



Annex 1

Independent first level control certificate

Project title:
Project acronym:
Project number:
Reporting period:
Name of project partner:
Designated control body responsible for verification:

Amount certified:

1. Based on the documents provided and my verification and professional judgement as a first level controller, I certify that:
 - a. Expenditure is in line with European, programme and national eligibility rules and complies with conditions for support of the project and payment as outlined in the subsidy contract.
 - b. Expenditure was actually paid with the exception of costs related to depreciations and simplified cost options.
 - c. Expenditure was incurred and paid (with the exceptions above under “b”) within the eligible time period of the project and was not previously reported.
 - d. Expenditure based on simplified cost options is correctly calculated and the calculation method used is appropriate.
 - e. Expenditure reimbursed on the basis of eligible costs actually incurred is either properly recorded in a separate accounting system or has an adequate accounting code allocated. The necessary audit trail exists and all was available for inspection.
 - f. Expenditure in currency other than Euro was converted using the correct exchange rate
 - g. Relevant EU/ national/ institutional and programme public procurement rules were observed.
 - h. EU and programme publicity rules were observed.
 - i. Co-financed products, services and works were actually delivered.
 - j. Expenditure is related to activities in line with the application form and the subsidy contract.
2. Based on the documents provided, my verification and my professional judgement as a first level controller, and for the amount certified, I have NOT found any evidence of:
 - a. Infringements of rules concerning sustainable development, equal opportunities and non-discrimination, equality between men and women and state aid.
 - b. Double-financing of expenditure through other financial sources.
 - c. Generation of undisclosed project-related revenue.
3. I hereby confirm that the verification of the project financial report was done precisely and objectively.
The control methodology and scope and further information on the control work actually done are documented in the first level control report and checklist (based on programme template).
I and the institution / department I represent are independent from the project's activities and financial management and authorised to carry out the control.

Name:
Place and date:

Signature:

First level control report including checklist

The first level control report and checklist constitute an essential and obligatory part of the project's audit trail. They have to be completed by the first level controller of each project partner. Based on these documents the controller can certify the partner's expenditure. The control report including the checklist has to be submitted to the lead partner for validation of the project's overall progress report. The first level control report and checklist should not be sent to the joint secretariat, but have to be made available upon request.

1. Project and progress report				
Project title				
Project acronym		Project index		
Progress report	No.	<input type="checkbox"/> Final report		
Reporting period	Start		End	
2. Project partner				
Number				
Organisation				
3. Designated first level controller				
Name				
Organisation				
Job title				
Division/unit/department				
Address				
Country				
Telephone				
Email				
4. Control information				
Expenditure declared to the controller	EUR			
Expenditure accepted and certified	EUR			
How much of the partner's expenditure have you verified? <i>Controllers are expected to check 100% of the expenditure. If less than 100% are verified, the sampling method has to be described (please see programme manual section XX).</i>	<input type="checkbox"/> 100% <input type="checkbox"/> <100%, describe the sampling method			
Type of control carried out	<input type="checkbox"/> desk-based <input type="checkbox"/> on-the-spot verification <input type="checkbox"/> other; please describe:			
On-the-spot verification(s) <i>One on-the-spot verification obligatory per project partner in the project lifetime, except a documented sampling method is applied and allowed by the Partner States (see section 7.6.2. of the programme manual and country</i>	Date(s): Place(s): <input type="checkbox"/> premises of the project partner <input type="checkbox"/> place of project outputs <input type="checkbox"/> other			

<i>specific information on the programme website).</i>	
Format in which documents were made available	<input type="checkbox"/> original <input type="checkbox"/> copies <input type="checkbox"/> electronic

5. Follow-up measures from previous reports

If any findings/issues are still open from the previous report, describe the follow-up measures that were implemented and conclude on their effectiveness.

6. Description of findings/observations/reservations

Specify the findings, observations and reservations, if any, that you made during your checks for this report.

7. Conclusions and recommendations

Describe the measures that were implemented to solve the detected errors. Provide recommendations that help to avoid similar errors. Provide a conclusion whether there is a reliable system in place and whether there is sufficient reassurance that the cost statement is free of material misstatement.

8. Follow-up measures for the next progress report

9. Controller's signature

Place	
Date	
Name	
Signature	

First level control checklist

1 Relevant documents				
Control question	Yes	No	N/A	Comments/Follow-up
Are the following documents available for the first level control?				
1. Subsidy contract			X	
2. Application form			X	
3. Partnership agreement (signed by project partner)			X	
4. Project's / project partner's progress report			X	
5. List of expenditure (overview of all project expenditure by project partners and budget lines, incl. payment day, VAT specification, procurement procedure for sub-contracted items where applicable, and brief description of the cost item)			X	

2 General checks					
	Control question	Yes	No	N/A	Comments/Follow-up
2.1	Is it ensured that the partner is a "not for-profit" body?				
2.2	Is it ensured that the partners still has the same legal status as in the latest approved application form?				
2.3	If the partner contribution does not come from the partner's own resources but from an external public source, has the total public contribution not been exceeded? <i>If the partner contribution comes from the partner's own resources or entirely from private sources, please tick 'n/a'.</i>				
2.4	Is it ensured that the expenditure has not already been reimbursed by any other funding (EU, regional, local or other)? Are there mechanisms in place to avoid double-financing?				
2.5	Was recoverable VAT deducted? <i>If the project partner is not entitled to recover the VAT, please select 'N/A'.</i>				
2.6	General comments , recommendations, points to follow-up:				

3 Accounting and audit trail					
	Control question	Yes	No	N/A	Comments/Follow-up
3.1	Has one of the following options been chosen to clearly identify the costs allocated to the project? a) A separate accounting system b) An adequate accounting code				
3.2	Are the amounts paid accurately recorded in the accounting system?*				
3.3	Are all costs only declared once?				

* Not applicable for flat rates, standard scales of unit costs or lump sums.

3.4	Has all expenditure been incurred within the eligible programme area? If not, has prior approval from the programme been obtained (through the application form or direct approval from the joint secretariat)?				
3.5	Is the part of the expenditure that is incurred outside the Union part of the programme area eligible according to Article 20 of Regulation (EU) 1299/2013 and programme rules?				
3.6	Has each reported expenditure been supported by an invoice or an accounting document of equivalent probative value that are complete and accurate in accounting terms?*				
3.7	Has each expenditure been supported by a payment proof (e.g. bank account statements, bank transfer confirmations, cash receipts)?*				
3.8	Have the costs been correctly allocated to the budget lines?				
3.9	Has the partner's budget by budget line been respected? If not, has the excess spending been approved by the lead partner?				
3.10	Has the partner's total budget not been exceeded by more than the flexibility allowed by the programme?				
3.11	Is the exchange rate used for the conversion into Euro correctly applied, using the monthly accounting exchange rate of the Commission in the month during which that expenditure was submitted for verification to the controller? <i>Indicate in the comments section when (MM/YYYY) the documents have been submitted to the controller (sent or made available on the spot).</i>				
3.12	Has the partner received the ERDF share from the previous periods?				
3.13	Does the account from which payments are made and received belong to the partner organisation?				
3.14	Is it ensured that ineligible costs according to programme rules and Article 69 (3) (a+b) of Regulation (EU) No 1303/2013 and Art 2 (2) of Delegated Regulation No 481/2014 are not included? In particular: - interest on debt - fines - financial penalties - costs related to fluctuation of foreign exchange rate - gifts that are not related to the promotion communication, publicity and information or that exceed EUR 50 - in-kind contributions				
3.15	It is ensured that gifts that are related to promotion and that are below EUR 50 and other promotional material are excluded from the report				

* Not applicable for flat rates, standard scales of unit costs or lump sums.

	unless prior approval has been granted by the programme?				
3.16	Have all net revenues been deducted from the total reported eligible costs? <i>If there are no revenues, please tick n/a</i>				
3.17	Is there evidence that reported activities have taken place and that co-financed products and services were delivered or are in progress to be delivered? <i>If the evidence was not obtained through an on-the-spot check, it is important to indicate in the comment section how sufficient assurance was gained instead.</i>				
3.18	Are all costs directly related to the project and necessary for the development or implementation of the project?				
3.19	Only for the lead partner, only first progress report: has the lump sum of EUR 15,000 for preparation costs been included in the report?				
3.20	General comments , recommendations, points to follow-up:				

4 Budget lines					
Budget line - Staff costs					
<i>If no costs under this budget line are included in the report please tick here <input type="checkbox"/></i>					
	Control question	Yes	No	N/A	Comments/Follow-up
4.1	Is the expenditure only related to employees of the organisation which is officially listed in the application form or that work under a contract considered as an employment contract?				
4.2	Are costs calculated according to the following options? 1. Person employed by the partner organisation, and working full-time on the project 2. Person employed by the partner organisation, working partly on the project at a fixed percentage 3. Person employed by the partner organisation, working partly on the project at a flexible percentage (flexible number of hours per month) a. Calculation based on the contractual hours as indicated in the employment contract b. Calculation based on dividing the latest documented annual gross employment costs by 1,720 hours 4. Person employed by the partner organisation on an hourly basis <i>For some Partner States additional staff costs calculation methods may apply that take national specificities into consideration (see section 'in my country' on the programme's website).</i>				

4.3	Is the calculation based on the actual salary costs (employees' gross salary + employer's contributions)?				
4.4	Are the following documents available: <ul style="list-style-type: none"> • work contract • payslips (or similar) • payment proofs 				
4.5	<i>If a person is working at a fixed percentage (100% or less) on the project:</i> Is a document available fixing the percentage worked on the project and is this percentage correctly applied to the actual gross employment costs?				
4.6	<i>If a person is working on the project at a flexible percentage (flexible number of hours) from month to month:</i> 1) Has the hourly rate been calculated by dividing the monthly gross employment cost by the number of hours per month as per the employment contract <i>or</i> has an hourly rate been calculated by dividing the latest annual employment cost by 1720h? 2) Has the hourly rate then been multiplied by the number of hours actually worked on the project? 3) Has the monthly working time been documented in a timesheet covering 100% of the working time of the employee and identifying the time spent on the project?				
4.7	<i>If a person is employed on an hourly basis:</i> Is the hourly rate fixed in the employment contract multiplied by the number of hours worked on the project as documented in the time sheet (covering 100% of the hours worked and identifying the hours spent on the project)?				
4.8	If a person works in several projects, is it ensured that the total number of working hours declared does not exceed the total eligible working time of the employee (no double-financing)?				
4.9	General comments , recommendations, points to follow-up:				

Budget line - Office and administration

If no costs under this budget line are included in the report please tick here

	Control question	Yes	No	N/A	Comments/Follow-up
4.10	Are office and administration costs calculated as a flat rate of 15% of the certified eligible direct staff costs?				
4.11	Is it ensured that no office and administration costs (such as stationery, photocopying, mailing, telephone, fax and internet, heating, electricity, office furniture, maintenance, office rent) are declared under any other budget line?				
4.12	General comments, recommendations, points to follow-up:				

Budget line - Travel and accommodation

If no costs under this budget line are included in the report please tick here

	Control question	Yes	No	N/A	Comments/Follow-up
4.13	Are the trips that these costs refer to justified by the project's activities?				
4.14	Do the travel and accommodation costs exclusively result from trips undertaken by staff employed by the partner organisations?				
4.15	Are the reported travel and accommodation costs in line with the programme, national and internal rules of the respective partner organisation?				
4.16	Are the trips limited to the territory of the EU or Programme area? In case of trips outside the territory of the EU and Programme area, were they explicitly mentioned and justified in the approved application or by the joint secretariat?				
4.17	General comments, recommendations, points to follow-up:				

Budget line - External services and experts

If no costs under this budget line are included in the report please tick here

	Control question	Yes	No	N/A	Comments/Follow-up
4.18	Are the deliverables available, identifiable and in compliance with the contract/agreement and invoices/requests for reimbursement? <i>As for all other expenditure items, check that the external expertise and services were contracted in compliance with public procurement rules.</i>				
4.19	Is the expenditure related to items foreseen under this budget line in the specifications provided in the application form? If not, can the expenditure be justified?				
4.20	Is it ensured that providers of service or expertise are external to the project partnership (i.e. different from the project partner organisations and their employees)?				
4.21	Have the travel and accommodation expenses of external service providers or guests invited by the project partners also been recorded under the external services and experts budget line (i.e. not under the travel and accommodation budget line)?				
4.22	General comments , recommendations, points to follow-up:				

Budget line - Equipment and investment

If no costs under this budget line are included in the report please tick here

	Control question	Yes	No	N/A	Comments/Follow-up
4.23	Have the purchased equipment items been initially planned in the application form? If this is not the case, is there a written agreement of these costs from the lead partner and joint secretariat? <i>As for all other expenditure items, check that the equipment was purchased in compliance with public procurement rules and that they have not</i>				

	<i>already been financed from other EU funds.</i>				
4.24	Are the equipment items physically available and used for the intended project purpose?				
4.25	Is the method to calculate equipment expenditure (full costs, pro-rata) correctly applied?				
4.26	Are depreciations in line with Article 69 (2) of Regulation (EU) No 1303/2013?				
4.27	If the equipment item is only partially used for the project, is the share allocated to the project based on a fair, equitable and verifiable calculation method (pro-rata)?				
4.28	General comments , recommendations, points to follow-up:				

5 Public Procurement					
	Control question	Yes	No	N/A	Comments/Follow-up
5.1	<p>Has the controlled organisation observed European, programme, national, regional and internal public procurement rules?</p> <p><i>Indicate in the comments section:</i></p> <ul style="list-style-type: none"> • <i>The relevant threshold</i> • <i>The procedure (open, restricted, negotiated, direct contracting, bid-at-three rule etc.)</i> • <i>Degree of publicity/media applying to this threshold</i> • <i>Title of Contracts/name of contractor falling under this threshold</i> • <i>A conclusion about the adequacy of the procedure</i> <p><i>Pay particular attention to contracts awarded below the EU-threshold and especially to contracts that are awarded directly.</i></p>				
5.2	<p>Have the principles of transparency, non-discrimination, equal treatment and effective competition been respected, also for items below the EU threshold?</p> <p><i>Transparency rules are outlined in the Commission Interpretative Communication on the Community law applicable to contract awards not or not fully subject to the provisions of the public procurement directives (2006/C179/02).</i></p>				
5.3	<p>Is full documentation of the procurement procedure available?</p> <p>It usually includes the following:</p> <ul style="list-style-type: none"> - Initial cost estimate made by the project partner to identify the applicable public procurement procedure - Request for offers or procurement publication / notice - Terms of reference - Offers/quotes received - Report on assessment of bids (evaluation/selection report) - Information on acceptance and rejection 				

	(notification of bidders) - Contract including any amendments <i>In case documentation is not required, please tick n/a and provide an explanation in the comments section to the right.</i>				
5.4	Are the contracts in line with the selected offers?				
5.5	Has there been no artificial splitting of the contract objective/value in order to avoid public procurement requirements?				
5.6	If a contract was amended or extended, has the change been only minor without changing the overall objective, content and economy of the tender and laid down in writing adequately? Has this change been legal without any impact on the validity of the initial tender procedure?				
5.7	<i>For tenders:</i> Were the evaluation and award decisions properly documented and justified (e.g. evaluation and award decisions are properly documented and selection and award criteria have been applied to all received offers in a consistent way and as published in advance and no new criteria were added)?				
5.8	<i>For direct awards because of</i> - <i>Urgency:</i> is it proven that the urgency is due to unforeseeable circumstances? - <i>Technical/exclusivity reasons:</i> is it ruled out (based on objective evidence) that any other supplier is capable of providing the services?				
5.9	Have invoices been issued and payments been done in respect of the procurement budget and the amounts fixed in the contract/the accepted offer (global price, unit prices)?				
5.1	General comments, recommendations, points to follow-up:				

6 Information and publicity rules					
	Control question	Yes	No	N/A	Comments/Follow-up
6.1	Is information on the project presented on the partner's institutional website, including the programme's logo and the financial support from the European Union?				
6.2	Has the partner organisation placed at least one poster with information about the project (minimum size A3), including the financial support from ERDF at a location readily visible to the public?				

7 Compliance with other EU rules					
<i>First level controllers are asked here for a professional judgment as a controller, but not for an expertise on EU policies on sustainable development, equal opportunities and non-discrimination. Controllers are asked to confirm that they have not come across anything that makes them doubt that the EU horizontal principles are not adhered to. It is important to indicate what the professional judgment is based on, such as reported activities compared to the application form or partner confirmations obtained on these matters or insights gained during an on-the-spot check, interviews with the project partner or further internal documents that a partner provides.</i>					
	Control question	Yes	No	N/A	Comments/Follow-up
7.1	Is there no evidence that the project activities do <u>not</u> comply with the EU horizontal objectives of				

	sustainable development? <i>If this is confirmed, please answer "yes"</i>				
7.2	Is there no evidence that the project activities do <u>not</u> comply with the EU horizontal objectives of equality between men and women and non-discrimination? <i>If this is confirmed, please answer "yes"</i>				
7.3	Is there no evidence that the project activities do not comply with Community rules on state aid been? <i>It is recommended to check if the activities (1) are in line with the application form and do not raise any new issues (2) do not create an economic advantage for a partner or a third party and are without potential impact on competition, but serve a general common interest</i> <i>In case of doubt for a particular project/activity, it is recommended to check with the national contact point for state aid matters.</i> <i>Should there be an activity creating a potential economic advantage, check the compliance with state aid rules, e.g. where 'de minimis' applies, verify that it is not exceeded and that the undertaking is not 'in difficulty'.</i>				
7.4	General comments, recommendations, points to follow-up:				

8 Controller's signature	
Place	
Date	
Name	
Signature	