Technical instructions for the National Agencies

on checks of grant beneficiaries under Erasmus+ and European Solidarity Corps

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1   Introduction

The National Agency (NA) is responsible for the checks of grant beneficiaries (also called hereafter 'primary checks') and controls of the decentralised actions. The purpose of these primary checks is checking that the actions and their components have taken place (activities undertaken, costs incurred, etc.), getting assurance that reports are reliable and that the underlying transactions are legal and regular.

The aim of this document is to provide National Agencies with concrete guidance on how to design, organise and perform their primary checks under the Erasmus+ and European Solidarity Corps programmes. It provides instructions and guidance in order to ensure a standardised and high quality performance of primary checks by the National Agencies. The information provided is complementary to the relevant provisions of the Guide for NAs.

The international dimension of Erasmus+ (higher education) introduces a new dimension, whereby beneficiary institutions are reporting not only on their own activities but also those of the partner country institutions with whom they are working.

2   Objectives and scope per type of primary checks

Primary checks are built up progressively: while the first level of checks (final report check) applies to all beneficiaries, the subsequent checks apply to decreasing samples of beneficiaries but go more in-depth in terms of checking supporting documents and systems and thus complement the previous level.

Based on the simplified grant management system, checks will also have a different purpose. They will not consist essentially in checking reality and eligibility of expenses incurred, but will focus rather on:

- establishing whether the triggering event (e.g. travel, stay) actually took place;

- checking whether the activities undertaken were in line with the applicable rules (e.g. eligible countries, duration, type of participants, study levels of participants and directions of flows in the case of the international credit mobility, coherence with the approved grant application etc.);

- checking the quality of the undertaken activities; in case of insufficient quality (e.g. the intended learning was not undertaken during the stay, the course provided is of an unacceptably low quality level), the grant may have to be further reduced.

Main focus of each type of primary check:

Final report check:

- formal receivability of the final report;

- evaluation of the activity report in relation to the results of the supported activity in terms of their quality and quantity, including their reality and eligibility;

- depending on the type of the grant: evaluation of the financial statement in relation to the reality and eligibility of expenses reported and legality and regularity of underlying transactions;

- where necessary and appropriate, certain supporting information may be requested systematically and checked for all beneficiaries as part of the final report. This will be the case in particular for basic information on participants in Erasmus+ Key Action 1 and European Solidarity Corps Volunteering, Traineeships and Jobs (through Mobility Tool) as well as for the products produced by Strategic Partnerships in Key Action 2 (to be made available through the Erasmus+ Project Results Platform).

Desk check: this type of check is an in-depth check undertaken at final report stage, on the basis of additional supporting documents to be provided by a sample of beneficiaries to prove triggering events for unit cost calculation (e.g. proof of participation in the form of a declaration signed by the receiving organisation) and for real cost based grant items (e.g. check invoices for costs incurred for participants with special needs) and duration of a given mobility flow;

On-the-spot check during the project implementation: this type of check is undertaken before the final report stage. It aims at checking in situ triggering events and quality of intermediate results based on elements that cannot be verified on the basis of supporting documents (e.g. whether the activity undertaken is the one described in the grant application, whether the learners are undertaking actually a traineeship in a company in the sector concerned, whether the class or youth exchange has a qualitative learning content); project is on track and performing well;

On-the-spot check after completion of the project: this type of check is undertaken after receipt of the final report and allows to check similar elements as a desk check complemented by a crosscheck with the beneficiary's accounting system, staff records and other elements that can be found only in situ (e.g. proof of existence and running of a course developed with the grant);

In the case of Erasmus+ Higher education student and staff mobility between Programme and Partner Countries (KA107) action, on-the-spot check will principally mean at the grant beneficiary institution for both sending and hosting mobility. It is not excluded that further verification may be provided from other sources, such as during monitoring missions to the universities in the partner countries by Commission staff, EU Delegations or National Erasmus+ Offices. Such findings if appropriate will be integrated into the verification.

Systems' check: check of systems and procedures for Erasmus+ accredited organisations and top receivers in Erasmus+ mobility actions and European Solidarity Corps "Volunteering" and "Traineeships and Jobs", complementing them with elements of on-the-spot checks in relation to specific grant agreements. The purpose of systems' checks is to rely on the quality of internal control and compliance with the regulatory framework of a recurrent beneficiary. It also gives assurance on the legality and regularity of the most recent final report.

Fraud risk factor: In view of our ongoing efforts to monitor accuracy and legality of funding under Erasmus+, and based on potential cases which have recently come to our attention, we would like to draw to your attention to an important fraud risk factor, namely falsification of mobility by providing attendance lists with fake names – in particular concerning beneficiaries who do not carry out any actions in their own programme country that could be verified on the spot by the NA.

To mitigate these factors, we recommend the following measures:

1. where there may be doubts, and anyway in a sample of cases, final reports should be corroborated by other evidence such as photographs and videos, which should be requested from coordinators to prove the events actually took place;

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2.   contacting participants directly should also be considered based on other risk factors to ensure participant survey information is valid.

We would strongly recommend you analyse the beneficiary and application population for this issue, and take reinforced action where appropriate, also keeping the Commission informed via the functional mailbox EAC-ANTI-FRAUD@ec.europa.eu

In line with the forthcoming revision of the Commission Anti-Fraud Strategy we encourage NAs to identify any other risk factors in Indirect Management so we can make them a focus for 2019, where the Commission plans to provide further guidance.

3   General and formal requirements for all types of checks of grant beneficiaries

The grant agreement specifies the types of checks to which the beneficiary may be subject as a consequence of accepting the grant offer.

Every person involved in the checks of decentralised actions shall sign at least once a year a declaration on the prevention of conflicts of interests and the disclosure of information (cf. model declaration in Annex I-6 of the Guide for NAs).

Checklists shall be dated and signed upon completion of the assessment. The NA shall record the results of the checks in Mobility Tool+ and EPlusLink.

As concerns the possible stamping of supporting documents checked, NAs should follow the national practice.

If the NA uses for the registration of primary checks other IT tools in addition to Mobility Tool+ and EPlusLink, it shall ensure secure access and safeguarding of data to preserve a full audit trail of the checks performed. In this context and with regard to the previous Programmes, the NA continues to use its own tools.

The NA shall make use of standardised checklists, based on minimum requirements for all types of checks of grant beneficiaries that it is required to undertake. NAs should document their checks in line with the requirements listed below. Every time an anomaly is detected, it should be fully described in the checklist and evidence thereof should be attached for future reference (audit trail).

The purpose of the checklist is threefold:

- To list all the checks to be made in order to perform all the required tests and controls. Whenever judged necessary additional controls or tests can be added.

- To identify the person who has performed the checks and to give a short description of the anomalies detected. Evidence of the anomaly has to be annexed (or referred to) in the checklist. After having completed each test or check the person concerned puts the date and his or her initials in a box.

- To draw a conclusion and propose further action after the completion of all checks and tests.

The checklists shall contain a formal conclusion that can be fourfold:

- to proceed with the payment or recovery (in this case, the conclusion shall indicate any amounts considered ineligible and the final amount of EU grant proposed, in respect of the predefined contractual rules);

- to request additional information (when the report is incomplete, unclear, or if there are inconsistencies);

- to terminate the grant agreement because the contractual conditions were not met and request a full reimbursement of any pre-financing made;

- to proceed to a more elaborate type of check.

For on-the-spot checks, the control team uses a checklist which includes all performed control steps. At the end of the fieldwork the participating staff members **sign and date the checklist**. Finally, they prepare a draft audit report.

It is good practice that supervision (i.e. validation of the report on the on-the-spot check) is ensured by a third staff member who has not been involved earlier in the grant award procedure for the beneficiary concerned. This person reviews the checklist, the draft report and the underlying documents and formally approves the draft report if he or she has assurance that all the checks have been carried out, are properly documented, that the appropriate conclusions have been drawn and that the draft report is clear and properly reflects the results of the checks done.

<u>Working papers</u>

The persons in charge of the checks shall keep on file all the documents they have used for their checks in a so-called 'working papers' file (it can be kept on paper, in electronic format or a combination of both). It shall contain adequate information to justify the conclusions of the desk check of supporting documents and also give evidence of the checks carried out. It shall also contain the report of the visit and the correspondence and analyses of the adversary procedure with the beneficiary. The working papers' files shall be kept for inspection by the National Authority or the EU for the period required for supporting documents and as defined in Section 2.8 of the Guide for NAs.

The working papers' file could contain the following sections:

- The grant application (online E-forms) and, where applicable, the accreditation of the organisation or consortium

- The grant agreement and amendments

- The final report of the beneficiary (Mobility tool+ and EPlusLink)

- The selection sheet (Excel printout, to be implemented in EPlusLink)

- The checklist relating to the analysis of the final report

- The correspondence relating to the announcement of the on-the-spot check

- The checklist relating to the on-the-spot checks

- Documentation of anomalies found if any

- The successive versions of the report on the on-the-spot check

- The correspondence relating to the adversary procedure with the beneficiary

4   Formal requirements per type of primary check

4.1   Final report check

Any beneficiary of a decentralised action grant shall be required to submit to the NA a final report per grant agreement. The final report will serve to assess the results of the supported action in terms of quality and quantity, to establish the final amount of the EU grant and to issue the final grant payment or recovery order, as well as to administratively close the grant agreement. The NA shall assess 100% of final reports for all decentralised actions.

The NA shall make use of the standard report forms provided by the Commission.

The NA shall record in EPlusLink the date of receipt of the reports from beneficiaries. The NA shall monitor the receipt and treatment of the reports and the respect of time limits set in the grant agreements. It shall send reminders as and when required.

The report assessment shall consist of the following stages:

- a check of the formal receivability of the report (e.g. report duly signed and dated by the legal representative of the beneficiary organisation);

- an evaluation of the final report and the required supporting materials as appropriate relating to the results of the supported activity in terms of their quality and quantity, including a check of the reality and eligibility of the activity, and

- a check of the financial statement and the required supporting material as appropriate, in view of assessing the reality and eligibility of the expenses reported as well as the legality and regularity of underlying transactions. The specific checks will be adapted to the requirements applicable to the form of the grant.

- a check and revision of the project summary which will be displayed in the Erasmus+ Project Results Platform and in the European Solidarity Corps Project Results Platform[1]

- For Erasmus+, a check that products/deliverables produced by Key Action 2 Strategic Partnerships were uploaded in the Erasmus+ Project Results Platform; a revision of uploaded products.

The same person may undertake the various stages of the final report assessment. If desirable, the NA may call upon external experts for the final report assessment. However, in the case of Strategic Partnerships for which the maximum EU grant exceeds EUR 60.000, the final activity report shall be assessed by at least one expert external to the NA.

Final report assessments shall indicate any units or amounts considered ineligible and the final amount of EU grant proposed, in respect of the predefined contractual rules. Grant reduction for poor partial or

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[1] As soon as made available.

late implementation may be applied. The assessments shall contain a formal conclusion as to the approval or rejection of the report and indicate the necessary follow-up measures if any.

The assessment and approval of the report as well as payment of the balance shall be finalised within 60 calendar days of receipt of the report. This period of 60 calendar days can be suspended in EPlusLink if further reporting elements or supporting documents have to be requested from the beneficiary before being able to finalise the assessment of the report and closing the grant agreement.

As soon as the assessment is finalised, the NA shall notify the beneficiary in writing of the outcome thereof in terms of approval or rejection of the final report. The closure notification letter shall state the final amount of the EU grant, the resulting amount of balance payment or recovery as well as the conditions for reimbursement when applicable. The letter shall also specify the means of redress in case the beneficiary disagrees with the conclusions of the NA. The beneficiary shall have 30 calendar days of receipt of the closure notification letter to submit their observations (queries or complaints) to the NA. The NA shall not accept any observations received after this maximum period of 30 calendar days. The NA shall have 30 calendar days of receipt of the observation to treat it and to revise the final grant amount if applicable and inform the beneficiary accordingly.

In the case of non-receipt of a final report due, the NA shall send a formal reminder within 15 calendar days of the deadline. If the final report is not received within 30 calendar days after this reminder, the NA shall send a notification by registered mail terminating the grant and requesting the reimbursement of the full amount of pre-financing payment(s), in accordance with the provisions set out in the grant agreement.

4.2 Note on interim and progress reports (see also in Guide for NAs, section 3.10, 3.11 and 4.1.3.3)

– The NA shall record in EPlusLink the date of receipt of the reports from beneficiaries. The NA shall monitor the receipt and treatment of the reports and the respect of time limits set in the grant agreements. It shall send reminders as and when required.

– In the case of the interim report, which represents a payment request from the beneficiary, the NA shall treat it in respect of the payment deadlines set in the grant agreement.

– In the case of the progress report, which does not involve a request for payment, the NA shall assess it in a reasonable period, but not exceeding 2 calendar months, in order to be able to intervene in a timely manner in case insufficient progress or other major problems are detected.

– In the case of non-receipt of an interim report due, the NA shall send a formal reminder within 15 calendar days of the deadline. If the interim report is not received within 30 calendar days after this reminder, the NA shall not pay a further pre-financing payment and shall send a notification by registered mail terminating the grant agreement and requesting the reimbursement of the full amount of the first pre-financing payment.

4.3 Desk checks of supporting material at final report stage

A desk check is an in-depth check undertaken at final report stage but after approval of the final report, on the basis of additional supporting documents to be provided by a sample of beneficiaries to prove triggering events for unit contribution calculation and for real cost based grant items.

The NA shall undertake a desk check of a sample of grant agreements in accordance with the minimum numbers and minimum percentages set per type of decentralised action in Annex 2 of this document.

The NA shall select the random sample in accordance with the minima provided in Annex 2 of this document. Beneficiaries can be notified of their selection for a desk check at the earliest upon receipt of the final report. To the random sample, the NA shall add known or presumed problem cases that require a more detailed check in order to obtain the necessary assurance.

For final report check and desk check, the beneficiary shall supply copies of supporting documents to the NA, unless the NA makes a request for originals to be delivered. The NA shall return original supporting documents to the beneficiary upon its analysis thereof. The NA keeps a copy of the original supporting documents on the project file ensuring a complete audit trail.

For Erasmus+ HE and VET desk checks: NAs should include sample check files of individuals participating in projects containing mobility activities (see page 20).

Upon review of the supporting documents the NA may have to alter the final grant amount and proceed to a recovery. If required, the NA may decide to undertake further desk or on the spot checks (see hereafter) before deciding on the final grant amount and proceeding to the closure of the grant agreement.

NAs cannot use the "stop the clock" functionality for performing desk checks. This function is only to be used for final report assessment (eligibility check and quality assessment stages) (as explained in the technical info in EPlusLink), and only for the cases specified in the "stop the clock" functionality rules .

4.4   Monitoring of Erasmus+ accredited organisations and organisations holding a European Solidarity Corps Quality Label

The NA shall monitor the performance of organisations accredited for participation in the Erasmus+ and European Solidarity Corps Actions on a regular basis. For this purpose, the NA shall undertake regular surveys of reports from participants registered in the Mobility Tool and assess them with regard to the organisation's respect of the accreditation/Quality Label requirements.

In case an accredited organisation does not appear to respect the accreditation/Quality Label requirements, the NA shall undertake further checks as necessary to establish the situation. Depending on its findings, the NA shall take the necessary measures, such as agreeing an action plan with the organisation, to ensure that the organisation remedies the weaknesses found within an agreed timeline.

In the absence of adequate and timely remedial action by the accredited organisation/organisation holding a Quality Label, the NA may suspend or withdraw the accreditation/Quality Label in accordance with the provisions set in the accreditation certificate/European Solidarity Corps Guide. In the case of the Erasmus+ Charter for Higher Education, the NA should inform the Commission of cases where the remedial actions have failed and the Commission may withdraw the Charter. The NA shall base its decision on the need to protect mobility participants and to provide them with a high quality learning mobility experience.

4.5   On-the-spot checks

The NA shall undertake a number of on the spot checks of beneficiaries/projects in accordance with the minimum percentages and minimum numbers set per decentralised action in Annex 2 of this document.

The NA shall ensure that on the spot checks are undertaken by persons with the necessary competences, in particular as regards the checking of financial and accounting records. External experts may be involved if required or deemed useful, provided that any conflict of interest is duly prevented. For the same reason and to ensure a proper segregation of duties, an on the spot check after receipt of the final report shall be undertaken by another person than the one who assessed the final report or undertook an in-depth desk check of the grant agreement concerned.

Different types of on the spot checks:

- On the spot check during the project implementation: an on the spot check during the implementation of a supported activity is undertaken before the final report stage. It aims at checking in situ triggering events and quality of intermediate results based on elements that cannot be verified on the basis of supporting documents;

- On the spot check after completion of the project: a financial audit is undertaken after the receipt of the final report to check similar elements as a desk check but complemented by a crosscheck with the beneficiary's accounting system, staff records and any other relevant elements that can be verified only in situ;

- Systems check of Erasmus+ accredited organisations and Erasmus+ and European Solidarity Corps top receivers: check of the systems and procedures put in place by Erasmus+ accredited organisations and top receivers implementing Erasmus+ mobility projects under Key Action 1 and European Solidarity Corps "Volunteering" or "Traineeships and Jobs" projects.

The purpose of systems' checks is to rely on the quality of internal control and compliance with the regulatory framework of an accredited beneficiary / top receiver. It also gives assurance on the legality and regularity of the most recent final report.

Systems' checks have to start from the top receivers downwards. Annex 2 of this document specifies the grant level by field for top receivers concerned. NAs are encouraged to continue undertaking systems' checks also after all top receivers are covered.

As regards on-the-spot and systems' checks, it is not required to check again – with the exception of final report checks - the same beneficiary in the following two years if among the minimum required checks of these beneficiaries no errors or major problems are found.

The NA may undertake simultaneously:

- An on the spot check during project implementation and a monitoring visit (see section 3.13.6 on monitoring visits of the Guide for NAs);

- A systems check and a monitoring visit;

- An on the spot check after completion of the project and a systems check.

On the spot checks shall be carefully prepared and organised. An on the spot check *after completion of the project* can only be announced to the beneficiary after the actual receipt of the final report by the NA. In case of an on the spot check during *project implementation*, the check shall be announced with a short notice period before the planned date of the visit. Systems' checks may be announced to the beneficiary a longer time before the planned visit date.

The NA shall announce on the spot checks in a formal way to the beneficiary so as to explain the purpose of the check, agree on practical arrangements, identify the required interlocutors and supporting materials so as to ensure their presence and availability during the on the spot check. In view of preparing the visit, the NA shall send to the beneficiary:

- a list detailing the documents, materials and information to be prepared or made available for inspection;

- a questionnaire that will allow the check to be carried out in an efficient way and may have to be completed by the beneficiary in advance of the visit.

In the case of Erasmus+ Higher education student and staff mobility between Programme and Partner Countries (KA107) projects, the NA can also undertake a cross-check of any Capacity Building in Higher Education Special Mobility Strands projects.

At the end of the on the spot check, oral feedback on the findings shall be given to the beneficiary, who shall be invited to give his/her first comments. Within 30 calendar days after the visit, the NA shall send its draft visit report including findings, recommendations and conclusions to the beneficiary. The beneficiary shall be given 30 calendar days to comment on the draft report in relation to matters of fact or interpretation.

In the case that the balance payment has not yet been made and if the on the spot check – that is organised immediately after the receipt of the final report – reveals no problem in relation to the requested final grant amount, the NA shall transfer the balance payment to the beneficiary as soon as the above draft visit report is ready.

When the NA receives feedback from the beneficiary within 30 calendar days, it shall amend the draft report either by accepting the comment and/or factual modifications, or by explaining why it cannot accept the comments or modifications. The beneficiary's comments and the NA reasons for not accepting them may be either integrated in the visit report or annexed to it.

Within 30 calendar days after the reception of the comments from the beneficiary, the NA shall issue the final report and formally communicate it to the beneficiary. The report shall clearly specify:

- any amounts of expense (to be) covered from the EU grant identified as ineligible;

- any amounts due for reimbursement, accompanied by the reimbursement conditions, and

- any other weaknesses – based on the action specific requirements – requiring a follow-up by the beneficiary, within a concrete timeframe.

In the absence of a reaction from the beneficiary to the draft report within 30 calendar days of dispatch by the NA, the draft report shall be considered final and be formally communicated to the beneficiary as above.

In case an on the spot check after completion of the project or an on the spot check during the project implementation is undertaken simultaneously with a monitoring visit (see section 3.13.6 on monitoring visits of the Guide for NAs), a different person shall be in charge of the monitoring visit than the one in charge of the on the spot check. The two different objectives of the visit shall be made clear to the beneficiary from the preparation stage on. The NA shall ensure that the objectives of the on the spot check are fully covered, in line with the technical guidelines provided by the Commission. In case a single visit report is drafted, the report shall clearly distinguish between the monitoring and the on the spot check aspects of the visit.

5 Selection of minimum required primary checks

5.1 Objective

In principle the NA has to make its selections at random. However, for Erasmus+, since a large number of random checks has been performed since the start of the programme, NAs should perform at least half of the minimum required checks on a risk basis.

As indicated in paragraph 2.5.2 of the Guide for NAs, the NA management shall identify the main risks by developing a risk management to be embedded in the planning and decision making processes of the NA, as well as in its supervisory activities, which shall be sufficiently focused on high-risk areas (beneficiaries with complex operations or a large number of projects, transactions of high monetary value, lack of experienced or skilled personnel, etc.). NAs are encouraged to develop a risk assessment that can be applied to all projects.

The objective of random sampling is double: on the one hand to assess whether EU funds are used for their intended purpose and in accordance with the applicable rules by the individual beneficiary checked; on the other hand, to assess the reliability and thus assurance level provided by the primary check system as a whole and by the different types of primary checks.

The minimum percentages and numbers for primary checks provided for by the Commission are set per Delegation Agreement, which implies that only near the end of the realisation of the projects funded from the related Delegation Agreement, the required minimum percentages and numbers will have to be reached.

For Erasmus+ Key Action 2 "Strategic Partnerships":

National Agencies managing less than 10 Strategic Partnerships (KA2) projects per call round in a category may spread the minimum number of checks for that category over two calls. For all NAs, if the same project is scheduled for multiple checks and there is no possibility to select another project manually, the most comprehensive applicable check should be performed. If, after applying these principles, the NA still has to check the same project twice or has an extremely high coverage rate (checking more than 50% of all projects, all checks included), the NA may decide not to perform a single check in a given category in a given year. The NA will submit a justification in the yearly report when applying these exceptions.

5.2 Selection of sample for checks

The types and minimum number of primary checks (see annex 2 of this document) to be undertaken by the NA are based on a risk analysis performed by the Commission. The risk analysis takes into account identified risks within each decentralised action managed by the NA. The minimum

percentages and minimum numbers of beneficiaries/projects funded from the Delegation Agreement concerned to be checked by the NA for each decentralised action can be found in Annex 2.

For the minimum number and percentage of primary checks, the NA shall select a sample of the beneficiary population in accordance with the instructions provided in § 5.4. For Erasmus+, as indicated in point 5.1, as from 2019, NAs should perform half of the minimum required checks on a risk basis. Risk indicators could be: new beneficiaries, beneficiaries with many ongoing projects, …

Final reports of beneficiaries, and when applicable/requested interim reports, shall, however, be checked for 100% of the grant agreements.

In case the NA has signed several grant agreements with the same beneficiary for different projects, the NA shall undertake the necessary checks to prevent and detect possible double funding.

For each type of check, except for on the spot checks during project implementation, the NA shall calculate the error rate according to the following formulae:

- For final report checks:

  final grant amount reported by the beneficiary but limited to the maximum grant amount set in the grant agreement divided by the final grant amount approved by the NA based on its final report check.

- For desk checks:

  Difference between the final grant amount approved by the NA based on its final report check and the final grant amount approved by the NA based on its desk check, divided by the final grant amount approved by the NA.

- For on the spot checks after completion of the project:

  Difference between the final grant amount approved by the NA based on its final report check and the final grant amount approved by the NA based on its on the spot check after completion of the project, divided by the final grant amount approved by the NA.

For all checks, the NA shall register the results in Mobility Tool + and EPlusLink.

The maximum tolerable error rate [2] for primary checks is set at 2% calculated per Delegation Agreement for the European Solidarity Corps and for Erasmus+; per Key Action within each field of education and training and youth. The following situations may occur:

- The actual error rate resulting from the checks that the NA shall undertake is higher than the maximum tolerable error rate set by the Commission: the NA shall assess the causes for the

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[2] The tolerable error is the maximum error rate found in the population tested, that the Commission would accept, without concluding that the results obtained are significantly erroneous. The possible errors, resulting from the primary checks by the NA, are cases of non compliance found with regard to the reality and eligibility of activities and expenses reported to the NA by the beneficiaries as well as with regard to the legality and regularity of the underlying transactions.

high error rate or high error frequency. On the basis of its risk analysis the NA may decide to extend the random sample of checks, add specific targeted checks on top of the minima and/or perform other types of checks to confirm/infirm the systematic nature of the errors. The NA shall take the necessary remedial actions to recover EU funds and, depending on the causes established, implement the necessary precautionary measures that will prevent the problem to re-occur in future[3]. The NA will have to detail the followed approach and its conclusions in its Yearly Management Declaration.

- The actual error rate is consistently and significantly lower than the maximum tolerable error rate set by the Commission: the NA may request the Commission for a reduction of the minimum percentages and/or number beneficiaries/projects to be checked for the decentralised actions concerned. The Commission will notify the NA formally of its decision.

5.3 Population and timing for selection

5.3.1 Final report check

No selection necessary since 100 % coverage (all final reports of all beneficiaries).

5.3.2 Desk check

Erasmus+ Key Action 1 "Learning mobility of individuals"

The population for the yearly random sampling for this type of primary check consists of the entire number of signed grant agreements resulting from each call for proposals and each round. The selection should be made in EPlusLink.

Erasmus+ Key Action 2 "Strategic Partnerships"

The population for the yearly random sampling for this type of primary check consists of the entire number of signed grant agreements resulting from each call for proposals and each round. The selection should be made in EPlusLink.

The population for the sampling consists of three sub-populations, differentiating between two categories of grant levels: grant amounts lower than €150 000 and grant amounts as from €150 000 as well as school-to-school partnerships (KA219).

Erasmus+ Key Action 3 "Youth Dialogue projects"

The population for the yearly random sampling consists of the entire number of signed grant agreements resulting of each call for proposals and each round. The selection should be made in EPlusLink.

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[3]   Such measures may consist of correcting any weaknesses in the NA systems or increasing the minimum percentage and number of checks to be performed by the NA. If, however, the error rate is the result of a major single error, the NA may decide to take no other action but to correct the error concerned.

European Solidarity Corps "Volunteering" and "Traineeships and Jobs" and "Solidarity Projects"

The population for the yearly random sampling for this type of primary check consists of the entire number of signed grant agreements resulting from each call for proposals and each round. The selection should be made in EPlusLink.

5.3.3   On-the-spot checks during the project implementation

Erasmus+ Key Action 1 "Learning mobility of individuals"

Applicable fields: SE, AE, VET (VET learner and staff mobility), Youth and Higher Education student and staff mobility between Programme and Partner Countries (KA107) projects.

For Higher education student and staff mobility between Programme and Partner Countries (KA107) projects, such checks are foreseen if concerns are raised or following exchanges of information on risk and problem cases between NAs, EACEA, DG EAC, EU Delegations and National Erasmus+ Offices.

The population for the yearly random sampling consists of the entire number of signed grant agreements resulting of each call for proposals and each round.

For Higher Education student and staff mobility between Programme and Partner Countries (KA107) the population consists only of those agreements where specific concerns have been raised. The selection should be made in EPlusLink.

Erasmus+ Key Action 2 "Strategic Partnerships"

The population for the yearly random sampling consists of the entire number of signed grant agreements resulting of each call for proposals and each round. The selection should be made in EPlusLink.

The population for the sampling consists of three sub-populations, differentiating between two categories of grant levels: grant amounts lower than €150 000 and grant amounts as from €150 000 as well as school-to-school partnerships.

Erasmus+ Key Action 3 "Youth Dialogue projects"

The population for the yearly random sampling consists of the entire number of signed grant agreements resulting of each call for proposals and each round. The selection should be made in EPlusLink.

European Solidarity Corps "Volunteering" and "Traineeships and Jobs" and "Solidarity Projects".

The population for the yearly random sampling for this type of primary check consists of the entire number of signed grant agreements resulting from each call for proposals and each round. The selection should be made in EPlusLink.

5.3.4   On-the-spot checks after completion of the project

Erasmus+ Key Action 1 "Learning mobility of individuals"

Systems' checks include this type of checks. In addition to the required minimum number, more checks could be done based on the NA's risk assessment.

Erasmus+ Key Action 2 "Strategic Partnerships"

The population for the yearly random sampling consists of the entire number of signed grant agreements. The selection should be made in EPlusLink.

Erasmus+ Key Action 3 "Youth Dialogue projects"

Not applicable

European Solidarity Corps "Volunteering" and "Traineeships and Jobs".

 Systems' checks include this type of checks. In addition to the required minimum number, more checks could be done based on the NA's risk assessment.

On-the-spot checks after completion of the project are not applicable for Solidarity Projects (ESC31).

5.3.5   Systems' checks

Erasmus+ Key Action 1 "Learning mobility of individuals"

Systems' checks have to be undertaken with beneficiaries having grants for following projects: Higher education student and staff mobility within programme countries (KA103), Higher education student and staff mobility between Programme and Partner Countries (KA107), VET learner and staff mobility with or without VET mobility charter (KA102 and KA116), Youth mobility (KA105, KA135 and KA125.

System checks for VET and YOU can be replaced by an on-the spot check after completion of the project if the beneficiary is not recurrent or if NAs consider an on the spot check after action more relevant. NAs must provide a detailed explanation on this decision in the narrative report of the YR.

For more details see annex 1. The selection should be made in EPlusLink.

Erasmus+ Key Action 2 "Strategic Partnerships"

Not applicable.

Erasmus+ Key Action 3 "Youth Dialogue projects"

Not applicable

European Solidarity Corps "Volunteering" and "Traineeships and Jobs".

Systems' checks have to be undertaken with beneficiaries having grants for Volunteering (ESC11 and ESC13) projects and Traineeships and Jobs (ESC21).

Systems' checks can be replaced by an on-the spot check after completion of the project if the beneficiary is not recurrent or if NAs consider an on the spot check after action more relevant. NAs must provide a detailed explanation on this decision in the narrative report of the YR.

For more details see annex 1. The selection should be made in EPlusLink.

Systems' checks are not applicable for Solidarity Projects.

5.4   Minimum number

The minimum number of primary checks that the NA has to carry out for each action has been determined by the Commission as a result of a risk analysis. The minimum number of checks is expressed as a percentage of the number of grant agreements issued for a particular type of decentralised action with an absolute minimum number to be checked in any case under a given Delegation Agreement.

As from 2019, for Erasmus+, NAs should perform at least 50 % of the minimum required checks on projects selected through the NAs risk based selection, with the aim of preventing and detecting fraud, identifying systemic issues and maximising recovered amounts.

The attached tables (see annex 2) show the minimum required primary checks in terms of percentages and absolute numbers to be applied on the number of grant agreements covered by a Delegation Agreement. The differentiation of the minimum number of checks by action has been set on the basis of the known risks.

As regards on-the-spot checks and systems' checks, NAs are not required to check again – with the exception of final report checks - the same beneficiary in the case of European Solidarity Corps and for Erasmus+ for the same Key Action and action type in the following two years if among the checks of these beneficiaries no errors or major problems are found in order to respect the principles of proportionality and cost-effectiveness.

NAs are encouraged to undertake systems' checks also after all top receivers are covered based on their risk assessment (newcomers, receivers who have never been subjected to checks on their Erasmus+ Higher education student and staff mobility between Programme and Partner Countries (KA107 grants), other risk factors). At the end of the programme period (2020) all "top receivers" should have been subject to a systems' check.

5.5   Tool

NAs have to use the tool provided within the EPlusLink for making random selections. Practical guidance: see Users Guide for EPlusLink:
https://webgate.ec.europa.eu/fpfis/wikis/display/NAITDOC/Manage+checks+of+grant+beneficiaries

5.6   Encoding

The grant agreements selected by the NA are automatically flagged in EPlusLink. The results of the checks have to be recorded in Mobility Tool+ and EPlusLink.

6   Risk-based selection of primary checks

6.1   Objective

In order to get sufficient assurance on reality and eligibility of activities and expenses and on the legality and regularity of underlying transactions, the NA shall undertake a thorough risk analysis and should, depending on its results, decide to increase the number of checks taking into account the risks involved in the national context as well as the results of checks undertaken in the past, thereby respecting the principle of proportionality and cost effectiveness.

As from 2019, for Erasmus+, NAs should perform 50% of the minimum required checks based on this risk analysis.

In case errors found for randomly selected grant agreements exceed the maximum tolerable error rate of 2 % (calculated per Delegation Agreement for the European Solidarity Corps and – for Erasmus+ per Key Action within each field of Education, Training and Youth,) or in case frequently recurring errors are found, the NA will have to assess the causes of this situation and take the necessary remedial and precautionary actions, which it will have to detail in its Yearly Management Declaration.

Examples of cases which might occur:

- Problems are discovered through an on-the-spot check during the implementation of a supported project. This could result in a decision to organise a desk check of supporting material upon receipt of the final report or to organise an on-the-spot check after the completion of the supported project.

- Problems are discovered following feedback from other sources (partner country institutions feedback, participants feedback, performance under other actions, etc.).

- Problems are discovered during the analysis of the final report. This could lead to either a desk check of supporting documents or an on-the-spot check.

- Problems arising from a desk check may require the organisation of an on-the-spot check.

6.2   Encoding

Primary checks on grant agreements selected in addition to the required minimum number shall be encoded in EPlusLink.

Practical guidance: see User Guide for EPlusLink.
https://webgate.ec.europa.eu/fpfis/wikis/display/NAITDOC/Manage+checks+of+grant+beneficiaries

7   On-the-spot checks

7.1   Who can carry out on-the-spot checks?

Staff of the NA: in case the visit is performed by two persons, the staff member leading the visit cannot have been involved in the counselling or grant award process of the action (the supported project) concerned. It is good practice that the staff member in question has not been involved in the assessment of the final financial report for the grant agreement concerned.

For the second staff member the incompatibilities are less strict as he/she works under the responsibility of the person in charge. The person can be a project manager, who may also perform a

monitoring visit simultaneously with the on-the-spot check. The second person may – in particular in smaller National Agencies – have been involved in the grant award process of the action concerned.

External auditors: The National Agency can decide to outsource to external auditors all or some of the on-the-spot checks after the receipt of the final report, provided that these auditors are not involved in other audit tasks in the National Agency (including for the preparation of the opinion on the Yearly Management Declaration).

In all cases the National Agency has to make sure that the external auditors are sufficiently qualified and independent. They also have to be made sufficiently aware of the particularities of the decentralised action grants and have to understand fully concepts such as eligibility and compliance with conditions of the regulatory framework. They shall be instructed to report all anomalies that have a (potential) financial impact, even if for a statutory assignment they would have considered these as immaterial.

External auditors have to follow exactly the same procedures as the National Agency staff in charge off on-the-spot checks. This implies that they have to respect the timing, to use checklists and to follow the reporting and the adversary procedure established by the NA. They have to sign a declaration on the prevention of conflicts of interests and they have to disclose all findings.

Other NAs for mobility activities: The most effective method for checking that the activities take place and comply with the rules of the action is to check them while they happen. In general, the National Agency managing the grant agreement is the NA of the sending organisation. There is no objection to organise on-the-spot checks abroad, but from a cost/benefit viewpoint the NA could consider involving the NA of the hosting country. The Commission encourages National Agencies to agree on a bilateral basis on such checks. In the case of the Erasmus+ International Credit Mobility, the NA will inform DG EAC who can advise as to whether it is appropriate to undertake the check abroad or whether another body, such as EACEA, a National Erasmus+ Office or the EU Delegation can do the check on behalf of the NA. However, the final responsibility and follow-up requirements remain with the NA that has signed a grant agreement with the beneficiary.

7.2   Timing for undertaking on-the-spot checks

On-the-spot checks during the project implementation

These are undertaken before the final report stage. Here it is of crucial importance to organise the visit on a day where a maximum of elements can be checked such as: data and presence of project participants, agenda and quality of the event/meeting (e.g. multiplier event for Erasmus+ Strategic Partnerships).

The check shall be announced to the beneficiary with a short notice period before the planned date of the visit.

In case a monitoring visit is organised simultaneously with an on-the-spot check, there shall be a clear division of responsibilities and tasks among the team members in charge of the combined visit.

As stated in section 3.13 of the Guide for National Agencies, monitoring visits shall focus on collecting information on qualitative aspects of Programme management and on the effectiveness and impact of the granted project on the beneficiary organisation. The visits shall be used primarily to support and counsel the beneficiary as well as to gather and disseminate good practice examples.

Contrary to a primary check visit, a monitoring visit is not necessarily related to a specific grant agreement and may cover a different period of time. Furthermore, a monitoring visit may be considered necessary in consequence of the beneficiary's past difficulties or in response to current problems. The focus of a monitoring visit is thus different from that of an on-the-spot check.

Different reports should be made – or if a single report is made, the parts related to the monitoring and the on-the-spot check should be clearly differentiated within the report - and feed-back to the beneficiary should differentiate clearly which recommendations relate to the on-the-spot check and which relate to the monitoring visit.

On-the-spot checks after completion of the project

Since in Erasmus+ Strategic Partnerships, beneficiaries are likely to be non-accredited organisations and top receivers, it is recommended that the checks are carried out before payment of the balance of the grant amount. If these checks are performed after the final payment, a recovery order might be issued.

The check shall be announced to the beneficiary after the actual receipt of the final report by the NA.

Systems' checks

The systems' checks are carried out in the same year their selection takes place.

For further details see annex 1.

8   Encoding of results and error rate calculation

For all checks, the NA shall register the results in Mobility Tool+ and EPlusLink. Changes to the number of participants shall be recorded in Mobility Tool+. A new "budget version" will be created in Mobility Tool+ and EPlusLink after encoding the results of each different type of primary check performed.

It is important to correctly allocate which detected error/weakness results from which type of check. Therefore, the NA should start with and finalise the final report check and encode the results in Mobility Tool+ and EPlusLink and then do the same for the desk check.

For the recording of the results, NAs shall chose one of the three types of results for checks of beneficiaries:

- No findings;

- Findings with no impact on the grant amount;

- Findings with impact on the grant amount.

To improve DG EAC's ability to analyse and cross reference the results of checks of grant beneficiaries done by NAs, NAs are requested to add in the "result Description" box of the EPlusLink screen the following information:

- amount (i.e. in €) of error found

- the percentage error rate calculated.

Practical guidance: see Users Guide for EPlusLink and Mobility Tool+
https://webgate.ec.europa.eu/fpfis/wikis/display/NAITDOC/Manage+checks+of+grant+beneficiaries.

Annex 1: Minimum requirements for systems' checks

1.   **Approach**

For

- Erasmus+ accredited organisations or charter holders and top receivers in HE, VET and Youth in KA1 mobility grant agreements (Higher education student and staff mobility within programme countries (KA103), Higher education student and staff mobility between Programme and Partner Countries (KA107), VET learner and staff mobility (KA102), VET learner and staff mobility with VET mobility charter (KA116), Youth mobility (KA105, KA135 and KA125) and

- European Solidarity Corps top receivers in "Volunteering" (ESC11 and 13) and "Traineeships and Jobs" (ESC21);

a double approach is followed:

- The top receivers will be subject to systems' checks;

- In addition, a sample of beneficiaries will be subject to desk checks of supporting documents/material relating to the final report of the most recently finished grant agreement. It has to be remembered that these checks take place at the completion of the project, not during the project implementation.

In general, the same project (grant agreement) should not be checked twice during the same calendar year by different types of checks.

2.   **The selection guidelines for systems' checks**

The principle is that systems' checks have to be performed in required numbers if the following thresholds per field are reached:

- for Erasmus+ Higher education student and staff mobility within programme countries (KA103) with beneficiaries either receiving over € 450.000 per call or for whom there are serious concerns of non-compliance with the ECHE (independently of the grant amount),

- NAs will need to integrate systems' checks for Higher education student and staff mobility between Programme and Partner Countries (KA107) projects with the ones for Higher education student and staff mobility within programme countries. (KA103). When the selection of sample beneficiaries coincides, the checks should be made at the same time so that the institution is not subject to two separate checks in a given calendar year.

- for Erasmus+ VET with beneficiaries receiving over € 200.000 per call under KA1, and as from call 2016 with priority given to beneficiaries holding a VET charter,

- for Erasmus+ Youth with beneficiaries receiving over € 100.000 per call (all rounds) under Youth mobility.

- for European Solidarity Corps with beneficiaries receiving over € 100.000 per call (all rounds).

At the beginning of each calendar year (N), the NAs shall draw up a list of "top receivers" consisting of beneficiaries of grants for Erasmus+ KA1 projects / European Solidarity Corps "Volunteering" and "Traineeships and Jobs" signed in the previous calendar year (N-1), exceeding the grant thresholds (€ 450.000 for Erasmus+ Higher education student and staff mobility within programme countries (KA103) and Erasmus+ Higher education student and staff mobility between Programme and Partner countries (KA107), € 200.000 for Erasmus+ VET learner and staff mobility with VET mobility charter (KA116), €100.000 for Erasmus+ Youth mobility (KA105, KA135 and KA125) and €100.000 for European Solidarity Corps "Volunteering" and "Traineeships and Jobs"). This list of "top receivers" should be drawn up from the biggest grant receiver down and the order of the checks should follow the list from the top down.

When all top receivers have been checked during the programme period, as well as beneficiaries with serious issues related to Erasmus+ ECHE non-compliance, NAs are encouraged to select smaller beneficiaries based on their own risk assessment criteria and proportionality of the systems' checks compared to the grant the smaller beneficiary received.

All the selected systems' checks should be finished by 31 December of the calendar year in which they have been selected (N) and the reports completed within one month after the visit.

The systems' checks for the selected beneficiaries include an on-the-spot check after completion of the project of the most recent grant agreement for which the final report has been sent to the NA before the check. For systems' checks of Erasmus+ Higher education student and staff mobility within programme countries (KA103) project grant beneficiaries in 2019, the most recent grant agreement to be checked is either the call 2016 or 2017 grant agreement (with the highest amount in case of more than one agreement) depending whether there is a final report. For ESC, this will be a finalised project of an Erasmus+ volunteering project (KA105, KA125 or KA135).

The number of systems' checks per calendar year for National Agencies can be summarised as follows (starting from the biggest grant receiver downwards):

Table A: Erasmus+ minimum number of systems' checks per year per call until all top receivers are checked

HE	VET	Youth
Higher education student and staff mobility within programme countries (KA103) and Higher education student and staff mobility between Programme and Partner countries. (KA107)	VET learner and staff mobility with VET mobility charter (KA116) and top receivers (KA102)	Youth mobility (KA105, KA135(only in 2017) and KA125)
Higher education student and staff mobility within programme countries (KA103): **6** systems' checks (for NAs with 40 or more top receivers) **4** systems' checks (for NAs with less than 40 top receivers)* Higher education student and staff	**4** systems' checks (for NAs with 10 or more top receivers) **2** systems' checks* (for NAs with less than 10 top receivers)	**3** systems' check (for NAs with 5 or more top receivers) **1** systems' check (for NAs with 1 to 5 top receivers)

mobility between Programme and Partner Countries:KA107 NAs will integrate <u>Higher education student and staff mobility between Programme and Partner Countries</u> (KA107) checks with the ones for Higher education student and staff mobility within programme countries (KA103): If the receivers do not coincide, a minimum of 1 receiver will be checked for KA107		

Table B: European Solidarity Corps minimum number of systems' checks per year per call until all top receivers are checked

Minimum number of Systems' checks
3 systems' check (for NAs with 5 or more top receivers)
1 systems' check (for NAs with 1 to 5 top receivers)

* NB: If the number of top receivers for an NA is lower than 4 (Erasmus+ Higher education student and staff mobility within programme countries - KA103) or 2 (Erasmus+ VET) respectively, then the minimum number of systems' checks would be that number.

Important to note is that the same beneficiary cannot undergo in the same calendar year a desk check for a project and a systems' check. For Erasmus+ VET and Youth and European Solidarity Corps "Volunteering" and "Traineeships and Jobs": the same beneficiary cannot be selected in the same calendar year for an on-the-spot during project implementation and a systems' check. Furthermore, NAs are not required to perform systems' checks at the same beneficiary for the rest of the programme period if no major problems were found.

At the end of the programme period (2020) all "top receivers" shall have been subject to a systems' check, as well as beneficiaries with serious issues related to charter compliance. For Erasmus+ mobility consortia in HE among the "top receivers" such a systems' check is an obligation.

NAs can select more beneficiaries for systems' checks on the basis of criteria defined by the NAs themselves (e.g. newcomers or other risk related factors).

System checks for Erasmus+ VET and YOU and European Solidarity Corps "Volunteering" and "Traineeships and Jobs", can be replaced by an on-the spot check after completion of the project if the beneficiary is not recurrent or if NAs consider an on the spot check after action more relevant. NAs must provide a detailed explanation on this decision in the narrative report of the Yearly Report.

3. Methodology for systems' checks

A systems check consists of two phases:

Phase 1: The analysis of procedures and systems focussing at the compliance of the systems in place within the beneficiary organisation (respect of conditions, minimum internal control and reporting, etc.). The quality of procedures and internal control systems of the beneficiary as well as compliance with the contractual framework are verified.

Phase 2: an on-the-spot check of the final report of the most recent grant agreement for which the final report has been sent to the National Agency will be carried out which will also include the compliance tests. The check gives assurance on the regularity and reality of the cost claim of the final report, determines a quantified error rate and also confirms that the systems analysed in the system check are respected. In the case of Erasmus+ HE, if the selected institution is a beneficiary from both KA103 and KA107 actions, the check will include the most recent grant agreement for each of the actions.

In case that the error rate found as a result of this check is higher than 2% compared with the final grant requested in the final report[4] or with the maximum grant amount awarded, whichever is the lowest, additional checks will be carried out on preceding grant agreements with that beneficiary.

For phase 1, the different procedures according to the field concerned are to be checked:

- Existence and compliance with the basic accreditation documents/charter such as the Erasmus Charter for HE or the consortium accreditation, if applicable

- Existence and compliance of the inter-institutional agreements

- Recognition procedures of the outcomes of the mobility periods, using ECTS or an equivalent system

- Procedures to avoid multiple funding by participants or departments/faculties (who can adhere to a mobility consortium)

- Compliance of the agreements between the beneficiary and the participants with the model agreements that contain all minimum requirements

- Selection of participants (learners and staff): criteria (for selection, and if applicable, determining the grant amount, including the award of top-up or special needs grants), timing, information, evidence of open advertising, and in the case of Higher education student and staff mobility between Programme and Partner Countries (KA107), outreach to disadvantaged groups in the partner country institution, lists with applicants and lists with selected participants, reserve lists, specific national or institutional criteria, declaration of conflict of interest, transparency, etc.

- Determination of the initial grant allocation

- Grant reallocation procedure, if applicable

- Reporting to the NA: required format, tools, timing, etc.

- For mobility consortia: agreements between the members, legal situation of the consortium, legal personality of the coordinator, etc.

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[4] In case the on-the-spot check is done after the final report check following which the NA already determined the final grant amount awarded, the error rate is the difference between the final grant amount awarded by the NA on the basis of the final report check and the grant amount awarded by the NA following the on-the-spot check.

- Traceability of the payments (from and to the NA and between the beneficiaries and the partner country institutions, if applicable) in the accounts (bank accounts and bookkeeping)

- Compliance with financial rules: a.o. flexibility between activities, respect of grant levels or brackets, etc.

- Respect of visibility rules of the programme

- Delivery mechanisms for support to students, staff, youth, volunteers,…

- Management of the mobility cycle

- Document management

- Check of eligibility of participants, duration, activity programmes…

4.   Checks of individual participants' files (only for Erasmus+ HE and VET)

4.1 Selection method for individual files to be checked

The method is common for desk checks (also for desk checks which are not part of a systems' check) and on-the-spot checks.

The obligation to check files of individuals participating in projects containing mobility activities will be limited to the beneficiaries selected for a systems' check (which includes an on-the-spot check), a desk check (or an on-the-spot check). The minimum numbers and percentages of individual mobility files to be checked are set out in table B below.

Table B: Minimum numbers and percentages of checks of individual mobility files

Numbers and percentages of individual mobility files (grant agreements with participants) to be checked in a desk check or on-the-spot check				
Number of individual grant agreements per project	**Minimum percentage of grant agreements to be checked**		**Minimum numbers of grant agreements to be checked**	
	% Learner mobility	**% Staff mobility**	**Number of learners**	**Number of staff**
≥ 500 agreements	1%	2%	10	5
< 500 and ≥ 100 agreements	2%	4%	5	
< 100 and ≥ 5 agreements	N/A	N/A		
< 5 agreements	N/A	N/A	All	All

In case that a beneficiary is selected for a check the letter announcing the check to the beneficiary has to include a request to make available the lists of individual participants (in Excel format) concerning the relevant final reports. After receipt of these lists the National Agency will use another Excel spreadsheet for selecting at random the individual mobility agreements/files for which detailed checks will be made (based on the sample sizes set out in Table B).

4.2 Elements to be checked in the individual files, if applicable

- The grant agreement and possible amendments with the participant

- The learning agreement for learner mobility signed by all parties

- The staff mobility agreement signed by all parties

- Travel documents, if applicable

- Disclose if the individual beneficiary belongs to one of the following categories: person with special needs, zero-grant students or staff, learners with fewer opportunities

- The final participant report (after completion of the mobility)

- Bank statements proving payment of the grant to the individual participants

- Documents concerning recognition of credits or equivalent, transcripts, traineeship certificates, certificate of attendance or any report by the receiving institution/organisation and by both sending/receiving institutions in the case of Higher education student and staff mobility between Programme and Partner Countries: KA107.

Annex 2 : minimum required checks

Minimum required checks on grant beneficiaries for KA1 per call[5]

	SE	VET		HE	AE	Youth
	School education staff mobility (KA101)	Learners and staff (KA116)	Learners and staff learner and staff mobility (KA102)	Learners and staff (KA103 and KA107)	Adult education staff mobility (KA104)	Learners and staff (KA105, KA135(only in 2017) and KA125)
Final report check	*100%*	100%	100%	100%	100%	100%
Desk check	*5%*	5%	5%	5% For each of Higher education student and staff mobility within programme countries (KA103) and Higher education student and staff mobility between Programme and Partner Countries (KA107) min. 1 grant agreement if NA has < 30 KA1 grant agreements of the	5%	10% 10 And minimum one per Action
Minimum number	*10*	2	10	same action type per call,	10	

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				otherwise min. 2 grant agreements		
On-the-spot check during project implementation	*1%* *1*	n/a n/a	1% 2	n/a	1% 1	2% 3
On-the-spot check after completion of the project	*n/a*	n/a	n/a	n/a	n/a	n/a
Systems' check[6]	*n/a*	4 (if 10 or more top receivers) 2 (if less than 10 top receivers)		For Higher education student and staff mobility within programme countries (KA103): 6 (40 or more top receivers) 4 (less than 40 top receivers) For Higher education student and staff mobility between Programme and Partner Countries (KA107) (as above) and if these don't coincide, at least a minimum of 1 receiver	n/a	3 (5 or more top receivers) 1 (less than 5 top receivers)

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[6] System checks for VET, YOU can be replaced by an on-the spot check after completion of the project if the beneficiary is not recurrent or if NAs consider an on the spot check after completion of the project more relevant.

KA2 Strategic Partnerships - minimum requirements for checks on grant beneficiaries per call[7]

Type of primary check	grant amount in €		
	< 150.000	>= 150.000	School Exchange Partnerships (KA229)
Final report check	100%	100%	100%
Desk check	5%	10%	5%
Min #	1	1	1
On-the-spot check during the project implementation	2%	4%	2%
Min #	1	1	1
On-the-spot check after completion of the project	1%		1%
Min #	1 (only if intellectual output)		1

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[7] National Agencies managing less than 10 KA2 projects in a category may spread the minimum number of checks for that category over two calls. For all NAs, if the same project is scheduled for multiple checks and there is no possibility to select another project manually, the most comprehensive applicable check should be performed. If, after applying these principles, the NA still has to check the same project twice or has an extremely high coverage rate (checking more than 50% of all projects, all checks included), the NA may decide not to perform a single check in a given category in a given year. The NA will submit a justification in the yearly report when applying these exceptions. These exceptions can be applied retroactively for 2014-2017

Youth Dialogue projects (KA347)- minimum requirements for checks on grant beneficiaries		
Type of primary check	%	number
Final report check	100%	all
Desk check	10%	2
On-the-spot check during project implementation	2%	2

European Solidarity Corps

		Volunteering (ESC11 and 13)	Traineeships and Jobs (ESC21)	Solidarity Projects (ESC31)
Type of primary check	%	Minimum number		
Final Report check	100%	All	All	All
Desk check	10%	10	2	2
On-the-spot check during project implementation	2%	3	2	2
Systems' checks [8]		3 (for NAs with 5 or more top receivers) 1 (for NAs with 1 to 5 top receivers)		N/A

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[8] System checks for ESC can be replaced by an on-the spot check after completion of the project if the beneficiary is not recurrent or if NAs consider an on the spot check after completion of the project more relevant.

Annex 3: Supporting documents to be checked

KA1 Learning mobility of individuals/

	Final report check	**Desk check**
For budget categories based on unit contributions	- Registration of mobility per participant in Mobility Tool+	- Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents of each budget category)
For budget categories based on reimbursement of actual costs	- Justification of costs in Mobility Tool+ - For exceptional costs – Supporting Documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents)*	- For Special needs support - Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents)*

*Payment proof only to be requested in case of doubt on the correctness of the invoice provided

Key checks for on-the-spot during project implementation or after the completion of the project	Key checks for systems' check of top receivers and charter holders/accredited beneficiaries
- check eligibility of participants for the action - check coherence of participants with application - check eligibility of activities - check quality of mobility activities	- check selection process of participants - check arrangements for pedagogical/intercultural/linguistic preparation - check learning/ staff mobility agreements - check tutoring/mentoring and other support arrangements - check certification/validation/recognition of learning outcomes - check procedures for financial and contractual management of grants

KA2 – Strategic Partnerships

Parameters for grant calculation per grant item	final report check	desk check	on-the-spot check during project implementation	on-the-spot check after the completion of the project
For budget categories based on unit contributions `	- information available in the final report - for intellectual output: proof of output/products (pictures, video films, websites, etc.) if not yet available in the dissemination platform	Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents of each budget category)	Possible elements to be checked: (a) eligibility check of all signed attendance lists (certificates of attendance) so far: completeness, correctness OR eligibility check of distance band (b) quality check of meetings/event/project activities undertaken (subject, purpose, relevance in relation to expected project output/outcome...) (c) for intellectual output: -) eligibility check: crosscheck of profile of participants with entity related documents -) quality check: check quality of work-in-progress: in line with expected output/outcome?	Possible elements to be checked: (a) participants list signed by the participants and the receiving organisation specifying the name, date and place of the transnational project meeting, and for each participant: name and signature of the person, name and address of the sending organisation of the person (b) quality check of project activities / meetings (subject, purpose, relevance in relation to expected project output/outcome...) (c) Crosscheck of supporting documents with entity's staff category's, time registration and payroll administration (checking occurrence not actual costs incurred)
For budget categories based on reimbursement of actual costs	- registration of mobility per participant in Mobility Tool+ - invoice or supporting document with proof of payment	Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents)	(a) check participation in project activities of persons with special needs OR (b)check existence of contract of service provided and/or presence of good purchased	Crosscheck of supporting documents with entity's accounting

Youth dialogue projects (KA347)

	Final report check	**Desk check**
For budget categories based on unit contributions	- Registration of mobility per participant in Mobility Tool+	- Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents of each budget category)
For budget categories based on reimbursement of actual costs	- Justification of costs in Mobility Tool+ - For exceptional costs – Supporting Documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents)*	- For Special needs support - Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents)*
*Payment proof only to be requested in case of doubt on the correctness of the invoice provided		

Key checks for on-the-spot during project implementation or after the completion of the project
- check eligibility of participants for the action - check coherence of participants with application - check eligibility of activities - check quality of mobility activities - check existence of contract of service provided and/or presence of good purchased

European Solidarity Corps – Volunteering and Traineeships and Jobs

	Final report check	Desk check
For budget categories based on unit contributions	- registration of participants in Mobility Tool+	Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents of each budget category)
For budget categories based on reimbursement of actual costs	- Justification of costs in Mobility Tool+ - Supporting documents as defined in Annex III – Financial and Contractual Rules of the grant agreements per budget category (point c – supporting documents)	Crosscheck of supporting documents with entity's accounting

Key checks for on-the-spot during project implementation	Key checks for systems' check of top receivers
- check eligibility of participants for the action - check coherence of activities and participants with application - check eligibility of activities - check quality of activities	- check selection process of participants - check arrangements for intercultural/linguistic preparation - check learning agreements - check mentoring and other support arrangements - check certification/validation/recognition of learning outcomes - check procedures for financial and contractual management of grants

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	Final report check	Desk check
For budget categories based on unit contributions	- Information available in the final report	Supporting documents as defined in Annex III – Financial and Contractual Rules of the standard grant agreements per budget category (point c – supporting documents of each budget category)
For budget categories based on reimbursement of real costs	- Justification of costs in Mobility Tool+ - Supporting documents as defined in Annex III – Financial and Contractual Rules of the grant agreements per budget category (point c – supporting documents)	Crosscheck of supporting documents with entity's accounting

Key checks for on-the-spot during project implementation
- check eligibility of participants for the action - check coherence of project with application - check quality of project