

An overview and summary information regarding the FLC function in Ireland for the NWE 2014 – 2020 Programme.

As regards financial management and control obligations for First Level Control, Ireland follows the “centralised model” for First Level Control in European Territorial Cooperation ETC Programmes (INTERREG).

In the regulations establishing the new programming period (2014-2020) it was up to each Member State to set up a First Level Control system and to designate the controllers responsible for verifying the legality and regularity of the expenditure declared by each beneficiary established on its territory.

In Ireland, a centralised control system for First Level Control was chosen for the 2014 to 2020 programming period. The Southern Regional Assembly is the central regional approbation authority for the North- West Europe Programme.

This means in practice that the Southern Regional Assembly will check all Payment Claims of all VB NWE Irish project Lead Partners as well as all Irish project partners, regardless of the nationality of the Lead Partner.

The Lead Partner of a VB NWE funded project, is accountable to the NWE Programme Secretariat for all costs incurred by themselves and the other project partners. They are responsible for having administration, management and the internal or external control systems of the project, in place. Those systems have to be described in the Application Form and the Partnership Agreement and the agreement must also outline the responsibilities of each partner in that matter.

For your information,

First Level Control’ are the checks (audits) of project expenditure to be made during project implementation each time before submitting a payment claim.

It entails the following checks:

- verification of the delivery of the products and services co-financed (as described in the approved Application Form);
- verification of the soundness of the expenditure declared;
- verification of the compliance of such expenditure with Programme, Community and national rules.

The First Level Control covers 100% of all project spending declared.

Every Payment Claim needs to be checked by the Southern Regional Assembly’s Controller before it can be submitted to the project’s Lead Partner (for project partners) or to the Programme Secretariat (for project Lead Partners).

The Lead Partner’s First Level Controller will have to certify the composite project payment claim, ensure that each partner’s expenses relate to the activities as agreed in the Application Form and verify that each partner’s expenses have been validated by the relevant approved Controller.

The First Level Control system will consist of two types of verifications checks.

1. Desk based administrative checks on expenditure declared in payment claims
2. On-the spot checks which will take place at the offices of the project partner and will be carried out on a sample basis.

For desk based administrative checks, project partners will be required to submit **a copy (NOT ORIGINALS)** of all the appropriate supporting documentation to their Controller for each report (payment claim) requiring certification.

The type of back-up documentation required would be as follows,

For Non pay transactions,

1. Copies of Invoices and receipts
2. Copies of travel claims and where out of pocket expenses are reimbursed as part of travel costs, copies of the relevant receipts i.e. (Taxis, Trains, Hotels, etc.,) will be required.
3. Evidence of proof of payment, i.e. copies of printouts from your accounting system, remittance advice documents, credit card and bank statements, etc., where applicable.
4. Any other relevant support documents, you consider appropriate.

For pay transactions,

1. Copies of Contracts of Employment, where applicable
2. Copies of Payslips, where applicable
3. Copies of Timesheets / Time Recording Records
4. Copies of Gross to Net Printouts from payroll, where applicable,
5. Proof of payment, i.e. copies of printouts from your accounting system, EFT Listings or cheques and bank statements.
6. Any other relevant support documents, you consider appropriate.

For the On-the spot checks, the Controller will select a sample of expenditure for inspection at the offices of the project partner. The sample will be emailed in advance of the on-site visit and the project partner will be required to make available to the Controller, all the original financial accounting records supporting the audit trail for expenditure declared in the relevant project claims. The spot check is normally carried out towards the end of the lifetime of the project.