**DECISION DIR/RB(2014)01414**

**Detailed rules for the implementation of the Financial Rules**

REFERENCE: Decision DIR/RB(2014)0032, Commission Delegated Regulation (EU) No 1268/2012

# DECISION

# OF THE GOVERNING BOARD

# OF THE EUROPEAN CENTRE FOR THE DEVELOPMENT OF VOCATIONAL TRAINING

## (DIR/RB(2014)/01287)

## of 03 June 2014

## laying down detailed rules for the implementation of the Financial Rules applicable to Cedefop (Decision DIR/RB(2014)00032 of 9 January 2014)

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THE GOVERNING BOARD OF THE EUROPEAN CENTRE FOR THE DEVELOPMENT OF VOCATIONAL TRAINING

Having regard to Council Regulation (EC) No 337/75 of 10 February 1975 establishing a European Centre for the Development of Vocational Training,

Having regard to Council Regulation (EU, Euratom) No 966/2012 of 25 October 2012 on the Financial Rules applicable to the general budget of the Union (hereinafter "the general Financial Regulation") and in particular Article 208 thereof,

Having regard to the Commission Delegated Regulation (EU) No 1268/2012 of 31 December 2012 on the rules of application of the general Financial Regulation,

Having regard to the Financial Rules of 9 January 2014, Decision DIR/RB(2014)00032 (hereinafter "the Financial Rules") applicable to the budget of the Centre, and in particular Article 113 thereof,

WHEREAS Decision DIR/2009/261 on the Financial Rules applicable to the European Centre for the Development of Vocational Training has been substantially amended and replaced by Decision DIR/RB(2014)00032. It is therefore necessary to align Decision DIR/2010/675 laying down detailed rules for the implementation of the Financial Rules. In the interests of clarity, it is necessary to replace Decision DIR/2010/675 with the present Decision,

WHEREAS it is appropriate for Cedefop to take up in the detailed rules for the implementation of its own Financial Rules all the corresponding provisions of the Commission's rules of application that are pertinent to it, subject to the few necessary adaptations to take account of its specific needs and features,

WHEREAS with regard to Procurement, Grants and Prizes the Financial Rules refer in their Articles 85, 90 and 91 to direct applicability to Cedefop of the relevant provisions of the general Financial Regulation and of its rules of application (Titles V, VI and VII respectively), therefore the corresponding Articles 121 to 215 of Commission Delegated Regulation (EU, Euratom) No 1268/2012 of 31 December 2012 do not need to be taken up in this Decision,

WHEREAS, in order to ensure legal certainty and consistency, as recommended by the Commission on 28 April 2014, this Decision shall apply retroactively as of 1 January 2014, same day as for the application of Decision DIR/RB(2014)00032,

WHEREAS the Commission, consulted in accordance with Article 113 of the Financial Rules, expressed a favourable opinion,

HAS DECIDED AS FOLLOWS:

# TITLE I
# SUBJECT MATTER

*Article 1*
*Subject matter*
*(Article 1 of the Financial Rules)*

This Decision lays down the detailed rules for implementing the Financial Rules applicable to the European Centre for the Development of Vocational Training (hereinafter referred to as "Cedefop" or "the Centre") (Decision RB(2014)00032), as foreseen in Article 113 thereof.

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 shall hereinafter be referred to as "the general Financial Regulation".

Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 shall hereinafter be referred to as "the rules of application of the general Financial Regulation".

*Article 2*
*Accounting for interest yielded on pre-financing (Article 9(4) FR)*

Provisions of these Rules concerning interest on pre-financing shall be without prejudice to the entry of pre-financing on the assets side of financial statements, as laid down in the accounting rules referred to in Article 94 of the Financial Rules.

# TITLE II
# BUDGETARY PRINCIPLES

## CHAPTER 1
## (CHAPTER 2 OF THE FINANCIAL RULES)
## PRINCIPLE OF ANNUALITY

*Article 3*
*Appropriations for the financial year*
*(Article 12(3) of the Financial Rules)*

The commitment appropriations and payment appropriations authorised for the financial year shall consist of:

(a) appropriations provided in the budget, including amending budgets;
(b) appropriations carried over;
(c) appropriations provided following the receipt of revenue assigned during the financial year or during previous financial years and not used.

*Article 4*
*Cancellation and carryover of appropriations*
*(Article 14(2) and (3) of the Financial Rules)*

1. The appropriations for staff expenditure referred to in Article 14(2) of the Financial Rules are those for remuneration and allowances for staff of Cedefop to which the Staff Regulations apply.

2. The commitment appropriations and the non-differentiated appropriations relating to building projects referred to in Article 14(3)(b) of the Financial Rules may be carried over only if the commitments could not be made before 31 December of the financial year for reasons not attributable to the authorising officer and if the preparatory stages are sufficiently advanced to make it reasonable to surmise that the commitment will be made by no later than 31 March of the following year, or 31 December for building projects.

3. The preparatory stages referred to in Article 14(3)(b) of the Financial Rules, which should be completed by 31 December of the financial year in order to allow a carryover to the following year, are in particular:

(a) for global commitments within the meaning of Article 69(3)(b) of the Financial Rules, the adoption of a financing decision or the closing by that date of the necessary consultations for the adoption of the decision;
(b) for individual commitments within the meaning of Article 69(3)(a) of the Financial Rules, the completion of the selection of potential contractors, beneficiaries, or prize winners.

4. Appropriations carried over in accordance with Article 14(3)(b) of the Financial Rules which have not been committed by 31 March of the following financial year or up to 31 December of the following year for amounts relating to building projects shall be automatically cancelled.

The Agency shall inform the Commission of the appropriations cancelled in this way within one month following the cancellation in accordance with the first subparagraph.

5. Appropriations carried over in accordance with Article 14(3) of the Financial Rules may be used until 31 December of the following financial year.

The accounts shall identify appropriations carried over in accordance with paragraphs 2 to 5.

## CHAPTER 2
## (CHAPTER 4 OF THE FINANCIAL RULES)
## PRINCIPLE OF UNIT OF ACCOUNT

*Article 5*

*Rate of conversion between the euro and other currencies*
*(Article 21 of the Financial Rules)*

1. Without prejudice to specific provisions arising from the application of sector-specific regulations, conversion by the responsible authorising officer shall be made using the daily euro exchange rate published in the C series of the Official Journal of the European Union.

Where conversion between the euro and another currency is to be made by the contractors or beneficiaries, the specific arrangements for conversion contained in procurement contracts, grant agreements or financing agreements shall apply.

2. In order to avoid that currency conversion operations have a significant impact on the level of Cedefop's co- financing or a detrimental impact on the Centre's budget, the specific arrangements for conversion referred to in paragraph 1 shall provide, if appropriate, for a rate of conversion between the euro and other currencies to be calculated using the average of the daily exchange rate in a given period.

3. If no daily euro exchange rate is published in the Official Journal of the European Union for the currency in question, the responsible authorising officer shall use the accounting rate referred to in paragraph 4.

4. For the purposes of the accounts provided for in Articles 100 to 105 of the Financial Rules and subject to Article 90 of these Rules, conversion between the euro and another currency shall be made using the monthly accounting rate of the euro. That accounting exchange rate shall be established by the Commission's accounting officer by means of any source of information he regards as reliable, on the basis of the exchange rate on the penultimate working day of the month preceding that for which the rate is established.

5. The results of the currency operations referred to in paragraph 4 of this Article shall be shown under a separate heading in the Centre's accounts.

*Article 6*
*Rate to be used for conversion between the euro and other currencies*
*(Article 21 of the Financial Rules)*

1. Without prejudice to specific provisions deriving from the application of sector-specific regulations, or from specific procurement contracts, grant agreements or grant decisions and financing agreements, the rate to be used for conversion between the euro and other currencies shall, in cases where the conversion is carried out by the responsible authorising officer, be that of the day on which the payment order or recovery order is drawn up by the authorising department.

2. In case of euro imprest accounts, the rate to be used for the conversion between the euro and other currencies shall be determined by the date of the payment by the bank.

3. For the reimbursement of flat-rate expenditure, or expenditure arising from the Staff Regulations of Officials of the European Union and the Conditions of Employment of Other Servants of the European Union (hereinafter: "Staff Regulations") which is fixed at a ceiling, and which is paid in a currency other than the euro, the rate to be used shall be that which is in force when the entitlement arises.

## CHAPTER 3
## (CHAPTER 5 OF THE FINANCIAL RULES)
## PRINCIPLE OF UNIVERSALITY

*Article 7*
*Structure to accommodate assigned revenue and provision of corresponding appropriations*
*(Article 23(6) of the Financial Rules)*

The structure to accommodate assigned revenue in the budget shall comprise:

(a) in the statement of revenue, a budget line to receive the revenue;
(b) in the statement of expenditure, the budget remarks, including general remarks, shall show which lines may receive the appropriations corresponding to the assigned revenue which are made available.

In the case referred to in point (a) of the first subparagraph, the fixed amounts shall be entered, accompanied as appropriate with remarks indicating their intended use; for the annual budgetary contributions from Associated States in particular, the amounts shall be calculated pursuant to Article 82 of the European Economic Area (EEA) agreement of 03/01/1994 and the protocol 32 detailing the financial modalities for applying this Article.

*Article 8*
*Charges entailed by acceptance of donations to Cedefop*
*(Article 24(2) of the Financial Rules)*

For the purposes of the authorisation of the Governing Board referred to in Article 24(2) of the Financial Rules, the Director shall estimate and duly explain the financial charges, including follow-up costs, entailed by the acceptance of donations made to Cedefop.

## CHAPTER 4
## (CHAPTER 7 OF THE FINANCIAL RULES)
## PRINCIPLE OF SOUND FINANCIAL MANAGEMENT

*Article 9*
*Evaluation*
*(Article 29(5) of the Financial Rules)*

1. All proposals for programmes or activities occasioning budget expenditure for which the overall estimated expenditure exceeds EUR 200,000 shall be the subject of an ex ante evaluation, which shall address:

(a) the legal basis, if applicable;
(b) the need to be met in the short or long term;
(c) the business case, the scope of the programme, project or activity, the policy and management objectives to be achieved and the link to Cedefop's priorities;
(d) the options available, including the risks associated with them, also including the option of no action and the priority (low/medium/high);
(e) the results and impacts expected, in particular economic, social and environmental impacts, and the indicators and evaluation arrangements needed to measure them;
(f) the most appropriate method of implementation for the preferred option(s);
(g) the internal coherence of the proposed programme, project or activity and its relations with other relevant programmes, projects or activities;
(h) the volume of appropriations, human resources and other administrative expenditure to be allocated to each proposal with due regard for the cost-effectiveness principle;
(i) the lessons learned from similar experiences in the past.

2. The proposal shall set out the arrangements for monitoring, reporting and evaluation, taking due account of the respective responsibilities of all levels of government that will be involved in the implementation of the proposed programme, project or activity.

3. All programmes, projects or activities, including pilot projects and preparatory actions, where the resources mobilised exceed EUR 500,000 shall be the subject of an interim and/or ex post evaluation in terms of the human and financial resources allocated and the results obtained in order to verify that they were consistent with the objectives set, as follows:

(a) the results obtained in carrying out a multiannual programme, project or activity shall be periodically evaluated in accordance with a timetable which enables the findings of that evaluation to be taken into account for any decision on the renewal, modification or suspension of the programme;
(b) activities financed on an annual basis shall have their results evaluated at least every six years.

Points (a) and (b) of the first subparagraph shall not apply to each of the projects or actions conducted within those activities, for which the requirement may be met by the final reports sent by the bodies which carried out the action.

4. The evaluations referred to in paragraphs 1 and 3 shall be proportionate to the resources mobilised for and the impact of the programme, project or activity concerned.

# CHAPTER 5
# (CHAPTER 8 OF THE FINANCIAL RULES)
# PRINCIPLE OF TRANSPARENCY

*Article 10*
*Publication of information on value and recipients of Union funds*
*(Article 31(4) of the Financial Rules)*

1. The following information shall be published unless otherwise provided in these Rules, taking into account the criteria set out in Article 31(4) of the Financial Rules:

(a) the name of the recipient;
(b) the locality of the recipient;
(c) the amount awarded;
(d) the nature and purpose of the measure.

For the purpose of point (b) the term 'locality' shall mean:
(i) the address of the recipient when the latter is a legal person;
(ii) Region/ Province/ State/ Prefecture/ other, where relevant on NUTS 2 (Nomenclature of Units for Territorial Statistics) level, i.e. 8 000 – 3 million inhabitants, when the recipient is a natural person.

As far as personal data referring to natural persons are concerned, the information published shall be removed two years after the end of the financial year in which the funds were awarded. The same shall apply to personal data referring to legal persons for whom the official title identifies one or more natural persons.

2. The information referred to in paragraph 1 shall only be published for contracts, grants and prizes which have been awarded as a result of public procurement procedures or grant award procedures or contests. The information shall not be published for:

(a) scholarships paid to natural persons, referred to in Article 125(4)(b) of the general Financial Regulation;
(b) contracts below the amount referred to in Article 137(2) of the rules of application of the general Financial Regulation.

3. The publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the recipients.

# TITLE III
# ESTABLISHMENT AND STRUCTURE OF THE BUDGET

## CHAPTER 1
## ESTABLISHMENT OF THE BUDGET OF CEDEFOP

*Article 11*
*Amending budgets*
*(Article 34 of the Financial Rules)*

Amending budgets shall be accompanied by statements of grounds and the information on the implementation of the budget for the preceding and current financial years available at the time of their establishment.

## CHAPTER 2
## STRUCTURE AND PRESENTATION OF THE BUDGET

*Article 12*
*Budget Nomenclature*
*(Article 36 of the Financial Rules)*

The budget nomenclature shall comply with the principles of specification, transparency and sound financial management. It shall provide clarity and transparency necessary for the budgetary process, facilitating the identification of the main objectives as reflected in the relevant legal bases, making possible choices on political priorities and enabling efficient and effective implementation.

*Article 13*
*Actual expenditure in the last financial year for which the accounts have been closed*
*(Article 37(2)(b) of the Financial Rules)*

For the purposes of establishing the budget, actual expenditure in the last financial year for which the accounts have been closed shall be determined as follows:

(a) in commitments: commitments entered in the accounts during the financial year against appropriations for that financial year as defined in Article 3;
(b) in payments: payments made during the financial year, that is to say, for which a payment order has been sent to the bank, against appropriations for that financial year as defined in Article 3.

# TITLE IV
# IMPLEMENTATION OF THE BUDGET

## CHAPTER 1
## GENERAL PROVISIONS

*Article 14*
*Information on transfers of personal data for audit purposes*

*(Article 39(2) of the Financial Rules)*

In any call made in the context of procurement, grants or prizes implemented in direct management, potential tenderers, beneficiaries, and candidates shall, in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council be informed that, for the purposes of safeguarding the financial interests of the Union, their personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office (hereinafter 'OLAF').

*Article 15*
*Delegation of budget implementation powers (Article 40(1) of the Financial Rules)*

1. The powers which the Authorising Officer delegates, allow the holders, in their capacity as authorising officers by delegation, to implement the budget by, in particular:

(a) making budgetary and legal commitments as well as carrying out the preliminaries for these commitments,
(b) validating and authorising expenditure,
(c) establishing amounts receivable (including making financial corrections), and issuing recovery orders, waiving recovery and cancelling established amounts receivable,
(d) taking individual decisions on the award of public procurement contracts, grants or prizes,
(e) proposing transfers of appropriations,
(f) selling assets placed under their responsibility.
The powers delegated may allow the authorising officer by delegation to carry out only some of the specific acts referred to above.

2. The tasks and responsibilities which are inherent to the position of the Authorising Officer may not be delegated, in particular:

(a) the general responsibility for implementing revenue and expenditure in accordance with the principle of sound financial management and for ensuring that the requirements of legality and regularity are complied with, in accordance with Article 44(1) of the Financial Rules;
(b) the general responsibility for putting in place the organisational structure and the internal management and control procedures suited to the performance of his duties, including where appropriate ex post verifications, in accordance with Article 44(2) of the Financial Rules;
(c) the obligation to take the necessary measures in the cases referred to in Article 48(1) of the Financial Rules concerning possible irregularities, bad financial management or failure to abide by professional rules;
(d) provision of the Consolidated Annual Activity Report (AAR) and the annexes thereto, in accordance with Article 47(1) of the Financial Rules;
(e) the waiving of amounts receivable exceeding EUR 5 000;

(f) the signing of loans to finance the acquisition of buildings under Article 88(5) of the Financial Rules;
(g) the signing of public contracts concluded jointly with Member States, EFTA Member States and candidate countries.

3. Without prejudice to paragraphs 1 and 2, the authorising officer may lay down in the internal rules detailed measures for the management of appropriations as he considers necessary for proper implementation of the budget.

*Article 16*
*Acts likely to constitute a conflict of interests and procedure*
*(Article 41(2) of the Financial Rules)*

1. Acts likely to be affected by a conflict of interests within the meaning of Article 41(2) of the Financial Rules may, inter alia, take one of the following forms without prejudice of their qualification as illegal activities under Article 141 of the rules of application of the general Financial Regulation:

(a) granting oneself or others unjustified direct or indirect advantages;
(b) refusing to grant a beneficiary the rights or advantages to which that beneficiary is entitled;
(c) committing undue or wrongful acts or failing to carry out acts that are mandatory.

Other acts likely to be affected by a conflict of interests are those which may impair the impartial and objective performance of a person's duties such as, inter alia, the participation in an evaluation committee for a public procurement or grant procedure when the person may, directly or indirectly, benefit financially from the outcome of these procedures.

2. A conflict of interest shall be presumed to exist if a tenderer, applicant or candidate is a member of staff covered by the Staff Regulations, unless his participation in the procedure has been authorised in advance by his superior.

3. In the event of a conflict of interests, the competent authority, as defined in Article 41(3) of the Financial Rules shall take appropriate measures to avoid any undue influence of the person concerned on the process or procedure in question.

# CHAPTER 2
# FINANCIAL ACTORS

## SECTION 1
## RIGHTS AND OBLIGATIONS OF THE FINANCIAL ACTORS

*Article 17*
*Rights and obligations of the financial actors*
*(Article 43 of the Financial Rules)*

Cedefop shall provide each financial actor with the resources required to perform his duties and a charter describing in detail his tasks, rights and obligations.

## SECTION 2
## AUTHORISING OFFICER

*Article 18*
*Assistance for authorising officers by delegation and sub-delegation*
*(Article 44(1) of the Financial Rules)*

The authorising officer responsible may be assisted in his duties by persons covered by the Staff Regulations (hereinafter «staff») entrusted, under his responsibility, with certain operations required for the implementation of the budget and production of the financial and management information. In order to prevent any conflict of interests, staff assisting authorising officers by delegation or sub-delegation shall be subject to the obligations referred to in Article 41 of the Financial Rules.

*Article 19*
*Transmission of financial and management information to the accounting officer*
*(Article 44(1) of the Financial Rules)*

The authorising officer shall send the accounting officer, in accordance with the rules adopted by the latter, the financial and management information required for the performance of the accounting officer's duties.

*Article 20*
*Report on negotiated procedures*
*(Article 44(1) of the Financial Rules)*

The authorising officer shall record, for each financial year, contracts concluded by the negotiated procedures referred to in points (a) to (g) of Article 134(1) and points (a) to (d) of Article 135(1) of the rules of application of the general Financial Regulation. If the proportion of negotiated procedures in relation to the number of contracts awarded by the same authorising officer by delegation increases appreciably in relation to earlier years, the authorising officer responsible shall report to the Governing Board setting out any measures taken to reverse that trend.

*Article 21*
*Management and internal control procedures*
*(Articles 30 and 44(2) of the Financial Rules)*

The management and internal control systems and procedures shall be designed to:

(a) achieve the objectives of the policies, programmes and actions of Cedefop in accordance with the principle of sound financial management;

(b) comply with the rules of Union law and minimum control standards established by the Commission;
(c) safeguard the institution's assets and information;
(d) prevent and detect irregularities, errors and fraud;
(e) identify and prevent management risks and manage them effectively;
(f) ensure reliable production of financial and management information.

*Article 22*
*Keeping of supporting documents by authorising officers*
*(Article 44(5) of the Financial Rules)*

The authorising officer shall set up paper based or electronic systems for the keeping of original supporting documents relating to and subsequent to budget implementation and budget implementation measures. The systems shall provide for:

(a) such documents to be numbered;
(b) such documents to be dated;
(c) registers, which may be computerised, to be kept identifying the exact location of such documents;
(d) such documents to be kept for at least five (5) years from the date on which the European Parliament grants discharge for the budgetary year to which the documents relate;
(e) keeping of documents relating to pre-financing guarantees for the Centre and of a log to enable such guarantees to be adequately monitored.

Documents relating to operations not definitively closed shall be kept for longer than provided for in point (d) of the first paragraph, that is to say, until the end of the year following that in which the operations are closed.

Personal data contained in supporting documents shall be deleted where possible when those data are not necessary for budgetary discharge, control and audit purposes.

*Article 23*
*Code of professional standards*
*(Articles 46(4) and 54(6) of the Financial Rules)*

1. The staff designated by the authorising officer responsible to verify financial operations shall be chosen on the grounds of their knowledge, skills and particular qualifications as evidenced by diplomas or by appropriate professional experience, or after an appropriate training programme.

2. The specific code of professional standards referred to in Article 46(4) of the Financial Rules shall determine, on matters of internal control:

(a) the level of technical and financial competence required of the staff referred to in paragraph 1;

(b) the obligation for such staff to undergo continuing training;
(c) the mission, role and tasks allocated to them;
(d) the rules of conduct, in particular the standards of ethics and integrity that they must comply with and the rights they enjoy.

3. Cedefop shall put in place the appropriate structures to distribute to authorising departments and update periodically appropriate information concerning the control standards and the methods and techniques available for that purpose.

*Article 24*
*Consolidated annual activity report (Article 47(1) of the Financial Rules)*

The consolidated annual activity report shall give an accurate description of:

(a) the achievement of the objectives for the year, in accordance with the principle of sound financial management;
(b) the financial situation and the events which have had a significant influence on activities during the year.

*Article 25*
*Failure of the authorising officer by delegation to take action (Article 48(1) of the Financial Rules)*

Failure by the director to take action, as referred to in Article 48(1) of the Financial Rules, shall mean the absence of any reply within a reasonable time given the circumstances of the case and, at all events, within a month at most.

*Article 26*
*Bodies responsible in matters of fraud (Articles 48(2) and 53(2) of the Financial Rules)*

The authorities and bodies referred to in Article 48(2) of the Financial Rules, shall be understood as the bodies designated in the Staff Regulations and the decisions of the Union institutions concerning the terms and conditions for internal investigations in relation to the prevention of fraud, corruption and any other illegal activity detrimental to the Union's interests.

## SECTION 3
## ACCOUNTING OFFICER

*Article 27*
*Termination of duties of the accounting officer (Article 50(1) of the Financial Rules)*

1. A trial balance shall be drawn up without delay in the event of termination of the duties of the accounting officer.

2. The trial balance accompanied by a handing over report shall be transmitted by the accounting officer who is terminating his duties or, if it is not possible, by a staff member in his department to the new accounting officer.

The new accounting officer shall sign the trial balance in acceptance within one month from the date of transmission and he may make reservations.

The handing over report shall also contain the result of the trial balance and any reservations made.

3. Cedefop shall inform the European Parliament, the Council and the accounting officer of the Commission within two weeks of the appointment or termination of duties of its accounting officer.

*Article 28*
*Methods of payment*
*(Article 50(1)(a) of the Financial Rules)*

Payments shall be made by bank credit transfer, by cheque or, from imprest accounts by debit card in accordance with the second sub-paragraph of Article 51 of the Financial Rules.

*Article 29*
*Legal Entities Files*
*(Article 50(1)(a) of the Financial Rules)*

1. The accounting officer may make payments by bank credit transfer only if the payee's bank account details and information confirming the payee's identity, or any modification, have first been entered in the "third parties" file of Cedefop.

Any such entry in the file of the payee's legal and bank account details or modification of those details shall be based on a supporting document, the form of which shall be defined by the accounting officer.

2. With a view to payment by bank credit transfer, authorising officers may enter into a commitment towards a third party on behalf of the Centre only if that third party has provided the documentation required for its entry in the file.

Authorising officers shall inform the accounting officer of any change in the legal and bank account details communicated to them by the payee and shall check that these details are valid before a payment is made.

*Article 30*
*Keeping of supporting documents by the accounting officer*
*(Article 50(1)(b)-(d) of the Financial Rules)*

Supporting documents for the accounting system and for the preparation of the accounts referred to in Article 92 of the Financial Rules shall be kept for at least

five years from the date on which the European Parliament grants discharge for the budgetary year to which the documents relate.

However, documents relating to operations not definitively closed shall be kept for longer, that is to say, until the end of the year following that in which the operations are closed.

Cedefop shall decide in which department the supporting documents are to be kept.

*Article 31*
*Validation of accounting and inventory systems*
*(Article 50(1)(e) of the Financial Rules)*

The responsible authorising officer shall notify the accounting officer of all developments or significant modifications of a financial management system, an inventory system or a system for the valuation of assets and liabilities, if it provides data for the accounts of Cedefop or is used to substantiate data thereof, so that the accounting officer can verify compliance with the validation criteria.

At any time, the accounting officer may re-examine a financial management system already validated.

Where a financial management system set up by the authorising officer is not or is no longer validated by the accounting officer, the responsible authorising officer shall establish an action plan in order to correct, in due time, weaknesses for which the validation has been rejected.

*Article 32*
*Treasury management*
*(Article 50(1)(f) of the Financial Rules)*

1. The accounting officer shall ensure that Cedefop has at its disposal sufficient funds to cover the cash requirements arising from budgetary implementation.

2. For the purposes of paragraph 1, the accounting officer shall set up cash management systems enabling him to draw up cash-flow forecasts.

*Article 33*
*Management of bank accounts*
*(Article 50(1)(f) of the Financial Rules)*

1. For the requirements of treasury management, the accounting officer may open accounts in the name of Cedefop with financial institutions or cause such accounts to be opened. In duly warranted circumstances, the accounting officer may open accounts in currencies other than the euro.

2. The accounting officer shall be responsible for closing accounts referred to in the paragraph 1 or for ensuring that such accounts are closed.

3. The accounting officer shall set the operating terms for accounts referred to in paragraph 1 with financial institutions, in accordance with the principles of sound financial management, efficiency and competitive tendering.

4. At least every five years the accounting officer shall re-launch competitive tendering between financial institutions with which accounts could be opened in accordance with paragraph 1.

5. The accounting officer shall ensure strict compliance with the operating terms for accounts opened with financial institutions in accordance with paragraph 1.

6. The accounting officer of the Commission shall inform the accounting officer of Cedefop on the operating terms of accounts opened with financial institutions. The accounting officer of the Centre shall harmonise, with those operating terms, the operating terms of the accounts they open.

*Article 34*
*Signatures on accounts*
*(Article 50(1)(f) of the Financial Rules)*

The terms governing the opening, operation and use of accounts shall provide, depending on internal control requirements, that cheques, bank credit transfer orders or any other banking operations must be signed by one or more duly authorised members of staff. Manual instructions shall be signed by at least two duly authorised members of staff, or by the accounting officer in person.

For the purposes of the first subparagraph, the accounting officer shall communicate to all financial institutions with which Cedefop has opened accounts the names and specimen signatures of the authorised members of staff.

*Article 35*
*Management of account balances*
*(Article 50(1)(f) of the Financial Rules)*

1. The accounting officer shall ensure that the balance on the bank accounts provided for in Article 33 does not deviate significantly from the cash-flow forecasts referred to in Article 32(2) and in any event:

(a) that none of those accounts is in debit;
(b) that the balance of accounts held in other currencies is periodically converted into euro.

2. The accounting officer may not maintain balances in foreign currency accounts which might cause excessive losses to Cedefop as a result of exchange rate fluctuations.

*Article 36*
*Transfers and conversion operations*
*(Article 50(1)(f) of the Financial Rules)*

Without prejudice to Article 40, the accounting officer shall conduct transfers between accounts opened in the name of Cedefop with financial institutions, and conduct currency conversion operations.

## SECTION 4
## IMPREST ADMINISTRATOR

*Article 37*
*Conditions of use of imprest accounts*
*(Article 51 of the Financial Rules)*

1. Where, owing to the limited amounts involved, it is materially impossible or inefficient to carry out payment operations by budgetary procedures, imprest accounts may be set up for the payment of such expenditure.

2. The imprest administrator may provisionally validate and pay expenditure, on the basis of a detailed framework set out in the instructions from the authorising officer responsible. Those instructions shall specify the rules and conditions under which the provisional validation and payments shall be carried out.

3. The creation of an imprest account and the appointment of an imprest administrator shall be the subject of a decision by the accounting officer, on a duly substantiated proposal from the authorising officer responsible. That decision shall set out the respective responsibilities and obligations of the imprest administrator and the authorising officer.

Amendment of the operating terms for an imprest account shall also be the subject of a decision by the accounting officer on a duly substantiated proposal from the authorising officer responsible.

*Article 38*
*Conditions governing creation and payment*
*(Article 51 of the Financial Rules)*

1. The decision setting up an imprest account and appointing an imprest administrator and the decision amending the operating terms for an imprest account shall specify in particular:

(a) the maximum amount which may be initially provided as an imprest, and its purpose;
(b) whether a bank account or post office giro account is to be opened in the name of Cedefop;

(c) the nature and maximum amount of each item of expenditure which may be paid by the imprest administrator to third parties or collected from them;
(d) the frequency with which supporting documents must be produced, the procedure for producing them and the arrangements for transmitting them to the authorising officer for settlement;
(e) the procedure to be followed if the imprest has to be replenished;
(f) that imprest transactions will be settled by the authorising officer by no later than the end of the following month, so that the accounting balance and the bank balance can be reconciled;
(g) the period of validity of the authorisation given to the imprest administrator by the accounting officer;
(h) the identity of the appointed imprest administrator.

2. In proposals for decisions setting up imprest accounts the authorising officer responsible shall ensure that:

(a) priority is given to the use of budgetary procedures where there is access to the central computerised accounting system;
(b) imprest accounts are used only in substantiated cases.

3. The imprest administrator may make payments to third parties on the basis and within the limits of:

(a) prior budget and legal commitments signed by the authorising officer responsible;
(b) the positive residual balance of the imprest account, in cash or at the bank.

4. Payments made shall be followed by formal final validation decisions and/or payment orders signed by the authorising officer responsible.

*Article 39*
*Choice of imprest administrators*
*(Article 51 of the Financial Rules)*

Imprest administrators shall be chosen on the grounds of their knowledge, skills and particular qualifications as evidenced by diplomas or by appropriate professional experience, or after an appropriate training programme.

*Article 40*
*Endowment of imprest accounts*
*(Article 51 of the Financial Rules)*

1. The accounting officer shall make payments endowing imprest accounts and shall monitor those accounts from the point of view of opening of bank accounts and delegation of signatures and controls on the spot and in the centralised accounts. The accounting officer shall endow the imprest accounts. Imprests shall be paid to the bank account opened for the imprest.

Imprest accounts may also be endowed directly by miscellaneous local revenue such as that arising from:

(a) sales of equipment;
(b) publications;
(c) miscellaneous repayments;
(d) interest.

The imprest shall be regularised, in terms of expenditure or miscellaneous or assigned revenue, in accordance with the decision setting up the imprest account referred to in Article 37(3) and described in Article 38. The amounts in question shall be deducted by the authorising officer when he subsequently replenishes the imprest accounts concerned.

2. In order, in particular, to avoid any exchange losses, the imprest administrator may make transfers between different bank accounts relating to the same imprest.

*Article 41*
*Checks by authorising officers and accounting officers*
*(Article 51 of the Financial Rules)*

1. The imprest administrator shall keep an account of the funds at his disposal, in cash and at the bank, and of payments made and amounts received, in accordance with the rules and on the instructions given by the accounting officer. Statements of that account shall be accessible at all times to the authorising officer responsible and a list of transactions shall be established at least once a month and be sent in the following month together with supporting documents by the imprest administrator to the authorising officer responsible for settlement of the imprest operations.

2. The accounting officer shall carry out, or have carried out by a staff member in his own department or in the authorising department specially empowered for that purpose, checks, which must as a general rule be effected on the spot and without warning, to verify the existence of the funds allocated to the imprest administrators and the bookkeeping and to check that imprest transactions are settled within the time-limit set. The accounting officer shall communicate the findings of those checks to the authorising officer responsible.

*Article 42*
*Procurement procedure*
*(Article 51 of the Financial Rules)*

Payments made from imprest accounts may, within the limits laid down in Article 137(3) of the rules of application of the general Financial Regulation, consist simply in the payment of costs against invoices, without prior acceptance of a tender.

# CHAPTER 3
# LIABILITY OF THE FINANCIAL ACTORS

*Article 43*
*Confirmation of instructions*
*(Article 54(3) of the Financial Rules)*

1. An authorising officer by delegation or sub-delegation who receives a binding instruction which he considers being irregular or contrary to the principle of sound financial management, in particular because the instruction cannot be carried out with the resources allocated to him, shall, in writing, so inform the authority from which he received the delegation or sub-delegation. If the instruction is confirmed in writing and that confirmation is received in good time and is sufficiently clear, in that it refers explicitly to the points which the authorising officer by delegation or sub-delegation has challenged, the authorising officer may not be held liable. He shall carry out the instruction, unless it is manifestly illegal or constitutes a breach of the relevant safety standards.

2. Paragraph 1 shall also apply in cases where an authorising officer learns, in the course of acting on a binding instruction, that the circumstances of the case may give rise to an irregular situation.

Any instructions confirmed in the circumstances described in Article 54(3) of the Financial Rules shall be recorded by the authorising officer by delegation responsible and mentioned in his annual activity report.

*Article 44*
*Financial irregularities*
*(Articles 48(1) and 54(5) of the Financial Rules)*

Without prejudice to the powers of OLAF, the Financial Irregularities Panel referred to in Article 14 (hereinafter "the Panel") shall be competent in respect of any infringement of a provision of the Financial Rules or of a provision relating to financial management or the checking of operations resulting from an act or omission of a member of staff.

*Article 45*
*Financial irregularities panel*
*(Articles 48(1) and 54(5) of the Financial Rules)*

1. Cases of financial irregularities as referred to in Article 44 shall be referred to the Panel by the appointing authority/Director for an opinion referred to in the second subparagraph of Article 54(5) of the Financial Rules.

An authorising officer by delegation may refer a matter to the Panel if he considers that a financial irregularity has occurred. The Panel shall deliver an opinion evaluating whether irregularities within the meaning of Article 44 have occurred, how serious they are and what their consequences might be. Where the

Panel's analysis suggests that the case referred to it is a matter for OLAF, it shall transmit the file to the appointing authority without delay and shall inform OLAF at once.

2. When the Panel is directly informed of a matter by a member of staff in accordance with Article 48(1) of the Financial Rules, it shall transmit the file to the appointing authority and shall inform the member of staff accordingly. The appointing authority/Director may request the Panel's opinion on the case.

# CHAPTER 4
# REVENUE OPERATIONS

## SECTION 1
## ESTIMATE OF AMOUNTS RECEIVABLE

*Article 46*
*Estimate of amounts receivable*
*Article 59(1) of the Financial Rules)*

1. Estimates of amounts receivable shall specify the type of revenue and the budget item to which they are to be booked and, as far as possible, the particulars of the debtor and the estimated amount.

When drawing up an estimate of amounts receivable, the authorising officer responsible shall check in particular that:

(a) the revenue is booked to the correct budget item;
(b) the estimate is in order and complies with the provisions applicable and the principle of sound financial management.

2. Subject to Article 23(6) of the Financial Rules, an estimate of amounts receivable shall not have the effect of making commitment appropriations available. In the cases referred to in Article 23 of the Financial Rules, appropriations may be made available only after the sums due have actually been recovered by Cedefop.

## SECTION 2
## ESTABLISHMENT OF AMOUNTS RECEIVABLE

*Article 47*
*Procedure*
*(Article 60 of the Financial Rules)*

1. The establishment by the authorising officer responsible of an amount receivable shall constitute recognition of the right of Cedefop in respect of a debtor and establishment of entitlement to demand that the debtor pay the debt.

2. The recovery order shall be the operation by which the authorising officer responsible instructs the accounting officer to recover the amount established.

3. The debit note shall be to inform the debtor that:

(a) Cedefop has established the amount receivable;
(b) if payment of the debt is made before the deadline, no default interest will be due;
(c) failing payment by the deadline referred to in point (b) the debt shall bear interest at the rate referred to in Article 50, without any prejudice to any specific regulations applicable;
(d) failing reimbursement by the deadline referred to in point (b) the Centre shall effect recovery either by offsetting or by enforcement of any guarantee lodged in advance;
(e) the accounting officer may effect recovery by offsetting before the deadline referred to in point (b), where it is necessary to protect Cedefop's financial interests when he has justified grounds to believe that the amount due to the Centre would be lost, after the debtor has been informed of the reasons and date of the recovery by offsetting;
(f) if, after taking all the steps set out in points (a) to (e) of this subparagraph, the amount has not been recovered in full, Cedefop shall effect recovery by enforcement of a decision secured by legal action.

The authorising officer shall print out the debit note and send it to the debtor. The accounting officer shall be informed of that dispatch through the financial information system.

*Article 48*
*Establishment of amounts receivable*
*(Article 60(1) of the Financial Rules)*

To establish an amount receivable the authorising officer responsible shall ensure that:

(a) the receivable is certain, meaning that it is not subject to any condition;
(b) the receivable is of fixed amount, expressed precisely in cash terms;
(c) the receivable is due and is not subject to any payment time;
(d) the particulars of the debtor are correct;
(e) the amount to be recovered is booked to the correct budget item;
(f) the supporting documents are in order; and
(g) the principle of sound financial management is complied with, in particular with regard to the criteria referred to in point (a) of Article 53(1).

*Article 49*
*Supporting documents for the establishment of amounts receivable*
*(Article 60(1) of the Financial Rules)*

1. The establishment of an amount receivable shall be based on supporting documents certifying Cedefop's entitlement.

2. Before establishing an amount receivable the authorising officer responsible shall personally check the supporting documents or, on his own responsibility, shall ascertain that this has been done.

3. The supporting documents shall be kept by the authorising officer in accordance with Article 22.

*Article 50*
*Default interest*
*(Article 60(4) of the Financial Rules)*

1. Without prejudice to any specific provisions deriving from the application of sector-specific regulations, any amount receivable not repaid on the deadline referred to in Article 47(3)(b) shall bear interest in accordance with paragraphs 2 and 3 of this Article.

2. The interest rate for amounts receivable not repaid on the deadline referred to in Article 47(3)(b) shall be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the Official Journal of the European Union, in force on the first calendar day of the month in which the deadline falls, increased by:

(a) eight percentage points where the obligating event is a public supply and service contract referred to in Title V of the Financial Rules;
(b) three and a half percentage points in all other cases.

3. Interest shall be calculated from the calendar day following the deadline referred to in Article 47(3)(b) and specified in the debit note up to the calendar day on which the debt is repaid in full.

The recovery order corresponding to the amount of the default interest shall be issued when this interest is actually received.

## SECTION 3
## AUTHORISATION OF RECOVERY

*Article 51*
*Establishment of the recovery order*
*(Article 61 of the Financial Rules)*

1. The recovery order shall specify:

(a) the financial year to which the revenue is to be booked;
(b) the references of the act or legal commitment which is the source of the debt and gives rise to the entitlement to recovery;

(c) the budget article and any other subdivision that may apply, including, where appropriate, the references of the corresponding budget commitment;
(d) the amount to be recovered, expressed in euro;
(e) the name and address of the debtor;
(f) the deadline referred to in Article 47(3)(b);
(g) the possible method of recovery, including in particular recovery by offsetting or enforcement of any guarantee lodged.

2. The recovery order shall be dated and signed by the authorising officer responsible, then sent to the accounting officer.

3. The accounting officer shall keep a list of amounts due to be recovered. Cedefop entitlements shall be grouped in the list according to the date of issue of the recovery order.

4. In order to reinforce the protection of the Centre's financial interests, Cedefop shall establish a list of its entitlements stating the names of the debtors and the amount of the debt, where the debtor has been ordered to reimburse by a Court decision that has the force of res judicata and where no or no significant reimbursement has been made for one year following its pronouncement. The list shall be published, with due regard to the protection of personal data in accordance with the requirements of Regulation (EC) No 45/2001.

As far as personal data referring to natural persons are concerned, the information published shall be removed once the amount of the debt has been fully reimbursed. The same shall apply to personal data referring to legal persons for whom the official title identifies one or more natural persons.

The decision to include the debtor on the list of Cedefop entitlements shall be taken in compliance with the principle of proportionality and shall take into account, in particular, the significance of the amount.

## SECTION 4
## RECOVERY

### *Article 52*
### *Recovery by offsetting*
### *(Article 62(3) of the Financial Rules)*

1. Where the debtor has a claim on Cedefop that is certain as defined in point (a) of Article 48, of a fixed amount and due, relating to a sum established by a payment order, the accounting officer shall, following the deadline referred to in Article 47(3)(b) recover established amounts receivable by offsetting.

In exceptional circumstances, where it is necessary to safeguard the financial interests of Cedefop, when the accounting officer has justified grounds to believe that the amount due to the Centre would be lost, the accounting officer shall recover by offsetting before the deadline referred to in Article 47(3)(b).

The accounting officer shall also recover by offsetting before the deadline referred to in Article 47(3)(b) when the debtor agrees.

2. Before proceeding with any recovery in accordance with paragraph 1, the accounting officer shall consult the authorising officer responsible and inform the debtors concerned.

Where the debtor is a national authority or one of its administrative entities, the accounting officer shall also inform the Member State concerned at least 10 working days in advance of his intention to resort to recovery by offsetting. However, in agreement with the Member State or administrative entity concerned, the accounting officer may proceed with the recovery by offsetting before the deadline has passed.

3. The offsetting referred to in paragraph 1 shall have the same effect as a payment and discharge Cedefop for the amount of the debt and, where appropriate of the interest due.

*Article 53*
*Waiving of recovery of an established amount receivable*
*(Article 62(4) of the Financial Rules)*

1. The authorising officer responsible may waive recovery of all or part of an established amount receivable only in the following cases:

(a) where the foreseeable cost of recovery would exceed the amount to be recovered and the waiver would not harm the image of Cedefop;
(b) where the amount receivable cannot be recovered in view of its age or the insolvency of the debtor;
(c) where recovery is inconsistent with the principle of proportionality; consequently recoveries of EUR 50 or less may be waived without specific decision of the authorising officer or specific delegation.

Beyond the threshold set out in the Article 15(2)(e), the power to waive recovery of an established debt remains with the authorising officer of Cedefop and may not be delegated.

2. In the case referred to in point (c) of paragraph 1, the authorising officer responsible shall act in accordance with predetermined procedures established internally and shall apply the following criteria which are compulsory and applicable in all circumstances:

(a) the facts, having regard to the gravity of the irregularity giving rise to the establishment of the amount receivable (fraud, repeat offence, intent, diligence, good faith, manifest error);

(b) the impact that waiving recovery would have on the operation of Cedefop and its financial interests (amount involved, risk of setting a precedent, undermining of the authority of the law).

Depending on the circumstances of the case, the authorising officer responsible may also have to take the following additional criteria into account:

(a) any distortion of competition that would be caused by the waiving of recovery;
(b) the economic and social damage that would be caused were the debt to be recovered in full.

3. The waiver decision referred to in Article 62(4) of the Financial Rules shall be substantiated and shall refer to the diligence exercised to secure recovery and the points of law and fact on which the waiver is based. The authorising officer responsible shall waive recovery in accordance with Article 51.

4. The Centre shall send to the European Parliament and Council each year a report on the waivers referred to in paragraphs 1 to 3 of this Article involving EUR 100 000 or more. That report shall be annexed to the consolidated annual activity report referred to in Article 47 of the Financial Rules.

*Article 54*
*Cancellation of an established amount receivable*
*(Article 62(5) of the Financial Rules)*

1. In the event of a mistake, the authorising officer responsible shall cancel totally or partially the established amount receivable in accordance with Articles 49 and 51 and include adequate reasons.

2. Cedefop shall lay down in its internal rules the conditions and procedure for delegating the power to cancel an established amount receivable.

*Article 55*
*Rules for limitation periods*
*(Article 66 of the Financial Rules)*

1. The limitation period for entitlements of Cedefop in respect of third parties shall begin to run on the expiry of the deadline communicated to the debtor in the debit note as specified in Article 47(3)(b).

The limitation period for entitlements of third parties in respect of the Centre shall begin to run on the date on which the payment of the third party's entitlement is due according to the corresponding legal commitment.

2. The limitation period for entitlements of Cedefop in respect of third parties shall be interrupted by any act of an institution, or a Member State acting at the request of an institution, notified to the third party and aiming at recovering the debt.

The limitation period for entitlements of third parties in respect of Cedefop shall be interrupted by any act notified to the Centre by its creditors or on behalf of its creditors aiming at recovering the debt.

3. A new limitation period of five years shall begin to run on the day following the interruptions referred to in paragraph 2.

4. Any legal action relating to an amount receivable as referred to in paragraph 1, including actions brought before a court which later declares itself not to have jurisdiction, shall interrupt the limitation period. The new limitation period of five years shall not begin until a judgment having the force of res judicata is given or there is an extrajudicial settlement between the same parties on the same action.

5. Where the accounting officer allows the debtor additional time for payment in accordance with Article 64 of the Financial Rules, this shall be considered as an interruption of the limitation period. The new limitation period of five years shall begin to run on the day following the expiry of the extended time for payment.

6. Entitlements shall not be recovered after the expiry of the limitation period, as established in paragraphs 1 to 5.

## CHAPTER 5
## EXPENDITURE OPERATIONS

*Article 56*
*Financing decision*
*(Article 68(2) and (3) of the Financial Rules)*

1. The financing decision shall set out the essential elements of an action involving expenditure from the budget.

2. The financing decision shall in particular set out the following:

(a) for procurement:

(i) the global budgetary envelope reserved for the procurements during the year;
(ii) the indicative number and type of contracts envisaged and if possible their subject in generic terms;
(iii) the indicative timeframe for launching the procurement procedures;

(b) for grants:

(i) the reference to the basic act and the budgetary line;
(ii) the priorities of the year, the objectives to be fulfilled and the foreseen results with the appropriations authorised for the financial year;
(iii) the essential eligibility, selection and award criteria to be used to select the proposals;

(iv) the maximum possible rate of co-financing and if different rates are envisaged the criteria to be followed for each rate;
(v) the timetable and the indicative amount of the calls for proposals;

(c) for prizes:

(i) the reference to the basic act and the budgetary line;
(ii) the objectives to be fulfilled and the foreseen results;
(iii) the essential conditions for participation and award criteria;
(iv) the timetable of the contest and the amount of the prize or prizes.

## SECTION 1
## COMMITMENT OF EXPENDITURE

*Article 57*
*Global and provisional commitments*
*(Article 69(3)(b) and (c) of the Financial Rules)*

1. The global budgetary commitment shall be implemented by the conclusion of one or more legal commitments.

2. In relation to communication expenditures engaged in by the Centre for the coverage of Cedefop events, the provisional budgetary commitment may be implemented directly by payments.

*Article 58*
*Administrative expenditure covered by provisional commitments*
*(Article 69(3)(c) of the Financial Rules)*

Items regarded as routine expenditure which may give rise to provisional commitments shall include the following:

(a) expenditure on staff, whether or not covered by the Staff Regulations, on other human resources and pensions and on the remuneration of experts;
(b) training expenditure;
(c) expenditure on competitions, selection and recruitment;
(d) mission expenses;
(e) representation expenses;
(f) meeting expenses;
(g) freelance interpreters and translators;
(h) exchanges of officials;
(i) recurring rentals of movable and immovable property or recurring payments relating to building contracts within the meaning of Article 121 of the rules of application of the general Financial Regulation or loan instalments pursuant to Article 88(5) of the Financial Rules;
(j) miscellaneous insurance;
(k) cleaning, maintenance and security;
(l) welfare and medical expenditure;

(m) the use of telecommunications services;
(n) financial charges;
(o) legal expenses;
(p) damages, including interest;
(q) work equipment;
(r) water, gas and electricity;
(s) publications on paper or in electronic versions;
(t) communications activities engaged in by the Centre for the coverage of Cedefop events.

*Article 59*
*Single signature*
*(Article 70(1) of the Financial Rules)*

1. The rule that there be a single signatory for the budget commitment and the corresponding legal commitment may be departed from only in the following cases:

(a) where the commitments are provisional;
(b) where Cedefop's decision constitutes the legal commitment;
(c) where the global commitment is implemented by a number of legal commitments, for which different authorising officers are responsible.

2. If the authorising officer responsible who signed the budget commitment is not available and remains unavailable for a period incompatible with the time-limits for concluding the legal commitment, that legal commitment shall be concluded by the person designated under the deputisation rules adopted by Cedefop, provided that that person has the status of authorising officer in accordance with Article 40(1) of the Financial Rules.

*Article 60*
*Adoption of a global commitment*
*(Article 70(3) of the Financial Rules)*

A global commitment shall be made on the basis of a financing decision.

The global commitment shall be made at the latest before the decision on the selection of beneficiaries is taken and, where implementation of the appropriations concerned involves the adoption of a work programme within the meaning of Article 188 of the rules of application of the general Financial Regulation, at the earliest after that programme has been adopted.

*Article 61*
*Registration of individual legal commitments*
*(Article 70(3) of the Financial Rules)*

In the case of a global budget commitment followed by several individual legal commitments, the authorising officer responsible shall register in the central accounts the amounts of this or these successive individual legal commitments.

The registration in the accounts shall indicate the references of the global commitment against which the individual commitments are being booked.

The authorising officer responsible shall register the amounts in the accounts before signing the corresponding individual legal commitment, except in the cases referred to in Article 70(2) of the Financial Rules.

In all cases, the authorising officer responsible shall check that the aggregated amount does not exceed the amount of the global commitment covering them.

## SECTION 2
## VALIDATION OF EXPENDITURE

### *Article 62*
### *Certified correct for pre-financing payments*
### *(Article 73(1) of the Financial Rules)*

For pre-financing payments, the authorising officer responsible or a technically competent member of staff, duly empowered by the authorising officer responsible shall certify with the endorsement 'certified correct' that the conditions required in the legal commitment for the payment of the pre-financing are met.

### *Article 63*
### *Passing for payment of procurement contracts for interim and balance payments*
### *(Article 73(3) of the Financial Rules)*

For interim and balance payments corresponding to procurement contracts, the endorsement 'passed for payment' shall certify that:

(a) Cedefop has received and formally registered an invoice drawn up by the contractor;
(b) the invoice itself, or an internal document accompanying the invoice received, has been endorsed 'certified correct' and signed by the authorising officer responsible or by a technically competent member of staff, duly empowered by the authorising officer responsible;
(c) all aspects of the invoice have been checked by the authorising officer responsible or on his responsibility with a view to determining in particular the amount to be paid and the validity of the payment as discharge of the debt.

The endorsement 'certified correct', referred to in point (b) of the first paragraph shall certify that the services provided for in the contract have been properly provided, or that the supplies provided for in the contract have been properly delivered, or that the work provided for in the contract has been properly carried

out. For supplies and work, the official or other servant technically competent shall draw up a provisional acceptance certificate, then a final acceptance certificate at the end of the guarantee period laid down in the contract. Those two certificates shall count as the 'certified correct' endorsement.

For recurring payments including payment of subscriptions or training courses, the endorsement 'certified correct', shall certify that the entitlement of the creditor is in accordance with relevant documents justifying payment.

*Article 64*
*Passing for payment of grants for interim and balance payments*
*(Article 73(3) of the Financial Rules)*

For interim and balance payments corresponding to grants, the endorsement 'passed for payment' shall certify that:

(a) Cedefop has received and formally registered a payment request drawn up by the beneficiary;
(b) the payment request itself, or an internal document accompanying the cost statement request received, has been endorsed 'certified correct' and signed by an official or other servant technically competent, duly empowered by the authorising officer responsible;
(c) all aspects of the payment request have been checked by the authorising officer responsible or on his responsibility with a view to determining in particular the amount to be paid and the validity of the payment as discharge of the debt.

By endorsement referred to in point (b) of the first paragraph, the official or other servant technically competent, duly empowered by the authorising officer responsible, certifies that the action or work programme carried out by the beneficiary is in all respects in compliance with the grant agreement or decision, including, where applicable that the costs declared by the beneficiary are eligible.

*Article 65*
*Passing for payment of staff expenditure*
*(Article 73(3) of the Financial Rules)*

For payments corresponding to staff expenditure, the endorsement 'passed for payment' shall certify that the following supporting documents exist:

(a) in respect of monthly salary:

(i) the complete list of staff, giving all the components of remuneration;
(ii) a form (personal information sheet) based on decisions taken in each individual case, showing, whenever such change occurs, any change in any component of remuneration;
(iii) in the case of recruitments or appointments, a certified true copy of the recruitment or appointment decision which accompanies the validation of the first salary payment;

(b) in respect of other remunerations such as staff paid on an hourly or daily basis: a statement signed by the authorised member of staff showing the days and hours worked;
(c) in respect of overtime:
a statement signed by the authorised member of staff certifying the amount of overtime worked;
(d) in respect of mission expenses:

(i) the travel order signed by the competent authority;
(ii) the statement of mission expenses, signed by the member of staff on mission and by the administrative superior to whom the appropriate powers have been delegated, if the mission expenses differ from the mission order;

(e) in respect of some other administrative expenditure related to staff including subscriptions or training courses which, according to the contract, are to be paid in advance: the supporting documents referring to the decision on which the expenditure is based and giving all the components of the calculation.

The statement of mission expenses referred to in point (d)(ii) of the first subparagraph shall indicate the place of mission, the dates and times of departure and arrival at the place of mission, travel expenses, subsistence expenses, and other expenses duly authorised on production of supporting documents.

*Article 66*
*Material form of 'certified correct'*
*(Article 73(4) and (5) of the Financial Rules)*

In Cedefop's computerised system, 'certified correct' may take the form of an electronically secured validation by the technically competent member of staff, duly empowered by the authorising officer responsible.

For transactions not fully supported by the computerised system, 'certified correct' shall take the form of a stamp incorporating the signature of the authorising officer responsible or of a technically competent member of staff, duly empowered by the authorising officer responsible in accordance with Article 62.

## SECTION 3
## AUTHORISATION OF PAYMENTS

*Article 67*
*Checks on payments by the authorising officer*
*(Article 74(1) of the Financial Rules)*

When drawing up the payment order, the authorising officer responsible shall ensure that:

(a) the payment order has been properly issued, meaning that a corresponding validation decision has been taken previously in the form of 'passed for payment', that the particulars of the payee are correct and that the amount is due;
(b) the payment order corresponds to the budgetary commitment against which it is booked;
(c) the expenditure is charged to the correct item in the budget;
(d) appropriations are available.

*Article 68*
*Mandatory details on payment orders and transmission to the accounting officer (Article 74(2) of the Financial Rules)*

The payment order shall state:

(a) the financial year to which the expenditure is to be booked;
(b) the budget article and any other subdivision that may apply;
(c) the references of the legal commitment giving rise to an entitlement to payment;
(d) the references of the budget commitment against which it is to be booked;
(e) the amount to be paid, expressed in euro;
(f) the name, address and bank account details of the payee;
(g) the object of the expenditure;
(h) the means of payment;
(i) the entry of items in the inventory in accordance with Article 98.

## SECTION 4
## PAYMENT OF EXPENDITURE

*Article 69*
*Supporting documents*
*(Article 75(1) of the Financial Rules)*

1. Pre-financing, including in cases where it is split into a number of payments, shall be paid either on the basis of the contract, the decision, the agreement or the basic act, or on the basis of supporting documents which make it possible to check that the terms of the contract, decision or agreement in question are complied with. If a date of payment for pre-financing is determined in those instruments, payment of the due amount shall not be dependent upon further demand.

2. Interim payments and payments of balances shall be based on supporting documents which make it possible to check that the action financed has been carried out in accordance with the basic act or the decision, or in accordance with the terms of the contract or agreement.

3. The authorising officer responsible shall lay down, in compliance with the principle of sound financial management, the nature of the supporting documents referred to in this Article in accordance with the basic act, decisions, contracts and

agreements. Interim and final technical and financial implementation reports shall constitute supporting documents for the purposes of paragraph 2.

4. The supporting documents shall be kept by the authorising officer responsible in accordance with Article 22.

## SECTION 5
## TIME LIMITS FOR EXPENDITURE OPERATIONS

*Article 70*
*Time limits*
*(Article 77 of the Financial Rules, Article 92 of the general Financial Regulation)*

1. Payments shall be made within:
(a) 90 calendar days for contracts, grant agreements and decisions involving technical services or actions which are particularly complex to evaluate and for which payment depends on the approval of a report or a certificate;
(b) 60 calendar days for all other contracts, grant agreements and decisions for which payment depends on the approval of a report or a certificate;
(c) 30 calendar days for all other contracts, grant agreements and decisions.

2. The authorising officer responsible may suspend the time limit for payment where:

(a) the amount of the payment request is not due; or
(b) the appropriate supporting documents have not been produced.

If information comes to the notice of the authorising officer responsible which puts in doubt the eligibility of expenditure in a payment request, he or she may suspend the time limit for payment for the purpose of verifying, including by means of on the spot checks, that the expenditure is indeed eligible.

3. The creditors concerned shall be informed in writing of the reasons for that suspension.

4. Where the suspension exceeds two months, the creditor may request a decision by the authorising officer responsible on whether the suspension is to be continued.

5. Except in the case of Member States' authorities, on expiry of the time limits laid down in paragraph 1, the creditor shall be entitled to interest.

*Article 71*
*Payment time limits and default interest*
*(Article 77 of the Financial Rules, Article 111 of the rules of application of the general Financial Regulation)*

1. The time allowed for making payments shall be understood as including validation, authorisation and payment of expenditure.

It shall begin to run from the date on which a payment request is received.

A payment request shall be registered by the central registration service as soon as possible and is deemed to be received on the date it is registered.

The date of payment is deemed to be the date on which Cedefop's account is debited.

2. A payment request shall include the following essential elements:

(a) creditor's identification;
(b) amount;
(c) currency;
(d) date.

Where at least one essential element is missing, the payment request shall be rejected.

The creditor shall be informed in writing of the rejection and the reasons for it as soon as possible and in any case within 30 calendar days from the date on which the payment request was received.

3. In the case of suspension as referred to in Article 70(2), the remaining time allowed for payment shall begin to run again from the date on which the requested information or revised documents are received or the necessary further verification, including on-the-spot checks, is carried out.

4. On expiry of the time limits laid down in Article 70(1), the creditor shall be entitled to interest in accordance with the following conditions:

(a) the interest rates shall be those referred to in Article 50(2);
(b) the interest shall be payable for the period elapsing from the calendar day following expiry of the time limit for payment laid down in Article 70(1) up to the day of payment.

However, when the interest calculated in accordance with the first subparagraph is lower than or equal to EUR 200, it shall be paid to the creditor only upon a demand submitted within two months of receiving late payment.

5. Cedefop shall submit to the European Parliament and Council a report on the compliance with the time limits and on the suspension of the time limits laid down in Article 70. The report of the Centre shall be annexed to the consolidated annual activity report referred to in Article 47 of the Financial Rules.

## CHAPTER 6
## IT SYSTEMS

*Article 72*
*Description of IT systems*
*(Article 78 of the Financial Rules)*

A full and up-to-date description of each computer system or subsystem used to process budget implementation operations shall be required.

Each description shall define the content of all data fields and describe how the system treats each individual operation. It shall show in detail how the system guarantees the existence of a complete audit trail for each operation.

*Article 73*
*Periodical save*
*(Article 78 of the Financial Rules)*

The data in computer systems and subsystems shall be saved periodically and kept in a safe place.

## CHAPTER 7
## INTERNAL AUDITOR

*Article 74*
*Action before the Court of Justice of the European Union*
*(Article 83 of the Financial Rules)*

Without prejudice to the remedies allowed by the Staff Regulations, the internal auditor may bring an action directly before the Court of Justice of the European Union in respect of any act relating to the performance of his duties as internal auditor. Such an action must be lodged within three months running from the calendar day on which the act in question is notified.

Such actions shall be investigated and heard as provided for in Article 91(5) of the Staff Regulations of Officials of the European Union.

# TITLE VA
# PROJECTS WITH SIGNIFICANT BUDGET IMPLICATIONS

*Article 75*
*Buildings*
*(Article 88 of the Financial Rules)*

1. The expenditure referred to in Article 88(1) of the Financial Rules shall include the costs of the fitting out of buildings. It shall not include the charges.

2. The early information procedure set out in Article 88(1) of the Financial Rules and the prior approval procedure set out in Article 88(2) thereof shall not apply to acquisition of land free of charge or for a symbolic amount.

3. The prior approval procedure set out in Article 88(2) of the Financial Rules shall not apply to preparatory contracts or studies necessary to evaluate the detailed cost and financing of the building project.

4. The thresholds of EUR 750 000 or EUR 3 000 000 referred to in points (b), (c) and (d) of Article 88(4) of the Financial Rules shall include the costs of fitting out of the building. For rents and usufruct contracts, those thresholds shall take into account the costs of the fitting out of the building but not the other charges.

# TITLE VB
# EXPERTS

*Article 76*
*Remunerated external experts*
*(Article 89 of the Financial Rules, Article 287 of the rules of application of the general Financial Regulation)*

1. For values below the thresholds laid down in Article 170(1) of the rules of application of the general Financial Regulation, remunerated external experts may be selected on the basis of the procedure laid down in paragraph 2.

2. A call for expressions of interest shall be published in the Official Journal of the European Union or where it is necessary to provide publicity among potential candidates, on the internet site of Cedefop.

The call for expressions of interest shall include a description of the tasks, their duration and the fixed conditions of remuneration. Those conditions may be based on unit prices.

A list of experts shall be drawn up following the call for expressions of interest. It shall be valid for no more than five years from its publication or for the duration of a multiannual programme related to the tasks.

3. Any interested natural person may submit an application at any time during the period of its validity, with the exception of the last three months of that period. Remunerated external experts shall not be selected to perform the tasks referred to in Article 89 of the Financial Rules if they are in one of the situations of exclusion referred to in Articles 106 and 107 of the general Financial Regulation.

4. All exchanges with selected experts, including the conclusion of contracts and any amendments thereto, may be done through electronic exchange systems set up by the Union institutions and bodies.

These systems shall meet the following requirements:

(a) only authorised persons may have access to the system and to documents transmitted through it;
(b) only authorised persons may electronically sign or transmit a document through the system;
(c) authorised persons must be identified through the system by established means;
(d) the time and date of the electronic transaction must be determined precisely;
(e) the integrity of documents must be preserved;
(f) the availability of documents must be preserved;
(g) where appropriate, the confidentiality of documents must be preserved;
(h) the protection of personal data in accordance with the requirements of Regulation (EC) No 45/2001 must be ensured.

Data sent or received through such a system shall enjoy legal presumption of the integrity of the data and the accuracy of the date and time of sending or receiving the data indicated by the system.

A document sent or notified through such a system shall be considered as equivalent to a paper document, shall be admissible as evidence in legal proceedings, shall be deemed to be the original of the document and shall enjoy legal presumption of its authenticity and integrity, provided it does not contain any dynamic features capable of automatically changing it.

The electronic signatures referred to in point (b) of the second subparagraph shall have the equivalent legal effect of handwritten signatures.

5. The list of experts and the subject of the tasks shall be published annually. The remuneration shall be published where it exceeds EUR 15 000 for the task performed.

6. Paragraph 5 shall not apply if such publication risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of experts.

# TITLE VI
# PRESENTATION OF THE ACCOUNTS AND ACCOUNTING

## CHAPTER 1
## PRESENTATION OF THE ACCOUNTS

*Article 77*
*Exception to the accounting principles*
*(Article 95 of the Financial Rules)*

Where, in a specific case, the accounting officer considers that an exception should be made to the content of one of the accounting principles outlined in the Union accounting rules, that exception shall be duly substantiated and reported in the notes to the financial statements referred to in Article 81.

*Article 78*
*Supporting documents*
*(Article 95 of the Financial Rules)*

1. Each entry shall be based on dated and numbered supporting documents, produced on paper or on a medium which guarantees the reliability and safeguarding of its content for the periods laid down in Article 22.

2. Operations of the same type, carried out in the same place and on the same day may be summarised in a single supporting document.

*Article 79*
*Statement of financial performance*
*(Article 96(1)(a) of the Financial Rules)*

The statement of financial performance shall show the income and charges for the year, classified according to their nature.

*Article 80*
*Cash flow statement*
*(Article 96(1)(b) of the Financial Rules)*

The cash flow statement shall report cash flows during the period showing the movement between opening and closing treasury amounts.

The treasury shall be made up of the following:

(a) cash in hand;
(b) bank accounts and deposits payable on demand;
(c) other disposable assets which can quickly be converted to cash and whose value is stable.

*Article 81*
*Notes to the financial statements*
*(Article 96(2) of the Financial Rules)*

The notes referred to in Article 96(2) of the Financial Rules shall form an integral part of the financial statements. The notes shall contain at least the following information:

(a) accounting principles, rules and methods;
(b) explanatory notes, supplying additional information not contained in the body of the financial statements which is necessary for a true and fair view.

The explanatory notes shall be presented with cross references to the items in the financial statements to which they relate and in the same order of presentation.

*Article 82*
*Budgetary outturn accounts*
*(Article 97(1) of the Financial Rules)*

The budgetary outturn accounts shall contain:

(a) information on revenue comprising:

(i) changes in the revenue estimates in the budget;
(ii) the revenue outturn;
(iii) entitlements established;

(b) information showing changes in the total commitment and payment appropriations available;
(c) information showing the use made of the total commitment and payment appropriations available;
(d) information showing commitments outstanding, those carried over from the previous year and those made during the year.

*Article 83*
*Explanatory notes to the budgetary outturn accounts*
*(Article 97(1) of the Financial Rules)*

The explanatory notes to the budgetary outturn account referred to in Article 97(1) of the Financial Rules shall contain at least:

(a) information on the budget principles, types of appropriation and the structure of the budget;
(b) information on commitments outstanding;
(c) the information required for a proper understanding of the budget outturn.

*Article 84*
*Modalities of transmission of accounts*
*(Articles 98 and 99 of the Financial Rules)*

Provisional accounts and the final accounts referred to in Articles 98 and 99 of the Financial Rules may be sent by electronic means.

# CHAPTER 2
# ACCOUNTING

## SECTION 1
## ORGANISATION OF THE ACCOUNTS

*Article 85*
*Organisation of the accounts*
*(Article 100(1) of the Financial Rules)*

1. The accounting officer of Cedefop shall draw up and keep updated documents describing the organisation of the accounts and accounting procedures.

2. Budget revenue and expenditure shall be recorded in the computerised system referred to in Article 86, according to the economic nature of the operation, as current revenue or expenditure or as capital.

*Article 86*
*Computerised systems*
*(Article 100(1) of the Financial Rules)*

1. The accounts shall be kept with the help of an integrated computerised system.

2. Where accounts are kept using computerised systems and subsystems, such systems and subsystems shall be described in full.

That description shall define the content of all data fields and specify how the system treats individual operations. It shall state how the system guarantees the existence of a complete audit trail for each operation and for any change made to the computerised systems and subsystems so that it is possible at any time to identify the nature of the change and the person who made it.

The description of computerised accounting systems and subsystems shall indicate any links between those systems and the central accounting system, particularly as regards the transfer of data and the reconciliation of balances.

3. Access to the computerised systems and subsystems shall be confined to persons included on a list of authorised users which is kept and updated.

## SECTION 2
## ACCOUNTING LEDGERS

*Article 87*
*Accounting ledgers*
*(Article 103(1) of the Financial Rules)*

Cedefop shall keep a journal, a general ledger and at least sub-ledgers for debtors, creditors and fixed assets, unless it is not justified by cost-benefit considerations.

The accounting ledgers shall consist of electronic documents which are identified by the accounting officer and offer full guarantees for use as evidence.

Entries in the journal shall be transferred to the general ledger, itemised according to the chart of accounts referred to in Articles 50(1)(d) and 101 of the Financial Rules.

The journal and the general ledger may be split into as many special journals and special ledgers are necessary to meet requirements.

Entries recorded in special journals and special ledgers shall be centralised at least every month in the journal and in the general ledger.

*Article 88*
*Trial balance*
*(Article 103(1) of the Financial Rules)*

Cedefop shall establish a trial balance covering all the accounts of the general accounts, including the accounts cleared during the year, with, in each case:

(a) account number;
(b) description;
(c) total debits;
(d) total credits;
(e) balance.

*Article 89*
*Accounting reconciliations*
*(Article 103(1) of the Financial Rules)*

1. The data in the general ledger shall be kept and organised in such a way as to justify the content of each of the accounts included in the trial balance.

2. As regards the inventory of fixed assets, the provisions of Articles 96 to 103 shall apply.

## SECTION 3
## REGISTRATION

*Article 90*
*Entries in the accounts*
*(Article 103(2) of the Financial Rules)*

1. Entries shall be made using the double entry method, whereby any movement or variation recorded in the accounts shall be represented by an entry establishing an equivalence between the amount debited and the amount credited in the various accounts affected by that entry.

2. The euro counterpart of a transaction denominated in a currency other than the euro shall be calculated and entered in the accounts.

Transactions in foreign currencies in accounts which can be revalued shall be revalued at least each time the accounts are closed.

That revaluation shall be based on the rates laid down in accordance with Article 6.

The rate to be used for conversion between the euro and another currency to draw up the balance sheet at 31 December of year N shall be that of the last working day of year N.

3. The accounting rules adopted under Article 101 of the Financial Rules shall specify the conversion and revaluation rules to be provided for the purposes of accrual accounting.

*Article 91*
*Accounting records*
*(Article 103(2) of the Financial Rules)*

All accounting records shall specify the origin, content and booking reference of each data item and the references of the relevant supporting documents.

*Article 92*
*Recording in the journal*
*(Article 103(3) of the Financial Rules)*

Accounting operations shall be recorded in the journal by one of the following methods, which are not mutually exclusive:

(a) day by day, operation by operation;
(b) in the form of a monthly summary of the total amounts involved in operations, provided that all documents allowing verification of individual operations day by day are kept.

*Article 93*
*Validation of entries*
*(Article 103(3) of the Financial Rules)*

1. Entries in the journal and in sub-ledgers shall be made final by means of a validation procedure prohibiting any change to or deletion of the entry.

2. A closure procedure designed to freeze the chronology of records and guarantee their inviolability shall be implemented at the latest before the final financial statements are presented.

## SECTION 4
## RECONCILIATION AND VERIFICATION

*Article 94*
*Reconciliation of accounts*
*(Article 103 of the Financial Rules)*

1. The balance of accounts in the trial balance shall be reconciled periodically and at least at the annual closure, with the data from the management systems used by authorising officers for the management of assets and liabilities and for the daily input into the accounting system.

2. Periodically, and at least whenever the accounts are closed, the accounting officer shall check that the bank balances correspond to the actual situation, in particular as regards:

(a) cash at bank, by reconciliation of the statements of account from financial institutions;
(b) cash in cash offices, by reconciliation with the data in the cash book.

The fixed assets accounts shall be reviewed in accordance with Article 100.

3. The suspense accounts shall be opened and reviewed annually by the accounting officer. Those accounts shall be under the responsibility of the authorising officer and he shall clear them as soon as possible.

## SECTION 5
## BUDGET ACCOUNTS

*Article 95*
*Content and keeping of budget accounts*
*(Article 105 of the Financial Rules)*

1. The budget accounts shall show, for each subdivision of the budget:

(a) in the case of expenditure:

(i) the appropriations authorised in the initial budget, the appropriations entered in amending budgets, the appropriations carried over, the appropriations available following collection of assigned revenue, transfers of appropriations and the total appropriations thus available;
(ii) the commitments and payments in respect of the financial year;

(b) in the case of revenue:

(i) the estimates entered in the initial budget, the estimates entered in amending budgets, assigned revenue and the total amount of estimates thus determined;

(ii) the entitlements established and the amounts recovered in respect of the financial year in question;

(c) the commitments still to be paid and revenue still to be recovered carried forward from previous financial years.

The commitment appropriations and payment appropriations referred to in point (a) of the first subparagraph shall be entered and shown separately.

2. The budget accounts shall show separately:

(a) the use of appropriations carried over and the appropriations for the year;
(b) the clearance of outstanding commitments.

On the revenue side, amounts still to be recovered from previous financial years shall be shown separately.

3. The budget accounts may be organised in such a way as to develop a cost accounting system.

4. The budget accounts shall be kept using computer systems, in books or on file cards.

## CHAPTER 3
## PROPERTY INVENTORIES

*Article 96*
*Property inventories*
*(Article 106(1) of the Financial Rules)*

The system of property inventories shall be established by the authorising officer with technical assistance from the accounting officer. That inventory system must supply all the information required for keeping the accounts and safeguarding assets.

*Article 97*
*Safeguarding property*
*(Article 106(1) of the Financial Rules)*

Cedefop shall adopt provisions on safeguarding the assets included in its balance sheet and decide which administrative departments are responsible for the inventory system.

*Article 98*
*Entry of items in the inventory*
*(Article 106(1) of the Financial Rules)*

All items acquired with a period of use greater than one year, which are not consumables, and whose purchase price or production cost is higher than that indicated in the Union accounting rules adopted under Article 101 of the Financial Rules shall be entered in the inventory and recorded in the fixed assets accounts.

*Article 99*
*Content of the inventory for each item*
*(Article 106(1) of the Financial Rules)*

The inventory shall contain an appropriate description of each item and specify its location, or for movable items, the service or person responsible, the date of acquisition and its unit cost.

*Article 100*
*Inventory checks*
*(Article 106(1) of the Financial Rules)*

Inventory checks carried out by Cedefop shall be performed in such a way as to ensure that each item physically exists and matches the relevant entry in the inventory. Such checks shall be carried out under an annual verification programme, save for fixed tangible assets and intangible assets, which shall be checked at least on a three-year basis.

*Article 101*
*Resale of property*
*(Article 106(2) of the Financial Rules)*

Officials or other servants and any other staff of Cedefop may not acquire items that are resold by the Centre, save where those items are resold by public tender procedure.

*Article 102*
*Procedure for sale of tangible assets*
*(Article 106(2) of the Financial Rules)*

1. Sales of tangible assets shall be advertised locally in appropriate manner, if the unit purchase value is EUR 8 100 or more. The period between publication of the last announcement and conclusion of the sales contract shall be no less than 14 calendar days.

Those sales shall be the subject of a notice of sale published in the Official Journal of the European Union, if the unit purchase value is EUR 391 100 or more. Appropriate advertising may also be placed in the Member States' press. The period between the date of publication of the notice in the Official Journal of the European Union and conclusion of the sales contract shall be no less than one month.

2. Cedefop may forgo advertising where the cost of advertising exceeds the expected return from the operation.

3. The Centre shall always endeavour to obtain the best price for sales of tangible assets.

4. Paragraphs 1, 2 and 3 shall not apply to sales between Union institutions and their bodies referred to in Article 208 of the general Financial Regulation.

*Article 103*
*Procedure for disposing of fixed assets*
*(Article 106(2) of the Financial Rules)*

A statement or record shall be drawn up by the authorising officer whenever any property in the inventory, including buildings, is sold, given away free of charge, scrapped, hired out or missing on account of loss, theft or any other reason.

The statement or record shall indicate in particular whether the item must be replaced at the expense of an official or other servant of Cedefop or any other person.

Where immovable property or major installations are made available free of charge, a contract must be drawn up and the case notified in an annual report sent to the European Parliament and the Council when the preliminary draft budget is presented.

Officials or other servants and any other staff of the Centre may not be recipients of the property in the inventory given away free of charge or scrapped.

# TITLE VII
# FINAL PROVISIONS

*Article 104*
*Repeal (Article 114 of the Financial Rules)*

The Decision of the Governing Board laying down detailed rules for the implementation of the Financial Rules applicable to Cedefop of 17 December 2010 (DIR/2010/675) is repealed with effect from 1 January 2014.

*Article 105*
*Entry into force (Article 115 of the Financial Rules)*

These Implementing Rules shall enter into force on the day following that of their adoption by the Governing Board. They shall apply as of 1 January 2014. However Article 24 shall apply from 1 January 2015.

03 June 2014 Barbara Dorn, Chair of the Governing Board