

RBMV – first experiences in Austria

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Today's Content



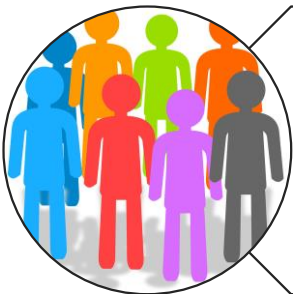
1. RBMV Methodology Interact Programme

- Our RBMV journey in Interact Programme
- RBMV // HIT Methodology



2. Developing our own form to document the RBMV

- Creating an excel checklist



3. Other Programmes & Conclusion with Q & A

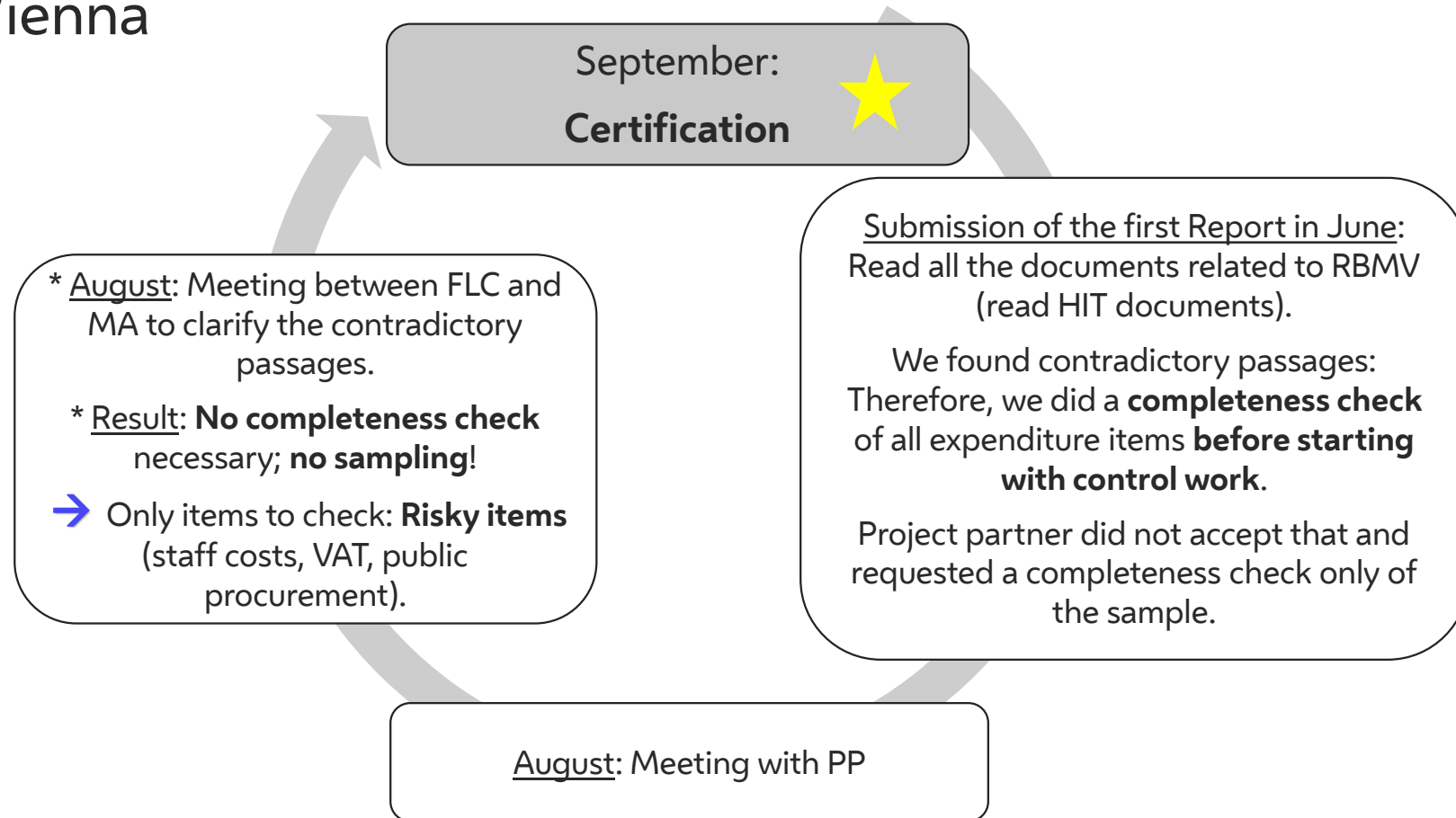
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1. RBMV Methodology Interact Programme

Our RBMV journey in Interact Programme

Timeline - certification Interact Office Vienna

→ First programme to apply RBMV Methodology for the FLC Vienna:
Interact Office Vienna



Our RBMV journey in Interact Programme

Timeline - certification Interact Office Vienna

- IOV is responsible for the **completeness** of the documents.
- Staff costs of the first two reporting periods are fully checked.
- Travel costs are not checked anymore.



- Interact follows the **HIT methodology**: <https://interact.eu/about-interact/our-tools/hit>

RBMV Methodology in Interact Programme

Methodological guideline // HIT Methodology



For example, page 13 of the *Guidance on the risk-based management verifications for 2021-2027 and HIT methodology*:

(...)

3.2. Approach and general principles

According to the HIT risk-based methodology, management verifications are done by controllers at the level of each project partner and its partner progress report.

Verification of each partner progress report is composed of a full verification of risky items ("key-item verification"), and items picked up for verification based on the professional judgement of the controller. Apart from the key-items verification and item picked up by the controller based on his professional judgement, a programme can decide to apply a random sampling of the remaining items to supplement verifications.

Full verification of the partner progress report could be justified if the analysis of the programme data suggests that some specific progress reports are riskier (e.g., first progress report, reports with investment items, etc.) than others. Full verification of a report could also result from the errors found by a controller in the verified items if the controller needs to obtain a necessary quality assurance level of the reported expenditure.

RBMV Methodology in Interact Programme

Methodological guideline // HIT Methodology



For example, pages 14-15:

3.3.2. Professional judgement

On top of the full verification of key items, the controller, based on his/her professional judgement (decision-making, analyses, or evaluation based on knowledge, skills, training, or experience that the controller possesses) can select additional items from the list of expenditures to perform verifications on - provided this is needed to obtain the necessary quality assurance of the partner progress report.

and...

3.3.3. Random sampling

The composition (key-items verification and professional judgement) can be supplemented with random sampling of the remaining (non-risky) items, based on the following sampling principles:

2. Developing our own form to document the RBMV

Developing our own RBMV checklist

RBMV Interact IOV IV - Documentation						
Programme						
File number MA27						
Projectnr. JEMS						
Projectakronym						
Projektpartner						
Reporting period						
Report number						
Amount submitted in total						
Amount real costs						
Minimum Scope of audit						
risky items						<p>1. Public procurement for contracting amounts above EUR 10.000 (excl. VAT - unless the threshold set by the applicable national rules is stricter).</p> <p>2. Staff costs of the first two progress reports where staff costs occur. Furthermore, staff costs of a new staff member included for the first time in the progress partner report, and if significant changes in the staff costs occur (e.g. > 20%) in the time allocation of staff members (if the fixed percentage method is used), or if there are changes in the staff costs methodology (e.g., a change from fixed percentage method to an hourly rate).</p> <p>3. VAT (for all beneficiaries with total costs of at least EUR 5.000.000, including VAT).</p>
total expenditure items (Staff costs= 1expenditure item)	136					0,00
risky items	48					
risky items: public procurement	47					
risky items: staff costs	1					
risky items: VAT	0					0,00

Developing our own RBMV checklist

Sample									
Pos.	invoice number	Invoice issuer	Cost category	Amount submitted	not eligible	eligible	error category	Explanation for drawing the sample	Comments
1	1	xyz	4	€ 12.000,00	0,00	12.000,00	n.a.	mandatory to check - risky item	
2									
3									

Error categories:

n.a.
systematic
unspecific

Explanation for drawing the sample :

mandatory to check - risky item
mandatory to check – systematic error
mandatory to check – parked item
Professional judgment
Extension of the sample due to error rate in the original sample

3. Other Programmes & Conclusion

Other Programmes

Interreg Slovakia-Austria Programme

Before drawing the sample, a **completeness check** must be carried out to ensure that the required documents were uploaded in the appropriate quality (not so in Interact!). Besides the risky items, the controller can choose min. 2 items per cost category.

A checklist for SK FLC and AT FLC for sampling based on the RBMV method is provided by the MA.

A document called “Random number generator” for drawing the sample will be provided as well.

Interreg Slovakia-Austria Programme

Control questions					
1.	The submitted LDE is the first or the final one.	yes	It is necessary to check all items in the LDE.	no	please continue with the selection of expenditures for verification
Verification of the risky items					
2.	LDE contains expenditure from public procurement with the estimated contract value exceeding EUR 10 000,-.	yes	please indicate the reference numbers of the expenditures to be verified and please continue in this checklist	no	please continue with the selection of expenditures for verification
3.	LDE contains declared staff costs (real costs).	yes	please verify all expenditure in the cost category "Staff costs" in the first two submitted LDEs in which they are declared and in those LDE(s) where there has been a change in the cost category "Staff costs"	no	please continue with the selection of expenditures for verification
4.	The project partner is entitled to claim VAT from the tax office (for projects with a total project budget of more than EUR 5 million).	yes	please verify the eligibility of VAT claims	no	please continue with the selection of expenditures for verification
Professional judgement					
5.	Ineligible expenditure has been identified in previous LDE(s).	yes	indicate the reference numbers of expenditures to be verified - min. 2 expenditures from each cost category in which ineligible expenditures have been identified	no	please continue with the selection of expenditures for verification
6.	Items selected for verification by the FLC control manager based on experience with the Lead partner/Partner, problems in project implementation, insufficient quality of the submitted LDE(s) etc.	give the reference numbers of expenditures which will be 100 % verified			
Error rate detected on the verified sample					
the amount of ineligible expenditure identified:				-	€
the amount of expenditure verified:				-	€
the error rate found in the sample:				▶	#DIV/0!
Extension of the sample where ineligible expenditure has been identified					
7.	The identified ineligible expenditure has common characteristics.	yes	please indicate the reference numbers of expenditures to be verified - all remaining expenditures with the same characteristics		
8.	If the identified ineligible expenditures do not share common characteristics, the extension of the sample shall be determined as follows:		yes	indicate the reference numbers of the expenditure to be verified (in case of an error rate of 5-25 %, please also provide a calculation demonstrating that at least 50 % of the value of the expenditure has been verified)	
	Sample error rate	Extension of the minimum scope for verifying the submitted expenditures on a real-cost basis			
	< 5 %	No sample extension required			
	5 - 25 %	At least 50 % of the value of the expenditures actually declared in the LDE on the real-cost basis must be verified to the full extent			
	> 25 %	100 % of the expenditure in the LDE must be verified to the full extent			

Other Programmes

Interreg Austria-Czechia/ Austria-Hungary

Austria-Czechia:

At least 10 expenditure items and a minimum of **25%** of real costs have to be checked (where the risky items are included!!! The other expenditure items are chosen by the FLC).

If the report consists of less than 10 expenditure items, the controller will do a 100% audit.

Austria-Hungary:

No documents yet.

Conclusion

What's new?

Generally, for all programmes (ATHU, ATCZ, SKAT), the FLC Vienna will do a **content related check** with regard to the achievement of the specified outputs and results, to make sure the incurred costs are justified.

We developed another Excel checklist for this reason.

Questions & discussion

- **Why do not all Programmes use HIT by Interact?**
- **Will the risk really be mitigated with RBMV?**
- **How is the RBMV method handled in your Programmes?**

Thank you!

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Sources

<https://interreg.eu/programme/interreg-austria-czech-republic/>

<https://www.sk-at.eu/de/>

<https://interreg.eu/programme/interreg-slovenia-austria/>

<https://interreg.net/>

<https://interact.eu/about-interact/our-tools/hit>