Risk based management verifications (RBMV) and audit of SCOs
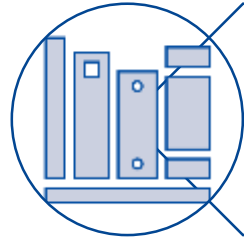
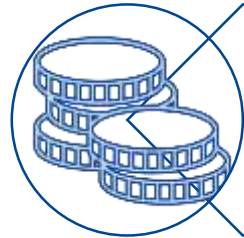Veronica Cotea, Oana Mantog, Joint Audit Directorate for Cohesion

Audit of SCOs

Veronica Cotea

SCO 2021-2027

Art 54-56 CPR/ art 39-41 Interreg

(off the shelf)

Art 53 CPR (Managing authority – beneficiary)

Art 94 CPR (Managing authority – Commission)

Overview of assessment & audits

SCO	Off the shelf	Art. 53 CPR	Art 94 CPR
Methodology	No	Ex-ante or during implementation	AA ex-ante assessment (+EC approval via programme or programme amendment)
Application	✓	✓	✓

Verification of the application of an SCO methodology

Flat rate

- Basis costs: correctly allocated, eligible, no double declaration
- Existence of the cost category (except for indirect costs)
- Correctly calculated

Lump sums and unit costs

- Pre-defined deliverables/ milestones achieved, justified
- No double declaration in case of combination with real costs
- Amount declared = unit cost x actual number of units delivered

European Commission

Verification of the methodology - examples

Flat rate

- SCO flat rate of 15% of staff costs to calculate indirect costs
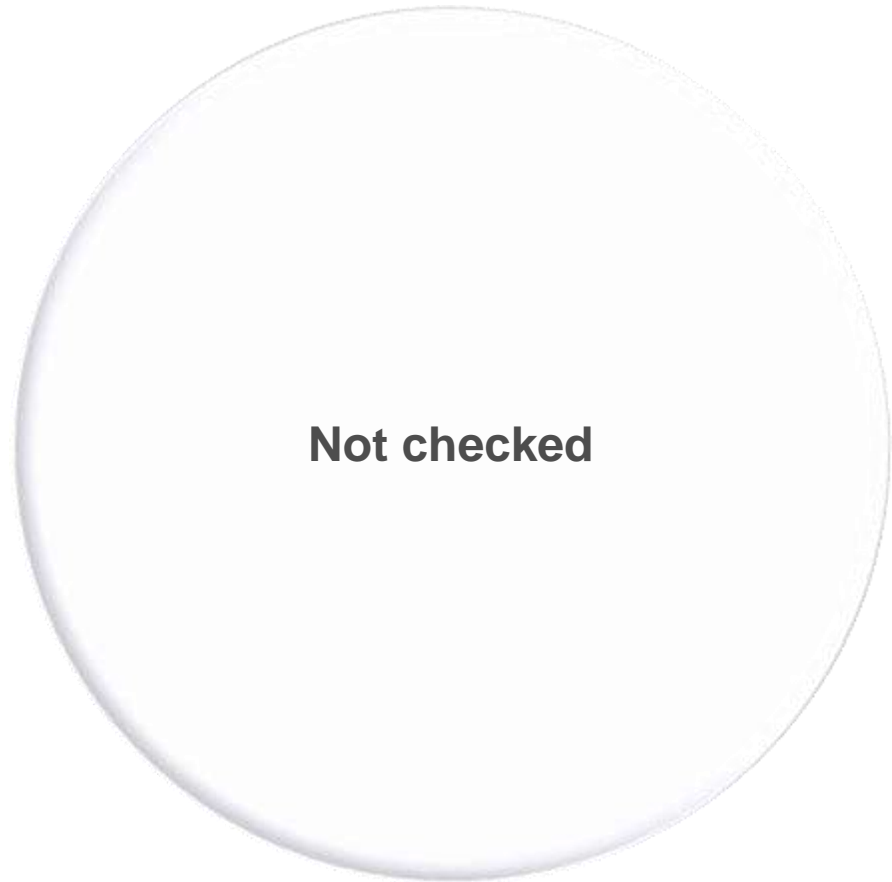- verification of the eligible staff costs and that 15% of those are reported under indirect costs

Unit cost

- 30€ per participant per day in a project event (=unit), justified with a participant list
- verification of number of participants in participant list, correct multiplication of unit (e.g., 15 x 30€ = 450€)

Lump sum

- 10.000€ for final conference
- verification that the final conference took place (e.g., agenda, signature list, photos)

European Commission

Aspects not checked

Not checked

Evidence that the real costs correspond to the amount of the SCO

Actual expenditure incurred by the beneficiary linked to the costs categories covered by the SCO

Supporting documents to make sure that the amount reimbursed based on an SCO is spent for the same cost category

European Commission

Risk based management verifications

Oana Mantog

Reminders

Assessment (who, when)

Risk factors

Adapt

European Commission

Why is the risk assessment important?

- ✓ Catches the errors that count

- ✓ A good risk assessment lowers TER/RER

- ✓ Interreg common sample

- ✓ Protects the Programme

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European Commission

Do we verify SCOs?

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Things to 🐼 in mind

Assess the risk of each type of SCO you use

Do not underestimate. Start cautiously. Adjust.

Be brave and simplify

Thank you for your attention