

LEAPS-INNOV

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LEAPS-INNOV Kick-Off Financial infos
April 20-21, 2021



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No. 101004728



LEAPS

League of European
Accelerator-based
Photon Sources

LEAPS-INNOV financial regulations, reporting,..

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1. LEAPS-INNOV Data Sheet

- Grant Agreement Number: 101004728
- Coordinator: DESY
- Beneficiaries/Partners: 22
- Third Parties: yes (WP2,3,5)
- Max. Contribution from the EC: 9999991,25 €
- Project Duration: 48 months
- Start date: 1. April 2021
- End date: 31. March 2025

2. Introduction

For all regulations (rights & duties) to manage a H2020 Project, consult the Horizon 2020 Grant Agreement Manual:

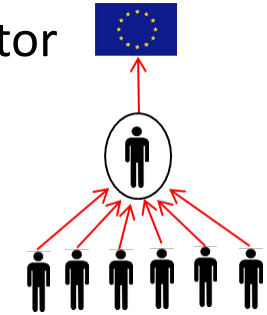
https://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/amga/h2020-amga_en.pdf

The management area of the EC for Continuous Reporting, Deliverables, Milestones, and project related processes of the EC, as well as Consortium contacts: The Funding & Tenders Portal (formerly Participant Portal):

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

3. Communication / Acknowledgement

- **Communication** with the European Commission (EC) via the Coordinator
DESY (Elke Plönjes, Ute Krell, Julia Hauk)
leaps-innov@desy.de



- **Acknowledgement**

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The acknowledgement has to be present on every project related outcome (presentation, poster, leaflet, publication, etc.!)

EU-Flag: http://europa.eu/about-eu/basic-information/symbols/flag/index_en.htm

4. Eligible Costs

Used for the sole purpose of achieving objectives of the project – NO EXCEPTION!

- Real costs: *real – not estimated, definitively and genuinely borne by the beneficiary (not by any other entity)*
- Required and necessary for project realisation (Annex 1)
- Incurred during project duration
- Identifiable and verifiable (proper accounting documentation, Art 18)
- Compliant with national accounting rules
- Compliant with beneficiary's usual cost accounting practices
- **Compliant with the national laws (taxes, labor, social security)**
- Good housekeeping practice (economy and efficiency)

Examples:

- *NO increase of salaries of your personnel, upgrade your travel policy just because of the Commission support.*
- *If a particular cost is always charged as an indirect cost, it must be so also for Horizon 2020 actions, and should not be charged as a direct cost*

4. Ineligible Costs

- Currency exchange losses
- Bank costs charged by the beneficiary's bank for transfers from the Commission
- Cancellation costs

Example: Cancellations fees for already booked flights, hotel, etc.

Exception possible due to COVID-19 reasons

- Deductible VAT **Note:** non-deductible/non-identifiable VAT is eligible

Example: VAT charged by supplier cannot be identified, then full purchase price can be recorded in the accounts

- Interests owed (i.e. interest on a loan to borrow capital)
- Provisions for future losses or debts
- Debt and debt service charges
- Costs related to return on capital

Example: dividends paid as remuneration for investing in the action; remuneration paid as a share in the company's equity

- Excessive or reckless expenditure (paying significantly more than usual market rates etc)

5. Direct Costs / Indirect Costs

recorded and documented

Direct Costs 100%

- Are directly linked to the project and can therefore be attributed/ booked directly to it
- *Personnel costs, travel, subcontracting, other costs*

Indirect Costs

- Overhead costs
- *In H2020 Flate Rate: **25%** of direct costs (not on subcontracting)*

***Examples:** space , management, accounting dept, equipment, electricitycomputer equipment & space of person working on the project is indirect costs!*

5. Direct costs – Personnel costs

- **Art 39.2 GA – Processing of Personal Data**
- *“The beneficiaries must inform the personnel whose personal data are collected and processed by the Commission. For this purpose, they must provide them with the **service specific privacy statements (SSPS)** [...], before transmitting their data to the Commission.”*
- **Hand out SSPS to every employee working in LEAPS-INNOV**
(recommendation: confirm receipt by signature)
- http://ec.europa.eu/research/participants/data/support/legal_notice/h2020-ssps-grants_en.pdf

5. Direct costs – Personnel costs

As a general rule, all staff involved in the project must be employees of the beneficiaries in order for their costs to be eligible as personnel costs.

All staff employed should be remunerated by the legal entity signing the GA

Eligible personnel costs

- Basic salary:
 - Salary (stated on the beneficiary's payroll)
 - Social security contributions (mandatory parts to be paid by the employee and employer)
 - Taxes or other costs included in the salary (e.g. a fee paid by the beneficiary for a complementary health insurance scheme for the employee)
- Complements ~~(see next page)~~

Personnel costs – Time records

General information on time records:

- **Hourly** time records are **mandatory** to report personnel costs of the project
- Fundament to calculate the personnel costs

No submission to the EC BUT is checked during an audit

5. Direct costs – Personnel costs

Time record (1/3)

- Only hours (no percentage!) actually worked on the project can be charged
- Consistent with HR records
- Information must match records of annual and sick leave, and work-related travel
- Timesheets for all persons who work for the project
- **Timesheet: template available in the AGA Art 18**
- Properly dated and signed

TIME RECORDING FOR A HORIZON 2020 ACTION																		Month:		Year:														
Title of the action (acronym):																Grant Agreement No:																		
Beneficiary's / linked third party's name:																																		
Name of the person working on the action:																Type of personnel <small>(see Art. 6.2.A Grant Agreement)</small>																		
DAY	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Total		
Reference <small>e.g. work package</small>																																		
Total Hours																																		
Short description of the activities carried out in the month:																																		
Signed (name of the person working for the action): Date: Signature:																		Signed (name of the supervisor): Date: Signature:																

5. Direct costs – Personnel costs

Time record (2/3)

What needs to be included on the Timesheet (see AGA Art 18):

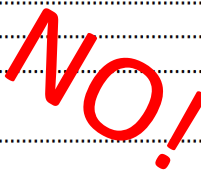
- the title and number of the action (LEAPS-INNOV/ 101004728)
- the beneficiary's full name
- the full name, date and signature of the person working for the action
- the number of hours per day worked for the action
- the supervisor's full name and signature
- a reference to the action tasks or work package described in Annex 1, to easily verify that the work carried out matches the work assigned and the person-months reported to the action

5. Direct costs – Personnel costs

Time record (3/3)

Time records – common errors

- Inconsistency with HR records
- Time sheets not properly dated or signed
- More than full time employment charged among different projects → double funding!
- Poor or limited information captured
- Inconsistency of Timesheets and Financial reporting (person-months per work-package to be reported)

<u>TIMESHEET</u>	
Monday	4 hours
Tuesday	4 hours
Thursday.....	
Friday.....	2 hours
	
Monday	8 hours
Tuesday	8 hours
Friday.....	4 hours
Monday	4 hours
Tuesday	3 hours
Wednesday.....	8 hours
Thursday.....	8 hours
Friday.....	2 hours
<i>Total month</i>	<i>57 hours</i>

5. Direct Costs – Travel Costs

- No specific calculation method, but actual eligible costs to be declared
- Travel must be necessary for and limited to the needs of the project
- **Be in line with beneficiary's usual practise on travel**
- For personnel of the beneficiaries
- For external persons (e.g. experts) possible if participate on an ad hoc basis and foreseen in Annex 1 (e.g. attending specific meetings)
- May include all related duties, taxes and charges if usual practice (e.g. non-deductible VAT)
- No distinction between travelling in or outside of Europe
- **Signature Lists at all meetings!**

If any uncertainties or questions occur, please contact DESY!

5. Direct costs – Costs of other goods & services

- Actual Costs
- Specifically purchased for the project and best price-quality ratio
- Costs in this category are:
 - Consumables & supplies (*raw materials, scientific publications needed*)
 - Catering (*Dinner only if it is included in the agenda of the project meeting as working dinner*)
 - Dissemination costs (*incl. open access and conference fees*)
 - Costs for intellectual property rights (*IPR, incl. royalties for access rights*)
 - Audit costs (*for all beneficiaries > 325k€ budget*)
 - Translation costs (*if necessary for project implementation, justified, etc.*)
 - Internally invoiced costs (service or personnel; ok, if justified and properly recorded)

NOTE: If your usual accounting practice considers some of these costs as *indirect* costs, they cannot be declared as direct costs (covered by the 25 % flat rate)

If any uncertainties or questions occur, please contact DESY!

5. Direct costs – Equipment costs

- Eligible costs as per Art 6.1 (a) (i) – (vii) GA
(i.e. incurred during and linked to the project, necessary, etc)
- Additional requirements (Art 6.2 D.3 and 10.1.1 GA)
 - Procured specifically for this project only
 - Ensure best price-quality ratio or lowest price
- Be written off in accordance with beneficiary's usual accounting practices and international accounting standards

If any uncertainties or questions occur, please contact DESY !

6. Financial and Scientific Reports

Periodic reports consist of two parts

Financial Report

Technical Report

EC Reporting

All reports to the European Commission are submitted via the Coordinator

- **Periodic reports** on every 18 months, due 60 days after
— scientific & financial part
PR1: 1. Apr 2021 – 30. Sep 2022 due 30. Nov 2022
PR2: 1. Oct 2022 – 31. Mar 2024 due 31. May 2024
- Mid-Term review (**approx. between month 22-24**)
- **Final report** (end of project together with final periodic report)
PR3: 1. Apr 2024 – 31. Mar 2025 due 31. May 2025

Additional

Interim reports (**after 12 months; simple request about financial status and used PM; Coordinator**)

6. Technical and Scientific Reports

- Progress on LEAPS-INNOV project (each work package)
- Template provided by the Coordinator well in advance
- Project Management Report
incl. board meetings
consistent with the EoUR (Explanation of the use of resources travel)
- Coordinator will upload the overall Technical/Scientific Report to the Funding & Tender Portal

7. Deliverables M1-18

Due date	Month	#Del.	Description Del.	WP	Responsible	Type	Dissemination level
May 21	M2	D1.1	Kick-off meeting report	1	DESY	R	PU
Sep 21	M6	D1.2	Innovation Advisory Board ToR	1	DESY	R	PU
Mar 22	M12	D1.3	Report on Annual Meeting in month 12	1	DESY	R	PU
Jul 21	M4	D1.8	Handling of personal data	1	DESY	R	PU
Sep 21	M6	D2.1	Conceptual Design Report for the germanium detector prototype system	2	DIAMOND	R	CO
Jun 21	M3	D3.1	Report on Open Market Consultation	3	SOLEIL	R	CO
Sep 22	M18	D4.1	Design report of prototype gratings	4	SOLEIL	R	CO
Mar 22	M12	D5.1	Collated existing solutions and future requirements of facilities for beamline synchronisation	5	ALBA-CELLS	R	PU
Mar 22	M12	D6.1	Summary report on design of the short period high field prototypes	6	PSI	R	CO
Mar 22	M12	D6.2	Summary report on design of advanced EPU prototypes	6	HZB	R	CO
Mar 22	M12	D6.3	Summary documentation of the two measurement bench prototypes	6	PSI	R	CO
Mar 22	M12	D7.1	Evaluation report on data rates and volumes and assessment of future needs of LEAPS facilities	7	ALBA-CELLS	R	PU
Sep 22	M18	D7.2	Report on metrics for data reduction and compression	7	ESRF	R	PU
Sep 22	M18	D9.1	Co-creation inventory / catalogue	9	ULUND	R	PU
Jun 21	M3	D10.1	POPD - Requirement No. 1	10	DESY	Ethics	CO

For full list, see DESY Cloud

7. Milestones M1-18

Due date	Month	Mile no.	Description Mil.	WP
Apr 21	M1	MS1	Equal opportunities officer	1
May 21	M2	MS2	Code of conduct for LEAPS-INNOV	1
Jun 21	M3	MS3	Project website launched	1
Jun 21	M3	MS4	Data Protection Officer	1
Sep 21	M6	MS5	RI Co-Innovation Platform MoU	1
Jan 22	M10	MS6	The Innovation Advisory Board start	1
Mar 22	M12	MS7	All subcontracts of task 2.1 and 2.2 out	2
May 22	M14	MS8	Germanium sensors delivered	2
May 21	M2	MS13	Completion of needs analysis	3
Nov 21	M8	MS14	Complete tender process for innovation procurement (PCP) – phase 1	3
Apr 22	M13	MS15	Complete tender process for innovation procurement (PCP) – phase 2	3
Mar 22	M12	MS18	Agreement on prototype grating design achieved	4
Sep 21	M6	MS21	Target specification for magnetic levitation stage and online metrology system	5
Sep 22	M18	MS22	Parameters for standardised liquid sample handling	5
Mar 22	M12	MS26	Design of the two measurement benches final	6
Sep 21	M6	MS28	Collaboration platform setup	7
Apr 22	M13	MS29	Start of tests with industrial detector developers	7
Jun 21	M3	MS30	Members of the SME access selection panel approved	8
Jun 21	M3	MS31	Application call for IPR training	8
Aug 21	M5	MS32	Outline of industry engagement evidence survey	8
Nov 21	M8	MS33	First call for SME accesses open	8
Mar 22	M12	MS34	First meetings of the two industry engagement teams	8
Mar 22	M12	MS37	First LEAPS co-creation roundtable held	9
Jul 22	M16	MS38	First draft of timetable for LEAPS co-creation forum events	9

8. Payments

- **LEAPS-INNOV EU Funding 9.999.991,25 €**
- **Pre-Payment 5.333.328,68 €**
- **Pre-Payment will be distributed to all partners, according to the percent of the total budget, after signature of the Consortium Agreement by all partners (signature round in process).**
- **Interim Payments & Final Payment**
- 90 days after receiving the periodic report & final report

9. Audit

- **First level audit:** Certificate of the Financial Statement (CFS)
 - Required for beneficiaries whose direct costs exceed **325.000 Euro**
 - At the final periodic report *(maybe with auditing after every financial report)*
 - Auditor is selected by the beneficiary
- **Second level audits:** becomes rare
 - Audits by the European Commission up the 2 years after payment of the balance (mainly financial but also technical or other aspects)
 - By the European Court of Auditors of the European Anti-Fraud Office (OLAF) – at any moment during implementation of the project or afterwards

10. Keeping records and supporting documents

The beneficiary is responsible for :

- **Keeping detailed records and other supporting documentation**
 - for a period of **5 years** after the payment of the balance
 - such as **contracts, subcontracts, invoices and accounting records**
 - for personnel costs specifically (in the form of **timesheets**)
- **Direct link between amounts declared to EC, amounts recorded in accounts and amounts stated in documentation**
(third person able to understand)
- **Availability of documents and records**
 - upon request (Art 17) or in the context of checks, reviews, audits or
 - investigations (Art 22)
- **Keeping the original documents**
 - Digital and digitalised documents may be accepted by the Commission if they are authorised by the applicable national law.



*“Foster open innovation for
accelerator-based lightsources in
Europe”*

<https://leaps-initiative.eu>



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