

Financial control

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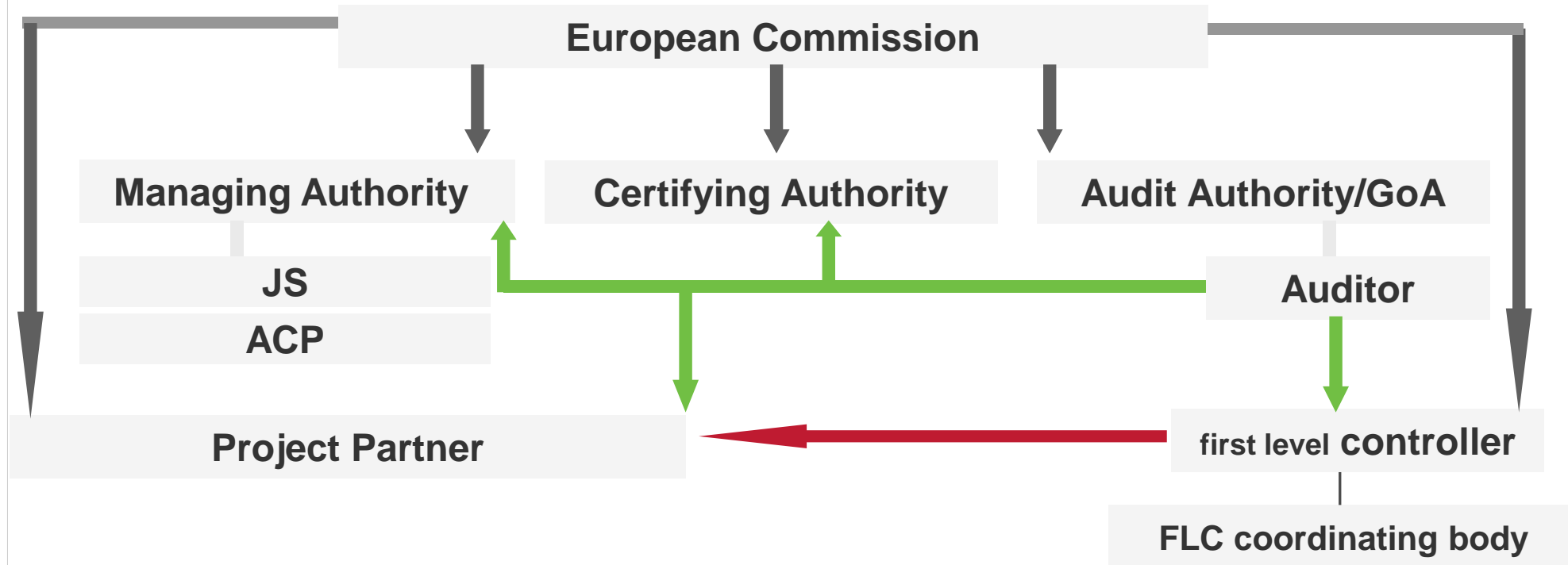
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Managing Authority






Financial flows and reporting



Financial control system



-  Control of **all** expenses and certification of eligible ones => **FIRST LEVEL**
-  Audit of the programme's system, the annual accounts and sample check of projects
=> **SECOND LEVEL**
-  On the spot audits of the EC to verify the functioning of the system => **THIRD LEVEL**

⇒ **TO ENSURE THAT ONLY ELIGIBLE EXPENSES ARE CO-FINANCED
(PROPER USE OF FUNDS)**



MA sample checks

Aim

→EC requirement, to get sufficient assurance that only eligible and regular expenditure is included in interim payment applications to EC

When

→MA performs its sample checks in parallel to the JS report checks

Selection of projects

- risk based approach
- all certificates have to have the „chance“ to be selected

Procedure

- information of LP and request for documents,
- draft report to LP/contradictory phase (PP/FLC can provide their comments)
- final report and correction of findings



MA sample checks

What is checked by the MA?

- Staff costs: assignment, six monthly task report, consistency with list of expenditure
- Public procurements above the EU-threshold: was it published EU-wide?
- FLC certificate, checklist and report: proper completion of documents



First level control

Member State	Centralised	Decentralised	Remarks
Austria		✓	<ul style="list-style-type: none"> Control to be carried out <u>only</u> by nominated controllers (predefined list). The operative implementation of the first level control will be assigned to external controllers in most cases.
France		✓	<ul style="list-style-type: none"> PPs are in charge of choosing their FLC. According to their status (public or private), the project developers can choose if the FLC is outsourced. After selection by the PP, the FLC has to be authorized by the National Authority.
Germany		✓	<ul style="list-style-type: none"> The beneficiary is free to appoint its controller, but the latter must be authorised by the FLCC. Precondition for the authorisation is the proof that the controller is personnel and functional independent from the project.



First level control

Member State	Centralised	Decentralised	Remarks
Italy		✓	<ul style="list-style-type: none"> The beneficiary is free to appoint its controller, but the latter must be authorised by Italian Commissione Mista Stato – regioni (National authority c/o Agenzia per la Coesione Territoriale). Only for P.A. see D.Lgs 165/2001. External FLC must have specific requirements to be designated by FLCCB (a.o. registered in RCAAE) and be selected based on procurement law (Decree n. 50/2016). There is no predefined list of controllers.
Slovenia	✓		<ul style="list-style-type: none"> The FLC will be performed by the Government Office for Development and EU Cohesion policy.



First level control - contacts

Member State	First level control coordinating body
Austria	Federal Ministry of Sustainability and Tourism, Department PR 14; Coordination Spatial Planning and Regional Policy Luise Fasching +43 1 71100 61 2915 luise.fasching@bmnt.gv.at
France	Préfecture de Région Rhône-Alpes Marine Henry marine.henry@auvergnerhonealpes.eu
Germany	Bavarian State Ministry of the Environment and Consumer Protection Ernst Polleter +49 89 9214-2165 ernst.polleter@stmuv.bayern.de
Italy	Ad Hoc Committee (<i>Commissione Mista</i>) c/o Agenzia per la Coesione Territoriale (http://www.agenziacoesione.gov.it/) Teresa Costa +39 6 96517847 commissione.mista.cte@agenziacoesione.gov.it/
Slovenia	Government Office for Development and EU Cohesion policy First Level Control Unit Špela Dragar spela.dragar@gov.si



Audits (second level control)

- Will be performed by an external audit company– on behalf of the group of auditor (national audit experts) chaired by the Audit Authority (Austrian Ministry of Sustainability and Tourism)
- The audit focusses on sample checks of approved projects
- Sample checks concentrate on
 - Correctness and eligibility of expenditure reported to the EC
 - Audit trail (esp. documentation on PP, LP, FLC and JS/MA/CA level)
- Experience in ETC programme showed especially deficiencies in the observance of public procurement rules and the calculation and documentation of staff costs



Questions ?

