

# ***The iPEN Management Manual***

## **iPEN Administration Rules**

This part contains all the general administration rules the iPEN consortium should follow. These are:

1. Only the iPEN project coordinator can contact the PO
2. Partnership agreement **is a compulsory action** that must be agreed and signed by each beneficiary organization. The PA should be consistent with the Agreement. A signed scan copy of the PA **should reach the Agency within the first six months of the project**. The PA could be multilateral or bilateral. The PA will have to cover the various financial, technical and legal aspects related to the implementation of the project.
3. Any communication, publication or output resulting from the project, made by the beneficiaries jointly or individually, including at conferences, seminars or in any promotional materials, must indicate that the project has received European Union funding. **All the dissemination material should include the Erasmus + plus logo and mention “Co-funded by the Erasmus + Programme of the European Union”**. Any publication or video should mention the following sentence: *“This project has been funded with the support from the European Commission. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein”*
4. **Reporting:** *There is an obligation to submit to the EACEA two reports: The progress report and the final report. The purpose of the progress report is to give the opportunity to the Agency to (a) check how the project progresses and according to the submitted plan. Any deviations should be reported to the Agency before they happen. (b) to release of the 2<sup>nd</sup> pre-financing funds. The main objectives of the final report are: (a) to evaluate the whole project; and (b) release the final 10% of the allocated grant to the beneficiaries **Although its coordinator’s responsibility to submit the reports, all the consortium beneficiaries should contribute to their construction!** As a result the preparation, drafting, circulation and final validation of the reports’ content is an obligation that should involve all the partners and must be launched well in*

*advance of the reports' submission deadline. In any circumstance the consortium should respect the reports' submission deadline. This is a contractual obligation.*

5. **The e-progress report** on the implementation of the action is available on the website of the Agency and consists from three parts:
  - a. Part I: **Progress report on the implementation** of the action (description of the progress made, statistics and indicators, tables of the achieved / planned outcomes) as specified in Annex V of the Agreement
  - b. Part II: **Statement on the use of the previous pre-financing installment**, as specified in Annex VI of the Agreement; this represents a financial overview of the use of the grant until the date of the submission of the progress report. No financial supporting documents need to be submitted unless otherwise specified or requested by the Agency. The approval of the progress report on the implementation of the action refers exclusively to the acknowledgment of the project activities but does not imply the eligibility of the indicated expenses
  - c. Part III: **Request for payment of the second pre-financing** (to be submitted only when 70% of the first pre-financing has been spent) as specified in Annex VI of the Agreement. In the case 70% of the previous pre-financing installment has not been used half way through the eligibility period, the progress report on the implementation of the action should be submitted **without** the Request of payment of the second pre-financing. However as soon as the spending level of 70% of the previous pre-financing installment has been achieved, an updated "Statement on the use of the previous pre-financing installment" together with the request for payment of the second pre-financing should be submitted. Then the second 40% of the maximum amount specified in article I.3 shall be paid as indicated under section 2.1
6. **The final report** should have been submitted by the **14/12/2020**. The e-final report is available on the Agency website and consist of narrative and a financial part as follows:
  - a. Part I: Final Report on the implementation of the Action

- b. Part II: Final Financial Statement and Request for payment – including the financial tables for each budget heading and the required supporting documents
- c. Part III: Mandatory (Audit) Certificate on the financial statements and underlying accounts (Report of Factual Findings on the Final Financial Report – Type II) as specified under Annex VII of the Agreement

**7. Amendments to the Agreement:**

- a. The Agreement may be amended only in writing
- b. The number of amendments should be limited during a projects' lifetime
- c. The Amendment actions should always be requested before any changes are implemented and not retroactively
- d. Any amendment including those aiming at adding or removing a beneficiary, shall not have the purpose or the effect of putting in question the grant award decision

**iPEN Financial Manual**

This part envisions helping the iPEN partners **to summarize** the rules how to use their budget. This manual objective is to help the partners and not in any case to replace the official documents of the EACEA. This manual also attempts to include also internal agreements between the consortium partners.

The iPEN project contains the following categories of expenses:

1. **Staff Costs**; there are four sub categories: manager / teacher / technician / administrator
2. **Costs of stay**
3. **Travel Costs**
4. **Subcontracting Costs**
5. **Equipment costs**
6. **Co – financing costs**

The staff costs, travel costs and costs of stay **are calculated on unit costs**. The equipment and the subcontracting costs are calculated on the basis of **actual costs**. **It must be noted the following:**

1. Not all the activities and the costs planned under the awarded maximum project budget are automatically approved.
2. Supporting documents (they differ based on the cost categories) should be kept by the beneficiaries. Readable copies must be kept by the coordinator with the project documentation and be submitted with the Final report and the Financial statement when specifically requested
3. **Budget transfers and flexibility of budget headings:**
  - a. The amount indicated in Annex III (see table I below) of the Agreement for one or more of the budget headings **is not increased by more than 10%**. Please note that this 10% increase flexibility can still be applied even if the authorized amount for the budget heading concerned had already been set at its maximum ceiling (i.e. 40% for staff costs, 30% for equipment and 10% for subcontracting, there is no ceiling for the travel costs and the costs of stay). No prior authorization is requested. The project coordinator should be informed in any case
  - b. For increasing the budget heading by more than 10% an amendment should be submitted by the coordinator to the PO
  - c. In any case the ceilings cannot be exceeded

**Check the following example:**

European Commission  
**BUDGET TRANSFERS**  
(between budget headings)

<b>Increase UP to 10%</b>	<ul style="list-style-type: none"> <li>• <b>No prior authorization</b></li> <li>• Even above the ceilings (for staff, equipment and subcontracting)</li> </ul>
<b>Increase by MORE than 10%</b>	<ul style="list-style-type: none"> <li>• <b>Amendment</b></li> <li>• Ceilings cannot be exceeded</li> </ul>

Staff costs	% of total grant in G.A.	Proposed increase	Effect on % of total grant	Decision
Max ceiling: 40%	30%	+20%	36%	Amendment possible
	35%	+20%	42%	Not allowed

**BUDGET TRANSFERS**  
**Example 1 – amendment**

	EUR	%	Budget transfer	% of budget heading	result	% of total grant
<b>I STAFF COSTS</b>	<b>340.000</b>	40%			<b>340.000</b>	40%
<b>II TRAVEL COSTS</b>	<b>150.000</b>	17,6%			<b>150.000</b>	17,6%
<b>III COSTS OF STAY</b>	<b>150.000</b>	17,6%	<b>-10.000</b>		<b>140.000</b>	16,5%
<b>IV EQUIPMENT</b>	<b>160.000</b>	18,8%			<b>160.000</b>	18,8%
<b>V SUBCONTRACTING</b>	<b>50.000</b>	5,9%	<b>+10.000</b>	<b>+20% of budget heading</b>	<b>60.000</b>	<b>7,1%</b>
<b>TOTAL GRANT (total I-V)</b>	<b>850.000</b>				<b>850.000</b>	

**BUDGET TRANSFERS**  
**Example 2 = NO need for amendment**

	EUR	%	Budget transfer	% of budget heading	result	% of total grant
<b>I STAFF COSTS</b>	340.000	40%	+27.200	<b>+8% of 340.000</b>	367.200	<b>43,2%</b>
<b>II TRAVEL COSTS</b>	150.000	17,6%	-27.200		122.800	14,4%
<b>III COSTS OF STAY</b>	150.000	17,6%			150.000	17,6%
<b>IV EQUIPMENT</b>	160.000	18,8%			160.000	18,8%
<b>V SUBCONTRACTING</b>	50.000	5,9%			50.000	5,9%
<b>TOTAL GRANT (total I-V)</b>	850.000				850.000	

d. The total estimated budget does not exist the 917176 Euros

	EUR
Staff Costs	366241
Travel Costs	116455
Costs of Stay	126480
Equipment	221000
Subcontracting	87000
<b>Total Grant Contribution</b>	<b>917176</b>

Table I

**4. Actual Costs: (equipment, sub-contracting)**

- a. The actual costs should be duly documented
- b. Should be recorded in the accounting records of the beneficiary
- c. *Eligible costs:*
  - i. Incurred during the eligibility period (15-10-2017 / 14-10-2021)
  - ii. They are foreseen and included in Annex III of the Agreement

- iii. They are incurred in connection with the action as described in Annex I
- iv. Being recorded in the accounting records of the beneficiary
- v. They are reasonable, justified and comply with the principle of sound financial management in particularly regarding economy and efficiency
- vi. **Exchange rate:** The exchange rate to be used is this one on the month of the receipt of the first pre-financing for all costs incurred until the second pre-financing is received. In the iPEN case since the 1<sup>st</sup> funds received on the **04/12/2017 by the coordinator the rate will be: 1 euro = 4.144 shekels**; This rate will be used until the month of the 2<sup>nd</sup> pre-financing funds will be received. The exchange rate to be used for the 2<sup>nd</sup> period (22<sup>nd</sup> of July 2019 to 15/10/2021) of the project should be: 1 euro = 4.0759 ILS.
- vii. **Award of Contracts and Tendering procedure:** In the case of the iPEN all the Israeli partners have funds under the actual cost categories of less than 25000 Euros. So in order to select a supplier no tendering procedure is required by the best of value criterion to be followed. This means that three offers should be found and the best of value of them to be selected
- viii. The total purchase cost of the equipment will be taken into account and not the equipments' depreciation. Therefore equipment costs will be reimbursed on the basis of the eligible costs actually incurred
- ix. **All the purchased equipment** should be (a) recorded in inventory of institution; (b) be labeled with E+ stickers; and (c) installed as soon as possible (preferably within the 1<sup>st</sup> year of the project)
- x. **Supporting documents** for the purpose of any financial evaluation and or audit, beneficiaries will have to retain with the project accounts the following supporting documents:
  - 1. Invoice and bank statements for all the purchased equipment

2. Proof that the equipment is recorded in the inventory of the institution

**xi. Subcontracting:** All the iPEN partners have received funds for subcontracting actions. The latter include (a) dissemination actions & printing (all the partners); (b) external evaluation actions (HMU); (c) audit actions (HMU); (d) web design & maintenance (SCE & MEITAL); and (e) logistic support for organization of events. **Be careful that: subcontracting cannot cover catering and hospitality costs!!** In any case tasks to be subcontracted must have been identified in the proposal (along with reasons as to why the task cannot be carried out by the beneficiaries). Sub-contracting initially not foreseen in the budget will need prior written authorization from the Agency during the project implementation. Subcontracting should be done on the basis of a contract, which should describe the specific task being carried out and its duration. It must include the project number and the signature of both parties. **The supporting documents requested are the following:** (a) Invoices, subcontracts and bank statements; (b) Tangible outputs/products

**xii.**

The following table overviews of supporting documents per budget heading.

Reimbursement basis	Budget Headings	Documents to retain with project accounts	Documents to be sent with the Final report
ACTUAL COSTS	Equipment	<ul style="list-style-type: none"> <li>▪ Invoices</li> <li>▪ Bank statements</li> <li>▪ Tendering procedure for expenses exceeding 25.000€</li> <li>▪ Proof that the equipment is recorded in the inventory of the institution</li> </ul>	<ul style="list-style-type: none"> <li>▪ Invoices and three quotations from different suppliers for expenses exceeding 25.000€</li> <li>▪ Any prior authorisation from the Agency</li> </ul>
	Subcontracting	<ul style="list-style-type: none"> <li>▪ Subcontracts</li> <li>▪ Invoices</li> <li>▪ Bank statements</li> <li>▪ Tendering procedure for expenses exceeding 25.000€</li> <li>▪ Tangible outputs/products*</li> </ul>	<ul style="list-style-type: none"> <li>▪ Subcontracts, invoices and three quotations from different suppliers for expenses exceeding 25.000€</li> <li>▪ Any prior authorisation from the Agency</li> </ul>
UNIT COSTS	Staff	<ul style="list-style-type: none"> <li>▪ Formal employment contract</li> <li>▪ Joint Declaration</li> <li>▪ Time sheets</li> <li>▪ Salary slips*</li> <li>▪ Agendas*</li> <li>▪ Attendance / Participant lists*</li> <li>▪ Tangible outputs/products*</li> <li>▪ Minutes of meetings*</li> </ul>	<ul style="list-style-type: none"> <li>▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency</li> </ul>
	Travel and Costs of Stay	<ul style="list-style-type: none"> <li>▪ Individual Travel Report (ITR)</li> <li>▪ Invoices, receipts, boarding passes*</li> <li>▪ Agendas*</li> <li>▪ Attendance / Participant lists*</li> <li>▪ Tangible outputs/products*</li> <li>▪ Minutes of meetings*</li> </ul>	<ul style="list-style-type: none"> <li>▪ No supporting documents should be sent with the Final report, except for any prior authorisation from the Agency</li> </ul>
<p>For all grants, a Certificate on the financial statements and underlying accounts ("Report of Factual Findings on the Final Financial Report – Type II") must be sent with the Final report (see Annex VII of the Agreement).</p>			

Table 2

For any change in the budget the project coordinator should be contacted immediately. If the projects' coordinator cannot provide the answer the iPEN project officer (PO) will be contacted. **Only the iPEN project coordinator can contact the PO.** Please have on mind that direct audits can be carried out at the coordinator and / or any of the beneficiaries. **All the expenses implemented along the iPEN project should be reported in an annual base and accompanied by copies of all the justification documents.**

**A pre-financing payment of 50% of the maximum amount** specified in the Grant Agreement will be paid to the coordinator. **A second pre-financing payment of 40% shall be paid, subject to the following conditions:**

1. Having used at least the 70% of the previous pre-financing installment paid
2. The receipt of the progress report on implementation of the action as specified in Article 1.3
3. The receipt of the "Statement on the use of the previous pre-financing installment" and "Request for payment" as specified in Annex VI of the agreement

If the above are satisfied then a second financing payment of the 40% of the maximum amount will be allocated. In the case 70% of the previous pre-financing installment **has not been used half way** through the eligibility period, the progress report on the implementation of the action should be submitted **without** the Request of payment of the second pre-financing. However as soon as the spending level of 70% of the previous

pre-financing installment has been achieved, an updated “Statement on the use of the previous pre-financing installment” together with the request for payment of the second pre-financing should be submitted. Then the second 40% of the maximum amount specified in article I.3 shall be paid as indicated under section 2.1. The rest 10% will be allocated after the submission and the evaluation of the final report.

Based on the above and on the approved budget the iPEN partners have received the following funds during the 1<sup>st</sup> financing period and should report **by the 14/04/2019** the spending of the 70% (at least) of 1<sup>st</sup> installment:

	<i>Partner Name</i>	<i>1<sup>st</sup> installment</i>	<i>Minimum Reporting Expenses to receive the 2<sup>nd</sup> installment (70% of the 1<sup>st</sup>)</i>
1	TEI of Crete	36303	25412.1
2	POLIMI	27827.5	19479.25
3	University of Twente	31520.5	22064.35
4	FAU	27761.5	19433.05
5	IESL-FORTH	22639.5	15847.65
6	W2L	18204.5	12743.15
7	BIU	52258	36580.6
8	WIS	45372	31760.4
9	SCE	54824	38376.8
10	HIT	42723	29906.1
11	MEITAL	25518.5	17862.95
12	BGU	43435	30404.5
13	Technion	30201	21140.7

*More analytical:*

### **1. Staff Costs**

This budget refers to the contribution of expenses related to the beneficiaries’ staff (a formal contractual relationship between the employee and the beneficiary is required) involvement with tasks directly related to the project. The staff cost category consists from four sub-categories that are characterized by a different unit cost (that is not linked

with their salary) per sub-category per country. These subcategories are: (a) Managers that carry out top managerial activities related to the administration & coordination of the project; (b) Researchers, teachers that typically carry out academic activities related to the curriculum / training program development, development and adaptation of teaching /training materials, preparation & teaching of courses or trainings; (c) Technical staff, carries out technical tasks; and (d) Administrative staff, carries out administrative tasks such as secretarial duties. Students can work for the project and can be considered as administrative staff, provided that they have signed a work contract with a consortium beneficiary institution. The unit cost to be applied is the one corresponding to the country in which the staff member is employed, independently of where the tasks will be executed. Table 5 indicates the various rates per category which are valid in the various iPEN partner countries. Moreover individuals (also applicable to the students) not regularly employed by partner Institutions can be assigned to the project on the basis of a contract against payment. Be careful that in principle declared working days per individual should not exceed 20 days per month or 240 days per year. An important aspect especially in the case of TECHNION & TRDF is the following: The possibility to charge costs (staff costs or cost of stay) for persons who are employed by an entity “associated’ to a beneficiary organization can be envisaged in two different ways: (1) the beneficiary to hire the staff with a contract against payment or (2) the entity associated to one of the beneficiaries to be included as a project partner through an amendment procedure. The cost of the staff during traveling Tim may be charged to the project if the work performed can be demonstrated in terms of workload, output produced and activities realized. The acceptance of the staff costs declared at final report stage will be checked not only in accordance with the relevant eligibility rules but also in relation with the existence / quality of the expected results. 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. The documents are needed to justify the occurred staff expenses are the following: (a) Joint Declaration (EACEA template – check the Online document store); (b) Time-sheets (EACEA template – check the online document store); (c) Proof of formal contractual relationship; and (d) any evidence justifying the workload & activities / output (etc salary slips, attendance lists for lectures given). The joint declaration must be signed by the person performing the activity and then countersigned & stamped by the person responsible in the Institution employed this person. A different declaration should be

signed by a person in case is employed in the project in more than one staff cost categories for each one of this categories. Time-sheets have to be attached to each Joint Declaration. They must be signed and countersigned by the person responsible in the institution that employed this person. The time-sheets must indicate: (a) the project reference; (b) the name of the person performing the tasks, his/her position and the staff category; (c) the institution and the country where the person is employed; (d) the number of days worked for the corresponding month and year; (e) the description of the tasks performed, the outputs produced and the related work package.

## **2. Subsistence & Travel Costs**

The budget heading contributes to the costs of travel and stay (subsistence, accommodation, local and public transport) of staff (personal with a formal contractual relationship between the employee and the beneficiary) and students (undergraduate, graduate, post graduate and PhD level) participating in activities directly related to the achievement of the project. The calculation of the contributing amount regarding these costs take into account the following variables: the travel distance (for travel costs) and the duration in days (for costs of stay). The travel distance is calculating using the Agency's distance calculator: ([http://ec.europa.eu/programmes/erasmus-plus/tools/distance\\_en.htm](http://ec.europa.eu/programmes/erasmus-plus/tools/distance_en.htm)). For the actions planned along the iPEN project the staff cost contribution is: 120 Euros per day for staff and 55 Euros per day for students. The supporting documents required to demonstrate the implementation of these costs do not need to justify the level of spending. They have to show the volume and/or the nature of the activities actually implemented, justify the number of unit costs charged to the grant. Also these documents should be able to prove the following: (a) the journeys actually took place; (b) the journeys are connected to specific and clearly identifiable project-related activities. The supporting documents are the following: (a) A fully filled in Travel Report (see online document store) accompanied with supporting documentation (travel tickets, boarding passes, invoices, receipts, proof of attendance in meetings and/or events, agendas, minutes of meetings). It must be mentioned that the days of traveling should be included within the costs of stay of the corresponding staff or student.

The subsistence and travel costs of the Associated Partners cannot be covered by the project allocated budget in any way. Theirs participation can be sponsored via the co-financing contribution provided by the beneficiary organizations or by their sponsors.

All the partners should send to the coordinator and immediately after (within a week) the implementation of a progress meeting or a trip for the participation in one of the planned Intensive Courses copies of their (a) boarding passes, (b) travel report and (c) hotel invoices.

### **3. Subcontracting Costs**

Subcontracting refers to the implementation of specific tasks being part of the action, by a third party, to which a service contract has been awarded by one or several beneficiaries. Subcontracting is intended for specific, time-bound, project-related tasks which cannot be performed by the Consortium members themselves. **It includes self-employed / free-lance experts.** Sub-contracting to external bodies should be very occasional. The specific competences and particular expertise needed to reach the project objectives should be found in the consortium and should determine its composition. Sub-contracting for project-management related tasks is therefore not eligible. Subcontracting costs for the maintenance of any equipment purchased for the project may be included under the budget heading Equipment.

In order to prevent double funding by the grant, catering and hospitality costs (e.g. during project events) for participants receiving Costs of Stay cannot be covered by subcontracting. Under no circumstances should these costs be charged to the project twice. In all cases, tasks to be subcontracted must have been identified in the proposal (based on relevant supporting information, along with clear reasons as to why the task cannot be carried out by the beneficiaries) and the estimated amount entered in the budget. Sub-contracting initially not foreseen in the budget will need prior written authorisation from the Agency during project implementation.

### **4. Co-Financing Costs**

The co-financing costs include expenses related to the implementation of the project. It can include costs such as bank fees, overhead costs, translation if not subcontracted, dissemination, travel and time consuming costs (e.g. subtraction from teaching duties). The dissemination & exploitation plan and the quality evaluation plans can be downloaded from the iPEN website following the links below:

**Dissemination & Exploitation Plans:** [Microsoft Word - Dissemination, Communication and Exploitation Plan iPEN 09092019.docx \(teicrete.gr\)](#)

**Quality Evaluation Plan:** <https://ipenche.chania.teicrete.gr/wp-content/uploads/2022/04/D3.1-iPEN-QA-framework-1.pdf>

### **Useful Links**

- [Guidelines for the use of the grant](#) (EACEA Document)
- Documents to be used during the project reporting period:
  - [Joint Declaration](#) (for the staff expenses)
  - [Individual Travel Report](#) (for travel expenses)
  - [Timesheet](#)