



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



BEEHIVE

PROJECT FINANCIAL MANAGEMENT

Managing the Grant at Consortium and Institution Levels

3rd Partner Meeting

Rome, 9th November 2017



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



BEEHIVE

PRESENTATION OUTLINE

- General financing principles
- Project reporting on consortium level
- Payment cycles and applicable exchange rates
- Managing the grant at institutional level
- Staff costs. Supporting documents
- Travel costs and costs of stay. Supporting documents
- Actual costs: definition, eligible and ineligible costs
- Equipment
- Internal reporting.



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



BEEHIVE

GENERAL FINANCING PRINCIPLES

- Funding rule: amount of the grant is NOT equal to the total costs of the project
- The grant is a combination of unit costs and actual costs and calculated so as to require co-funding to implement the project
- Co-funding:
 - other expenses (e.g. overhead costs) or expenditure higher than unit cost values
 - not taken into account for the final calculation of the Grant
 - requested with final report for information purposes



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



BEEHIVE

PROJECT REPORTING ON CONSORTIUM LEVEL

- Progress Report: halfway through the project lifetime; deadline **14.04.2018**
- Final Report: 2 months after the end of the eligibility period; deadline: **14.12.2019**
- Both reports' production is considered a joint exercise and shall be completed and shared by all partners
- Financial reporting



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



BEEHIVE

PAYMENT CYCLE ON CONSORTIUM LEVEL

- 1st pre-financing upon entry into force of the Grant Agreement: 50%
- 2nd pre-financing (40%) when 70% of the 1st pre-financing is used
- Balance payment that is max. 10% EACEA payment or recovery 60 days following the reception of the Final Report



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



BEEHIVE

EXCHANGE RATES

Transactions \neq EUR must be converted and reported in EUR in the Financial Statement of the final report

Which exchange rate should be applied?

- from start of eligibility period until date of receipt of second pre-financing: rate of month in which the coordinating institution received the first pre-financing
- from date of receipt of second pre-financing until end of eligibility period: rate of month in which the coordinating institution received the second pre-financing

Rate to apply: monthly rate established by the Commission: <http://ec.europa.eu/budget/inforeuro>



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



BEEHIVE

MANAGING THE GRANT AT INSTITUTIONAL LEVEL

- Partnership Agreement, Article 7 Budgetary and financial management
- Partnership Agreement, Annex VIII Beneficiary-specific remuneration modalities and reimbursement procedures for travel and costs of stay
- Financial statements excel table
- Partnership Agreement, Annex VII: Report and claim schedule
- Partnership Agreement, Annex VI: Internal report and partner claim for payment forms
- Information on actual costs incurred and the amounts of co-financing.



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



BEEHIVE

STAFF COSTS

- Performing tasks necessary to achievement of the project
- Formal contractual relationship
- Calculation of the grant 3 variables: staff category, country in which staff member is employed, number of days worked
- Each unit cost corresponds to an amount in EUR per working day per staff
- Categories: Managers/Researchers, Teachers and trainers/Technical staff /Administrative staff
- Staff category: nature of work performed, not status of individual
- Unit cost: country in which staff is employed, independently of where tasks are executed



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



BEEHIVE

STAFF COSTS: SUPPORTING DOCUMENTS

- **JOINT DECLARATION** for each person employed
- **TIME-SHEETS** (attached to each joint declaration), indicating number of days worked for corresponding month/year, description of tasks , outputs produced and related work package
- **FORMAL CONTRACTUAL RELATIONSHIP** (Employment Contract)
- **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.)



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



BEEHIVE

TRAVEL COSTS AND COSTS OF STAY

Staff/students participating in activities related to the achievement of the project

Unit costs to apply 3 variables: (1) travel distance (for travel costs), (2) duration for costs of stay and (3) type of participant.

Who may benefit?

Staff: under contract with beneficiary institutions and involved in the project; travels intended for the activities listed in the Guidelines

Students: registered in one of the beneficiary institutions; targeted mainly at Partner Country students and intended for activities listed in the Guidelines.



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



BEEHIVE

TRAVEL COSTS AND COSTS OF STAY: SUPPORTING DOCUMENTS

Justification for the following elements:

- Journeys actually took place
- Journeys connected to specific and identifiable project-related activities

Minimum supporting documents include:

- INDIVIDUAL TRAVEL REPORT
- Supporting documents (e.g. travel tickets, boarding passes, invoices, receipts, proof of attendance in meetings and/or events, agendas, tangible outputs/products, minutes of meetings)



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



BEEHIVE

INELIGIBLE COSTS

Ineligible costs are all costs that do not fulfill the eligibility requirements listed plus:

- equipment such as: furniture, motor vehicles, alarm systems
- costs linked to the purchase of real estate
- activities not carried out in the project beneficiaries' country (see Annex IV), unless prior authorization
- exchange losses
- in kind contribution
- excessive or reckless expenditure
- deductible VAT.



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



BEEHIVE

INTERNAL REPORTING

- Report and claim schedule
- Submission of internal report and partner claim for payment forms (Partnership Agreement, Article 6 Reporting)
- Information on actual costs incurred and the amounts of co-financing
- Advance payments from VUM (Partnership Agreement, Article 5 Payment arrangements).



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



BEEHIVE

EQUIPMENT

In BEEHIVE equipment purchase is subject to tendering procedures.

- Principles of transparency, equal treatment of potential contractors, avoiding conflicts of interests
- Criterion for selection of offer: **best value for money**
- Relevant to the objectives of the project foreseen in the application
- Purchased and installed at the beginning of the project
- Recorded in inventory of institution where it is installed
- Labelled with E+ stickers
- **Supporting documents:** (1) supplier's contract, invoice(s) and proof of payment; (2) tendering procedure and 3 quotations from different suppliers.



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



BEEHIVE

Thank you for your attention!

Varna University of Management

Christina Armutlieva
christina.armutlieva@vumk.eu