



PRESS RELEASE

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PUBLIC BODIES AND POLICIES

THE INSTITUT DE FRANCE AND THE FIVE ACADEMIES: REMARKABLE ASSETS, A LACK OF ROBUST MANAGEMENT

The *Cour des Comptes* issued a public report on the management, between 2005 and 2013, of the Institut de France, the Académie Française, the Académie des Sciences, the Académie des Beaux-Arts, the Académie des Inscriptions et Belles-Lettres and the Académie des Sciences Morales et Politiques, public institutions under the sole control of the *Cour*.

Despite the progress made since the *Cour's* previous investigation, their operation remains highly unsatisfactory. The problems noted have been fostered by a lack of rigorous internal rules and the lack of clear legal statute and frame.

Long-term, these institutions cannot remain on the sidelines of the efforts to control spending and to increase professionalism and transparency which are required of the public sector as a whole.

Venerable institutions, concerned about their sense of identity

The academies, most of which date back to the 17th century, have been created in order to contribute on a non-profit basis to the advancement and standing of literature, science and the arts. The Institut de France, formed by the five academies, is responsible for managing their shared goods and services.

The programme law for research of 18 April 2006 turned these institutions into "*special-status public law corporations under the protection of the President*", not reporting to any ministry and under the sole control of the *Cour des Comptes*.

Benefitting from old and complex statutes, and with highly unequal resources, they are in charge of financial and real estate assets worth more than €1.5 billion, in addition to nationally-important cultural heritage, not least of which are the Palais du Quai de Conti in central Paris, as well as Claude Monet's house in Giverny, the Jacquemart-André and Marmottan Monet museums in Paris and the Condé museum in Chantilly.

Through the 1,100 foundations that they accommodate, the academies benefit from a guaranteed resources system and ensures they rely very little on State subsidies.

A lack of robust asset management

The administration of the sizeable asset base of the Institut de France and its academies shows several weaknesses.

First of all, with regard to donations and bequests, these institutions sometimes have problems to ensure that their operating expenses fit with the wishes of donors, or there may be conflicting interests. A shared method for analysing financial and legal risks, prior to accepting any donation, should be implemented.



There has been some progress in financial management, but there is still a need for improvements in relation to budgetary policy and management of securities.

Finally, the management of rented properties, delegated in a fragmented way to a number of companies, and of the numerous museum foundations, which is also very inconsistent, shows clear shortcomings. A thorough overhaul of the organisation and of efforts to share resources is required.

An operating system that is still marked by excesses

The internal management of the six institutions suffers from a number of deficiencies and irregularities. Personnel management features virtually no pooled resources, meaning that the 366 officials employed in 2013 by the Institut and the academies are managed by six separate departments. The pay scheme remains obscure and informal, whilst the total payroll for the Institut rose by 6.5% over the period, and by between 10% and 60% depending on the academies.

Benefits with regard to accommodation are granted to certain officials or to certain persons connected to these institutions, without any justification. Many members of the academies enjoy benefits as a result of their positions (accommodation, allowances) which are sometimes debatable and, in any case, are insufficiently regulated.

In general, the governance of these institutions still suffers from a complex structure and from an inconsistent governance. Steps recently taken demonstrate that there is still scope for progress in this area.

Reform of management methods is necessary

The deficiencies and problems observed mean that these institutions need to be radically reformed in order to achieve improvements in professionalism, to demonstrate increased transparency and to offer better safeguards.

This ranges from clarification of the rules which currently apply to them, to a reshaping of all controls (particularly the reinstatement of the role of public accounting officer), to more professional management, and to modernising governance.

In the end, the special status of the Institut and its academies does not exempt it from the requirement to adopt stable and consistent regulations which would improve greater protection against litigation and reputational risks.

Recommendations

The *Cour* issues 19 recommendations, covering the general structure of the Institut and the academies, the conditions of the management of its asset base, its internal management, and changes to consider.

[Read the report](#)

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