



Education and Culture

Tempus

Workshop on Contract Management

Financial Rules

Project Representatives' Meeting
Berlin, September 2004



- 1. Budget headings**
- 2. Co-financing concept**
- 3. Financial Report**
- 4. Budget headings**
- 5. Grant financial ceilings**
- 6. Modifications to the agreement**
- 7. General advice for your reporting**
- Questions**



Budget headings & Contractual ceilings

I. Staff costs

**Max. 30% of the overall cost of the action
(A.4 of the Grant Agreement)**

II. Travel costs and Costs of stay

**Costs of stay: Maxima amounts per person
Travel costs: Actual costs per person**

III. Equipment

**Max. 30% of the overall cost of the action
(A.4 of the Grant Agreement)**

IV. Printing & Publishing

V. Other costs

VI. Indirect costs

Max. 7% of the total eligible cost



- **The EC grant can cover no more than 95% of the total eligible costs of the project.**

The remaining costs, equivalent to at least 5% of the total eligible costs, must be co-financed.

- **The EC contribution cannot exceed the maximum grant amount (A.3 of the Grant Agreement)**



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Annex III/7 (1 sample)



I. Staff costs

purpose

Staff costs should:

- Cover only administrative or academic tasks
- Cover eventual “Replacement costs” (3.3 of Annex V/2)

contractual rules

Tasks directly necessary and not covered by other sources

The amount should be calculated based on the cost of the action = **30% maximum**

! Staff costs should respect local salary rates

supporting documents

The Contractor should provide:

- For consortium member staff : a Convention
- For non-consortium member staff : a Subcontract, a related invoice and a Convention
- For replacement of EU teaching staff: confirmation of engagement and a Convention



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Example of staff costs
TABLE IN ANNEX1.DOC



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Convention form
ANNEX1.DOC



II. Staff –

travel costs and costs of stay

purpose

Travel Costs and Costs of Stay for:

Assignments for teachers/trainers, retraining and updating courses, practical placements, development of academic activities, short visits for coordination and planning, short intensive courses, dissemination visits

contractual rules

The amount for Travel Costs & Costs of Stay should:

- cover only actual travel costs
- respect the maxima per person (for costs of stay)

Travel for research activities is not allowed

supporting documents

For staff in mobility the Grantholder provides:

- a complete Individual Grantholder Report (IGR) for each mobility using the standard form
- readable copies of travel tickets, invoices



II. Staff –

activities and mobility directions

Activity

Direction

Assignments for teachers/trainers	➔	EU → PC / PC →EU
Re-training and up-dating courses	➔	PC →EU, Candidate countries
Practical placements	➔	PC →EU, Candidate countries
Development of academic activities	➔	EU → PC / PC →EU / PC → PC
Short visits for coordination and planning	➔	EU → PC / PC →EU / PC → PC / EU → EU*
Short intensive courses (including language)	➔	Within the PC or combined with another PC →EU mobility
Visit for dissemination purposes	➔	Mobility is allowed to other institutions in the Partner Countries

* Only for coordination visits



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Example of travel costs and cost of stay
ANNEX1.DOC - table



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IGR form



II. Students - travel costs / costs of stay

purpose

Travel Costs & Costs of Stay apply to project consortia students for:

Study periods, practical placements in an enterprise, intensive courses and participation of student representatives in University Management project

contractual rules

The amount for Travel Costs & Costs of Stay should :

- cover only actual travel costs
- respect the maxima per person (for costs of stay)

Host universities can claim **institutional costs** for receiving students from abroad (c.f. 4.5.4 of Annex V)

supporting documents

For students in mobility the Grantholder provides:

- a complete Individual Grantholder Report (IGR) for each mobility using the standard form
- readable copies of travel tickets, invoices



II. Students - activities / mobility directions

Activity	Direction	Minimum duration
Study period	→ EU → EU NO!	→ 3 months
Practical placement	→ EU → EU NO!	→ 1 month
Intensive course	→ PC → EU ONLY!	→ 15 days
Student representatives in UM_JEP	→ All	→ -



III. Equipment

purpose

Equipment should:

- be eligible
- be exclusively for the eligible institutions marked with an **asterisk** in Annex I of the Grant Agreement where it should be used, inventoried and installed
- be exempt from VAT

contractual rules

The amount should be calculated based on the cost of the action = **30% maximum**

supporting documents

The Grantholder provides readable copies of:

- all invoices



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***Example of equipment
ANNEX1.DOC - table***



IV. Printing & Publishing

purpose

Printing & Publishing should cover :

- paper and electronic productions (eg. electronic form, web design and website)
- photocopying of teaching materials

(general photocopying = Indirect costs)



contractual rules

Internal staff costs may not be covered by this budget heading (i.e. web updating and web maintenance)

supporting documents

The Grantholder provides readable copies of:

- all invoices



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Example of PRINTING & PUBLISHING ANNEX1.DOC - table



V. Other costs

purpose

Other costs should cover other costs not included under other categories:

- dissemination of information
- inter-project coaching
- visa costs
- bank charges (including bank guarantee if requested)
- external translations and external language courses
- rent of premises for dissemination events (Commission authorisation required)

contractual rules

Ineligible costs: hospitality costs, costs related to the use of materials incurred by institutions when hosting students/ staff, registration fees for courses etc., (c.f. II.14.4 of the Grant Agreement)

supporting documents

The Grantholder provides readable copies of:

- invoices and bank statements



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***example of OTHER COSTS
ANNEX1.DOC - table***



VI. Indirect Costs

purpose

Indirect Costs can cover:

- stationary, office supplies, general photocopying
- postage and telecommunication costs attributable to the project

contractual rules

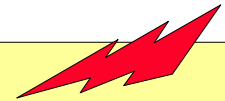
The amount should be calculated based on the cost of the action = **7% maximum**

The **expenditures** can be charged up to **7%** of the **eligible expenses** verified with the assessment of the Final Report

supporting documents

NO supporting document is required

Indirect costs cannot be part of co-financing





modifications: general advice

- ➔ **Modifications in terms of budget and activities acquire contractual value after prior written approval of the Commission**
- ➔ **Requests for modifications should be duly justified in relation to the project objectives**
- ➔ **Modifications should be detailed**
- ➔ **Modifications can be introduced either through the Implementation Report and Financial Statement or through general correspondence**



modifications

Prior written request to the EC for authorisation is needed for:

➔ **Any increase of the approved amount allocated under each budget heading (Tempus + Co-finance) of more than 10%**

➔ **Requests must indicate the reason and the impact of such budget modifications on the activities and the expected outcomes of the modification**



modifications

**Prior written request to the EC for authorisation
is needed for:**



Addition of a consortium member



Withdrawal of a consortium member



Changes of contact person at the

Grantholder Institution



Extension of the agreement period



Suspension



general advice for your reporting

- ✓ **Schedule the co-ordination meetings in due time**
- ✓ **Collect the supporting documents as soon as activities have taken place**
- ✓ **Do not under-estimate the time and the human resources needed for the reporting activities**