

CA - CONTROLS

INTERREG V - Practical Examples Marie-Paule Boone

CA - INTERREG Vlaanderen-Nederland

CA - INTERREG Frankrijk-Wallonië-Vlaanderen

CA - INTERREG 2 SEAS

CA - INTERREG NORTH WEST EUROPE

CA - INTERREG EUROPE

CA – URBAN INNOVATIVE ACTION PROGRAM



Two types of standard CA- control

1) The CA-control before payment and certification :

- every payment demand from the lead partner / partner
- every payment demand from beneficiary (for example JS)
- every advance payment request

Two types of standard CA- control

2) The CA-control on sample checks

- on payed and certified costs / or before certification and after payment
- on the spot checks
- on desk sample checks
- contractual agreed number of checks
- spontaneously (initiative CA)
- on special demand by others (for example EC, MA, AA, JS)

1. CA – control before payment and certification

The Certifying Authority performs standard checks prior to paying the ERDF to the lead beneficiary.

This verification procedure comes into effect after the digital payment claim with Annexes is received (in electronic form) by the Certifying Authority from the Management Authority.

The Certifying Authority uses a checklist for these standard procedures.

The verifications consist of:

- 1) Procedure verification
- 2) Data verification
- 3) Lifecycle verification

-points of control are :

- contract or agreement in place
- ERDF %
- FLC
- Sent by MA/JS to CA
- blocked or not

CHECKLIST FOR THE CERTIFYING AUTHORITY

PROJECT NAME:

PROJECT NUMBER:

EXPENDITURE STATEMENT NO:

1) Procedure verification :



- ☐ A payment application was submitted via the IT monitoring system of the programme. This implies that the procedures agreed between the MA and CA have been followed in relation to verifications and validation of this payment claim.
- ☐ Have all costs been certified/verified by an authorised FLC?

2) Data verification :



- ☐ Is there a legally binding contract/regulatory decision (any amendments to the contract/decision) for this project?
- ☐ Is the ERDF/ or other funds, subsidy in accordance with the provisions in the contract / decision (or where appropriate, the applicable amendments to the contract/decision)
- ☐ Has the correct ERDF/ or other funds percentage been applied?
- ☐ Has the bank account changed in the IT monitoring system?

3) Lifecycle verification :

- ☐ Project is NOT BLOCKED
- ☐ No remarks by the other authorities or other bodies
- ☐ No specific verification resulting from remarks by other authorities or other bodies
- ☐ No other data (= residual options) that should be considered, in as far as known to the Certifying Authority

Date:

Name and signature:

A flowchart of the CA-proceedings was drawn up (cfr. annexe 1)



THE ALARM BELL PROCEDURE

The alarm bell procedure comes into force in the following cases :

- When a member of the Certifying Authority identifies an error / irregularity / illegality.
- When another body informs the Certifying Authority of an error / irregularity / illegality – this could be the Management Authority, the Audit Authority, the Member States, the programme secretariat or the EC (or other).
- The error must be of such a nature that further payment would be irresponsible; it must therefore have financial implications.

Implementing the alarm bell procedure has the following consequences :

- Blocking the member state
- Blocking the entire programme
- Blocking the entire project (financial transfers are completely suspended, both ERDF / or other funds, as co-financing).
- If in an application by a group of partners, the error / irregularity / illegality applies solely to one partner, the Management Authority will be contacted so the group application can be divided.
The block only applies to the part in which the error / irregularity/ illegality is identified.

A flowchart of the CA-proceedings was drawn up (cfr. annexe 2)

2. SAMPLE CHECKS BY THE CERTIFYING AUTHORITY

Not each Program has the same approach to the sample checks of the Certifying Authority

The difference has its roots in the agreement between MA and CA

The difference can be in the number of checks, how they must be carried out or/and what needs to be checked by the CA and when

Overview :

- | | |
|---|---|
| 1) INTERREG Vlaanderen-Nederland | : <u>no sample checks</u> by CA |
| 2) INTERREG Frankrijk-Wallonië-Vlaanderen | : 5 <u>on the spot</u> sample checks per year |
| 3) INTERREG 2 SEAS | : 2 <u>on desk</u> sample checks per year |
| 4) INTERREG NORTH WEST EUROPE | : 2 <u>on desk</u> sample checks per year |
| 5) INTERREG EUROPE | : 2 <u>on desk</u> sample checks per year |
| 6) URBAN INNOVATIVE ACTION PROGRAM | : 2 <u>on desk</u> sample checks per year |



Procedure

Selection criteria:

- 1)The project must have a contract
- 2)The project must already be/still be in operation
(exceptions can be made at request from the MA)
- 3)The Certifying Authority must have the necessary data available to carry out an effective control
- 4)The invoice (or supporting documents)/ amounts, which will be audited, must have resulted in the Certifying Authority granting payment of the ERDF (in other words and in particular, the first line level control check of these documents must have been performed)
- 5)During the sample check, the Certifying Authority will proceed to verifying the payment transfer of the ERDF as well as existing public co-financing.

The report

The Certifying Authority draws up the control report of the sample check.

The established report is sent to the lead partner.

The latter has 14 days to communicate any comments/additions.

If comments are received, these will be explicitly stated in the report.

After the period of 14 days has elapsed and after the Certifying authority has assessed the answering elements brought by the controlled organisations (if applicable), the report will be deemed as final.

After the scanned report has been entered into the digital system, the following bodies will be informed by e-mail that the report can be referenced in the PMS system :

- 1) The Managing Authority
- 2) The Audit Authority
- 3) The Technical Assistance
- 4) The audited lead partner/project partner

A model Audit Report for INTERREG V PROGRAMME XXXXXXXXXXXX, concerning the Report of the on the spot/ on desk/ sample check by the Certifying Authority was drawn up (cfr. Annexe 3)

The control report will always include the following data:

- A conclusion of the Certifying Authority resulting from control
- The date of the audit
- The date of the final rapport
- The amount of the certified expenditure on the date of the audit
- The amount of the (certified) ERDF on the date of the audit
- The amount of the audited expenditure
- The amount of the audited ERDF
- The audited revenue
- The percentage of the audited expenditure
- The percentage of the audited ERDF
- Any remarks of the audited partner
- Financial implications
- The date the report was drawn up
- The person who drew up the report

After control activities....till the next audit....



Thank you for your attention !

