

**Summary of Assessment by Key Requirement and Assessment Criteria
for period from 01.07.2010. to 30.06.2011.**

Annex 1.

Key requirements/Assessment criteria	Intermediate body/Authority	MA	PA	CA	AA	MoF	MoEcon	MoT	MoW	MoRDLG	MoH	MEPRD	MoESc	MoC	SC	LIDA	SEA	CHE	SIF	SEDA	SRDA	CFCA
Key requirements for Responsible Institutions and Co-operation Institutions																						
Key requirement 1: Clear definition, allocation and separation of functions between and within the managing authority / intermediate body/ies		2	1	1	2	2	2	2	1		1	2	1	2	1	1	2	1	1	2	1	1
(1.) Adequate procedures in place at the managing authority to monitor the effective implementation of the tasks delegated to the intermediate body/ies.		2	1	1	1	2	1	1	1		1	2	1	1	1	1	1	1	1	1	1	1
(2)* a clear definition and allocation of functions (organisation chart, indicative number of posts, documented procedures and manuals), including the existence of a formal documented agreement clearly setting out any tasks that are delegated by the managing authority to the intermediate body/ies.		2	1	1	2	2	2	2	1		1	2	1	2	1	1	2	1	1	2	1	1
(3 Audit Authority) Existence of procedures, including, where appropriate, procedures for the supervision by the audit authority of the work any audit bodies carrying out audit work delegated by the audit authorities.					2																	
Key requirement 2: Adequate procedures for the selection of operations		2				1	2	2	2		1	1	1	2		2	2	1	2	2	2	1
(3.) Calls for applications should be published (calls for applications in accordance with the conditions and objectives of the OP, should contain a clear description of the selection procedure used and of the rights and obligations of the beneficiaries. Calls for applications should be advertised in order to reach all potential beneficiaries...)		1					1	1	1		1	1	1	1		1	1	1	1	1	1	1
(4.) All applications received should be recorded (applications should be registered on receipt, evidence of receipt delivered to each applicant and records kept of the approval status of each application).		2					2	1	1			1	1	1		1	2	1	2	1	2	1
(5)* All applications/projects should be evaluated in accordance with the applicable criteria. (the evaluation should be applied consistently, the criteria/scoring used should be in accordance with those approved by the Monitoring Committee and mentioned in the calls, results should be documented, the substance of the applications evaluated, the financial, administrative and operational capacities of the beneficiaries to fulfil the responsibilities regarding the provision of funding should also be adequately evaluated).		2				1	1	2	2		1	1	1	2		1	2	1	2	2	2	1
(6)* Decisions taken on the acceptance or rejection of applications/projects should be communicated to the applicants. (decisions should be taken by an appropriate designated person/body, results notified in writing and the reasons for acceptance or rejection of applications clearly set out. The appeals procedure and related decisions should be published).		2					2	1	1			1	1	1		2	1	1	1	1	2	1
Key requirement 3: Adequate information and strategy to provide guidance to beneficiaries		2				2	1	1	1		1	1	1	2	1	1	2	1	2	2	1	1
(7.) Effective communication to beneficiaries of their rights and obligations in particular the national eligibility rules laid down for the programme, the applicable Community rules on eligibility, the specific conditions concerning the products or services to be delivered under the operation, the financing plan, the time-limit for execution, the requirements concerning separate accounting or adequate accounting codes, the information to be kept and communicated. The information and publicity obligations should also be		2				2	1	1			1	1	1	2		1	2	1	2	1	1	1
(8.) The existence of clear and unambiguous national eligibility rules laid down for the programme.		1					1	1	1		1	1	1	1	1							
(9.) The existence of a strategy to ensure that beneficiaries have access to the necessary information and receive an appropriate level of guidance (leaflets, booklets, seminars, workshops, web sites...).		2					1	1			1	2	1	2		1	1	1	1	2	1	1

**Summary of Assessment by Key Requirement and Assessment Criteria
for period from 01.07.2010. to 30.06.2011.**

Annex 1.

Key requirement 4: Adequate management verifications	2						2	1		2	2		2	1	2	2	2	2	2	2	2
(10.) The existence of written procedures and comprehensive checklists in order to detect any material misstatements. This means that the checklists should address verifications on: the correctness of the application for reimbursement, the eligible period, compliance with the approved project, compliance with the approved financing rate (where applicable), compliance with the relevant eligibility rules and Community rules on public procurement, State aid, environment, publicity and equal opportunity requirements, the reality of the project, including physical progress of the product/service and compliance with the terms and the conditions of the grant agreement, <u>the expenditure declared and of the existence of audit trail.</u>	2						2	1		2	2		2		2	2	2	1	2	2	1
(11.) The administrative verifications regarding the expenditure in a particular statement <u>should be completed before certification.</u>	1						1				1				1	1	1	1	1	1	1
(12.) All applications for reimbursement submitted by beneficiaries should be subject to administrative verifications and should include an examination of both the claim itself and the relevant supporting documentation attached.	2						1				1				2	2	1	1	1	1	2
(13.) The on-the-spot verifications should be undertaken when the project is well under way, both in terms of physical and financial progress (e.g. , for training measures).	2						2				2		1		2	2	2	2	1	2	2
(14.) Evidence should be kept of: the administrative verifications and the on-the-spot verifications, including the work done and the results obtained, the follow-up of the findings detected.	2						1				1		1	1	1	1	1	1	2	1	1
(15.)* Where on-the-spot verifications are not exhaustive, the sampling of operations should be based on an adequate risk assessment and the records should identify the operations selected, describe the sampling method used and provide an overview of the conclusions of the verifications and the detected irregularities.	2						1				1				1	1	1	1	2	1	1
(16.)* The existence of procedures approved by the managing authority to ensure that the certifying authority receives all necessary information on the verifications carried out for the purpose of certification.	1						1				1				1	1	1	1	1	1	1
Key requirement 5: Adequate audit trail	2	1	1			1	1	1		1	2	1	1	1	2	1	1	1	1	1	2
(17.) The accounting records for operations should be kept at the appropriate management level and should provide detailed information on expenditure actually incurred in each co-financed operation by beneficiary. The accounting system enables both the beneficiaries and the other bodies involved to be identified together with the <u>justification for the payment.</u>	2						1				2				1	1	1	1	1	1	1
(18.) The technical specifications and financial plan of the operation, progress and monitoring reports, documents concerning application, evaluation, selection, grant approval and tendering and contracting procedures and reports on inspections of the products and services co-financed should also be kept at an appropriate management level.	1					1	1	1		1	1	1	1	1	1	1	1	1	1	1	1
(19.) The managing authority should verify whether the beneficiaries maintain either a separate accounting system or an adequate accounting code for all transactions relating to the assistance which allows for verification of (1) the correct allocation of expenditure only partly relating to the co-financed operation and (2) certain types of expenditure which are only considered eligible within certain limits or in proportion to other costs.	2						1				1				1	1	1	1	1	1	2
(20.)* Procedures should be in place to ensure that all documents required to ensure an adequate audit trail are held in accordance with the requirements of Article 90 of Regulation 1083/2006; i.e. regarding availability of documents.	2					1	1	1		1	1	1	1	1	2	1	1	1	1	1	1
(27.) Adequate accounting records should be maintained in computerised form of expenditure declared to the Commission	1	1	1																		
(28.) The audit trail within the certifying authority should allow reconciliation of the expenditure declared to the Commission with the expenditure statements received from the managing authority/intermediate bodies MA/IBs.	1	1	1																		
Key requirement 6: Reliable accounting, monitoring and financial reporting systems in computerised form	2	1	1		1	2	1	1		-	2	1	1	1	2	1	-	2	2	1	2

**Summary of Assessment by Key Requirement and Assessment Criteria
for period from 01.07.2010. to 30.06.2011.**

Annex 1.

[illegible]

Summary of Assessment by Key Requirement and Assessment Criteria for period from 01.07.2010. to 30.06.2011.

Annex 1.

Key requirement 4 (Procurement Monitoring Bureau): The existence of procedure for performing ex-ante sample checks of procurement documents and procedures in accordance with the Republic of Latvia and the EU laws and regulations.																				
(LV 19.1.) Well grounded and determined sample.																				
(LV 19.2.) The legal status of the check result is defined.																				
(LV 19.3.) The existence of the detailed procedure for performance of checks.																				
Key requirement 2 - Audit authority: Adequate systems audits				2																
The audit scope should be in accordance with the audit strategy and be focused on the key requirements of the management and control systems in the relevant bodies (managing authority, certifying authority and intermediate bodies).				2																
There should be effective procedures for monitoring the implementation of recommendations and corrective measures resulting from audit reports which can be demonstrated to the Commission.				2																
There should be qualitative and/or quantitative evidence present to allow for verification of the establishment of the assurance level which has been obtained from the systems.				1																
Key requirement 3 - Audit authority: Adequate audits of operations				2																
A description of the approved methodology should exist, including the parameters for sampling set in accordance with Annex IV of R. 1828, the statistical sampling method, the results and the degree of confidence obtained from the systems audits, including the planned materiality level.				2																
The audits of operations should be carried out in accordance with the audit strategy approved by the Commission and should be updated annually.				2																
Verification should be done, based on adequate and complete checklists, of the legality and regularity of expenditure subject of audit				2																
In cases where problems detected appear to be systemic in nature, the audit authority should ensure that further examination is carried out to establish the scale of such problems.				1																
The existence of effective procedures for monitoring the implementation of recommendations and corrective measures arising from audit reports should be demonstrated to the Commission.				1																
(48)* Where the projected error rate is above the materiality level for an operational programme, the audit authority should analyse its significance and take the necessary action.				-																
Key requirement 4 - Audit Authority: Adequate annual control report and audit opinion				2																
(50)* Information provided to the Audit authority for preparation of the Annual control Report complies with the requirements of the Single Audit Strategy and results of audits.				2																
TOTAL ASSESSMENT OF INSTITUTION	2	1	2	2	2	2	2	2		2	2	2	2	1	2	2	2	2	2	2

Pamatprasību/kritēriju vērtējums iedalās 4 kategorijās:

- **1** – Works well; only minor improvements needed. There are no deficiencies or only minor deficiencies found. These deficiencies do not have any significant impact on the functioning of the key requirements / authorities / system.
- **2** – Works, but some improvements are needed. Some deficiencies were found. These deficiencies have a moderate impact on the functioning of the key requirements / authorities / system.
- **3** – Works partially; substantial improvements are needed. Deficiencies were found that have led or may lead to irregularities. The impact on the effective functioning of the key requirements / authorities / system is significant.
- **4** – Essentially does not work. Numerous deficiencies were found which have led or may lead to irregularities. The impact on the effective functioning of the key requirements / authorities / system is significant – it functions poorly or does not function at all. The deficiencies are systemic and wide-ranging.