

# ESF Aided Operations

## VEC Sector –Pay and Non Pay 2007

### Information Booklet and Instructions for Beneficiaries

Department Circular (0069/2008)

#### Table of Contents.

1. ESF Return Requirements and Deadline for 2007 Claims .....	2
2. Eligibility Issues .....	3
2.1 Adult Literacy .....	3
2.2 Back to Education Initiative (part time options). .....	4
2.3 Youthreach and Senior Traveller Training Centres .....	4
2.4 Apportionment .....	5
2.5 General Eligibility Issues.....	6
2.6 Sub-Contracting of ESF Aided Measures .....	9
3. Completing the Expenditure Return Forms.....	9
4. Completing the Form B1 2007 .....	12
5. Adjustment Schedule .....	14
6. Follow up action following the completion of the VECs annual accounts.....	15
7. Publicity and Publicity File.....	15
8. Procedures Manual.....	15
9. Audit Requirements.....	16
10. Contacting the Structural Funds Unit .....	16

Issued by the Structural Funds Unit, Department of Education and Science.

SFU 26/06/2008



Ireland's EU Structural Funds  
Programmes 2007 - 2013

Co-Funded by the Irish Government  
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EUROPEAN UNION  
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AGUS EOLAÍOCHTA | DEPARTMENT OF  
EDUCATION  
AND SCIENCE

This information circular should be read in conjunction with the Interim Procedures for the Human Capital Investment OP 2007-2013 which amended previously issued Council Regulation 1081/2006 and 1083/2006, Commission Regulation 1828/2006, Commission clarification note on Article 11.3(b) of Regulation 1081/2006 and updated the ESF Paying Authority Circulars<sup>1</sup>. The information contained herein provides up-to-date guidance on completing ESF returns.

This information circular has been prepared by the Structural Funds Unit to assist VECs in the completion of the Pay and Non Pay element of the 2007 ESF Expenditure Return and BI Forms. This circular updates, clarifies and consolidates many of the issues dealt with in previously issued instructions and circulars.

## **1. ESF Return Requirements and Deadline for 2007 Claims**

**Please note that these instructions refer to 2007 Pay and Non Pay expenditure, in respect of the Youthreach, Senior Traveller Training, Adult Literacy, and Back to Education Initiative (part time options) programmes.**

**No funding under the HCIOP 2007-2013 has been profiled in respect of the Community Training Workshop (CTW) programme and therefore VECs are requested not to submit ESF claims in respect of this programme.**

**In order to finalise the above named expenditure returns and secure drawdown of ESF funding, the following documentation should be completed and returned to the Structural Funds Unit by Wednesday the 16<sup>th</sup> of July 2008.**

**IF YOU ARE IN DOUBT ABOUT THE APPROPRIATENESS OF INCLUDING AN ITEM OF EXPENDITURE IN A RETURN. PLEASE CONTACT THE SFU.**

These instructions are accompanied by:

- **2007 Expenditure Return Forms** for ESF-aided programmes administered by your VEC. The Expenditure Return Forms have been customised for the programmes and are uniquely labelled with your VECs details. See section 3 of this information booklet for completion details.
- **B1 Forms** (one per programme) for each of the programmes run in your VEC. See section 4 for details of completion of BI forms
- **List of allocations** received by your VEC for 2007 from Further Education Section, Department of Education and Science. (Further Education Development Unit (FEDU) in respect of BTEL)

**Feedback is most welcome on any aspect of the returns process and any clarifications provided and agreed will be circulated to all VECs. Additional copies of all EU regulations and Paying Authority Circulars are available from the Structural Funds Unit on request. These regulations are also available on [www.eustructuralfunds.ie](http://www.eustructuralfunds.ie).**

Please note that **all** original documentation supporting the expenditure included in expenditure return forms must be maintained until at least 2015

<sup>1</sup>The Paying Authority for ESF in Ireland is based in the Department of Enterprise Trade and Employment, Adelaide Road, Dublin 2.

## 2. Eligibility Issues

### 2.1 Adult Literacy

The Further Education Section's allocation for 'Adult Literacy' is deemed eligible for inclusion in an ESF expenditure return. The term 'Adult Literacy Development Fund' or *ALDF* has not applied since 2001 and therefore should not be used on any return. A specific budget is allocated by the Further Education section for Adult Literacy as part of its allocation under *ALCES* (Adult Literacy, Community Education and *SPIDAS*). Please ensure that only the Adult Literacy element is included in the expenditure return.

Care must be taken to ensure that expenditure relating to the VECs **non-ESF Aided Community Education** programme is demonstrably recorded separately to **Themed Literacy**, which *can* be included in the Adult Literacy expenditure return, if funded from the Adult Literacy Budget provided by the Further Education Section. Themed Literacy refers to literacy provision through other media e.g. Computing, Photography or Woodwork.

Expenditure on the following **cannot** be included in the Adult Literacy return

- **SPIDAS** (Special Initiatives for Disadvantaged Adults Scheme) is a Scheme established to support second chance education provision for people who are disadvantaged. It provides this support by way of funding towards the costs of books, materials, travel and meals.
- **Community Education** funding from the Further Education Section aims to assist local Community Education Groups address the educational needs of their community, in particular those who have not attained upper second level education. The funds can also be directed locally to education for categories of special need.

Many VECs are involved in Adult Literacy provision to participants in the FAS run **Return to Work Programme**, the Local Authorities' **Workplace Literacy Scheme**, Local Industry, NTDI, etc. While expenditure is incurred by VECs (pay and non-pay) in respect of these literacy services, care must be taken to ensure that income derived from involvement in the programmes is netted off the Adult Literacy expenditure return. As described earlier, only Further Education Section's dedicated grants can be claimed for ESF purposes. Any *other* income that benefits the Adult Literacy Programme must be netted off the return. The expenditure return forms incorporate a section for netting off any such non-Further Education Section income (Section 6).

*Please consider the following scenarios:*

- If tutor hours are charged/coded to the VECs Adult Literacy programme, any income received for these hours and/or any income that relates to overheads, must be netted off the ESF claim.
- If tutor hours in respect of the above mentioned programmes are recorded as 'self financing' or any similar such code, these hours should not feature in the pay element of the Adult Literacy return (neither cost nor income). Any income received in respect of pay/non pay and coded back into an Adult Literacy heading, must still be netted off the Adult Literacy expenditure return.
- If your VEC codes Adult Literacy tutor hours provided to any other programme (ESF and non-ESF aided as *Adult Literacy*, the costs must not be included in the return unless they relate to adult literacy provision, are verifiably delivered with the hours documented and care must be taken to ensure that there is no possibility of a double claim for ESF purposes. It is also important that if these other programmes provide an income e.g. towards overheads, that this income is netted off the claim.

## **2.2 Back to Education Initiative (part time options).**

Only clearly identified class groups and courses funded under the BTEI part time options should be included in the ESF claim (courses including modules provided as part of an integrated package leading to certification or employment). Expenditure on leisure oriented courses **must not** be included in the return. Only expenditure that can be demonstrated to relate solely to the BTEI initiative (part time options) should be included.

Expenditure for inclusion in the return form must relate solely to the calendar year to which the expenditure return relates i.e. expenditure incurred in 2007 must only be included on the 2007 expenditure return form. **Only the Further Education Development Unit's allocation to the BTEI part time options is eligible for consideration for inclusion in the BTEI part time options ESF expenditure return.**

While the ESF Expenditure Return Form has been developed to reflect the Expenditure Return provided to the Further Education Development Unit, please note that expenditure included in the ESF return form must be checked to ensure that it is

- a) eligible from a programme perspective (please refer to information/guidance provided by the Further Education Development Unit), and
- b) eligible from an ESF perspective.

Please refer to the expenditure returns in respect of 2007 made to the Further Education Development Unit - the expenditure returned to the Structural Funds Unit should be equal to or less than the expenditure allocated by the Further Education Development Unit (taking into account ineligible items from an ESF perspective).

### **Pay Costs (BTEI)**

Pay costs include costs related to tuition, pre-development, co-ordination and administration and the provision of supports such as staff training, guidance and mentoring.

No more than 5% of the budget entitlement can be spent on pre-development costs. Up to 15% of the budget entitlement can be spent on management, co-ordination and administration. (see Further Education Development Unit guidelines and information).

### **Non-Pay costs (BTEI)**

Within the constraints of overall provision this may be used flexibly to meet the costs related to course delivery.

Income to the BTEI part-time options (including fees received, payments from FETAC for assessments and any other income/receipts to the BTEI initiative) must be netted off the return. The expenditure return form incorporates a section for netting off any such income (**Section 7B**).

## **2.3 Youthreach and Senior Traveller Training Centres**

Further Education Section's allocation to the Youthreach programme is deemed eligible for consideration for inclusion in the Youthreach ESF expenditure return. Likewise, Further Education Section's allocation to the Senior Traveller Training Centre programme is deemed eligible for consideration for inclusion in the STTC ESF expenditure return.

## 2.4 Apportionment

Head Office, or any apportioned costs (e.g. for overheads such as Power, Rent etc.) must not be included in any expenditure return. VECs therefore must not include any apportioned costs in expenditure returns for ESF -aided measures.

*In compiling the 2007 returns, the following should be examined:*

- If costs in respect of a staff member who is **not** based in the centre where the programme is delivered (**e.g. a head office based administrator**) are included in an expenditure return, please ensure that the officer was assigned solely to duties in respect of the ESF -aided programme in question *only* and that the officer's time can be clearly demonstrated to relate to that programme (e.g. terms of contract, job description). Only dedicated non pay costs appropriate to such a person should be included.
- Where Staff provide administrative support (or occasionally caretakers, counsellors etc.) across a number of programmes (ESF-aided and/or non-ESF-aided), the non-pay costs of these officers cannot be included in an expenditure return form.
- **Tutor hours** that are included in an expenditure return must relate demonstrably to the ESF-aided measure i.e. certified claim forms for tutor hours must be maintained and must indicate clearly that the tutor provided the hours in respect of a specific ESF-aided programme - Youthreach, Senior Traveller Training Workshop, B.T.E.I or Adult Literacy.

In completing the ESF return form it is therefore necessary to consider the location of the programme delivery for each ESF-aided programme (Youthreach, Senior Traveller Training Centres, B.T.E.I and Adult Literacy). If the programme is the only programme (ESF-aided or otherwise) operated from a particular premises, the non-pay costs incurred by the programme in that one building can be included in full in the expenditure return.

Note, that in order to include the full non-pay costs incurred by the programme, you must be satisfied that the building is not used for evening classes, voluntary groups etc. or any other activity. Note also that 'notional' rent amounts charged by VEC head office to apportion costs to various sub-heads cannot be included in an expenditure return form.

*If a number of programmes (ESF-aided or otherwise) operate from one premises (multiplex), the non-pay costs incurred by each programme must be examined in detail to ensure that no apportioned costs are integrated in any expenditure return.*

*In a shared/multiplex building particularly consider the following:*

- Costs relating to dedicated telephone lines for a specific ESF-aided programme can be included in the return. Where dedicated lines do not exist, telephone costs cannot be included in the return;
- Costs relating to rent, heat, and light cannot be included;
- Insurance costs that are not delineated by building (or in the case of a multiplex by programme within a building) should not be included in a return.
- Pay costs associated with caretaker and cleaning staff members cannot be included in an expenditure return unless the staff are specifically and demonstrably assigned to work on one programme only.
- Pay costs associated with administration staff working on a number of programmes cannot be included in an expenditure return.
- Administration staff that are specifically and demonstrably assigned to work on one programme only, can be included in the expenditure return for that programme.

**In General - Notional costs should not be included in ESF expenditure returns.** If a percentage of non-pay expenditure is calculated and included in an expenditure return form, it is possible that this calculated amount refers to an apportioned cost and may not be appropriate for inclusion in an ESF return (e.g. a calculation based on square footage, numbers of participants of rooms in a building, etc.).

## **2.5 General Eligibility Issues**

Particular attention should be paid to the following issues:-

- **Eligible Admin. Costs are allowable in the ESF return.** Examples of non-pay items would be stationery, class/course materials, consumables, art and craft materials, books, cleaning materials, educational videos, DVDs etc. Such items are fully claimable and should be included under section 5 of the form.
- **Trainee Allowances.** The inclusion of expenditure relating to allowances must be based on recorded attendances (with deductions made for uncertified absences) and an adequate audit trail maintained. Details of the individual trainees must also be kept on file
- **Childcare** costs incurred and met from the 'Childcare for VTOS, Youthreach, STTC Centres' tranche of funding which are funded from Further Education Section cannot, until further notice, be included in an expenditure return.

Childcare costs can be included if met from Further Education Section's Adult Literacy allocation, in the case of the Adult Literacy return.

In general Childcare costs are not entitlements under the BTEI. It is open to providers to fund childcare costs in cases of individual need. All such costs should be invoiced per instance from a creche or childminder showing the name of the trainee, the amount of time and the childcare cost per session. Only costs met from the FEDU allocation for BTEI (Part Time Options) can be included in the ESF return.

- **Travel and Subsistence** costs included in an expenditure return must be substantiated with certified claim forms that indicate clearly the programme to which the travel related, and full details of the vehicle, mileage claimed, mileage rates, claimant details and purpose of travel. The rates applied must not exceed those agreed with the Department of Education & Science.
- **Repairs to buildings, refurbishment costs, maintenance, and security costs** must not form part of the expenditure return. Routine maintenance and security contracts must not be included e.g. alarm maintenance, pest control, boiler services
- **Insurance Costs / Rates /Service Charges / Overhead Costs etc.,** that are not delineated by building (e. g. in the case of a multiplex by programme within a building) should not be included in a return
- **Capital items** are excluded from the returns (e.g. light fittings, modular furniture as part of a refurbishment, storage heater replacements etc. etc.)
- **Interest charges, financial penalties** (including prompt payment charges) cannot be included in an expenditure return.
- **Marketing/Advertising**  
All course literature and materials, public advertisements, launches, letterheads, reports, evaluations, information leaflets, etc. must include acknowledge the European Social Fund. **Expenditure on marketing/advertising that does not give appropriate acknowledgement to the ESF must not be included in the ESF expenditure return form.**

### **Assessment and Certification Costs (BTEI return)**

Only assessment and certification costs in relation to Category 3 students (who do not have free exam/registration fees as medical card holders or recipients of social welfare payments<sup>1</sup> and are unwaged with less than upper second level education) can be included in the expenditure return. (e.g. assessment and certification costs in respect of persons not in the labour force can be included on the expenditure return).

Certification for BTEI part-time options is, in the main, provided by FETAC. However, in some cases where modules are not currently certified by FETAC participants can receive certification from other certifying bodies. Where fees are being paid to certifying bodies other than FETAC these are eligible to be claimed - ECDL is an example of this.

Fee costs in respect of Category 4 participants, who are ineligible for any funding support, should not be included in the return. Assessment and certification costs in relation to category 3 participants and costs paid to certifying bodies other than FETAC for these participants can be included.

- **Back money** that relates to payments under National Pay Agreements, awards and benchmarking is eligible for ESF aid. Staff concerned must have been working on ESF-aided programmes for the duration covered by the Agreement/Award. If you intend including back money in ESF expenditure returns, please contact SFU for guidance.
- **Honoraria / Discretionary payments**  
Qualification and responsibility 'allowances', and allowances for teaching services in excess of the normal school year session, are eligible for inclusion in a return. These may be referred to as 'honoraria' in Departmental Circulars.

Expenditure on discretionary payments should be excluded from the return.

Allowances paid and included in the return must conform to Department of Education & Science circulars and the relevant documentation must be retained to support the inclusion of such costs.

- **Interest charges, financial penalties** (including prompt payment charges) cannot be included in an expenditure return.
- **Networks** Connection to networks for transmitting information and PCs are eligible. Mobile infrastructures, the networks themselves and mainframe computers are not eligible

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<sup>1</sup> Social Welfare payments include Unemployment Payment, Means Tested Welfare Payment and a Family Income Supplement Payment.



## 2.6 Sub-Contracting of ESF Aided Measures

Where the delivery of a programme is sub-contracted or devolved by a VEC to another body (including the community and voluntary sector), the VEC must ensure that sufficient reporting and record keeping systems are in place to allow the timely and accurate generation of ESF expenditure returns.

The VEC must also ensure that the body is aware of, and adheres to:

- a) the eligibility criteria for ESF return purposes;
- b) ESF publicity requirements;
- c) the need to maintain supporting documentation until at least 2015;

A sub-contracting body is liable to verification and audit by the VEC, Comptroller & Auditor General, the Department of Education & Science, the Department of Enterprise, Trade & Employment, ESF Control Unit, European Commission, and the European Court of Auditors. VECs must ensure that sub-contracted bodies are aware of their obligations in this regard.

It is advisable that copies of the contractual arrangements with such outside bodies are readily available for inspection by any competent ESF auditing authority and the Department of Education and Science. Such contractual arrangements should be kept up to date.

## 3. Completing the Expenditure Return Forms

A completed Expenditure Return Form is required for 2007 in respect of the Youthreach, Adult Literacy, Senior Traveller Training Centre, and BTEI (as applicable to your VEC). The following notes outline the information required for each section of the form.

**The attached information sheet “2007 Grant Amounts” reproduces the actual grants made to your VEC by Further Education Section/FEDU for 2007. The allocations/budgets should be checked and compared with the total amounts of your 2007 claim. The ESF claim should not usually exceed the annual total and will generally be less, taking into account ineligible items. The exception is when incoming/outgoing surpluses/ deficits are agreed with the Department's Further Education Section and/or where movement of money in/out of the programme is formally agreed and recorded at Committee level and Further Education Section notified. In these cases other Department of Education funding may be deemed eligible.**

### Section 1 Claimant Details

Confirm that contact details provided are correct. Please notify any changes to [iain\\_maguire@education.gov.ie](mailto:iain_maguire@education.gov.ie)

### Section 2 Return Summary

Insert total **eligible** amount for 2007. This amount should be transferred from the last section of the expenditure return form (section 7C). It is this amount that is validated by the CEO as being the total eligible expenditure returned for ESF purposes.

### Section 3 Certification

The names in block letters, signatures and dates are required by the certifying official (VEC Staff member who prepared the Return Form) and validating official (CEO). All signatures must be originals for audit purposes.

#### **Section 4 Dedicated Pay Expenditure**

Only dedicated programme expenditure relating to the tuition costs, administration and other dedicated staff should be included in this claim. Please refer to recently updated Paying Authority Circulars for guidance on eligibility issues.

Please note that pay related receipts (e.g. overpayments recovered, income received from the Department of Social, Community and Family Affairs, etc.) must be deducted and there is a section specifically for this purpose on the form (Section 6).

Please note that the **actual** payroll cost to your VEC in respect of each individual tutor/administration staff must be included in the return as appropriate (notional amounts must not be included). If you have any queries please contact the Structural Funds Unit.

Relevant documentation/records must be retained to support the inclusion of pay costs.

#### **BTEI- Pay**

When completing section 4 of the BTEI Expenditure Return Form in respect of the following expenditure items:

**Pre-development Pay<sup>1</sup>**

**Co-Ordination/Administration Pay**

**Training/Staff Development**

**Guidance/Mentoring**

Please note that

- No more than 5% of the budget entitlement can be spent on pre-development costs.
- Up to 15% of the budget entitlement can be spent on management, co-ordination and administration.
- In total no more than 20% can be spent on Pre-development Pay, Co-Ordination/Administration Pay and Management.

Expenditure included in Section 4 must relate to pay costs associated with dedicated BTEI part-time class groups, and evidence must be available in your School/VEC to demonstrate this. If you are in any doubt as to what might constitute supporting documentation for this purpose please contact the Structural Funds Unit.

In considering coordination and administration pay, please ensure that you do not include apportioned or notional costs (refer to Section 2.4 of this Information Circular).

Pension costs may be included but only if real a cost to the VEC/School and providing it is paid into a Pension Fund (e.g. managed by an insurance or asset management company)

<sup>1</sup> Pre-development refers to either a group of candidates requiring induction work in preparation for taking a module/course under the BTEI initiative (part time options) and can also refer to a VEC/School doing a needs analysis in the locality in consultation with all relevant actors and providers in order to identify needs and avoid duplication in the setting up of course provision.

## **Section 5 Dedicated Non Pay Expenditure**

The general eligibility of expenditure items has been outlined above. In completing the 2007 non-pay expenditure returns, VECs are requested to refer to the Interim Procedures for the Human Capital Investment OP 2007-2013 which amended previously issued EU Regulations, Council Regulation 1081/2006 and 1083/2006, Commission Regulation 1828/2006, Commission clarification note on Article 11.3(b) of Regulation 1081/2006 and updated the ESF Paying Authority Circulars<sup>1</sup>.

Please refer to previous sections in relation to the individual programmes, eligibility issues and apportionment issues which should be read in conjunction with the Paying Authority Circulars in particular PA2 and PA3. Detailed working papers relating to the expenditure claimed need not be routinely submitted with the claim form, but it should be kept in mind that the eligibility of expenditure will be analysed by ledger headings and traced back to invoice level in the event of an audit or ex-ante verification check.

## **Section 6 Income from other sources**

This Section of the expenditure return form facilitates the deduction of any non Further Education Section (FEDU for BTEI), income (unless already deducted in earlier sections). Please provide detail of the source(s) of the income on the expenditure return form.

## **Section 7 Summary of ESF Return**

The summary (pay and non-pay expenditure, less income) from Sections 7 should be brought forward to Section 2 (Page 1). It is this amount that is certified by the CEO as being the total eligible expenditure returned for ESF purposes.

## 4. Completing the Form B1 2007

In addition to the Expenditure Return Form a B1 form is required for each programme for 2007.

Please note the following when completing the form B1 (further details in circular ESF/PA/5-2002):

**Page 1**  
of B1  
Form

**The Reporting period is:**

**2007** 1<sup>st</sup> January 2007 to 31 December 2007 (*pre-printed on B1 form*)

**Region**

**BMW or S&E** – Customised for your VEC on all B1 forms. (*pre-printed on B1 form*)

**The ESF Amount claimed this period is:**

A percentage of the amount in column 4 which is used to calculate the ESF Aid claimed this period as follows:

**31%** of the figure from column 4 for both the **Youthreach and STTC** measures

or

**50%** of the figure from column 4 for the **Adult Literacy** measure.

or

**27%** of the figure from column 4 for the **B.T.E.I (Part-time options)** measure

**Column 1 Total eligible expenditure returned previously to ...../...../.....**

- The date for inclusion on the claim in column 1 is: **N/A.** (*pre-printed on all B1 forms*)
- The cumulative expenditure to date as per our database records for all returns is pre printed on the B1 form. **As this is the first set of claims in the new 2007-2013 round this figure will be blank on all VEC B1 forms for 2007.**

**Column 2 Certified eligible expenditure for this period ...../...../.....**

The date for inclusion on the claim in column 2 is: **1 January 2007 to 31 December 2007** (*pre-printed on all B1 forms*)

Insert the eligible 2007 expenditure as certified at section 2 of the 2007 Expenditure Return form.

**Column 3 Adjustments in respect of prior B1 period(s)**

If any adjustments are required on claims **within the 2007-2013 round** (either positive or negative) they should be inserted in column 3 as an adjustment.

**As this is the first set of claims in the 2007-2013 round there should be no adjustment schedules needed to accompany the VEC claim forms for 2007.**

**Column 4 Amount of Certified Eligible Expenditure, as adjusted, being claimed in this period**

Insert total of columns 2 and 3.

**Please ensure if you are making any adjustment in column 3 that you enter either a minus or plus sign by the adjustment amount.**

This figure is then subjected to the appropriate aid rate depending on the measure involved (i.e. multiply the figure by **31% for Youthreach & STTC, 50% for Adult Literacy, and 27% for B.T.E.I (part-time options)**). The resulting figure should be inserted at ***“ESF Amount Claimed this period”***

**Column 5 Cumulative certified eligible expenditure**

Insert total of columns 1 and 4.

**Page 2 Level 1: points 1 – 14**

of B1 Please review the issues raised in points 1-14 and **initial** the boxes for confirmation that the requirements have been met.

Form

**NB: PLEASE NOTE RECENT DIRECTIONS FROM THE PAYING AUTHORITY HAVE INSTRUCTED SFU THAT THESE BOXES MUST BE INITIALED RATHER THAN TICKED.**

**Page 3 Point 15(a)**

**of B1 Have any financial control weaknesses, risk or irregularities been identified**

**Form in the execution of the project(s)?**

If you have negative adjustments to make relating to activity in a previous period this question must be answered “Yes”. If no negative adjustment is made this question may be answered “No”. Please check with SFU for further details.

**Point 15(b)**

**If any financial control weaknesses, risk or irregularities have been identified please give details**

Here, (if applicable), you should attach a brief note stating the nature of the adjustment. Reference should be made to how the inclusion of any ineligible expenditure was identified

**Point 15(c)**

**If any financial control weaknesses, risk or irregularities have been identified what corrective action has/will be taken...**

Please outline any action taken, including the adjustment made to the B1.

***NB: If no adjustments are being made you need not complete the foregoing 15(b) or 15(c).***

**However, VECs must always answer the final question**

**Point 16**

**Please specify the controls applied to guarantee valid certification**

by stating what procedures your VEC has in place to ensure the valid certification of your accounts and returns. Detail the internal controls in the organisation.

## **5. Adjustment Schedule**

Where an adjustment has been made on a B1 form an Adjustment Schedule must be completed and signed off on for each programme as relevant. **Please note as this is the first set of claims in the 2007-2013 round, this figure will be blank on all VEC B1 forms for 2007**

## 6. Follow up action following the completion of the VECs annual accounts

Due to drawdown deadlines it is frequently necessary for VECs to produce completed expenditure return forms *prior* to the final audit and submission of the V15 to the Department of Education and Science. In view of this, VEC procedures should ensure that any adjustments required to the final V15 are cross-checked against previous ESF returns made (e.g. if any miscoding is found, the relevant ESF returns for the year/measure in question must be reviewed and any relevant adjustment required notified immediately to the SFU).

## 7. Publicity and Publicity File

The publicity requirements for the HCI-OP 2007-2013 are contained in EU Regulation 1828 of 2006. The Financial Control Unit<sup>2</sup>, after consultation with DG EMPL, have advised the Department that in future, failure to comply with Commission Regulation (EC) No 1828/2006<sup>3</sup> regarding Publicity and Information would result in a flat rate reduction to the claim.

The assistance of the ESF must be acknowledged in all material relating to the Youthreach, Senior Traveller Training Centre, B.T.E.I and Adult Literacy programmes. This includes reports, evaluations, information leaflets, etc. Trainees on ESF-aided programmes should be aware that the programme is in receipt of EU aid. ESF aid should be acknowledged both at VEC Head Office and in 'centres' by way of posters and plaques.

A "publicity file" should be maintained in each VEC with copies of speeches, press releases, advertisements, reports and publications relating to ESF-aided measures. This is to demonstrate that appropriate recognition of the European Social Fund has been given and the appropriate logos have been highlighted.

Information on ESF publicity requirements and publicity material can be sought from:

**NDP/CSF Information Office, 15 Lower Hatch Street, Dublin 2.**

**Tel. 01 639 6280**

Website: [www.ndp.ie](http://www.ndp.ie)

Website: [www.eustructuralfunds.ie](http://www.eustructuralfunds.ie)

## 8. Procedures Manual

It is recommended that a written procedures manual is kept in each VEC. This manual should document how the ESF returns are built up and also provide details of the personnel involved in the process, in particular each job holder's role and function in the process. The manual should detail the preparation for the claims and demonstrate what procedures, checklists or other steps are in place to ensure accurate certification and validation of each return.

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<sup>2</sup> The Financial Control Unit is a unit of the EU Commission and has responsibility for the audit of ESF expenditure

<sup>3</sup> A copy of EU Commission Regulation No 1828/2006 can be found in the booklet of amended EU regulations which will issue shortly to all VECs.

## 9. Audit Requirements

The Financial Control Unit has recommended that VECs maintain a record of how figures reported in the ESF expenditure returns relate to their V15 and expenditure analysis records. The record should also note adjustments to the V15 and ESF returns, and the reason for any adjustments

Please note that in addition to the documentation submitted by your VEC to the ESF Unit, all background papers and VEC accounts are subject to examination and audit by the Comptroller and Auditor General's Office, the Department of Education and Science, the ESF Control Unit, the European Commission and the European Court of Auditors. Verification checks across all measures will be carried out regularly.

*VECs must notify SFU of recommendations made, by any Audit agency, including the VSSU/Internal Audit, which relates to, or effects in any way, the preparation of ESF returns and outline the actions taken on foot of the recommendations.*

Original source documentation from which the expenditure return is made must be retained until the end of 2015.

## 10. Contacting the Structural Funds Unit

If you require any further clarification on the review exercise, or the eligibility of expenditure items for inclusion in an expenditure return form, please contact

**Mr. Andy Moran** : Tel. **01 8892386**, email [andy\\_moran@education.gov.ie](mailto:andy_moran@education.gov.ie), or **Mr. Iain Maguire**, Tel. **01 8896581**, email: [iain\\_maguire@education.gov.ie](mailto:iain_maguire@education.gov.ie) . We can also be reached by fax on 01 8892378.

**Structural Funds Unit**  
**26th June 2008**