



Education and Culture

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# Workshop 3

# Financial Reporting

**Project Representatives' Meeting  
Brussels, January 2006**



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# agenda

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



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# Budget headings & Contractual ceilings

**I. Staff costs**

**Max. 30% of the Tempus Maximum Grant Amount (A.3 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 Tempus Maximum Grant Amount (A.3 of the Grant Agreement)**

**IV. Printing & Publishing**

**V. Other costs**

**VI. Indirect costs**

**Max. 7% of the Tempus Maximum Grant Amount (A.3 of the Grant Agreement)**



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# co-financing and final grant

- **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 Tempus grant, must be co-financed. = Ceiling A**
- **The EC grant cannot exceed the amount necessary to balance the action's receipts and expenditure and that it may not in any circumstances produce a profit for him. = Ceiling B**
- **The EC contribution cannot exceed the maximum Tempus grant amount (A.3 of the Grant Agreement). = Ceiling C**



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# Determination of the final grant

- ✓ Ceiling A: 95% of the total eligible costs at the end of the action
- ✓ Ceiling B: Total declared expenditure minus declared co-financing amount
- ✓ Ceiling C: Maximum Tempus Grant amount = A. 3
- ✓ After calculating the three ceilings, the final grant will correspond to the lowest amount among them



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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

30% ceiling: The calculation is based on the Tempus Maximum Grant Amount = **30% maximum of A.3**  
**! Co-financing is not subject to the 30% limit**

**! 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 administrative staff and experts listed in Annex I, 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



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# 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

<b>Activity</b>	<b>Direction</b>	<b>Minimum duration</b>
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Study period	→ EU → EU <b>NO!</b>	→ 3 months
Practical placement	→ EU → EU <b>NO!</b>	→ 1 month
Intensive course	→ PC → EU <b>ONLY!</b>	→ 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

**30% ceiling: the calculation is based on the Tempus Maximum Grant Amount = 30% maximum of A.3**

**! Co-financing is not subject to the 30% limit**

## 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**

Flat-rate corresponding to maximum **7%** of the Tempus Maximum Grant Amount = **7% maximum of A.3**

**supporting documents**

NO supporting document is required

**NO co-financing is permitted under this budget heading**



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# 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**



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# 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**





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# 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**



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# 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**