

Closure and Risks management

*Organising the closure in an efficient manner
and preparing risk-based verification methodology*

13-15 March 2024

Roma

By Franck SOTTOU and/or Goran ZAKANJI



Franck Sottou

Senior International Management and Control Expert

- Key international Expert
 - Management and control systems
 - Indicators and performance measurement (data collection)
 - Simplification and economical, social and environmental strategies
- Former Head of TA Team
 - Programming, negotiations with EC, management & control systems
- Trainer and Consultant for European Institutions, Managing and Certifying Authorities, IB and Implementing Agencies
- Currently working for Member States for technical assistance
 - Design of logframes and selection of indicators
 - Calculation and implementation of SCOs
 - Recommendations about simplification and efficiency of systems



Goran ZAKANJI

Audit Authority – Head for ESF, FEAD and ERASMUS+

- Trainer on audit, internal controls and sampling
- International Expert:
 - Support to development of an effective internal control and audit environment in public sector in Moldova
 - Further development and strengthening of the organizational, administrative and technical capacities of the Audit Authority of Macedonia
 - Implementation of a modern Financial Management and Control System and Public Financial Inspection in Albania
 - Support to the capacity building of the Audit Authority, Serbia
 - Technical Assistance and Information Exchange instrument of the European Commission (TAIEX) expert
 - Strengthening of Audit Authority of Montenegro
 - TAIEX expert
- Member of the EC working group «Increasing efficiency of audit activities by making best use of management verifications»

Closure and Risks management

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DAY 1: Getting ready for closure

Registration

9.00 to 9.30am

Morning session

9.30am to 12.30pm

10:30 Break

Step 1: Introduction and overview

- Preparation of Management Declarations of assurance by MA
- Sampling of management verifications: risk assessment and (non)statistical
- Methodology for supervision of delegated tasks
- Outputs and results and indicators
- Respect of selection criteria and key requirements
- Condition for payment and adjustments of contracts, Audit trails

Lunch from 12:30pm to 2:00pm

Afternoon session

2.00pm to 4.30pm

15:30 Break

Step 2 : Detection and corrections

- Main irregularities in accounting 2019/2020/2021
- Specific checks on Public Procurement and State aid
- Fraud indicators and red flags
- Overview of the new EC guidance

Step 3 : Specific and sensitive issues

- Non-functioning projects
- Phasing out
- Reporting on outputs and results
- Non eligible projects and expenditures

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DAY 2: Focusing on key and new risks

Registration

9.00 to 9.30am

Morning session

9.30am to 12.30pm

10:30 Break

Step 4: Review of risks methods and sampling

- Type of sampling : operations, Payment Claims
- Sampling of expenditures within Payment claims
- Specific OTS checks
- Systemic errors
- Reaction to errors and size of sampling
- Specific control risks at IB/MA levels
- Random checks or not?

Lunch from 12:30pm to 2:00pm

Afternoon session

2.00pm to 4.30pm

15:30 Break

Step 5 : New risks related to SCO

- Respect of methodologies
- Specific checks on payment conditions
- Contract changes
- Overview of the new EC guidance

Step 6 : Specific risks

- Double financing
- Non-tangible projects
- Public procurement
- State aid

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DAY 3: Getting mutual understanding with Audit Authority

Morning session

9.00am to 12.30pm

Step 7: the Audit Authority approach

- Legal and methodological framework
- Lessons learnt from the previous closure:
 - ✓ What remains the same and what is different?
- Audit Strategy for closure and cooperation with other authorities
- Challenges in the closure process

Lunch from 12:30pm to 2:00pm

Afternoon session

2.00pm to 4.30pm

Step 8 : the key issues and final corrections

- Activities in the last audit cycle
- Calculation of TER
- Additional audit procedures:
 - ✓ Testing the closure of operations
 - ✓ Testing the achievement of indicators
 - ✓ Testing the phased operations
 - ✓ Testing the non-functioning operations
- Treatment of irregularities in the final accounting year
- Special activities for closure of financial instruments
- Additional disclosures in the Annual Control Report

Final key points & Action Plan

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Days	Total net amount €	Discounts	Including
Face-to-face			
3-day	1 435,00	15% early registration (up to 2 months before the event) ; 10% for 2 or more participants from the same institution	Training material, breaks, lunches, full access to ETCP platform and quizzes, certificate of qualification
discounted 10%	1 291,50		
discounted 15%	1219,75		

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www.etcpc.fr

ETCP | European Training Centre in Paris

102, avenue des Champs-Élysées, 75008 Paris – France | + 33 (0) 6 71 62 40 25

contact@etcpc.fr

National identification : 519 917 405

APE code: 5811Z

VAT : FR84519917405