



Ireland's European Structural and Investment Funds Programmes 2014-2020

Co-funded by the Irish Government and the European Union



EUROPEAN UNION

Investing in your future

European Social Fund



An Roinn Gnóthaí Fostaíochta agus Coimirce Sóisialaí
Department of Employment Affairs and Social Protection



government supporting communities



Ag tacú le daoine óga atá faoi mhíchumas barr a gcumais a bhaint amach
Supporting young people with disabilities reach their potential



Ability is co-financed by the Irish Government and the European Social Fund as part of the ESF Programme for Employability, Inclusion and Learning 2014-2020.

Financial requirements Ability

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Financial requirements

- Receipt of Multi Annual Grant – 2018/19, 2019/20 & 2020/21
 - Payment Cycle
- Financial Returns
 - Reporting Cycle
 - Categories of costs – Direct, Programme, Capital & Overheads
 - Supporting documentation
- Budget amendments
- Audit and Verification
- AFS Submission
- Maintenance of Books and Records

Receipt of Multi Annual Grant

- 3 year contract with annual allocations in year 1, 2 & 3
- Payments:
 - Year 1 & 2 – payments will encompass 70%, 30% of yearly allocation in advance
 - Year 3 - payments will encompass 70%, 20% of yearly allocation in advance with up to 10% in arrears on completion of final return.
- Payments will be made available for d/down when sufficient spend has been reported to trigger release of next instalment
 - 50 % of last instalment and 100% of all others must be reported
- Allocations to be paid for year 2 & 3 will be adjusted to reflect unspent monies in prior years

Receipt of Multi Annual Grant

- 1st Payment requirements
 - Signed Contract / Grant Agreement submitted
 - Compliance with pre-contract / pre-payment conditions
 - Provision of TCAN – Tax Clearance Access Number- previously Tax Clearance Certificate and TRN – Tax Reference Number
 - Bank Details Form – provide bank statement header as supporting evidence

Receipt of Multi Annual Grant

- Reporting cycle of 6 month intervals over the lifetime of the grant
 - First reporting period will be 31/12/2018
 - Subsequent periods of 1st July and 31st December per annum until completion 1st July 2021
- Returns will be submitted on either a portal using an Excel template or on CRM – TBC
- All returns will require supporting data for verification of spend declared (payroll reports, invoices, bank statements)

Categories of Cost : Direct Costs - Direct Staff

- Recruitment should reflect additional posts to deliver the Ability project
- Internal recruitment - position vacated should be back filled
- Direct Staff
 - Job description and letter of Appointment must reference
 - Duties , hourly rate, hours per week, Annual Salary and % of time on ability
 - Part time working on Ability/other
 - Clearly sets out their hours and hourly rate
 - Any deviation must be reviewed with a revised Job description
 - Allocated part of their working duties to Ability
 - Where hours and percentage of time vary on Ability, this needs to be recorded on timesheets and maintained
 - If a different hourly rate is applied for Ability from other duties, this needs to be reflected on supporting documentation (letter of appointment, job descriptions)

Direct Costs – Direct Staff

- Returns
 - Separate entry for each employee
 - The system will generate a unique employee reference number (UERN) for that person
 - Combines Company URN + Employee Payroll number per your records
 - IE Co. URN is 123456U Employee payroll number is 00121
 - UERN generated is 123456U-00121
 - If you don't have a payroll number for each employee on your payroll system, create a number and reference this on all employee documentation
 - This number must remain the same for the lifetime of this employment

Direct Costs – Direct Staff – Returns

- Please disclose for each person
 - Gross Pay
 - Employers PRSI Contribution
 - Employers Pension
 - Hours worked in total
 - Hours worked on Ability

Date of Expenditure	Period	Description	Budget Category	Sub Heading	Invoice/Payroll Number	URN - Pay Number	Invoice Amount	Gross	Employers PRSI	Pension	Total Cost of employment	Hours Worked	Hours Worked on Ability
01/08/2018	Period 1	Joe Bloggs	Direct_Staff_Costs	Direct Staff Salaries	00121	123456U-00121		€25,000	€200	€450	€25,650	40	30

Direct Costs - Tutors/Facilitators - Returns

- Each tutor/facilitator should have a unique reference number i.e. Supplier code TUT001
 - 123456U-TUT001
- No employee or tutor should have the same reference code
 - Employee 1 123456U-001 ~~Tutor 1 123456U-001~~
- Invoice recorded should clearly outline the pay element relating to this cost - the applicable hourly rate & hours work on Ability
- All invoices should be claimed net of VAT- if you are vat registered and claim vat – if not vat registered then inclusive of VAT

Date of Expenditure	Period	Description	Budget Category	Sub Heading	Invoice/Payroll Number	URN - Pay Number	Invoice Amount
01/08/2018	Period 1	Tutors	Direct_Staff_Costs	External Consultants	TUT001	123456U-TUT001	€1,500

Returns – supporting documentation

- All direct cost claimed must have the following backup provided:
 - Payroll Report detailing gross pay, pension and PRSI - please ensure compliance with GDPR
 - Invoices for tutors/facilitators
 - Timesheets should be stored locally for verification purposes
- All programme costs where items are greater than €3,000 must present invoices as part of a complete return
- All capital costs must be supported by submitted invoices
- Overhead costs must also be disclosed and within the % on Budget templates and grant agreement

Budget Amendments

- Organisations are allowed to make changes to budget categories on each yearly allocation with an annual Budget change window
- Changes greater than €1,000 in a Budget Sub heading or any change between budget Categories (Direct Costs → Programme costs) requires prior approval by Pobal
 - For example: Telephone costs are anticipated as being less, however there is an additional cost to expected for Publicity/Information materials

	Budget Year 1 (2nd July 2018 - 1st July 2019)	Pobal Approved Change >€1000	Revised Budget	Rationale	Check
Staff recruitment costs	€ 1,000.00	€0	€ 1,000.00		
Travel and Subsistence for Direct Staff	€ 2,000.00	€0	€ 2,000.00		
Telephone costs for Direct Staff	€ 3,000.00	(€1,050)	€ 1,950.00		<u>Please explain Budget Changes in description</u>
Training/Facilitation/Career Guidance Materials	€ 4,000.00	€0	€ 4,000.00		
Accreditation costs	€ 5,000.00	€0	€ 5,000.00		
Design/Purchase of specialist vocational assessment tools/packages/materials	€ 6,000.00	€0	€ 6,000.00		
Publicity/Information materials (leaflets, posters, brochures)	€ 2,000.00	€1,050	€ 3,050.00		<u>Please explain Budget Changes in description column !!!!</u>

Budget Amendments - > €1,000

- Update budget change template
 - Provide rationale for changes
- Submit to your Development Officer in Pobal
- Await confirmation
- Spend in line with the change, once confirmation received

Budget Amendments

- Small budget changes of less than €1,000 can be made on the January – 1st July return submission in each year without prior approval from Pobal

	Budget Year 1 (2nd July 2018 - 1st July 2019)	Budgeted Change <€1000	Pobal Approved Change	Revised Budget Year 1
Telephone costs for Direct Staff	€ 3,000.00		(€1,050)	€ 1,950.00
Training/Facilitation/Career Guidance Materials	€ 4,000.00	(€300)	€0	€ 3,700.00
Accreditation costs	€ 5,000.00	€300	€0	€ 5,300.00
Design/Purchase of specialist vocational assessment tools/packages/materials	€ 6,000.00	(€200)	€0	€ 5,800.00
Publicity/Information materials (leaflets, posters, brochures)	€ 2,000.00	€200	€1,050	€ 3,250.00
Publicity - website development	€ 2,500.00		€0	€ 2,500.00
Venue Hire	€ 1,600.00	(€150)	€0	€ 1,450.00
Participant transport costs	€ 2,000.00	€150	€0	€ 2,150.00
Other	€ 600.00		€ -	€ 600.00
Direct Programme Costs	€ 29,700			€ 29,700

Annual Financial Statements (AFS)

- All Companies are contractually obliged to provide AFS's to Pobal.
These statements are required to be fully audited
- The AFS need to include :
 - Directors report
 - Auditors report
 - Profit and loss account, balance sheet,
 - Detailed Income and Expenditure for each programme funded
 - Circular 13 compliant DPER - Please ensure that your Auditor is aware of this requirement and setting out of this note

Audit / Verification

- You may be subject to audits by the Department of Education & Skills ESF Unit / Pobal
 - All books and records will be subject to review
 - Bank Statements, payroll records & reports, Invoices, Board meetings & minutes, timesheets, AFS's, Corporate Governance, Statutory compliance with revenue, CRO
- Audit report will be issued with recommendations and conclusions – Outcomes may include
 - Ineligible expenditure
 - Procedures & policies amendments

Financial controls protect your organisations property and reputation and minimises the risk of theft or error. It is the Board's responsibility to ensure there are good financial controls in place.

- Know the importance of allocating and separating out financial duties
- Keep cash, cheque books and personal information safe and secure
- Staff should have the appropriate level of financial skills
- Maintain a fixed asset register
- Keep all Board/Management Committee minutes, clearly document any decisions made at meeting
- An internal financial procedures manual should document the financial controls adopted by an organisation.
- Keep documented controls relevant and ensure staff understand their importance
- Be aware of the possibility of fraud – make staff aware of the policies in relation to reporting and detection of fraud

**For more detailed information refer to 'Managing Better Volume 2'
on the Pobal website**

Questions ?