



EM TRAININGS



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Resource Planning and Budgeting in HE Proposals

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Budgeting in Horizon Europe

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EFA

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Basic facts

- **Budget is an estimation** (see H2020 GA Art.4.1, HE GA Art.5.4): you need to try to foresee all costs.
- **Financial Report** can consist of only actual (or unit-based) costs incurred when implementing the project.
- Budgeting and Reporting **will never be exactly the same**: it would actually be quite suspicious...
- However, they should not differ too much. But **how much is too much?**





Planning your project budget

Budgeting at the proposal phase

- The budget is important primarily for you
- The more detailed your estimation is, the easier project implementation will be
- Limited overestimation is suggested (5%)
- Evaluators' perspective on the budget: secondary importance
- Modifications and reallocations are possible during project implementation



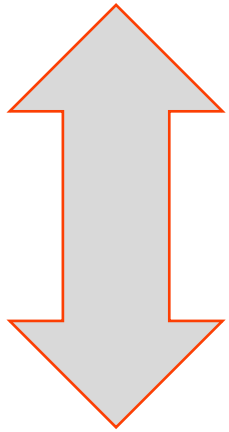
Budget Preparation Process

- Overseen by the **Coordinator**
- **Bottom up** vs. **top-down** approach
- **Asking for initial data**
 - Average monthly salary (per category); number of person-months needed to conclude the planned work in work packages
 - Other financial data or admin/legal data
- **Draft version**
- **Revision**
- **Balancing** (by the Coordinator)
- **Final version**



Budget and Resources

Budget → Part A – 3. Budget



Resources → Part B of the proposal

Section 3.1: Work plan and resources

No	Name of beneficiary	Country	Role	Personnel costs €	Subcontracting costs €	Purchase costs - Travel and subsistence €	Purchase costs - Equipment €	Purchase costs - Other goods, works and services €	Internally invoiced goods and services € (Unit costs-usual accounting practices)	Indirect costs €	Total eligible costs	Funding rate	Maximum EU contribution to eligible costs	Requested EU contribution to eligible costs €	Max grant amount	Income generated by the action	Financial contributions	Own resources	Total estimated income
1	Geo	HU	Coordinator	127,500		15,000		4,000		36625.00	183125.00	100	183125.00	183,125	183125.00				183125.00
2	Iung-pib	PL	Partner	88,000		14,000	2,000	3,000		26750.00	133750.00	100	133750.00	133,750	133750.00				133750.00
3	Greenovate! Europe	BE	Partner	110,000	6,000	13,000		8,000		32750.00	169750.00	100	169750.00	169,750	169750.00				169750.00
4	Circe	ES	Partner	240,000		16,000		5,000		65250.00	326250.00	100	326250.00	326,250	326250.00				326250.00
5	Ministerul Mediului, Apelor Si Padurilor	RO	Partner	77,500		11,000		1,500		22500.00	112500.00	100	112500.00	112,500	112500.00				112500.00
6	Csep	DE	Partner	95,600		10,000		5,500		27775.00	138875.00	100	138875.00	138,875	138875.00				138875.00
7	Cluster Of Bioeconomy And Environment Of Western Macedonia	EL	Partner	126,500		15,000		3,000		36125.00	180625.00	100	180625.00	180,625	180625.00				180625.00
8	Rise	SE	Partner	195,500		14,500		2,750		53187.00	265937.00	100	265937.00	265,937	265937.00				265937.00
9	Institute Of Forestry	RS	Partner	88,540		8,500		4,000		25260.00	126300.00	100	126300.00	126,300	126300.00				126300.00
10	Czech University Of Life Sciences Prague	CZ	Partner	69,800		6,500		25,000		25325.00	126625.00	100	126625.00	126,625	126625.00				126625.00
11	Wr	NL	Partner	136,500		13,000		12,000		40375.00	201875.00	100	201875.00	201,875	201875.00				201875.00
12	Anteja Eeg D.o.o.	SI	Partner	55,000		11,000				16500.00	82500.00	100	82500.00	82,500	82500.00				82500.00
13	Wwf Adria	HR	Partner	70,000		5,500		3,000		19625.00	98125.00	100	98125.00	98,125	98125.00				98125.00
14	Luke - Natural Resources Institute Finland	FI	Partner	80,000	3,000	5,500		6,000		22875.00	117375.00	100	117375.00	117,375	117375.00				117375.00
	TOTAL			1,560,440	9,000	158,500	2,000	82,750	0	450922.00	2263612.00		2263612.00	2,263,612	2263612.00	0	0	0	2263612.00

Table 3.1f: Summary of staff effort

Please indicate the number of person/months over the whole duration of the planned work, for each work package, for each participant. Identify the work-package leader for each WP by showing the relevant person-month figure in bold.

	WPn	WPn+1	WPn+2	Total Person-Months per Participant
Participant Number/Short Name				
Participant Number/Short Name				
Participant Number/Short Name				
Total Person Months				

Table 3.1i: 'Other costs categories' items (e.g. internally invoiced goods and services)

Please complete the table below for each participants that would like to declare costs under other costs categories (e.g. internally invoiced goods and services), irrespective of the percentage of personnel costs.

Participant Number/Short Name		
	Cost (€)	Justification
Internally invoiced goods and services		
...		

Table 3.1g: 'Subcontracting costs' items

For each participant describe and justify the tasks to be subcontracted (please note that core tasks of the project should not be sub-contracted).

Participant Number/Short Name		
	Cost (€)	Description of tasks and justification
Subcontracting		

Table 3.1h: 'Purchase costs' items (travel and subsistence, equipment and other goods, works and services)

Please complete the table below for each participant if the purchase costs (i.e. the sum of the costs for 'travel and subsistence', 'equipment', and 'other goods, works and services') exceeds 15% of the personnel costs for that participant (according to the budget table in proposal part A). The record must list cost items in order of costs and starting with the largest cost item, up to the level that the remaining costs are below 15% of personnel costs.

Participant Number/Short Name		
	Cost (€)	Justification
Travel and subsistence		
Equipment		
Other goods, works and services		
Remaining purchase costs (<15% of pers. Costs)		
Total		

Table 3.1f: Summary of staff effort

Participant no./ short name	WP1	WP2	WP3	WP4	WP5	WP6	WP7	Total PMs per Part.
1 /GEO	15	4	7,5	10	6	6	7,5	56
2/ IUNG	1,5	8	6,5	2,5	6	6	3,5	34
3/ G!E	1,5	0,5	3	3	2,5	1	14	25,5
4 /CIRCE	1,5	1,5	0	2	23	2,5	2	32,5
5/ CSCP	1,5	1,5	24	2	6	6,5	3	44,5
6 /CLuBE	1	4	11	2,5	6	6,5	3,5	34,5
7/ RISE	1	0	0	3	13	3	1,5	21,5
8/ IOF	1	4	7,5	2,5	6	6	3	30
9/ ULS	1,5	4	7,5	2,5	6	16	3,5	41
10/ WR	1,5	1,5	0	2	23	2,5	2	32,5
11/ AECG	1	4	7,5	7,5	6	6	3	35
12/ WWF	1	4	5,5	2,5	6	5	5,5	29,5
13/ LUKE	1	1,5	0	2	5	17	1,5	28
14 /BEC	1	4	7,5	8,5	6	6	3	36
15 / EFA	1	4	7,5	2,5	6	6	3	30
16/ AIRAF	1	4	7,5	2,5	6	6	3	30
17 /BOKU	3,5	7	0	3,5	3	2,5	1,5	21
Total Person Months	36	56	102,5	71,5	116,5	104,5	63,5	550,5

Table 3.1h: 'Purchase costs' items (travel and subsistence, equipment and other goods, works and services)

Participant number/shortname		
2/IUNG	Cost (€)	Justification
Travel and subsistence	13,600	Travel to 6 project meetings and site-visit event, and attendance of 2 regional co-creation events (table 1), dissemination event travel
Other g., w/services	23,500	Hosting project meeting in Warsaw, hosting 3 local events for the NBHs (series of workshops in table1), audit cost, translation (e-learning, self-assessment tool), dissemination materials, 1 video of local events, participation of external events, publications
Total	37,100	
9/ULS	Cost (€)	Justification
Travel and sub.	13,000	Travel to 6 project meetings and site-visit event, and attendance of 3 co-creation events (table 1), dissemination event travel
Other g., w/services	23,500	Hosting project meeting in Prague, hosting 3 local events for the NBHs (series of workshops in table1), audit cost, translation (e-learning, self-assessment tool), dissemination materials, 1 video of local events, participation of external events, publications
Total	36,500	
3/G!E	Cost (€)	Justification
Travel and sub.	11,800	Attendance to 6 project meetings, dissemination event travel (WP7 leader)
Other g., w/services	32,000	Hosting final project event, audit cost, postal costs, and creation of dissemination material, 1 project video, participation in external events
Total	43,800	
4/CIRCE	Cost (€)	Justification
Travel and sub.	13200	Attendance to 7 project meetings.
Other g., w/services	9000	Creation of self-assessment app, dissemination material and participation in external events
Total	22,200	

Personnel costs

- Personnel costs are calculated based on the person-months (staff effort) table
- Person-months x Average (weighted) PM rate* = Personnel costs
- One person-month is generally 21 working days, 8 hours/day when estimating the budget (140-160 hours)

* Basic salary plus all mandatory charges and taxes (gross gross salary)



Person months

Partner/WPs	Partner 1	Partner 2	Partner 3	Partner 4	Partner 5	Partner 6	Partner 7	Partner 8	Partner 9	Partner 10	Partner 11	TOTAL
Work Package 1 Management and coordination	4	3,5	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	11,1
Task 1.1 Monitoring implementation	3	0,5	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	10,16%
Task 1.2 Financial, admin and technical coord	0,5	2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2	
Task 1.3 Quality assurance	0,5											
Task 1.4 IPR Management		0,5										
Task 1.5 Gender strategy		0,5										
Work Package 2 Analysis of animal health and food security research	0,4	0	3	1,5	0,3	0,3	0,3	0,3	1,1	0	0,6	7,8
Task 2.1 Prioritization			0,5	0,5		0,1		0,1	0,3		0,2	7,14%
Task 2.2 Joint action area			0,5	0,5	0,1		0,1		0,3		0,2	
Task 2.3 Research competences and infrastr	0,2		0,5			0,1		0,1	0,3		0,2	
Task 2.4 Support mechanism			0,5		0,1		0,1		0,1			
Task 2.5 Identify gaps	0,2		1	0,5	0,1	0,1	0,1	0,1	0,1			
Work Package 3 Epidemiology	2	0	2,5	4	1,5	1,5	2,5	3	1,5	0	1,5	20
Task 3.1 Coordination meetings	1,5		0,5	1	0,5	0,5	0,5	0,5	0,5		0,5	18,32%
Task 3.2 Workshops			1	1	0,5	0,5	0,5	1	0,5		0,5	
Task 3.3 Field epidemiology training	0,5		0,5	0,5			0,5	0,5				
Task 3.4 Analytical epid training			0,5	1			0,5	0,5				
Task 3.5 Twinning projects				0,5	0,5	0,5	0,5	0,5	0,5		0,5	
Work Package 4 Laboratories	2	0	2,5	1,5	3	2,6	4	1,3	1	0	1	18,85
Task 4.1 Establish network	0,5		0,5	0,5	0,5	0,5	1	0,3	0,5		0,5	17,26%
Task 4.2 Diagnostic technologies			0,5	0,5	1	0,55	1	0,5				
Task 4.3 Joint research laboratories	0,5		0,5		0,5	0,5	1				0,5	
Task 4.4 Joint application	0,5		0,5	0,5	0,5	0,5	0,5		0,5			
Task 4.5 Industry meeting	0,5		0,5		0,5	0,5	0,5	0,5				
Work Package 5 Supporting Policy dialogue	1,5	0	0,5	1	0,5	1,5	0,8	0	0	3	0	8,8
Task 5.1 Supporting policy dialogue	1		0,25	0,5	0,5	1	0,3			2		8,06%
Task 5.2 Policy events	0,5		0,25	0,5		0,5	0,5			1		
Work Package 6 Platform development	0,5	4	0,5	0,5	0,5	0,75	0	0,5	0	2,6	0,5	10,35
Task 6.1 Content development	0,5	0,5	0,5	0,5	0,5	0,25		0,25		1,1	0,25	9,48%
Task 6.2 Technical development		3										
Task 6.3 Translation						0,25		0,25		1,5	0,25	
Task 6.4 Monitoring participation		0,5				0,25						

Purchase costs

- Go through the WP descriptions one by one to identify all of the specific cost items
- **Travel** costs (consider the number of travels, number of people to travel, destinations and means of travel)
- Durable **equipment** (date of purchase, depreciation, usage rate)
- **Consumables** (directly linked to the project)
- **Other** costs (e.g. conference room rental, translation, CFS*)

*Certificate on Financial Statement if total requested EU contribution exceeds €430K



Typical problems

- Wrong **PM rate** (too high / too low)
- Partner budgets **artificially balanced** (*inappropriate resource allocation*)
- PM distribution vs. task allocation (**responsibilities**) not clear
- **Forgotten** cost items
- No **management** effort allocated to partners
- No **dissemination, communication & exploitation** effort allocated to partners



Lump sum projects

Lump sum – budget table



Project: [insert number] — [insert acronym] — [insert call identifier]

EU Grants: [JUST/REC Lump Sum MGA — Multi & Mono]: V1.0 – 01.06.2021

ANNEX 2

ESTIMATED BUDGET

ANNEX 2 XXX LUMP SUM MGA — MULTI & MONO

ESTIMATED BUDGET (LUMP SUM BREAKDOWN) FOR THE ACTION

Estimated EU contribution											
Estimated eligible lump sum contributions (per work package)											Maximum grant amount ¹
WP1 (name)	WP2 (name)	WP3 (name)	WP4 (name)	WP5 (name)	WP6 (name)	WP7 (name)	WP8 (name)	WP9 (name)	WP10 (name)	WP DXX	
/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	/Lump sum contribution / Financing not linked to costs /	
a	b	c	d	e	f	g	h	i	j	k	$l = a + b + c + d + e + f + g + h + i + j + k$
1 – [short name beneficiary]											
1.1 – [short name affiliated entity]											
2 – [short name beneficiary]											
2.1 – [short name affiliated entity]											
X – [short name associated partner]											
Total consortium											



[insert programme name (acronym)]

Model Grant Agreement

Lump Sum Grants

([JUST/REC Lump Sum MGA— Multi & Mono])

Version 1.0
01 June 2021

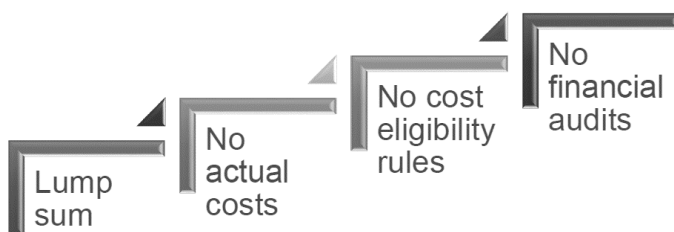
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This document is aimed at assisting applicants. It shows the full range of provisions that may be applied to this type of agreement, and is provided for information purposes only. The legally binding agreement will be that which is signed by the parties in the system.



Lump sum - Budgeting

Good to know:

- The GA will set out the lump sum (EU funding) corresponding to the full accomplishment of the work committed in Annex 1.
- This amount set for the WP is paid when the activities in the WP are completed;



The screenshot shows an Excel spreadsheet with the following content:

- Title Bar:** detailed-budget-table_he-ls-euratom_en
- Formulas Bar:** J16
- Header:** EUROPEAN COMMISSION, DIRECTORATE-GENERAL FOR RESEARCH & INNOVATION, Annex: detailed estimation of costs for Lump Sum funding
- Section 6: Instructions**
 - Buttons: "Go to Beneficiaries and Affiliated Entities list", "Go to Work packages list"
 - Text: "This workbook enables you to present the detailed estimation of costs of your lump sum project and to calculate the lump sum breakdown per work package and per category. It must be uploaded as an additional document at 'Fill in proposal' step of proposal submission. This is mandatory. Please note that if you do not upload the Excel workbook, the proposal submission will be blocked."
 - Text: "According to the lump sum scheme, the lump sum share for a Work Package (WP) will be paid only when the entire Work Package has been completed. Please take it into consideration while structuring your proposal. Work Packages should be designed in a way that enables to clearly identify whether the action has been completed."
 - Text: "We recommend using Excel 2010 or more recent."
 - Text: "The only currency used in this workbook is EURO."
 - Text: "Enter only round numbers in this workbook."
 - Text: "You have to fill in only the following sheets: 'BE list' - 'WP list' - 'BEX' (one sheet for each Beneficiary) - 'Depreciation costs' (if any) and the column D 'requested grant amount' of the 'Budget for proposal sheet'."
 - Text: "The appropriate number of individual Beneficiary sheets ('BEX') will be automatically generated with data from the 'BE list' and 'WP list' sheets."
 - Text: "You will have to fill in the 'Budget for the proposal' table in the Part A form of the proposal submission tool, entering the requested EU contribution for each participant. We advise you to fill this Part A budget table column using the totals in the beneficiaries columns of the 'Lump sum breakdown' table in this Excel workbook."
 - Text: "The format of this Excel workbook is .xlsm because it uses macros to generate automatically some data. Always save it as .xlsm. However, this format cannot be uploaded to the submission system for security reasons. So please also save a copy as an .xlsx or .xls document (and not as .xlsm) and upload it to the proposal submission tool, at Step 5 of the submission process. Always keep a copy of the original .xlsm file."
 - Text: "To save the workbook as .xlsx document, in Excel click on 'File' and then 'Save as'; in the 'Save as' dialog box, choose '.xlsx' or '.xls' from the 'Save as type' dropdown list."
- Section 16: GENERAL INSTRUCTIONS**
 - Text: "In the 'BE list', you can add as many Beneficiaries and as many Affiliated Entities as you need. To add Beneficiaries, click on the 'Add BE' button; to add an Affiliated Entities, click on the 'Add AE' button next to the Beneficiary the Affiliated Entity is linked with."
 - Text: "For each Beneficiary and each Affiliated Entity, you must choose the appropriate country and funding rate in the drop-down menus. For RIA and CSA topics, the funding rate is always 100%. For IA topics, the funding rate is 70% (except for non-profit legal entities, where a rate of up to 100% applies). For more information on the funding rate, please refer to your topic description on the Funding & Tenders Portal. The funding rate is automatically applied where needed (i.e. in the sheet 'BE-WP Overview' but not in the individual 'BEX' sheets)."
 - Text: "Once you have completed the 'BE list' sheet, you must click the 'Apply changes' button to generate the related sheets in the Excel workbook."
 - Text: "You can delete a Beneficiary or Affiliated Entity by simply removing the content of the line and leaving it blank. Once your changes are done, you have to click the 'Apply changes' button. Be aware that you cannot delete the first Beneficiary of the list. If you delete a Beneficiary from the 'BE list', the BE sheet of this Beneficiary will be saved as a backup only. This sheet will be excluded from the calculation. Please do not forget to also delete the Affiliated Entities linked to this Beneficiary. If you delete an Affiliated Entity, the data of this Affiliated Entity will not be saved as a backup."
- Section 17: WP LIST**
 - Text: "In the 'WP list', you can add as many Work Packages as you need. To add Work Packages, click the 'Add WP' button. Once you have completed the 'WP list' sheet, you must click the 'Apply changes' button."
 - Text: "You can delete a Work Package by simply removing the content of the line and leaving it blank. Once your changes are done, you have to click the 'Apply changes' button."

The bottom of the spreadsheet shows a navigation bar with tabs: Instructions, BE list, WP list, Lump sum breakdown, Summary per WP, BE1, BE-WP person months, Depreciation costs, Any comments.

Tips

- **Be aware** of the financial rules before submitting a proposal
- Budget your expenses **properly** – do not overbudget, but keep some spare money...
- Try to **foresee** all costs, but leave yourself room for manoeuvres
- Always consider **value-for-money**
- Choose your personnel cost calculation method **wisely**
- **Identify** all direct costs
- And, keep learning by taking part in our finance courses!

Thank
you

for your attention

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