



ERASMUS MUNDUS PROGRAMME

ADMINISTRATIVE AND FINANCIAL HANDBOOK

ACTION 2 – PARTNERSHIPS Strand 1 and Strand 2

Call for Proposals EACEA/18/13
Version February 2016

Table of Contents

Purpose of the Administrative and Financial Handbook	4
Glossary	5
I. Introduction	7
Roles of the beneficiary and partners.....	7
II. Management of the grant	9
II.A Organisation of the mobility.....	9
II.B Joint coordination	10
II.C Individual scholarships.....	10
II.C.1 General principles.....	10
II.C.2 Management of individual scholarships	11
II.C.3 Management of the scholarship funds in case of interruption of the mobility.....	14
II.C.4 Management of the scholarship funds in case of drop-out	14
II.D Payment of the grant	15
II.E Bank account and exchange rate.....	15
II.F Accounting system /Internal control	15
II.G Management of the partnership	16
III. Reports	17
III.A General remarks	17
III.B Formal requirements for reports.....	18
III.C Progress Report(s).....	18
1 st Progress Report (Technical).....	18
2 nd and 3 rd Progress Report(s) - (Technical and Financial).....	18
III.D Final Report	19
III.D.1 General principles	19
III.D.2 Technical part: description of the reported action.....	19
III.D.3 Financial part: declaration of expenditure.....	19
III.D.4 Possible reimbursement of part of the grant.....	20
III.D.5 Appeals	20
III.E Additional progress reports	20
III.F Lists of individual mobility flows (EMT Print-Outs)	20
IV. Modification of the grant agreement	22
IV.A Modifications requiring an exchange of letters (amendment)	22
IV.A.1 Change in the composition of the partnership	22
IV.A.2 Change of coordinating institution/co-coordinating institution (joint coordinator).....	23
IV.A.3 Change in the period of eligibility	23
IV.A.4 Changes to the mobility flows	24
IV.A.5 Change in the deadlines for submission of the reports (not related to an extension of the eligibility period)	

.....	24
IV.A.6 Change of legal representative.....	24
IV.A.7 Change of bank account information.....	24
IV.B Modifications via the Participant Portal (amendment).....	24
IV.B.1 Change of coordinating institution status/type (e.g. merger).....	25
IV.B.2 Change of coordinating institution data (e.g. legal name, legal address, VAT n°, registration n°).....	25
IV.C Modifications by e-mail (amendment).....	25
IV.C.1 Change of coordinator.....	25
IV.D Notification (changes not requiring an amendment).....	25
IV.D.1 Change of an associated member within the partnership.....	25
IV.D.2 Change of contact data of the legal representative/coordinator.....	26
IV.D.3 Change of partner data.....	26
IV.D.4 Minor changes to the mobility flows.....	26
IV.D.5 Change in deadlines for submission of the reports (not related to an extension of the eligibility period and below 30 days).....	26
IV. E Summary table of modifications to the grant agreement.....	27
V. Monitoring of the project by the Agency.....	28
V.A Purpose.....	28
V.B What kind of monitoring?.....	28
V.B.1 Participation in a partnership meeting and/or project event.....	28
V.B.2 Visit to the beneficiary/coordinating /partner institution (in situ visit).....	28
V.B.3 Invitation to an event organised by the Agency.....	29
VI. Supporting documents & audits.....	30
VI.A Purpose.....	30
VI.B Documents required.....	30
VI.C Findings and outcomes.....	31

PURPOSE OF THE ADMINISTRATIVE AND FINANCIAL HANDBOOK

The purpose of this handbook is twofold: on the one hand it shall serve as a useful tool providing guidelines for the successful implementation of the projects; on the other hand it outlines the rules applicable to grants awarded under the Erasmus Mundus Action 2, managed by the Education, Audiovisual and Culture Executive Agency (hereafter the Agency). The handbook forms Annex VIII to the grant agreement; consequently, the rules contained in it are contractually enforceable.

The handbook is also intended to:

- help beneficiaries to run the action efficiently;
- clarify matters arising from the grant agreement and its annexes;
- provide practical information to which beneficiaries may refer at the various stages of the action;
- provide guidance for beneficiaries on handling the financial side of the grant agreement;
- ensure the smoothest possible relations between the parties involved, by setting out an operational framework for the action.

This document is in line with the **Financial Regulation** (FR) of the European Union, which is the point of reference for the principles and procedures governing the establishment and implementation of the EU budget and the control of the European Union's finances. (http://ec.europa.eu/budget/biblio/documents/regulations/regulations_en.cfm)

GLOSSARY

Associated Member: any organisation that can contribute to the promotion, implementation, evaluation and sustainable development of the mobility scheme can be considered as an associated member of the partnership. The associated members are not entitled to benefit financially from the grant.

Beneficiary: also referred to as coordinating institution or applicant, is the institution that, on behalf of the partnership, has signed a grant agreement with the Agency. The beneficiary has the primary legal responsibility towards the Agency for the proper execution of the agreement; it is also responsible for the day-to-day coordination and management of the partnership and for the use of the European Union (EU) funds allocated to the project.

Coordinator: the person responsible for the necessary coordination and day-to-day management of the action. The coordinator is also the contact person for the Agency for any matters related to project implementation.

EACEA Mobility Tool (EMT): specific tool developed to allow the monitoring of the implemented individual mobility. Username and password for access are provided by the Agency.

Erasmus Mundus Programme Guide: applies to the entire duration of the programme and gives guidelines for the implementation of cooperation activities or receiving individual scholarships within the Erasmus Mundus Programme (2009-2013). It provides explanations and makes clear the objectives and different actions of the programme, the types of activities that can (or cannot) be supported; as well as the conditions under which this support can be granted and the grant awarded used. The Guide (and all its revisions) is a contractually binding document.

Financial Regulation: Regulation (EU, Euratom) no 966/2012 of the European Parliament and of the Council of 25/10/2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298 of 26/10/2012); Commission delegated Regulation (EU) no 1268/2012 of 29/10/2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362 of 31/12/2012).

Grant Agreement for an Action: the Agency signs a grant agreement with the applicant of each partnership selected under the Erasmus Mundus Action 2 programme. The duration of the grant agreement corresponds to the length of the activities foreseen and the period of eligibility is a maximum of 48 months.

Guidelines to the Call for Proposals: provides specific information on the individual geographical windows/lot covered by the annual Call for Proposals. It contains essential information such as the available EU budget, partnership composition, type of mobility and distribution, thematic field of study and project duration for each of the third-country lots covered by the Call for Proposals.

Higher Education Institution (HEI): an establishment providing higher education and recognised by the competent national authority of a participating country as belonging to its system of higher education.

Irregularity: a breach of a contractual obligation resulting from an act or omission, which has or would have the effect of prejudicing the general budget of the European Union or budgets managed by it through unjustified expenditure.

Joint coordination: a shared coordination of the partnership between the applicant coordinating institution (European) and a third-country co-coordinating institution. The co-coordinating institution must be actively involved in the coordination and management tasks of the partnership, together with the applicant.

Learning agreement: is an agreement developed for mobile students in order to provide a binding commitment among the three parties involved: the home institution, the host institution and the student before the start of the mobility. Learning agreements contain the list of course units or modules or other educational components the student is planning to take at the other institution, together with the code numbers and the ECTS credits or similar allocated to the components. The learning agreement, together with the transcript of records, is designed to guarantee full recognition of the programme of study undertaken at the host institution. By registering the student, the Higher Education Institution enters into an agreement to deliver the courses and to grant credits for the achievement of the expected learning outcomes. Home institutions will integrate the mobility and the granted credits into the study programme of the student after his/her return.

Legal representative: the person authorised to enter into legal and financial commitments on behalf of the beneficiary.

Memorandum of Understanding (MoU): document that describes all the agreements reached between the partners with regards to all aspects related to the management of the partnerships and organisation of the mobility. It outlines the role and responsibility of the partners within the organisation of mobility activities, the procedure and criteria for the selection of candidates as well as the foreseen measures to tackle specific programme objectives such as recognition, quality assurance, prevention of brain drain and sustainability. It must also contain specific provisions in terms of financial management of the grant.

Minimum Requirements for the Selection Procedure: document presenting a set of minimum requirements to be followed during the selection procedure of students and staff, focusing on the process of the scholarship attribution to third-country and European candidates and to be signed by the coordinator on behalf of the partnership: transparency and equitable treatment of individual applications must be guaranteed.

Partner: a Higher Education Institution that has signed a letter undertaking to contribute to the implementation of the action. The letter reflects the agreed arrangements with the applicant/beneficiary (e.g. organisation of the mobility and mobility flows of students and staff). The Higher Education Institution must be eligible according to the Erasmus Mundus Action 2 Programme Guide, Call for Proposals and Guidelines to the Call for Proposals.

Partnership: is the group of European and third-country Higher Education Institutions selected for implementing the project. The partnership is composed of one coordinating institution, partner institutions and associated members.

Project: plan for implementing activities in accordance with the objectives of the Erasmus Mundus Action 2 programme. The project has a starting date, specific goals and conditions, defined responsibilities, a budget, a fixed end date and multiple partners involved.

Student agreement: agreement signed between the partnership and each student selected for an Erasmus Mundus Action 2 scholarship, explicitly indicating any academic, financial and administrative modalities related to the student's scholarship at the host institution and the award and usage of the scholarship.

I. INTRODUCTION

Roles of the beneficiary and partners

By signing the grant agreement, the beneficiary undertakes to:

- a) have full responsibility for ensuring that the action is implemented in accordance with the grant agreement;
- b) be the intermediary for all communication between the partners and the Agency. Any claims that the Agency might have in respect to the grant agreement shall be addressed to and answered by the beneficiary, except where specifically stated otherwise in the grant agreement;
- c) be responsible for supplying all documents and information to the Agency which may be required under the grant agreement, in particular in relation to the requests for payment. The beneficiary shall not delegate any part of this task to the partners or to any other party. Where information from partners is required, the beneficiary shall be responsible for obtaining and verifying this information and for passing it on to the Agency;
- d) inform the partners of any event that the beneficiary is aware of, that is liable to substantially affect the implementation of the action;
- e) request and receive, on behalf of the partners, all payments made by the Agency to the bank account referred to in Article I.5 of the grant agreement and distribute the EU grant between partners in accordance with the grant agreement. The Agency declines any responsibility with regards to the relations between partners, in particular and including the division of the grant between the beneficiary and its partners. Making the Agency aware of the agreements concluded between the beneficiary and its partners does not in any way change the beneficiary's responsibility in this respect;
- f) be responsible, in the event of audits, checks or evaluations, as described in Article II.27 of the General Conditions of the grant agreement, for providing all the necessary documents, including the accounts of the partners, the original accounting documents and signed copies of subcontracts, if any have been concluded by the beneficiary institutions in accordance with Article II.10.

Each partner shall:

- a) agree upon appropriate arrangements for the performance of the action (Memorandum of Understanding);
- b) forward to the beneficiary the data needed to draw up the reports, financial statements and other documents provided for in the grant agreement, including its Annexes;
- c) ensure that all information to be provided to the Agency is sent via the beneficiary, except where the grant agreement specifically stipulates otherwise;
- d) immediately inform the beneficiary of any event that substantially effects or delays the implementation of the action;
- e) provide the beneficiary with all necessary documents in the event of an audit or an evaluation, as described in Article II.27 of the General Conditions of the grant agreement and in section VI of this document.

The beneficiary and partner institutions undertake to:

- a) respect the common general objectives that formed the basis for establishing the partnership;
- b) fulfil the actions set out in the application, together with the work programme jointly agreed between the parties;
- c) make every effort to achieve in practice the common general objectives of each action for which the EU grant is awarded;
- d) refrain from any action that could contribute to favouring Brain Drain from third countries participating in the scheme;
- e) encourage third-country participants in mobility activities to use the knowledge and skills acquired for the benefit of the social, human, economic and political development of their countries;
- f) encourage all participants in the mobility activities to become ambassadors for the programme and to disseminate the benefits of mobility to their peers;
- g) maintain relations of mutual co-operation and regular exchanges of information with the Agency on matters of common interest;
- h) display a transparent attitude with regard to managing and reporting on the actions for which the EU grant is awarded and co-operate fully with annual or occasional checks on the implementation of the grant agreement.

II. MANAGEMENT OF THE GRANT

The Agency signs a grant agreement with the beneficiary, in the framework of the annual Call for Proposals relating to the programme (Article I of the grant agreement). The duration of each grant agreement corresponds to the length of the action proposed by the partnership and must be in compliance with the provisions of each specific lot as reported in the Guidelines to the Call for Proposals.

The Agency determines the EU grant on the basis of the submitted proposal and in accordance with the rules set out in the Call for Proposals, Programme Guide, Guidelines to the Call for Proposals and Annex III of the grant agreement.

The beneficiary receives the grant amount to cover organisation of mobility and individual scholarships in three pre-financing instalments, in accordance with the payment arrangements laid down in Article I.4 of the grant agreement.

The partnership cannot claim any additional financing. Under no circumstances, may changes lead to an increase of the grant originally reported in the grant agreement.

The EU grant awarded can be used to cover the costs incurred for the implementation of eligible activities and is broken down into:

A. Organisation of the mobility

The part of the grant awarded to cover the costs incurred by the HEIs for the organisation of the mobility will be calculated on the basis of lump-sum amounts. This lump-sum amount will correspond to EUR 10 000 per institution within the partnership for the whole project duration, up to a maximum of 200 000 € for Strand I and 120 000 € for Strand II.

B. Joint coordination

A specific part of the grant awarded will be used to cover the costs incurred for joint coordination: this lump sum corresponds to EUR 10 000 and covers the whole duration of the project.

C. Individual scholarships

The grant amount allocated for the coverage of these costs will be calculated on the basis of unit-costs detailed in the 2013 Programme Guide¹. EU support for individual mobility of students and staff will contribute to cover:

- travel costs;
- subsistence costs;
- insurance costs;
- participation costs for mobile students.

Transfer of funds between the three main items (A, B and C) is not allowed.

II.A ORGANISATION OF THE MOBILITY

The beneficiary is responsible for managing the lump sum provided for the organisation of the mobility in accordance with the partnership's arrangements and procedures that must be mutually agreed and stated in the Memorandum of Understanding (MoU). The Agency pays the lump sum to the beneficiary in one instalment, for the entire duration of the action. It is the responsibility of the beneficiary to distribute between the partners the amounts according to the agreement stated in the MoU.

¹http://eacea.ec.europa.eu/erasmus_mundus/beneficiaries/documents/action2/1813/em_programmeguide_nov2013_en.pdf

Although the Agency does not request any financial justifications for the payments, it needs, nevertheless, to be kept informed (via the periodical reports) about the activities for which the lump sum is used. In any case, supporting documents should be retained for the purposes of an audit (see section VI of this document)

The beneficiary and other representative(s) of the partnership must attend the Erasmus Mundus II coordinators' conference. The expenditures incurred for the events may be covered by the *Organisation of the Mobility* budget heading (Article I.9.3. of the grant agreement).

II.B JOINT COORDINATION

The third-country co-coordinating institution is responsible for and must be actively involved in the coordination and management tasks of the partnership, together with the European coordinator.

The role and tasks of the third-country co-coordinating institution – relating to academic, administrative and financial aspects - have to be clearly explained in the periodic reports and detailed in the final report.

II.C INDIVIDUAL SCHOLARSHIPS

II.C.1 General principles

The Agency pays the scholarship funds to the beneficiary in two or three instalments in accordance with the payment arrangements laid down in Article I.4 of the grant agreement. The partnership pays the scholarship funds to the scholarship holders in accordance with the arrangements agreed in the Memorandum of Understanding and the following principles:

- The payment of the scholarship must be in line with the provisions detailed in the relevant student/staff agreements;
- The beneficiary shall be held responsible for any amount paid to ineligible students/staff. To be eligible, students/staff need to comply with the programme's eligibility criteria as well as with the partnership's specific eligibility/selection criteria;
- The beneficiary shall be held responsible for any amount overpaid to scholarship holders. Overpaid amounts are considered to be payments made to individuals for a period in which they were not actively participating in the programme e.g. a student/staff having received an instalment for month “n” when they left the programme in month “n - 1”;
- The regular scholarship payments to the student can only be stopped if the scholarship holder is expelled or released from the University, or leaves on his/her own initiative;
- Scholarships are intended for full-time study (students) and work (staff). However, the programme does not foresee any restrictions for remunerated work outside the scholarship activities, providing that:
 - it is in line with the national legislation of the country(ies) concerned (visa, residence permit);
 - the scholarship holder can still dedicate the necessary efforts to the mandatory activities in order to complete them successfully within the agreed period;
- A scholarship holder may receive additional funding for his/her study/research activities providing these are not from other European Union sources/programmes;
- For doctorates, a check on ethical issues should be carried out when selecting them and before the beginning of any research requiring opinions or approvals of relevant ethic committee (s).

- The mobility can be organised into three different cohorts. Because of the timeframe, the mobility of 36 months can only start with the 1st cohort. Staff mobility can start any time within the project duration and must end within the project eligibility period;
- The scholarship payments cannot be used by the partnership as a "conditionality" mechanism, i.e. to improve performance, ensure presence/participation, etc.

II.C.2 Management of individual scholarships

Travel costs

- The partnership will cover the travel expenses for all scholarships holders. The unit cost corresponds to the linear distance between the location of origin and destination and is meant to cover a round trip (for calculation of the distance please refer to: www.mapcrow.info).
- Depending on the target group, the location of origin can either be the location of the sending institution (TG1), the place of origin (TG2/TG3) or the place of residence (TG3). The location of destination is always the location of the host institution.
- In case a scholarship holder withdraws when the travel expenses have already occurred, the relevant unit cost for travel can be claimed by the partnership by providing the justifying documents explaining the reasons for cancellation and proving that the reimbursement of the ticket was not possible anymore.

Subsistence, insurance and participation costs

The *subsistence, insurance and participation costs* are calculated by multiplying the relevant unit costs for the duration in months of the mobility. Periods of 16 days or more, will be rounded up to a full month. For example, if for academic reasons the mobility duration is 9 months and 16 days, then the number of months to be applied for the calculation is 10 months. If the duration of the mobility is 9 months and 15 days, then the number of months is 9.

The field "Duration" of the EACEA Mobility Tool has to be filled in with round numbers. Portions of months are not accepted (e.g. 9,5 months).

How to calculate the duration of the mobility for students - Example

Start date: 20 January

End date: 30 July

From	To	Duration
20 January	19 February	1 month
20 February	19 March	1 month
20 March	19 April	1 month
20 April	19 May	1 month
20 May	19 June	1 month
20 June	19 July	1 month
20 July	30 July	11 days
<i>TOTAL duration of the mobility</i>		<i>6 months and 11 days</i>
<i>N° of months to be used for the calculation of the subsistence, insurance and participation costs (if applicable)</i>		<i>6 months</i>

How to calculate the duration of the mobility for staff - Examples

Staff mobility can be split into several periods. The minimum duration of the overall mobility corresponds to one month. A total mobility of only 25 calendar days will therefore be considered ineligible.

Example	Mobility	Duration
Example 1	1 st mobility	16 days realised in 2014
	2 nd mobility	16 days realised in 2015
	3 rd mobility	16 days realised in 2016
<i>TOTAL duration of the mobility</i>		<i>1 month+16 days</i>
<i>N° of months to be used for the calculation of the subsistence and insurance costs</i>		<i>2 months</i>
Example 2	1 st mobility	10 days realised in 2014
	2 nd mobility	10 days realised in 2015
	3 rd mobility	10 days realised in 2016
<i>TOTAL duration of the mobility</i>		<i>1 month</i>
<i>N° of months to be used for the calculation of the subsistence and insurance costs</i>		<i>1 month</i>

Subsistence costs

- The subsistence allowance is a monthly allowance for costs of living. It must be paid in full (if paid in a different currency than Euro, the amount must correspond to the unit cost defined in Euro in the Programme Guide²) to the students and staff concerned on a monthly basis and in duly justified cases. The payment periodicity can cover up to a maximum of three months. A part of the subsistence costs should be provided upon arrival to cover installation costs and the remaining part must be provided on a regular basis. **Under no circumstances may these amounts be reduced.**
- Monthly subsistence allowance can only be paid as from the month of arrival and covers the duration of the mobility, based on academic grounds.

Participation costs

- Participating HEIs must cover the participation costs incurred related to all students/staff independently of the duration of the mobility. The participation costs may cover tuition and/or registration fees, additional library fees, student unions, laboratory consumable costs, residence permits, language course costs etc. on an equal basis to that charged to local and international students. **Participating HEIs should apply a fee waiver policy for mobility periods of less than 10 months.** Students from partner HEIs will continue to pay their tuition and/or registration fees in their HEI of origin, but the hosting HEI must apply a fee waiver policy. In order to avoid double imposition of fees, in those cases where the hosting HEI requires the payment of the registration/tuition fees, the students must not be charged the same fees by the HEIs of origin. Fees cannot be charged to post-doctorate mobility for research purposes. Fees concerning specialised post-doctorate studies (EUR 5 000 per academic year) are applicable only if approved at application stage and are fully justified in the report. If this is not the case, such costs will be considered ineligible.

In order to cover the participation costs for incoming students (at undergraduate, master and doctoral level) a unit cost of EUR 3 000 per student will be granted, if the mobility is at least 10 months. When the mobility is shorter than 10 months, the participation costs could be claimed by the partnership only in duly justified cases e.g.:

- serious illness of the scholarship holder, natural disasters, socio-political unrest, wars;
- earlier accomplishment of the academic obligations following a high level of performance of the scholarship holder.

Partnerships can claim: EUR 6 000 for students who have fulfilled all the academic obligations corresponding to 2 academic years and completed a mobility period of a minimum of 18 months; EUR 9 000 for students who have fulfilled all the academic obligations corresponding to 3 academic years and completed a mobility period of a minimum of 27 months.

Under no circumstances may participating Higher Education Institutions claim participation costs for visiting students beyond the amounts indicated above or retain the funding foreseen as subsistence allowance to cover such costs.

The field "Participation costs" of the EACEA Mobility Tool has to be filled-in with the unit cost corresponding to the respective duration and on the type of mobility (EUR 0, 3.000, 5.000, 6.000 or 9.000). Portions of unit costs are not accepted (e.g. for a mobility of 15 months the beneficiary can claim either 0 or EUR 3.000 for participation costs).

² The payment of the scholarship to the students/staff in a currency different to the Euro shall be made using the daily exchange rate on which the grant recipient is paid and ensuring that they always receive the equivalent Euros. Any exchange rate gain/loss is to be managed by the beneficiary and not by the students/staff.

Insurance costs

- Each individual participating in the mobility must receive full insurance coverage in line with Annex IX of the grant agreement "Minimum insurance requirements", available online at the Action 2 beneficiaries space:

http://eacea.ec.europa.eu/erasmus_mundus/beneficiaries/beneficiaries_action_2_en.php

In addition to the "Minimum insurance requirements" partnerships should ensure in their contractual relations with the insurance companies that the family member(s) of the insured scholarship holder (grantee) could sign the same insurance coverage without any restrictions related to the age of the family member, making clear that such an extension of coverage will be at the cost of the insured.

II.C.3 Management of the scholarship funds in case of interruption of the mobility

A scholarship may be put on hold if the student has to temporarily leave the host institution as a result of duly justified and well documented reasons (e.g. serious illness, etc.) during the academic activities. In this case, the scholarship payment must be interrupted until she/he has returned to the host institution and can actively participate in the activities. If, despite the temporary absence, the scholarship holder can catch up on the study/research activities, the monthly allowances corresponding to the period of interruption could be paid to the candidate, if agreed among the partners and notified to the Agency.

If the scholarship holder could not catch up because of serious and justified reasons, his/her absence might lead to an extension of the eligibility period of the grant agreement. Hence, the coordinator must send to the Agency a duly substantiated request for amendment as per Chapter IV.A.

In addition, academic grounds may justify a split in a period of mobility, to allow a student (except undergraduates) to study or carry out research activities for a short period of time. In the event that the scholarship holder returns to his/her home country or goes to other countries, which are not the ones of the institutions included in the partnership, the scholarship will not be paid for this period.

For master students, a split can take place only after having spent a minimum of one academic semester at the first host institution. For doctorates and post-doctorates, the mobility can be split into several periods, without the one academic semester restriction.

Before the split occurs, a duly justified request has to be sent to the Agency, endorsed by the relevant academic responsible for the scholarship holder. The Agency will evaluate and approve such requests on a case-by-case basis. The Agency reserves the right to refuse a request that is not duly justified.

Conversely, staff mobility can be split into several periods without prior authorisation from the Agency, on the condition that the total mobility is at least one month.

In any case, mobility flows for students and staff between the European or between third-country institutions involved in the partnership are not eligible. Additional costs incurred during the interruption period are not eligible.

II.C.4 Management of the scholarship funds in case of drop-out

If a scholarship holder decides to withdraw before or during the study period, the partnership has the possibility to replace her/him with a candidate from the reserve list. The replacement must respect the deadlines for the latest start date as foreseen in the grant agreement for the respective cohort. If such replacement is not possible, the funds should be reallocated to cover additional mobilities and/or to extend the duration of the mobility already on-going according to the requirements defined in the Programme Guide, Call for Proposals and Guidelines to the Call for Proposals.

II.D PAYMENT OF THE GRANT

As stated under Articles I.4 and II.24 of the grant agreement, the first pre-financing payment will represent **30%** of the grant amount and shall be made to the beneficiary within 30 days following the date when the last of the two parties signs the grant agreement.

The request for the **2nd** and **3rd** pre-financing payments are linked to the **2nd** and **3rd** progress reports.

The pre-financing will be paid under the condition that the relevant technical and financial progress report, together with a complete mobility list, is submitted and accepted by the Agency or has recently been submitted and accepted.

The **2nd** pre-financing payment shall amount to 50% of the grant and the **3rd** pre-financing payment to 20%.

The payment **in full** of the new pre-financing payment shall be subject to the consumption of at least 70 % of the total amount of any earlier pre-financing

Where the consumption of the previous pre-financing is less than 70 %, the amount of the new pre-financing payment shall be reduced by the unused amounts of the previous pre-financing.

II.E BANK ACCOUNT AND EXCHANGE RATE

The account or sub-account specified in the grant agreement and to which the Erasmus Mundus grant will be paid should be:

- in the name of the beneficiary (personal accounts are not acceptable under any circumstances);
- denominated in Euro;
- able to identify the payments made by the Agency;
- in one of the 28 Member States of the EU or an EFTA-EEA state.

Cash withdrawals from the account must be substantiated by receipts.

It is recommended that one bank account is used for handling funds of exclusively one project, as the beneficiary must be able to identify dates and figures related to any payment received or made under the grant at any moment. This requirement is necessary for audit and control purposes (i.e. to enable a reconciliation of accounting records with the actual use of funds).

If an existing account/sub-account is used, the accounting methods of the beneficiary must make it possible to comply with the above mentioned requirements.

The payment of the scholarship to the students/staff in a currency different to the Euro shall be made using the daily exchange rate on which the grant recipient is paid and ensuring that they always receive the equivalent Euros. Any exchange rate gain/loss is to be managed by the beneficiary and not by the students/staff.

II.F ACCOUNTING SYSTEM /INTERNAL CONTROL

The beneficiary and partners must set up an adequate accounting system, which must make it possible to identify the payments made to students and academic staff.

All transactions relating to the action must be recorded using a numbering system in which the action is given a specific identifiable number.

As far as possible, the persons responsible for managing the daily activities of the action should not be the same as those responsible for its financial management.

II.G MANAGEMENT OF THE PARTNERSHIP

Any partner organisation whose name does not appear in the original application submitted by the beneficiary will not be recognised in the framework of the grant agreement, and as a result, all costs relating to such a partner will not be considered eligible.

The beneficiary is solely responsible for the relations between partners, in particular including the division of the grant between the beneficiary and the other partner institutions.

III. REPORTS

III.A GENERAL REMARKS

Reporting on your project's progress and achievements is a crucial part of the project management process.

Project implementation is ensured by the reports, by visits and by the consultation of the data recorded in the EMT.

Reporting is a contractual obligation and allows your partnership and the Agency to review and assess:

- the quality of activities related to the organisation and implementation of the mobility;
- the participation of the selected students and staff in the mobility;
- the correct handling of payment of scholarships to the students and staff.

In order to ensure efficient monitoring of the partnerships, different types of reports will have to be submitted in accordance with the following timetable (with the exception of the Brazil lot, for which the *Ending date of the eligibility period* and *Submission of the Final Report* dates are different, respectively 14/01/2018 and 14/03/2018):

Event	Deadline
<i>Starting date of the eligibility period</i>	15/07/2014
Submission of Minimum Requirements for the Selection Procedure Submission of the lists of selected candidates (EMT)	15 days before 1st Mobility starts
Submission of the First Progress Report	01/09/2015
<u>1st Cohort</u> Submission of the lists of scholarship holders (EMT) Mobility flow latest start	01/09/2015 31/12/2015
<u>2nd Cohort</u> Submission of the lists of scholarship holders (EMT) Mobility flow latest start	01/09/2016 31/12/2016
<u>3rd Cohort</u> Submission of the lists of scholarship holders (EMT) Mobility flow latest start	01/09/2017 31/12/2017
Submission of the Second Progress Report	29/02/2016
Submission of the Third Progress Report	28/02/2017
<i>Ending date of the eligibility period</i>	14/07/2018
Submission of the Final Report	14/09/2018

As the reports are the main monitoring and evaluation tools, they must provide complete and accurate information regarding the state of play of the action. Coordinators are therefore advised to read the report template forms carefully so that they are familiar with the content and aware of the accounting information required for their completion.

III.B FORMAL REQUIREMENTS FOR REPORTS

In order to facilitate structured and coherent reporting, the Agency has created template forms (found in Annexes IV and V of the grant agreement) which must be used to submit the reports. All submitted reports must be accompanied by endorsed print outs from the EMT, guaranteeing the accuracy and completeness of the data contained therein.

Before submitting the report, the coordinator must complete the check-list published on the Agency's website. If one of the criteria mentioned in the check-list is not fulfilled, the report will be rejected and the coordinating institution will have to submit a new report within a maximum of 30 days.

The templates of the reports and of the check-list can be found at the following address:

http://eacea.ec.europa.eu/erasmus_mundus/beneficiaries/beneficiaries_action_2_en.php

In any case, before the start of the first mobility the beneficiary must submit to the Agency the Minimum Requirements for the Selection Procedure, together with a print-out of the EMT. Both documents need to be signed by the coordinator.

III.C PROGRESS REPORT(S)

1st Progress Report (Technical)

This report must cover the reporting period from the start of the activity to the submission date of the progress report, **1st September 2015** at the latest. It has to be accompanied by:

- the Memorandum of Understanding duly signed by all partners, together with other additional documents (model of student agreements, model of learning agreement, model of transcript of records);
- if the mobility has not started by 1st September 2015, the Minimum Requirements for the Selection Procedure duly completed and signed by the coordinator on behalf of the partners, with the minutes of the Selection Committee/Board signed by all the participants;
- the endorsed print-outs from the EMT, with the information regarding Main, Reserve and non-selected lists.

The Agency aims to evaluate the management of the partnerships, the involvement of the partners and their cooperation within the partnership, the activities undertaken with the objective of organising an efficient mobility scheme, the respect of principles of transparency, fair and equal treatment in the selection of candidates. Coordinators are requested to provide detailed information on the specific operational aspects linked to the organisation of the individual mobility. In particular the arrangements set up for the visibility of the programme and scholarships opportunities, application procedure and selection of candidates.

2nd and 3rd Progress Report(s) - (Technical and Financial)

The reporting period of the progress report covers the period from the date of submission of the previous report to the submission date of the progress report in question.

The purpose of the progress report(s) is:

- to ensure that the project is being implemented in line with the approved application;
- to ensure that all eligibility criteria have been respected and fulfilled;
- to evaluate the follow-up on the Agency's comments and recommendations following the assessment of the previous report (s);
- to make sure that all necessary mechanisms and strategies are in place, ensuring not only the smooth running of the partnerships but also with regards to specific long-term objectives of the programme/project such as recognition of studies, quality assurance, measures to prevent brain drain and sustainability of the action;
- to address any unexpected problems that the partnership has encountered so that action can be taken to find solutions in line with the requirements and the objectives of the programme.

Beneficiaries are reminded that they must not introduce changes to the action which are in conflict with the basic requirements or the quality criteria outlined in the Call for Proposals documentation. Neither must they compromise the smooth functioning of the action. In this context, please read very carefully Chapter IV of this document and refer to the indications provided.

The second and the third progress reports will include a financial part. The financial part contains the financial statements of the incurred expenditures and the request for further pre-financing.

The approval of the progress reports and the payment of the further pre-financing instalment(s) of the grant (in accordance with the terms of the grant agreement) will under no circumstances be considered an indication that the Agency has accepted the expenditure declared in the progress reports. Detailed examination of budget and expenditure to identify the amount of the final grant will be carried out only at final report stage.

III.D FINAL REPORT

III.D.1 General principles

The purpose of the final report is to evaluate the actual implementation of the action and to close the respective grant agreement financially. Therefore, all expenditure related to the action must have been paid in full prior to the submission of the final report.

The final report needs to be submitted within two months of the end of the eligible period, according to the ending date stated in Article I.2.2 of the grant agreement. Therefore, the reporting period covers the entire period of eligibility of the grant agreement.

III.D.2 Technical part: description of the reported action

This part of the final report is intended to provide a detailed picture of how the action was implemented, the overall accomplishments in terms of mobility and programme objectives and possible problems encountered by the partnership during the implementation with the respective actions taken to overcome them.

When answering the questions relating to the technical part of the final report, the beneficiary should logically go back to and duly up-date what has been said in the previous report(s), taking into account the feedback received by the Agency on the report(s) concerned.

III.D.3 Financial part: declaration of expenditure

This part of the final report consists of a detailed declaration of the scholarships paid out under the mobility scheme and the expenditures for the organisation of the mobility.

This declaration is based on unit costs per student or staff as described in Annex III to the grant agreement and the final report form.

Copies of supporting documents (payment slips, receipts, bank statements, etc.) do not need to be provided with the final report. However, the Agency may ask the beneficiary for further details and copies of supporting documents. The beneficiary must supply the information requested within the given deadline. Failure to do so may result in a reduction or even the full recovery of the grant.

If, at final report stage, the total amount spent by the partnership is higher than the total amount of pre-financing paid by the Agency, the difference will be paid to the beneficiary at the end of the project, as per grant agreement.

III.D.4 Possible reimbursement of part of the grant

The Agency will analyse the declaration of expenditure in order to arrive at the final EU grant. This analysis may lead to a request for reimbursement of a certain amount (e.g. unpaid scholarships due to dropout of students), as the totality of the grant might have been paid to the beneficiary in advance.

If the beneficiary has to reimburse a certain amount, a recovery order will be issued by the Agency for the grant agreement in question. The financial analysis of the final report will be explained to the beneficiary in a settlement letter.

III.D.5 Appeals

If the beneficiary does not agree with the final grant awarded or the reimbursement claimed by the Agency, then he may submit an appeal to the Agency. In order to be valid, the appeal must be in writing, signed and dated by the legal representative of the beneficiary, and sent to the Agency within 60 days of the date of the settlement letter. The beneficiary should set out in full, the grounds upon which he disputes the decision of the Agency, together with copies of any relevant supporting documents or justifications upon which it relies. The grounds of the appeal must be based on new elements or facts which were not taken into consideration when the final report was originally analysed. It should be noted that the Agency may reject an appeal which is not submitted within the 60 days period or which does not contain the necessary justifications or documentation.

III.E ADDITIONAL PROGRESS REPORTS

In addition to the reports detailed in this chapter, the Agency may, at any time, request the beneficiary to produce an additional report on the progress of the action to date, covering both its technical and financial aspects. The purpose of such an additional report is to verify that high standards of quality are being maintained for the action and that it is being managed and implemented in accordance with the rules set out in the grant agreement and its annexes.

III.F LISTS OF INDIVIDUAL MOBILITY FLOWS (EMT PRINT-OUTS)

The EMT has been developed in order to monitor scholarship holders' activities, mobility tracks, incurred expenditure, etc. The beneficiary is requested to encode the results coming out from the selection of students and staff; as well as to maintain the information contained therein on a regular basis.

Print-outs from the EMT (duly signed by the coordinator) have to be enclosed in each progress report and the final report, guaranteeing the accuracy and completeness of the data presented.

The EMT and its print-outs must contain all necessary information regarding the individual mobility and the related financial aspects for all the scholarship holders, notably in the case of a request for further pre-financing.

In case the first mobility of selected students and/or staff starts before the submission of the relevant report to the Agency, the beneficiary must provide, in accordance with the reporting obligations, the list of scholarship holders concerned by the mobility, printed from the tool.

Changes to the mobility flows will be registered in the tool, according to the procedure described in Chapter IV of this handbook.

IV. MODIFICATION OF THE GRANT AGREEMENT

As indicated in Article II.12, any modification/amendment to the grant agreement must be subject to prior written approval.

Any request for an amendment (sections IV.A, IV.B and IV.C below) must be supported by a detailed justification of the changes. Failure to provide supporting documentation may considerably delay the review process. The Agency will assess the documents received against the eligibility, selection and award criteria used at application stage, if necessary with the help of external academic experts. The Agency will evaluate whether or not to approve the amendment request and will inform the beneficiary of its decision. Should the request of amendment be judged ineligible or of insufficient quality, it may be rejected.

IV.A MODIFICATIONS REQUIRING AN EXCHANGE OF LETTERS (AMENDMENT)

Where the modification needs an exchange of letters, the beneficiary must send a written request to the Agency, dated and signed in original by the legal representative. The amendment may not have as its purpose or effect to fundamentally modify the content of the grant agreement.

The amendment, unless otherwise specified, will enter into force from the date the Agency signs the letter confirming its agreement with the request for amendment. It takes effect from the date the effects described in the amendment apply and bind the parties. The date of taking effect may be different from the date of entry into force. If no specific date is indicated, the amendment will take effect on the day of entry into force.

IV.A.1 Change in the composition of the partnership

The project was approved on the basis of the partnership proposed by the applicant in the application form. The composition of the partnership is a decisive factor for the qualitative implementation of the project. Any change in the composition of the partnership is therefore considered a substantial change.

As a general rule, a change in the composition of the partnership may result either from the arrival of an additional partner (which may under no circumstances lead to an increase of the grant awarded), the departure of a partner, the replacement of one partner by another, or the change of status of a member, from associate to partner and vice versa.

These events will have an impact on the content and/or on the quality of the action. They will have an impact on mobility arrangements and can also have financial implications, in particular in relation to the distribution of the grant and the scholarships among the partners, as well as in relation to the payment modalities.

If a change is envisaged, a new description of the project must be submitted to the Agency. Such a description will be based on the Project information completed at the time of application to the Call for Proposals. This needs to be accompanied by a request letter asking to change the partnership composition, signed by the legal representative.

The Project information document³ will have to be updated in the following parts:

- part 1, section A
- part 1, section B (only for the relevant partner/s)

³ The template is available at: http://eacea.ec.europa.eu/erasmus_mundus/funding/2014/call_eacea_18_13_en.php

- part 2, (only the paragraph Partnership composition and cooperation mechanisms)

Also the Partnership statement(s) for the new partner(s) must be submitted to the Agency.

Moreover, the change in the composition of the partnership must be endorsed by all the partners.

The Agency will assess the documents received against the eligibility, selection and award criteria used at application stage, if necessary with the help of external academic experts. Should the new composition of the partnership be judged ineligible or of an insufficient quality, the grant agreement will be terminated.

Once the Agency accepts an additional/new partner, the coordinator will be obliged to send an updated MoU countersigned by the new partner.

To ensure the completion of any on-going mobility, a change in the partnership will not be granted if individual mobility flows are still on-going with the partner(s) concerned.

If a partner leaves the partnership, the use of lump sums and the payment of scholarships by that partner remain an eligible expenditure, on the condition that they occurred before the partner's departure and that the beneficiary is able to provide the relevant supporting documents concerning the payment of the scholarships.

IV.A.2 Change of coordinating institution/co-coordinating institution (joint coordinator)

A change of coordinating institution (i.e. replacement by another institution of the partnership) involves a change in legal responsibility. It should always be endorsed by both institutions concerned and by the partnership. In an official document signed by both legal representatives, the former coordinating institution will have to renounce all of its rights and obligations, while the new one will have to agree to take them over from the start until the end of the grant agreement(s).

If a change of coordinating institution has an impact on the content or the quality of the proposed action, a new description of the project must be submitted to the Agency.

Such a description will be based on the Project information completed at the time of application to the Call for Proposals.

The Project information document⁴ will have to be updated in the following parts:

- part 1, section A
- part 1, section B (only for the relevant partner/s)
- part 2, (only the paragraph *Partnership composition and cooperation mechanisms*)

The Agency will assess the documents received against the eligibility, selection and award criteria used at application stage, if necessary with the help of external academic experts. Should the new composition of the partnership be judged ineligible or of insufficient quality, the grant agreement will be terminated.

The same procedure must be followed in case of a change of co-coordinating institution (joint coordinator), if applicable.

IV.A.3 Change in the period of eligibility

Requests to change the period of eligibility will only be accepted by the Agency in very specific and duly justified cases. The extension of the eligibility period cannot exceed 12 months nor warrant additional funding.

⁴ The template is available at: http://eacea.ec.europa.eu/erasmus_mundus/funding/2014/call_eacea_18_13_en.php

An extension of the period of eligibility affects the deadline for submission of the final report, which will be postponed by the same amount of time.

IV.A.4 Changes to the mobility flows

Requests for amendments to the grant agreement related to changes to the mobility flows will be accepted only in very specific and duly justified cases.

The mobility flows must be implemented as agreed in the grant agreement and they have to fulfil the requirements specified in the Programme Guide and the Guidelines to the Call for proposals for each specific lot.

Changes may concern:

- Total number of individual mobility flows
- Planned range for Target Group 1
- Distribution of the mobility flows between EU and third country nationals
- Distribution range per type of mobility

Changes to the mobility flows may lead to a decrease of the EU grant. This will be calculated based on the actual mobility implemented and reported in the final report.

IV.A.5 Change in the deadlines for submission of the reports (not related to an extension of the eligibility period)

Requests to change the deadline for submission of a report will only be accepted by the Agency if duly justified and substantiated.

IV.A.6 Change of legal representative

The letter notifying the Agency of the change must be accompanied by an official document confirming the capacity of the new legal representative to enter into legal /financial commitments on behalf of the beneficiary.

IV.A.7 Change of bank account information

Any change must be reported to the Agency updating the Bank Account Form/Financial identification⁵ submitted at the time of application. The document must be duly stamped and signed by the bank and the account holder (legal representative or coordinator).

IV.B MODIFICATIONS VIA THE PARTICIPANT PORTAL (AMENDMENT)

Modifications related to updates of the beneficiaries' legal records may concern changes in the following data, e.g.:

- Legal name
- Legal address
- VAT n°
- Registration n°
- Legal status
- Legal type (Public, Private, etc.)

⁵ http://eacea.ec.europa.eu/erasmus_mundus/funding/2014/documents/fich_sign_ba_gb_en.pdf

The above modifications should be done in the Participant Portal, which is the platform where the LEAR (Legal Entity Appointed Representative) of each beneficiary registers any changes related to their legal entity⁶. Changes made by the beneficiaries in the Participant Portal are considered to be sufficient and deemed to be equal to an amendment request.

Such changes often entail changes of the bank information as well, which will then require an amendment via an "exchange of letters" (see section IV.A.7 above).

The accuracy of the changes and any supporting documents are checked and validated by the Research Executive Agency (REA). Once REA has validated these changes, they notify the beneficiary that this information is up to date in the database of the Commission. The impact that the modifications may have on the projects in which the organisation is involved is a separate procedure, which has to be carried out by the Agency. Provided that the changes are compatible with the eligibility, exclusion and selection criteria applied during the selection process, the Agency will approve the changes and the beneficiary concerned will be informed by means of a notification.

IV.B.1 Change of coordinating institution status/type (e.g. merger)

The new legal status/type of a beneficiary has to be examined to ensure that it still fulfils all the eligibility and selection criteria originally applied. If this change results in non-fulfilment of the eligibility and/or selection criteria, this might lead to the termination of its participation. It will also be verified whether the eligibility criteria at project level are still respected.

IV.B.2 Change of coordinating institution data (e.g. legal name, legal address, VAT n^o, registration n^o)

In certain cases, what appears to be a change of the legal name may in fact refer to a different change (e.g. new legal entity, transfer of rights and obligations), which may require other supporting documents to be provided and a different treatment. In case of doubt, the beneficiary must contact the Agency.

IV.C MODIFICATIONS BY E-MAIL (AMENDMENT)

IV.C.1 Change of coordinator

Such amendment can be requested through an email or a letter attached to an email. In the first case, the legal representative should be at least in CC of the email. In the second case, the letter attached to the email should be signed by the legal representative.

Since the coordinator plays a vital role in the management and monitoring of the partnership, a change of coordinator must be endorsed by all the partners. A signed document confirming such endorsement must accompany this request for amendment.

IV.D NOTIFICATION (CHANGES NOT REQUIRING AN AMENDMENT)

For the following changes, only a notification to the Agency is required:

IV.D.1 Change of an associated member within the partnership

Since the associated members can play an important role in the promotion, implementation, evaluation and sustainable development of the project, such a change must be endorsed by all the partners. This endorsement should accompany the letter notifying the change to the Agency.

⁶ Changes of organisation data of a beneficiary will have to be communicated by the Legal Entity Appointed Representative (LEAR), or the person with Account Administrative role, and provide the supporting documents via the "My Organisations" option in the organisations menu by using the Unique Registration Facility (URF) hosted in the Participant Portal under the following link:

<https://ec.europa.eu/education/participants/portal/desktop/en/organisations/register.html>

IV.D.2 Change of contact data of the legal representative/coordinator

Changes of the legal representative/coordinator data (e.g. address, phone number etc.) should be notified to the Agency.

IV.D.3 Change of partner data

Changes of any partner data (e.g. address, phone etc.) should be notified to the Agency.

IV.D.4 Minor changes to the mobility flows

Some minor changes to the mobility scheme might occur during the implementation phase. The coordinator shall introduce a request to the Agency via the EMT. The status of the request (approved or rejected) can be consulted directly in the EMT.

Minor changes concern:

- replacement of candidates by others belonging to the same type of mobility and included in the corresponding reserve list;
- replacement of candidates by others belonging to a different type of mobility and included in the corresponding reserve list.
- reduction/extension of the duration of the mobility within the limits defined in Article I.2.3 of the grant agreement.

IV.D.5 Change in deadlines for submission of the reports (not related to an extension of the eligibility period and below 30 days)

The request can be sent by the coordinator by letter or e-mail. The coordinator will receive a reply by e-mail/EMT, if necessary.

IV. E SUMMARY TABLE OF MODIFICATIONS TO THE GRANT AGREEMENT

	A EXCHANGE OF LETTERS (Amendment)	B MODIFICATIONS VIA THE PARTICIPANT PORTAL (Amendment)	C MODIFICATIONS BY EMAIL (Amendment)	D NOTIFICATION (Changes not requiring an Amendment)
CHANGES	<ol style="list-style-type: none"> 1) Change in the composition of the partnership 2) Change of coordinating institution or co-coordinating institution (joint coordinator – if applicable) 3) Change in the period of eligibility 4) Change to the mobility flow Change in the deadlines for reports' submission (without extension of the eligibility period) > 30 days 5) Change of the legal representative of the coordinating institution 6) Change of bank account information 	<p>Change of coordinating institution's legal records:</p> <ol style="list-style-type: none"> 1) Change of status/type (e.g. merger) 2) Change of data (e.g. legal name, legal address, VAT n°, registration n°) 3) Change of language/website 	<ol style="list-style-type: none"> 1) Change of coordinator of the project 	<ol style="list-style-type: none"> 1) Change of an associated member within the partnership 2) Change of contact data of the legal representative/coordinator (e.g. address, phone/fax number) 3) Change of partner data 4) Minor changes to the mobility flows 5) Change in the deadlines for reports' submission (without extension of the eligibility period) <= 30 days
PROCEDURE	<p>Request for an amendment by letter, with supporting documents attached or form, dated and signed/sent by the legal representative of the beneficiary.</p> <p>Submission of the request:</p> <ul style="list-style-type: none"> - For 1) to 4) above: <ul style="list-style-type: none"> • before it is due to take effect • to be submitted to the Agency at least 30 calendar days before the end of the period of eligibility mentioned in the grant agreement - For 5) and 6) above: <ul style="list-style-type: none"> • as soon as the change occurs 	<p>Request for an amendment via the Participant Portal, introduced by the LEAR.</p> <p>To be submitted as soon as the change occurs.</p>	<p>Request for an amendment by email or letter attached to an email, together with relevant supporting documents.</p> <p>The request must be submitted as soon as the change occurs.</p>	<p>Notification by letter or email, by legal representative or coordinator.</p> <p>Request for modification to be submitted as soon as the change occurs, to be proposed in due time and before the end of the period of eligibility.</p>
EACEA	<p>Acknowledgement of receipt will be sent.</p> <p>The Agency approves or rejects the request for modification in writing within 30 calendar days (indicative) after receipt of the request.</p> <p>If approved, the Agency sends an amendment letter. Pending such exchange of letters, changes are not considered as approved by the Agency.</p>	<p>Acknowledgement of receipt and validation of the change will be sent via the Participant Portal.</p> <p>A notification of the modification occurred will be sent by the Agency.</p>	<p>Acknowledgement of receipt will be sent.</p> <p>The Agency approves or rejects the request for modification in writing within 30 calendar days (indicative) after receipt of the request.</p>	<p>As soon as the Agency receives this information it will update its database. The coordinator will receive a confirmation by email (with Cc to the legal representative if the latter has sent the notification).</p> <p>For 4) above: Following analysis of the request, the Agency validates the changes in the EMT.</p> <p>For 1), 2), 3) and 5) above: The Agency confirms it has taken note of the (proposed) modification by email within 15 calendar days (indicative) after receipt of the notification.</p>

V. MONITORING OF THE PROJECT BY THE AGENCY

V.A PURPOSE

The Agency is responsible for monitoring all the projects that have been successful in securing funds from the Erasmus Mundus programme. The purpose of the monitoring is to provide support to each project, offering guidance and advice that can be integrated by the project team to achieve a successful outcome. The monitoring also aims to ensure that projects are aligned with and fulfilling their stated objectives and continue to merit the public funds that have been allocated to them. Monitoring also allows good practices and lessons learned to be identified.

To carry out the monitoring of each project, the Agency may appoint a member of the Agency staff as a point of contact. This person is responsible for project monitoring on a day-to-day basis and is the channel of communication between the Agency and the coordinator. All important Agency decisions will be communicated in writing and addressed to the contact person or legal representative, depending on the nature of the communication.

V.B WHAT KIND OF MONITORING?

Monitoring covers operational and financial aspects and may be performed in one or more of the following ways:

- assessment of the work carried out and reported by the project (assessment of the reports);
- consultation of data recorded in the EMT;
- visit by Agency representative(s) to a project event or partnership kick-off meeting;
- visit by Agency representative(s) to the premises of the coordinator/partner institution (in situ visit);
- invitation to project representatives to participate in an event organised by the Agency.

Additional project monitoring methods may be developed in response to new needs that arise. If the monitoring requires a visit to your premises, the Agency will inform you in advance and in writing of the purpose of the visit, the issues to be addressed and, where appropriate, the list of documents that should be made available or submitted in advance.

After every meeting, the Agency provides feedback to the project.

V.B.1 Participation in a partnership meeting and/or project event

The Agency may attend a project event or a partnership kick-off meeting as an observer, in order to become acquainted with the progress of the project. If the visit is to a partnership meeting, each partner would generally be expected to describe, during the meeting, their contribution to the project and demonstrate their activities. The Agency representatives may also wish to cover specific areas related to project implementation, such as management issues that could be dealt with in a separate meeting with the coordinator and other project representatives.

V.B.2 Visit to the beneficiary/coordinating /partner institution (in situ visit)

An in situ visit to the beneficiary/coordinating/partner institution can take place at any time during the lifetime of the project. The objective of the visit is primarily: to verify the status of the project's implementation, organisation and implementation of the mobility; to obtain a clear picture of how well the project is being managed; to see how well partners are cooperating; and to provide the project with support and guidance. More specifically, the visit will focus on the follow-up of the

mobility's implementation, communication between the partners, administrative practices, project documents as well as on general questions relating to the financial management of the project. The contact person is required to attend and the Agency may also request the attendance of the person responsible for the financial management of the project.

V.B.3 Invitation to an event organised by the Agency

One meeting per year may be organised by the Agency for the contact persons. Participation in this meeting is mandatory. The coordinator may also be invited by the Agency to participate in other meetings and to present the project. The expenses related to participation in those meetings are considered eligible costs and should be covered by the project's budget.

VI. SUPPORTING DOCUMENTS & AUDITS

VI.A PURPOSE

As set out in Article II.27 of the grant agreement, an operational and/or financial audit can be carried out on-the-spot by the Agency or by any other outside body authorised by the Agency at any time. The European Anti-Fraud Office (OLAF) and the EU Court of Auditors may also carry out on-the-spot checks and inspections. Such audits may be carried out throughout the lifetime of a grant agreement and for a period of 5 years from the date of the final payment or the financial closure of the grant agreement. In such cases, the beneficiary and/or the concerned partner will be notified that an inspection visit will be made.

On receipt of this notification, the beneficiary and/or the concerned partner are advised to ensure that all the original documentation likely to be examined by the auditors is available and, if necessary, contact the partner institutions of the partnership in order to collect any documents that may be missing. The audit may cover the management of the action not only by the beneficiary, but also by the partner institutions.

The purpose of these audits is twofold:

- to check that the partnership's financial reports presented for payment are consistent with the beneficiary's and/or concerned partner's basic accounts and to ensure that EU funds are being /have been spent in accordance with the grant agreement and its annexes and that the mobility scheme is being/has been implemented;
- to provide a good opportunity for contact and dialogue between the auditors and the beneficiary and/or the concerned partner. If any management problems are found, the auditors will work with the beneficiary and/or the concerned partner to seek a solution and, if necessary, improve existing internal procedures in order to make the best possible use of EU funds. The auditors will be open to any comments and/or suggestions that the beneficiary and/or the partners may wish to make.

The assessment criterion is transparency. It is essential for the auditors to have access to full, accurate and properly documented information.

VI.B DOCUMENTS REQUIRED

The supporting documents required must prove that the grant has been effectively spent to cover the implementation of the action.

The documents that must be sent to the coordinator by the partners should ensure:

- *the traceability of payments* (payment orders, bank statements, acknowledgements of receipt signed by the students etc.);
- *the possibility to check the implementation of mobility* (learning agreement between the home and host institutions, student agreement signed by the scholarship holder and the host institution, arrival certificate, boarding passes of both arrival and departure dates, travel invoice, insurance agreement/invoice/certificate etc.).

In principle, supporting documents must satisfy the following conditions:

- documents from the beneficiary and/or partners must be original and dated;
 - documents from partners held by the beneficiary must be certified copies of the original.
- However, the Agency reserves the right to have originals made available to it at any time.

As a general rule, the beneficiary and the concerned partner must provide the auditors with all bank documents. The beneficiary and partners' accounting records, analytical accounts and annual statements must also be available.

If the beneficiary or the concerned partner cannot provide adequate supporting documents or if the supporting documents available do not satisfy the requirements set out in this chapter, the Agency reserves the right to deduct the costs in question from the EU grant.

VI.C FINDINGS AND OUTCOMES

Audit reports are internal documents and are confidential. However, the beneficiary or the partner concerned (when the audit has been specifically requested do so) will be informed in writing of the audit findings within a period of four months from the date the audit was carried out.

The audit will lead to one of the following results:

- The audit is entirely satisfactory: the auditors have found no significant shortcomings in the financial management or other aspects of the management of the mobility scheme;
- Expenses not covered by supporting documents have been found: this will entail a demand for reimbursement to the Agency.