



INTERact

Sharing Expertise

INTERACT POINT VIENNA

**First Level Control in Territorial Cooperation programmes
and IPA CBC under shared management**

Documentation of FLC work

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- Documentation of control findings is very important,
 - as it helps to ensure that financial corrections are done for the appropriate amount
 - as it helps to recommend appropriate measures to the controlled entity
 - as it helps to define appropriate follow up measures
- Documentation of control work done is very important, as this might be audited by the Second Level Control



Documentation should include:

- Description of checks, including their extent (how many items checked), date of the check, name of FL Controller
- FLC can use:
 - defined tick marks, including signature and date of control performed
 - Memos, checklists etc
 - Documentation directly on the copies of controlled documents in the working papers
- Conclusions drawn, including a sufficient documentation of errors identified (how much is ineligible?)
- FLC does not need to duplicate documentation, e.g. it is sufficient to document control work in the checklist, and everything else just needs to cross-referenced to the checklist



Follow-up:

- Follow-up within the framework of First Level Control is useful
- For the controlled entity:
 - If an internal control of the checked entity is not working correctly and should therefore be improved (= avoid further mistakes)
 - If ineligible expenditure must be excluded already on the level of the entity's accounting system
- For the Managing Authority: if FLC detects an error that could happen in other projects as well, FLC should inform the MA and recommend appropriate measures (e.g. MA should inform all LPs)
- A financial correction can be done the FLC independently from everyone else. FLC just certifies the eligible amount



Follow-up of on-the-spot checks:

- The Follow-up process of an on-the-spot check starts directly after your return to the office
- Finalise control documentation, if it is not finalised already
- Define for each control finding:
 - Financial effect
 - Measure to be taken (financial correction, adaptation of internal control)
 - Deadline until when the measure has to be implemented
- If foreseen, write the control report
- Draft First Level Control Certificate



Follow-up:

- If foreseen, ensure complete working papers and submit them for review (4-eyes principle)
- After completion and possibly review, submit First Level Control Certificate and the control report/a description of control findings and related follow-up measures to the controlled entity (if foreseen by management and control system, inform the MA as well)
- After the follow-up deadline, check whether feedback was sent to you and assess if it is sufficient to meet your requirements
- If necessary, ask for further proof of follow-Up