

**SELDI CSO Training: Corruption and State Capture Monitoring,  
Advocacy and Impact in a World of Hybrid Threats**

***Supporting Anti-Corruption Initiatives of Grass-Roots  
through Sub-Granting  
- Management and Reporting -***

**12-14 June 2019  
Sarajevo**



# Contract management (1)

- The responsibilities of the grant beneficiaries are defined in the Contract
  - Special Conditions
  - Annex I Description of Action
  - General Conditions
- Partnership Agreement – Defining rules and procedures governing relationship between beneficiaries (coordinator and partners)
- Changes and derogations from the Grant Contract must be approved by the Contracting Authority
- Implementation period = eligibility of cost period (defined with the Contract) – starting from 1 September 2019
- Project registration, VAT exemption (support provided by the relevant country SELDI partners)

# Contract management (2)

- Project visibility (Communication and Visibility manual, latest version 01.01.2018)
- Procurement – best value for money/ lowest price criteria
  - Collection of 3 offers
  - Documents justifying the selection/ decision
  - Respecting objectivity, fair competition, no conflict of interest
- Costs for project implementation – charged from the Project Budget
- Accountable for sound spending of budgets and providing financial reporting information and supporting documentation
- Budget reallocations/ modifications are not recommendable, if necessary and duly justified must be approved by the Contracting Authority

# Contract management (3)

- Reports drafted in English/ EUR currency
- The Contracting Authority shall make payments in the currency of the country to which it belongs or in EUR.
- Exchange rate
  - Whenever funds received from the Contracting Authority are exchanged to local or other currency, records must be kept documenting the date of exchange, amount of EUR exchanged, the exchange rate, and the amount received in the relevant currency.
  - The Beneficiary is responsible for documenting and reporting all expenditures under the Action. For the purpose of reporting, conversion into EUR of the real costs borne in other currencies shall be done at the rate made up by the average of the applicable rates used for conversion of received EUR amounts, as documented by the beneficiary.
  - The Beneficiary must keep/ submit supporting documents for all expenditures (invoices, receipts, bank statements etc.)
  - Audit trail – short information in English on all documents
  - Documents kept for 5 years after final payment
- The beneficiary must provide all project deliverables

# Reporting Requirements

- Reporting defined with Special Conditions, Article 4.1
- Quarter-based narrative and financial reports:

<u>Report</u>	<u>For the period</u>	<u>Report Due</u>
Operational / Financial Report	01.09.2019 – 30.11.2019	31.12.2019
Operational / Financial Report	01.12.2019 – 29.02.2020	31.03.2020
Operational / Financial Report	01.03.2020 – 31.05.2020	30.06.2020
Final Operational / Financial Report	01.09. 2019 – 31.08.2020	30.09.2020

*\*dates vary from contract duration*

- The Beneficiary shall submit copies of receipts and other financial documentation as proof of expenditures incurred, as attachment to the financial reports
- Detailed breakdown of expenditure - "List of detailed expenditure incurred- List of references to supporting documents" (model provided by the Contracting Authority)

# Payment Arrangements

- Payments defined with Special Conditions, Article 4.3
- Payments shall be made on quarterly basis, as given below:
  - Initial pre-financing payment: 30% of CA contribution
  - Further pre-financing payments (on quarterly basis): total of 60% of CA contribution, subject to approval of relevant operational and financial reports
  - Balance of the final amount of the grant, subject to approval of final operational and financial report.

# Eligibility of Costs (art. 14 of GC)

- Actual – incurred by the beneficiary organizations (and partners) during implementation period
- Foreseen in the project budget
- Reasonable and justified (best value for money)
- Necessary for the implementation, identifiable and verifiable cost (recorded in beneficiary accounting, paid, backed up by original documents)
- Duties, taxes and charges, including VAT, paid and not recoverable by the beneficiary(ies) can be considered as eligible cost (if cost for recovery is higher than taxes declared/ excessive length of time for obtaining exemption)

# Categories of Eligible Costs

- Staff assigned to the Action
- Travel and subsistence costs of staff or other people taking part in the Action
- **Cost for use of equipment and supplies**
- Cost for consumables and office costs
- Other costs, services (visibility, studies, translation, surveys, financial services)

\*Contingency reserve and indirect costs cannot be claimed



# Human Resources (1)

- Official nomination of project team
- Actual gross salaries, not exceeding salaries normally borne by beneficiaries (increase of salaries is not allowed)
- Part time work - % as defined in contracts - supported by timesheets
- Supporting table with detailed information (names, positions, monthly rate, days in relevant months worked on the project, % and amount charged to the project)
  - *Signed and scanned timesheets*
  - *Scanned employment contracts*
  - *Scanned salary slips for months worked on the project and proof of payment*

# Human Resources (2)

- Time sheets must correspond to the amount claimed (official holidays/annual leaves may be claimed on timesheets proportionally)
- If a person is 100% engaged under HR, he/she cannot work under BH 5 (EC rule)
- Per-diems (project staff) – respecting organization rules/ rates already established in the contract. Documents:
  - Per-diem receipt
  - Attendance list, travel documents

# Travel

- Incurred by project staff or any other person taking part in the project
- Costs may not exceed those normally borne by beneficiaries
- Flights must be economy class
- Documents:
  - Travel Orders (dates in line with information on timesheets)
  - Car Log
  - Invoices and proof of payment
  - Boarding passes/ pay toll receipts

# Local Office

- Costs have to be reasonable and in compliance with the principle of efficiency and economy
- Proportionate allocation in line with staff allocation for the respective month (please take into consideration the allocation in the budget)
- Documents:
  - Invoices and proof of payment
  - Proof for receipt of goods

# Other costs, Services (1)

## Outsourced activities

- External personnel (consultant, researchers) - copies of timesheets, contracts or invoices indicating task, dates/ hours, rates and amount to be paid
- Participation at conferences/seminars - supported by attendance list
- Publication and dissemination - Invoices for printing should show the number of items printed and the cost of each item
- Invoices for translation should show the source language and the language(s) into which the document is translated, and the name of the document (provide documents translated)

# Other costs, Services (2)

- Goods or services purchased by means of a competitive procedure: offers, documentation related to the award process (At least 3 bids – EC recommendation)
- Organization of workshops/ trainings/ events (invoices, attendance lists, etc)
- Financial services

# Communication

- For any questions related to project implementation (technical/ financial) please contact Grants Coordinator CCI or SELDI's Coordinator MCIC
  - Jasmina Ristovska (jrs@mcms.mk)
  - Natasha Ivanoska (niv@mcms.mk)

Thank you!  
Jasmina Ristovska  
[www.mcms.mk](http://www.mcms.mk)  
[www.seldi.net](http://www.seldi.net)