

**GUIDELINES CONCERNING FINANCIAL MANAGEMENT AND MONITORING FOR
RECIPIENTS OF STATE FUNDING FROM
PUBLIC ART NORWAY**

Adopted by Public Art Norway on 7 January 2008

1. General

Public Art Norway wishes to emphasize to funding recipients that the various Norwegian statutes and regulations that apply to specific forms of business organization must be followed carefully. We refer in particular to the Act of 13 June 1997 no. 44 concerning limited companies (the Private Limited Liability Companies Act); the Act of 15 June 2001 no. 59 concerning foundations; the Act of 21 June 1985 no. 83 concerning general and limited partnerships (the Partnerships Act); the Act of 17 July 1998 no. 56 concerning annual accounts etc. (the Accounting Act); and the Act of 15 January 1999 no. 2 concerning auditing and auditors (the Auditing Act).

2. Monitoring by Public Art Norway

Public Art Norway also refers to the general requirement imposed by the Storting (the Norwegian parliament) on public administrative bodies to monitor grants of funding to "public or private organizations that are not otherwise subject to state controls", cf. § 10, second paragraph of the Storting's Appropriations Regulations.

This paragraph states that:

"When making grants of funding or loans to public- or private-sector organizations that are not otherwise subject to state controls, rights must be reserved so that the funding body has access to conduct controls to ensure that the funds are used in accordance with the funding criteria."

3. Recipients of funding where settlement is required (funding where the amount is set as a part of a budget or an actual accounting)

Where funding is granted in the form of complete or partial coverage of budgeted expenses, accounts must be submitted as soon as possible, and in any event no later than three months after the matter or project has concluded. Accounts relating to funding in excess of NOK 100,000 must be certified by a state-authorized or registered auditor, whose certificate must state that the expenses actually incurred correspond to the budgeted expenses. Institutions that are audited by a local government auditor or other public-sector auditing body are exempt from the requirement to obtain certification.

If the funding recipient is a municipality or a county council, there is no need to submit accounts to Public Art Norway. The use of the funding should be documented by

providing Public Art Norway with copies of the contracts with artists. These must be submitted to Public Art Norway before payment can be made.

4. Lapsing of funding

Grants of funding lapse if two years have elapsed and either (a) the activity has not commenced or (b) there has been no request for payment.

5. Repayment of funding

If the funding or parts of the funding are not used for the authorized purpose, Public Art Norway may demand repayment of the amounts used for such unauthorized purposes. The funding recipient is obliged to notify Public Art Norway of such circumstances as soon as possible and in any event no later than 1 December of the year the funding was granted.

Any such repayments should be made to:

Public Art Norway, PO Box 6994 St. Olavs plass, 0130 Oslo, Norway

Bank account number: 8276.01.02349

Any such repayment must carry the project name and number as reference.

The following applies to all types of funding:

If it subsequently becomes apparent that the funding was not used for the authorized purpose, Public Art Norway can demand repayment of all or part of the funding. If the funding recipient has obtained the funding on the basis of inaccurate information, in certain circumstances Sections 270-271 of the Norwegian Penal Code may apply.