



SETOF

Soil Erosion and TOrrential Flood
Prevention: Curriculum Development at the
Universities of Western Balkan Countries

ERASMUS + KA2–Capacity Building in the field of Higher Education

FINANCIAL MANAGEMENT OF THE GRANT

Kick off meeting

Belgrade, 13 – 14 December 2018



Reference Number: 598403-EPP-1-2018-1-RS-EPPKA2-CBHE-JP

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Main topics :

- Budget headings;
- Structure of the Grant;
- SETOF budget;
- Supporting documents.





Budget Categories/Headings and ceilings

Staff costs	Max 40% of grant
Travel costs	
Costs of stay	
Equipment	Max 30% of grant
Sub-contracting	Max 10% of grant





Exchange rate

Infor Euro

- ▶ http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm

Exchange rate used:

- On the **month of the first pre-financing** for all costs incurred until the second pre-financing is received

Exp:

- *Exchange rates for November 2018 is*

Serbia: 1 EUR = 118.52 RSD

- On the **month of the second pre-financing** for all costs incurred until the end of the project





Staff costs

Eligible staff costs are costs of the staff when they are performing any of the four different PROJECT-RELATED types of tasks (listed in the table below)

Maximum rates for daily staff costs are:

Country	Manager	Teacher/ Trainer/ Researcher	Technical	Administr.
Austria	294	241	190	157
Greece	164	137	102	78
Serbia	108	80	57	45
Bosnia and Herzegovina	108	80	57	45
FYR Macedonia	88	74	55	39
Bulgaria	88	74	55	39

Calculation of the grant 3 variables: staff category, country in which staff member is employed, number of days worked .

For staff performing different tasks (for instance 2, 3 or all 4 out of the 4 listed task types/categories), a **separate declaration must be signed for each task category!**

Declared working days per individual will not exceed 20 days per month or 240 days per year





Staff Costs - Financial evaluation - Supporting documents

To keep with project accounts (requested in case of financial check):

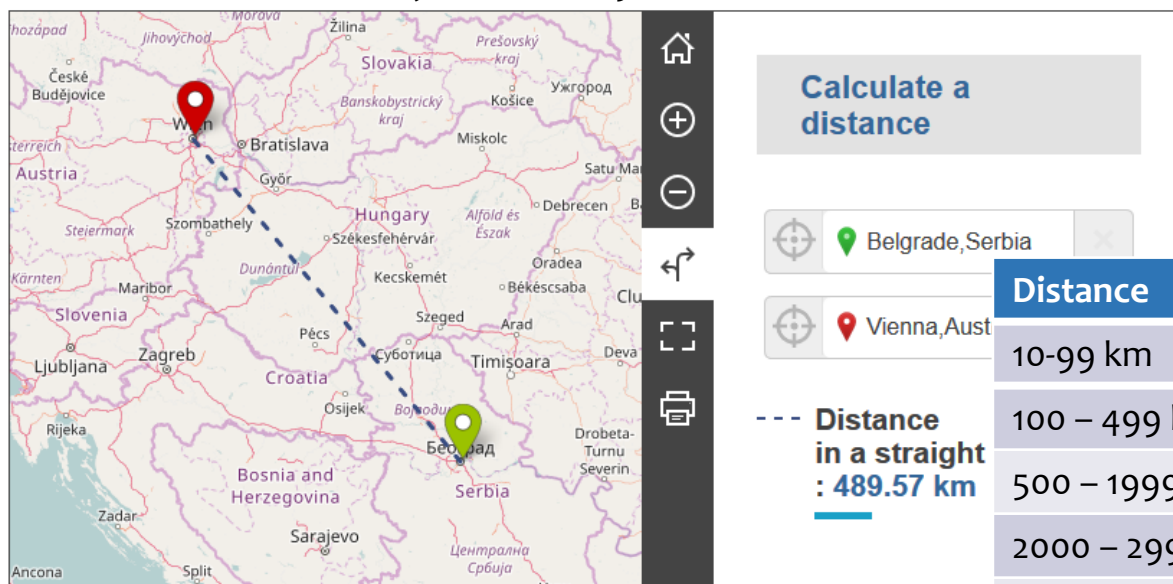
- STAFF CONVENTION (ANNEX II) for each person employed **ORIGINAL**
- TIME-SHEETS (attached to each staff convention), indicating number of days worked for corresponding month/year, description of tasks , outputs produced and related work package **ORIGINAL**
- ANY EVIDENCE allowing to verify that declared workloads correspond to actual activities/outputs (e.g. attendance lists for lectures given, tangible outputs / products, salary slips, etc.) **Certified copy**
- EMPLOYMENT CONTRACT **Certified copy**
- PROOF OF PAYMENT (net + taxes) **Certified copy**
- TAX STATEMENT (if applicable by national law) **Certified copy**



Travel cost and cost of stay

Eligible travel costs and costs of stay cover **the costs of travel and subsistence allowances** of staff for specific and clearly identifiable PROJECT-RELATED mobilities

travel distance of a one-way travel !



No. of days	Eligible cost/day staff/students
Up to the 14th day of activity +	120/55
Between 15th and 60th day of activity +	70/40
Between 61th day of activity and up to the 3 months	50/ not eligible

Distance	Eligible cost
10-99 km	20 Eur
100 – 499 km	180 Eur
500 – 1999 km	275 Eur
2000 – 2999 km	360 Eur
3000 – 3999 km	530 Eur
4000 – 7999 km	820 Eur
8000 km and more	1100 Eur



Travel costs and Costs of stay - Supporting documents

For the purposes of any financial evaluation and/or audit, beneficiaries will have to be able to justify / prove the following elements:

- the journeys are directly connected to specific and clearly identifiable project-related activities
- the journeys actually took place
(**original** boarding pass, **original** hotel invoices, attendance list, agendas, etc.).





Travel costs and Costs of stay - Supporting documents

- individual travel report (ITR) - **SIGNED & filled - ORIGINAL**
- table of specification of travel and stay costs **Certified copy**
- travel order/decision (if applicable) **Certified copy**
- proof that the trip actually took place (e.g. travel tickets, boarding passes, invoices, receipts, attendance list) **Certified copy**
- proof of payment for travel costs (bank statement) **Certified copy**
- proof of payment for stay cost (bank statement) **Certified copy**
- proof of payment for taxes (if any) **Certified copy**





Equipment *(only for Partner countries)*

Only the purchase of equipment which is directly relevant to the objectives of the project can be considered as eligible costs.

The equipment must:

- be exclusively for PC HEIs/institutions/organizations included in the partnership;
- be recorded in the inventory of the institution where it is installed; this institution/university is the sole owner of the equipment;
- comply with the rule of origin.





Equipment - Supporting documents

For the purposes of any financial evaluation and/or audit, beneficiaries will have to be able to justify / prove the following elements:

- The declared costs are identifiable and verifiable, in **particular being recorded** in the accounting system of the Beneficiary.
- The equipment is **properly registered** in the inventory of the institution concerned.

All equipment must be Labelled with E+ stickers!





Equipment - Supporting documents

The following should be retained with the project accounts:

- **Invoice(s)** for all purchased equipment (please note that **order forms, proforma invoices**, quotations or estimates are not considered as proof of expenditure). **Certified copy**
- **VAT exemption statement** **Certified copy**
- Documentation on the **tendering procedure** and three quotations (for more than 25000 Euros) **Certified copy**
- Proof of payment (bank statement) **Certified copy**
- **When the threshold of EUR 25 000 is exceeded, documentation on the tendering procedure and three quotations are needed. In such cases, the beneficiaries may not split the purchase of equipment into smaller contracts with individual amounts lower than the EUR 25 000 threshold.**





Sub-contracting *(only for Partner countries)*

Subcontracting refers to the implementation of specific tasks being part of the action, by a third party, to which a service contract has been awarded by one or several beneficiaries.

Activities which may be sub-contracted (***provided they are not carried out by beneficiaries' staff***) are:

- Evaluation activities and auditing (Certificate on the Financial Statement);
- IT courses;
- Language courses;
- Printing, publishing and dissemination activities;
- Translation services;
- Web design and maintenance;
- Logistic support for the organization of events.





VAT is ineligible unless the beneficiary can show that VAT is not deductible.
Internal staff costs cannot be covered by this budget heading.

When the threshold of EUR 25 000 is not exceeded, the following documentation is required:

➤ Order forms from **three** suppliers,

Supporting documentation:

- Pro-forma invoice of selected supplier;
- Invoice of selected supplier;
- Vat exemption;
- Bank statement;
- Tangible outputs / products.





Reimbursement basis	Budget Headings	Documents to retain with project accounts	Documents to be sent with the Final report
ACTUAL COSTS	<i>Equipment</i>	<ul style="list-style-type: none"> ▪ Invoices ▪ Bank statements ▪ Tendering procedure for expenses exceeding 25.000€ ▪ Proof that the equipment is recorded in the inventory of the institution 	<ul style="list-style-type: none"> ▪ Invoices and three quotations from different suppliers for expenses exceeding 25.000€ ▪ Any prior authorisation from the Agency
	<i>Subcontracting</i>	<ul style="list-style-type: none"> ▪ Subcontracts ▪ Invoices ▪ Bank statements ▪ Tendering procedure for expenses exceeding 25.000€ ▪ Tangible outputs/products* 	<ul style="list-style-type: none"> ▪ Subcontracts, invoices and three quotations from different suppliers for expenses exceeding 25.000€ ▪ Any prior authorisation from the Agency
UNIT COSTS	<i>Staff</i>	<ul style="list-style-type: none"> ▪ Formal employment contract ▪ Staff convention ▪ Time sheets ▪ Salary slips* ▪ Agendas* ▪ Attendance / Participant lists* ▪ Tangible outputs/products* ▪ Minutes of meetings* 	<ul style="list-style-type: none"> ▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency
	<i>Travel and Costs of Stay</i>	<ul style="list-style-type: none"> ▪ Individual Travel Report (ITR) ▪ Invoices, receipts, boarding passes* ▪ Agendas* ▪ Attendance / Participant lists* ▪ Tangible outputs/products* ▪ Minutes of meetings* 	<ul style="list-style-type: none"> ▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency
<p>For all grants, a Certificate on the financial statements and underlying accounts ("Report of Factual Findings on the Final Financial Report – Type II") must be sent with the Final report (see Annex VII of the Agreement).</p>			





Item Number	Heading	EU Grant Requested	Ineligible Costs	Maximum EU Grant Proposed	Share of Total Max EU Grant
1	Staff costs	264,245.00	0.00	264,245.00	30.5%
2	Travel and subsistence	292,475.00	0.00	292,475.00	33.8%
3	Costs of stay	141,810.00	0.00	141,810.00	16.2%
4	Equipment	139,310.00	-1,000.00	138,310.00	16.0%
5	Subcontracting	28,230.00	0.00	28,230.00	3.3%
Total EU Grant		866,070.00	-1,000.00	865,070.00	100.0%

We need a new correction of the budget !!

Information on ineligible costs

Equipment costs (-1.000€) for P5 "Univerzitet U Sarajevu" related to office supplies are ineligible.





Installments from EACEA to the coordinator

- pre-financing payment of **50%** of the maximum amount upon entry into force of the Agreement
- second payment of **40%** of the maximum amount if:
 - at least 70% of the previous pre-financing installment is spent
 - the statement of costs incurred and the request for payment is sent to EACEA
 - the progress report on the implementation of the Action (Intermediate report) is sent to EACEA
- balance of **10%** upon the approval of the Final Report



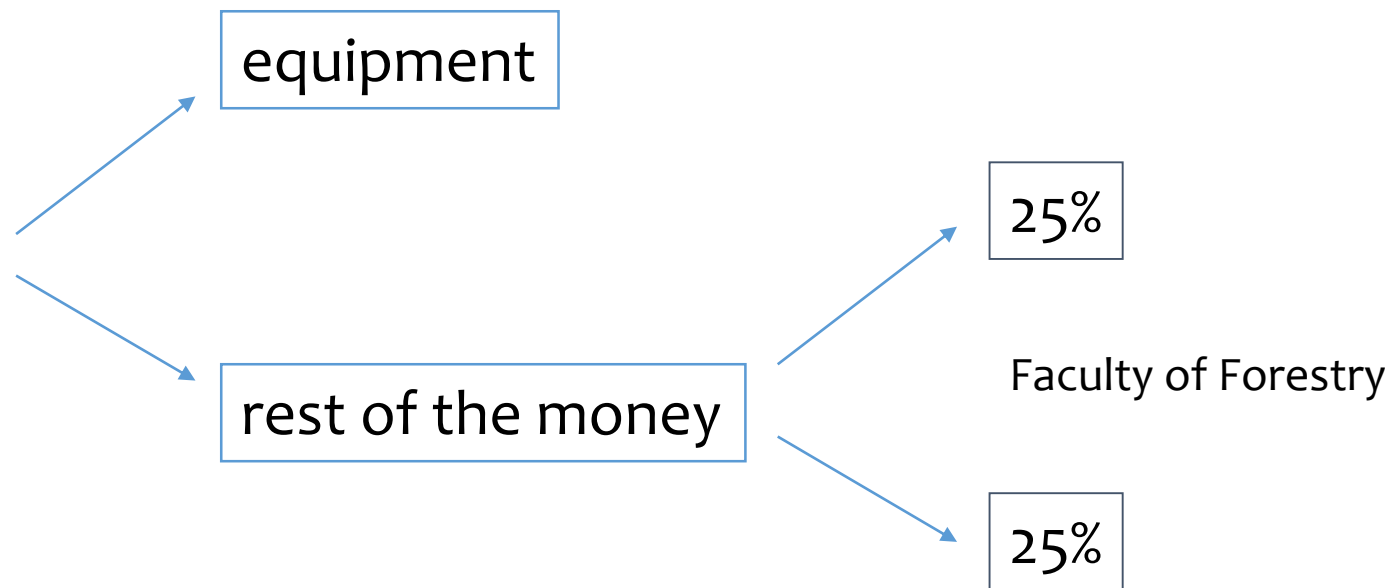


Example University of Belgrade

100% of grant



first pre-payment 50%





The financial section of **each partner** institution is divided into 5 sections:

- **KEY FINANCIAL DOCUMENTS**

- The **FINANCIAL EXCEL TABLE** related to your institution, which should continuously be filled in and updated during the project lifetime;
- **EACEA documents related to project FM** (Guidelines, notes on staff costs, forms *Joint Declaration, ITR*, technical implementation report, financial statement form, and the like, all of which are also available at the project website);
- **Brussels workshop on financial management** (presentation);
- **Brussels workshop on project and contract management** (presentation);





- **STAFF COSTS**

Here in the STAFF section you will upload all the relevant documents related to the given budget line; one document should contain the scans of all the documents listed above for one single person for one single type of task (JD +TS + etc).

- **TRAVEL COSTS AND COSTS OF STAY**

Here in the TRAVC section you will upload all the relevant documents related to the given budget line; one such document should contain the scans of all the documents listed above (ITR + tickets + etc) for one single person for one single mobility.





- **EQUIPMENT**

Here in the EQUIP section you will upload all the relevant documents related to the given budget line; one such document should contain the scans of all the documents listed above (invoices + VAT exemption document + bank statement etc).

- **SUBCONTRACTING**

Here in the SUBCN section you will upload all the relevant documents related to the given budget line; one such document should contain the scans of all the documents listed above (invoices + VAT exemption document + bank statement etc).





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EACEA DOCUMENTS RELATED TO SETOF PROJECT FINANCIAL MANAGEMENT

All the documents pertaining to the FM of the project are available here:

http://eacea.ec.europa.eu/erasmus-plus/beneficiaries-space/capacity-building-in-field-higher-education-2016_en

(we are waiting for the availability of the documents for 2018)

- SETOF web application (Exel table) where the data will be related to financial management



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All partners should upload **scanned versions** of all financial documentation (Staff Conventions, ITRs, all listed supporting documents) at their section.

All partners are also required to **keep** the updated version of their financial Excel table at their section as well as in the archives of their institutions for **5 year**.

All the partners are required to keep a **clear record of all the expenditure incurred** (in accordance with the ERASMUS+, the national and institutional rules), to responsibly manage the project funds allocated to each of them, and to submit the supporting documents on validation of expenditure to the coordinator, **in the form and within the deadline** set by the coordinator.

Hard copies of signed and stamped Staff Conventions and signed Individual Travel Reports should be sent by mail to the Coordinator institution to the address:

University of Belgrade,
International Relations Office,
1 Studentski trg, 11000 Belgrade, Serbia





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**Detailed and more precise information – after the
coordinators’ meeting in Brussels !**

THANK YOU FOR YOUR ATTENTION
AND SUCCESS FOR ALL!



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