

## ESPON Financial Managers Seminar 31 March 2009, Brussels

### Eligibility period and reporting eligible expenditure



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### Eligibility of expenditure

Cost must comply with the legal framework set by the following documents:

- The Community rules and the European Community Structural Funds regulatory framework.
- The national rules.
- The Programme Manual and programme rules.
- The Project Specifications.
- The approved and contracted Application Form.
- The provisions of the Subsidy Contract.
- The content of the Partnership Agreement.

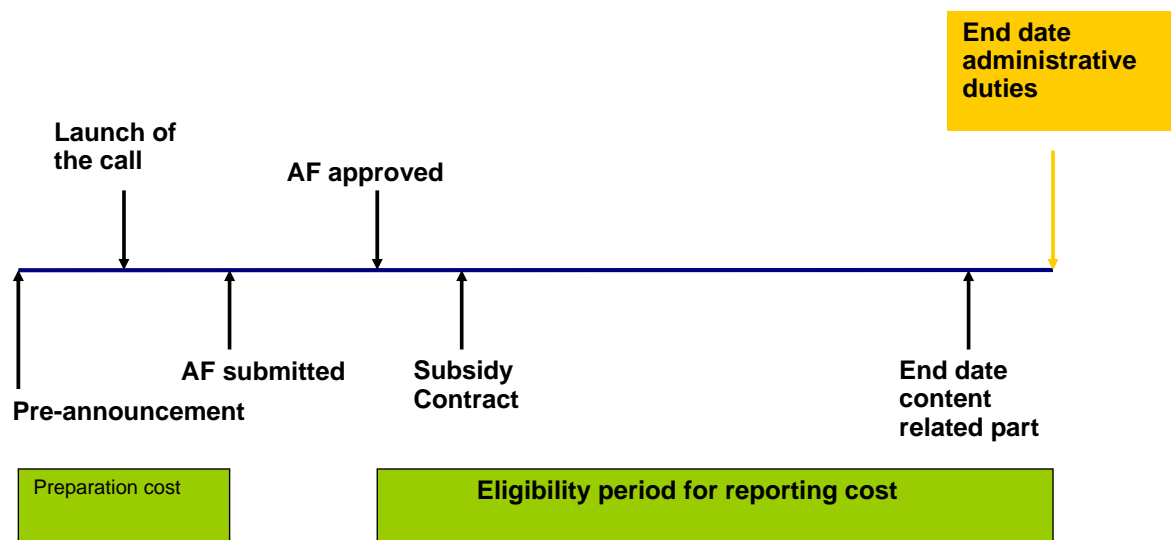
## Eligibility of Expenditure

Costs are eligible for funding if they comply with all the following requirements:

- Are incurred (paid out)
- Are incurred by the partners
- Are directly linked to the project implementation
- Are incurred and accounted in compliance with the Legal Framework
- Are correctly reported within the approved budget lines
- Are incurred within the eligibility period

## Eligibility Period

For approved projects **preparation costs** are eligible from pre-announcement of the call until submission of AF



## Budget Lines

- Staff
- Administration
- Travel and accommodation
- Equipment
- External expertise and services

*For the personnel **employed** by the partner institutions listed in the Application Form*

## Reporting under budget lines – Staff

- Costs for personnel employed only (contract)
- Full time / part time
- External project coordinator, financial manager etc. to be reported under Budget Line - External Expertise and services
- Calculation of hourly rate to be based on actual yearly salary

### Supporting documents:

- Working contract
- Payslips
- Payment proofs
- Calculation evidence of the hourly rate
- Overall workable time (national legislation)
- Time sheets

## Reporting under budget lines – Administration

- Direct general costs  
incurred directly in relation to the project
- Indirect general costs  
overheads related to the project activities calculated on a pro-rata basis (no lump sums, estimations are allowed)

Ratio=  $\frac{\text{total number of people employed for the operation}}{\text{total number of people employed by the organization}}$

Threshold: total administration cost cannot exceed **25%** of the of total staff cost

## Reporting under budget lines – Administration

### Supporting documents:

- List of indirect general costs
- Original invoices
- Payment proofs
- Calculation scheme used

## Reporting under budget lines – Travel and accommodation

- Only for employed personnel travelling on the territory of Member/Partner States
- Travels outside the territory of Member/Partner States are subject to prior approval of the MA(CU) and eligible if:
  - they are for the benefit of the project
  - they are explicitly mentioned and justified in the approved application
- Most economic way of transport and accommodation has to be chosen
- Daily allowances, per diem is eligible
- Travel costs of external experts are reported under BL-External expertise

## Reporting under budget lines – Travel and accommodation

### Supporting documents:

- Agenda of the meeting
- Invitation to the meeting
- List of participants
- Travel report related to the meeting
- Proof of the per diem, daily allowance
- Original invoices, receipts
- Tickets, boarding cards, passenger receipts
- Payment proofs

## Reporting under budget lines – Equipment

- IT equipment (computer, printer etc.) and software
- Have to be initially planned in the Application Form
- Only depreciation allowances according to national rules
- The amount of equipment has to reflect the actual use of the of these items
- Share of the depreciation quota has to be calculated according to a fair and equitable method

### Supporting documents:

- Invoices
- Payment proofs
- Depreciation method

## Reporting under budget lines – External expertise and services

- Costs for supplies of services and goods (e.g.: consultants, experts, interpreters)
  - Contract/agreement
  - Invoice/request of reimbursement
- External expertise has to be specified in the Application Form
- Compliance with the public procurement rules applicable to the project partner

### Supporting documents:

- Documentation of the public procurement procedure
- Contract/agreement
- Invoices
- Deliveries of the external experts
- Payment proofs