



Submission and Payment of Claims Implementation Guidance to Lead Partners

Introduction

In preparation for the introduction of the new PEACE III and INTERREG IVA programmes, a new database has been developed to facilitate the ongoing administration, recording, payment processing and monitoring of all projects. The database, known as System 2007, will be used by SEUPB and other government bodies responsible for managing EU programmes. It will hold the primary data relating to all aspects of project management and will record all the financial transactions associated with individual projects and sub projects where appropriate.

In accordance with the regulations governing the PEACE III and INTERREG IVA programmes, the Member States have appointed SEUPB to undertake the role of Controller responsible for the administrative, financial, technical and physical verification of all claims for grant with the exception of Priority 1.2 PEACE III. A Financial Control Unit has been established based in Omagh in order to fulfill this role. The Consortium of Border Action and the Community Relations Council has been appointed as Controller for Priority 1.2

Preparation of Claims

The lead beneficiary in these programmes is the lead partner as defined in Article 20 of EC Regulation 1080/2006. The letter of offer is addressed to the lead partner who is responsible for compliance with any conditions contained therein.

Among the duties of the lead partner is the responsibility to prepare a claim for expenditure on behalf of the operation for which they are responsible. It is the responsibility of the lead partner in a project, as set out in the project letter of offer, to oversee the preparation of expenditure claims for submission to the Controller.

System 2007 has been developed to enable expenditure claims to be compiled electronically directly into the database. All projects will be required to use this system for claims preparation and are expected to familiarise themselves with the operation of all the relevant sections of the database. The claims preparation section of the system sets out the data items that have to be entered for each line of expenditure being claimed. The system is web based and can be accessed at www.eugrants.org. A system user manual is available on line at the SEUPB web site under the new programmes section and can be accessed under the guidance notes/manuals heading. Section 10.18 of the manual details the steps to be followed by the lead partner using the public user route to prepare and submit an expenditure claim.

It is the responsibility of the lead partner to review and validate all expenditure items to ensure that they are eligible under EU regulations and have been properly incurred solely for the purpose of the project (see guidance note 6 called “Guidance on Eligibility of Expenditure”, available on the SEUPB website). This will include claims they have received from beneficiaries (final recipients) to whom they have disbursed funds in line with the provisions contained in the application that was approved by the steering committee and in accordance with any conditions contained in the letter of offer.

In preparing that claim, the lead partner must satisfy itself that all expenditure that is being claimed is eligible and must carry out all necessary checks to ensure the validity of the claims. This will include verification of original documentation for 100% of the claims made by final recipients. Original documentation must be stamped by the lead partner and marked as eligible for full payment or part. Each item on the claim must also be supported by evidence that the expenditure has been paid by the relevant project partner. The lead partner will then be required to confirm in writing that they have validated the claim and that it is order for verification by the Controller.

Expenditure by each partner must be separately identified within the project claim. A separate schedule must be prepared summarising the expenditure by each partner included in the project claim. This information will assist the lead partner with its arrangements for reimbursing the other partners in the project (see Appendix A).

Submission of Claim

Whenever all expenditure for the relevant period has been validated and entered on to the database, the lead partner should then submit the claim electronically to the Financial Control Unit so that the verification process can begin.

The lead partner is accountable for all expenditure. Any irregularities in claims for expenditure will be addressed to the lead partner, including eventual recovery of any irregular payments made. It is the duty of the lead partner therefore, to ensure that all claims from final recipients are eligible and that proper checks and controls of the original documentation have been conducted.

In submitting a claim for payment, the lead partner will provide a statement (see Appendix A) to the Controller in JTS that they have conducted a check of all original documentation that related to claims by final recipients. As a minimum this statement must be signed at Director level or equivalent. The lead partner will also provide the original documentation that relates to any expenditure that has been incurred as part of their own role.

The statement should be attached to a summary print out of the claim being submitted for verification. The signed declaration and summary printout should be sent to SEUPB, Financial Control Unit, EU House, 11 Kelvin Road Omagh, BT78 1LB.

Documentation

It is the responsibility of the lead partner to ensure that all the necessary original documentation is available to enable the vouching of expenditure to be undertaken. The

documentation must be presented in an ordered file in accordance with the individual items as set out in the electronically prepared claim. This is essential for the efficient vouching of a claim and documentation which does not conform to this requirement will render the entire claim liable to be rejected and to be returned to the lead partner for resubmission.

In addition to original payroll documentation, supplier invoices, staff travel and expense claims or other accounting documents of equivalent probative value there will be a requirement, depending on the circumstances, to see all supporting documents to verify the legality and regularity of the claimed expenditure. The following is a list (not exhaustive) of the most common supporting documents.

Evidence of advertising

Contracts of employment

Pay award circulars

Timesheets (where staff are not employed 100% on the project)

Hospitality Forms

Attendance records

Meetings Records/Minutes

Travel and subsistence policy and rates

Tender documents as prescribed in the SEUB Procurement Guidance Note 4.

Lead Partner “On the Spot” Verification

Verification of each expenditure claim will be carried out during the “on the spot” checks at the premises of the lead partner. These verification checks will take the form of pre arranged meetings at the premises of the lead partner and will potentially cover a range of administrative, financial, technical and physical issues related to the project. These visits will include audit and compliance checks on all aspects of project, the conditions of grant and the requirements of the letter of offer.

It is the responsibility of the lead partner to make available, all the lead partner's documentation and evidence related to the expenditure claim and any other documentation which has been requested in advance, in preparation for the planned visit. SEUPB staff carrying out the "on the spot" check will require the use of suitable office accommodation with access to an internet enabled PC and use of photocopy facilities during their visit. They will also require assistance from the appropriate project staff to answer any queries which may arise during the verification process.

A fundamental requirement of the verification process is the examination and vouching of each individual item of claimed expenditure against the original accounting and other supporting documents. Whenever an expenditure claim is being vouched as part of an "on the spot" check any missing or incomplete documentation which cannot be fully verified during the course of the visit will result in that expenditure being rejected from the claim, as it will not be possible to stamp the original documentation. Such items may be included in a subsequent claim if the document defect can be rectified.

Project Partner "On the Spot" Verification

In addition to the verification work carried out at the lead partner's premises, verifications will also be carried out at the premises of other project partners. Such visits will be similar in all aspects to those carried out on the lead partner. Verification visits to other partner premises will be organised to ensure that all the verification requirements are comprehensively covered.

It is the responsibility of the project partner to make available, all their documentation and evidence related to the expenditure claim and any other documentation which has been requested in advance, in preparation for the planned visit. SEUPB staff carrying out the "on the spot" check will require the use of suitable office accommodation with access to an internet enabled PC and use of photocopy facilities during their visit. They will also require assistance from the appropriate project staff to answer any queries which may arise during the verification process.

Other “On the Spot” Checks

On occasions it will be necessary to conduct unannounced visits to operations in order to seek assurance on some aspects of the verification requirements.

Expenditure Claim Verification

As each line of the expenditure claim is examined it will be accepted in total, part accepted or rejected, in accordance with the rules on eligibility, regularity and legality as determined by the EU and the Member States. Whenever the claim verification process is complete the verification officer will then submit the aggregate value of approved items for payment. The verified claim and verification report, countersigned by the lead partner’s authorised officer will then be reviewed, approved for payment and forwarded for authorisation by the head of the financial control unit.

Verification Report

Upon completion of the verification of each claim, the verification officer will compile a verification report. This report will set out the findings arising out of the verification process. It will make particular reference to those items contained within the claim which have been rejected in part or in whole as being ineligible for grant aid under EU regulations. The verification report will be forwarded to the lead partner’s authorised officer who will be asked to endorse the findings of the report. The authorised officer must countersign the verification report and return it to the claims officer in preparation for payment approval.

Verification and Payment

The amount duly authorised by the Controller will be forwarded to the certifying Authority who will be responsible for making payment of the amount due to the lead partner. It will be for the lead partner to reimburse the individual partners.

Appendix A

Declaration by Lead Partner

Project Reference	
Project Title	
Claim Reference	
Claim Submission Date	
Amount included in this Claim	€£

The schedule set out below summarises the expenditure by each partner included in this claim.

Project Partner Name	Amount Claimed £/€
Total Amount Claimed	

Appendix A (con't)

Declaration by Lead Partner

I hereby declare that the expenditure detailed in this claim has been incurred and paid for solely for the purpose of the approved project in accordance with the terms and conditions of the letter of offer dated _____ and in full compliance with the relevant EU and national regulations governing this project and in accordance with programme guidance issued by SEUPB.

I have inspected and approved each item of expenditure by me as lead partner and by each project partner included in this claim and have stamped the original project partner documentation as evidence of my approval. I confirm that all original project documentation will be retained as required under the terms of the letter of offer for verification and for any subsequent audit purposes.

Signed _____

Date _____

Name _____

Position _____