



# Management reporting of action grants

## SOCPL – Kick Off Meeting

DG Employment Social affairs and inclusion

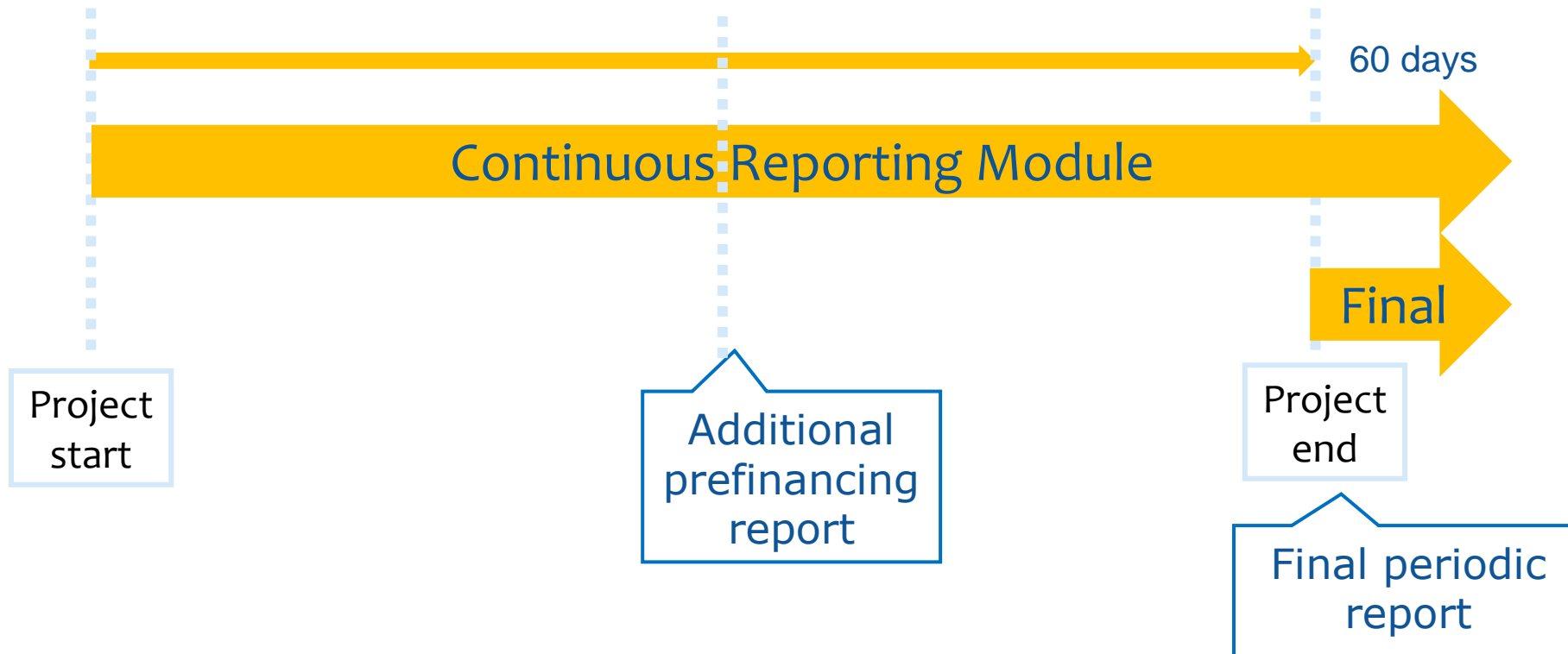
Unit EMPL G4 Financial Management and Procurement Center

*24 October 2023*

# Reporting When?

Art 21 of the GA:

- 2 or more reporting periods (additional prefinancing(s) + final)
- 2 reporting modules (continuous reporting and periodic reporting)



# Reporting : What?

- **Continuous reporting**

- **Submit Deliverables** (as described in DoA)
- Indicate progress in achieving milestones
- Updates to communication and dissemination activities
- Response to critical risks

- **Additional prefinancing report**

#### Technical report

- Part A: continuous reporting
- Part B: technical report

#### Financial report

- Statement on the use of the previous prefinancing payment (including consumption table)

- **Final periodic report**

#### Technical report

- Part A: continuous reporting
- Part B: technical report

#### Financial report

- Individual financial statements
- Certificate on the financial statements

# Reports & payment requests

The project coordinator receives:

- **a first pre-financing payment** after the signature of the Grant Agreement → 30 days from entry into force
- **an additional pre-financing payment** after the first reporting period following the request for pre-financing
- **the payment of the balance (final payment)** after the end of the second reporting period, following the request for Final payment

→ *Amounts and timelines are defined in the Grant Agreement (point 4.2 Data Sheet) and showed in the E-grants portal*

# Only eligible costs

## Art. 6 Grant Agreement

- Actually incurred by the beneficiary
- Incurred during the project lifetime
- Incurred in connection with the action
- Identifiable and verifiable
- Comply with national law
- Reasonable, justified and compliant with sound financial management (economy and efficiency)

# Art 6.2.A - Personnel Costs

Salaries  
+ social charges  
+ taxes and other costs (see art. 6)

days spent for the project for the year  
recorded in the **timesheets**

annual costs of the employee

215 days

×

number of actual days  
worked for the action

Gather complete documents from the beginning:  
Timesheets – indication of the WPs  
Salary documents

Specific cases (eg: supplementary hours; part time please refer to [article 6.2 of the Annotated Grant Agreement](#))

# What is 'human effort' (person-months) and how to calculate it

## WHY IS IT SO IMPORTANT?

An estimate of 'human effort' is necessary to evaluate the relationship between the estimated work to be performed and the scale, type and number of activities and deliverables to be achieved during the implementation period. At reporting stage this estimate should reflect the actual time spent per work package

NB: Staff costs must correspond to normal salary rates (documented by salary grids, long-term work contracts, etc.) and cannot significantly exceed the rates generally applicable in the relevant geographical area and for the staff profiles in question (as required for the project).

# What is 'human effort' (person-months) and how to calculate it

## HOW IS IT CALCULATED?

The estimated human effort by work package in Part B can be calculated as follows (**indicative method**): if 1 year = 215 (working) days, then 1 month =  $215/12 = 17.91$  (working) days. So, 24 full working days for one person would be 1.34 person-months.

To calculate the total person-months, multiply the proportion of your effort associated with the project by the number of months of the appointment.



# Art 6.2.B - Subcontracting

- Eligibility conditions:
  - Art 6,1 (incurred during action duration, necessary to implementation..)
  - Be based either on best value for money or if appropriate the lowest price and
  - Not be subject to conflict of interest

# Art 6.2.B - Subcontracting

## Subcontractors vs suppliers of goods, works and services

The core criterion for distinguishing between subcontracts and contracts/purchases is whether they concern action tasks as set out in the description of the action (DoA Annex 1 of the Grant Agreement).

Subcontracts	Purchases
Subcontracts concern the implementation of 'action tasks' described in Annex 1 DoA.	Purchases concern any other contracting cost (travel, equipment, goods, works and services) that are necessary for the beneficiaries to implement the work (can range from big equipment to petty goods) but do not constitute by themselves an action task described in Annex 1 DoA.
The price for the subcontracts will be declared as 'Subcontracting costs' in the financial statement.	The price for these contracts will be declared in one of the 'Purchase costs' columns in the financial statement.

**Example (subcontracts):** Subcontract to organise a conference that is set as part of the tasks in the Annex 1 DoA.

**Example (purchases):** Contract for an audit certificate on the financial statements; contract for the translation of documents; contract for the publication of brochures; contract for the creation of a website that enables the beneficiaries to work together (if creating the website is just a project management tool and not a separate subcontracted 'action task'); contract for organisation of the rooms and catering for a meeting (if the organisation of the meeting is not a separate subcontracted 'action task'); contract for hiring IPR consultants/agents needed for the project.

# Travel and subsistence, equipment & other goods, works and services

**AGA - Art 6.C.1, C.2, C.3**

## Travel, accommodation and subsistence costs

- Linked to the project activities
- Unit costs in accordance with method set out in annex 2 of the GA and [Commission decision C2021\)35 final](#) and [Amendment Commission Decision C\(2023\)4928](#)

## Equipment

- Equipment - only depreciation costs are eligible

## Other goods, works and services

- Costs of renting and leasing equipment – eligible, if they do not exceed the depreciation costs of similar equipment

# Travel, accommodation and subsistence – unit costs

- The use of unit costs covering travel and subsistence costs is compulsory except for travels to countries not indicated in the decision. In this case, the actual costs approach is to be retained.
- The subsistence allowance (formerly named "daily allowance") is meant to cover living expenses during a participant's travel. The subsistence allowance covers in particular breakfast, lunch and dinner, transport of less than 50 km and other expenditure, except for the accommodation.
- A subsistence allowance is paid on the basis of a **unit cost per participant per day, whether the participant has been travelling or not**
- Catering costs under C.3 are therefore ineligible.

# Unit costs for travels

1. *travel only by air ( $\geq 400\text{Km}$ )*

**OR**

1. *travel only by rail ( $\geq 400\text{Km}$ )*

**OR**

1. *travel combining air and rail*

Apply 1 **unit cost per distance band** (point 5.1)

2. *travel only by land  
(between 50 and 399km)*

➤ **intra-Member State travel**

Apply 1 unit cost per Member State (point 5.2)

➤ **inter-Member State travel**

Apply 1 unit cost between two MS (point 5.3)

# Transfer between budget categories (art 5.5)

- The budget breakdown may be adjusted — without an amendment— by transfers (between participants and budget categories),
- as long as this does not imply any **substantive or important change** to the description of the action in Annex 1.
- Exception: Addition of amounts for subcontracts not provided for in Annex 1 either require an amendment or simplified approval in accordance with Article 6.
- Always consult the Project Officer about the budget transfers that you want to apply.

# Most frequent errors

- Staff costs / effort wrongly calculated
- Lack of supporting documents (e.g. timesheets, contracts)
- Claimed costs do not match supporting documents
- Claimed costs are not incurred by the beneficiaries and cannot be traced in their accounting records
- Costs claimed for activities outside eligibility period
- Costs claimed for activities carried out in non-eligible countries
- Costs claimed are not linked to the project's activities
- Costs already covered by indirect costs (e.g. general running costs)
- No mentioning of EU emblem

# Certificate on Financial Statements (CFS)

## art. 24.2 GA

### At beneficiary level, if

1. For Requested contribution > 325.000 EUR
2. To be provided by an independent qualified auditor
3. [Certificate template](#) available on the Participant Portal (including Terms of Reference part)



# Checks, reviews and audits – art. 25 GA

- Checks: the Commission may check supporting documents.
- Reviews: on-the-spot visits.
- Audits: up to 5 years after payment of the balance.

**Keep supporting documentation for up to five years after payment of the balance (art. 13 GA)**

# Reporting How?

- Continuous reporting
- Additional prefinancing report
- Final periodic report

Electronic  
submission via the  
F&T Portal

[Manage your grant - IT How To - Funding Tenders Opportunities \(europa.eu\)](https://europea.eu)

# Continuous reporting

The screenshot displays the 'RESEARCH & INNOVATION Grant Management Services' interface. At the top, the European Commission logo is on the left, and the user 'Natalia MEREANU' is on the right. A 'Help' dropdown menu is also present.

The main content area is divided into several sections:

- MY PROJECT:** A sidebar on the left containing project details:
  - Call: JUST-JACC-AG-2017
  - Type of Action: JUST-AG
  - Acronym: Project 1
  - Current Phase: Grant Management
  - Number: Project 1
  - Duration: 24 months
  - GA based on the: JUST/REC MGA — Multi - 2.0
  - Start Date: 01 Oct 2018
  - Estimated Project Cost: €279,928.48
  - Requested EU Contribution: €209,360.25
  - Contact: Natalia MEREANU
- Continuous Reporting:** A central section with a progress bar for 'Project 1' showing a timeline from 'Started' (01 Oct 2018) to 'Completed'. Below it are links for 'Continuous reporting data', 'Process documents', 'Process communications', and 'Process history'.
- Project Summary:** A detailed view of the project, including a 'JUSTICE AMBIT EUROPE' logo and a table of metrics:

Project Summary	Beneficiaries	General Information	Reporting Periods	GA Information	GA Options	Financial Information	LF Overview	Work Packages	Deliverables	Milestones	Reviews	Critical Risks
Project 1	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
- Communication Centre:** A section for informal messages between beneficiaries and the EU. It includes a search bar and a list of messages:

From	Subject	Date
Coordinator	Request from IRSE-EBI Dear [redacted], Project expenses must be reasonable &...	12 Mar
EU	Submission of pending deliverables Dear Ms. Mereanu, Thank you so very much for your q...	14 Feb
EU	Acknowledgement of EU funding Dear project coordinator, Please see the attachmen...	04 Oct 2018
Coordinator	Part B   Effort   GAP Thank you [redacted] for keeping us updated! Wish you ...	17 Sep 2018
- Proposal Management & Grant Preparation:** A section showing a timeline from 'Submitted' (12 Oct 2017) to 'Paid'. It also includes links for 'Process documents', 'Process communications', and 'Process history'.

At the bottom left, there are links for 'H2020 ONLINE MANUAL' and 'HOW TO'. The European Commission logo is in the bottom right corner.

# Continuous reporting

to be submitted as they are available

open from the date of entry into force of the GA data

**Public!**

**Do not forget!**

10104E [REDACTED] SOCPL-PJG	Project Summary	Deliverables	Milestones	Critical Risks	Disseminat... activities	Communic... Activities	Events and Trainings	Financial support to 3rd parties
Call: SOCPL-2021-INFO-WK Topic: SOCPL-2021-INFO-WK								

# Some links – Continuous Reporting

- [Continuous Reporting - IT How To - Funding Tenders Opportunities \(europa.eu\)](#)
- [Completing the Project Summary](#)
- [Completing the Deliverables - IT How To - Funding Tenders Opportunities \(europa.eu\)](#)
- [Completing the Milestones](#)
- [Completing the Critical Risks - IT How To - Funding Tenders Opportunities \(europa.eu\)](#)
- [Completing the Dissemination Activities](#)
- [Completing the Communication Activities](#)
- [Completing the Events and Trainings](#)

# Periodic Report for the "Request for Additional Prefinancing"

- **Technical part:** structured info with project information (retrieved from the Grant Management System) + the narrative part - requires the participants to report on differences (delays, work not implemented, new subcontracts, budget overruns etc.) It must be uploaded as [PDF document](#).
- **Financial Part:** To include info in the system on the consumed amount of the previous pre-financing (no template).

The system will automatically calculate the percentage of consumption of the previous pre-financing and the possible reduction for the next pre-financing payment (in case less than 70% of the previous pre-financing amount was used)

*As supporting document to the request for pre-financing → **short table including the costs incurred** during the 1st periodic report (send via the external communication tool)*

228433 (228433 AMBROMV ..) ERASMUS-OG

Request for prefinancing

Period No: 1 Duration (months): 9  
Reporting Period : [28 Oct 2018 - 27 Jul 2019]



Request for Prefinancing

SAVE

Current prefinancing

Requested amount: 10.00 €

Previous prefinancing

Previous period prefinancing amount: 30.00 €

Consumption (amount):

Consumption (percentage): 6.67 %

Validate

# Some links - Request for Additional Prefinancing

- [Reporting process — Request for Additional Prefinancing - IT How To - Funding Tenders Opportunities \(europa.eu\)](#)
- [How to complete your technical part of the periodic report - IT How To - Funding Tenders Opportunities \(europa.eu\)](#)
- [Reporting process — general](#)
- [Grant management services system](#)
- [periodic-report\\_esf-socpl\\_en.pdf \(europa.eu\)](#)



# Periodic Report for the "Request for Final Payment"

- The periodic report consists of two parts:
  - 1) the **Technical Report**
  - 2) the **Financial Report**
- The **Technical Report** is itself also divided in two parts, Parts A and B:
  - **Part A** → contains the structured tables with project information (retrieved from the Grant Management System).
  - **Part B** → the narrative part: includes explanations of the work carried out by the beneficiaries during the reporting period. It requires the participants to report on differences (delays, work not implemented, new subcontracts, budget overruns etc.). It must be uploaded as PDF document.

# Main steps for submitting the Request for Final Payment

- ✓ Information in the **Continuous Reporting Module is updated** (Coordinator/consortium task)
  - ✓ **Financial Statements for each participant** are completed (beneficiary task)
  - ✓ **Part B** of the technical Report (as a single PDF) is uploaded (Coordinator/consortium task)
  - ✓ **Parts A and B** are ready to submit, Technical Report can be **finalised by the Coordinator**
  - ✓ **The Coordinator approves/reviews Partners' financial reports**
  - ✓ **Submit the report to the EC:** the Coordinator must submit all parts of the periodic report together (all the individual Financial Statements and Part B of the Technical Report). The system will automatically generate the report with explanations of the use of resources and the periodic Summary Financial Statements, which includes the request for payment.
- **EU assessment, and if the request is accepted:** → **Payment is processed within 90 days** of receipt of the periodic report. IT completes the reporting process.

# Final report – Technical Report

Project Periodic Report

Project Summary	Deliverables	Milestones	Critical Risks	Disseminati... Activities	Events and Trainings	Communic... Activities	Tech. Report (Part B)	Financial Statements	Financial support to 3rd parties	Documents
✓	i	i	✓	✓	✓	✓	i	i	✓	i

Attachment	Actions	Template
Explanation of the work - Overview of progress	<a href="#">View File</a>	

2. Upload in PDF format.

1. Download the Templates

If corrections are necessary after upload:

1	Explanation of the work - Overview of progress	<a href="#">View File</a>	<a href="#">Remove File</a>
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# Use of resources (only in the Final Reporting)





Personnel costs: persons / month per WP

Subcontracting: details for each subcontract, name, cost, type of service

Travel costs and Subsistence costs (B1+B2) and Other direct costs (E):

- If costs are  $\leq 15\%$  of the personnel costs you do not need to detail them
- If costs are  $> 15\%$  of the personnel costs you must detail major cost items, apart from those that add up to less than  $15\%$  of your personnel costs
- The system calculates and displays the amount to be justified
- Major cost items  $\rightarrow$  start with the most expensive cost items
- If no personnel costs, details for all costs

# Financial Statement – Complete data

Financial Statement		
Period	Adjustment	Requested Contribution
01 Jan 2017 - 31 Dec 2018 (Period No. 1)	No	609,414.77 €
Financial Statement for period '1' - (01 Jan 2017 - 31 Dec 2018)		
Eligible costs: <a href="#">i</a>		
Cost Category	Total	Actions
a) Direct personnel costs declared as actual costs	503,204.77 €	
b1) Direct travel costs	51,548.48 €	
b2) Direct subsistence costs	29,731.07 €	
c) Direct costs of subcontracting	<u>3,900.00 €</u>	
e) Other direct costs	123,548.82 €	
f) Indirect costs ( = 0.07 * (a + b1 + b2 + c + e))	49,835.32 €	
g) Total costs ( = a + b1 + b2 + c + e + f)	761,768.46 €	
h) Income generated by the action	0.00 €	
i) Financial contributions given by third parties to the beneficiaries	0.00 €	
j) Receipts ( = h + i)	0.00 €	
l) Maximum EU contribution ( = 80% * g)	609,414.77 €	
m) Requested EU contribution	609,414.77 €	
z) Requested EU contribution eligible for CFS	569,546.51 €	

Do not forget!

# Financial Statement – Check Data

## Validation report

**Validation Report**

- Expand All Collapse All
- Partner Normal Financial Statement
  - Cost Break Down
    - Cost Cell (Direct costs of subcontracting TOTAL)
      - Use of Resources
        - Direct costs of providing financial support to third parties (1)
          - Missing information for Description
    - Cost Cell (Direct costs of providing financial support to third parties TOTAL)
      - Use of Resources
        - Direct costs of providing financial support to third parties (1)
          - Missing information for Description
    - Cost Cell (Other direct costs TOTAL)
      - Use of Resources
        - Explanation of major cost items (1)
          - Missing information for Associated Work Package

PDF Download Report

Cost Category	Total	Actions
a) Direct personnel	00 €	[R]
b) Direct personnel	00 €	[R]
c) Direct personnel <ul style="list-style-type: none"><li>c1) SME owner</li></ul>	00 €	
d) Direct costs of	00 €	
e) Direct costs of	00 €	
f) Other direct costs	25,000.00 €	[R]
h) Indirect costs (= 0.25 * (a + b + c + f - o))	36,250.00 €	
j) Total costs (= a + b + c + d + e + f + h)	181,250.00 €	
k) Receipts	0.00 €	
m) Maximum EU contribution (100%)	181,250.00 €	
n) Requested EU contribution	111,250.00 €	[P]

Additional Information for indirect costs:  
Use of 'costs of in-kind contributions not used on premises?' (o)  Yes  No

SAVE 1

Validate 2

# Financial Statement – Lock for review

Periodic Reporting  
REP-781643-1 - period  
07/2015 > 03/2016

04 Mar 2016 03 May 2016 (19/60 days)

Draft Submitted Paid

Financial Statement shortname for 966984368 [PIC 966984368] drafting **Lock for review**

Periodic Report 1 composition **Submit to EU**

Process specific documents

Process specific communications

Task to be performed by each beneficiary

Periodic Reporting  
REP-781643-1 - period  
07/2015 > 03/2016

04 Mar 2016 03 May 2016 (19/60 days)

Draft Submitted Paid

Financial Statement shortname for 966984368 [PIC 966984368] signature and submission to coordinator **Unlock to draft** **Sign & Submit**

Financial Statement shortname for 966984368 [PIC 966984368]

PR\_FINANCIAL\_STATEMENT\_PARTNER\_966984368\_1

Progress status for this type of task:

shor...84368

Periodic Report 1 composition **Submit to EU**

Process specific documents

Process specific communications

This action will freeze the data (prevent changes) and generate a PDF document.

# Financial Statement – Sign & Submit

**Periodic Reporting**  
REP-781643-1 - period  
07/2015 > 03/2016

04 Mar 2016  
Draft

03 May 2016  
(19/60 days)  
Submitted

Paid

Financial Statement shortname for 966984368[PIC 966984368] signature and submission to coordinator

**Unlock to draft** **Sign & Submit**

Financial Statement shortname for 966984368[PIC 966984368]

PR\_FINANCIAL\_STATEMENT\_PARTNER\_966984368\_1

Progress status for this type of task:

shor...84368

Periodic Report 1 composition

**Process specific documents**

**Process specific communications**

**Please confirm**

The beneficiary hereby confirms that:

- The information provided is complete, reliable and true.
- The costs declared are eligible (see Article 6).
- The costs can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 17, 18 and 22).
- For the last reporting period: that all the receipts have been declared (see Article 5.3.3).

Ok Cancel

Task to be performed by PFSIGN of each beneficiary

The Project Financial Signatory is invited to electronically sign the financial report and submit it to the Coordinator who may on his turn include it in the periodic report.



# Financial Statement – Submit to EU

The screenshot shows the 'Periodic Reporting' interface for project REP-781643-1, covering the period from 07/2015 to 03/2016. A progress bar indicates the current status: 'Draft' (04 Mar 2016), 'Submitted' (03 May 2016, 19/60 days), and 'Paid'. Below the progress bar, a document icon labeled 'Periodic Report 1 composition' is highlighted with a green box, and a yellow 'Submit to EU' button is visible to its right. The interface also includes sections for 'Process specific documents' and 'Process specific communications'.

Coordinator  
submits to EU

The screenshot shows a confirmation dialog box titled 'Periodic Report 1 project No 781643'. The message reads: 'You are about to submit the periodic report to the EU. Press submit to EU to proceed.' Below the message, there is a checked checkbox labeled 'I agree with the conditions' and a yellow 'Submit to EU' button.

Once the elements of the Periodic Report are approved by the Coordinator, the Periodic Report can be submitted to the EU Services in one single submission

Only users with the role Primary Coordinator Contact or Coordinator Contact can perform this action.

# Some links - Periodic Reporting – Request for Final Payment

[How to complete your financial statement](#)

[How to complete your technical part of the periodic report](#)

[Reporting process — general](#)

[Grant management services system](#)

# EC tasks

- Assess final reports (technical and financial)
- Accept/re-open or reject deliverables
- May ask for additional information (payment delay stopped)
- Calculate final balance – payment or recovery (part of) pre-financing

# Amendments : General conditions

## WHO?

- Project coordinator **(PLSIGN)** on behalf of the Consortium
- The Commission

## WHEN?

- **45 days** before the end of the project
- The AMD **should be signed** by both parties before the end of the project

## HOW?

- In the electronic exchange system F&TP
- Sign, submit, countersign electronically

# When is an amendment necessary?

**Article 39.1 GA → Conditions:** The Agreement may be amended, **unless** the amendment entails changes which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants;

**Withdrawal/termination, addition, replacement of a beneficiary (or COO)**

**Change in work packages and deliverables\***

**Change of bank account**

**Change to budget categories with lump sum (travel and subsistence)**

**Extension of action's duration**

**! The AMD should be signed before the actual end date**

**Additional substantial subcontracting**

See also GA art 6.2 B

\* Any ongoing AMD provides the opportunity to check and update the dissemination level of deliverables (from PU to SEN, etc.)

# When is an amendment **NOT** necessary?

Change of address of a beneficiary

Change in the name of the bank or in the address of the branch where the coordinator has an account

Change of VAT number

Delays of 1-3 M in submission of deliverables

Changes in the core staff mentioned in Annex 1/Part B (notify PO instead)

Transfer between budget categories that not imply any substantive or important change to the description of the action in Annex 1.

# Some links - Amendments

- [How to launch an amendment](#)
- [How to prepare an amendment](#)
- [withdraw amendment](#)

Thanks