



Reporting

Joint Secretariat
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Interreg 

Austria-Hungary 2014-2020

European Union – European Regional Development Fund

Background

Underlying programme rules

- ERDF contract §6, §7
- Implementation Manual Section 3
- Eligibility Manual

Relevance

- Allows documented monitoring of implementation
- Contribution to transparency and result orientation
- Informs about problems, corrective measures
- Basis for reporting expenditure

Steps

- **Partners (PP)** report to the FLC
- **First Level Control (FLC)** verifies expenditure and issues certificate
- **Lead Partner (LP)** reports on project level and encloses certificates of PPs
- **Joint Secretariat (JS)** and **Managing Authority (MA)** monitor the project report and initiate reimbursement
- **Certifying Authority (CA)** carries out its own controls and disburses ERDF funding
- **LP** forwards ERDF to its PPs

Process

	Who?	Whom?	When?
partner report	PP -	-> FLC	acc. plan in the AF <u>not later</u> than 1 month after end of the reporting period <u>not later</u> than 3 month after end of the last reporting period
certificate and control report	FLC -	-> PP	within three months of the submission of the complete documentation to the FLC
project report	LP -	-> JS	<u>not later</u> than 5 months after the end of the reporting period
JS & MA Monitoring	JS - MA -	-> MA -> CA	within 90 days from the date of submission of the submitted project report to the JS
CA check and ERDF payment	CA -	-> LP	
Forward ERDF	LP -	-> PP	not later than 14 days after receipt of the ERDF funds

The first partner reports (periods 0&1)

- *PPs who have no planned costs in the preparation period (either share of the lump sum or real costs) do NOT need to report about that!*
- Report PP's share of prep. cost ***lump sum*** or ***real costs*** for **preparation in a separate report** before the first period!
- **Create report** about the **first period** right after the report about preparation period is sent to FLC (only one partner report can be open at a time)!
- **FLC** shall verify both 0 and 1 periods and **issues separate certificates. Reimbursement** of certified costs for these periods shall be done **together...**
- ...therefore **period 0 expenditure** (lump sum or real costs) **cannot be reported later.**

Creating partner reports

- Report about **all periods** (*except prep. period, if PP has no planned costs there*)!
- To **create** a **report** chose from the dropdown! **WARNING:** Don't skip reports; currently eMS does not warn you if you choose e.g. period 3 after period 1.
- Keep tight documentation and start to prepare reports early on time to be able to **keep deadlines!**
- Create and write reports **as soon as information about the period becomes available** (e.g. do not wait to create the report until accounting information is collected)!
- If no costs occur at a partner in a period, submit a „**zero report**” (content without financial part)!

Content of partner reports

Language:

- Use national language (German or Hungarian)
- If needed, provide working translation for your LP in line with the Partnership Agreement to support project reporting. *LPs have read access to reports of all PPs (also when not submitted yet).*
- Evidence of deliverables or outputs should be uploaded in the original language they were produced

Sections of the partner report:

- Partner report (content)
- List of expenditure
- Contribution and forecast
- Attachments

Content section of the partner report

- Do NOT change **reference period**
(from-to dates come automatically from AF)
- Summarise **progress** and PP's **contribution** to the project in the reference period
- Describe PPs contribution to **main outputs** and involvement of **target groups**
- **Work package** by work package describe:
 - PPs share in the WP's **implementation**
 - **Problems, deviations** and **solutions**
 - Contribution to **deliverables**

WARNING: eMS shows WP expenditures, but technically they all appear in WP Mgt, as not monitored (switched off).

To be uploaded to (partner) reports

Evidence of **finalised products** (output / deliverable) of the projects, such as:

- studies,
- research results,
- curricula,
- brochures,
- photos of infrastructure
- etc.

of main project **events**:

- photos
- agenda
- invitation

ONLY to partner reports:

- lists of participants,
- minutes,
- photo documentation of working meetings

If relevant updates of AF annexes, e.g.

- staff cost data sheet
- list of parallel projects
- de minimis declaration
- for staff flat rate: in 1st report repeated proof of at least one employee
- etc.

AVOID uploading to (partner) reports

- Evidence of project outcomes that are **not finalised** yet
- **Too many** photos of a single event.
- Documents that are **uploaded elsewhere**, e.g. other (section of) a partner or project report
- Supporting documents to expenditure that must be provided to the FLC **on other data carriers**

List of expenditure (real costs)

- Record expenditure according to **budget lines** for each **partner** in each **period** (indicative) to the List of Expenditure.
- No allocation to WPs!
- In LoE **compulsory** to fill in:
 - **Total value** of item in original currency
 - **Declared amount** in original currency
- For completeness fill in all fields logically:
 - Internal reference number
 - Invoice number
 - Invoice date
 - Date of payment
 - Provider
 - Description
 - Comment

Supporting documents to the LoE

Upload (and send to FLC on other data carriers):

- **invoice**
- or **other primary accounting documents** of equivalent probative value
- For staff costs: „**Berechnungsblätter**” or „**bérsegédtable**”

Send to FLC on other data carriers (do NOT upload) **supporting documents** acc. Audit trail in the Eligibility Manual:

- delivery notes,
- bank statements,
- timesheets,
- procurement documentation,
- etc.

Application of GDPR

Specific user rights are being developed to access

- Attachments in the LoE in the budget line „Staff costs”
- Description of staff costs in the LoE
- Additional document upload section in the partner report specifically for uploading information that contains personal data and is thus access-restricted.

Users without this privilege will not be able to view attachments in the staff cost section of the LoE and the additional upload section, and will not be able to see the title of attachments or text describing staff costs.

Currency exchange

If expenditure has incurred in **another currency than the euro**:

- chose the applicable currency
- record the item in the original currency
 - both total value
 - and declared amount
- eMS automatically calculates the declared amount in euro (using the monthly accounting exchange rate of the European Commission in the **month during** which that expenditure was **submitted for verification**)
- eMS recalculates declared amount:
 - when the expenditure item is created,
 - and each time it is modified before submission,
 - when the user clicks on “Check saved report”,
 - and once more **at the moment of submission** of the report to the FLC.
- It is **not modified** ever **again**, even if the report is reverted to the partner.
- *Beneficiaries bear exchange risk.*

Expenditure outside

- Mark expenditure outside (the Union part of) the programme area in the LoE
- Refer to Eligibility Manual (Tables 1 &2)
for costs **other** than travel and accommodation
 - Mark items that occur outside the programme area (independent of the partner location), except expenditure for promotional activities and capacity-building
- for costs of **travel and accommodation**
 - Mark **expenditure of partners outside** the programme area (if not assimilated partners),
 - and mark **items that occur at a destination outside** the programme area (e.g. meals, hotel, local transport if not covered by daily allowance)
- 20% limit does NOT apply on project level

Flat rates

- **Flat rates** are calculated **automatically** for **Staff costs according to AF** (10% or 20%) based on direct costs in:
 - external expertise and services;
 - equipment;
 - infrastructure and works**Office and administration if applied** by the LP/PP
 - 15% of staff costs
- **NOT** directly **editable** by LP/PP
- **Automatically recalculated** if direct costs are decreased

Net revenues during implementation

- record **net revenues** in the appropriate budget line
- independent whether **planned** or **not planned**

project related revenue (would not occur without the project)

- expenditure related to the revenue (but not reported)

Net revenue

- Provide **documentation** for the net revenue
- Net revenues **decrease eligible expenditure**
- Net revenues incurring after project closure are not subject to reporting (they shall be taken into account in the approved rate of ERDF funding)

Forecast

- Provide realistic **forecast** of expenditure for the **next period**
- Add **description** to explain e.g. deviations from the plan
- Forecasts are **not binding**,
- but **should be realistic** as far as possible.

Financing contributions

According to the PP financing structure in the AF

- Own resources
- and third party contributions (incl. automatic contributions where relevant) are listed.
- **Register contributions** acc. to PP's financing structure!
- Total value of contributions from all sources must **match the target value**.
- If exchange rate is updated, **update** also contributions!
- If possible **avoid** adding/changing **new contributions** during implementation

Check and submit partner report

- Before submitting a partner report, click **„check report”**
- validation functions:
 - built in
 - set up by the Programme (not available yet)
- “check” status is only valid
 - for a **limited** amount of **time**
 - and within the **same session**
 - and **same user**
- If checked status has expired, check again!
- New check is needed after each save.
- **Submit** report after check is valid!
- After submission PP can't modify report.

Hard copies

- **It is not foreseen that the reports are printed, signed and stored in either PDF or in hard copy.**
- The plugin for the print template has not been developed.
- Submit to the FLC only hard copies of
 - invoices or,
 - other primary accounting documents!
- Store originals safe as indicated at „supplementary information / documents” section!

Verification

- Administrative verification to check completeness
 - Reports can be reverted
 - Or attachment upload can be opened in case of incompleteness
- FLC verifies **eligibility** on the basis of
 - eMS data
 - Invoices or other primary accounting documents
 - Supporting documentation
- **Corrections** (+ or -) are made.
- 100% correction means **rejection**
- Amounts „**verified by the FLC**” are included in the FLC certificate
- Unless an item is marked as „verified by the FLC”, it stays in the system as a „sitting-duck” and can be verified in one of the next reports if requirements are fulfilled
- Flat rates and lump sums and not checked by the FLC

On-the-spot checks

- FLCs go on the spot to check each PP **at least once** during project implementation
- A **second** on-the-spot check is compulsory on those beneficiaries realising any investment in **infrastructure/works**

FLC Certificate and control report

- including all expenditures marked as “verified by the FLC”
- printed and signed by the FLC
- within a period of **three months** of the submission of the complete documentation by the beneficiary

Scope of project reports

- Includes all PP **activities**
- Sums up implementation on project level
- Includes **certified expenditures** of PP
- It is a tool for LP
 - to monitor implementation
 - Plan corrective measures
- It is not allowed to skip reporting periods
- **START to prepare project reports as soon as information from project reports become available, do NOT wait until all FLC certificates are available**

Content of project reports

Language:

- Fill in German **and** Hungarian
- or in exceptional cases, (e.g. if common language in the project is English) select one of the language fields and fill in English
- Evidence of deliverables or outputs should be uploaded in the original language they were produced

Financial part:

- LP shall include available FLC certificates of PPs

Content sections:

- „Report” tab,
- Work packages

Report tab

- Do NOT change **reference period** (from-to dates come automatically from AF)
- Summarise **highlights of main achievements** in the reference period
- Specific objectives achieved
 - a) fully
 - b) to a large degree,
 - c) to a minor degree,
 - d) not achieved
- Overview of **main outputs** automatic based on WP sections
- Report **target groups** reached and involved (not generated from PP reports)
- Describe **problems and solutions** (refer to PP reports)
- Describe fulfilment of **horizontal principles**
- Mark if **fully implemented** (closing report)

WPs in the project report

WPs are included acc. AF (preparation, management, implementation, investment, communication)

- WP status:
 1. not started,
 2. completed,
 3. proceeding according to work plan,
 4. behind schedule,
 5. ahead of schedule
- General description: not compulsory for WP preparation if lump sum prep costs are used

WPs other than preparation

- Progress and involvement of partners
- Problems and deviations including delays
(compile info from PP and sum up in the report tab!)

Activities:

- a) not started,
- b) completed,
- c) proceeding according to work plan,
- d) behind schedule,
- e) ahead of schedule.

Deliverables:

- a) not started,
- b) proceeding according to work plan,
- c) behind schedule,
- d) ahead of schedule,
- e) completed and achieved as planned,
- f) completed and achieved more than planned,
- g) completed and achieved less than planned.

Main outputs

- (WPs impl. or inv.):
- a) not started,
 - b) completed,
 - c) proceeding according to work plan,
 - d) behind schedule,
 - e) ahead of schedule.

WP Communication

Additionally to other WPs:

- level of achievement towards the communication objectives:
 - a) fully
 - b) to a large degree,
 - c) to a minor degree,
 - d) not achieved

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Avoid duplicate uploads as far as possible, refer to PP reports!

Do NOT upload to project reports

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- **Too many** photos of a single event.
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- Supporting documents to expenditure
- Lists of participants,
- Minutes of working meetings,
- Photo documentation of working meetings

Financial part of the project report

- Include available FLC certificates of partners
- But do not wait
 - in case of substantial delays on PP/FLC level
 - especially in case of insignificant values
- Certificates that were not included in a project report
 - can be added when they become available, in case report is reverted by the JS
 - can be added to a report of a later period
- LPs can make negative corrections to expenditure items
- LPs can revert project reports to FLC (or to PP)
 - except LP's own

HANDLE CORRECTIONS WITH GREAT CARE!

Ask FLC first!

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JS and MA monitoring

- Please create and prepare project reports in one of the languages,
- and notify your contact person at the JS!
- Translate report and submit final version after clarifications confirmed by the JS!
- JS
 - can ask for clarification
 - make corrections to expenditure items (original currency or euro)
 - or revert report
- MA carries out additional controls, can ask for clarification and make corrections

CA check and ERDF payment

- CA carries out additional controls, can ask for clarification and make corrections
- **ERDF payment** by the CA Paying Unit shall take place as soon as possible and at the latest **within 90 days** from the date of submission of the submitted project report to the JS...
- ... subject to the condition that the European Commission makes the necessary funds available.
- LP must forward the relevant parts of the ERDF to the partners according to their certified expenditure within 14 days after receipt

Thank you for your attention!