

Partnership Agreements & Financial reporting and supporting documents

TEFCE Kick-off Meeting

590200-EPP-1-2017-1-DE-EPPKA3-PI-FORWARD

Technische Universität Dresden
European Project Center
Ines Schmidt (Project Manager)

Dresden, 27.03.2018 – 29.03.2018

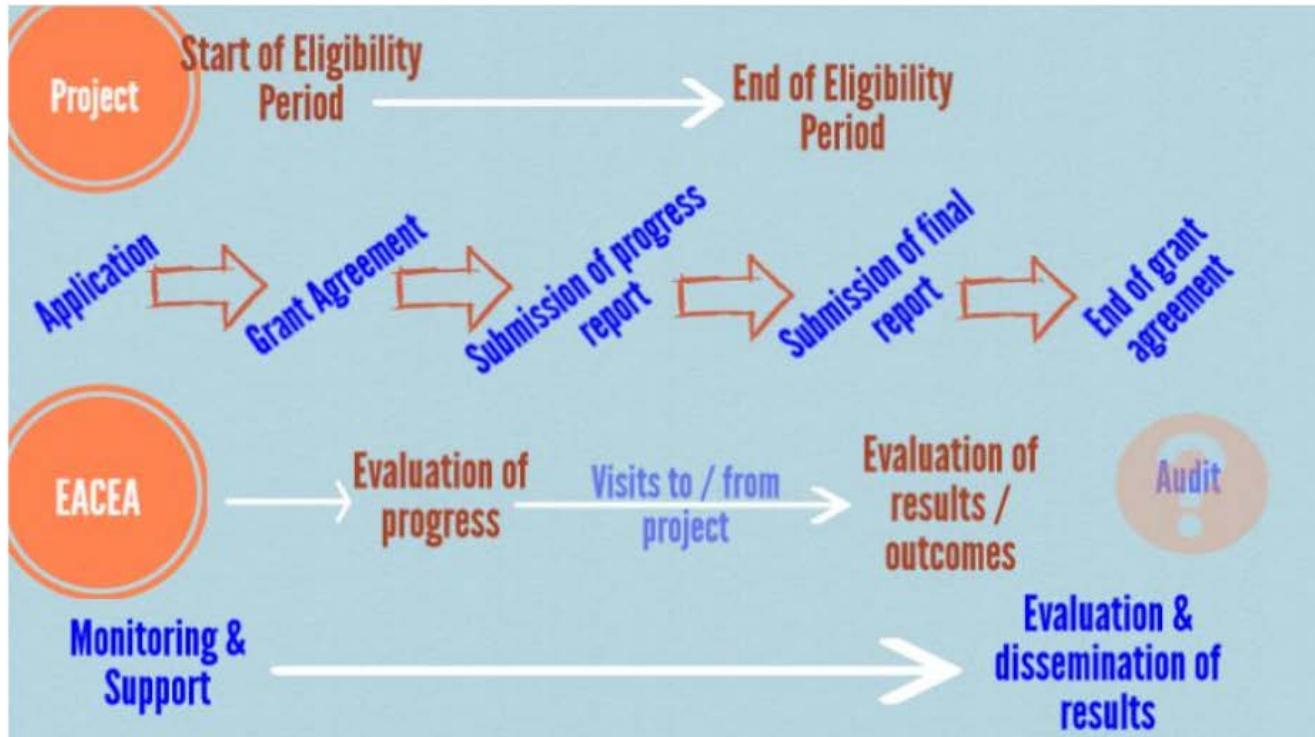
Topics

1 Partnership Agreement

- Obligations and responsibilities, communication
- Financing the action
- Payment arrangements
- Reporting and payment request
- Exchange rate
- Visibility
- Amendments
- Annexes

1 Partnership Agreement

Project life cycle



Education,
Youth
& Culture
Executive Agency

1 Partnership Agreement – Obligations and responsibilities

Whole consortium ...

- jointly responsible for **carrying out the activities**
- comply with all the provisions of the **Grant Agreement** and its annexes
- **provide** staff, facilities, equipment and material ... for executing the activities
- for the **sound financial management** and cost efficiency

→ **Otherwise deduction of the grant**

1 Partnership Agreement – Obligations and responsibilities

Coordinator...

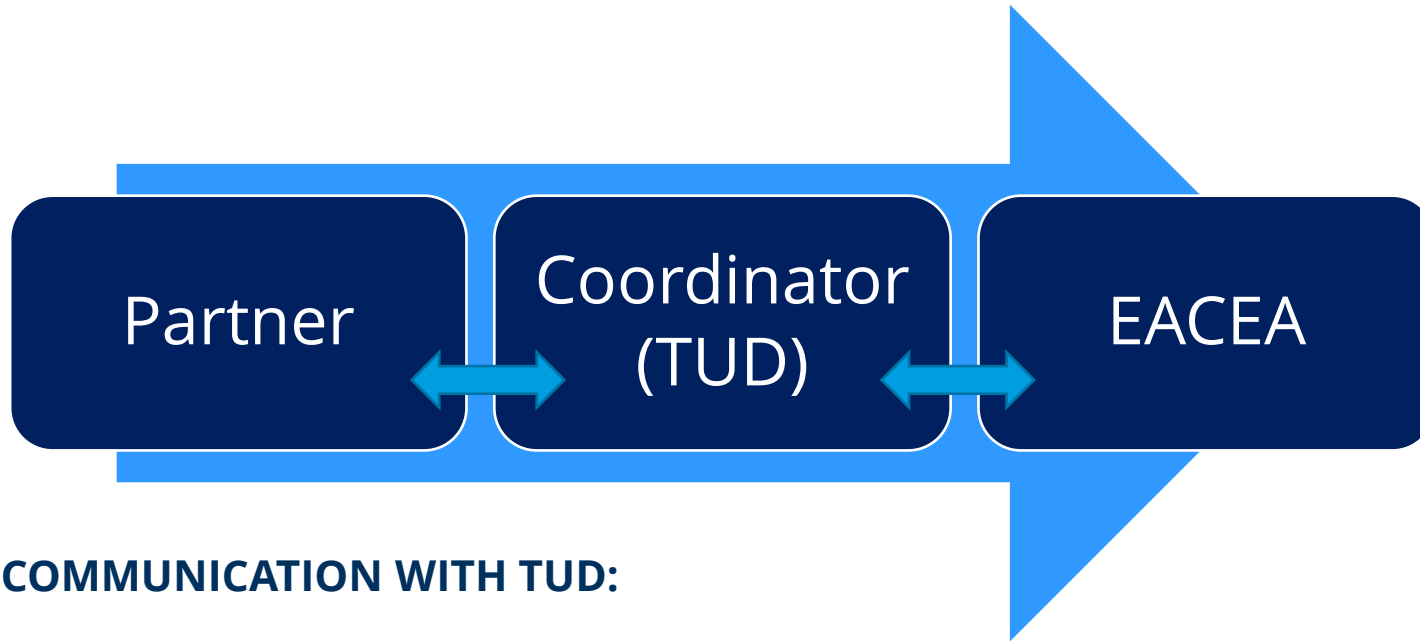
- **overall** coordination, management and implementation
- all **communication** between the **partner** and the **EACEA** in both directions
- inform the beneficiary of any **changes** connected to the project or to the Grant Agreement
- **transfer funds** to the partner
- **manage** and **verify** the appropriate spending of the funds
- establish **payment requests** on behalf of the partners

1 Partnership Agreement – Obligations and responsibilities

Partners...

- adequate **communication** with the coordinator and with the other parties
- support the coordinator in **fulfilling** its **tasks**
- **submit** all relevant **data** to coordinator needed to draw up the reports, financial statements
- **provide** the coordinator **information** or **documents** for the management
- **notify** the coordinator **in case of delay** or **affects** implementation of the action, any important **deviation**
- **inform** the coordinator of any **change** (contact person, legal representative etc.)
- gather **prior written approval** by the coordinator of any **subcontracting**

1 Partnership Agreement – Direction of communication



COMMUNICATION WITH TUD:

- Main communication via email
 - To ines.schmidt@tu-dresden.de
 - **Use in heading:** TEFCE: request for ... U R G E N T until: 12.12.18
- Official requests via normal post
- For discussions/explanations phone calls/skype meetings/webinar

1 Partnership Agreement – Financing the Action

TOTAL COST	665.733	100 %
GRANT	499.300	75 %
CO-FINANCING	166.433	25 %
Staff cost	445.267	
Travel costs	127.440	
Equipment	4.975	
Other costs	13.450	
Subcontracting	31.050	max. 30 % of direct costs
Indirect costs	43.553	7 % of direct costs

1 Partnership Agreement – Payment arrangement

1st pre-financing – after signing the PA

! Bank confirmation necessary !

→ 40 % of the Grant of the partner budget

2nd pre-financing – foreseen after mid-term report

! If 70 % of 1st pre-financing paid !

! Payment request !

→ 40 % of the Grant of the partner budget

Final Payment – after approval of final report

! According to your financial report !

→ max. 20 % balance

1 Partnership Agreement – Process



1 Partnership Agreement – Reporting schedule

Internal reporting = financial reporting

30.11.2018

30.11.2019

30.06.2020

Progress reporting = technical + financial reporting + payment request

31.03.2019

Final reporting = technical + financial reporting + payment request

31.01.2021

1 Partnership Agreement – Reporting templates

Financial reporting

= report form EACEA (excel) + all supporting documents (originals or certified copies)

In cooperation with your financial officer and Ines Schmidt (TUD)

→ Webinar in September 2018

Technical Reporting

= report form EACEA (word) + all deliverables

In cooperation with Thomas Farnell

Payment request

= written formal request by legal representative (no template)

1 Partnership Agreement – Exchange Rate

- Financial reporting and request of payment in **EURO**
- Other currency according to exchange rate of **INFOREURO** of the **first month** of the project
 - ! Use for internal payments too – e.g. travel costs
 - HRK: 1 HRK = 0.13313 EUR (January 2018)
 - official website: http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm
- For partners in Croatia
- For partners travelling in Croatia
- For partners travelling in non-EUR-countries

1 Partnership Agreement – Visibility Guidelines

Beneficiaires are requested to give **adequate visibility** to their projects and notably that they are implemented in the framework of Erasmus+.

Any event or activity should clearly specify that it is funded by Erasmus+.

→ **DISCLAIMER USING**

→ **LOGO USING**

Disclaimer for publications:

“This project has been funded with support from the European Commission. This publication [communication] reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.”

1 Partnership Agreement – Visibility Guidelines

Logo:

Material produced for project activities, training material, projects websites, special events, posters, leaflets, press releases etc. **must bear Erasmus+ logo**. The use of the Erasmus logo is compulsory. No changes in color and content are authorized. The logo should not be distorted, nor rotated.

When displayed in association with another logo, the European Union emblem must have appropriate prominence.



Co-funded by the
Erasmus+ Programme
of the European Union

The Partner has to deliver **four copies** of any communication or distribution material, including newspaper articles, **to TUD**.

All **equipment** (including portable equipment) purchased with Erasmus+ funds must bear the **Erasmus+ stickers**.

1 Partnership Agreement – Amendments – Minor Changes

→ Approval TUD

→ I N A D V A N C E !!!

- Small budget changes (travel costs, other costs ...) < 10 %
 - Participating in additional journeys
 - Approval of subcontracting costs
 - Justification necessary
- **Process:** request via email first, approval by TUD before change

1 Partnership Agreement – Amendments – Mayor Changes

→ Approval EACEA

→ **Official amendment request to EACEA by TUD in advance**

- Mayor budget changes (> 10 %)
- Eligibility period
- Change of partner / coordinator
- Work programme

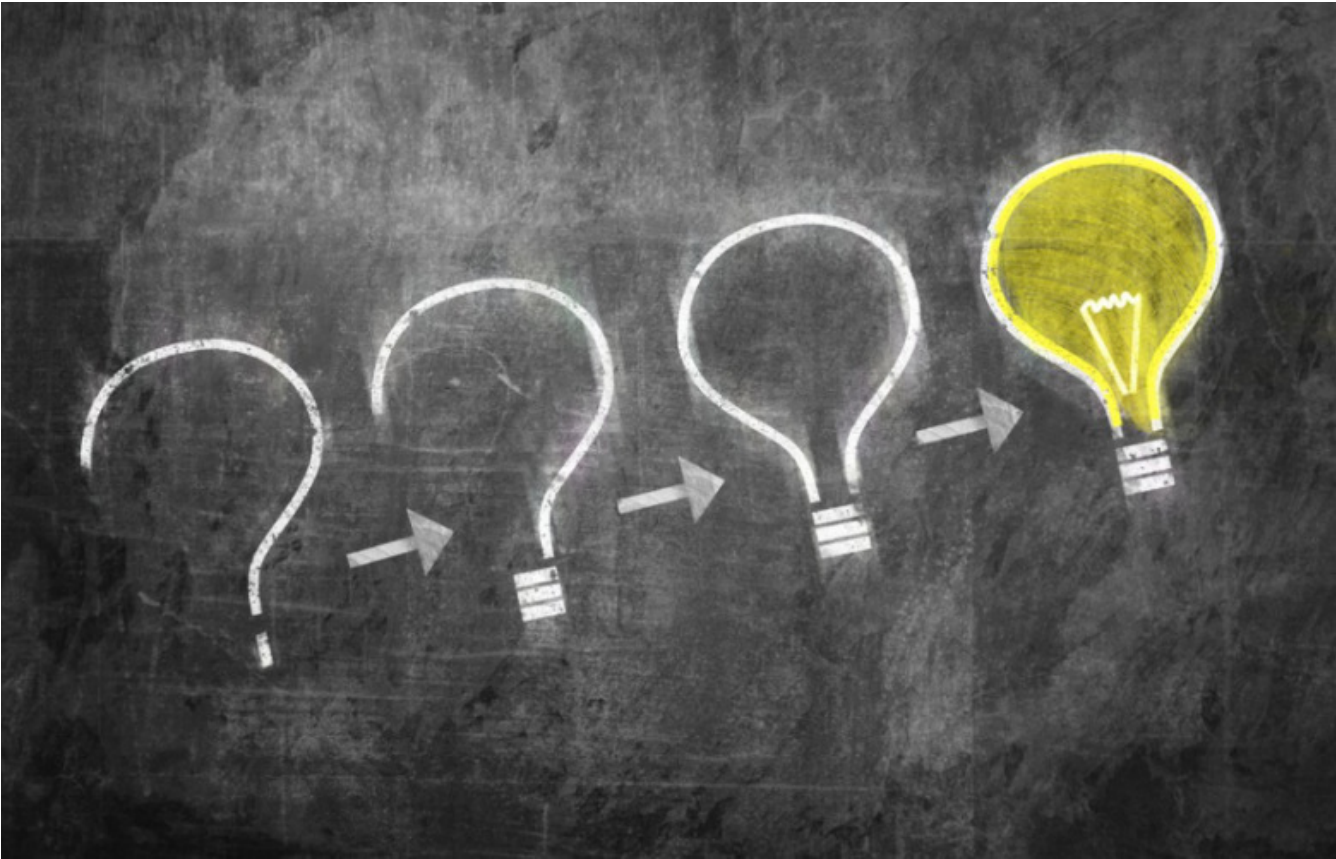
→ First email and discussion with TUD – **official amendment by TUD** to EACEA

→ Change can „start“ after approval only!

1 Partnership Agreement – Annexes

- Annex I – Copy of the Grant Agreement signed between the coordinator and the Executive Agency and its annexes ✓
- Annex II – Partner budget ✓
- Annex III – Guidance Notes for the Use of the Grant ✗
- Annex IV – Visibility Guidelines ✓
- Annex V – Templates for Reporting, Timesheets ✗ Timesheet webinar in April 18
- Annex VI – Bank account confirmation form of beneficiary organisation ✓

1 Partnership Agreement

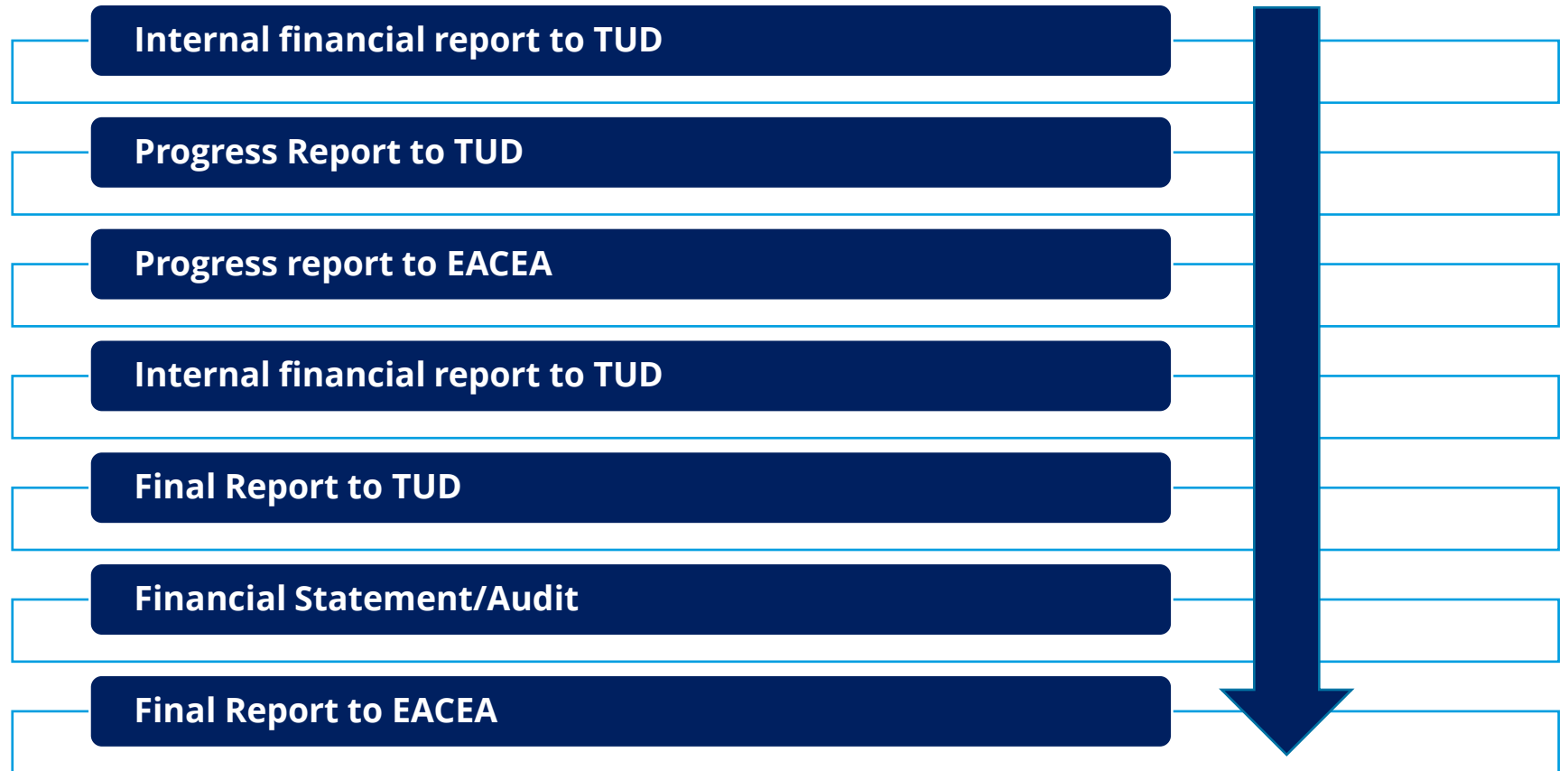


Topics

2 Financial Reporting and supporting documents

- Reporting process
- Eligibility
- Eligible costs under specific budget headings
- Supporting documents for reporting

2 Financial Reporting and supporting documents – Process



2 Financial Reporting and supporting documents

ELIGIBILITY OF EXPENSES

- Planned according to application/approved ~
- Within eligibility period 01.01.2018 – 31.12.2020 (lifetime of the project)
- Actually incurred at partner organisation
- Identifiable and verifiable, recorded in accounting records)
- Necessary for the project implementation
- Reasonable, justified and complying with sound financial management (economy & efficiency)
- comply with the requirements of applicable tax and social legislation

2 Financial Reporting and supporting documents

NON-ELIGIBLE COST

Return on capital;

Debt and debt service charges;

Provisions for losses or potential future liabilities (provisions for contractual and moral; obligations, fines, financial penalties and legal costs);

Interest owed;

Contributions in kind;

Deductable VAT

Doubtful debts;

Exchange losses;

Costs declared by the Beneficiary and covered by another project or work programme receiving a European Union grant;

Excessive or reckless expenditure;

Expenses for travel to or from countries outside eligible countries, unless explicit prior authorisation is granted by the EACEA;

2 Financial Reporting and supporting documents – Budget Headings

DIRECT COSTS

- Staff costs
- Travel costs and costs of stay
- Equipment
- Subcontracting
- Other costs

INDIRECT COSTS

2 Financial Reporting and supporting documents

SUPPORTING DOCUMENTS

- To TUD as originals OR certified copies
- To TUD via courier service OR
first electronically – paper version at the meetings
- Project related → USE PROJECT NUMBER on INVOICES
590200-EPP-1-2017-1-DE-EPPKA3-PI-FORWARD
- Within project duration
- Keeping in files **5 years** after final project payment !!!
- For documents on thermopaper – keep a copy in the files too



CERTIFIED TRUE COPY



Budget Heading with the MOST PAPER WORK?

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**Budget Heading with the
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TRAVEL COSTS

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MOST COMPLICATIONS?**



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Budget Heading with the
MOST COMPLICATIONS?

STAFF COSTS



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Budget Heading with the
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STAFF COSTS

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2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE STAFF COSTS

= annual gross salary including 13th and 14th salaries

+ Holiday allowance

+ Obligatory/compulsory social charges imposed by law, such as pension schemes, health schemes, insurance schemes, contribution to labour market funds, etc.

≠ Employer's contribution to non-statutory pension schemes

≠ Compensation received from insurance or other schemes in case of sickness and re-employment schemes to reactivate unemployed people

2 Financial Reporting and supporting documents

DIRECT COSTS – SUPPORTING DOCs for STAFF COSTS

- Certified copy of the working contract
- Salary Slip, Official Confirmation about the average daily salary rate
- Calculation productive hours per year → Excel file
- Timesheets → Excel file → **Webinar April 2018 planned**
- Calculation of daily rate (according to salary slips) → Excel file
- Proof of payment (bank statement)
- The staff costs must not exceed the estimated daily rates used for estimating staff costs for application.

2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE TRAVEL COSTS

- In line with the partner`s usual practices on travel costs
- Journey directly connected to the project activity
- Reimbursement must be based on actual costs
- Required to use the cheapest means of travel
- Should include all costs and all means for travel from the point of origin to the point of destination
- Conference fees and meeting registration costs = budget heading other costs
- Include travel insurance and cancellation costs

2 Financial Reporting and supporting documents

DIRECT COSTS – SUPPORTING DOCs for TRAVEL COSTS

- Tickets (plane, train, bus, etc.)
- Invoices (hotels, restaurants, travel agency);
- Boarding pass;
- List of participants
- Proof that the payments (partner institution)

2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE SUBSISTENCE COSTS

- In line with the partner`s usual practices on subsistence costs
- Journey directly connected to the project activity
- Reimbursement must be based on actual costs
- Maximum for the days of the meeting + 1 day
- If a common dinner/lunch is provided the per diem rate has to be reduced !!!

2 Financial Reporting and supporting documents

DIRECT COSTS – SUPPORTING DOCs for SUBSISTENCE COSTS

- Internal rules defining modalities for the reimbursement of subsistence costs
- No existing internal rule → reimbursement is based on actual costs
→ keep all supporting documents for costs of subsistence!
- List of participants
- Internal travel report/settlement
- Proof of payment

2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE EQUIPMENT COSTS

- Specific and necessary for achieving the goals of the project
- Costs must always be duly justified
- Provided that it is written off in accordance with the tax and accounting rules applicable to the partner
- Only the portion of the equipment's depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be taken into account (e.g. 20 months and 50 % of workflow) → depreciation rate
- Purchased within project time
- Tendering procedure (according nat. law, min. 3 tenders)
- Taken into the inventory (Erasmus+ sticker)

2 Financial Reporting and supporting documents

DIRECT COSTS – SUPPORTING DOCs for EQUIPMENT COSTS

- Tendering procedure showing
 - 3 tenders for all purchases of more than 1.500 EUR
 - 5 tenders for all purchases of more than 60.000 EUR
- Justification for depreciation rate and usage
- The invoice showing the address of the beneficiary
- Proof of inventory (after the purchase)
- Proof of payment

2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE SUBCONTRACTING COSTS

- Specific and necessary for achieving the goals of the project
- Costs must always be duly justified
- Tendering procedure (according nat. law, min. 3 tenders)
- Approval in advance
- Max. 30 % of direct costs

!!! Not allowed to subcontract partner institution or project management

2 Financial Reporting and supporting documents

DIREKT COSTS – SUPPORTING DOCs for SUBCONTRACTING COSTS

- Tendering procedure showing
 - 3 tenders for all purchases of more than 1.500 EUR
 - 5 tenders for all purchases of more than 60.000 EUR
- Subcontract
- The invoice showing the address of the beneficiary
- Deliverable
- Proof of payment

2 Financial Reporting and supporting documents

DIRECT COSTS – ELIGIBLE OTHER COSTS

- Specific and necessary for achieving the goals of the project
- Costs must always be duly justified
- Foreseen for:
 - costs for press releases and publicity,
 - purchase of copyrights,
 - purchase of information material,
 - conference fees, meeting registration costs

2 Financial Reporting and supporting documents

DIRECT COSTS – SUPPORTING DOCs for OTHER COSTS

- Tendering procedure (if necessary)
- Contracts
- The invoice showing the address of the beneficiary
- Proof of payment

2 Financial Reporting and supporting documents

ELIGIBLE INDIRECT COSTS

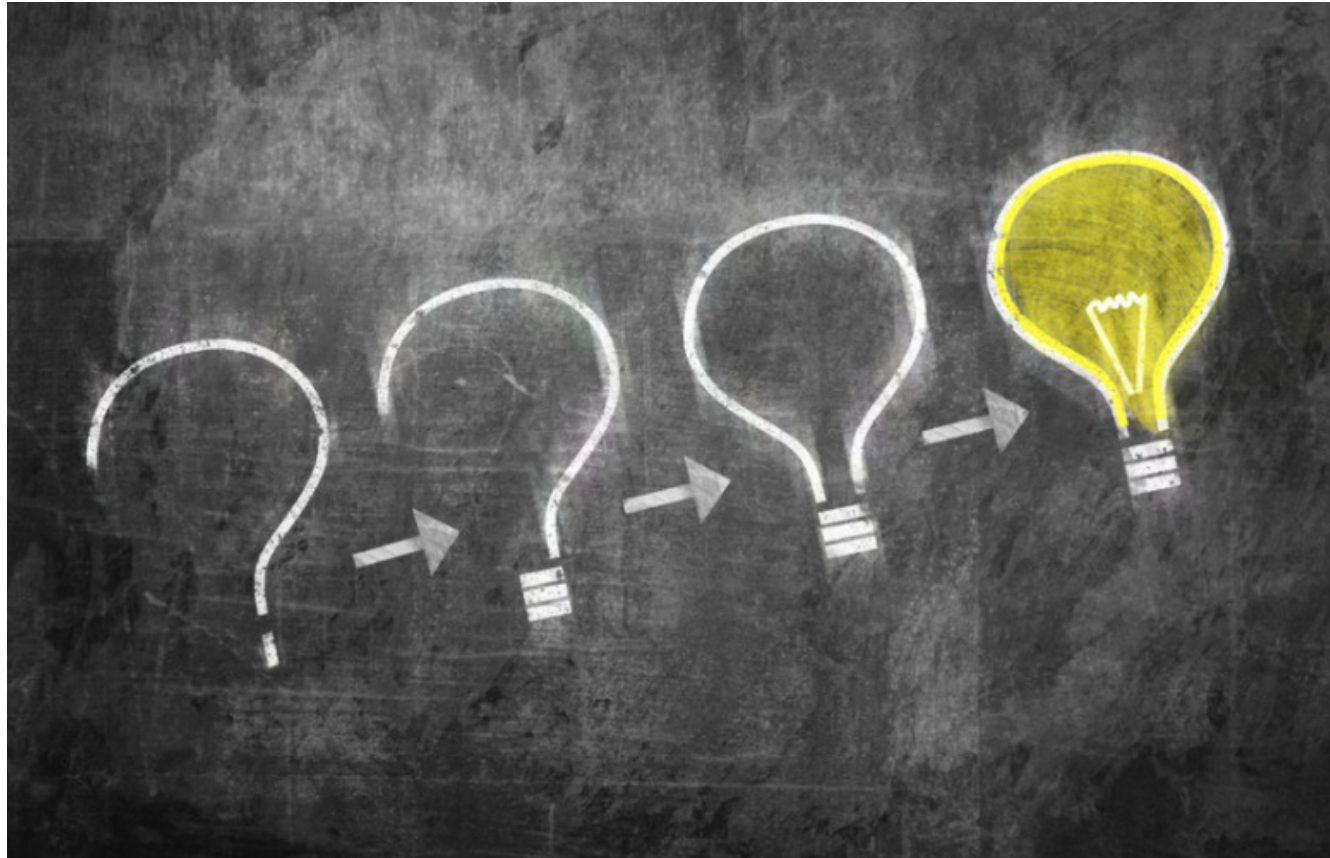
- CANNOT include any eligible direct costs
- Project related – but not identifiable as specific costs directly linked to performance of the project which can be recorded in the project's accounts (e.g. costs for copies, consumables, postage, internet access ...)
- Flat rate of 7% of direct costs
- **NO** supporting documents needed

2 Financial Reporting and supporting documents

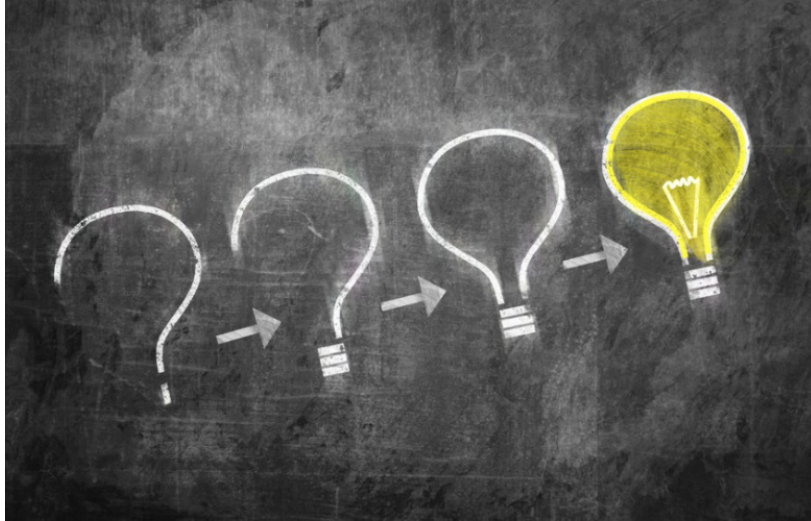
NEXT STEPS

- Partnership Agreements signature
- Transfer of 1st pre-financing
- Reporting documents available soon (April 2018)
- Webinar for timesheets (end of April 2018)
- Webinar for 1st Internal report (September 2018)
- 1st Internal Report (November 2018)

2 Financial Reporting and supporting documents



THANK YOU FOR YOUR ATTENTION!



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