



TAKING
COOPERATION
FORWARD



PROJECT IMPLEMENTATION TRAINING

Vienna | 19 June 2019



How to keep an audit trail - principles



Interreg CENTRAL EUROPE | Joint Secretariat

AGENDA

Setting up the
audit trail

Elements of the
audit trail

Start up phase

Annulling of
documents

Retention of
documents

Audit trail
applicable to
each budget line

Public
procurement

SETTING UP THE AUDIT TRAIL

Audit trail

is a **chronological set of accounting records** that provide documentary evidence of the sequence of steps undertaken by the beneficiaries and programme bodies for implementing an approved project.



The proper keeping of **accounting records and supporting documents** held by the beneficiary and its national controller plays a key role in ensuring an adequate audit trail.

ELEMENTS OF THE AUDIT TRAIL

At the level of each beneficiary:



- The subsidy contract (and its amendments);
- The partnership agreement;
- The latest version of the approved application form;
- Documentation of all outputs and deliverables produced;
- Documents proving, the expenditure incurred and the payment made;
- Documentation of all procurement procedures implemented;
- Any other supporting document applicable to each budget line;
- Physical and financial reports submitted to the national controller;
- Documents issued by the national controller validating all expenditure;
- A copy (as pdf) of all project progress reports and final report submitted and approved by the MA/JS.



START UP PHASE

Essential for each PP to set up arrangements ensuring the availability of:



A separate accounting system or an adequate accounting code set in place specifically for the project;



A physical and/or electronic archive which allows storing data, records and documents concerning the physical and financial progress of the project.

ANNULLING OF DOCUMENTS

The need to avoid double funding

A **stamp** bearing at least the following information:



- The information that the expenditure has been co-funded by the Interreg CE Programme;
- The number and the name (acronym) of the project;
- If applicable (e.g. same document covering different cost items), a statement on the share of expenditure claimed in the concerned project.

Attention:



If invoices (and/or other probative documents) are available only on electronic support the minimum information listed above has to be incorporated in the subject and/or in the body of the electronic document.



RETENTION OF DOCUMENTS



- Supporting documents composing the audit trail must remain available at the premises of each beneficiary at least for **a period of three years**. This period starts from 31 December following the submission of the payment claim to the EC by the MA that contains the last expenditure of the project following its completion.
- Documents referring to project activities and expenditure carried out in the framework of aid granted under the de minimis rule must be retained for a period of **10 fiscal years** from the date on which the aid was granted (date of signature of the subsidy contract).



BL1:DOCUMENTS FOR STAFF COSTS

BL1

Reimbursement on a real cost basis



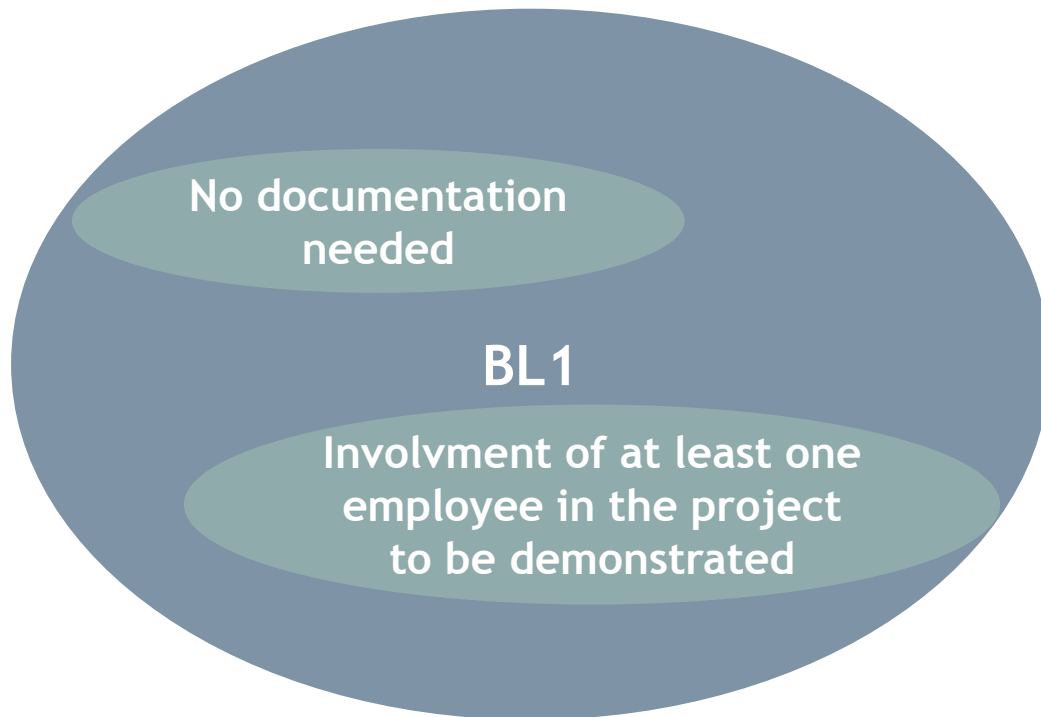
Document	Full-time in the project	Part-time in the project		
		Fixed % of time per month	Flexible No. of hours per month	Hourly basis
a. Employment document	YES	YES	(YES)*	YES
b. Job description	YES	YES	(YES)*	YES
c. Proof of the latest annual gross employment cost	NO	NO	(YES)*	NO
d. Calculation of the hourly rate	NO	NO	(YES)*	NO
e. Project assignment document	YES	YES	NO	NO
f. Periodic staff report	YES**	YES**	YES	YES
g. Time-sheet	NO	NO	YES	YES
h. Payslip	YES	YES	NO	YES

** In case of staff working part-time on the project with a flexible No. of hours per month, documents from a. to d. must be provided to the controller only for the first time that costs of the concerned employee are to be claimed in the project.*

*** In case of staff working full-time on the project or part-time with a fixed percentage, the periodic staff report shall also contain an indicative breakdown of the time worked in each work package as well as specific information on missions carried out by the employee in the period.*

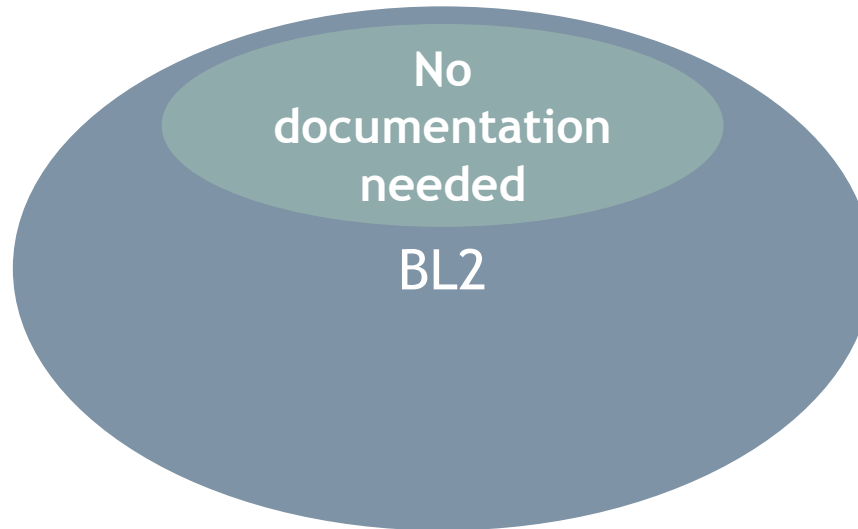
BL1: DOCUMENTS FOR STAFF COSTS

Flat rate - 20% of direct costs other than staff costs

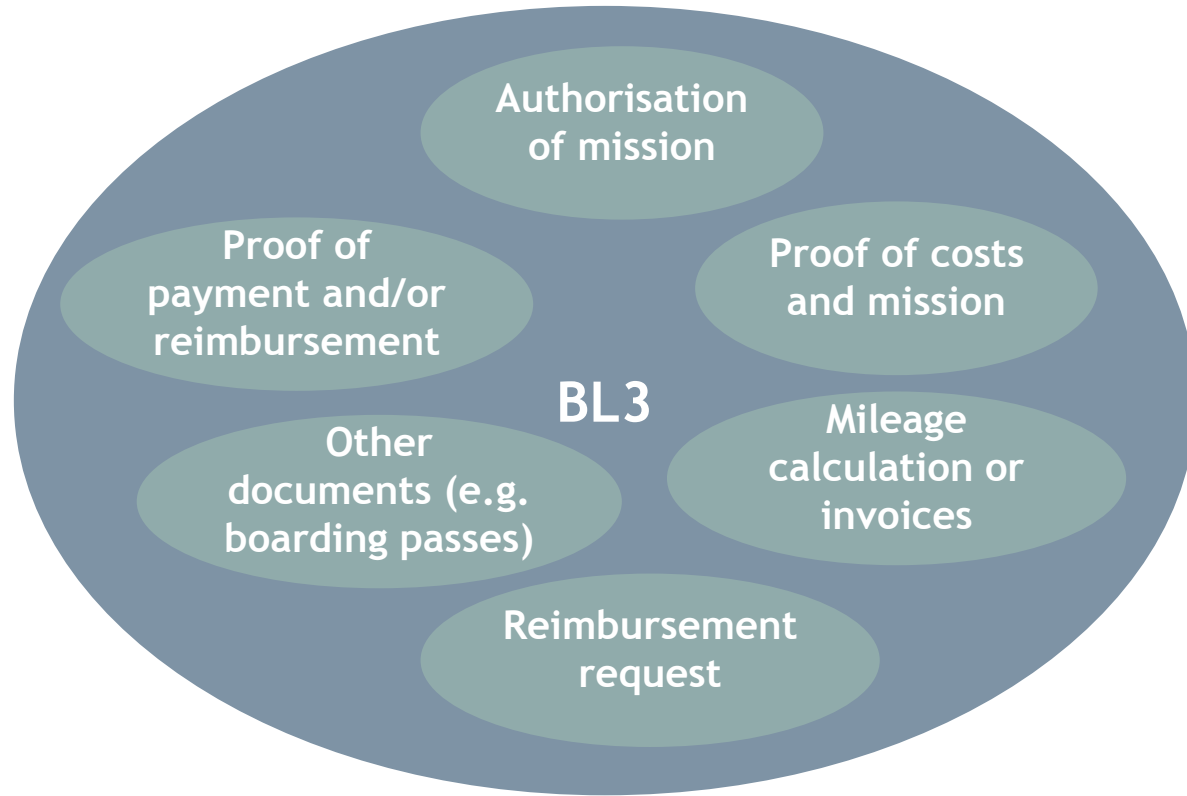


BL2: DOCUMENTS FOR OFFICE AND ADMINISTRATION EXPENDITURE

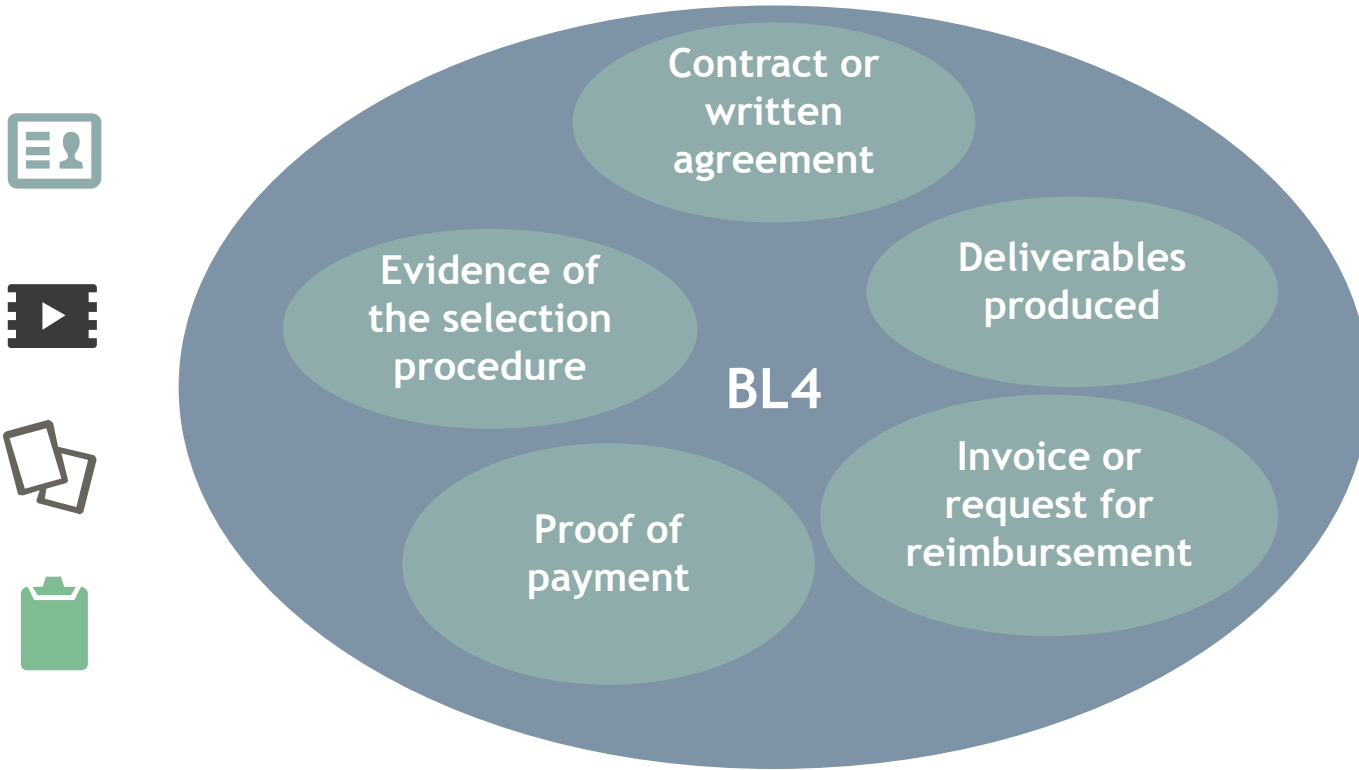
Reimbursement according to flat rate



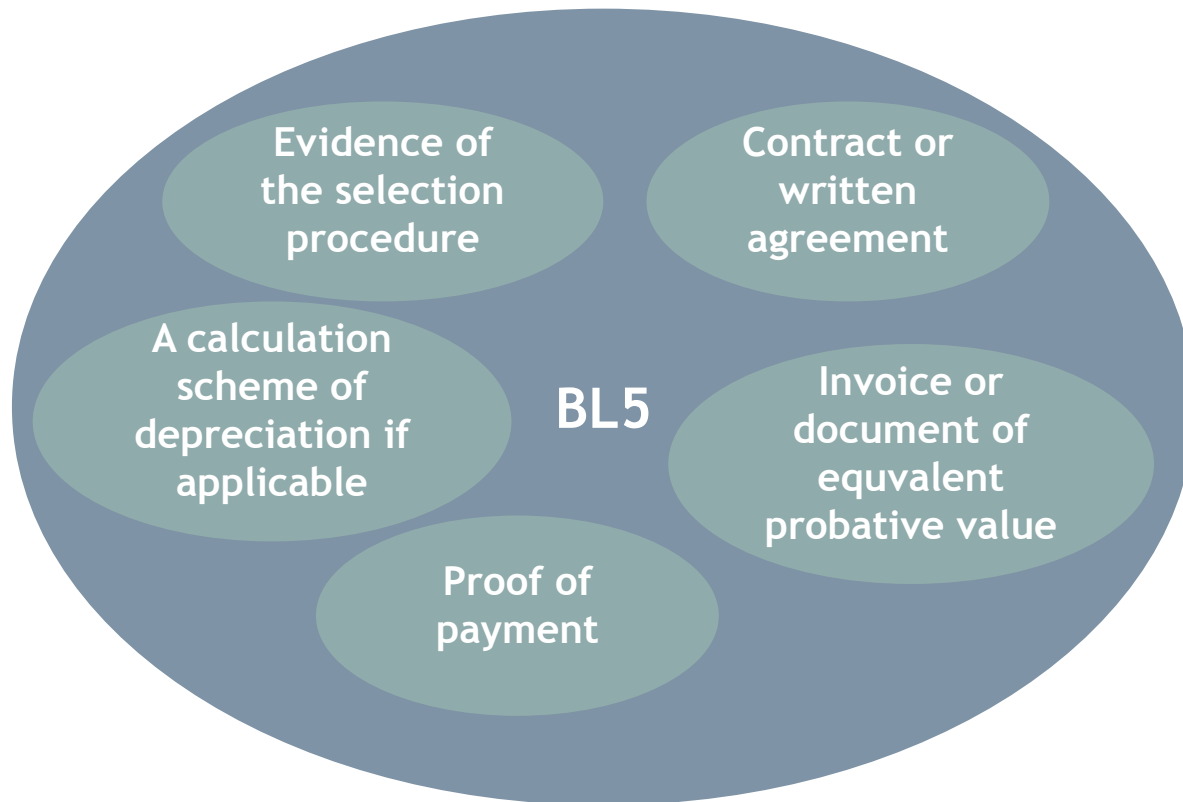
BL3: DOCUMENTS FOR TRAVEL AND ACCOMMODATION COSTS



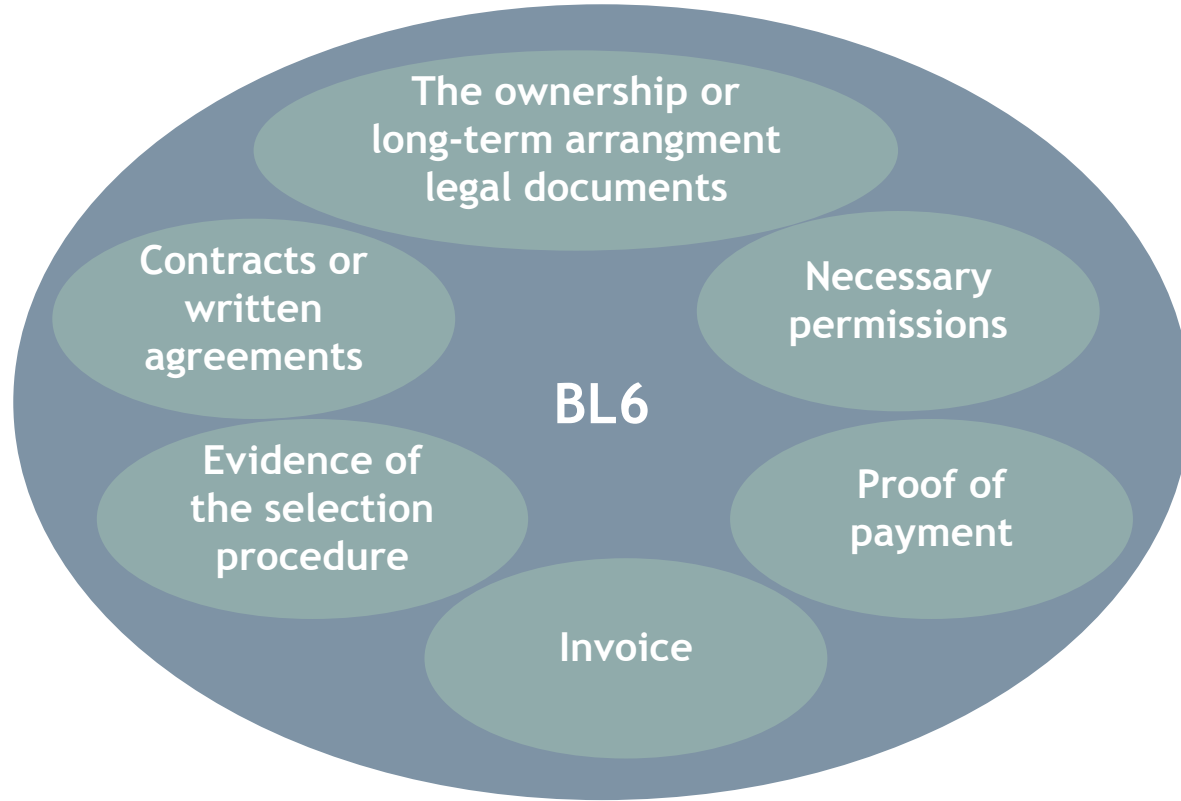
BL4: DOCUMENTS FOR EXTERNAL EXPERTISE AND SERVICES COSTS



BL5: DOCUMENTS FOR EQUIPMENT EXPENDITURE



BL6: DOCUMENTS FOR INFRASTRUCTURE AND WORKS EXPENDITURE



PUBLIC PROCUREMENT

For contracts of works, supplies or services from economic operators rules on public procurement have to be followed.



The
stricter rule
applies



Adequate market
search is required
(applicable also to
private beneficiaries)



A competitive procedure is
required also from private
partners when above
national/EU thresholds

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