

## FINANCIAL and CONTRACTUAL RULES

### I. RULES APPLICABLE TO BUDGET CATEGORIES BASED ON UNIT CONTRIBUTIONS

#### **I.1 Conditions for eligibility of unit contributions**

Where the grant takes the form of a unit contribution, the number of units must comply with the following conditions:

- (a) the units must be actually used or produced in the period set out in Article 31 of the Project Contract;
- (b) the units must be necessary for implementing the Project or produced by it;
- (c) the number of units must be identifiable and verifiable, in particular supported by records and documentation specified in this annex.

#### **I.2 Calculation and supporting documents for unit contributions**

##### **A. Project management and implementation**

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of months of the project duration by the unit contribution applicable to the beneficiary, as specified in Annex IV of the Project Contract. The beneficiaries must agree on the distribution of the amount between them depending on their respective workload and contribution to the project activities and results.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the beneficiary implements the project activities and produces the project outputs to be covered from this budget category as applied for in the grant application and as approved by the Board.
- (c) Supporting documents: proof of activities undertaken and outputs produced will be provided in the form of a description of these activities and outputs in the final report. In addition, outputs produced must be, depending on their nature, available for checks and audits at the premises of the beneficiaries.
- (d) Reporting: on behalf of the Project as a whole, the coordinator must report on the final distribution of funds and on undertaken activities and results.

##### **B. Transnational project meetings**

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the total number of participants by the unit contribution applicable, as specified in Annex IV of the Project Contract.

By default, the place of origin is understood as the place where the sending organisation is located and the place of venue as the place where the receiving organisation is located. If a different place of origin or venue is reported, the beneficiary must provide the reason for this difference.

- (b) Triggering event: the event that conditions the entitlement to the grant is that the participant has actually participated in the transnational project meeting.
- (c) Supporting documents:

- Proof of attendance of the activity in the form of a participants list signed by the participant and receiving organisation specifying the name of the participant, the purpose of the activity, as well as its starting and end date;
  - In case of travel from a place different than that where the sending organisation is located and/or travel to a place different than that where the receiving organisation is located which leads to a change of distance band, the actual travel itinerary must be supported with travel tickets or other invoices specifying the place of departure and the place of arrival;
  - Detailed agenda and any documents used or distributed at the transnational project meeting.
- (d) Reporting:
- The coordinator must report on the venue of the meeting, the date and the number of participants.
  - In all cases, the beneficiaries must be able to demonstrate a formal link with the persons participating in transnational project meetings, whether they are involved in the Project as staff or as learners of the beneficiary organisations.

### **C. Staff support related to the development of intellectual outputs**

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the number of days of work performed by the staff of the beneficiaries by the unit contribution applicable per day for the category of staff for the country in which the beneficiary concerned is established, as specified in Annex IV of the Project Contract. The category applicable does not relate to the professional profile of the person, but to the function performed by the person in relation to the development of the intellectual output.
- Staff costs for managers and administrative staff are expected to be covered already under the "Project management and implementation" budget item. These costs can be used under the "Intellectual Outputs" budget item only if applied for and approved by the Board, as specified in Annex II.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the intellectual output has been produced and that it is of an acceptable quality level, as determined by the evaluation of the Board.
- (c) Supporting documents:
- proof of the intellectual output produced, which must be, depending on its nature, available for checks and audits at the premises of the beneficiaries and submitted with the final report in electronic format (if applicable);
  - Signed confirmation of completed intellectual output work time or invoice specifying the activity number, name of person, category of staff, and number of days of work, unit cost and total sum.
  - Document signed by the head of the organisation to prove that the person was employed and was paid during the period of the development of the intellectual outputs.
- (d) Reporting:

- On behalf of the Project as a whole, the coordinator must report on the activities undertaken and results produced. The coordinator must include information on the start and end date and on the number of days of work per category of staff for each of the beneficiaries cooperating directly on the development of intellectual outputs.

#### **D. Multiplier events**

- (a) Calculation of the grant amount: the grant amount is calculated by multiplying the number of participants from organisations other than the beneficiary, the associated partners hosting a multiplier event and other project partner organisations as specified in the Project Contract by the unit contribution applicable per participant, as specified in Annex IV of the Project Contract.
- (b) Triggering event: the event that conditions the entitlement to the grant is that the multiplier event has taken place and that it is of an acceptable quality level, as determined by the evaluation of the Board.
- (c) Supporting documents:
  - Proof of attendance of the multiplier event in the form of a participants list signed by the participants specifying the name, date and place of the multiplier event, and for each participant: name and signature of the person, name and country of their sending organisation;
  - Detailed agenda and any documents used or distributed at the multiplier event.
- (d) Reporting:
  - On behalf of the Project as a whole, the coordinator must report on the description of the multiplier event, the intellectual outputs covered, the leading and participating organisations, the venue of the meeting and the numbers of local and international participants
  - In the case that the beneficiaries do not develop the intellectual outputs applied for and approved by the Board, the related Multiplier events will not be considered eligible for grant support either. If the Board awarded support for the development of several intellectual outputs but only some of them are ultimately realised, the Board must determine to which extent each of the related Multiplier events is eligible for grant support.

#### **E. Support for short-term learning mobility related to project activities**

- (a) Calculation of the grant amount: the grant amount takes the form of a unit contribution towards the travel and individual support. It is calculated as follows:
  - Travel: the grant amount is calculated by multiplying the number of participants by the unit contribution applicable to the distance band for the travel as specified in Annex IV of the Project Contract; for the establishment of the distance band applicable, the beneficiaries must use the on-line distance calculator available on the Commission's website at [http://ec.europa.eu/programmes/erasmus-plus/tools/distance\\_en.htm](http://ec.europa.eu/programmes/erasmus-plus/tools/distance_en.htm).
  - Individual support: the grant amount is calculated by multiplying the number of days per participant by the unit contribution applicable per day for the type of participant and for the receiving country concerned, as specified in Annex IV of the Project Contract. If necessary, the beneficiary may add one day for travel directly before the first day of the activity and one day for travel directly following the last day of the activity; these extra days for travel will be considered for the calculation of the individual support.

- Support to participants in short-term learning activity taking place in their own country is eligible under this budget category, provided that the activities involve participants from beneficiary organisations from at least two different countries and that the distance between the place of departure and place of arrival as specified above is at least 10 km following the online distance band calculator.
- (b) Triggering event:
- Travel costs: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity.
  - Individual support: the event that conditions the entitlement to the grant is that the participant has actually undertaken the activity.
- (c) Supporting documents:
- Proof of attendance of the activity in the form of a declaration/participant list signed by the receiving organisation specifying the name of the participant, name of the sending institution, the purpose of the activity, as well as its starting and end date;
  - In case of travel from a place different than that where the sending organisation is located and/or travel to a place different than that where the receiving organisation is located which leads to a change of distance band, the actual travel itinerary must be supported with travel tickets or other invoices specifying the place of departure and the place of arrival;
  - Detailed agenda.
- (d) Reporting:
- The coordinator must report on the venue of all short-term learning mobility activities, the date and the number of participants.

## **II. RULES APPLICABLE FOR THE BUDGET CATEGORIES BASED ON REIMBURSEMENT OF ACTUAL INCURRED COSTS**

### **II.1. Conditions for the reimbursement of actual costs**

Where the grant takes the form of a reimbursement of actual costs, the following eligibility conditions and criteria must apply and Eligible costs of the project are those actually incurred within the project, which meet the following criteria:

1. they are incurred during the duration of the project as specified in Article 30 of the Project Contract;
2. they are connected with the subject of the contract and indicated in the budget of the project;
3. they are proportionate and necessary for the implementation of the project;
4. they are used for the sole purpose of achieving the objectives of the project and its expected outcomes, in a manner consistent with the principles of economy and efficiency.
5. they are identifiable and verifiable, in particular being recorded in the accounting records of the Project Promoter or project partners, and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the generally accepted accounting practices;
6. they comply with the requirements of applicable tax and social legislation.

## II.2. Calculation of actual cost

### A. Special needs support

- (a) Calculation of the grant amount: the grant is a reimbursement of 100% of the eligible costs actually incurred.
- (b) Eligible costs: costs directly related to participants with special needs and accompanying persons (including costs related to travel and subsistence, if justified), as long as a unit contribution for these participants is not requested through budget categories "travel" and "living support".
- (c) Supporting documents:
  - Invoices of the related costs incurred, specifying the name and address of the body issuing the invoice, the amount and currency, and the date of the invoice;
  - Proof of payment.

#### (d) Reporting:

The request for financial support to cover such costs must be motivated in the application form. If such costs have been included in budget of the project contract (Annex II) the coordinator must report on the special needs support in interim and final report.

### B. Exceptional costs

- (a) Calculation of the grant amount: the grant is a reimbursement of 75% of the eligible costs actually incurred.
- (b) Eligible costs: sub-contracting and purchase of goods and services in so far as applied for by the beneficiary and in so far as approved by the Board as specified in Annex II of the Project Contract;
- (c) Supporting documents:
  - Invoices of the related costs incurred (specifying the name and address of the body issuing the invoice, the amount and currency, and the date of the invoice) and/or contracts
  - In case of sub-contracting:
    - Contract
    - Comparable offers (ordering services/goods according to the procurement rules of the beneficiary)
  - Proof of payment.

## III. EXCLUDED COSTS

The following costs shall not be considered eligible:

- interest on debt, debt service charges and late payment charges;
- charges for financial transactions and other purely financial costs, except costs of financial services imposed by the project contract;
- provisions for losses or potential future liabilities;
- exchange losses;
- recoverable VAT;

- costs that are covered by other sources;
- fines, penalties and costs of litigation;
- excessive or reckless expenditure.

#### **IV. CONDITIONS OF ELIGIBILITY OF PROJECT ACTIVITIES**

- a) The beneficiaries must ensure that the activities of the project for which grant support was awarded are eligible in accordance with the rules set out in the Instruction for applicants 2019 (Annex IV of the project contract) .
- b) Activities undertaken that are not compliant with the rules set out in the Annex IV of the project contract as complemented by the rules set out in this Annex must be declared ineligible by the Board and the grant amounts corresponding to the activities concerned must be reimbursed in full. The reimbursement must cover all budget categories for which a grant was awarded in relation to the activity that is declared ineligible.
- c) The eligible minimum duration of mobility activities specified in the Annex IV of the project contract is the minimum duration of the activity excluding time for travel.

#### **IV. RULES AND CONDITIONS FOR GRANT REDUCTION FOR POOR, PARTIAL OR LATE IMPLEMENTATION**

- Poor, partial or late implementation of the Project may be established by the Board on the basis of:
  - The final report submitted by the coordinator;
  - The products and outputs produced by the project;
- The Board may consider also information received from any other relevant source, proving that the Project is not implemented in accordance with the contractual provisions. Other sources of information may include monitoring visits, evaluations, checks and audits undertaken by the Board.
- The final report will be evaluated on the basis of quality criteria and scored on a total of maximum 100 points. If the final report scores below 50 points in total, the Board may reduce the final grant amount on the basis of poor, partial or late implementation of the Project even if all activities reported were eligible and actually took place.
- The final report, products and outputs will be assessed by an external expert and the Board, using a common set of quality criteria focusing on:
  - The extent to which the project was implemented in line with the approved grant application
  - The quality of activities undertaken and their consistency with the project objectives
  - The quality of the products and outputs produced
  - The learning outcomes and impact on participants
  - The extent to which the project proved to be innovative/complementary to other initiatives
  - The extent to which the project proved to add value at EU level
  - The extent to which the project implemented effective quality measures as well as measures for evaluating the project's outcomes

- The impact on the participating organisations
  - In case of learning, teaching and training activities: the quality of the practical arrangements provided in support of the mobility, in terms of preparation, monitoring and support to participants during their mobility activity, the quality arrangements for the recognition/validation of the learning outcomes of participants
  - The quality and scope of the dissemination activities undertaken
  - The potential wider impact of the project on individuals and organisations beyond the beneficiaries
- A grant reduction based on poor, partial or late implementation may be applied to the total final amount of eligible expenses and may be of:
- 25% if the final report scores at least 40 points and below 50 points;
  - 50% if the final report scores at least 25 points and below 40 points; ☐ 75% if the final report scores below 25 points.