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Annual Activity Report 2018 (art. 103.6 FR 2017)
Approved by the Board of Governors of the European Schools at its meeting on 9-12 April 2019, in Athens
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1. Mission of the European School System

The European Schools are educational institutions set up in the European Union’s Member States.

“The purpose of the Schools is to educate together children of the staff of the European communities”

Convention defining the statue of the European Schools

The mission of the European Schools is to provide all pupils with multilingual broad education of high quality from early education to secondary school, and to equip upper secondary students to adult life and form a basis for further learning.

Decision of the Board of Governors

2. Introduction

The objective of the Annual Activity report is to present to the Board of Governors a report for the financial year 2018 on the overall management of the European School system, including main conclusions on the budgetary and sound financial management and internal control system (article 103.6 of the Financial Regulation 2017 (FR2017) transitorily in force until 31 December 2019).

The European Schools (ES) are in the middle of the implementation of a new governance model (2018-2020), which foresees the centralization of the functions of Authoring Officer (AO) and Accounting Officer. The Accounting Officer for the ES has been nominated in October 2018 and takes over his tasks and responsibilities gradually since then. The centralization of the Authorising Officer function is in preparation and is expected to come into force in 2020. The harmonization of reports from the Schools to the OSG and to the Administrative Boards, their detailed analysis and feedback is part of this preparation.

The Secretary General (SG) presents this report in his capacity as Secretary General; not yet as AO of the ES. Thus, he does not sign a declaration of assurance, but brings together and submits the information received from the AOs in the Schools and the OSGES.

The AOs contributed to the Annual Activity Report by providing the following important documents: The self-assessment of the Internal Control Standards, the registers of exceptions for 2018 and the
risk registers. They also indicated to us whether they plan to make a reservation in their Annual Activity Report.

3. Quality assurance in finance and administration

A. Set-up of the financial management system

- **Segregation of duties**

The Secretary General issued a new memorandum on segregation of duties in the financial circuits in 2018. The memorandum takes on board the changes related to the implementation of the new governance model, particularly the function of Accounting Officer. It also covers the operational tasks of the initiators and verificators, performed outside of the accounting software SAP (preparation of contracts, purchase orders and goods receipt, verification of FI invoice, deletion of assets). It restricts moreover the possible exceptions to the proposed models of financial circuits.

Based on the new memorandum, the Schools and the OSGES set up a new table of segregation of duties (SOD sheet). Changes were discussed with the employees concerned. The Financial Control Unit reviewed and approved the SoD sheets before any authorization was set up in SAP. This validation is an ongoing process: Any change in the segregation of duties structure in the course of the year has to be first submitted to the Financial Control Unit for analysis along with the required supporting documentation and subsequently, if compliant, it is communicated to the SAP Team for the relevant configuration.

- **SAP Accounting System**

The SAP accounting software was largely improved during 2018: The new version was put into production at the beginning of November 2018.

- SAP workflows were adapted to the new governance model, taking into account the future function of a central Accounting Officer.

- The authorizations granted to each SAP user were revised. A new authorization model that ensures segregation of duties in the system was developed and implemented.
Processes as the payments and salary posting were improved and made less prawn to fraud (manual steps were eliminated or made impossible after approval).

Automated controls were introduced to ensure an improved and harmonized use of accounts and document types (certain accounts can only be used together with certain document types, approval workflows depend on document type).

The Authorizing Officers of the Schools, the Verificators, the accountants responsible for salary payments as well as the SAP key users have received training on the new SAP system. The controls that are expected at the level of the different transactions were repeated.

- Payments and online banking system

The SAP system of all Schools and the OSGES is linked to the online banking system used. With some exceptions payments are initiated in SAP and automatically sent to the online banking system, where two employees release them. It is recommended that the first signature in the online banking system is done by the Accounting Officer (as of 2019 Accounting Officer Correspondent) or his/her assistant and the second by the Authorizing Officer or his/her delegate. A request to inform the OSGES about the bank authorizations was issued in 2017. Not all Schools follow it yet.

In the course of the further implementation of the new governance model, it is foreseen that the Accounting Officer will gradually take over the second signature in the online banking system from the Authorizing Officer. When setting up the authorization of the Accounting Officer a general review of the bank authorizations and a reduction of the number of bank accounts will take place.

- Ex-ante control at the School and by the Financial Control Unit

Each financial transaction is subject to at least one ex-ante control at the level of the School/OSG. After registration by the initiator, all transactions are submitted via workflow to the verificator for ex-ante control (4-eyes principle) and subsequently to the Authorizing Officer for approval (6-eyes principle). Since November 2018, the system ensures that the Verificator is not the same employee as the Initiator of the transaction.

The Financial Control Unit performed ex-ante controls on the basis of certain thresholds for pre-commitments, payments and salary postings until the go-life of the improved version of SAP (see 2019-02-D-25-en-2 Annual Report of the Financial Controller for the year 2018).
B. Summary conclusion of the assessment of the implementation of the internal control system

Article 4 of the FR2017 requires that the budget shall be implemented in compliance with efficient and effective internal control. An efficient and effective internal control, which is applicable at all levels of the School, shall ensure and provide reasonable assurance of the achievement of the following objectives:

a) effectiveness, efficiency and economy of operations;

b) reliability of reporting;

c) safeguarding of assets and information;

d) prevention, detection, correction and follow-up of fraud and irregularities;

e) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the nature of the payments concerned.

In 2016, the ES have adopted a revised set of internal control standards, based on international best practice. Since then, the ES made continued efforts to improve the internal control system. The following table highlights the most important measures taken during the financial year 2018. They are structured in six building blocks that form the pillars of the Internal Control System.

<table>
<thead>
<tr>
<th>Building block (area)</th>
<th>Measures taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Mission and Values</td>
<td></td>
</tr>
</tbody>
</table>
| 2. Human Resources          | - Training on new SAP system for the Authorizing Officers of the schools, the verifications, the accountants responsible for salaries payments, the SAP key users.  
                                | - Information session on negotiated procedure for procurement network.      |
| 3. Planning and risk        | - Continued development of top risk registers in the Schools and the OSGES in the areas of pedagogy, administration and finance.  
                                | management                                                               |
| Financial Reporting         |                                                                               |
- Definition of two common pedagogical objectives for all Schools (school-year 2018-19).
- Agreement on a strategic multi-annual plan 2019-2021 with two long-term objectives in administration and finance.
- Definition of common objectives in administration and finance for 2019.

### 4. Operation and control activities

- Issuance of a new memorandum on segregation of duties in financial circuits in compliance with the new governance model.
- Implementation of the new SAP accounting software system which went live on 5th November 2018; adoption of all workflows to future governance model with the functions of Accounting Officer (central) and Authorizing Officer (central).
- Revision of SAP authorizations.
- Issuance of a memorandum for the use of the register of exceptions.
- Continued ex-ante control of pre-commitments, payments and salary postings; Performance of ex-post controls in one School according to ex-post control plan (shift of ex-ante to ex-post control by the Financial Control Unit).

### 5. Information and Financial reporting

- Revision of the chart of accounts.
- Harmonized agendas for Administration Board meetings.

### 6. Audit and compliance with Internal control standards

- Audit of the closure of accounts 2017 of six schools by the external auditor Deloitte;
- Follow-up of outstanding audit recommendations classified as ready for review.
- A consulting engagement on the management of extra-budgetary accounts in the ES by the IAS
- Self-assessment of the Internal Control Standards done by all Schools and the OSGES.
Each School and the OSGES has self-assessed the implementation of the internal control system at the end of the reporting year. The table below shows the internal control standards related to the six building blocks and the number of schools/OSGES who fully (green)/partially (yellow)/ not (red) implemented the standards. Here is the outcome:

1) The self-assessment in schools revealed that the standards related to the mission and values, as well as the human resources management, are effectively implemented and function efficiently, to a large extent. Nevertheless, weaknesses remain in the evaluation of the staff performance in accordance with the relevant staff regulations.

2) The ES have satisfactorily implemented the internal control standards in Planning and Risk management. This was possible, on one hand, because the Schools use common templates for the Annual School Plans (pedagogical and financial/administrative) and work on common objectives on a yearly basis. An improvement is also expected from the OSGES with the current process of definition of annual and multi-annual objectives. On the other hand, the efforts to implement a meaningful risk management system, regular analysis and feedback have been continued.

3) The results for the pillar “Operations and control activities” divers. The control standard 9. Exceptions is in place in all schools/OSGES. Most other standards (operational structure, procedures, continuity of operations and document management) were partially implemented by half of the schools/OSGES, while other few schools still presented difficulties in implementing them (at least one red self-assessment by 4 schools). The following major weaknesses have been detected:

- Difficulties in implementing segregation of duties according to the new memorandum, mostly because of a lack of enough staff members;

- With the application of the new SAP model, there were still some weaknesses in financial management, but the situation is expected to change now that the important improvements have been implemented in November 2018;

- In relation to the ‘Continuity of operations’ pillar, most schools/OSGES did not implement an emergency plan, covering major possible incidents, as well as a business continuity plan in the case of major disruptions. Guidance is still needed within the system in this particular area, although we also expect an improvement with the recruitment of safety and security officers in most schools.
For the ‘mail and document management’ pillar, half of the schools only partially implemented the related internal control standards, mainly because the General Data Protection Rule was not fully in place. With the recruitment of General Data Protection Officer in the OSGES and the budget granted to get local support (by either a recruitment or an external company) the implementation of data protection rules and guidelines will certainly be improved in the near future.

4) In the case of “Financial reporting” internal control standards, the Schools/OSG who partially/not implemented the connected control standards, had identified weaknesses in the financial reporting, particularly related to the retrieval of relevant information for better decision-making. Improvements are foreseen in the course of 2019.

As a result of the self-assessment of internal control systems in the Schools/OSGES, we can conclude that, although improvements were seen (see table of measures taken), further efforts are needed in the implementation of the internal control standards in certain areas.
C. Register of exceptions

In compliance with Internal Control Standard 9, all Schools and the OSGES have a register of exceptions. The idea is that each infringement of a rule, regulation or decision may put in question whether sound financial management is applied in the execution of the budget and/or the reputation of the School. It is therefore important to analyze each infringement individually, as early as possible, and to document and justify it properly. It is also important to keep an overview of the sum of infringements committed in a year, as these - maybe not individually but in total - may have an influence on the reliability of the accounts and the assurance signed by the Authorising Officer.

In the course of 2018, the Secretary General issued a Memorandum for the use of the register of exceptions to further harmonize the practices in the Schools and OSGES. It has been explained and discussed with the Directors and Deputy Directors for Finance and Administration.
In total 174 exceptions were registered by the Schools and the OSGES. The following graphs give an overview of the exceptions:
It has been for the first time that the registers of exceptions have been compiled and analyzed. As a result, the following can be said:

- Further training and harmonization is needed. Feedback will be given to the Schools on the exceptions of 2018. Overall conclusions will be shared with all Schools/OSGES.

- Interpretation of certain incidents is required and guidance needed.

- 46 exceptions were necessary due to technical problems in SAP that impeded a proper payment via SAP (e.g. 20 were payments in foreign currency that were still not possible through SAP). It will be important to analyze them and to find solutions to avoid these exceptions in the future.

- Currently it is impossible to draw a conclusion on the materiality of these exceptions. Further work has to be done here.
D. Risk management

Efforts towards a meaningful risk management process were continued throughout 2018. These included:

- Set-up of a system risk register containing the top 5 risks of the European School System; presentation to governing bodies;

- Update of the Schools’ risk registers twice a year (pedagogical risks for the Administrative Board meetings in September and October, administrative and financial risks for the Administrative Board meetings in January and February); discussion and presentation of risk registers in Administrative Board meetings;

- Summary and revision of the Schools’ risk registers at central level, feedback at Administrative Board meetings;

- Revision of the Schools’ top five risks in administration and finance during the Directors’ meeting; definition and agreement on a new risk.

The aim to link the risk register with other important documents of the Schools (particularly the Annual School Plans and the Annual Activity Report) is more and more understood and achieved. Nevertheless, in some Schools more advice and support will be necessary to get to a meaningful risk register.

The following table summarized the development of the Schools’ top risks over the year 2018:

<table>
<thead>
<tr>
<th>Financial and administrative risks: Risk title</th>
<th>Assessment Jan 2018</th>
<th>Assessment Jan 2019</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weaknesses in Financial Management Processes</td>
<td>12</td>
<td>13</td>
<td>Some weaknesses related to the connection between SAP and the online software persists (automatic upload of bank statements, foreign currencies) as well as the assets registers that are not reconciled with the physical assets.</td>
</tr>
<tr>
<td>Insufficient security measures</td>
<td>9</td>
<td>9</td>
<td>Security measures decided after security inspection and study are in the process of implementation.</td>
</tr>
</tbody>
</table>
Increasing dependence on IT and telecommunication | 15 | 18 | Experience breakdowns in 2018, insecurity about server back-ups, and absence of Head of Unit IT.

Delays in renovation and provision of buildings | 14 | 12 | Assessment developed in different directions in the different Schools (important increased in Brussels II and III, whereas it decreased in Alicante and Lux 1)

Insufficient number of trained administrative staff | 18 | 17

Lack of HR specialist/department | 15 | 15 | New risk related to the impossibility of the Schools to comply with requirement related to the HR management

<table>
<thead>
<tr>
<th>Pedagogical risks:</th>
<th>Assessment Sep 2017</th>
<th>Assessment Sep 2018</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of harmonization/coherence between sections</td>
<td>10</td>
<td>10</td>
<td>Reform of the marking system in progress.</td>
</tr>
<tr>
<td>Number of teaching hours not assured</td>
<td>10</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Difficulties in the recruitment of local recruited teachers</td>
<td>19</td>
<td>18</td>
<td>Announced number of secondments/replacement of secondments for school year 2019/20 quite positive.</td>
</tr>
<tr>
<td>Consequences of Brexit decision</td>
<td>15</td>
<td>16</td>
<td>Hard Brexit becomes more probable; consequence unclear.</td>
</tr>
<tr>
<td>Development of pupil numbers (constant increase)</td>
<td>21</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Development of pupil numbers (constant decrease)</td>
<td>15</td>
<td>12</td>
<td>Decrease mainly because of the reassessment of the School of Bergen who expects more pupils due to EMA moving to Amsterdam.</td>
</tr>
</tbody>
</table>
E. Activities of the Internal Audit Service (IAS)

In 2018, the Internal Audit Service did not perform any audit or consulting engagement but focused on the following:

- Finalization of the report on the consulting engagement for the management of the extra-budgetary accounts (started in 2017)
- A risk assessment to determine the IAS Strategic Audit Plan 2019-2021 and
- A follow-up of outstanding recommendations that were classified as ready for review.

The risk assessment was performed at the OSGES with the help of the Schools of Brussels I, III and IV.

The objective of the risk assessment was to map a universe of 37 processes (administrative and operational processes) according to their maturity in relation to risks and related controls. The results of the risk assessment have been summarized in a matrix (ES Risk Map). All reviewed processes and sub-processes, administrative and operational, have been positioned in the matrix according to the perceived risk – both inherent risk and the residual risk that remains if/when pertinent controls are in place.

Based on the risk assessment, the following three audit and/or consulting topics were defined for the years 2019-2021:

- 2019: Consulting engagement on human resources allocation and distribution of non-teaching tasks (Processes – Planning and Recruitment)
- 2020: IT governance (Process – IT governance)
- 2021: Controls over the European Baccalaureate (Process - European Baccalaureate).

At the end of 2018, the European Schools marked two recommendations as ready for review:

- Segregation of duties within SAP – critical
- Tasks on operational and financial initiation and/or verification – very important

These were regarded as fully implemented and closed by the IAS in February 2019.
With this, 19 recommendations remain open at the beginning of 2019. These have been taken into account in our plans for 2019.

Two recommendations, out of the 19, are assessed with the priority ‘critical’:

- Roles and responsibilities of the parents’ association in security: This was a common objective of all schools in 2018 and is followed-up closely with all schools;

- Outgoing payments: This is a common objective of the OSG and the Schools in 2019.

## F. Results of external audits

- Audits of Deloitte of the closure of the accounts 2017

During 2018, Deloitte performed a financial audit of seven schools for the year ended 2017. These schools were Bergen, Culham, Frankfurt, Luxembourg I, Luxembourg II, Mol and Varese. It is good to note that financial audits are performed on a rotational basis resulting in every school being audited every two years.

Deloitte audited the trial balances of the above-mentioned Schools, concluded that these give a true and fair view of the schools’ net equity and financial position as of 31 December 2017 and of its results for the year then ended.

The main recommendations related to proposed adjustments/reclassifications of accounts and internal controls weaknesses. All proposed adjustments and reclassifications were corrected during the preparation of the final individual and consolidated accounts of the European Schools.

Concerning the internal control systems, Deloitte made a series of recommendations to each school, which concerned mainly the areas of implementation of segregation of duties, installation of appropriate controls in the accounts, closing procedures and formal documentation of internal controls performed. Some of the recommendations were generally addressed with the introduction of the new configuration of SAP and the application of the memorandum on segregation of duties in the financial circuits. The Schools are asked to follow them up closely and to report about their implementation in the Administration Board Meetings.
Audit of the European Court of Auditors of the accounts 2017

Pursuant to the financial regulation of the European Schools, the European Court of Auditors (ECA) performed a limited review in the Central Office and in two schools: Brussels IV and Munich.

The ECA’s review focused on the following:

- The schools’ consolidated annual accounts for the 2017 financial year;
- The individual accounts and internal control systems of the Central Office and the two schools.
  This included an examination of staff recruitments, procurements procedures and payments.

The final report together with the schools’ replies have been adopted in November 2018.

Based on their limited assurance review, the ECA did not identify any material errors in the final consolidated financial statements for 2017. In relation to internal control systems, the ECA did not detect any significant weaknesses in procurement procedures. The improvement resulted from the creation of a procurement unit at the Central office, which developed detailed guidelines and model templates to use.

However, some weaknesses have been detected in the application of accruals-based accounting to the individual accounts of the three entities. In addition, the review of internal control systems showed limited weaknesses in Brussels IV, while significant weaknesses were revealed in Munich and the Central Office in the recruitment and payment procedures.

The recommendations mainly related to:

- The improvement in the application of the accruals-based accounting. In this regard, The OSG has issued procedures and guidelines on accounting procedures with regular training sessions with the accountants of the schools. In addition, a project has been launched in October 2018 to review the existing chart of accounts and to produce an accounting manual, in order to support the continuous improvement of the quality of the financial statements produced by the schools, in line with the requirements of the International Public Sector Accounting Standards (IPSASs).
- The rigorous application of staff selection rules and proper documentation of the recruitment procedure. The European Schools commit to continue efforts to ensure that staff selection rules are fully respected and that an appropriate documentation of the processes is kept.
- The development of guidelines for the management of extra-budgetary items to ensure a harmonization throughout the European Schools system. The European Schools have committed to develop guidelines for extra-budgetary accounts management in its plan for 2019.

4. Conclusion

The AOs of the Schools have prepared their Annual Activity Reports including a declaration of assurance. None of the AOs has made a reservation in the declaration of assurance Some AOs have raised the attention of the Administrative Boards to certain weaknesses. These are taken very seriously at the level of the Office of the Secretary General and as far as possible measures are taken to solve them.

The AO of the OSGES has also signed a declaration of assurance without making a reservation. In accordance with the FR2017 the OSGES has not yet prepared an AAR (art. 33.3. enters into force in 2020). The relevant information received (assessment of the Internal Control Standards, register of exceptions and risk register) has been included in this summary report.

Summarizing we may

- say that the information provided in the AARs of the Schools and in this report provide a true and fair view.

- state that the 14 AOs have reasonable assurance that the resources assigned have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on the AOs judgement and on information at their disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial

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1 True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration.

- confirm that we are not aware of anything not reported here which could harm the interest of the European Schools.

The declarations of assurance of the AOs are attached to this report. The AARs of the Schools are available upon request.

5. Outlook

In order to ensure that in 2021 for the financial year 2020 the Secretary General in his function as Authorizing Officer for the European School System will be able to prepare a full global AAR the following measures are foreseen in 2019:

- Centralization of payments (second signature to be performed at central level);

- Full implementation of the ex-post control plan as approved by the Board of Governors in December 2018 (dependent of successful recruitments in the unit);

- Continuation of the audits performed (ECA, IAS and Deloitte) and follow-up of the implementation of the recommendations;

- Follow-up of the implementation of the common objectives;

- Analysis, feedback and training for the documents prepared by the Schools, in particular the registers of exceptions, assessments of the Internal Control Standards.
1. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, José Máximo da Torre,
Director of the European School of Alicante,
in my capacity as AUTHORIZING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view¹;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Alicante, 15 March 2019

(signature)

¹ True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Dr Steve Lewis
Director of the European School of Bergen,
in my capacity as AUTHORISING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the following shortcomings:

- The challenges for the school administration to carry out all tasks and requirements of the Financial Regulations, rules of the system in all areas of pedagogy and human resources, local requirements and school guidelines due to limited human resources and a lack of back-up in the case of illness or absence.
- Lack of automated complete workflow for revenues.
- Issue of automatic payment file from ADP to SAP for LRT and AAS staff has not been resolved.
- Necessity to execute some payment transactions (foreign currency etc.) outside SAP and the subsequent necessity to regularise them under the accounting software.
- Although the European School Bergen follows the purchase procedure for new contracts, we have experienced problems implementing this procedure fully for the extra-budgetary accounts.

Bergen, 15th March 2019

[Signature]

1 True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Brian Goggins,
Director of the European School of Brussels 1,
in my capacity as AUTHORISING OFFICER Since September 1st 2018,
- declare that the information contained in this report gives a true and fair view;
- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;
- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the outstanding matters which are included in the Statement of Assurance of the Accounting Officer of the European schools.

Uccle, 28.03.2019

(signature)

1 True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
INTERIM Declaration of Assurance

for the period of 1st January to 31st August 2018

General Part (substituting the preparation of an Annual Activity Report):

1. I confirm that the School’s achievements are in line with the priorities and objectives set and that resources under my responsibility were properly used according to the approved budget 2018, the Annual Pedagogical School Plan 2017-2018 and the Annual Administrative and Financial School Plan 2018.

Yes ☒ No ☐

Please explain, if you have ticked ‘No’:

2. I am not aware of any matters of importance that might compromise the sound management of appropriations or prevent attainment of objectives set. In particular I confirm that:

☑ The financial circuits required by the Financial Regulation have been used;

☑ The responsibilities of all actors in the financial circuits have been defined, assigned, accepted and communicated in writing;

☑ The segregation of duties principle has been respected;

☑ I am not aware of any case or suspected case of conflict of interest;

☑ I do not suspect that any fraudulent activities took place;

☑ Internal controls are in place and have been effective;

☑ Supervision has been properly exercised;

Agree ☒ Do not agree ☐

Please explain, if you do not agree:

3. I confirm that if a procedure was not followed in accordance with the rules, I included the matter in the register of exceptions.

Yes ☒ No ☐ n/a (if no exceptions) ☐

4. I indicate below any additional comments of potential importance for the Annual Activity Report for the year 2018:

The stipulations in the Declaration of Assurance of 22.08.2018 with regards to the 2017 Closure of Accounts are still relevant and need to be treated in 2018.
5. I confirm that I have **effectively** managed the risks related to the School’s activities and I have informed the Administration Board of the top risks, which may affect the achievement of the objectives defined.

Yes ☒ No ☐

Please explain, if you have ticked ‘no’:


**Conclusion:**

I, the undersigned, Antonia RUIZ-ESTURLA,

Director of the European School of Brussels 1 (Uccle and Berkenaael)

In my capacity as authorising officer from 1st January to 31st August in 2018,

Have performed my duties to my best ability and in accordance with article 19 of the Financial Regulation (2014-12-D-10-en-2, still applicable).

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the latest self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the period of this declaration.

I confirm that I am not aware of anything not reported here which could harm the interest of the School.

Date 30 August 2018  Signature: -
6. DECLARATION OF ASSURANCE

I, the undersigned, Simon SHARRON,
Director of the European School of Brussels II
In my capacity as authorising officer in 2018,
Declare that the information contained in this report gives a true and fair view¹.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interest of the School.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the following:

- Actual workflows in SAP still leads to an overload of work affecting the Authorizing Officer.
- Due to the normal workload in the school, deadlines for the production of financial statements and other reports are sometimes difficult to keep.
- Compliance with the demands of system audits and Internal Control Standards exerts considerable pressure on the schools' human resource.

Brussels, 21.03.2019

Simon SHARRON,
Director EEB2.

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¹ True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DÉCLARATION D’ASSURANCE DE L’ORDONNATEUR
ARTICLE 19 DU RÈGLEMENT FINANCIER 2006 EN VIGUEUR JUSQU’AU
31.12.2019

Je soussigné, Emmanuel de Tournemire, Directeur de l’École européenne de Bruxelles III,

en ma qualité d’ordonnateur en 2018,

- déclare que les informations contenues dans le présent rapport donnent une image fidèle de la situation ;

- déclare avoir une assurance raisonnable que les ressources allouées aux activités décrites dans le présent rapport ont été utilisées aux fins prévues et conformément aux principes de bonne gestion financière, et que les procédures de contrôle mises en place offrent les garanties nécessaires quant à la légalité et à la régularité des opérations sous-jacentes.

Cette assurance raisonnable est fondée sur ma propre appréciation et sur les informations à ma disposition, telles que les résultats de l’auto-évaluation de la mise en œuvre des Normes de contrôle interne, les résultats des contrôles ex ante, les observations du contrôleur financier, les observations des services d’audit interne et les enseignements tirés des observations de la Cour des comptes et des autres auditeurs externes pour les années précédant l’année de la présente déclaration ;

- confirme ne pas avoir connaissance de quoi que ce soit qui ne serait pas mentionné dans le présent rapport et qui pourrait nuire aux intérêts de l’École.

Nonobstant l’absence de réserves dans la présente déclaration d’assurance, j’estime utile d’attirer l’attention du Conseil d’administration sur les lacunes suivantes :


Bruxelles, le 30.01.2019

[Signature]

3 Dans ce contexte, « fidèle » signifie une image fiable, complète et correcte de l’état des choses à l’école.
6. DÉCLARATION D’ASSURANCE DE L’ORDONNATEUR

ARTICLE 19 DU RÈGLEMENT FINANCIER 2006 EN VIGEUR JUSQU’AU
31.12.2019

Je soussigné, Manuel BORDOV
Directeur de l’École européenne de Bruxelles IV
en ma qualité d’ordonnateur en 2018,

- déclare que les informations contenues dans le présent rapport donnent une image fidèle de la situation¹ ;

- déclare avoir une assurance raisonnable que les ressources allouées aux activités décrites dans le présent rapport ont été utilisées aux fins prévues et conformément aux principes de bonne gestion financière, et que les procédures de contrôle mises en place offrent les garanties nécessaires quant à la légalité et à la régularité des opérations sus-jacentes.

Cette assurance raisonnable est fondée sur ma propre appréciation et sur les informations à ma disposition, telles que les résultats de l’auto-évaluation de la mise en œuvre des Normes de contrôle interne, les résultats des contrôles ex ante, les observations du contrôleur financier, les observations des services d’audit interne et les enseignements tirés des observations de la Cour des comptes et des autres auditeurs externes pour les années précédant l’année de la présente déclaration ;

- confirme ne pas avoir connaissance de quoi que ce soit qui ne serait pas mentionné dans le présent rapport et qui pourrait nuire aux intérêts de l’École.

[Nonobstant l’absence de réserves dans la présente déclaration d’assurance, j’estime utile d’attirer l’attention du Conseil d’administration sur les lacunes suivantes :

- le paramétrage du logiciel comptable SAP n’est pas finalisé à ce jour.

Bruxelles, le 19 mars 2019

[Signature]

¹ Dans ce contexte, « fidèle » signifie une image fiable, complète et correcte de l’état des choses à l’école.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Ferdinand Patscheider
Director of the European School of Frankfurt
in my capacity as AUTHORISING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Frankfurt, 14 March 2019

(Ferdinand Patscheider)

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2 True and fair in this context means a reliable, complete and correct view of the state of affairs in the school.
6. DECLARATION OF ASSURANCE OF THE AUTHORIZING OFFICER

I, the undersigned, Daniel Gassner,
Director of the European School of Karlsruhe,
in my capacity as AUTHORISING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Karlsruhe, March 12, 2019

Daniel Gassner

(signature)

1 True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Martin WEDEL,
Director of the European School Luxembourg I,
in my capacity as AUTHORIZING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view\(^1\);

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the following shortcomings:

- Lack of automated complete workflow for revenues.
- Necessity to execute some payment transactions (foreign currency payments for example) outside SAP and the subsequent necessity to regularize them in SAP.

Luxembourg, March 18th 2019

[Signature]

Martin WEDEL

\(^1\) True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Per Frithiofson, Director of the European School of Luxembourg II, Mamer in my capacity as AUTHORISING OFFICER IN 2018,

- declare that the information contained in this report gives a true and fair view\(^1\);

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Bertrange, 15-03-2019

\[^1\] True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Tinne Van Opstal,
Acting Director of the European School of Mol,
in my capacity as AUTHORISING OFFICER since September 2018,

- declare that the information contained in this report gives a true and fair view;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the following:

From 1st of January 2018 until 31st of August 2018 Brian GOGGINS, was director of the European School of Mol.

Mol, 15 March 2019

(signature)

1 True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
INTERIM DECLARATION OF ASSURANCE
FOR THE PERIOD OF 1ST JANUARY TO 31ST AUGUST 2018

General Part (substituting the preparation of an Annual Activity Report):

1. I confirm that the School’s achievements are in line with the priorities and objectives set and that resources under my responsibility were properly used according to the approved budget 2018, the Annual Pedagogical School Plan 2017-2018 and the Annual Administrative and Financial School Plan 2018.

Yes ☑
No ☐

Please explain, if you have ticked 'No':

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

2. I am not aware of any matters of importance that might compromise the sound management of appropriations or prevent attainment of objectives set. In particular I confirm that:

✓ The financial circuits required by the Financial Regulation have been used;
✓ The responsibilities of all actors in the financial circuits have been defined, assigned, accepted and communicated in writing;
✓ The segregation of duties principle has been respected;
✓ I am not aware of any case or suspected case of conflict of interest;
✓ I do not suspect that any fraudulent activities took place;
✓ Internal controls are in place and have been effective;
✓ Supervision has been properly exercised;

Agree ☑
Do not agree ☐

Please explain, if you do not agree:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

3. I confirm that if a procedure was not followed in accordance with the rules, I included the matter in the register of exceptions.

Yes ☑
No ☐
n/a (if no exceptions) ☐
4. I indicate below any additional comments of potential importance for the Annual Activity Report for the year 2018:

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5. I confirm that I have effectively managed the risks related to the School's activities and I have informed the Administration Board of the top risks, which may affect the achievement of the objectives defined.

Yes ☑ No □

Please explain, if you have ticked 'no':

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**Conclusion:**

I, the undersigned, _<name>_ , BRIAN GOGGIN

Director of the European School of _<city>_ MOL.

In my capacity as authorising officer from 1st January to 31st August in 2018,

Have performed my duties to my best ability and in accordance with article 19 of the Financial Regulation (2014-12-D-10-en-2, still applicable).

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the latest self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the period of this declaration.

I confirm that I am not aware of anything not reported here which could harm the interest of the School.

Date

31/08/2018

Signature:
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Rudolph Ensing,
Director of the European School of Munich
in my capacity as AUTHORISING OFFICER in 2018,

- declare that the information contained in this report gives a true and fair view¹;

- state that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported here which could harm the interest of the School.

[Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Administration Board to the following shortcomings:

- ...
]

Munich, 15 March 2019

Drs. Rudolph J. Ensing

¹ True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
6. DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER

I, the undersigned, Károly PÁLA,
Director of the EUROPEAN SCHOOL OF VARESE,
in my capacity as AUTHORISING OFFICER IN 2018,

- Declare that the information contained in this report gives a true and fair view\textsuperscript{13}.

- State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors and other external auditors for years prior to the year of this declaration.

- Confirm that I am not aware of anything not reported here which could harm the interest of the School.

Varese, 19/03/2019

the Authorising Officer
Károly PÁLA

\textsuperscript{13} True and fair in this context means a reliable, complete and correct view of the state of affairs in the School.
DECLARATION OF ASSURANCE OF THE AUTHORISING OFFICER


I, the undersigned, Andreas Beckmann,
Deputy Secretary-General of the European Schools,
in my capacity as AUTHORISING OFFICER IN 2018,

- state that I have reasonable assurance that the resources assigned to the activities of the Office of the Secretary General have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guaranties concerning the legality and regularity of the underlying transactions.

The reasonable assurance is based on my own judgement and on information at my disposal, such as the results of the self-assessment of the implementation of the internal control standards, results of ex-ante and ex-post controls, the observations of the financial controller, the observations of the internal audit services and the lessons learnt from the Court of Auditors for years prior to the year of this declaration;

- confirm that I am not aware of anything not reported to the Board of Governors which could harm the interest of the European Schools.

Notwithstanding the absence of reservations in this declaration of assurance, I consider relevant to draw the attention of the Board to the following shortcomings:

- Under the current working and in particular salary conditions for the Administrative and Ancillary Staff (AAS) the Office of the Secretary-General is risking to fail to recruit and retain highly qualified staff in the area of financial governance. This risk needs to be mitigated by approving the envisaged ‘Reform of the AAS Salary and Progression System’.

Brussels, 29 March 2019

(signature)

Andreas BECKMANN
Secrétaire Général Adjoint
Des Ecoles Européennes