



Frequently Asked Questions to the Marie Curie Actions Financial Guidelines

Updated 26/06/2012

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Q1: For categories A-C (1-2 as of WP2011), which amount has to be declared in the form C when actual costs incurred (net salary payments and related charges) do not match the flat rates provided in the WP/Grant Agreement?

A: The REA reminds that beneficiaries are under the obligation to use the full amount in categories A-C (1-2) for the exclusive benefit of the researcher. As a result, beneficiaries need to ensure that costs incurred for the payment of these allowances (net amounts + related social security charges and mandatory social/tax withholdings) are equal or higher than sum due in accordance with the flat rates provided in GA/WP and should declare the flat rate amounts provided in the grant agreement. Nevertheless, many beneficiaries declare the (higher) amount related to actual costs incurred and the REA will automatically cap the amount of funding at the level of the flat rates provided in the grant agreement. In exceptional circumstances, especially in the context of interim reporting period(s), a beneficiary may be faced with a situation where the actual costs incurred are slightly lower than these flat rates (e.g. due to exchange rate differences for non-euro countries or because of anticipated annual salary increases which imply a slightly lower amount of allowances at the start and slightly higher at the end of the employment contract). In such exceptional cases, it is essential that the beneficiary declares these lower amounts so that the REA can identify the level of underpayment and can instruct on corrective measures to be taken by the beneficiary (i.e. additional payments to be made) during subsequent reporting periods to correct this underpayment. If such underpayment is detected at the time of processing the final payment, the REA will suspend further processing of the final payment and will instruct for immediate additional payments to be made and corrective form C's to be submitted (including proof of additional payments made). Only when such proof of additional payments is obtained, the processing of the final payment will resume.

Q2: What should I enter in the "Explanation of the use of the resources" pop-up window in the Form C?

A: The "Explanation of the use of the resources" is a new functionality which has been introduced in the Form C's of all FP7 projects. It is important to note that this technical modification does not imply any changes to the rules and requirements for reporting.

For the flat rate cost categories it is sufficient to introduce "N/A" in this field. However, for real cost categories - management and, where applicable, equipment - the explanation on the use of resources previously provided in the project management section of the periodic report should now be introduced here.

The table below shows the cost categories where an explanation on the use of resources should be provided.

ITN	Category G (2007 - 2010 Work Programmes)
	Category 4 (2011 - 2012 Work Programmes)

IAPP	Category G & I (2007 - 2010 Work Programmes) Category 4 & 6 (2011 - 2012 Work Programmes)
IEF, IIF and IOF 2007 & 2008 Work Programmes	Category G
IEF, IIF and IOF 2009 - 2012 Work Programmes	Not applicable to projects funded under these calls
COFUND	Not applicable to projects funded in this action
IRSES	Not applicable to projects funded in this action
RG & CIG	Not applicable to projects funded in this action

Further explanations are available on the Participant Portal under the reporting and presentations section of the FAQ

<http://ec.europa.eu/research/participants/portal/page/faq>

Q3: Which are the documents to be kept by the beneficiary to justify costs claimed in the Form C under Category D and E?

A: In the case of a Certificate on the Financial Statement (CFS) or a financial audit, the beneficiary will need to provide evidence that the researcher for whom the category D costs are being claimed was indeed recruited to the project. This means that the beneficiary will need to show the employment contracts of the researcher, evidence that the researcher worked full time on the project (such as lab notebooks, publications, library records etc) and proof of payment of the researchers.

In addition, if there is a technical audit, for example in the event of suspected underperformance in terms of not supporting the researcher for the participation in trainings and transfer of knowledge, the beneficiary will need to provide evidence of the activities that the Category D contributions paid for. This can include attendance sheets at courses, training reports, publications, lab notebooks etc.

Q4: Can the funding be used to purchase a lap-top?

A: The purchase of a laptop should be considered as expenditure covered by the flat rate provided under category D or E. As a rule, it is for the beneficiary to decide on the use of the flat rates provided under category D and E.

Q5: What items are eligible and ineligible in Categories D and E?

A: Categories D and E are flat rates. As a rule, it is for the beneficiary to decide on the use of the flat rates provided under category D and E. The beneficiary is not required to declare actual expenditure incurred.

However, where the Commission/REA obtains evidence that the beneficiary is not supporting the participation of the researcher in research and training activities as described in the proposal and reflected in Annex I of the grant agreement, it may decide that the conditions for granting the flat rate are not fulfilled. In such cases it may, notwithstanding other measures to address non-performance against obligations spelled out in the grant agreement, refuse payment of the flat rate.

Q6: In ITN and IAPP, can costs for interviews to recruit researchers be considered as eligible costs of the project?

A: By nature, costs incurred before the starting date of the project are not eligible. It should nevertheless be noted, that cost-category E provides for a flat rate reimbursement and the beneficiary can decide on the use of this flat rate at its own discretion, the REA will not request any justification on actual expenditure incurred for this cost category.

Q7: Are timesheets compulsory?

A: Timesheets for recruited researchers are not compulsory. For the purposes of the Certificate on the Financial Statement and in the eventuality of a technical audit, evidence that the researcher worked full time on the project can be provided through lab books, publications, conference abstracts, library records etc. All researchers must keep very detailed and dated notebooks recording their research activities. Besides, if the institution has their own rule that their staff must keep timesheets, they can of course be proof of time devoted to the project, but they are not essential for Marie Curie purposes.

However, any personnel costs claimed under category G must be supported by timesheets (for further information see the question 'Can I claim costs for management of the consortium/ project?').

Q8: Are salary related taxes eligible costs when paying for recruited researchers?

A: Yes, the stipulated amounts provided in categories A-C are gross amounts and are before any salary related tax withholdings. These flat rates can cover also employer's social security charges contributions. Consequently, the net salary results from deducting all compulsory withholdings such as employee's social security contributions as well as direct taxes (e.g. income tax) from the gross amount.

Q9: Is the Italian tax IRAP (Imposta Regionale sulle Attività Produttive) eligible within the project?

A: No, IRAP is not eligible. Taxes for which the beneficiary is liable in its capacity as a business entity are not included in the category of expenses incurred specifically for the implementation of the project. Even non-profit Italian organisations, for which IRAP is charged only on personnel costs, cannot charge it to the project. However, **social security related charges** such as Taxe d'Apprentissage in France and the Fixed Term Workers Act in Ireland are eligible.

Q10: Are tuition fees eligible costs of the project?

A: The costs covered by the tuition fees could be covered by the flat rate financing provided under the Marie Curie Actions grants. In particular these costs are to be considered as part of the activities supported by cost categories E ("Contribution to the research/ training/transfer of knowledge programme expenses") and H ("Contribution to overheads") and also to cost category D ("Contribution to the participation expenses of eligible researchers"). Under no circumstances should tuition fees be charged directly to the researcher or to the categories A, B and C, which must be entirely used for the benefit of the researcher.

When a beneficiary cannot offer a PhD to the researcher(s), for example if the beneficiary is an industrial partner, the consortium may allow the researcher to embark on a PhD course with one of the academic partners. Should the researcher(s) wish to register for a PhD in an institute outside the consortium, the related fees should be covered by the beneficiary (who may use for this purpose funding received on a flat rate basis).

A note on the eligibility of tuition fees can be found on the 'How to manage my project' page of the Marie Curie website: <http://ec.europa.eu/mariecurieactions>

Q11: In multi-beneficiary projects, are beneficiaries financially responsible for all partners?

A: In FP7 there is no financial collective responsibility (as there was in FP6). The financial responsibility of each beneficiary shall be limited to its own debt, subject to the provisions of Annex II to the Grant Agreement, Article II.19 "Guarantee Fund". The Guarantee Fund was established in order to manage the risk associated with non-recovery of sums due to the EU by beneficiaries of grant agreements under FP7.

The contribution of the beneficiaries to the fund – 5% of the total contribution of the EU - is transferred to the Guarantee Fund by the REA on their behalf. The amount, deducted from the pre-financing is clearly stated in the core Grant Agreement.

In principle, after the final payment is made at the end of the project, the amount contributed to the Fund under the Grant Agreement shall be returned to the beneficiaries via the coordinator.

Q12: Can beneficiaries with accounts in currencies other than the Euro change the way they report costs in Euro during the project?

A: Costs shall be reported in Euro. Beneficiaries with accounts in currencies other than the Euro shall report costs by using, either (i) the conversion rate published by the European Central Bank that would have applied on the date that the actual costs were incurred, or (ii) the rate applicable on the first day of the

month following the end of the reporting period. The periodic report must clearly indicate which method is used. Once one of these two methods has been applied within the 1st reporting period, it should be kept in subsequent periods.

Q13: Can the cost of staff dealing with management activities (Category G) include the costs for parental leave?

A: It cannot. In that case, the costs for parental leave must be covered by the employer.

Q14: Can consultants be paid for advising within the ITN?

A: For the management of the consortium activities, the coordinator may not subcontract coordination tasks mentioned in Annex II to the Grant Agreement, Article II.2.3., including, among others, the review of the reports to verify consistency with the project tasks before transmitting them to the REA. A beneficiary can enter into a subcontract only when the conditions foreseen in Annex II to the Grant Agreement, Article II.7.2 are fulfilled.

For scientific matters, Category D and E are flat rates to be used by the beneficiaries as judged appropriate for the project, see section 1.1.4 and 1.2.1 of the guidelines.

Q15: Is a Certificate on Financial Statement needed for all cost categories?

A: A Certificate on the Financial Statements (CFS) shall be submitted by a beneficiary in the following circumstances:

- Period 1: when the total amount of the EU financial contribution claimed by the beneficiary in period 1 is \geq EUR 375.000
- Period 2: when the total amount of the EU financial contribution claimed by the beneficiary in period 2 is \geq EUR 375.000

OR

- when the total amount of the EU financial contribution claimed by the beneficiary in period 2 PLUS the total amount of accepted costs for the beneficiary in Period 1 added together are \geq EUR 375.000 and no CFS was submitted in Period 1.

However, for indirect actions of a duration of 2 years or less, not more than one certificate on the financial statements shall be requested from the beneficiary, at the end of the project.

Certificates on the financial statements shall not be required for indirect actions entirely reimbursed by means of lump sums or flat rates. This holds in particular for RG and IEF/IOF/IIF (from WP2009 onwards).

The instructions for providing the CFS and the costs to be examined in each cost category are found in Form D (Annex VII) of the Grant Agreement. In addition

special considerations for Marie Curie Grant Agreements can be found in Section 6.5 of Part II of the Guidelines for Audit Certification available on Cordis at ftp://ftp.cordis.europa.eu/pub/fp7/docs/guidelines-audit-certification_en.pdf.

Q16: The employment contract of a recruited researcher is based on a currency other than Euro. Because of variations in the exchange rates during the project implementation, there are differences between the amount actually paid to the researchers and the one established under Category A "Monthly living and mobility allowance" as per the Grant Agreement and its Annexes. Are any adjustments allowed?

A: A recruited researcher must receive the amount of allowances specified in the Grant Agreement and its Annexes. In the case presented, if the researcher has actually been paid an amount which, after conversion to Euros, is lower than the flat rate allowance defined in the Grant Agreement, a corrective payment is to be done by the host organisation at the end of the reporting period in order to compensate the previous underpayments.

If the amount actually paid to the researcher by the host institution is higher than the one defined in the Grant Agreement and its Annexes, the host institution will have to support the extra costs with its own budget: the allowances reimbursed by the EU will not exceed those defined in the Grant Agreement and its Annexes.

Q17: The employment contract of a recruited researcher is based on a national rule of the host organisation that is setting an amount of allowances different from the one established in the Grant Agreement and its Annexes. Are any adjustments allowed?

A: Underpayments are not allowed. If the researcher has been underpaid a corrective payment is to be made by the host organisation in order to compensate the previous payments.

In the event of a researcher receiving an amount greater than the Marie Curie rates, the host institution will have to support the extra costs with its own budget: the allowances reimbursed by the EU will not exceed those defined in the Grant Agreement and its Annexes.

Q18: With reference to cost category B "Travel allowance", how can the direct distance (as the crow flies) between the location of origin of the researcher and the host institution be demonstrated? Electronic route planners give the distance by car.

A: The distance "as the crow flies" is calculated using the latitude and longitude of the two places and can be checked on various websites such as <http://www.geobytes.com> and <http://www.mapcrow.info>. Be careful when using sites giving travel directions as the distance quoted is normally the distance travelled, not the straight line distance.

Q19: In ITN, under which category can costs incurred by Associated Partners (e.g. costs of consumables in case of secondment of ESRs; travel costs to attend project meetings etc.) be reimbursed?

A: The costs of the Associated Partners will be reimbursed through invoices to the beneficiary. It is at the beneficiaries discretion to use one of the flat rate allowances provided under the cost categories for the benefit of the beneficiary to cover for this expenditure. These costs cannot be charged under category G, management costs, in cases where this cost category is based on declarations of actual expenditure incurred.