



CENTRAL BALTIC INTERREG IV A PROGRAMME 2007-2013

First Level Control and Audit Trail



Economically competitive and innovative region
Attractive and dynamic societies
Safe and healthy environment



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What is First Level Control

- Control of the project costs, which will be done in the project partner level.
- Member States have built their systems according to two different models:
 1. Centralised system: Member State has appointed a central body to carry out the First Level Control. (Estonia, Sweden, Latvia and Åland)
 2. Decentralised system: Project partner proposes an independent auditor to be certified by Finnish Ministry of Employment and the Economy to act as the First Level Controller (Finland)



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In decentralised system (Finland)

- Finnish project partners must remember to have the First Level Controllers certified by Ministry of Employment and the Economy



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Reporting process

1. In the end of each milestone each project partner fills in Partner Payment Claim and submits it with all mandatory annexes to FLC
2. Controller checks the eligibility of the costs and fills in a Control Report for the verified costs. FLC has three months to conduct the First Level Control of the project costs.
3. FLC sends the material back to project partner (in Estonia to LP)
4. Project partner sends material to Lead Partner
5. Lead Partner compiles data to joint Progress Report and Payment Claim and submits that to the JTS




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Scope of the FLC

- Every item of expenditure entered in project accounts will be checked
 - supporting documents (timesheets, documentation for public procurement).



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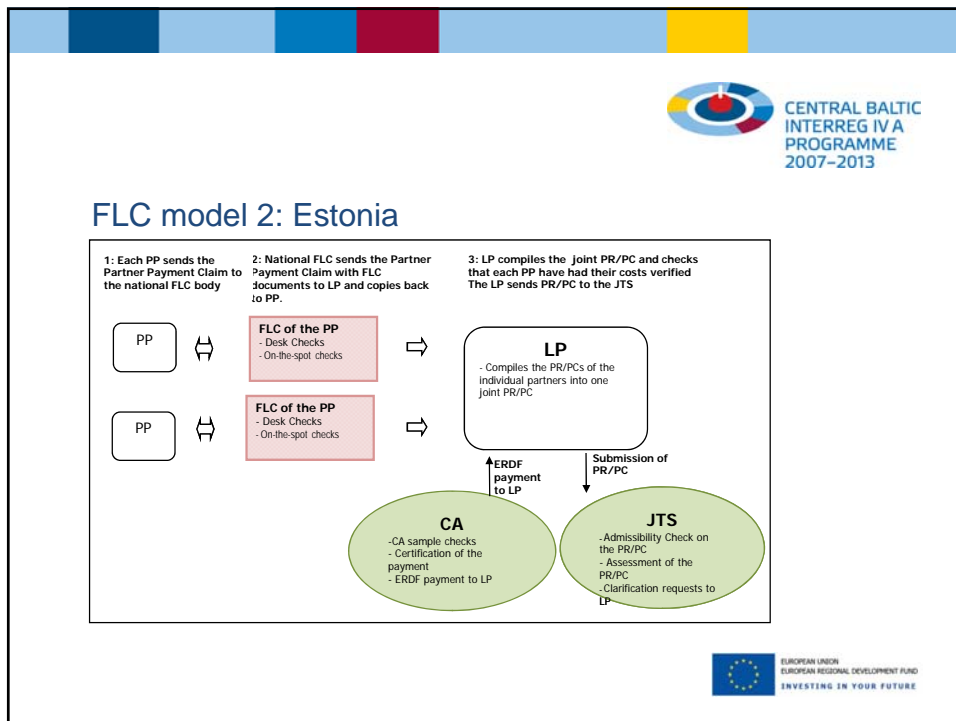
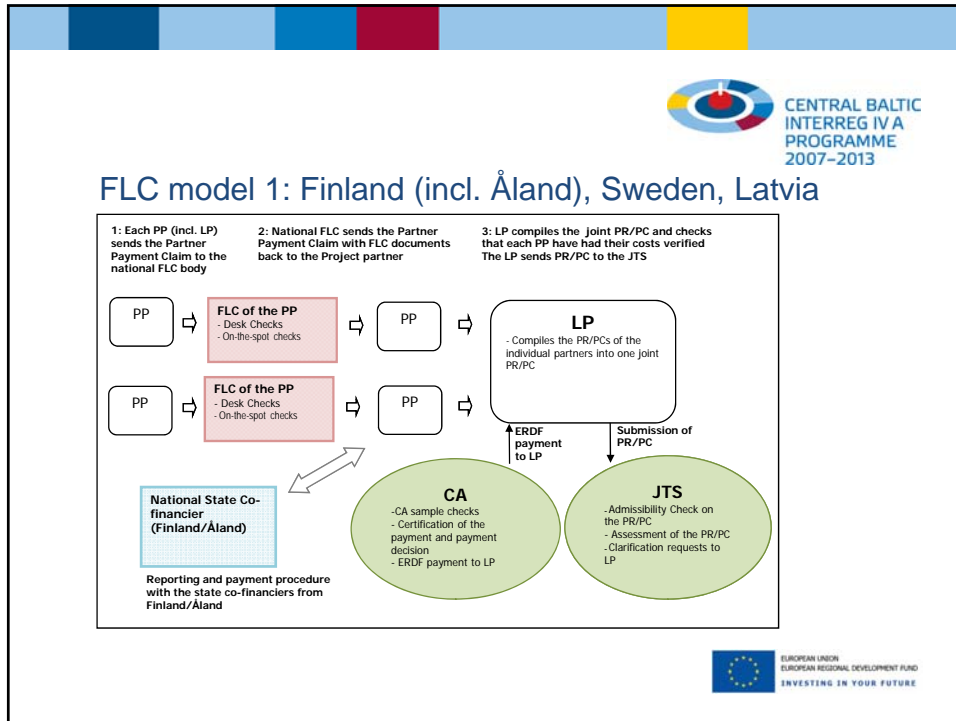
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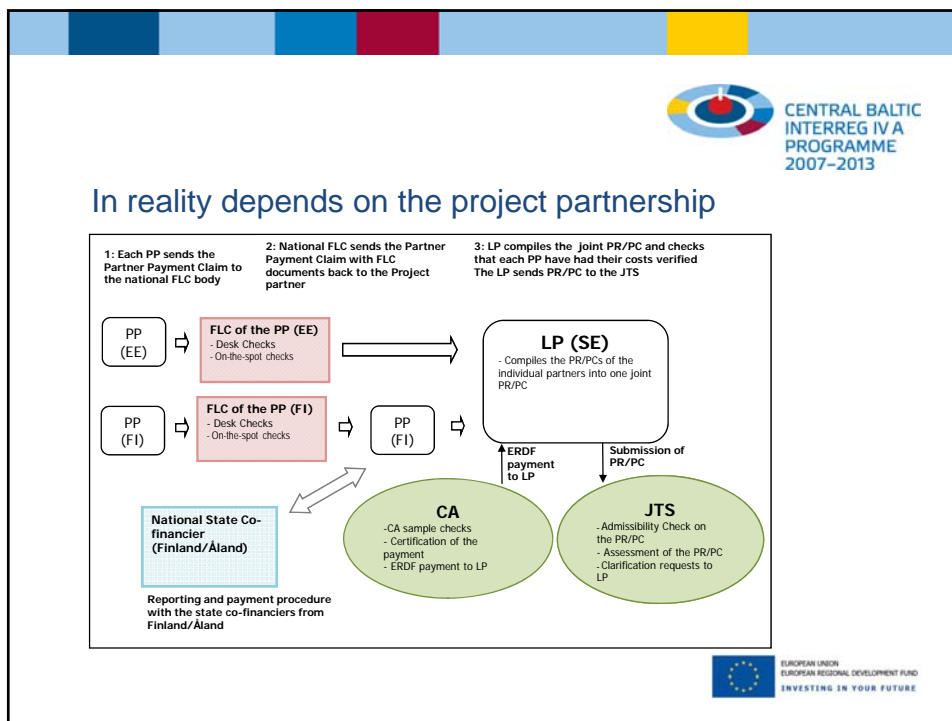
On-the-spot-checks

- On at least 60% of the projects an on-the-spot- check will be conducted; all investment projects will be checked
- Controller visits the project and verifies that certain purchases of services and products have actually taken place.



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Audit Trail

- Adequate Audit Trail ensures that all costs are easily traceable all the way from Payment Claim to the document required in book-keeping (invoice, time-sheet etc.).
- Lead Partner is responsible for creating and submitting to the JTS a list of all bodies having project documentation (e.g. project accounting documentation, documents related to tenders and purchases).
- All accounting documents must be filed separately and project related payments must have distinguishable book-keeping code.
- Project related documents must be kept until 31.12.2025 (check the national rules for possible longer times).



Thank you!

