



Executive  
Agency for  
Health and  
Consumers

# **Budget preparation for a successful grant application**

**Preliminary Information day  
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# The financial part of the grant

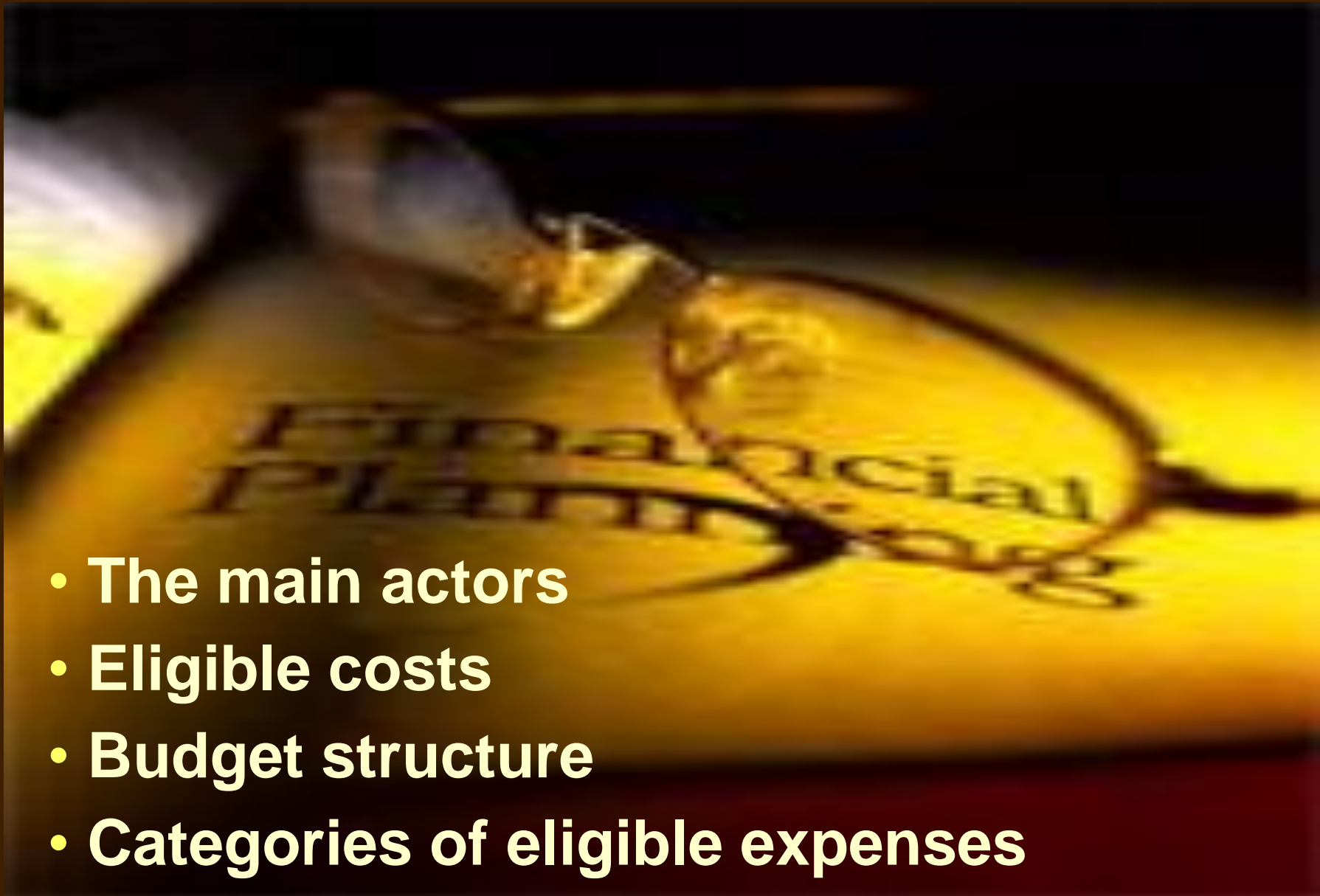
- Gives an overall view of the resources (expenditure & income) invested in the project which are balanced by partner
- Shows a detailed view of expenses by beneficiary
- Provides a breakdown of expenditure & income by beneficiary
- **Must be coherent with ANNEX I (technical annex)**

**ANNEX II  
B. DETAILED BUDGET (in EUR)**

EU Staff	Partner reference	Function	Name	Number of person days	Daily cost (€ per day)	Cost (€)
1 - GENCAT - ES	Senior researcher	Isma Colon		25	500,00	12.500,00
4 - GENCAT - ES	Senior researcher	Lidia Laguna		27	500,00	13.500,00
Sub-Total GENCAT				52		26.000,00
<b>2. Costs not pertaining to public officials</b>						
Partner reference	Function	Name	Number of person days	Daily cost (€ per day)	Cost (€)	
1 - IPIN - PL	Senior researcher	Mich. Mochalewska	12	200,00	2.400,00	
1 - IPIN - PL	Web master	Waldemar Lechowicz	12	200,00	2.400,00	
1 - IPIN - PL	Senior researcher/assistant	Janina Stankowska	180	110,00	20.700,00	
1 - IPIN - PL	Web master assistant	Tomasz Piel	30	110,00	3.300,00	
1 - IPIN - PL	Administrative assistant	Not known yet	40	70,00	2.800,00	
Sub-Total IPIN			272		31.600,00	
2 - BCE - HU	Senior researcher/assistant	Zsolt Peter Blasko	101	22,00	2.220,00	
2 - BCE - HU	Senior researcher/assistant	Not known yet	150	35,00	5.250,00	
Sub-Total BCE			251		7.470,00	
3 - STAKES - FI	Senior researcher	Elia Oksanen	26	285,00	7.410,00	
3 - STAKES - FI	Senior researcher/assistant	Thomas Kallunki	40	220,00	8.800,00	
3 - STAKES - FI	Evaluation expert	Not known yet	32	110,00	3.520,00	
4 - PCRD - ES	Senior researcher	Antonio Cruz Sola	10	340,00	3.400,00	
4 - PCRD - ES	Senior researcher	Nicolas Belpaire	10	240,00	2.400,00	
4 - PCRD - ES	Senior researcher	Anna L'Hermite	30	180,00	5.400,00	
4 - PCRD - ES	Administrative assistant	Not known yet	20	100,00	2.000,00	
Sub-Total PCRD			70		13.200,00	
5 - ITU - ES	Senior researcher	Alm-Alber Allende	100	95,00	9.500,00	
5 - ITU - ES	Senior researcher	Not known yet	140	50,00	7.000,00	
Sub-Total ITU			240		16.500,00	
6 - IPT - DE	Senior researcher/assistant	Ludwig Fagan	729	703,00	512.387,00	
6 - IPT - DE	Senior researcher/assistant	Sebastian Bannemann	11,5	541,00	6.221,50	
Sub-Total IPT			740,5		518.608,50	
7 - MDX - GB	Senior researcher/assistant	Bobby Thom	24	358,00	8.592,00	
7 - MDX - GB	Senior researcher/assistant	Not known yet	44	200,00	8.800,00	
Sub-Total MDX			68		17.392,00	
8 - ASP - IT	Senior researcher	Alfonso Allomano	21	260,00	5.460,00	
8 - ASP - IT	Senior researcher/assistant	Daria Baccan	82	114,00	9.348,00	
Sub-Total ASP			103		14.808,00	
10 - NEM - CZ	Senior researcher	Indriska Cencel	723	80,00	57.840,00	
10 - NEM - CZ	Senior research/ass	Hana Tomkova	100	80,00	8.000,00	
11 - HSE - IE	Senior researcher	Aim Hope	76	560,00	42.560,00	
Sub-Total HSE			899		68.400,00	
<b>TOTAL STAFF COSTS</b>			<b>1.600</b>		<b>740.870,00</b>	

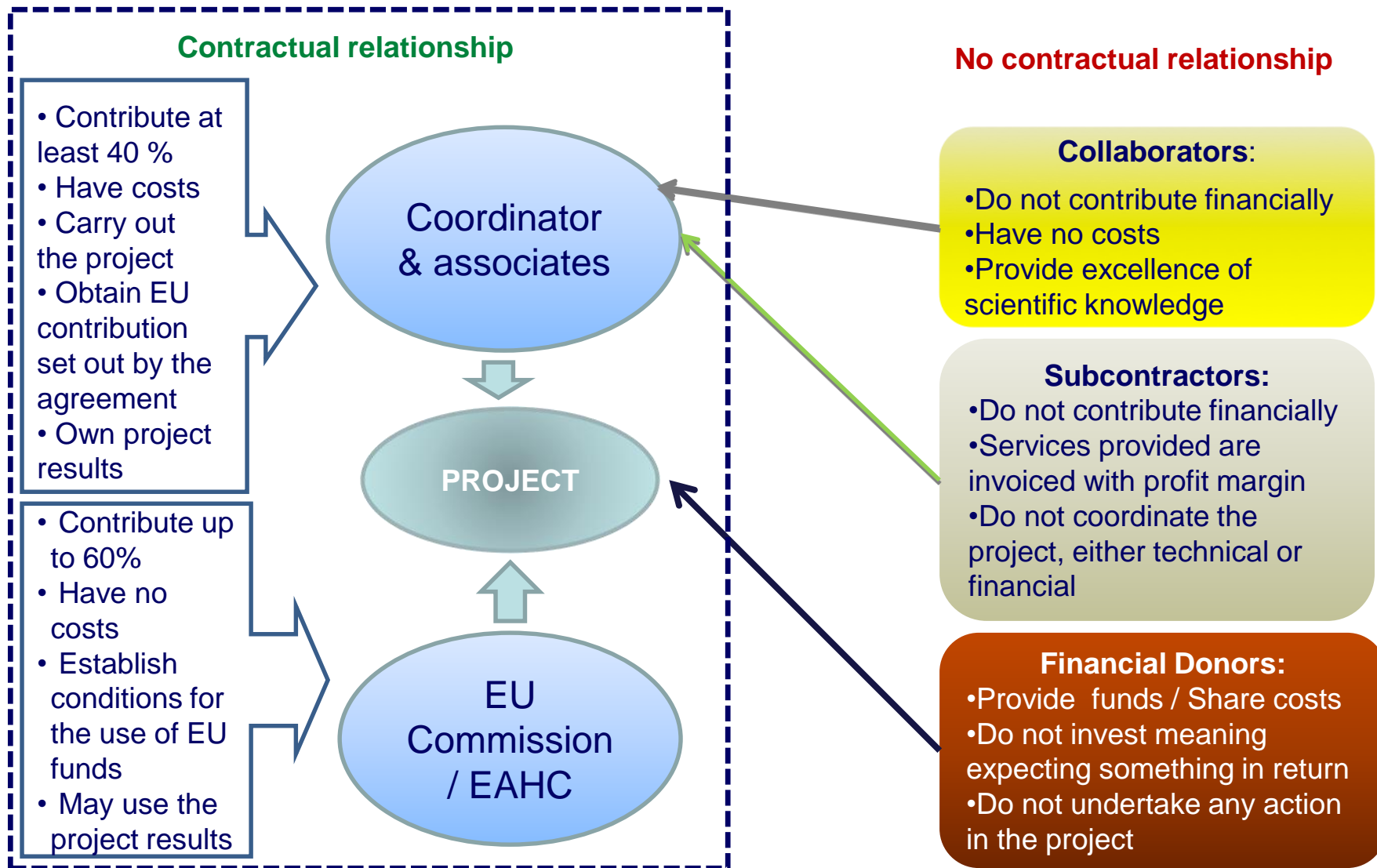
**ANNEXE II  
C. BUDGET BY BENEFICIARY (in EUR)**

	1 - IPIN - PL	2 - BCE - HU	3 - STAKES - FI	4 - IPT
<b>Expenditures</b>	<b>TOTAL</b>			
1. Staff	320.825,50			
2. Costs pertaining to public officials	27.000,00			
3. Costs not pertaining to public officials	377.500,00			
4. Travel costs and subsistence allowances	49.312,00			
5. Equipment	5.000,00			
6. Commodities & supplies directly linked to the project	0,00			
7. Subcontracting costs	42.200,00			
8. Other costs	80.317,00			
Total direct eligible costs	407.664,50			
Indirect eligible costs				
9. Overhead	28.535,82			
<b>Total - Expenditures</b>	<b>436.199,32</b>			
Need Overhead:	7,00%	7,00%	7,00%	7,00%
<b>Incomes</b>	<b>TOTAL</b>			
11. Commission funding	301.714,19			
12. Contributions pertaining to public officials	25.500,00			
13. Applicant's financial contributions	146.976,13			
14. Income generated by the project	0,00			
15. Other external resources	0,00			
16. Other contract funding applications	0,00			
<b>Total - Incomes</b>	<b>474.186,32</b>			
% of Commission Funding	69,00%	60,00%	60,00%	60,00%



- **The main actors**
- **Eligible costs**
- **Budget structure**
- **Categories of eligible expenses**

# ACTORS



# Is this cost item eligible according to the grant?

## Eligible: Cumulative conditions

- Related to the project and, therefore, detailed in Annex I and II
- Necessary
- Reasonable & justified and must accord with principle of sound financial management in particular regarding economy and efficiency
- Incurred during the lifetime of the action (except those related to the issue of final reports and external audit reports)
- Identifiable & verifiable, incurred by the beneficiary & recorded in accounts accordingly to his accounting principles

## Not eligible costs

- return on capital;
- debt and debt service charges;
- provisions for losses or potential future liabilities;
- interest owed;
- doubtful debts;
- exchange losses;
- VAT, unless the beneficiary can show that he is unable to recover it; (statement by competent national tax authority required !!!);
- costs declared by a beneficiary and covered by another action or work programme receiving a Community grant;
- excessive or reckless expenditure;
- contributions in kind

# Who & What

## Expenditure **amounts**

### Direct eligible costs

#### E1. Staff

- a. Costs pertaining to public officials
- b. Costs not pertaining to public officials

#### E2. Travel costs and subsistence allowances

#### E3. Equipment

#### E4. Consumables and supplies linked to the project

#### E5. Subcontracting costs

#### E6. Other costs

### Total direct eligible costs

### Indirect eligible costs

#### E7. Overheads

### Total – Expenditure

## Income **amounts**

#### I1. Commission co-funding

#### I2. Contribution pertaining to public officials

#### I3. Applicant's financial contribution

#### I4. Income generated by the project

#### I5. Other external resources

### Total – Incomes

**Fixed percentage,  
no need to justify**

#### E7. Overheads (7%)

#### I1. Commission co-funding **in %**

# Staff costs in budget are different of those that will be declared

Any realistic budget is made on a “build up” basis

## Budget

<i>a. Costs pertaining to public officials</i>					
Partner reference	Function	Name	Number of person days	Daily cost (€ per day)	Cost (€)
02 - PIX - DE	Principal Investigator	Dr. XXX	198	315,00	62 370,00
02 - PIX - DE	Senior Researcher	Prof. YYY	110	274,00	30 140,00
02 - PIX - DE	Project Assistant	ZZZ	52	132,00	6 864,00
02 - PIX - DE					0,00
02 - PIX - DE					0,00
<i>Sub-Total Staff a. 02 - PIX - DE</i>			<b>360</b>		<b>99 374,00</b>

## Real Costs

<i>a. Costs pertaining to public officials</i>					
Partner reference	Function	Name	Number of person days	Daily cost (€ per day)	Cost (€)
02 - PIX - DE	Principal Investigator	Dr. XXX	203	313,85	63 711,55
02 - PIX - DE	Senior Researcher	Prof. YYY	95	269,95	25 645,25
02 - PIX - DE	Project Assistant	ZZZ	52,5	99,42	5 219,55
02 - PIX - DE					0,00
02 - PIX - DE					0,00
<i>Sub-Total Staff a. 02 - PIX - DE</i>			<b>351</b>		<b>94 576,35</b>



## **What is a public official ?**

- They are paid directly from central government or regional or local government budgets.
- The entity (for which the public official is working) runs under public law



# How to calculate daily rates?

Divide the yearly staff costs by the number of yearly productive days

Yearly staff costs = the real gross pay of the employee (including the social security costs paid by the employer, the pension charge paid by the employer and any other verifiable cost of social allowance granted by the employer)

Productive Days = Total days per year  
minus total number of weekend days over the year  
minus total number of holidays allowed in the organisation  
minus total number of public holidays in the year  
minus days spent dealing with non productive tasks (training)  
minus days corresponding to a usual absenteeism rate in the organisation



Max. 220 days/year

# Staff costs – time recording

**TIME SHEET**

Organisation: 



 Project:

Year: 



 Month:

Name of the staff:

Week 1	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
								0

Week 2	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
								0

Week 3	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
								0

Week 4	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
								0

Week 5	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total
								0

Grand Total

Date	Signature of the staff

Date	Signature of the responsible

Recording of the time spent in the project is a contractual provision (Annex III of the grant agreement)

This template is independent of your own register

It provides harmonisation between organisations when declaring time spent

Record the time spent in the project by each employee on the payroll

Sign at the end of each month

Keep them until they are specifically requested for verification

Instructions: To fill in from the first day of the month

The value to fill in per day is a proportion of a full day work starting from 0 to maximum 1 (ex: 0.2 for one fifth of a day work. If you work 7.5 hours a day on average, this 0.2 proportion represents 1.5 hour.)

# Travels & subsistence

- Only for declared staff
- Conditions provided in Annex IV

- Departures from HQ
- Linked to a specific action
- Cheapest solution

# Travels & subsistence

1. Daily rate is calculated for the staff undertaking travels E2a.
2. Covers hotel, meals, restaurants and any local transport on mission (The daily rate correspond to the sum of the daily allowance and the maximum hotel price set out in the Council Decision)
3. Applies in respect of each day of a mission for a minimum distance of 100 km from the HQ.
4. The subsistence allowance varies depending on the country in which the mission is carried out. The daily rates to match with the sum of the daily allowance and the maximum hotel price set out in Council Decision 1066/2006 dated 27/06/2006.
5. Missions in countries other than EU 27, Acceding and Applicant countries and EFTA-EEA countries shall be subject to the prior agreement of EAHC. This agreement shall be related to the objectives of the mission, its costs and the reasons therefore.



# Travels & subsistence - remarks



You might think that a state as Switzerland, because in the heart of the European continent, is part of the Union. Wrong! Prior written approval of EAHC to be requested.



Social events: gala dinners (different from normal meals and sandwiches used during a whole day meeting), outside visits, excursions or cultural trips are not considered as costs necessary for the project !

# Equipment

Describe the elements you need to use (ex. PC) and provide a breakdown by element (2 PC's at 950 €/unit) . Remember: it has to concern equipment specifically used for the action!



<b>E3. Equipment</b>		
<i>Partner reference</i>	<i>Description</i>	<i>Cost</i>
02 - RKI - DE	2 PC's (950 €/unit)	950*2
02 - RKI - DE	-	0,00
<i>Sub-Total Equipment</i>		0   1 900,00

When declaring costs, the amount claimed should correspond to the depreciation cost. Also, only the actual share of time the equipment is specifically used for the project may be charged.

# Consumables & supplies

Consumables usually relate to the purchase, fabrication, repair or use of any materials or goods which:

- are not placed in your inventory of durable equipment;
- are not treated as capital expenditure in accordance with your accounting conventions and policies.
- have a short life expectancy, certainly not greater than the duration of the work under the grant agreement;

E4. Consumables and supplies directly linked to the project		
Partner reference	Description	Cost
02 - RKI - DE	Eggs for WP 6 (500 units at 0,25 eur/unit)	=500*0,25
02 - RKI - DE	CD Rom for WP 7 (500 units at 0,25 eur/unit)	=500*0,25
<i>Sub-Total Consumables &amp; Supplies</i>		0 / 250,00

Write the description and nature of the elements you need to buy (ex. eggs) and provide a breakdown by element (500 units at 0,25 €/unit).



Avoid “offices supplies” as normally these are part of OH.

# Sub-contracting

Procurement consists of the payment of a market price for goods or services rendered. Limited to specific support actions. Identified & justified in Annex I and II.

## Rules for procurement for beneficiaries

≤ € 60 000: NO application of detailed procedures => only principles of the FR (you shall award the contract to the “best value for money” bid amongst offers & avoid conflict of interest)

> € 60 000: EAHC may require detailed procedures as laid down in the FR



If the task can be carried out by the beneficiaries or it is part of their obligations, the subcontract will be refused.



# Experts

## Subcontract

- Fees, travels, other related expenditure
- Detailed Invoice with reference to the project

# Other costs

**directly linked to the project (ex. Rental rooms for conferences/meetings)**

**specific costs identifiable and directly connected to the performance of the action that cannot be booked under any of the other direct cost items**

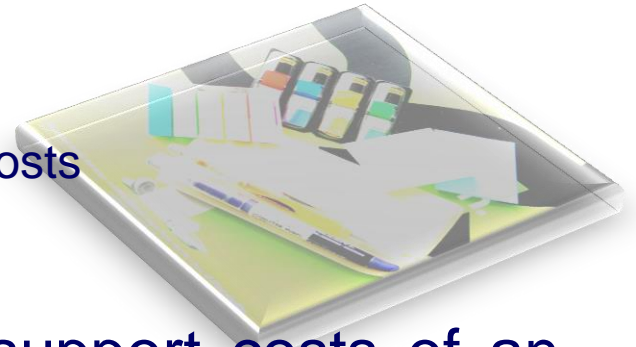
**travel costs and subsistence allowances paid to invited experts**

**costs for issuing a requested bank guarantee**

**costs for a requested audit report**

# OVERHEADS

LIMITED TO **7%** calculated on the total eligible costs



Overheads are all the structural and support costs of an administrative, technical and logistical nature which are cross-cutting for the operation of the beneficiary body's various activities and cannot therefore be booked in full to the action

- stationery, office furniture
- photocopying, mailing postage, telephone and fax costs,
- heating, electricity or other forms of energy, water, insurance and any other expenditure necessary for the successful completion of the project



## Incomes other than EU funds & own contribution

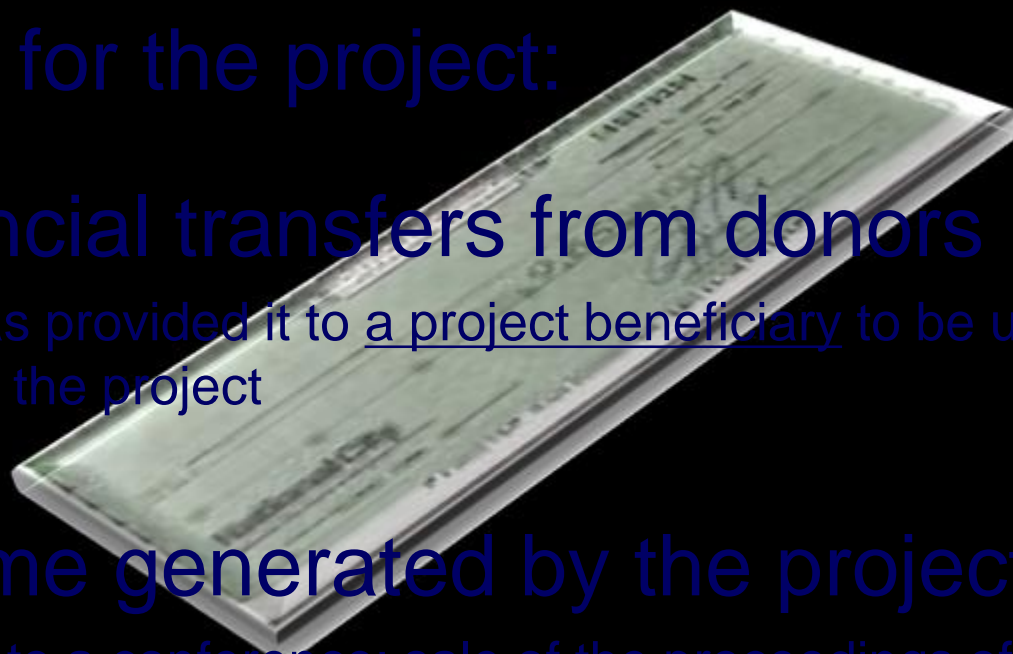
Receipts for the project:

### 1) Financial transfers from donors

if the donor has provided it to a project beneficiary to be used specifically for the project

### 2) Income generated by the project

admission fee to a conference; sale of the proceedings of such a conference; sale of equipment bought for the project, etc



# **The requested audit report in the final costs declaration**

Professional status of auditor on accounts => all regulated by national law

The auditor is to be listed in the registers held by Member States of auditors approved by them to carry out statutory audits of accounting documents (Public organizations may use their accountant officer, as an exception)

The audit report complies with the standards and it's conforming to the 84/253/EC Directive of 10/04/1984 (the 8<sup>th</sup> Directive)

## NEED FURTHER INFO?

**Public Health Portal**

<http://ec.europa.eu/health-eu/>



**EUROPEAN COMMISSION  
DG SANCO Web Site**

[http://ec.europa.eu/health/index\\_en.htm](http://ec.europa.eu/health/index_en.htm)



**Executive Agency  
EAHC Website**

<http://ec.europa.eu/eahc/index.html>

