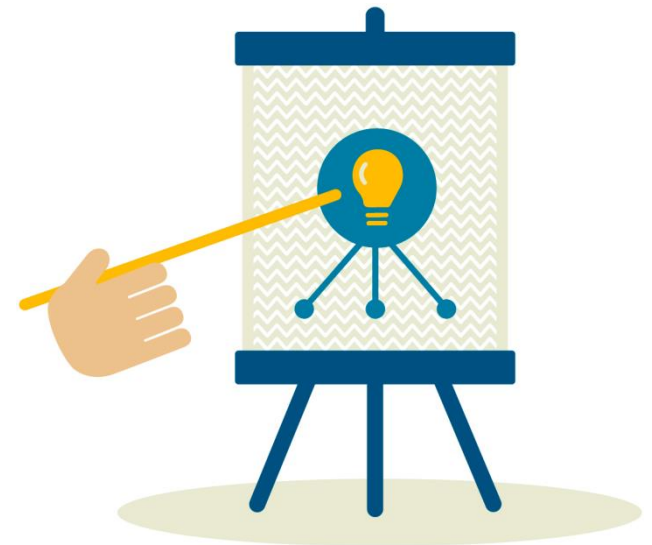


Assessment of SCOs

Project maintenance and repair

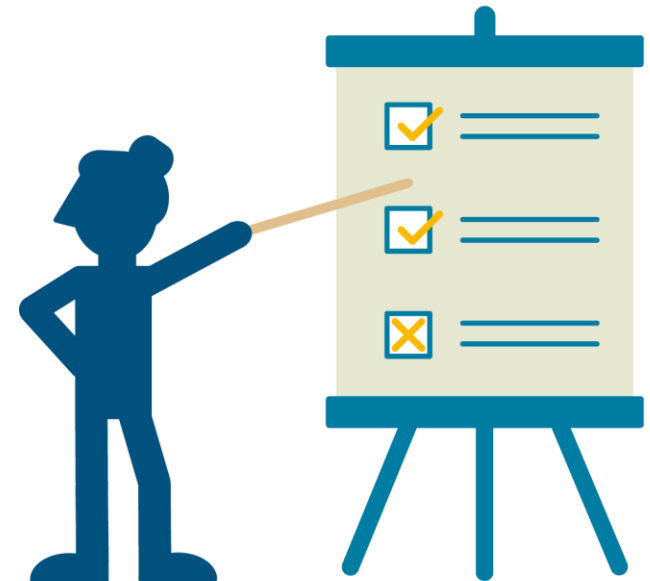
14 June 2018 | Rome, Italy

Aija Prince, Interact

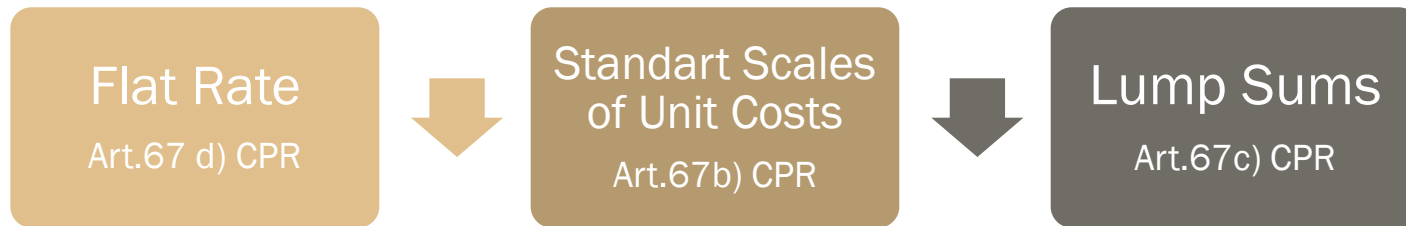


SCOs

- Used in Interreg programmes to a much bigger extent than in the past
- Measure used to help reduce the administrative burden
- Can overcompensate or undercompensate the costs actually incurred and paid by beneficiaries



Types of SCOs



Focus ON:

Application
according to
programme rules

General assessment of SCOs

1. Do Programme documents foresee use of SCOs?
2. Is there a clear distinction between direct and indirect costs?
3. Is the SCO applied correctly/are there other more efficient solutions for particular cost items (another type of SCO)?
4. Was the same expenditure not declared as direct cost and as cost included in Flat rate calculation?
5. Is it applied to the operations or projects subject to public procurement contracts?



General assessment of SCOs (2)

Were the different SCOs options combined only in case:

- they cover different categories of eligible costs; or
- they are used for different projects in the same operation; or
- they must be used for successive phases of an operation

Article 67(3) CPR



How should assessment be performed in the case of SCOs? (1)

Flat Rate

Are Programme rules concerning this option followed?

- ✓ Does **Flat rate** take into account the correct categories of costs?
- ✓ Has the correct **Flat rate** percentage been used and are the calculations correct?

'Basis on which the flat rate is calculated

- ✓ Expenditure has been based on the correct direct costs
- ✓ There is no ineligible expenditure included in the 'basis costs';
- ✓ There is no **double declaration** of the same cost item

Expenditure covered through SCO is not reported in other budget categories or otherwise!!!



How should assessment be performed in the case of SCOs? (2)

Standart Scales
of Unit Costs

Are Programme rules concerning this option followed?

1. For activities that are planned, fixed unit costs exist (defined by MA) and is applied correctly
2. Are activities and/ or outputs in line with project objectives

Is the calculation correct? Are operations calculated on the basis of quantified activities, **input, outputs or results** multiplied by standart scales of unit costs established by MA?

How should assessment be performed in the case of SCOs? (3)

Lump Sums

Are Programme rules concerning this option followed?

1. Are costs calculated on the basis of a pre-established lump sum methodology (the setting up of the lump sum should be justified by the MA)
2. Are activities and/ or outputs in line with project objectives
3. Does total of the lump sums not exceed EUR 100 000 of public contribution for a given body receiving the grant or the repayable assistance
4. Are defined results realistic and achievable?

SCOs – Staff costs

1. Is **Flat rate** – calculated according to the Programme rules/ correct % used
2. **SSUC** - Are costs calculated by applying a standard unit cost fixed in advance and calculation based on submitted employment/work contract and job description (historical data)

Simplification in terms of calculation method for reporting Staff costs (Art.68 2) CPR)

