

## Important information on the implementation of EU projects

### 1. Consortium

The consortium consists of a coordinator and project partners. The coordinator is the only contact person for the EU. Payments from the EU are also sent to the coordinator, who forwards them to the partners based on the budget and terms of the consortium agreements.

### 2. Agreements

If the EU provides funding for your project, it enters into a “**Grant Agreement**” (GA) with the University of Bonn (for proposals by a single party) or the coordinator (for collaborative projects). For collaborative projects, the other project partners (beneficiaries) also become parties to the GA by signing the “Accession Form.” The GA is created electronically in H2020 and signed electronically by the University administration. All important EU documents can be found on the [EU Commission’s funding & tender opportunities portal](#).

Collaboration within the consortium is governed by a **consortium agreement** that the coordinator prepares in consultation with the partners. Although the EU is not involved in this process, it does require that such an agreement be concluded. The University of Bonn Research Contracts unit can help you check the consortium agreement.

### 3. Budget

The budget is in **Annex 2** of the grant agreement (Estimated budget for the action), and combines the budgets of the individual beneficiaries. The total grant amount for the consortium is an upper limit. The EU does not grant additional funding. A project extension not affecting costs is possible in exceptional circumstances (see point 15) and is requested by the coordinator or University of Bonn.

### 4. Reallocation of funds

Transferring funds between partners, different cost categories or both is possible. An amendment to the grant agreement is not required if performance of the work is unaffected (as described in Annex I).

Funds for subcontracting not covered in Annex I can only be reallocated via an amendment (see point 14).

### 5. Direct costs

Reimbursements for beneficiaries are based on their eligible direct and indirect costs. Direct costs are all eligible costs that are directly attributable to the project and have been reported based on its standard accounting principles and internal regulations.

Direct costs include **personnel costs, subcontracting costs, travel costs and costs of services and depreciation**.

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In order to claim **costs for internally invoiced goods and services** a detailed cost break down is necessary. The internally invoiced costs need to be measurable, verifiable and broken down to budget categories. It is not possible to claim internally invoiced goods in form of flat-rates or average costs. As this proved to be problematic we suggest to refrain from using services of other units of the University of Bonn which are invoiced internally or discuss with your contact in section 7.2 beforehand.

### 6. Indirect costs

The EU Commission usually grants an overhead allowance of **25 percent based on direct costs**. The administration manages the overhead portion of EU funds received. The overhead is therefore not immediately available to the project. The overhead is credited to the project leadership as a research bonus budget. Please refer to [Circular No. 28/2019](#) for information on the amount available to you. Please contact [Section 5.4](#) if you have any questions.

#### Special regulations for Marie S. Curie projects

The overhead allowance of 25 percent does not apply to Marie S. Curie projects as there is one unit allowance per research month that covers overhead and management costs.

As a result, no overhead portion is posted for Marie S. Curie projects and the overhead portion is available to cover personnel costs on projects.

For consortium projects, the Marie S. Curie project coordinator usually keeps a portion of the overhead allowance for overall coordination of the project. The amount is specified in consortium agreements on a project basis (usually approximately 50 percent).

### 7. Research bonus

Please refer to Circular No. 40/2020 dated June 4, 2020 for information on the project allowance and research bonus. If you have any questions about the project allowance or research bonus, please call Ms. Becker or Mr. Horn in Section 5.4 at -4957 or 5638, or send an email to [finanzcontrolling@verwaltung.uni-bonn.de](mailto:finanzcontrolling@verwaltung.uni-bonn.de).

### 8. Timesheets

All project staff financed via project funds must fill in [timesheets](#).

#### Please always use the English form!

As the principal investigator (PI) for an ERC grant, you must maintain timesheets even if you are not funded by the project, so that you can provide proof of your time commitment to the project.

### 9. Invoicing of personnel costs

#### Important notice on hiring of staff:

It is only possible to hire employees whose workplace will be at the University of Bonn. For hiring of personnel that is stationed elsewhere, please contact the project manager responsible for your project.

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Please note that the EU requires personnel costs to be invoiced according to monthly hourly rates times the number of hours worked (based on timesheets). The personnel costs that have been posted represent an upper limit for the costs to be settled. Personnel costs are calculated by Section 7.2 – Third-Party Funding & Project Management based on submitted timesheets and are checked with you before being submitted.

The EU can also be invoiced for permanent staff (minimum staff to ensure project execution). To do so, timesheets must be maintained and funding must be changed to charge the costs to the project account. Request the change in funding from your Human Resources department.

For **Marie S. Curie projects**, the total amount paid to Marie S. Curie Fellows is specified in the applicable work program and must not be undercut. Marie S. Curie Fellows receive employment contracts that ensure minimum compensation in accordance with pay grade 13 of the Collective Agreement for Public Service of the German States (TV-L). Deficits always occur for these positions due to the collective agreement pay grade assigned. The overhead remains in the project to cover the deficit. Please notify Section [3.3](#) – Academic Staff or Section [3.2](#) – Civil Servants and Academic Staff at an early stage about Marie S. Curie Fellows who will be employed (your contact person is assigned to your faculty).

### 10. Subcontracting and services

“Subcontracting” means outsourcing to external third parties “**action tasks**” specified in the grant agreement (GA) that cannot be performed by the project partners themselves. A subcontractor that performs an “action task” subsequently submits an invoice for the performance provided (work, service or goods) and receives a normal market price in return.

**No indirect costs** are added to subcontracting costs (i.e. subcontracting costs are not included when calculating the 25 percent indirect costs).

In contrast, even though costs for “other goods and services” concern contracts for work, services or goods, they do not involve the performance of “action tasks” by third parties.

If funds are included in the budget for “subcontracting”, they can be awarded accordingly. Please always contact Section 7.2 (for the budget) and [Section 5.3](#) – Central Acquisitions (for the contract award) in advance.

### 11. Equipment procurement

When purchasing equipment, please remember that you can only claim **depreciation that accrues during the project period** from the EU. The service life of the equipment usually depends on the classification list of [Section 5.1](#) – External Accounting. Speak with Asset Accounting about the depreciation period to be used before purchasing the equipment. The depreciation period can be shortened under certain conditions.

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### 12. Payment terms and audits

Payment of funds is arranged by the EU and is made to the coordinator, or directly to the University of Bonn if it is the only project partner. The EU provides a pre-financing payment at the start of a project. The EU retains 5 percent of the pre-financing for the guarantee fund. Further payments (interim payments) of up to 90 percent of the grant are made following submission, review and acceptance of the financial statements.

The amount of the interim payments depends on the reported and approved costs. The final payment, including the retained funds from the guarantee fund, takes place following submission and review of the final report. If the EU has no questions about the final report, it releases the final payment within 90 days after receipt of the report.

In cases where the EU requests an audit, this process may take up to one year. The European Commission has the right to audit the project during the project period and up to two years after release of the final payment. The EU Commission has sole discretion to decide if and when a project is audited.

If the direct costs invoiced exceed EUR 325,000, a so-called **Certificate on the Financial Statement** must be submitted together with the final report at the end of the project period. It is prepared by an external auditor. Your contact in Section 7.2 will take care of issuing the required documents and notifying the auditor.

The audit requires approximately 14 days. Please make sure you allow for this time when preparing the final report.

### 13. Reporting

The EU defines reporting periods for each project. They are specified in Article 20.2 of the grant agreement and can be found in the funding & tenders portal. In every reporting period, a technical report and a financial report must be submitted. Both reports are submitted electronically via the funding & tenders portal of the EU Commission.

[Section 7.2](#) will assist you with preparing the financial statement. The EU Commission will send notification for periodic reports 60 days before the submission deadline. Please contact the appropriate contact person at least 3 weeks before the submission deadline. The financial statement is signed by the Financial Signatory (FSIGN) in Section 7.2 and sent to the coordinator/EU.

#### Special regulations for Marie S. Curie projects

Marie S. Curie projects are invoiced in unit costs. Basis of the calculation are the months during which you employed a Marie Curie Research Fellow.

As a result, it is the length of employment of a Marie Curie Research Fellow that determines the amount invoiced, not the actual costs, which also do not need to be accounted for in this case. Proof must, however, be provided that the project went according to plan. If, for example, workshops were

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planned, it must be evident that they took place if an audit is performed.

### 14. Amendments to the grant agreement

If amendments are made during the course of the project period (e.g. through a change in project partners, amendments to the relevant contact details, additional subcontracting, alterations to the distribution of work, etc.) which **affect Annex I** (Description of Action), the GA must be updated by including an amendment. The coordinator notifies the EU of the desired amendment (for projects involving several partners). The EU then initiates the amendment process via the funding & tenders portal.

### 15. Project extensions

Only in **exceptional circumstances**, e.g. cases that could not be foreseen at the time the grant agreement was signed, such as illness, and after a detailed explanatory statement, the EU Commission may agree to a project extension if costs remain unaffected. Extensions never exceed 6 months.

The EU Commission has approved extensions for many projects due to the coronavirus. More information is available on the Commission's [FAQ page](#).

Additional work or non-adherence to reporting deadlines of the EU Commission is not sufficient reason for a project extension. Please contact your contact person in Section 7.2 if there are signs of a delay in your project.