

# URBACT II - CityRegion.Net

## The Role of Cities in integrated Regional Development

4th Meeting of Implementation Phase  
City of Trikala / Thessaly / Greece  
18 - 19 March 2010

### Financial Interim Report / Status Quo

Christian Nussmueller, Financial Manager

EUROPEAN  
PROGRAMME  
FOR  
SUSTAINABLE  
URBAN  
DEVELOPMENT



European Union  
European Regional Development Fund

## Overview

- 1. Financial Management System of our Network (Summary)**
- 2. Budgetary Overview / Main Results of Financial Analysis**
- 3. Status of Submitted Payment Claims**
- 4. Issues related to Certifying Procedure**
- 5. Progress Reports (General Information)**
- 6. Coming Claiming Rounds (Schedules)**

## 1. Financial Management System of our Network (Summary)

### Decentralized structure

### Main financial responsibilities of the LP

- **Validation of expenditures: LP shall ensure the coherence between activities defined in the work programme and the forecasted budget per objective-action / per budget category / per year**
- **Preparation and forwarding of Payment Claims to URBACT-Secretariat**
- **Reception of ERDF-refunding and transfer of ERDF-shares to PPs**

## 1. Financial Management System of our Network (Summary)

### Financial responsibilities of each Project Partner

- **Keeping own shares of budget (limited resources structured in budget lines/sub-budget lines and in predetermined network activities)**
- **Financing and spending of own project costs in advance**
- **Entering all expenditures into PRESAGE-CTE**
- **Organizing the certifying procedure by local/national First Level Control Body according to the official Audit Trail**
- **Forwarding of certificates (=statements of expenditure signed and stamped by local/national FLC) to the lead partner at the end of each certifying period respecting the given deadlines**

## 1. Financial Management System of our Network (Summary)

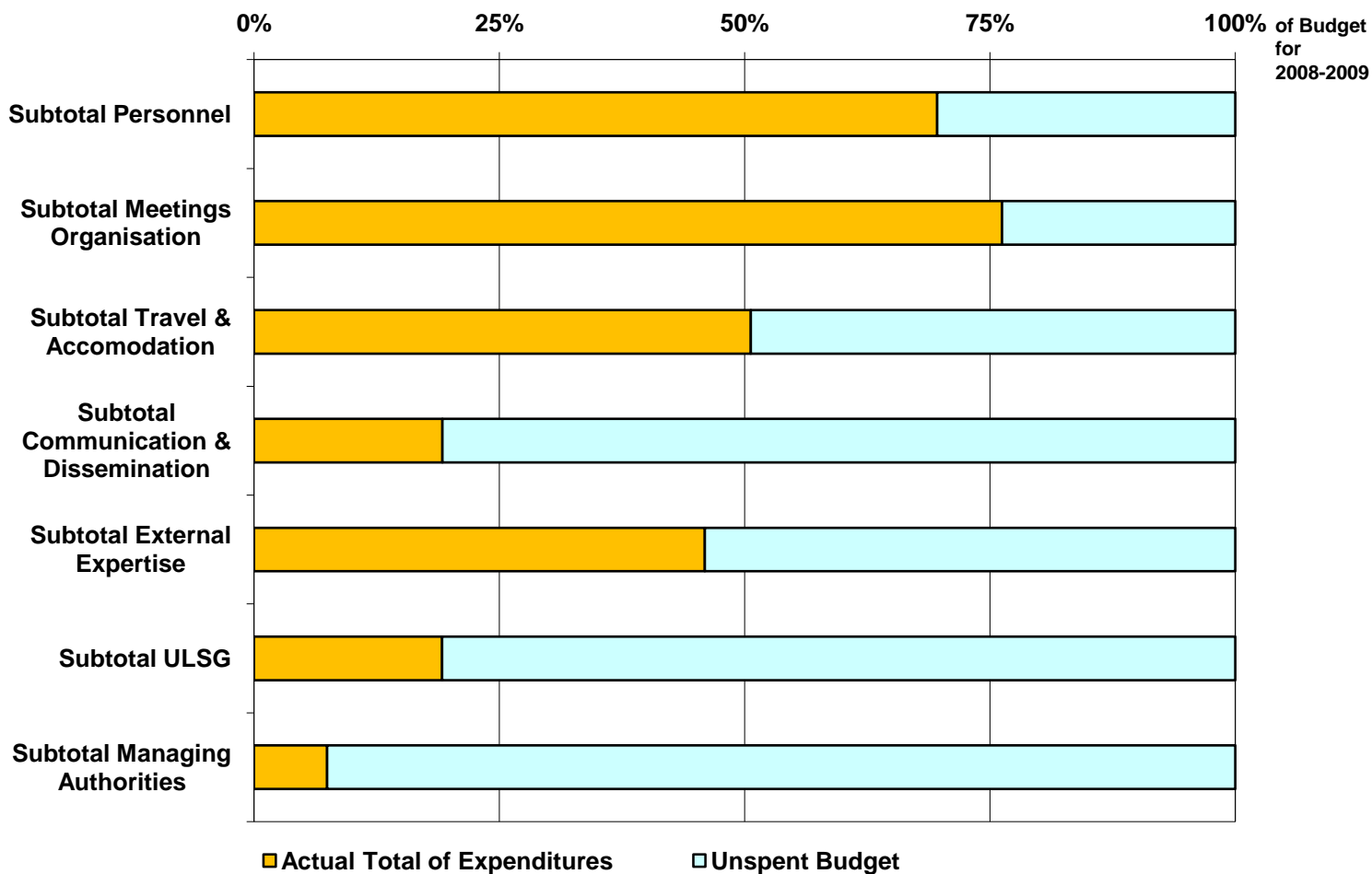
### Co-financing Conditions:

**Eligible, certified costs will be refunded by ERDF-contributions of**

- **80% for partners of the convergence area  
(Czestochowa, Kielce, Oradea, Trikala)**
- **70% for partners of the competitiveness area  
(Arezzo, Châlons-en-Champagne, Munich and Graz)**
- **PP Zurich follows the URBACT programme rules but is  
financed by the Swiss National Funds**

## 2. Budgetary Overview / Main Results of Financial Analysis

### Utilization of resources foreseen for period 2008-2009 (Budget Lines)



## 2. Budgetary Overview / Main Results of Financial Analysis

**Clear underspending in several budget lines resulting from:**

- **Cost-effective allocation of resources**
- **Partly more resources budgeted than actually needed**
- **No budget utilization by PP Oradea up to now**

**Following budget lines shall be more utilized by all project partners:**

- **Urbact Local Support Group (Meetings, Dissemination)**
- **Involvement of National Managing Authorities (e.g. participation in network meetings or meetings of ULSG)**

**All Project Partners has received an individual budget breakdown which shows the available resources for 2010 for each activity of our working plan.**

### 3. Status of Submitted Payment Claims

#### Phase I (21/04/2008-21/10/2008):

- included certificates: Czestochowa, Kielce, Châlons-en-Champagne, Graz
- ERDF-payment received and transferred to PP in Jan. 2010 ✓

#### Phase II-1 (21/10/2008-31/12/2008):

- included certificates: Czestochowa, Châlons-en-Champagne, Graz

#### Phase II-2 (01/01/2009-30/06/2009):

- included certificates: Munich, Czestochowa, Kielce, Châlons-en-Champagne, Graz

#### Phase II-2b (01/01/2009-30/06/2009) - extraordinary claim:

- included certificate: Arezzo

#### Phase II-3 (01/07/2009-31/12/2009): currently in progress (deadline 31/03/2010)

ERDF-  
payments  
expected  
in  
May 2010



### 3. Status of Submitted Payment Claims

- **All Payment Claims of Phase II are currently processed by the URBACT Secretariat**
- **ERDF-payments are expected for May 2010 (no detailed schedule communicated)**
- **Delay because of necessary amendments of single certificates (reason: questionnaires at the end of certificate filled in by FLC)**
- **In case of missing a deadline for submitting a certificate, the respective costs are going to be included within the following payment claim.**

## 4. Issues related to Certifying Procedure

### Accounting Issues on Partner Level:

- Validation and certification process should be clear to all by now
- In this respect we want to appeal for respecting the given schedules of the certifying procedure (e.g. conveying the pre-check tables to the Lead Partner or forwarding the interim certificates)
- Continuous voiding/numbering of original invoices before forwarding digital copies to LP (5\_001, 5\_002, etc.)
- Official programme language: English  
Due to this prerequisite all certificates, documents for accounting personnel costs, claims for travel expenses etc. have to be available in English due to validation and audit purposes

## 4. Issues related to Certifying Procedure

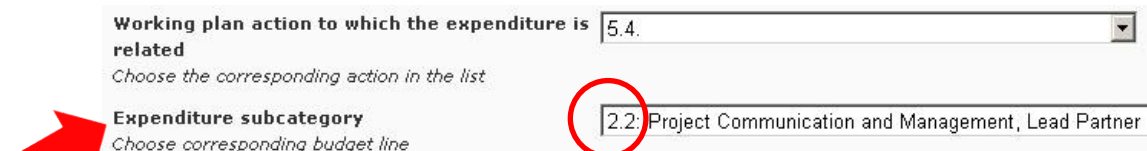
### Accounting Issues on Partner Level:

- Question of eligible exchange rates for expenditures occurred in **Non-Eurozone-Countries: different approaches on national levels concerning the eligibility of claims for travel expenses (please consult in this regard your FLC)**

References are still the official exchange rates published on InfoEuro:  
<http://ec.europa.eu/budget/infoeuro>

- Please pay attention to the allocation of **“expenditures sub-categories” in PRESAGE**

example:



Working plan action to which the expenditure is related 5.4.

Choose the corresponding action in the list

Expenditure subcategory 2.2: Project Communication and Management, Lead Partner

Choose corresponding budget line

**not to be mixed up  
with numbering of  
„Working Plan Action“  
of the drop-down  
menu above!**

## 4. Issues related to Certifying Procedure

### Budget flexibility in URBACT-accounting system:

- **Very limited possibilities because of stringent structure of URBACT-financial system (“Flexibility Rule of 20%”)**
  
- **Possibility of partial allocation of costs within budget lines from one activity to another (e.g. “personnel costs”)**

## 4. Issues related to Certifying Procedure

### First Level Control Issues (to be communicated to FLC-Bodies):

- During Phase II all certificates should be generated as “Interim Certificates” (only the last certificate at the end of phase II should be submitted in the form of a “Final Certificate”!)
- Please remind your local First Level Control Body to fill in the “Checklist for FLC” in PRESAGE (7. Annex 3) attached to each certificate very carefully.
- This section is examined by the URBACT Managing Authority very closely! In case of belated amendments of this section a delay of the payment procedure of ERDF-refundings will be the consequence.
- Please ask your FLC to add comments to explain vague YES/NO-answers or irrelevant questions if necessary (e.g. “no administrative costs accounted in project”)

## 4. Issues related to Certifying Procedure

### Recommendations for “Key-Answers” within checklist for FLC:

- **Section 7.1 – Question 1: in case of NO - accounting system of Partner-City should be explained detailed in comment field**
- **Section 7.1 – Qu. 2-5: YES**
- **Section 7.2 – Qu. 1-3: YES**
- **Section 7.3 – Qu. 11-12: NO**
- **Section 7.4 – Qu. 1-2: YES**
- **Section 7.4 – Qu. 3: NO**

## 5. Progress Reports / General Information

The reporting procedure can be summarized as follows:

**Each Project Partner sends to the Lead Partner the relevant information for the redaction of the progress report within the deadlines agreed with the Lead Partner (**contact person: [heike.falk@stadt.graz.at](mailto:heike.falk@stadt.graz.at)**).**

This information shall concern both the **activities undertaken** and the **financial management implemented** by all partners.

On the basis of this information, the **Lead Partner compiles the progress report** for the whole project in PRESAGE-CTE.

The progress report shall be printed, signed and sent to the URBACT-Secretariat within three months after the end of the reporting period **together with the payment claim** by the LP.

## 5. Progress Reports / General Information

**"Through the Progress Report the Lead Partner shall provide evidence of the progress on activity and finance according with the approved work plan and budget ..."**

### **General reporting guidelines:**

- **Use the Final Application and the "Template for progress reports" as terms of reference**
- **Provide as many details as possible on the activities undertaken (at least brief descriptions and agendas of events implemented)**
- **Pay special attention to the sections "Outputs" and "Indicators" (e.g. composition of ULSG, etc.)**
- **Provide e-mail copies of key documents and press releases produced**
- **Use the Progress Report to update "Contact Details and Bank Details"**
- **Use the Progress Report also to make remarks concerning the financial management system of URBACT**



## 6. Coming Claiming Rounds / Schedules

### Recommended Schedule for Accounting Period Phase II-4

01 January 2010 to 30 June 2010	<b>Accounting Period Ph II-4</b> (payment dates of invoices/certificates have to fit this period)	Who?
as from 30 June 2010	Starting date for drawing up textual contributions to the progress report	PP
by 16 July 2010	Forwarding of filled in pre-check table to LP (by e-mail)	PP
by 30 July 2010	Feedback of LP explaining necessary amendments in pre-check table (by e-mail)	LP
as from 1 August 2010	<ol style="list-style-type: none"> <li>1. Input of pre-checked cost items in PRESAGE-CTE by PP and release for validation</li> <li>2. Validation by LP within PRESAGE-CTE and feedback to PP when done</li> <li>3. Information of First Level Control Body by PP to start certification process immediately</li> <li>4. Certification by First Level Control Body of PP within PRESAGE-CTE -&gt; production of a digital certificate and also a paper version via PRESAGE CTE -&gt; forwarding the signed and stamped original paper version of certificate to PP</li> </ol>	PP LP PP FLC
by 27 August 2010	Forwarding of final textual contribution to the Progress Report to LP (by e-mail)	PP
until 6 September 2010	Forwarding of original certificates by all PP to LP (by postal service)	PP
30 September 2010	Official deadline for sending the global payment claim for accounting period Ph II-4 (including all collected certificates of PP) together with the Progress Report to the URBACT Secretariat/Managing Authority in Paris (by postal service)	LP

Abbreviations:

PP: Project Partner

LP: Lead Partner Graz

FLC: local/national First Level Control Body

## 6. Coming Claiming Rounds / Schedules

### Recommended Schedule for Accounting Period Phase II-5

01 July 2010 to 31 December 2010	<b>Accounting Period Ph II-5 / penultimate period</b> (payment dates of invoices/certificates have to fit this period)	Who?
as from 31 December 2010	Starting date for drawing up textual contributions to the progress report	PP
by 14 January 2011	Forwarding of filled in pre-check table to LP (by e-mail)	PP
by 28 January 2011	Feedback of LP explaining necessary amendments in pre-check table (by e-mail)	LP
as from 1 February 2011	<ol style="list-style-type: none"> <li>1. Input of pre-checked cost items in PRESAGE-CTE by PP and release for validation</li> <li>2. Validation by LP within PRESAGE-CTE and feedback to PP when done</li> <li>3. Information of First Level Control Body by PP to start certification process immediately</li> <li>4. Certification by First Level Control Body of PP within PRESAGE-CTE -&gt; production of a digital certificate and also a paper version via PRESAGE CTE -&gt; forwarding the signed and stamped original paper version of certificate to PP</li> </ol>	PP LP PP FLC
by 28 February 2011	Forwarding of textual contribution of each PP to the Progress Report to LP (by e-mail)	PP
until 11 March 2011	Forwarding of original certificates by all PP to LP (by postal service)	PP
31 March 2011	Official deadline for sending the global payment claim for accounting period Ph II-5 (including all collected certificates of PP) together with the Progress Report to the URBACT Secretariat/Managing Authority in Paris (by postal service)	LP

**Outlook on 2011: AP Ph II-6 (last period)**  
**from 1<sup>st</sup> January 2011 to 21<sup>st</sup> April 2011:**  
**detailed schedule for project closure is following!**

#### Abbreviations:

PP: Project Partner

LP: Lead Partner Graz

FLC: local/national First Level Control Body

**Programme  
Documents and  
Guidelines  
(PRESAGE,  
FLC, etc.):  
[www.urbact.eu](http://www.urbact.eu)**

The screenshot shows the URBACT website interface in a Windows Internet Explorer browser. The page title is "Documents - Windows Internet Explorer" and the URL is "http://urbact.eu/en/header-main/documents-and-resources/documents/".

The website header includes the URBACT logo, the tagline "Connecting cities Building successes", and the European Union logo. Navigation tabs include "ABOUT URBACT", "INTEGRATED URBAN DEVELOPMENT", "OUR PROJECTS", "GET INVOLVED", "NEWS & EVENTS", and "DOCUMENTS & RESOURCES". A search bar is located on the right.

The main content area is titled "Documents" and contains the following text:

Please find below a search engine which will help you to find URBACT documents according to one or several criteria (type of document, subject, project, etc.). If no criterion is selected, the table below will display all the documents in a chronological order.

You can find the URBACT II project documents by selecting in the first tab 'URBACT II Project documents' and in the second tab the project name then by clicking on 'OK'. If you wish to find the URBACT I outputs and publications (including the URBACT I projects' Final report), select in the first tab 'URBACT I documents', then select in the second tab 'Outputs & publications' and click on 'OK'.

Below the text is a search form with three dropdown menus:

- First dropdown: "URBACT II Programme documents" (indicated by red arrow 2)
- Second dropdown: "Technical documents" (indicated by red arrow 3)
- Third dropdown: "Accounting expenditures" (with a "Select" button above it)

Below the form is a "Choose one category of documents" label and an "OK" button. The search results section shows "Displaying results 1 to 2 out of 2" and two document entries:

- "Guide production project payment claim Presage-cte" (28/12/2009) with a "View" link.
- "Guide entering expenditure in PRESAGE-CTE" (28/12/2009) with a "View" link.

The footer contains navigation links: "Contact", "FAQ", "Glossary", "Subscribe to the Newsletter", "Video Channel", "Blog", "RSS Feed", "Add to Netvibes", and "Add to Delicious". There are also sections for "Useful Links", "Latest Documents", "URBACT events", and "URBACT News".

Grazie Thanks  
Danke **Merci** Gracias  
**Ευχαριστώ** multumesc  
Takk dziękuję dakujem hvala  
**Obrigado** dziękować  
tänan kiitos köszönöm aciu  
Tack děkuji paldies  
**nizžik ħajr dank u wel**

## Contact Details

Christian Nussmueller

Financial Manager of CityRegion.Net

e-mail: [christian.nussmueller@stadt.graz.at](mailto:christian.nussmueller@stadt.graz.at)

phone: +43 316 872 4210

Stadt

GRAZ