



2nd BESTPRAC – EARMMA virtual two-day meeting

June 14-15, 2021

WG2: Personnel cost in EU grants: The institutional perspective

Navigating between different fundings programmes and rules

Staska Mrak Jamnik, Head of Research Office, University of Ljubljana

HORIZON EUROPE shift from annual/ monthly hourly rate to daily rate

$$215 = 1720/8$$

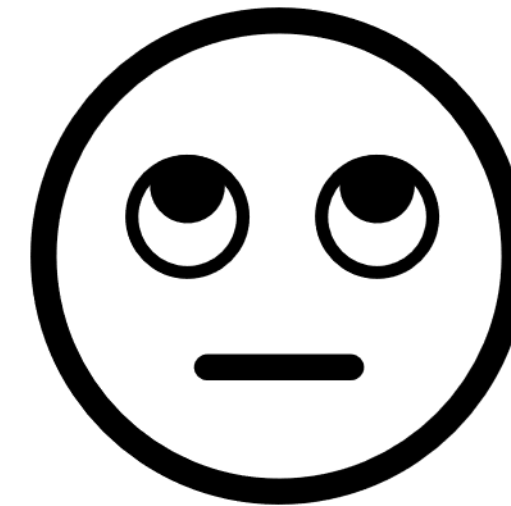
- positive - using the monthly declaration without time-sheets.
- financially non-sustainable (since it does not provide for 100% coverage of all real costs of personnel) and
- potentially disruptive for all stakeholders because of additional new rule which so far differs from all the rules in other programmes.



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SIMPLIFICATION ?



RULES IN DIFFERENT R&D PROGRAMMES AT OUR UNIVERSITY

Slovenian national projects: use of **1700 productive hours per year** for 1 FTE and **pre-defined lump sums/unit costs** for 1FTE

H2020: **individual yearly hourly rate** considering the real number of productive hours in a year (this option is used by our university in H2020 because it is financially the least damaging since no H2020 method covers 100% of all real costs)

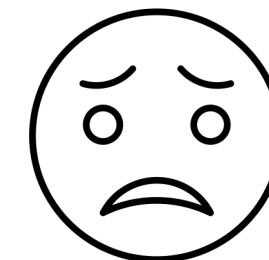
ERASMUS+: **daily rate with predefined lump sums/unit costs** for different types of personnel (which mostly do not cover all real costs)

INTERREG: **monthly hourly rate** considering real costs and real number of productive hours in the specific month OR
monthly fixed percentage of the workload

European Social Fund projects: **yearly hourly rate calculated at the beginning of the project** considering the number of the real productive hours in reporting period.

Smart Specialisation Strategy projects (ESRD): **lump sum/unit cost hourly rate** predefined by the programme considering the number of the real productive hours in reporting period.

We could find some other programmes with some other rules.



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CONSIDERATIONS AND RISKS

For Beneficiaries:

1. Risk of errors in calculations. When the researchers prepare the budget plans and financial reports by themselves, the risk of errors is even higher.
2. Beneficiaries have to engage additional people for administrative/financial management
3. Increase of the Beneficiaries' costs of the management of projects.
4. Beneficiaries can have substantial losses, since some of the working hours are not covered. In public sector it is very difficult to find the financial sources to cover those losses.



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CONSIDERATIONS AND RISKS

For Research Administrators (or PIs):

1. The **workload of research administrators (or PIs) is increased** and causes a lot of additional work and stress on the workplace since they have to calculate both :
 - personnel costs** for different reports **with different methods**
 - analytical reports** for the PIs and management regarding the coverage/non-coverage of the real cost incurred in the projects showing that the administrators used the financially most efficient calculation methods.
2. Due to different reporting periods and different calculation methodologies research administrator or researcher **can not control** whether there was more than 215 days reported in different EU projects in one year.



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CONSIDERATIONS AND RISKS

For Auditors

1. Impossible to follow all the rules of different EU and national programs and compare the accuracy of the calculations as well as to check also potential double funding.
2. Due to different reporting periods and different calculation methodologies in projects it is difficult for the auditors to check whether there was more than 215 days reported in different EU projects in one year.



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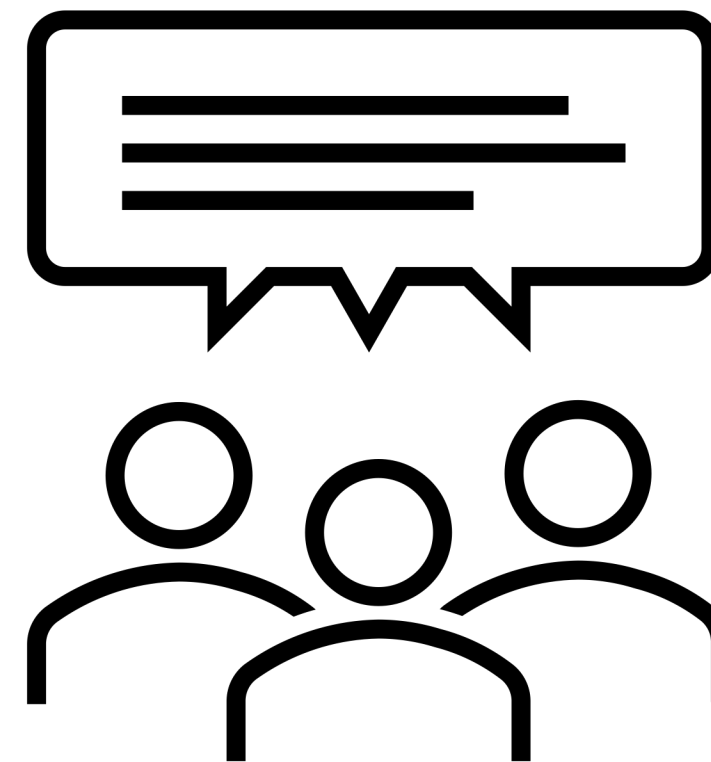
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SIMPLIFICATION FROM OUR POINT OF VIEW

1. REPORTING THE REAL COSTS

OR

2. ALL PROGRAMMES USING THE SAME RULES



Thank you !!!



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