



International Ombudsman Institute  
Institut International de l'Ombudsman  
Instituto Internacional del Ombudsman

# AUDIT GUIDELINES

for IOI Subsidies

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## 1. INTRODUCTION

The purpose of the Audit Guidelines is to advise members of the IOI on the procedures they need to follow when applying for subsidies. They also set out the rights and obligations of the Beneficiary.

The information made available below will be, whenever required, further developed and updated. Assistance can be sought from the General Secretariat, if necessary.

## 2. GENERAL INFORMATION

### 2.1. Contact Details

Mr Günther Kräuter  
IOI Secretary General  
Tel.: +43 (0)1 512 93 88 - 203  
ioi@volksanw.gv.at

Ms Ulrike Grieshofer  
Head of Secretariat  
Tel.: +43 (0)1 512 93 88 - 203  
ioi@volksanw.gv.at

Ms Ursula Bachler  
Administrator  
Tel.: +43 (0)1 512 93 88 - 201  
ioi@volksanw.gv.at

## 3. SELECTION AND APPROVAL OF REGIONAL SUBSIDIES

### 3.1. Selection of regional subsidies

Applications are submitted through tender for IOI regional subsidies that are launched on the homepage of the IOI (<http://www.theioi.org/news>). All applications have to be submitted to the General Secretariat by using the official application template, which can be obtained from the General Secretariat.

The completed application form provides the basis for the decision of the Board of Directors and forms an integral part of the Subsidy Contract.

Each section of the application form provides the applicant with additional guidance on how to properly fill in the information required. Application forms have to be submitted in line with the time frame given on the homepage of the IOI (usually 2 months after the announcement for tender). Incomplete application forms will be excluded from the further application procedure and therefore not presented to the Board of Directors.

The evaluation is performed by the General Secretariat in consultation with the Regional Presidents. Every project proposal received will be checked against the following criteria:

- Contribution of the project to increase regional visibility of the IOI
- Applicants technical and operational capacity
- Quality of the outputs and sustainability of the achieved results
- Budget and cost effectiveness
- Applicant has not received any regional subsidy or other financial support by the IOI yet
- Considering the particular needs of the respective region
- Strengthening the capacity and capability of offices
- Broader impact and wider application for the IOI community

- No subsidy of less than 2000 Euro should be awarded

In order to prevent administering too many projects, each region can receive subsidies for a maximum of two projects. However, if one or more regions do not submit any applications, these unclaimed funds can be used to support an additional meritorious project in a different region.

Only applications fulfilling the list of criteria will be further considered and be presented to the Board of Directors by the means of a shortlist.

### 3.2. Approval of project proposals

The applications can be approved, approved under conditions or not be approved. On the basis of the results of the assessment, subsumed in the recommendations by the Secretary General, approval of projects will be made by the Board of Directors. Following paragraph (4) of Article 13 of the By-Laws, the Executive Committee is also entitled to approve projects below EUR 10,000 in case the Board is not in session.

All Applicants will receive a notification letter from the Secretary General informing about the decision of the Board/Executive Committee and the reasons for approval or rejection of project applications. Furthermore the conditions for the approval are laid down in detail.

### 3.3. Subsidy Contract

Should the project be selected for funding and fulfil the conditions set by the Board/Executive Committee, a Subsidy Contract between the IOI and the Beneficiary institution will be concluded. A model subsidy Contract is attached (Annex 2).

The Subsidy Contract will provide the project applicant with all the necessary implementing rules for a project. The following subjects are covered:

- Contracting Parties and Legal framework
- Purpose of the Subsidy Contract
- Maximum amount of funding
- Procedure related to submission of project reports, final reports and financial reports
- Procedure related to requests for payments
- General conditions for the reimbursement of expenses
- Necessary accounting documentation and indication of the archiving period of all project-related supporting documents
- Publicity, ownership (including dissemination rights)
- Data protection
- Rights and obligations of the Contracting Parties
- Annexes (integral part of the Subsidy Contract):

The IOI member institution will receive an individualized Subsidy Contract from the General Secretariat which should then be signed by its legal representative and sent back to the IOI. Please be aware that all amendments to the contract have to be made in writing to be effective. All received Subsidy Contracts will be checked on conformity by the General Secretariat and finally countersigned by the Executive Committee after approval by the Board. The original Subsidy Contract will be kept at the premises of the General Secretariat; the IOI member institution will receive a copy of the signed Subsidy Contract.

## 4. IMPLEMENTATION OF REGIONAL PROJECTS

### 4.1. Start and completion

The implementation of the regional project for which the subsidy was granted shall start within 12 months and completed within 24 months after the granting of the subsidy.

In case these deadlines are not met, the General Secretariat reserves the right to withdraw the subsidy granted. 4

## 4.2. Reporting Procedure

The Beneficiary must inform the General Secretariat about the envisaged start and termination of the project and any delays in the implementation of the project.

Within 12 months after the granting of the subsidy the Beneficiary is obliged to provide information whether the project was started.

Within 18 months after the granting of the subsidy the Beneficiary is obliged to submit a progress report. A progress report is not obligatory if the subsidy does not exceed EUR 3,000 or if the project will be completed within 12 months.

Within 24 months after the granting of the subsidy the Beneficiary is obliged to submit a final report (see 4.1.2.).

### 4.2.1. Progress Report

The Beneficiary is obliged to submit a progress report (not applicable if the project will be completed within 12 months or the subsidy granted does not exceed EUR 3,000, see above 4.2.) and a final report to the General Secretariat. The aim of the progress report is to provide the General Secretariat with an overview on the project's progress including financial information.

The deadline for the submission of the progress report is 18 months after the granting of the subsidy. This deadline is the latest possible date for the submission of the progress report. The Beneficiary can request a postponement of the reporting deadline in advance from the General Secretariat. In this case, the beneficiary has to adequately explain the reasons that led to changes in the schedule. The postponement shall be limited to a maximum of 6 weeks. Without prior approval, the General Secretariat reserves the right to reallocate the funds.

The progress report must be submitted in electronic version to the General Secretariat. The receipt of the progress report will then be confirmed by the General Secretariat via email.

### 4.2.2. Final Report

The final report<sup>1</sup> consists of an activity report and a financial report. The aim of the final report is to provide the General Secretariat with information on the project implementation and the proper use of IOI funds.

The Financial Report shows all expenditure in EUR occurred during the project period and is accompanied by the following attachments as appropriate:

- List of declared expenditure<sup>2</sup> (according to Subsidy Contract)
- Copies of invoices for every claimed expenditure according to the list of expenditures
- Bank account statements / proof of payment for each invoice
- Copies of subcontracts and copies of all contracts with external experts relevant to IOI funding
- Proof of delivery of services: studies, brochures, newsletters, minutes, participant lists, analysis, travel ticket
- Any other documentation that may be important for the review of the expenditure declared
- Information on revenue generated through the project

In addition, the General Secretariat is entitled to request any other relevant information as well. All attachments will be examined by the General Secretariat.

The deadline for the submission of the final report is 24 months after the granting of the subsidy. Payments will not be considered unless the final report is submitted by the Beneficiary.

The final report as well as the attachments must be submitted via email to the General Secretariat. The receipt will then be confirmed by the General Secretariat via email.

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<sup>1</sup> Final Report – Annex 4.

<sup>2</sup> List of declared expenditure – Annex 5

## 5. VERIFICATION OF PROJECTS

After submission, the final report is subject to checks by the General Secretariat.

The General Secretariat will check the completeness of the submitted report and its attachments and evaluate its content according to the eligibility rules. In case of significant errors, the General Secretariat will contact the Beneficiary and ask for clarification.

## 6. GENERAL RULES FOR THE IMPLEMENTATION OF IOI SUBSIDIES

### 6.1. Project Budget

The approved project budget in the subsidy contract shows the total budget and is divided into different cost factors. As the total budget constitutes the maximum level of funding, minor budget modifications between specific cost factors are normally allowed subject to consultation with the General Secretariat.

The General Secretariat will seek advice from the Treasurer or even the Executive Committee in respect of reallocation of a major magnitude.

### 6.2. Revenues

Revenues generated during project implementation (participation fees, sale of products etc.) have to be deducted from the eligible expenditure and will therefore reduce the amount of IOI subsidy.

### 6.3. Conversion Method – Foreign Currency into Euro

The Beneficiary is obliged to claim the project expenditure in Euro. We recommend using the following method for the conversion of national currency in Euro:

- The market exchange rate of the day the invoice was actually paid.
- For payments via credit card, the invoiced amounts are converted at the exchange rate of the credit card debit date.

### 6.4. Payments in advance/Interim payments

In general, regional subsidies are transferred after project implementation and after the completion of an internal control procedure. Only in duly justified cases and only after specific approval of the Treasurer, the General Secretariat is enabled to transfer the funds during the project implementation phase. The transfer of funds will be executed on the basis of the account information given in Annex 2 of the Subsidy Contract.

## 7. ELIGIBILITY RULES

Expenditure will be considered eligible for funding if the following general and specific eligibility rules (for each category of expenditure) are respected.

Where a regional subsidy is granted for a specific service such as travel, accommodation, translation, the eligibility rules shall only apply to this specific part.

### 7.1. General Eligibility Rules

Expenditure is generally seen as eligible, if:

- It was actually paid and incurred solely for the implementation of the approved project
- It incurred according to the time frame set in the Subsidy Contract
- It seems adequate and essential for the project implementation

- It is directly linked to project activities
- It was spent in an economic, efficient and effective way
- It respects visibility rules
- It is not funded by other institutions/sponsors

Expenditure is not seen as eligible if the principles of economy, efficiency and effectiveness were not respected.

#### 7.1.1. Visibility Rules

IOI member institutions shall ensure the visibility of the IOI in all measures funded by the IOI. To do so, all information and publicity measures have to include the IOI logo and mention the sponsorship. The logo can be requested directly from the General Secretariat.

Please be aware that a lack of conformity with the visibility rules may cause ineligible expenditure. In the event of uncertainty, please contact the General Secretariat for clarification.

#### 7.1.2. Principle of cost efficiency – Adequacy of costs

It is essential that the principle of cost efficiency is guaranteed for purchased goods and services, independently from public procurement rules. Where appropriate (with regard to the contracted amount and the nature of the purchased service), it is therefore necessary to collect competing bids. The contract has to be awarded to the best bidder.

### 7.2. Specific Eligibility Rules

#### 7.2.1. Travel and Accommodation

All travel and accommodation costs as well as allowances can be subsumed in this cost category. The following documents must be provided by the Beneficiary:

- Copies of invoices
- Proof of payment and proof of reimbursement to the employee (if applicable)
- Supporting documents (invitations, list of participants, presentations, photo documentation, minutes, boarding pass)

In addition to the documents described above, the Beneficiary has to respect the following rules:

- All expenditures must be clearly borne by the Beneficiary.
- According to the principle of cost-efficiency, the most cost-effective means of transportation and hotel shall be used. Business or first class tickets, as well as 5 star accommodations are not eligible except where these forms of travel and accommodation are more cost-efficient (for ex. special offer) than economy tickets or 4 star accommodations.
- Only expenditure directly linked to the project objectives is eligible. Private expenditures (for ex. expenses for private telephone calls, on demand television in hotels) cannot be reimbursed.
- The duration of the mission has to be consistent with its purpose.

#### 7.2.2. External Expertise

The cost category External Expertise relates to all outsourced services, which are based on contracts or written agreements. Normally certain project tasks as studies, surveys or translation are carried out by external experts. The following documents must be provided by the Beneficiary:

- Copies of invoices – in detail with reference to the contract or written agreement
- Proof of payment
- Evidence of the service provided (deliverables)

Please be aware that all deliverables (if applicable) have to respect the visibility rules.

#### 7.2.3. Office Supplies

The cost category Office Supplies subsumes all expenses related to consumable purchases as for ex. paper or stationary. The following documents must be provided by the Beneficiary:

- Copies of invoices
- Proof of payment

#### 7.2.4. Press and Public Relation

This cost category covers all expenses related to inserts in newspapers, leaflets, brochures, events etc. The following documents must be provided by the Beneficiary:

- Copies of invoices
- Proof of Payment

These expenses are only eligible if the visibility rules (please refer to Section 7.1.1) were respected.