

# Financial issues II

**Valentino Zangrando**

GRIAL Research Group

University of Salamanca

vzangra@usal.es

W-STEM 2<sup>nd</sup> Face-to-Face meeting  
Universidad del Norte  
Barranquilla, Colombia, 27-29 November 2019



# Index

1. Reporting periods
2. Framework for the project justification
3. W-STEM Budget
4. Exchange rate
5. Taxes
6. Financial reporting template
7. Unit costs approach
8. Travels and costs of stay
9. Travels and costs of stay supporting documents
10. Travel costs and costs of stay: what the auditor will review
11. Staff costs

# 1. Reporting periods

## **Progress report** July 14<sup>th</sup>, 2020

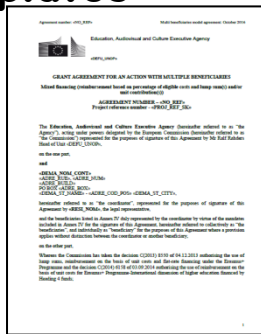
The Partner shall provide the Beneficiary with any information and document required for the preparation of the interim report until 6 weeks prior to the submission of the progress report at the latest.

## **Final report** March 14<sup>th</sup>, 2022

The Partner shall provide the Beneficiary with any information and document required for the preparation of the final report, until 6 weeks prior to the submission deadline of the final report March 14<sup>th</sup>, 2022.

# 2. Framework for the project costs justification

## EACEA Documents templates



## Project Budget

## Reporting

Partnership supporting documents

Any authorisation from EACEA

## 2. Framework for the project costs justification

EACEA Documents

Capacity Building in the Field of Higher Education 2018 – Reporting

– [https://eacea.ec.europa.eu/erasmus-plus/beneficiaries-space/capacity-building-in-the-field-of-higher-education\\_en](https://eacea.ec.europa.eu/erasmus-plus/beneficiaries-space/capacity-building-in-the-field-of-higher-education_en)

Partnership documents

W-STEM Moodle – Project Management tab

– <https://polis.grial.eu/course/view.php?id=494>

### 3. W-STEM budget

Budget Headings	€
I STAFF COSTS	316.758,00
II TRAVEL COSTS	235.780,00
III COSTS OF STAY	118.730,00
IV EQUIPMENT	110.000,00
V SUBCONTRACTING	81.000,00
VI EXCEPTIONAL COSTS	0,00
TOTAL GRANT	862.268,00

ANNEX III OF GRANT AGREEMENT  
(EXSTIMATED BUDGET OF THE ACTION.  
MAXIMUM GRANT CONTRIBUTION TO  
THE PROJCT OSTS)

ANNEX II OF PARTNERSHIP AGREEMENT  
(EU GRANT BREAKDOWN PER PARTNER  
AND BUDGET CATEGORY)

# 4. Exchange rate

## 3.2.4 Exchange rate

The coordinator shall submit the payment requests including the underlying financial statements, in euros.

By way of derogation from Article II.23.4 of the Agreement, any conversion into euro of actual costs incurred in other currencies shall be made by the beneficiary at the monthly accounting rate established by the Commission and published on its website

([http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/infoeuro/infoeuro\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm)) applicable:

- on the month of the receipt of the first pre-financing for all costs incurred until the second pre-financing is received and
- on the month of the receipt of the second pre-financing for all costs incurred until the end of the project.

The invoice date will be taken into account to determine the applicable monthly exchange rate.

All coordinators have to respect this rule with regards to the exchange rate to be applied during the project life time. Requests for derogation will not be considered.

As specified in Article II.19.4 of the Agreement, exchange losses are not considered eligible and exchange gains do not need to be reported.

[Guidelines for the Use of the Grant](#) (p.24)

Exchange Rates is not applicable for costs reimbursed on the basis of "unit costs" (Staff and Travels)

## 4. Exchange rate

1) From start of eligibility period until receipt of second pre-financing:

monthly rate of reception of FIRST PRE-FINANCING: **DECEMBER 2018**

2) From date of receipt of second pre-financing until end of eligibility period: monthly rate of reception of SECOND PRE-FINANCING

Rate to apply:

[http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/infoeuro/index\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/index_en.cfm)

### **EXAMPLE**

1<sup>st</sup> Pre-financing: 23 Dec 2018 – 2<sup>nd</sup> Pre-financing: 22 Aug 2019

Invoice date: 09 January 2019 Applicable monthly rate: December 2018



# 5. Taxes

## 3.2.3 Taxes (VAT, duties and charges)

Any expenditure including VAT, duties and charges (such as customs and import duties) are not eligible unless the coordinator can provide an official document from the competent authorities proving that the corresponding costs cannot be recovered. If it is not possible to obtain such an official document from the competent authorities, the coordinator should provide a written proof from the same authorities that they do not issue such document. In any case, taxes and duties have to be treated in accordance with the tax exemption agreement, signed between the European Union and the Partner Country for which the equipment or services are destined.

[Guidelines for the Use of the Grant](#) (p.22)

- Deductible VAT means that VAT is recoverable by the beneficiary under the national 'VAT system' (i.e. the system of collection and deduction under the national VAT legislation) is not an eligible cost. The final financial report should exclude deductible VAT amounts.
- Conversely, if VAT is NOT deductible, it is an eligible cost for the Final financial statement.
- VAT status is not applicable for costs reimbursed on the basis of "unit costs" (Staff and Travels)

# 6. Financial reporting template

The main template for describing the project costs is the **Financial Statements** excel file.

In the financial management section of the main page of W-STEM Moodle you can find the W-STEM financial Statements file with some cells already filled. In particular, the main data like the list of partners and summary of the budget awarded in the main page are already filled.

ANNEX VI - FINAL FINANCIAL STATEMENT					
Project Number		598923-EPP-1-2018-1-ES-EPPKA2-CBHE-JP			
Budget Headings	1. Grant Awarded (in EUR)	2. Budget Spent (in EUR)			
1. Staff Costs	316.758,00	0,00			
2. Travel Costs	235.780,00	2.000,00			
3. Costs of Stay	118.730,00	1.200,00			
4. Equipment Costs	110.000,00	0,00			
5. Subcontracting Costs	81.000,00	0,00			
6. Exceptional Costs	0,00	0,00			
<b>Total Grant requested from the European Union</b>	<b>862.268,00</b>	<b>3.200,00</b>			

DISTRIBUTION OF THE GRANT BY ORGANISATION (in t)					
Partner N°	Name of Partner	Country	Role Code	Programme Country / Partner Country	1. Staff Costs
P1	Universidad de Salamanca (USAL)	Spain	Coord	Programme Countries	-
P2	Universidad del Norte (UNNORTE)	Colombia	Partner	Partner Countries	-
P3	Oulu University (OULU)	Finland	Partner	Programme Countries	-
P4	Politecnico di Torino (POLITO)	Italy	Partner	Programme Countries	-
P5	Dublin Institute of Technology (DIT)	Ireland	Partner	Programme Countries	-
P6	Notem Regional College (NRC)	United Kingdom	Partner	Programme Countries	-
P7	Instituto Tecnológico de Monterrey (ITESM)	Mexico	Partner	Partner Countries	-
P8	Universidad de Guadalajara (UGJ)	Mexico	Partner	Partner Countries	-
P9	Universidad Técnica Federico Santa María (UTSM)	Chile	Partner	Partner Countries	-
P10	Pontificia Universidad Católica de Valparaíso (PUCV)	Chile	Partner	Partner Countries	-
P11	Universidad Tecnológica de Bolívar (UTB)	Colombia	Partner	Partner Countries	-
P12	Instituto Tecnológico de Costa Rica (UTCR)	Costa Rica	Partner	Partner Countries	-
P13	Universidad de Costa Rica (UCR)	Costa Rica	Partner	Partner Countries	-
P14	Universidad Técnica Particular de Loja (UTPL)	Ecuador	Partner	Partner Countries	-
P15	Universidad Técnica del Norte (UTN)	Ecuador	Partner	Partner Countries	-
P16					-
P17					-
P18					-
P19					-
P20					-
P21					-
P22					-
P23					-

Please download the file and have a look at it, because you can use it to maintain your costs updated.

# 7. Unit costs approach

Eligibility of costs for "Unit costs" (Staff costs, Travel costs and Costs of stay)

- Financial reporting for this type of costs will be based on **the principle of the "triggering event"**. Beneficiaries will have to prove that the activities have been actually and properly implemented and the output produced. As a consequence, **beneficiaries will have flexibility in the way they manage the funds awarded to cover the corresponding expenses.**
- **Beneficiaries do not need to justify the level of spending.** The supporting documents will have to demonstrate that the volume and/or the nature of the activities actually implemented, justify the number of unit costs charged to the grant.

## 8. Travel costs and costs of stay

Travel/stay for staff participating in eligible activities related to the achievement of the project

Travel distance calculator (one-way travel):  
[http://ec.europa.eu/programmes/erasmus-plus/tools/distance\\_en.htm](http://ec.europa.eu/programmes/erasmus-plus/tools/distance_en.htm)

*From home institution to venue of activity  
(project beneficiaries' countries) and return*

**Costs of stay: number of days of activities  
(including travel) = Number of unit costs**

# 9. Travel costs and costs of stay: supporting documents

## Travel and Costs of Stay

- *Individual Travel Report (EACEA templates)* + Supporting documents
- (e.g. travel tickets, boarding passes, invoices, receipts, proof of attendance in meetings, agendas, tangible outputs/products, minutes)\*

# 10. Travel costs and costs of stay: what the auditor will review

Considering that the calculation of the grant is based exclusively on the application of the unit costs and is independent from the level of spending for the staff and students involved, the auditor verifies that the volume and/or the nature of the activities actually implemented justify the number of unit costs charged to the grant.

In particular the auditor verifies that the journeys actually took place and they are connected to specific and clearly identifiable project-related activities.

In addition, the auditor verifies that:

- for Travel costs, the distance travel bands have been applied correctly;
- for Costs of Stay, the number of unit costs declared corresponds to the actual number of days of the activities (including the travel). **Unit costs can be declared for each day spent on the activity (including the travel period),** independently from the time of departure or arrival.

# 11. Staff costs

**Unit cost** = amount in Euro per working day per staff (not linked to the actual level of remuneration in the salary slip)

Supporting documents:

## Staff Costs

- *Joint Declaration (EACEA template)*
- *Time-sheets (EACEA template)*
- Proof of formal contractual relationship
- Evidence justifying workload and activities/outputs (e.g. attendance lists , tangible outputs / products)

# Disclaimer

W-STEM (Building the future of Latin America: engaging women into STEM) is a project funded under European Union ERASMUS + Capacity-building in Higher Education Programme [598923-EPP-1-2018-1-ES-EPPKA2-CBHE-JP]

**The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein**



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



# Wsystem



POLITECNICO DI TORINO



UTPL  
UNIVERSIDAD TÉCNICA PARTICULAR DE LOJA



Universidad Tecnológica de Bolívar



NORTHERN Regional College



PONTIFICIA UNIVERSIDAD CATOLICA DE VALPARAISO



TEC | Tecnológico de Costa Rica

UNIVERSIDAD DE SALAMANCA