How to prepare for sampling and audits

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Case presentation on how to prepare for sampling and audits

The importance of setting up the administration right from the beginning

Word of good advice

The funding under the CEF program is:

- Compensation of documented cost
- If reported cost do not pass the control of INEA – no funding is obtained. Take this very seriously and literally.

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The importance of setting up the administration right from the beginning

- The control of INEA (and maybe ECA) is checking:
  - Eligibility of cost
  - Accounting practices
  - Cost allocation mechanisms for indirect cost
  - Payment of cost
  - Procurement processes

The importance of setting up the administration right from the beginning

Eligibility of cost

When preparing the application for funding, you should carefully consider:

- The activity structure description of the activities in the Grant Agreement should provide a strong base for the eligibility of individual cost
- The activity structure to matches with how you organize your project
- Prepare you administration systems - to match/support the activity structure
- Each cost item must be linked to the activities when reported to INEA
- Time registration system – base for allocation of indirect cost (labor, housing, IT,..)

The importance of setting up the administration right from the beginning

- The control of INEA (and maybe ECA) is checking:
  - Accounting practices
    - individual invoices
    - VAT is not eligible cost
  - Cost allocation mechanisms for indirect cost
    - time registration system
    - or other allocation system that you must document
  - Payment of cost (bank transfers)
  - Procurement processes
    - law and own procurement procedures
    - make sure that you can document you tendering process
    - sound financial management – marked exposure

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The importance of setting up the administration right from the beginning

Use your project manager in INEA

- When your project is selected the Grant Agreement will be drafted
- Have a close and open dialogue with your project manager in INEA on activity description
- Possibly inform about your planned administrative procedures
- Consider amendments to Grant Agreement; adjust cost estimates or deadlines
- In my experience you get good advice

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