



Ireland's EU Structural Funds  
Programmes 2007 - 2013  
Co-funded by the Irish Government  
and the European Union



## Ireland – Wales Programme 2007 – 2013

### Good Practice Guide No. 3 - Document Retention

#### Introduction

Participating in an Ireland-Wales project carries with it certain conditions and requirements. The requirements of the European Commission are stipulated in various EC Regulations, and your ability to demonstrate that you have delivered on those requirements is dependent on the records that you keep.

One of the key qualities of a successful project is the standard it adheres to for its documentation and document retention.

From a practical point of view, applications, and in turn, Statements of Expenditure and Payment claims, can only be processed if there is documentary evidence to support them, so document retention is a process that starts as soon as a project concept emerges.

Documents must be retained by projects until the Managing Authority advises that all EC conditions have been met and the records can be destroyed. What this means in practice is that projects are likely to have to retain all documentation until, at the earliest, 2021. Many of the 1994-1999 Programmes are still not closed, 10 years later; closure of a Programme can be a lengthy process.

#### EC Regulations

This Guide aims to provide to partners some working detail on the requirements of Article 90 of Regulation 1083/2006, which states that::

- “1. *...the Managing Authority shall ensure that all the supporting documents regarding expenditure and audits on the operational programme concerned are kept available for the Commission and the Court of Auditors for:*
  - (a) *a period of three years following the closure of an operational programme as defined in Article 89(3)*
  - (b) *a period of three years following the year in which partial closure took place, in the case of documents regarding expenditure and audits on operations referred to in paragraph 2.”*

*These periods shall be interrupted either in the case of legal proceedings or at the duly motivated request of the Commission.*

2. *The Managing Authority shall make available to the Commission on request a list of completed operations which have been subject to partial closure under Article 88.*

3. *The documents shall be kept either in the form of the originals or in versions certified to be in conformity with the originals on commonly accepted data carriers.”*

And Article 19 of Regulation 1828/2006 goes on to say that:

- “1. *For the purposes of Article 90 of Regulation (EC) No 1083/2006, the managing authority shall ensure that a record is available of the identity and location of bodies holding the supporting documents relating to expenditure and audits, which includes all documents required for an adequate audit trail.”*

What this means is that we will ask you, with each Payment Claim, to tell us where you hold your supporting documentation, and if you change that location at any stage we expect you to inform us.

### **Who may want to view the documentation?**

- Other Project Partners
- The JTS
- First Level Controllers
- On-site Inspection Officers
- Welsh Assembly Government – European Funds Branch
- Irish Department of Finance – ERDF Financial Control Unit (FCU)
- Any authorised person carrying out a systems audit
- European Commission auditors or their representatives

Some of those parties, particularly the European Commission auditors, may visit long after the project is complete, and staff may have moved on, so it is vital to retain all necessary documentation. If you don't have the records, you may have to pay the money back – even if the project ended years ago. Don't throw anything away until you're told it's ok to do it !

### **Who is responsible for retaining the documentation?**

Final responsibility lies with the Lead partner. The Lead Partner must make sure that all other partners keep adequate records as well. Ideally, you should include document retention details in your Partnership Agreement so everyone is aware of their responsibilities.

### **What should I retain?**

A good start is to consider audit trail requirements.

An audit trail is often defined as a Paper or Electronic “trail” that allows step-by-step history of a transaction to be followed. It allows an examiner to trace the financial data from a general ledger to the source document (invoice, receipt, payment voucher etc).

The presence of a reliable and easy-to-follow audit trail is an indicator of a good system of internal control.

However, in addition to the documents usually considered part of the audit trail (invoices, bank statements, claim forms etc), Partners should also consider the adequacy of documentation retained to support key decisions in the implementation of the project.

Here are some examples of documents you should keep:

- All financial documents: invoices, payment records, receipts, Accounts, audit certificates, bank statements, evidence of match funding, staff timesheets, salary details etc.
- Where overheads costs and salaries have been apportioned to the project, records should show the methodology for calculating these costs and evidence that the cost related directly to the project.
- Procurement documentation: evidence to support all tendering exercises i.e., bidding process, selection criteria, justification for selection, exchanges of correspondence etc.
- Samples of Publicity material i.e. plaques, press cuttings, press releases, advertisements
- Policy documents
- Minutes of Steering Committee meetings
- Records of Partnership Management board meetings and their decisions
- Emails related to any aspect of the project
- Other correspondence related to any aspect of the project
- Evidence of Match Funding
- Annual Reports, Annual Accounts, printouts from accounting systems.
- Contracts – copies of any contracts entered into by any of the partners.
- Anything that relates to the recording and monitoring of Project Activity.
- Details of support and aftercare provided to the approved projects.
- Your application form, and any correspondence relating to it.
- Your subsidy contract, and any correspondence relating to it.
- Copies of all claims and Statements of Expenditure submitted, together with all First Level Control reports, all Certificates of ERDF control issued, and all documentation relating to any on-the-spot verifications carried out.
- Evidence to support your claims regarding the outputs and results you have declared for your project.

That's not intended as an exhaustive list, and it's possible that many partners will have other documents that also should be retained. If you're in doubt over whether you need to retain something or not, better err on the side of caution and retain it, but if you contact us we'll try and get you an answer.

### **How should I retain them?**

In accordance with Article 90 of Regulation 1083/2006, the documents must be retained either as originals or as certified copies on commonly used data carriers (in compliance with national

regulations), and Article 19 of Regulation 1828/2006 states the following are considered commonly accepted data carriers:

- (a) photocopies of original documents;
- (b) microfiches of original documents;
- (c) electronic versions of original documents;
- (d) documents existing in electronic version only.

*However, to satisfy National requirements in both Ireland and Wales, if you intend to retain paper copies **only** of the relevant documentation, you must retain the originals and not photocopies.*

Where documents exist in electronic version only, the underlying computer systems on which electronic versions are held must meet accepted security standards. This ensures that the documents held comply with national legal requirements and can be retrieved and relied on for audit purposes.

Electronic documents must be legible, complete and of a high standard. Project partners must ensure that electronic copies cannot be altered post scanning. Irish project partners must comply with the Electronic Commerce Act 2000 with regard to electronic storage and location of documents.

### **Why should I retain them?**

Because if you don't, you may face repayment of your grant! If the Commission carry out an audit and cannot see the documents required to back up the claims made by the project, they may rule that a repayment is necessary. And it applies to all partners, so it's vital that all Project Partners are aware of their responsibilities.

### **Some points to consider:**

Will you be able to trace all your documents in the future?

Are you confident your partner will?

Do you have a satisfactory document retention policy already in place?

Does your partner?

Do they adhere to it?

Is it covered by your Partnership Agreement?

Is your document retention policy good enough to last until at least 2021?

Do you have adequate storage space?

Are staff in your organisation aware of their responsibilities?

For further information on document retention please contact:

Joint Technical Secretariat (JTS),  
Ireland-Wales Programme,  
Old Port of Waterford Building,  
2 George's Street,  
Waterford,  
Ireland.

Tel. (+353) 51 318100

Email: [controllers@seregassembly.ie](mailto:controllers@seregassembly.ie)

Web site: [www.irelandwales.ie](http://www.irelandwales.ie)

Issue Date: July 2009