Senator Juan Carlos Martínez, **has been Auditor General since September this year .**

In 2007, Rodríguez Becerra was part, along with Martínez, of the movement that made Juan Carlos Abadía become the Governor of Valle del Cauca, later dismissed and disqualified by the Attorney General's Office. **On that occasion, the current**

**auditor went from promoting that campaign to supervising the administration of the winner, as he was elected departmental comptroller.**

In this regard, Rodriguez Becerra said that, despite his closeness to Abadía, it was he "who led the strongest denunciations against the Governor of that time. And I did not do it as disloyal or ungrateful, but because I knew I had to do my job with enough autonomy and independence." He added that in his functions he prevented a billionaire indebtedness of the department through future periods and that he denounced the excessive of advertisement in the departmental administration.

In the last two years, the Audit General's Office found 1,900 negative (administrative) findings in the revisions it makes of local comptroller's offices; in addition to other 85, among fiscal findings (damage to public property), sanctions, criminal (possible crime) and disciplinary findings, as shown by their [annual reports](#).

In the cases in which, in the opinion of the reviewer, the performance of some comptroller caused public money to be squandered or lost - fiscal findings - the total value of this detriment between 2015 and 2016 was 545 million Colombian pesos (around U\$ 185,000). **The reproaches in this sense are of all kinds, such as the one that was made to the Comptroller's Office of Ibagué for spending 11 million Colombian pesos (almost U\$ 4,000) for trips made by the Comptroller which had nothing to do with his functions. Or the Comptroller of Santander, which paid too much for the "photographic evidence" of training and recreation events.**

Precisely, as shown by the following [interactive graph](#), apparently the championship of reproaches is that region, because the Comptroller's Office of Bucaramanga and Santander have the first and second place in number of accumulated findings (84 and 62, respectively) in the last two evaluated years.

Graph:

[http://public.tableau.com/views/Auditorasalascontraloras/Historia1?:embed=y&:embed\\_code\\_version=3&:loadOrderID=0&:display\\_count=yes](http://public.tableau.com/views/Auditorasalascontraloras/Historia1?:embed=y&:embed_code_version=3&:loadOrderID=0&:display_count=yes)

## **Proposals**

There are currently 64 local comptroller's offices, apart from the national one (32 departmental, 4 district ones and 28 municipal ones). But the National Comptroller, Edgardo Maya Villazón, has proposed on several occasions that the local ones be eliminated and that the control of public treasury be centralized. **"In no serious country in the world can there be 63 [sic] fiscal control entities doing what they think, with the criteria that seems good to them. There has to be only one Comptroller,"** he said recently in a [radio interview in La W.](#)

The **detractors of that possibility argue that it would be a step backwards in the decentralization sought since the 1991 Constitution.** Other ideas arise in other sectors, such as the [request](#) signed by 17 companies and business foundations at the beginning of this year, for asking the National Government and the Congress to take away the election of local comptrollers from the assemblies and councils and change it through processes of meritocracy, in order to have in those positions of inspection people with technical capacity and independence. But the proposal remained only that.

The secretary of Transparency explained that, precisely this is one of the aspects contained in the project of reform to the local comptroller's offices that they are currently working on, according to the recommendations of the Organization for Economic Cooperation and Development (OECD), which proposes to make the courts responsible for choosing a shortlist from which the Comptroller General should make the final selection. **In addition to changing the form of election, their document includes creating systems to separate the comptrollers from their charges in case of serious misconduct and creating a second instance for sanctions.**

The Auditor General says that he will seek, within his two years in office, to design a proposal for a comprehensive reform of the fiscal control system, which would include the certification of accredited universities to do the knowledge tests to the

applicants. **He discards the elimination of subsequent control, but suggests that the period of the comptroller should not coincide with that of the mayor.**

In addition, with regard to the General Auditor, whose role he considers key for the comptrollers to feel obliged to perform their work well, he proposes that the type of supervision his office makes over the local comptrollers can go beyond quantifying the recovery of public money, and instead, involve evaluating, for example, the technical criteria with which the comptrollers select the processes and contracts to be audit. **Finally, he indicates that it would be convenient to revive the certification and the ranking of the comptroller's offices that the inspection institution used to do.**

The question for the future is whether these ideas will prosper or remain on paper, like so many other initiatives to reform the public control system in the past.

- Investigation of the project "Tracking the comptroller's offices" of the organization Consejo de Redacción, with the support of Open Society Foundations and the Fund for Investigative Journalism.

*\* Member of Consejo de Redacción, an organization that promotes investigative journalism in Colombia.*