

CHECK LIST ART. 71 DESCRIPTIONSANNEX II

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[dd/mm/yy]MEMBER STATES' MANAGEMENT AND CONTROL SYSTEMS FOR STRUCTURAL FUNDSSCOPE : [PROGRAMME NAME]<sup>1</sup>CHECKLIST FOR THE COMPLIANCE ASSESSMENT (ARTICLE 71 OF THE COUNCIL REGULATION (EC) NO 1083/2006).


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<sup>1</sup> One checklist per system (may cover system common to several programmes)

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<b><u>Part 1. GENERAL (art. 71 of the Reg. 1083/2006 and annex XII of the Reg. 1828/2006)</u></b>				
<b><u>Review the management and control description for the following elements:</u></b>				
1.1	Are the name of the Member State(s), title of the programme and CCI No, and the main contact person (including e-mail and fax) indicated?			
1.2	Does the document indicate the date to which the description of the situation relates?			
1.3	<p>Are the general information and flow chart showing the organisational relationship between MA, IB, CA and AA and the reporting relationship to the Commission provided?</p> <p>For European Territorial Cooperation (ETC) programmes, does this information cover also the Joint Technical Secretariat (JTS), the controllers responsible for verifying the legality and regularity of the expenditure, and the group of auditors?</p>			<p><i>For ETC programmes, JTS is referred to in Art. 14-1 of Reg. 1080/2006, the controllers under Art. 16-1, and the group of auditors under 14-2 of the same Regulation.</i></p>
1.3.1	<p>Are the name, address and contact points of the Managing Authority/Authorities indicated?</p> <p><i>For ETC programmes, are the name, address and contact points of the JTS indicated?</i></p> <p><i>For ETC programmes, are the names, addresses and contact points</i></p>			

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	<b>Question</b>	<b>Y</b>	<b>N</b>	<b>Page Reference Art.71 report / PC</b>	<b>N/A or Remarks</b>
	<i>of the controllers (Art. 16-1 of Reg. 1080/2006) in each Member State indicated?</i>				
<b>1.3.2</b>	<i>Are the names, addresses and contact points of <b>all</b> Intermediate Bodies indicated?</i>				<b>Verify to input this data in SFC 2007 only due to huge number of IBs in some cases</b>
<b>1.3.3</b>	<i>Are the name, address and contact points of the Certifying Authority/Authorities indicated?</i>				
<b>1.3.4</b>	<i>Are the name, address and contact points of the all Audit Authorities and other audit bodies indicated?</i>  <i>For ETC programmes, are the are the names, addresses and contact points of the members of the group of auditors indicated?</i>				
<b>1.3.5</b>	<i>How is the principle of separation of functions between and within these bodies ensured?</i>				
<b>1.4</b>	<b>Is there adequate guidance provided?</b>				
<b>1.4.1</b>	<i>Is it indicated how and by whom adequate guidance will be provided to MA, CA and IBs to ensure sound management of SF (Annex XII of Regulation (EC) No 1828/2006)?</i>  <i>For ETC programmes, does it cover the JTS, the controllers verifying the legality and regularity of the expenditure?</i>				
<b>1.4.2</b>	<i>Does description identify:</i>  <i>a) Whether a body in one of the participating Member states has overall co-ordination responsibility for management and control</i>				

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	<i>issues?</i>				
	<i>b) Whether guidance or instruction on financial management and applicable Community and national rules have been issued for MA/IBs by the body identified in point 1.4.1 or by another body/bodies?</i>				
	<i>c) Whether the MS has made provision for answering questions from MA? (For ETC programmes, have all the Member States made such arrangements?)</i>				
	<i>d) For ETC programmes, are provisions in place in the participating Member States to ensure compliance with the provisions of Art. 21-4 of Reg. 1080/2006 in case the programme makes uses of the possibility of Art. 21.3 (expenditure outside the European Community)?</i>				
<b>PART 1 - OVERALL CONCLUSION:</b>					
<b><u>Part 2: The Managing Authority (Art. 60 of Reg. 1083/2006 and Art 13 of Reg. 1828/2006)</u></b>					
<b>2.1</b>	<b>Managing Authority and its main functions</b>				
<b>2.1.1</b>	<i>Is it described how the MA has been given authority to carry out its function and whether the MA has been formally designated. If yes, is the date and form of designation indicated?</i>				
<b>2.1.2</b>	<i>Are the functions/tasks carried out directly by the MA specified?</i>				

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	<i>Are all functions of the regulation covered?</i>				
	<i>Can it be concluded that the MA can fulfil all its responsibilities?</i>				
2.1.3	<i>Has the MA formally delegated any of its functions?</i>				
	<i>a) Are the delegated functions and Intermediate bodies indicated? Is it clear what functions have been delegated (accountability)?</i>				
	<i>b) Is the form of the delegation indicated?</i>				
2.1.4	<i>Is there a sufficient system of reporting and monitoring between the MA and the body to which tasks are entrusted?</i>				
2.1.5	<i>In the case of ETC programmes, is it indicated how the controllers designated under the provisions of Art. 16-1 of Reg. 1080/2006 will report to the MA, for it to fulfil its obligations in accordance with Art. 15-1 of the same Reg. in connection with Art. 60 of Reg. 1083/2006?</i>				
2.1.6	<i>In the case of ETC programmes, has a standard implementing agreement between MA and lead beneficiary been drafted (Refer to Art. 15-2 of Reg. 1080/2006)?</i>				
2.2	<b>Organization of the Managing Authority</b>  <b>For ETC programmes, the questions of this section may apply for the JTS. Please specify in the column for remarks whether the answer is given for the MA or for the JTS, and comment on the adequacy of the coordination and supervision procedures</b>				

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	<b>between these bodies where necessary.</b>				
2.2.1	<i>a) Is an organisation chart supplied describing the allocation of tasks between or within the units and the indicative number of posts allocated? Do any problems derive from the analysis of the organisation chart?</i>				
	<i>b) Are staff within the MA allocated to posts with clearly defined responsibilities?</i>				
2.2.2	<i>a) Has manual(s) of procedures been prepared for use by staff of the MA and is there a formal procedure which controls the change, introduction or abandonment of procedures? Are these procedures considered adequate?</i>				
	<i>b) Is the date and reference to the manual indicated?</i>				
	<i>c) Is the manual also used by Intermediate Bodies? Has it been indicated how this will be communicated to them and followed up?</i>				
2.2.3	<i>a) Are the procedures for selecting and approving operations and for ensuring their compliance for their whole implementation period with applicable Community and national rules described? (Art 60 (a) of Reg. 1083/2006 and Art. 13 (1) of Reg.1828/2006).  Are these procedures considered clear and sufficient? Has Art 13 (1) of Reg. 1828/2006 been adhered to?</i>				
	<i>b) Are written standards, procedures and model forms for the selection and approval of operations established (reference to</i>				

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	<p>manuals)?</p> <p><i>In the case of ETC programmes, do these procedures clearly refer to and respect the criteria set out in Art. 19 (and Art. 6) of Reg. 1080/2006 on selection of operations?</i></p> <p><i>Are these procedures considered clear and sufficient?</i></p>				
2.2.4	<p><i>Verifications (Art. 60(b) of Reg. 1083/2006 and Art.13 (2-5) of Reg. 1828/2006) – Are the arrangements for verification checks described? - in particular:</i></p>				
	<p><i>a) bodies which will carry out these verifications</i></p> <p><i>In the case of ETC programmes, are the procedures to be followed by the controllers designated under the provisions of Art. 16-1 of Reg. 1080/2006 described?</i></p>				
	<p><i>b) Will verifications cover administrative, financial, technical and physical aspects of operations, as appropriate?</i></p>				
	<p><i>c) Will verifications include the following procedures:</i></p> <p><i>i) Administrative verifications in respect of each application for reimbursement by beneficiaries?</i></p> <p><i>ii) on-the-spot verifications of individual operations?</i></p> <p><i>In the case of ETC programmes, is it specified whether on spot verifications will take place at the premises of the lead beneficiary only, or at the premises of all project beneficiaries?</i></p>				

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	<i>d) Where on-the-spot verifications are carried out on a sample basis, is it foreseen that the managing authority will maintain a record describing and justifying the sampling method?</i>				
	<i>e) Are there arrangements for the annual review of the sampling method by the managing authority?</i>				
	<i>f) Is it foreseen that the managing authority will keep records of each verification, stating the work performed, the date and the results of the verification, and the measures taken in respect of irregularities detected?</i>  <i>In the case of ETC programmes, is it specified whether such records will be kept by the MA, or by each of the controllers designated under Art. 16-1?</i>				
	<i>g) Whether the checklists/standard reports will be used? Are these already available? Are they considered of good quality?</i>				
	<i>h) Written standards and procedures for the verifications carried out are established (reference to manuals)?</i>  <i>Are these procedures considered clear and sufficient?</i>				
	<i>i) Where the managing authority is also a beneficiary under the operational programme, do arrangements for the verifications ensure adequate separation of functions in accordance with article 58(b) of Reg. 1083/2006?</i>				
	<i>j) Is a flowchart describing the fulfilment of the requirements as regards verification checks supplied? Are there any issues deriving</i>				



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	<i>from the analysis?</i>  In the case of ETC programmes, (how) is it foreseen to check whether the (Art. 16-1) controllers are free of conflict of interest in carrying out each assignment?				
2.2.5	<i>Are the procedures for processing of applications for reimbursement and payments to beneficiaries (Art. 22(d) of Reg. 1828/2006) described? In particular:</i>				
	<i>a) Is each step of the procedure by which applications for reimbursement are received, verified and validated described?</i>				
	<i>b) Is each step of the procedure by which payments to beneficiaries are authorised, executed and accounted for described?</i>				
	<i>c) Is the body performing each step of the procedure indicated (in case it is not the MA)?</i>				
	<i>d) Is the adequate separation of function for the process ensured?</i>				
	<i>e) Is a flowchart describing the processes and indicating all bodies involved supplied?</i>				
2.2.6	<i>Is the procedure by which information will be transmitted to the certifying authority by the managing authority described?</i>				
2.2.7	<b>ELIGIBILITY RULES</b>				
2.2.7.1	<i>Are there eligibility rules laid down by the Member State(s) and</i>				

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	<i>applicable to the operational programme(s)?</i>				
2.2.7.2	<i>Are these rules in conformity with article 11 of Regulation (EC) 1081/2006 (ESF operational programmes) and in particular:</i>				
	<i>Expenditure types under article 11§2 of Regulation (EC) 1081/2006 are excluded from eligible expenditure</i>				
	<i>Expenditure types under article 11§3 of Regulation (EC) 1081/2006 are included in eligible expenditure</i>				
	<i>Is it foreseen to use flat rate for indirect costs?  If yes, is there a clear definition of the direct costs, on which basis calculation of the overheads will be done</i>				
2.2.7.3	<i>Are these rules in conformity with article 7 of Regulation (EC) 1080/2006 (ERDF operational programmes) and in particular:</i>				
	<i>Expenditure types under article 7§1 of Regulation (EC) 1080/2006 are excluded from eligible expenditure</i>				
	<i>Expenditure types under article 7§2 of Regulation (EC) 1080/2006 are included in eligible expenditure</i>				
2.2.7.4	<i>(For ERDF operational programmes under the European territorial cooperation objective) Are these rules in conformity with article 13 of Regulation (EC) 1080/2006 ?</i>				
2.2.7.5	<i>Do eligibility rules ensure compliance with article 7§3 of Regulation (EC) 1080/2006 and article 11§4 of Regulation (EC)</i>				

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	<i>1081/2006 under the flexibility rule?</i>				
2.3	<b>a) Are the MA and CA both designated in the same body?</b>  <b>b) If so, then is the separation of functions adequately described and ensured?</b>				
2.4	<b>Public procurement, State Aid, Equal Opportunities and Environment rules (Reg. 1828/2006, annex XII.2.4)</b>				
2.4.1	<i>Is guidance and instructions issued on the applicable rules (date and reference)?</i>				
2.4.2	<i>Is there a description of the measures foreseen to ensure that the applicable rules are complied with management checks, controls, audits etc?</i>				
2.5	<b>Audit Trail (Art. 58(g) and 60(f) of Reg. 1083/2006 and Art. 15 of Reg. 1828/2006)</b>				
2.5.1	<i>Is there a description on how the requirements of article 15 of Reg. 1828/2006 will be implemented for the programme and/or individual priorities?</i>				
	<i>Is the description of the audit trail sufficient to demonstrate that it (art 15):</i>				
	<i>a) permits the reconciliation of the aggregate amounts certified to the Commission with the detailed accounting records and supporting documents held by the certifying authority, managing authority, intermediate bodies and beneficiaries as regards</i>				

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	<i>operations co-financed under the operational programme;</i>				
	<i>b) permits the verification of payment of the public contribution to the beneficiary;</i>				
	<i>c) permits the verification of the application of the selection criteria established by the monitoring committee;</i>				
	<i>d) contains in respect of each operation as appropriate the technical specifications, financing plan, documents concerning the grant approval, document relating to public procurement procedures, progress reports and reports on verifications and audits carried out.</i>				
2.5.2	<i>a) Have instructions been given on retention of supporting documents by beneficiaries (date and reference)? Do these instructions cover all the elements included in Art 19?</i>				
	<i>b) Is the period of retention of documents indicated and in accordance with article 90 §1(a) &amp; (b) of Reg. 1083/2006?</i>				
	<i>c) Is the format in which the documents are to be held indicated and in accordance with article 19 §4 of Reg.1828 /2006?</i>				
2.5.3	<i>Does the managing authority ensure that a record is maintained indicating the identity and location of bodies holding the supporting documents relating to expenditure and audits, which includes all documents required for an adequate audit trail?(art 19(1))</i>				
2.5.4	<i>Is the procedure for certification of conformity of documents held on commonly accepted data carriers with the original documents</i>				

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	<p><i>laid down by national authorities?</i></p> <p><i>Does this procedure ensure that the versions held comply with national legal requirements and can be relied on for audit purposes?</i></p>				
<b>2.6</b>	<b>Irregularities and recoveries</b>				
<b>2.6.1</b>	<i>Have instructions been issued on reporting and correction of recoveries, and recording of debt and recoveries of undue payments (date and reference)?</i>				
<b>2.6.2</b>	<i>Is the procedure (including a flowchart) to comply with the obligation for initial reporting of irregularities and reporting of follow-up and non-recovery to the Commission, in accordance with section 4 of Regulation 1828 /2006 (articles 27 to 36)?</i>				
<b>2.6.3</b>	<i>In case of ETC programmes, is a procedure set out, or a standard document drafted to inform lead beneficiaries and other beneficiaries on their obligations under Art. 20, and especially Art. 20-2, of Reg. 1080/2006?</i>				
<b>2.6.4.</b>	<i>In case of ETC programmes, does the management and control system description include the arrangements agreed between the Member States in relation to art 24(a),(d) and (e)?</i>				
<b>PART 2 - OVERALL CONCLUSION:</b>					
<b>Part 3: Intermediate Bodies (IB) (Art. 59§2 of Reg.</b>					

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	<b>1083/2006 and Art. 12 of Reg. 1828/2006):</b>				
3.1	<b>Are all intermediate bodies formally designated (if yes, date and form of designation)</b>				<b>Compulsory under article 37/59</b>
3.1.1	<i>Are the functions and the tasks of all IBs indicated?  Can it be concluded that the IB can fulfil all its responsibilities?</i>				
3.1.2	<i>Is there reference to the relevant arrangements (formally recorded in writing) indicating the tasks of the managing or certifying authorities that are performed by the IB's?</i>				
3.2	<b>Organization of each IB</b>				
3.2.1	<i>a) Is an organisation chart supplied describing the allocation of tasks between or within the departments and the indicative number of posts allocated?  Do any problems derive from the analysis of the organisation chart?</i>				
	<i>b) Are staff within all IBs allocated to posts with clearly defined responsibilities?</i>				
3.2.2	<i>a) Have manual(s) of procedures been prepared for use by staff of the IB and is there a formal procedure which controls the change, introduction or abandonment of procedures?  Are the manuals based on the instructions from the MA?</i>				

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	<p><i>Are these procedures adequate?</i></p> <p><i>Is the date and reference to the manual indicated?</i></p>				
3.2.3	<p><i>a) Are the procedures for selecting and approving operations and for ensuring their compliance for their whole implementation period with applicable Community and national rules described?</i></p> <p><i>Are these procedures considered clear and sufficient?</i></p>				
	<p><i>b) Are written standards and procedures for the selection and approval of operations established (reference to manuals)?</i></p> <p><i>Are these procedures considered clear and sufficient?</i></p>				
3.2.4	<p><i>Verifications (Art. 60(b) of Reg. 1083/2006 and Art.13 of Reg. 1828/2006) – Are the arrangements for verification checks described? - in particular:</i></p> <p><i>a) Bodies which will carry out these verifications</i></p> <p><i>b) Will verifications cover administrative, financial, technical and physical aspects of operations, as appropriate?</i></p> <p><i>c) Will verifications include the following procedures:</i></p> <p><i>i) Administrative verifications in respect of each application for reimbursement by beneficiaries?</i></p> <p><i>ii) on-the-spot verifications of individual operations?</i></p>				

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	<i>d) Where on-the-spot verifications are carried out on a sample basis, does the managing authority maintain a record describing and justifying the sampling method?</i>				
	<i>e) Are there arrangements for the annual review of the sampling method by the managing authority?</i>				
	<i>f) Is it foreseen that the managing authority will keep records of each verification, stating the work performed, the date and the results of the verification, and the measures taken in respect of irregularities detected?</i>				
	<i>g) Whether the checklists/standard reports will be used? Are these already available? Are they considered of good quality?</i>				
	<i>h) Written standards and procedures for the verifications carried out are established (reference to manuals)?  Are these procedures considered clear and sufficient?</i>				
	<i>i) Where the intermediate body is also a beneficiary under the operational programme, do arrangements for the verifications ensure adequate separation of functions in accordance with article 58(b) of Reg. 1083/2006?</i>				
	<i>j) Is a flowchart describing the fulfilment of the requirements as regards verification checks supplied?  Are these procedures considered clear and sufficient?  Are there any issues deriving from the analysis?</i>				



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3.2.5	<i>Are the procedures for processing of applications for reimbursement and payments to beneficiaries (Art. 22(d) of Reg. 1828/2006) described? If not, are the IB's tasks described in part 2? Reply to the question, noting in particular the questions under the related section (2.2.5) under the MA.</i>				
3.3	<i>Audit Trail – are the IBs' tasks described in part 2, point 5?</i>				
<b>PART 3 – OVERALL CONCLUSION:</b>					
	<b><u>Part 4: Certifying Authority (CA) (Art. 61 of Reg. 1083/2006):</u></b>				
4.1	<b>Certifying Authority and its main functions</b>				
4.1.1	<i>Is it described how the CA has been given authority to carry out its function and whether the CA has been formally designated (if yes, is the date and form of designation indicated?)</i>				
4.1.2	<i>Are the functions/tasks carried out directly by the CA specified?</i>				
4.1.3	<i>Has the CA formally delegated any of its functions?</i>				
	<i>a) Are the delegated functions and Intermediate bodies indicated?</i>				
	<i>b) Is the form of the delegation indicated?</i>				
4.1.4	<i>Is there a sufficient system of reporting and monitoring between</i>				

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	<i>the CA and the body to which tasks are entrusted?</i>				
<b>4.2</b>	<b>Organization of the Certifying Authority</b>				
<b>4.2.1</b>	<i>a) Is an organisation chart supplied and specification of functions of the units, including an indicative number of posts allocated?</i>				
	<i>b) Are staff within the CA allocated to posts with clearly defined responsibilities?</i>				
<b>4.2.2</b>	<i>a) Has manual(s) of procedures been prepared for use by staff of the CA and is there a formal procedure which controls the change, introduction or abandonment of procedures?</i>				
	<i>b) Is the date and reference to the manual indicated?</i>				
	<i>c) Is the manual also used by Intermediate Bodies?</i>				
<b>4.3</b>	<b>Certification of statements of expenditure (Art. 61 of Reg. 1083/2006, art. 22 and Annex X of Reg. 1828/2006)</b>				
<b>4.3.1</b>	<b>Financial flows:</b>  <i>Are there a flowchart and a description of the procedure by which statements of expenditure are drawn up, certified and submitted to the Commission?</i>  <i>For ETC programmes, does it comply with Art. 17-1 of Reg. 1080/2006 (no national sub-accounts)?</i>				

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	<i>a) Does it show the flow of expenditure declarations up from beneficiaries to the CA and final certification to the EC?</i>				
4.3.2	<i>Is there a description of the steps performed by the certifying authority to ensure fulfilment of the requirements under article 61 of Reg. 1083/2001?</i>				
4.3.3	<i>Is there a description of the arrangements for access of the certifying authority to the detailed information on operations, verifications and audits held by the managing authority, intermediate bodies and audit authority?</i>				
4.4	<b>Accounting system</b>				
4.4.1	<i>Is there a description of the accounting system to be set up and used as a basis for certification of expenditure to the Commission?</i>				
	<i>a) Is it a centralised or decentralised system?</i>				
	<i>b) If a decentralised system, is it described how is aggregated data forwarded to the CA?</i>				
	<i>c) - Are the accounting system and information system (part 6) one system or separate systems? - If separate, has the link between both systems been described and how is it ensured that the information in the two systems are identical? (electronic link, reconciliation)</i>				
	<i>d) Is the system already operational ? If not, when will it be</i>				

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	<p><i>operational?</i></p> <p><i>e) Has the system already been used in the previous period or not? If yes, was it considered reliable?</i></p>				
4.4.2	<p><i>Is the level of detail of the accounting system indicated, including:</i></p> <p><i>a) Whether it shows total expenditure by Fund and priority?</i></p> <p><i>b) Whether it allows for verification of the allocation and the transfers of the available public funds?</i></p> <p><i>c) Whether it allows splitting payments made by beneficiaries to the year concerned?</i></p>				
4.4.3	<p><i>Is it a separate accounting system for Structural Funds operations or it is also used for other Funds transactions?</i></p> <p><i>- If not separate, does it identify Structural Funds transactions? (e.g. specific accounting codes)</i></p>				
4.5	<b>Recoveries</b>				
4.5.1	<i>Is a system ensuring the prompt recovery of Community assistance described?</i>				
4.5.2	<p><i>Are the necessary arrangements described to:</i></p> <p><i>a) Maintain a debtor's ledger?</i></p>				

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	<p><i>b) Deduct amounts recovered from expenditure to be declared?</i></p> <p><i>c) Feed annual declaration on recoveries laid down in annex XI of Regulation 1828/2006?</i></p>				
4.5.3.	<p><i>For ETC programmes, has the CA set up arrangements covering the whole programming area (see also provisions under Art. 21 of Reg. 1080/2006) to fulfil its obligations under Art. 17-2 of Reg. 1080/2006? (recovery from lead beneficiary)</i></p> <p><i>For ETC programmes, has the CA set up arrangements covering the whole programming area (see also provisions under Art. 21 of Reg. 1080/2006) to fulfil its obligations under Art. 17-3 of Reg. 1080/2006? (recovery from Member states)</i></p>				
4.5.4	<p><i>In case of ETC programmes, does the management and control system description include the arrangements agreed between the Member States in relation to art 24(b) and (e)?</i></p>				
<b>PART 4 - OVERALL CONCLUSION:</b>					
<b><u>Part 5: Audit authority and Audit bodies (Art. 62 of Reg. 1083/2006 and Art. 23 of Reg. 1828/2006)</u></b>					
5.1	<b>Has the responsibility for audits of system and operations been assigned to one specific body or to different bodies?</b>				
5.1.1	<i>If assigned to different bodies, are the bodies indicated and is there a description of the main tasks and inter-relationships of the</i>				

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	<p><i>audit authority and audit bodies under the responsibility of the audit authority?</i></p> <p><i>Are the bodies the same as for the programming period 2000-2006?</i></p> <p><i>For ETC programmes, has the group of auditors (Art. 14-2 of Reg. 1080/2006) been set up within the 3 months deadline?</i></p> <p><i>For ETC programmes, has the group of auditors drawn up its own rules of procedures?</i></p>				
<b>5.2</b>	<b>Organisation of the audit authority and the audit bodies under its responsibility</b>				
<b>5.2.1</b>	<p><i>Are organisation charts supplied, including the number of posts allocated?</i></p> <p><i>Have the minimum required qualifications or experience for staff been determined and described?</i></p>				
<b>5.2.2</b>	<p><b>Is the functional independence of these bodies vis-à-vis implementation and payment procedures ensured?</b></p> <p><b>Have the arrangements for ensuring independence been described?</b></p> <p><b>Are these considered adequate?</b></p>				
	<i>Is it indicated to whom these bodies report? Is this in line with</i>				

**CHECK LIST ART. 71 DESCRIPTIONS****ANNEX II**

	Question	Y	N	Page Reference Art.71 report / PC	N/A or Remarks
	<i>the principle of functional independence?</i>				
5.2.3	<i>Are these bodies adequately staffed with suitably experienced/qualified personnel?</i>				
5.2.4	<i>a)Has an audit manual been produced for the use of auditors? If yes, is the date and reference to the manual indicated? Is the manual considered of good quality?</i>				
	<i>b) Is there a description of procedures for monitoring the implementation of recommendations and corrective measures resulting from audit reports? Are these procedures considered sufficient?</i>				
5.2.5	<i>Is there a description of the procedures (where appropriate) for the supervision of the work of other audit bodies under the responsibility of the audit authority? Are these procedures considered sufficient?</i>  <i>For ETC programmes, has the AA all necessary rights and capacity (e.g. linguistic) of access to supervise properly the work done under its leadership/ chair and foreseen under Art. 14-2 of Reg. 1080/2006?</i>				
5.3	<b>Annual Control Report and Closure Declaration</b>				
5.3.1	<i>Is there a description of the procedures for the preparation of the annual control report and opinion and closure declaration? Are these procedures considered clear and adequate?</i>  <i>For ETC programmes, do the rules of procedures (Art. 14- 2 of</i>				

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	Question	Y	N	Page Reference Art.71 report / PC	N/A or Remarks
	<i>Reg. 1080/2006) agreed upon cover this matter?</i>				
5.3.2	<i>Where partial closure is chosen, is there a description of the procedures for the preparation of the partial closure declaration? Are these procedures considered sufficient?</i>				
5.4	<b>Designation of the coordinating audit body</b>				
5.4.1	<i>Is there a description of the role of the coordinating audit body if applicable? Is this role clear and in line with the regulation?</i>				
5.5	<b>Is a flowchart supplied describing how it is intended to fulfil the requirements as regards the Art. 62 of Reg. 1083/2006?</b>				
5.6	<b>Has the audit strategy been prepared? Does it comply with the annex 5 of Regulation (EC) No 1828/2006?</b>				
5.7.	<i>In case of ETC programmes, does the management and control system description include the arrangements agreed between the Member States in relation to art 24(c) and (e)?</i>				
<b>PART 5 - OVERALL CONCLUSION:</b>					
<b><u>Part 6: Reliable accounting, monitoring and financial reporting systems in computerised form (Art 58 (d) and Art 60 (c) of the Council Regulation</u></b>					



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	Question	Y	N	Page Reference Art.71 report / PC	N/A or Remarks
	<b>(EC) No 1083/2006 and Art 14 of Reg. 1828/2006):</b>				
6.1	<p><b>Is there:</b></p> <p><i>a) A central or networked system common to the whole organisation of MA, CA and other authorities?</i></p> <p><i>b) A decentralised system in which information is held in several local systems that are not networked?</i></p>				
6.2	<p><b>Is a description including a flowchart of the information system(s) supplied, showing their elements and the links between them, and whether they are networked or decentralised?</b></p> <p>a) Has the MA ensured that there is a system for recording and storing in computerized form accounting records for each operation under the operational programme?</p> <p>For ETC programmes, does the system enable records for the whole programme area, without unnecessary duplication of work and data input?</p> <p>b) Has the system been used in the previous programming period. If yes, was it considered reliable (for example has it been audited?)</p> <p>c) does this IT system description provide evidence that :</p> <ul style="list-style-type: none"> <li>- the separation of function is guaranteed within the MS ?</li> <li>- the documents electronically signed by the authorities responsible are those transmitted to the Commission ?</li> </ul>				

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	Question	Y	N	Page Reference Art.71 report / PC	N/A or Remarks
<b>6.3</b>	<b>Is the system already operational?</b>  <i>If not, when will it be operational?</i>				
6.3.1	<i>Is the system capable to gather reliable financial and statistical information on the implementation of the 2007-2013 programmes for financial management purposes and to serve as the basis for certifications of expenditures?</i>				
6.3.2	<i>Is the system capable to gather reliable data on implementation of operations for monitoring and evaluation purposes? (Refer to Article 37 (1) c) and Article 67 (2) (a) of Council Regulation (EC) No 1083).</i>				
6.3.3	<i>Is the system capable to gather reliable data for verifications and audits purposes?</i>				
<b>6.4</b>	<b>Is it indicated how is the system linked to the Accounting System? (part 4, point 5) Is the reference considered adequate?</b>				
<b>6.5</b>	<b>Is there a capacity at present to transfer data electronically to the Commission for:</b>				
	<i>a) expenditure declarations?</i>				
	<i>b) annual implementation reports?</i>				

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	Question	Y	N	Page Reference Art.71 report / PC	N/A or Remarks
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	<i>c) project data for audit purposes?</i>				
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**PART 6 - OVERALL CONCLUSION:**

Prepared by		Reviewed by	
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