



CAPTIVE Project
JUST/2015/RDAP/AG/VICT/9243

Financial Obligations
20 December 2016

Project supported by European Commission's DG Justice & Consumers (JUST)

University of Malta

Outstanding Past
Bright Future

Budget Overview

Estimated Expenditure		
A	Staff	€300,068.97
B	Travel	€53,625.00
C	Equipment	€0.00
D	Consumables	€0.00
E	Other Direct Costs	€92,650.00
Total Direct Costs		€446,343.97
F	Indirect Costs (7.00%)	€31,244.07
Total Eligible Costs		€477,588.04

Estimated Income		
I	Financial contribution specifically assigned by donors to the financing of the eligible costs & income generated by the financed activities	€0.00
J	Other income, including own contribution from the beneficiary/ies (20%)	€95,517.61
	EU Contribution (80%)	€382,070.43
Total Income		€477,588.04

- Budget shifts up to 10% are to be notified to the UoM and do not require a formal approval by the European Commission.



Workstream Timeline

		WP00	WP01	WP02	WP03	WP04
1	Dec-16					
2	Jan-17					
3	Feb-17					
4	Mar-17					
5	Apr-17					
6	May-17					
7	Jun-17					
8	Jul-17					
9	Aug-17					
10	Sep-17					
11	Oct-17					
12	Nov-17					
13	Dec-17					
14	Jan-18					
15	Feb-18					
16	Mar-18					
17	Apr-18					
18	May-18					
19	Jun-18					
20	Jul-18					
21	Aug-18					
22	Sep-18					
23	Oct-18					
24	Nov-18					



Staff Costs: Calculation

Annual gross salary + social charges

**Total actual annual productive
working days or hours**

**X actual days or hours
working on the project as
substantiated by timesheets**

- ▶ Annual Gross Salary + Social Charges = costs paid by the beneficiary in the timeframe of a year, incl.: salary, taxes, employer's contribution for national security, etc
- ▶ Total actual annual productive time = total time in days or hours worked in the timeframe of a year
NB: time spent on meetings, activities, training and similar activities are considered as productive hours



Staff Costs: Supporting Documentation (1 / 2)

- ▶ Permanent staff (on payroll):
 - Existing contract
 - Secondment letter with description of tasks, reference to the project, duration, time allocated to the project, hourly rate
 - Monthly salary slips
 - Timesheets
 - Proof of Payment (bank statement if possible)
 - Calculation of the hourly rate and reported cost



Staff Costs: Supporting Documentation (2/2)

- ▶ Staff specifically recruited for the project (on payroll):
 - Specific contract linked to the project indicating tasks, reference to the project, duration, time allocated to the project, hourly rate
 - Salary slips
 - Proof of payment (bank statement)



Staff Costs:

Common Reasons of Ineligibility

- ▶ Staff contracted by organizations other than those mentioned in the Grant Agreement as beneficiaries
- ▶ Hourly rates: inflated, wrong or claim placed according to budgeted, not actual rates
- ▶ Costs not matching payslips
- ▶ Lack of timesheets or unsuitable timesheets
- ▶ Volunteer work costs
- ▶ Work done outside the eligible period
 - [1 December 2016 – 30 November 2018](#)



Travel & Subsistence Costs (1/2)

- ▶ Directly linked to the project
- ▶ Travel made by persons taking part in the action (staff, participants to meetings, seminars, etc.)
- ▶ In line with the beneficiary's usual practices and systems
- ▶ Additional events, persons, countries, must be notified and justified.



Travel & Subsistence Costs (2/2)

- ▶ Travel Costs (i.e. flight, train, car, etc)
 - From the point of origin to the point of destination, including transfer from/to airport or train station
 - Most economical fare should be applied
- ▶ Subsistence allowance:
 - to cover meals, accommodation, local travel within the place of mission
 - Reimbursement as per beneficiary's usual practice e.g. lump sum / per diem, not exceeding established capped rates



Travel Costs: Supporting Documentation

- ▶ Travel invoice
- ▶ Transport ticket (boarding passes, train tickets/receipt, bus ticket, etc)
- ▶ Travel by car: reimbursement claim, calculation of amount, internal reimbursement policy
- ▶ Proof of payment or reimbursement
- ▶ Attendance list signed by the participants for meetings, seminars, conferences, etc



Subsistence Allowance: Supporting Documentation (1 / 2)

- ▶ Reimbursement on the basis of real costs:
 - Expenses reimbursement claim form
 - Accommodation invoice
 - All receipts related to food, beverages, local transport and other expenses
 - Proof of reimbursement
 - Attendance list signed by the participants for meetings, seminars, conferences, etc.



Subsistence Allowance: Supporting Documentation (2/2)

- ▶ Reimbursement on the basis of lump sum/per diem:
 - Copy of the internal policy
 - Reimbursement claim
 - Calculation of the amount paid
 - Proof of payment (bank transfer is preferred)
 - Attendance list signed by the participants of the given activity



Travel & Subsistence Costs: Common Reasons of Ineligibility

- ▶ Missing documents
- ▶ Cancellation, modification costs (covered by overheads)
- ▶ Taxi where public transport could have been used
- ▶ Undue subsistence allowance paid
- ▶ Per diem exceeding EU threshold per country
- ▶ Missing proof of payment / bank transfer
- ▶ Travel & subsistence allowance costs for activities outside the EU



Other Direct Costs

3 sub-categories of costs

- ▶ Publications & dissemination
 - Costs of layout, editing, printing, translation, project-specific website creation, etc.
- ▶ Conferences & seminars
 - Rental of rooms, interpretation, coffee breaks, lunches, seminar materials, etc.
- ▶ Costs not falling into any other categories.



Other Direct Costs: Publications & Dissemination

- ▶ Exclusively linked to the project
- ▶ Visibility rules and disclaimer (of EC / JUST) on all deliverables
- ▶ Clear and precise reporting: type of publication, number of pages, price per unit, number of copies, languages, etc.
- ▶ Any related incomes from books/tickets sold are to be declared under “Income”



Other Direct Costs: Conferences & Seminars

- ▶ Linked to the organization of project-related events
- ▶ Reimbursement in cash is to be avoided (e.g. speaker fees / interpretation services)
- ▶ Avoid double reimbursement of meals (when meals are offered, subsistence costs must be reduced accordingly or participants made to pay)



Other Direct Costs:

Costs not falling under any other category

- ▶ Directly linked to the project's activities and comply with the eligibility rules
- ▶ Examples:
 - Fees for experts
 - Fees for financial guarantee (if needed)
 - Costs of audits and project's evaluation reports (only specific project audit and not a general audit of the organization)
 - Purchase of copyrights and other intellectual property rights
 - Purchase of information material (studies, electronic data, etc)



Other Direct Costs: Supporting Documents

- ▶ Invoice(s) showing:
 - Title of publication/translation/event
 - Number of pages
 - Number of copies
 - Language(s)
 - Date of service provided
 - Date of event, etc
- ▶ Proof(s) of payment
 - Bank transfer showing payment to the supplier



Indirect Costs (1 / 2)

- ▶ Necessary to the project but not specifically linked to it
- ▶ General indirect costs needed to employ, manage, accommodate and support directly the personnel working in the project:
 - Office space, electricity, heating, insurances, management and admin costs, telephone, internet, office furniture, etc
- ▶ Calculated as a percentage of Eligible Direct Costs (7% in the case of CAPTIVE)



Indirect Costs (2/2)

Supporting Documentation

- ▶ Good news... no supporting documents are required as these need not be justified

Common Reasons of Rejection

- ▶ % overheads requested higher than 7%
- ▶ One of the beneficiaries has an operating grant running within the same period as the action grant.



Ineligible Costs (1 / 2)

- ▶ Excessive expenditure
- ▶ Gifts, flowers, recreational costs and cultural activities
- ▶ Financial incentives e.g. survey participants
- ▶ Travel, subsistence and fees for EU Officials
- ▶ Costs declared but not supported by adequate justifying documents
- ▶ Costs declared by a beneficiary and covered by another action or programme receiving an EU Grant



Ineligible Costs (2/2)

- ▶ VAT incurred by public bodies when acting as a public authority
- ▶ Deductible VAT
- ▶ Exchange losses
- ▶ Return on capital
- ▶ Debt and debt service charges
- ▶ Provisions for losses or debts
- ▶ Interest owed
- ▶ Doubtful debts
- ▶ Contribution in kind from third parties



Way forward (1 / 2)

- ▶ Consortium Agreement is being finalised
- ▶ Documentation to be sent by UoM:
 - Supplier form for first payment
 - Timesheets and other necessary reporting forms
 - Consortium Agreement once finalised
- ▶ Further updates following Kick-Off Meeting to be held on the 24 January in Brussels.
- ▶ Please contact us should you have queries
 - For financial related issues e-mail ryan.bugeja@um.edu.mt



Way forward (2/2)

- ▶ Enjoy the Christmas Season and may you have a lovely New Year 😊

