



**EUROPEAN COMMISSION**  
Information Society and Media Directorate-General

**External Audit**  
**The Head of Unit**

Brussels,  
INFSO-02/FD/RB/GVC/mp D(2011)

**REGISTERED MAIL**

**Subject:** **Financial desk control of**

**Our reference:**

**Contact person:** Mr Gregory Van Caenegem, Auditor in charge  
Phone: (+32-2) 295 96 13; Fax: (+32-2) 296 10 94  
E-mail: Gregory.VAN-CAENEGEM@ec.europa.eu

Dear Madam, dear Sir,

I hereby inform you that the European Commission has decided to carry out a financial desk control on the financial statements presented by your organisation relating to the research contracts detailed below. As you are aware, the possibility of such controls is foreseen in accordance with Article II.26 of the general conditions of the FP5 Model Contract.

The relevant contracts to be controlled are:

The financial desk control will be conducted within the premises of the European Commission by Commission officials of the Information Society and Media Directorate General, unit O2 (External Audit).

Mr. Gregory Van Caenegem is the responsible official in charge of the conduct of this financial desk control.

In order to enable the European Commission to carry out this financial desk control, you are requested:

- (1) to provide Mr. Gregory Van Caenegem **within 15 days of receipt of this letter** the details of the relevant contact person within your organization for the completion of the assignment – including her/his full name, E-mail, phone number and fax number;
- (2) to provide Mr. Gregory Van Caenegem **within 15 days of receipt of this letter** with the documents set out in Annex I of this letter for all the projects mentioned above.

According to Article II.26 of the FP5 Model Contract, you are required to make available to any representative of the Commission all detailed information and data that is relevant for the financial desk control. The non-provision of such information would be regarded as a failure to substantiate costs and, consequently, as a potential breach of the contract.

Please note that the final results of the financial desk control will be distributed to the relevant Commission services in order for these to make the necessary adjustments to the costs claimed. These adjustments, if in favour of the Commission, could result in the issuance of a recovery order for all amounts overpaid.

If you should have any questions concerning the nature, probable timing or any other matter relating to the financial desk control, please contact directly the auditor in charge.

Yours sincerely,

Freddy Dezeure

Enclosure:           Annex 1: Required supporting documents

## Annex I: Required supporting documents

1. Detailed breakdown of costs supporting the Financial Statement (Form C) submitted to the Commission per cost categories, specifying the type of activity to which they relate to and, where applicable, the resources provided by a third party – ( <b>Note:</b> this breakdown should include the relevant accounting codes/reference numbers to allow for reconciliation between the statements sent to the Commission and the contractor's financial records as extracted from the accounting system. Should the contractor identify an eventual discrepancy between the amounts declared and supported, the breakdown to be provided should identify the elements motivating the difference)
2. General ledger as extracted from the accounting system to be used for reconciliation purposes as referred to in point 1 for all financial years covering the project periods.
3. Detail of hours and related personnel costs claimed by individual / project.
4. Employment contracts for all (permanent and temporary) project personnel
5. Payroll/Salary slips for all project personnel
6. Calculation of hourly rates (i.e. gross remuneration plus related charges) for all personnel categories/project personnel
7. Certified time records for all project personnel claimed in the projects
8. (Standard) Productive hours calculation
9. Description of the methodology used for the calculation and allocation of indirect costs (including analysis of the cost categories included in the overhead
10. Reconciliation of the indirect costs with the profit & loss accounts (P&L)/general ledger
11. Any commercial agreement related to the implementation of the controlled project.



**EUROPEAN COMMISSION**  
Information Society and Media Directorate-General

**External Audit**  
**The Head of Unit**

Brussels, **16. 05. 2011**  
INFSO-02/FD/RB/GVC/mp D(2011)

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In order to enable the European Commission to carry out this financial desk control, you are requested:

Commission européenne, B-1049 Bruxelles / Europese Commissie, B-1049 Brussel - Belgium. Telephone: (32-2) 299 11 11. Office: BU25 6/72. Telephone: direct line (32-2) 2981318. Fax: (32-2) 2920125.

E-mail: freddy.dezeure@ec.europa.eu

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