

## Exercise 1: impact of SCO on errors

Type of error	If you use 40% flat rate for all other costs	If you use the 15% flat rate for Indirect costs	Standard scales of unit costs	Lumpsum
no evidence to support the time charged				
Ineligible training participants				
Ineligible direct staff costs				
Absence of separate accounting identifying all expenditure related to the project				
Non-compliance with accreditation rules for training companies				
Incorrect calculation of overhead costs (ex: ratio based on the proportion of the area of the building used by the project)				

## Exercise 1: Impact of SCO on errors

Possible irregularity?	If you use 40% flat rate for all other costs	If you use the 15% flat rate for Indirect costs	Standard scales of unit costs	Lumpsum
Transport costs: Missing bus tickets (other direct costs)				
Direct staff costs include both those internal experts and of external/outsourced experts				
Failure to give evidence of ESF support to the trainees – lack of compliance to publicity				
Salaries in DSC include those of the manager /DG of the project				
Non compliance to equal opportunities				