



The great challenges for Project Coordinators who manage projects financially

By Veronika Südi

Not only for Project Coordinators

- ▶ Has one of these thoughts crossed your mind?
 - ▶ Why the Organization is in deficit when we have almost 15 EC projects?
 - ▶ Why I cannot buy project needs when my project payment has arrived and it's in the budget?
 - ▶ Why don't we have separate bank account per project?
 - ▶ Why we need co-funding when I make my contribution part?
 - ▶ Why we cannot be registered as employees?



EC Funding/Reporting procedure

Total cost of the project - € 100,000

EU Fund - € 75,000

Missing fund - € 25,000

People Contribution,
but...

- timing
- limitation

Indirect cost, but...

- Usually it's only 7% of the eligible cost
- Real indirect cost 30-35%

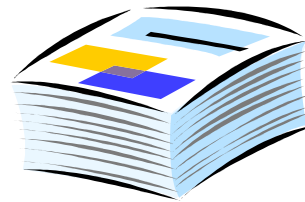


EC Funding/Reporting procedure

Pre-financing for the first 12 months (before the project start date)



Financial report submitted by 13th (14th) month



Next instalment by 15th (16th) month



Project has **NO** funds for 3-4 months



Not only for Project Coordinators

- ▶ So, the answers:
 - ▶ Why the Organization is in deficit when we have almost 15 EU projects? – *projects are not fully funded*
 - ▶ Why I cannot buy project needs when my project payment has arrived and it's in the budget? – *Timing, indirect cost*
 - ▶ Why don't we have separate bank account per project? – *there would be time without any funds*
 - ▶ Why we need co-funding when I make my contribution part? – *limitations*
 - ▶ Why we cannot be registered as employees? – *mission, timing of funds*

Timing \cong Cash-flow



What is the solution then?

Find co-funding!



How?

*As Anna-Maria has explained....or will
explain...or...ask her*



AUDIT – lesson learnt...what is it?

Have written policies!



Financial rules used during a project implementation have to comply with the **general** customs of the beneficiary.



Before becoming a Project Coordinators

▶ Procedure: Preparing a Grant Application

▶ Assign Roles and Responsibilities

- ▶ Innovative
- ▶ Administrative
- ▶ Theoretical background
- ▶ Development of activities, WPs
- ▶ Financial

▶ Budget

- ▶ Requirement of the call
- ▶ In compliance with FWC budgeting rule (20%)
- ▶ Templates
- ▶ Has to be prepared or **approved** by Financial Controller...that would be me



ICT Budget
Template



IPE Budget
Template



LLP Budget
Template



▶ <http://www.futureworlds.eu/wiki/Procedure: Preparing a grant application>

For Project Coordinators - **Contracts**

- ▶ Policy: Signing a Contract with FWC & Legal-financial aspects of work contracts
 - ▶ Documents must be signed:
 - ▶ Declaration of Honour
 - ▶ Nondisclosure Agreement
 - ▶ Confidentiality Agreement
 - ▶ Gentlemen's Agreement
 - ▶ **Employee/Service Contract**
 - ▶ Importance of the contract – personnel cost = directly hired
 - ▶ Productive hours – Employee vs. Self-Employed

For Project Coordinators - **Subcontracting**

- ▶ Policy: Subcontracting
 - ▶ Subcontract vs. Other Cost
 - ▶ Special rules – always check the General Conditions of the Grant Agreement
 - ▶ Tenders – eligibility condition



For Project Coordinators - Replacement

- ▶ Policy: Project Coordinator Replacement
 - ▶ Project Assistant Coordinator – regardless the payroll
 - ▶ Trained by the Project Coordinator
 - ▶ **Contingency Plan!**



-
- ▶ http://www.futureworlds.eu/wiki/Policy: Project_Coordinator_Replacement

For every Associate- **International Travel**

- ▶ Policy/Procedure: International Travel
 - ▶ Distinguish of trips
 - ▶ Project obligation – fully funded
 - ▶ Internal opportunity – up to the project fund
 - ▶ PR/Invitation based - case by case manner
 - ▶ Actual cost vs. Per Diem
 - ▶ Trips are paid by the traveller, FWC **reimburses**
 - ▶ **Purchase air ticket**
 - ▶ Boarding passes, invoices (bank slip is **not** accepted)
 - ▶ Form: Intern_Travel_Claim
 - ▶ Trips reimbursed by 3rd party
 - ▶ Everybody knows?
 - ▶ Local transportation reimbursement



Intern_Travel_Claim

For every Associate- 3rd party payments

- ▶ Policy/Procedure: Payments to 3rd parties
 - ▶ **Check the budget/discuss with the project coordinator/financial controller** before you buy anything! – “*necessary for the project*”
 - ▶ No purchase on credit
 - ▶ Invoice vs. Receipt vs. Bank slip
 - ▶ Always Original
 - ▶ Stamp every invoice
 - ▶ Separated tray per project
 - ▶ Cheque is issued by the Financial Controller....that` me again



For every Associate- 3rd party payments

- ▶ Policy/Procedure: Associate making personal payments to 3rd parties/Reimbursing associates who made personal payments to 3rd parties
 - ▶ **Check the budget/discuss with the project coordinator/financial controller** before you buy anything!
– “*necessary for the project*”
 - ▶ “Paid by...” shall be written on the invoice
 - ▶ Always Original
 - ▶ Stamp every invoice
 - ▶ Separated tray per project
 - ▶ Cheque is issued by the Financial Controller....guess who is it



For every Associate- Laptop

- ▶ Policy/Procedure: Laptop Security/Laptop subsidy
 - ▶ Security is your interest too!
 - ▶ *Physical security*
 - ▶ *Virus*
 - ▶ *Backup*
 - ▶ Subsidy for every Associate
 - ▶ Reality vs. Administration
 - ▶ Laptops charged on projects



For every Associate- **Financial Statement**

- ▶ Policy/Procedure: Yearly Financial Statements/Preparing Yearly Financial Statements
 - ▶ Obligatory by law
 - ▶ For applications to prove financial capability
 - ▶ Deadline of submission
 - ▶ **Challenge:** eligibility condition for grant – being profitable

Any questions?

Nothing? Great...



Have a nice weekend!

