

- (1) The Auditor verifies that the fee rates for the Contractor's personnel (i.e. team leaders, senior and junior experts) charged to the Service Contract are the ones indicated in the Service Contract budget (Annex V of the Special Conditions).
- (2) If the actual fee rate charged differs from the fee rate indicated in the budget the Auditor verifies whether the actual fee rate has been approved in accordance with the terms and conditions of the Service Contract (Article 20 of the General Conditions).

### **3.1.3 Verification of total fee costs charged to the Service Contract**

#### *(1) Value*

- (a) The Auditor verifies that the total number of days / hours worked on timesheets for the Contractor's personnel (i.e. team leaders, senior and junior experts) multiplied by actual fee rates corresponds with the total fee cost charged to the Service Contract in the Financial Report and on the invoice (Article 29.6 General Conditions).
- (b) The Auditor verifies, where applicable, whether the correct exchange rates have been used in accordance with the terms and conditions of the Service Contract in order to calculate the total fee cost for the Contractor's personnel (Article 29.5 General Conditions).

#### *(2) Classification*

The Auditor verifies that total fee costs for the Contractor's personnel are classified in the Financial Report in accordance with the underlying timesheets and other evidence.

## **3.2 Eligibility of Incidental Expenditure**

The Auditor verifies the eligibility of incidental expenditure claimed with the terms and conditions of the Contract.

### **3.2.1 Verification of Incidental Expenditure –Verification Procedures and Criteria**

#### *(1) Incidental expenditure actually incurred (General Conditions Article 28.3)*

The Auditor verifies that incidental expenditure was actually incurred by and pertains to the Contractor. For this purpose the Auditor examines supporting documents (e.g. invoices) and proof of payment. The Auditor also examines proof of work done, goods received or services rendered and he/she verifies the existence of assets where applicable.

#### *(2) Cut-off - Implementation period (Article 5 of the Special Conditions)*

The Auditor verifies that incidental expenditure was incurred during the implementation period of the Service Contract and that it had not already been charged in a previous Financial Report and invoice submitted by the Contractor for payment by the Contracting Authority.

#### *(3) Budget (Special Conditions Annex V)*

The Auditor verifies that incidental expenditure was indicated in the Service Contract budget.

#### *(4) Covered by fee-rates (General Conditions Article 28.3)*

The Auditor verifies that incidental expenditure (including costs of office accommodation) is not already covered or supposed to be covered in the fee-rates for the Contractor's personnel (i.e. team leaders, senior and junior experts) and personnel other than experts. For this purpose the Auditor reviews the conditions in Section 6.1, 6.2 and 6.5 of the terms of reference for the Service Contract (Annex II of the Service Contract).

#### *(5) Necessary (General Conditions Article 28.3)*