



# **Interreg V-A Latvia–Lithuania Programme 2014–2020**

## **Instructions on verification of partner reports**

## Abbreviations

Interreg V-A Latvia–Lithuania Cross Border Cooperation Programme 2014–2020	Programme
Interreg V-A Latvia–Lithuania Cross Border Cooperation Programme 2014–2020 Manual	PM
Financial Control	FC
The employees of FC responsible for carrying out FC	controllers
Electronic Monitoring System	eMS
Joint Secretariat	JS
Managing Authority	MA
Lead Partner	LP
Project Partner (in this document refers to LP and partners)	PP
Partner Report	PR
Value Added Tax	VAT

Verification question	Yes/No/ NA	Comments	Guidance for Financial Controller
<b>Audit Trail Checklist</b>			
1. Costs are directly related to the project and necessary for the development or implementation of the project.			<p><i>Verify that costs:</i></p> <ul style="list-style-type: none"> <li>- are directly related to the Project and necessary for the implementation of the Project (planned in the Project application in the specific budget line; meet the requirements of the Programme, etc.);</li> <li>- in case costs are not planned in the Project application form, they are in line with exceptions stated in the Chapter 7.2.1 of the Programme Manual (are in line with changes which do not require prior approval from the JS and should be communicated via progress reports).</li> </ul>
2. Costs are correctly allocated to the relevant budget lines.			<p><i>Verify that:</i></p> <ul style="list-style-type: none"> <li>- direct costs are included in the appropriate budget line according to rules set in the Programme Manual/Project application;</li> <li>- costs which should be covered by PP chosen flat rates are not included in another budget line (as direct costs).</li> </ul>
3. Costs are reported only once and are in line with Art. 125 (4) of Reg. (EU) No 1303/2013.			<p><i>Verify that:</i></p> <ul style="list-style-type: none"> <li>- separate accounting system or project specific accounting code to record project costs is established;</li> <li>- the costs included in the PR are not included at the same time in different budget lines;</li> <li>- the costs included in the PR are not included in the PR for previous periods. For example, when checking PR2, the Controller should check the Cumulative Accounting Record of the Project, e.g. whether total reported costs in both periods match with the amount in Cumulative Accounting Record (with exception of flat rates and preparation costs as a lump sum).</li> </ul> <p><i>If costs are doubled, project partner should deduct costs or it has to be done by the FC.</i></p>
4. According to Art. 131 (2) of Reg. (EU) No 1303/2013 expenditure is supported by invoices or documents of equivalent probative value, which are correct in content and accounting terms.			<p><i>No checks in case of flat rates and lump sums.</i></p>

			Verify each item of costs has relevant supporting documents - invoices or equivalent documents, concluded contracts, acceptance acts and other supporting documents.
5. According to Art. 67 (1) (a) of Reg. (EU) No 1303/2013 expenditure was incurred and paid within the eligible reporting period of the project.			No checks in case of flat rates and lump sums.  Verify that: - the preparation costs of technical/construction documentation foreseen in the approved AF are incurred between 1 January 2014 and the date of the approval of the application by MC; - project implementation expenditure is incurred and paid within the starting date of relevant reporting period set in the subsidy contract and the end of the relevant reporting period with exceptions set in PM section project reporting.
6. According to Art. 125 (4)(a) of Reg. (EU) No 1303/2013 expenditure is supported by a proof of payment (bank account statements, bank transfer confirmations, cash receipts, etc.).			No checks in case of flat rates and lump sums.  Verify that the payment really was made by checking bank account statements or equivalent documents comparing also amounts reported as project costs and amounts indicated in the payment documents.
7. According to Art. 69 (3) (a+b ) of Reg. (EU) No 1303/2013 and Art 2(2) of Del. Reg. (EU) No 481/2014 reported costs do not include ineligible costs			Verify that PR does not include ineligible costs, such as: - interest on debt; - fines, financial penalties and expenses for legal disputes and litigation; - the cost of gifts, with the exception of those whose value does not exceed EUR 50 per gift if they are presented for advertising, communication, publicity or information purposes; - costs associated with foreign exchange rate fluctuations; - other costs indicated in PM section Eligibility of costs.
8. According to Art. 69(3) (c ) of Reg. (EU) No 1303/2013 recoverable VAT was deducted from reported costs.			Verify project partner VAT status. If the VAT is recovered from the state budget or can be recovered from the state budget, then VAT is not included in the PR as eligible costs.
9. According to Art. 20(1) of Reg. (EU) No 1299/2013 expenditure was incurred within the eligible Programme area with exceptions indicated in PM section General rules applicable to the project budget/Geographical eligibility.			Verify that the Project costs are incurred in the Program area in accordance with the requirements of the PM.

		<p><i>If activity was implemented outside of Programme area and costs (activity) are not marked in the Project application as outside of Programme area, check whether there is approval by the JS taking into account exceptions described under Chapter 9.1. "Geographical eligibility".</i></p> <p><i>If project partner did not mark relevant costs as incurred outside of Programme area, it has to be done by FC.</i></p> <p><i>In case project partner is located outside the Programme area, then check if respective partner's whole budget is included in the Project application form and reported in the PR as activities outside the Programme area (needed for statistical purposes) and tick "Part of the expenditure was incurred outside (the Union part of) the Programme area" in relevant section of FC report.</i></p>
<p>10. Deleted with the Version 3 of the Financial Control Manual.</p>		
<p>11. According to Art. 125(4)(a) of Reg. (EU) No 1303/2013 co-financed products and services were delivered or are in progress to be delivered.</p>		<p><i>Verify that the co-financed products, works, equipment and services are delivered and provided in accordance with the contract (if applicable).</i></p> <p><i>This is confirmed by:</i></p> <ul style="list-style-type: none"> <li><i>- program / agenda for events / meetings, list of participants with signatures, minutes, photo fixation, mission statement, Project time sheet (Time sheet);</i></li> <li><i>- documents certifying the end result of the activity, such as acceptance - transfer acts, invoices, delivery notes, photo fixation;</i></li> <li><i>- research conducted by the responsible controller on websites confirming the existence of the final result attached to the Project Case.</i></li> </ul> <p><i>Attention has to be drawn to the fact that advance payments can only be made if such an advance payment has been foreseen in the respective contract and are in line with limitations set in the Programme Manual.</i></p> <p><i>In case of lump sum for preparation costs project application itself is considered as sufficient evidence for costs.</i></p>

12. Partner has received the ERDF share from the previous periods.			<i>Starting from the 2<sup>nd</sup> report - verify that a PR is accompanied by a bank account statement confirming receiving of ERDF reimbursement for previous PR from LP, in case it was approved by the JS/MA. In case if checks are done for LP, it should be checked whether LP has made relevant payments to PPs.</i>
13. The partner total budget was respected.			<i>Check whether the total expenditure of the project partner corresponds to the expenditure planned in the latest Project application. Verify that the total budget of the PP is not exceeded.</i>
14. According to Art. 61(2) and 65(8) of Reg. (EU) No 1303/2013 the Net revenue has been reported and deducted from the total eligible expenditure.			<i>Verify whether revenue is generated or not.  If revenue is generated then check whether reported revenue is the same as it was planned in the net revenue calculation submitted by PP and annexed to Project Application Form ( if applicable).  If yes, then relevant comment should be provided by stating type and amount of revenue generated during the reporting period.  If not, it should be written in the checklist by indicating amount of generated revenue and activities generating revenue without deducting revenue from reported costs.  If no revenue is identified than the following statement can be included in the comments – “As no revenue is visible in the project account and controller has no any other evidence or information that revenue would be generated by the project partner during the reporting period, it is considered that project partner did not generate revenue during the reporting period”.</i>
15. Partnership agreement is signed by all partners (should be checked only for report No “0” or latest with the report No “1”).			<i>Check whether a copy of the Partnership agreement has been uploaded in the eMS section “Supplementary information” and whether the Partnership agreement has been signed by the project partner and the Lead Partner. This has to be checked together with the 1<sup>st</sup> PR.</i>
<b>Preparation Costs</b>			

<p>16. Expenditure declared respects the Programme rules on preparation costs</p>		<p>Verify that preparation costs (if planned in the Application Form) are reported in the "0" PR as planned in the Application Form.</p> <p>Project can plan Preparation costs as a lump sum of up to EUR 1 000 (ERDF co-financing) and project application itself is evidence for eligibility of costs and no other checks have to be performed.</p> <p>In addition, also costs of preparation of the technical documentation (such as technical design, feasibility study, environmental impact assessment, construction permit, etc.) may be planned in the Application Form as preparation costs which have to be included in the "0" PR. Costs of preparation of the technical documentation can be up to 7% of planned infrastructure and works costs in the project per specific object. As preparation of technical documentation can be covered based on real costs, all relevant checks have to be implemented in full (procurement, contract, payments documents etc.). Preparation of technical documentation costs can be eligible only if payment for preparation of technical documents was made no earlier than January 1, 2014 and not later than one day before the MA has made a decision on project approval.</p>
<p><b>Staff Costs – real costs acc. to Art. 67(a) of Reg. (EU) 1303/2013 and Art. (3) of Del. Reg. (EU) 481/2014.</b></p>		
<p>17. Persons who declared staff costs are employees of the project partner according to Act. 3(2) of Reg. (EU) 481/2014.</p>		<p>Verify whether for all partners' staff following documents are uploaded in the eMS:</p> <ul style="list-style-type: none"> <li>- An employment contract or equivalent (e.g. orders in case of civil servants) concluded in accordance with the provisions of the national legal acts;</li> <li>- an addendum to an employment contract or an order on the workload share/distribution between the primary job and the work on the implementation of a particular Project in accordance with the type of employment.</li> </ul> <p>In exceptional cases also natural persons working for the partner under a contract other than an employment/work contract may be assimilated to salary payments and such a contract is considered as an employment document however in such case not only rules</p>

		<p><i>for staff costs have to be followed but also rules for public procurement.</i></p> <p><i>Only positions planned in the Application Form can be eligible. There can be flexibility in case of changes in the workloads, remuneration rates, unit rates but still costs have to be in line with the sound financial management principles.</i></p>
<p>18. Staff costs are based on gross remuneration and other eligible components.</p>		<p><i>Verify that:</i></p> <ul style="list-style-type: none"> <li><i>- the staff costs included in PR are based on the documentation of the staff costs attached to the PR in the eMS (including personal account card/wage list, payment orders / bank account statement justifying the personnel costs incurred by the partner institution, including tax payments);</i></li> <li><i>- the calculated salary in the payroll / personal account is in accordance with the Employment document;</i></li> <li><i>- the calculated salary is in accordance with standard practices in the country and/or partner institution where the individual staff member is actually working;</i></li> <li><i>- additional payments to the employee (eg, bonuses, prizes) are in accordance with national laws and regulations in the country and / or partner institution;</i></li> <li><i>- overtime job is in accordance with the national laws and standard practice of the partner institution. In case if employee performs part time tasks for the project and other part time tasks for partner institution, then overtime cannot be attributed to the Project;</i></li> <li><i>- the cost of health insurance is applied in proportion to the time worked and the work load on the project;</i></li> <li><i>- the sickness benefit may be applied in proportion to the workload of the project in the given month.</i></li> </ul> <p><i>It should be justified if remuneration rates differ between the primary job for the project partner organization and for tasks carried out for the project implementation.</i></p> <p><i>In case of employment of staff for other purpose than project management purpose (e.g. researchers, mentors, trainers etc.), the result of progress of work has to be checked and confirmed.</i></p>



			<p>Verify that costs connected with the salary payments (if real costs method is applied) are reported within the reporting period when the last payment connected with the salary is made (e.g. in case if salary payment to employee is made in reporting period No 1 but relevant taxes are paid during reporting period No 2 all the costs connected with the salary payment should be included in the report for reporting period No 2).</p>
<b>Staff Cost - part time employees.</b>			
19. Fixed percentage of gross employment cost is in line with fixed percentage of time worked on the project.			<p>Should be checked only in case of fixed percentage of time worked per month method is used.</p> <p>Check whether fixed percentage worked and paid is in line with the document setting out the percentage of time to be worked on the project for each employee and is correctly calculated.</p>
20. The number of hours worked on the project is documented in a time registration system.			<p>Should be checked only in case of flexible shares varying from one month to the other OR hourly rates if considered that person is part time employed<sup>1</sup> method is used.</p> <p>Check whether project time sheet exists and whether:</p> <ul style="list-style-type: none"> <li>- it is approved by direct manager (if there is no higher direct manager in hierarchy, it can be approved by employee);</li> <li>- work done is in line with the employment documents;</li> <li>- it is in line with the employees work registration system where 100% workload is reflected.</li> </ul>
21. Staff cost are calculated correctly.			<p>Verify that eligible staff costs are calculated correctly.</p> <p><u>In case of FIXED PERCENTAGE method:</u> verify that the percentage was correctly applied to the gross employment costs for each person declaring staff costs under this option.</p>

<sup>1</sup> As a general rule: if employee is assigned to the project on part-time assignment with a flexible number of hours worked on the project or on hourly basis and employee is assigned to work only with project management/implementation and does not implement any other tasks in the partner organization, it is considered that employee works in the project on full time basis and no project time sheets should be prepared and submitted to the FC.

			<p><i>In case of FLEXIBLE SHARE method: verify that staff cost are correctly calculated by multiplying the number of hours worked on the project with the hourly gross employment cost. Hourly rate calculated by dividing the monthly gross employment cost by the monthly working time fixed in the employment/work contract expressed in hours.</i></p> <p><i>In case of HOURLY RATE method: verify that staff cost are correctly calculated by multiplying the number of hours worked on the project with the hourly rate agreed in the employment/work contract.</i></p>
<b>Staff Costs (acc. to Art 67(a) of (EU) 1303/2013 and Art (3) of Del Reg (EU) 481/2014 ) and Office and Administration (Art 68(1) of Reg (EU) No 1303/2013) as flat rate.</b>			
22. The flat rate is in line with EU and Programme rules and does not exceed the limit set in Art 68(1) of Reg (EU) No 1303/2013.			<p><i>As check is done automatically, mark “yes” in case if flat rate for staff costs is applied.</i></p> <p><i>If flat rate is not applied, mark “N/A”.</i></p>
23. The flat rate is calculated correctly.			<p><i>As check is done automatically, mark “yes” in case if flat rate for staff costs is applied.</i></p> <p><i>If flat rate is not applied, mark “N/A”.</i></p>
<b>Travel and Accommodation - acc. to Art 67(a) of (EU)1303/2013 and Art (5) of Del Reg. (EU)481/2014.</b>			
24. Travel and accommodation costs relate to staff of the partner organisation or natural persons working under work contracts considered as employment contracts of the partner organisation or associated partners.			<p><i>Check inspected invoices and documents of equivalent probative value to ensure that costs were incurred by employees or persons working under contracts considered as employment contracts.</i></p> <p><i>In case if flat rate is applied under staff costs, FC should ask PP to submit an order where persons employed for the project are listed.</i></p> <p><i>In well-justified and documented cases and if it planend in application form, the project partners have a possibility to cover travel and accommodation costs of guests/target group (e.g. speaker of a conference, teacher (if not reported under BL4 “External expertise and services costs”), member of a project steering group outside of the project partner’s organisation, etc.)</i></p>

			and driver of the project partner organisation and report them under this BL.
25. Costs are in line with applicable EU, Programme and national rules.			<p>Verify that travel and accommodation costs are in accordance with the costs referred to in Article 5 of the EC Delegated Act No 418/2014 and Programme rules.</p> <p>Verify that cost-based documents, such as business trips reports, hotel billing, airline billing, route notes, fuel bill documents, advance payment documents are in accordance with national laws and regulations.</p> <p>The sound financial management principles (economy, efficiency and effectiveness) should apply to the choice of transport and accommodation. In line with the result oriented policy approach effectiveness should be the leading principle. As the second principle, cost - efficiency should be ensured, taking into account the entire cost of the mission (travel cost, staff costs related to the travel, etc.).</p> <p>Costs connected with the participation in event have to be reported within the reporting period when the event took place, but they cannot be reported retrogressively; in case the final settling of accounts (final advance statements are finalized) takes place in next reporting period, costs for participation in event can be reported during the next reporting period.</p>
26. Travels outside the (EU part of) Programme area follow rules outlined in Art. 20(3) of Reg. (EU) No 1299/2013 and Programme rules.			<p>Travel and accommodation costs, as well as costs for local transport related to activities outside the Program area, are eligible if they are foreseen in the approved Project application. The need for travels outside the Program area that are not included in the approved Project application must be coordinated with the JS through the LP prior the travel taking into account exceptions described in the Programme Manual Chapter 9.1. "Geographical eligibility". In all cases, the benefit must be justified for traveling outside the Program area.</p>
<b>External Expertise and Services - acc. to Art. 67(a) of Reg. (EU) 1303/2013 and Art. (6) of Del. Reg. (EU)481/2014</b>			

<p>27. External expertise and services were acquired in this reporting period. If yes, proceed to Public procurement checklist.</p>		<p><i>Mark "Yes" or "No", depending on whether new contracts were concluded within the reporting period. If 'yes', list new contracts concluded within the reporting period by also indicating price of contract.</i></p> <p><i>In case if public procurement procedure was implemented (<u>above</u> the lowest <u>threshold</u> set in national procurement rules), refer and fill-in section "Compliance with public procurement rules" of the checklist.</i></p> <p><i>In case if public procurement procedure was not implemented as contract price is <u>below</u> the lowest <u>threshold</u> set in national procurement rules, still it has to be verified and confirmed here that the contract price (service price) is adequate and in line with the market prices.</i></p> <p><i>There can be situations that no written contract exists for services below the national procurement thresholds, however in such cases it should be clear, e.g. in the technical specification when service is ordered, what type of services were delivered in order to verify their compliance with the project Application Form.</i></p>
<p>28. Providers of services or expertise are not employed in the Project under staff costs and are not project partners.</p>		<p><i>Verify that external experts or service providers are not employees in the Project reported under the budget line 1 "Staff costs".</i></p> <p><i>Verify that employment/ work contract is not concluded with any of PPs.</i></p> <p><i>In case if flat rate is applied under staff costs, FC should ask PP to submit an order where persons employed for the project are listed.</i></p>
<p>29. Types of costs listed under the budget line are eligible according to EU and Programme rules.</p>		<p><i>Verify that the costs of external experts correspond to the Project.</i></p> <p><i>All additional costs related to external experts (e.g. travel and accommodation costs for external experts) must be foreseen in the service contract and recorded under this BL. In exceptional cases, PP can pay additionally for external expert travel costs based on PP real costs on top of the contract price if such option is stated in the contract.</i></p>

		<p><i>Attention should be drawn to the Programme provisions on the eligibility of coffee breaks, dinners and alcoholic beverages during events and meetings organized by projects.</i></p> <p><i>In general, the cost for organization of internal meetings should be covered from the flat-rate of project administrative costs with exceptions if costs for organization of internal meeting are not approved in the project.</i></p>
30. Invoices or documents of equivalent probative value are in line with the contract(s).		<p><i>Verify that the cost-based documentation is in accordance with the agreement of the external expert and / or service provider, incl. procurement documentation (if applicable).</i></p>
31. The share allocated to the project is plausible, i.e. calculated according to a fair, equitable and verifiable method.		<p><i>In case of experts or services that are not exclusively used for the project, verify that inspected invoices and documents of equivalent probative value are in accordance with the contract(s).</i></p> <p><i>Verify that only a respective share of the expenditure is allocated to the project and that this share is calculated according to a fair, equitable and verifiable method.</i></p> <p><i>In cases where invoices are paid from several financial sources, the amount eligible from the project should be indicated on the invoice.</i></p>
32. Deliverables or other evidence of the work carried out by the provider are available.		<p><i>Verify that the PR is accompanied by supporting documents for the outcome of contracts concluded by the external experts and / or service providers in the Project, e.g.:</i></p> <ul style="list-style-type: none"> <li><i>- reports on the activities carried out in the implementation of a particular Project;</i></li> <li><i>- developed documents (studies, translations, photographs, if taken photo-fixing, presentations, handouts, etc.);</i></li> <li><i>- invoices issued by service providers;</i></li> <li><i>- other documentation supporting the services received within the framework of the Project.</i></li> </ul> <p><i>Costs connected with the organization of event have to be reported within the reporting period when the event took place, but they cannot be reported retrogressively.</i></p> <p><i>Item costs that should be distributed according to actual usage ("wear and tear") could be reported proportionally (partly or fully)</i></p>

			<i>within the reporting period when items have been partly or fully distributed.</i>
<b>Equipment costs - acc. to Art. 67(a) of Reg. (EU) 1303/2013 and Art. (7) of Del. Reg. (EU)481/2014</b>			
33. New equipment is reported.			<p><i>Mark "Yes" or "No", depending on whether new contracts were concluded within the reporting period. If 'yes', list new contracts concluded within the reporting period by also indicating price of contract.</i></p> <p><i>In case if public procurement procedure was implemented (above the lowest <u>threshold</u> set in national procurement rules), refer and fill-in section "Compliance with public procurement rules" of the checklist.</i></p> <p><i>In case if public procurement procedure was not implemented as contract price is <u>below</u> the lowest <u>threshold</u> set in national procurement rules, still it has to be verified and confirmed here that the contract price (deliveries price) is adequate and in line with the market prices.</i></p> <p><i>There can be situations that no written contract exists for delivering goods below the national procurement thresholds, however in such cases it should be clear, e.g. in the technical specification when equipment is ordered, what type of equipment was ordered and delivered in order to verify their compliance with the project application form.</i></p>
34. The types of costs listed under the budget line are eligible according to EU and Programme rules.			<p><i>Verify that the costs of the equipment are in accordance with the Programme rules and were planned in the project application form.</i></p> <p><i>Please pay attention that list of planned purchases can be added as separate annex to application form or in comment section of planed cost positions in PP budget part.</i></p> <p><i>In case if second hand equipment is purchased check its compliance with the application form and Programme rules stipulated in the Section 9.3.5. of the Programme Manual.</i></p>

35. Invoices or documents of equivalent probative value are in line with the contract(s).			<p>Verify that inspected invoices and documents of equivalent probative value are in accordance with the contracts in terms of amount and nature.</p> <p>Deviations from technical parameters of purchases planned in the application form can be accepted if purchased equipment can ensure its full functionality as it is planned in the application form and if deviation is justified in the PR.</p> <p>Verify that purchase contract is not concluded with any of PPs.</p>
36. Equipment is available.			<p>Verify that the equipment purchased in the Project is physically accessible and are used according aim stated in the application form , whether the PR includes:</p> <ul style="list-style-type: none"> <li>- documents confirming the purchase of the equipment (for example, acceptance documents, photographs in case of photo fixing, etc.);</li> <li>- transfer of equipment - acceptance acts, invoices for the fulfilling of contractual obligations, fixed asset accounting cards etc.</li> </ul>
37. Deleted with the Version 3 of the Financial Control Manual.			
<b>Infrastructure and Works - acc. to Art 67(a) of (EU) 1303/2013</b>			
38. New infrastructure and works contract is reported.			<p>Mark "Yes" or "No", depending on whether new contracts were concluded within the reporting period. If 'yes', list new contracts concluded within the reporting period by also indicating price of contract.</p> <p>In case if public procurement procedure was implemented (<u>above</u> the lowest <u>threshold</u> set in national procurement rules), refer and fill-in section "Compliance with public procurement rules" of the checklist.</p> <p>In case if public procurement procedure was not implemented as contract price is <u>below</u> the lowest <u>threshold</u> set in national procurement rules, still it has to be verified and confirmed here that the contract price (service price) is adequate and in line with the market prices.</p>

			<p><i>There can be situations that no written contract exists for works ordered below the national procurement thresholds, however in such cases it should be clear, e.g. in the technical specification when works are ordered, what type of works where ordered and delivered in order to verify their compliance with the project application form.</i></p>
39. Works are in line with the Project Application.			<p><i>Verify that the costs of the equipment are in accordance with the Programme rules and was planned in the project application form.</i></p> <p><i>Please pay attention that technical documentation for planned works is attached to the application form or in rare cases available in paper version at the JS (in such cases please contact JS to receive documents in paper or electronic version).</i></p> <p><i>Please pay attention to changes made in the technical documentation before and after public procurement. Only changes which do not affect project activities described in the application form are allowed in the technical documentation.</i></p>
40. Invoices or documents of equivalent probative value are in line with the contract(s) and Programme rules; infrastructure and works exist or evidence of work in progress is available.			<p><i>Investigate the investments made in the Infrastructure and / or construction works within the Project and verify the achievement of the final result or the intermediate result in accordance with the concluded contracts, including:</i></p> <ul style="list-style-type: none"> <li><i>- reports on the activities carried out in the implementation of a specific works by contractor;</i></li> <li><i>- invoices; acceptance / transfer acts issued by service providers;</i></li> <li><i>- submitted photo fixies, incl. making sure that the works performed are in accordance with the Programme's publicity requirements (information plate or informational billboard is displayed);</i></li> <li><i>- fixed asset accounting cards;</i></li> <li><i>- other documentation.</i></li> </ul> <p><i>Final payment for works done can be accepted by the FC only after acceptance act of works is submitted to the FC even if it was not task of works provider according to concluded contract.</i></p>



			<i>Together with acceptance of final payment for works verify ownership rights for object where investments were made. According to Programme rules, ownership documents or lease of land or premises agreements for lease period covering planned project duration and 5 years after final payment to the project is made, should be available in national language.</i>
41. The share allocated to the project is plausible. i.e. calculated according to a fair, equitable and verifiable method.			<i>Should be checked in case of concluded contracts that are not exclusively used for the project.</i>  <i>Verify that only a respective share of the expenditure is allocated to the project and that this share is calculated according to a fair, equitable and verifiable method.</i>  <i>In cases where bills issued under such a contract are paid from several financial sources, the amount eligible from the project should be indicated on the invoice.</i>
42. Providers of infrastructure and works are external to the project partnership.			<i>Verify that contract is not concluded with any of PPs.</i>
<b>Compliance with public procurement rules<sup>2</sup></b>			<i>Section and sub-questions should be filled in for each contract concluded based on implemented public procurements above the lowest national threshold.</i>
43. Title of the procurement — if applicable. Name of contractor — if applicable.			<i>Have to be filled in for each procurement exceeding procurement threshold.</i> <i>Indicate the name (s) of the procurement contract.</i> <i>Indicate the name (s) of the works provider/ supplier/ service provider.</i>
44. The value of the procured works, goods or services.			<i>Indicate the value of the procured works, goods or services.</i>
45. The type of tender — if applicable: works, services, supply.			<i>Indicate the type of procurement contract: "Construction", "Service" or "Supply" contracts.</i>
46. The procurement procedure chosen (open, restricted, negotiated, direct contracting. etc.).			<i>Specify the type of procurement procedure selected.</i>

<sup>2</sup> For deduction of costs in public procurement, Guidelines for determining financial corrections to be made to expenditure financed by the Union under shared management, for non-compliance with the rules on public procurement (Commission Decision of 19.12.2013 C(2013) 9527 final) applies.

47. The media chosen for publication — if applicable.			<i>Indicate where the contract notice was posted (indicate link).</i>
48. Documentation of procurement: full documentation of the procurement procedure is available.			<i>Verify that the PR is accompanied by a complete procurement documentation. In case documentation is not required please tick N/A and provide an explanation in the comments section at the right side of checklist.</i>
49. Including: Initial cost estimate made by the project partner to identify the applicable public procurement procedure.			<i>Check that market research documentation is available to justify the choice of the appropriate procurement procedure.  Please pay attention to changes made in the technical documentation for construction works before public procurement. Only changes which do not affect project activities described in the application form are allowed in the technical documentation.  Deviations from technical parameters of purchases planned in the application form can be accepted by FC only if purchased equipment can ensure its full functioning as it is planned in the application form and if deviation is justified in the PR.</i>
50. Including: Procurement publication/notice.			<i>Check that purchase announcements on the Public Procurement Office/ Procurement Monitoring Bureau website or on the institution's website according to the chosen procurement type (contract notice, notice of the results of the procurement procedure, notice of award and other announcements according to the chosen procurement type) are available.</i>
51. Including: Terms of reference.			<i>Check that procurement regulations, technical specifications are available and are in line with project application form, taking into account possible deviation stated in Programme manual</i>
52. Including: Offers/quotes received.			<i>In case the award criterion is the lowest price, verify that the offer of the winner is available and check its content.  In case if “economically most beneficial” award criterion is used for tender, verify that all tenderers offers are submitted and check their content.  In case if award criterion is the lowest price – in case of doubt, the responsible controller has to require all bids of the bidders (for</i>

			<i>example, the rejected offer, arithmetical errors in the evaluation of offers, etc.).</i>
53. Including: Report on assessment of bids (Evaluation/selection report).			<i>Check that Procurement committee minutes (including evaluation based on the evaluation criteria set out in the contract notice or procurement procedure documents) are available.</i>
54. Including: Information on acceptance and rejection.			<i>Check that letters and announcements of the results of the procurement are available.</i>
55. Including: Complaints by bidders submitted to the contracting authority (if any).			<i>Check that bidders' complaints to the PP or the Competent Authority to the Procurement Monitoring Bureau/ Public Procurement Office (if applicable) are included.</i>
56. Including: Contract, including any amendments.			<i>Check that a procurement contract (including a contract with a natural person) and its annexes is available.</i>
57. Including: Others (if any).			<i>Check existence/ availability of following: - an order for the creation of a procurement commission for the Project (if issued), or the order of the PP for the organization of all types of procurement; - Impartiality Documents of Procurement Commission members and experts (if applicable).</i>
58. Compliance with public procurement rules (EU and national).			<i>Verify that the procurement performed within the framework of the Project has been organized in accordance with the national legislation.</i>
59. Including: The public procurement procedure (open, restricted, direct contracting. etc.) chosen complies with applicable rules.			<i>Verify that the selected procurement procedure is in line with the status of the PP and estimated contract price.</i>
60. Including: There has been no artificial splitting of the contract objective/value in order to avoid public procurement requirements.			<i>Check that the subject of the procurement (works, services or supplies) is not divided in order to avoid the application of the appropriate procurement procedure.</i>
61. Including: The change has been only minor without changing the overall objective, content and economy of the tender. The change has been in line with relevant national legislation without any relevant impact on the validity of the initial tender procedure.			<i>Check changes made in the procurement documents and whether deadline for submission of offers is extended according to national legal acts.</i>
62. Including: There is evidence on file documenting justification of this decision (e.g. in relation to Directive No. 2014/24/EU).			<i>Verify if changes in procurement documents were made, whether changes are justified.</i>

63. Including: There is evidence on file that in-house contracting or inter communal cooperation is justified.			<i>In case of in-house or inter-cooperative co-operation of the PP: Verify that the PR is accompanied by documents justifying the compliance of these activities with national, incl. PP institution's internal regulations, EU and Programme rules for organizing procurement procedures.</i>
64. Including: Publicity requirements were respected.			<i>Should be checked in case of procurements above EU thresholds. Verify that the possibility to submit a tender has been correctly advertised with a fair and clear description of the subject of the tender, the deadline and procedure for submitting bids, the selection and award criteria and the estimated contract value were respected.</i>
65. The principles of transparency, non-discrimination, equal treatment and effective competition been complied with (also for items below the EU-thresholds).			<i>Should be checked for all procurements, also below EU thresholds.</i>
66. Including: - If applicable - There was a clear distinction between selection and award criteria in the evaluation of the bids.			<i>If applicable, verify whether there is a clear distinction between eligibility and award criteria.</i>
67. Including: - If applicable - Selection and award criteria and required technical specifications are transparent, nondiscriminatory and ensure equal treatment.			<i>Verify that the selection and award criteria, the technical requirements ensure open, non-discriminatory and equal treatment of all tenderers.</i>
68. Including: - If applicable - Decisions are properly documented and justified.			<i>Verify that the selection process is properly documented and the criteria for awarding selection and award are applied in a consistent manner and no new criteria have been introduced that were not originally intended.</i>
69. The price is adequate.			<i>Also for purchases below the national public procurement threshold ('direct contracting') it is necessary to verify that the purchase price is adequate. Verify that the price of acquired services and goods was adequate. Conduct internal research to compare prices – add information on type of services PP purchased and include comment if expenditure reported correspond to average market price in conducted internal research. Inspect price adequacy documentation of the PP.</i>
70. Contract(s) is/are in line with the selected offer(s).			

			Verify whether the terms of the contract are in line with the selected offer and contract published as a part of procurement procedure.
<b>Compliance with information and publicity requirements</b> - acc. to Annex XII of Reg. (EU) No 1303/2013			
71. Information and publicity rules of the EU and the programme were complied with, publicity requirements outlined in Annex XII of Reg. (EU) No 1303/2013 and Programme Manual.			<p>Verify if the Transactions / Performance Reports attached to the PR by the PP assure that the results of the project's achievements, incl. brochures, program of events, agendas, studies, translations, publications meet publicity requirements stated in Programme communication guidelines.</p> <p>In addition, check that the Programme publicity requirements for purchased equipment and investments made up to EUR 500 000 are met.</p> <p>In addition, information on Project has to be published on the PP website.</p>
72. A temporary billboard of a significant size, readily visible to the public has been installed e.g., Inspected site to ensure they meet the publicity requirements outlined in of Art 2.2 of Annex XII of Reg. (EU) No 1303/2013).			In case of projects exceeding a total public contribution of EUR 500.000 and consisting of the financing of infrastructure or construction projects: verify that during the implementation of the Project, the PP places a temporary information stand on the planned investment and source of investment at the facility where the investment is made.
73. At least one poster with information about the project (minimum size A3), including the financial support from the Union at a location readily visible to the public, such as the entrance area of the building. e.g., Inspected site to ensure they meet the publicity requirements outlined in Art 2.2 of Annex XII of Reg. (EU) No 1303/2013.			<p>Verify that PP has provided evidence of at least one poster placement (minimum in A3 format) in a visible place to the public (for example, at the entrance to the building) in accordance with the publicity requirements (proof can be provided in photo).</p> <p>Fulfillment of requirement should be checked for 1st reporting period.</p>
<b>Compliance with other EU rules</b>			
74. There is no evidence that the project activities do not comply with the EU horizontal objectives of sustainable development. [According to Articles 4 and 8 of Reg. (EU) No 1303/2013].			Based on professional experience, it is decided whether the PP has complied with the EU and the Horizontal Principles of the Programme when implementing the Project. Accordingly, indicate whether there has been any doubt as to compliance with the horizontal principles, incl. sustainable development, equal opportunities, non-discrimination, equality between women and men.
<b>Compliance with State aid Rules</b>			

75. In case partner have been confirmed receiving aid under de minimis rules (please see eMS section Supplementary information / State aid of partner) amount granted under de minimis by Programme are not exceeded by relevant partner.			<i>Verify that amount granted under de minimis by Programme are not exceeded by relevant PP.</i>
76. Project implemented activities are not considered to fall under the state aid according definition provided in PM.			<i>Verify that implemented activities are not considered to fall under the state aid according definition provided in Programme Manual.</i>
<b>On-the-spot visit</b>			
77. On-the-spot visit was organized			<p><i>Each Lithuanian FC during the project lifetime shall go to at least one on-the-spot check for each controlled PP of each Project.</i></p> <p><i>Latvian FC on-the-spot checks can be carried out on a sample basis if sampling is foreseen in national legal acts for functioning of FC.</i></p> <p><i>After implementation of on-the-spot check FC must fill out Programme On-the-spot Check Report (Annex III of the FC Manual), scanned version of which should be uploaded in section "FC documents/Attachments" and tick "On the spot" section under relevant section of FC report.</i></p>