

Question 1: *Are SAP time recordings not acceptable anymore?*

Answer: It is acceptable as long as SAP time recording meets the minimum requirements for a H2020 timesheet. Article 18, point 9 (pages 159-160) of the Annotated Grant Agreement stipulates that “*beneficiaries may use their own model, provided that it fulfils the minimum conditions and it contains at least the information detailed in the template for time-sheets available*”.

In addition, it is noted that if an employee works full time on the project, SAP time recordings are accepted. Also, these time recordings could be accepted if SAP can distinguish/split between multiple projects and activities. Otherwise, you may produce timesheets in other means (e.g. Excel) but please note that the auditors must be able to reconcile the records between this timesheet and SAP.

Important considerations: the person is responsible to fill in his/her own timesheets and should be knowledgeable of the tasks and responsibilities in relation to the FCH project.

Question 2: *What if you get the salary every month? I don't understand why you say the month is different and we need to take the average of a year.*

Answer: You may take the monthly salary only under the condition that the project period lasts exactly for one financial year. In any other case this is not possible. The reason is that there are additional remunerations (eg.13th, 14th salary) paid in a given month e.g. December. These additional remunerations cover the full year and should be spread throughout the year, therefore we insist on taking the annual costs to ensure all related annual costs considered.

Question 3: *Can one determine average personnel costs for different populations? I.e. for a pool of engineers and a pool of operational personnel, so that one has more than one average personnel rate?*

Answer: You may use average personnel costs if your accounting system is set up accordingly and allows this. In addition, it is expected (and is also logical) that your accounting system has different rates for different staff categories (eg. senior managements, junior researchers, assistants).

Question 4: *If a beneficiary relies on personnel from an affiliate for certain tasks, where their costs are not recorded in the beneficiaries P&L, is that cost eligible and under which category?*

Answer: Please refer to articles 8, 11 and 12 of the Annotated Model Grant Agreement. These costs are eligible but the category in which they should be reported depends on the case you encounter. These articles illustrate the different cases. If you have not indicated in the Description of Actions that these tasks will be carried out by employees from the affiliate, you are invited to contact the FCH Project Manager to prepare an amendment.

NB: Art. 6.3 Costs incurred by linked third parties are eligible if they fulfil - mutatis mutandis - the general specific conditions for eligibility set out in Art. 6.1 and Art. 6.2 and Art. 14.1.1 (on linked third parties).

Question 5: *Spare parts that are bought but not used, are ineligible?*

Answer: The general rule is that only consumables/ spare parts actually used for the project shall be reported and are eligible. Please also refer to article 6.4.4 (page 94) of the Annotated Grant Agreement. The rule does not cover all cases, yet the general logic is that there shall be no double charge of spare parts claimed under more than one project.

NB: If there is a necessity to keep the spare parts to reach the objectives of the project, it is well justified and explained, the costs should be eligible. Please if you can contact FCH if further clarifications are needed.

Question 6: *Lease contracts should be reported under which category?*

Answer: They should be reported as other direct costs (it is considered as a contract) - yet the lease/ rental cost shall be reported without any fees and shall be similar to the depreciation cost of using a similar equipment. Please refer to pages 80 and 81 of the Annotated Grant Agreement

Question 7: *I had understood that in FP7 the cost of a computer was considered an indirect cost. Is this cost a direct cost in H2020?*

Answer: As a general rule, these costs are considered as indirect “costs of doing business”, thus falling under the flat rate of 25%. The general assumption when awarding a Grant (as also stated in art. 8 of Annotated Grant Agreement) is that “*the beneficiary must have the appropriate resources (technical and financial) to implement the action = carry out the action themselves*”. Thus computers are usually part of the technical resources used to support implementations of various actions and part of the indirect cost. Only if there is a clear need and justification for buying a specific computer for the project needs and where these costs are booked as direct costs in your accounting system, you may classify these costs as direct ones.

Question 8: *Are the bank fees charged to the coordinator for the payments of beneficiaries not an eligible cost under management activities/other direct costs?*

Answer: It should be noted that bank fees charged to the coordinator for the payments of beneficiaries are eligible and should be reported as other direct costs (see page 108 of the Annotated Grant Agreement):

Bank charges for the distribution of the EU funding may constitute an eligible cost for the coordinator (if the cost eligibility conditions of Article 6.1 and Article 6.2.D.3 are met).

Question 9: *Please can you explain the difference between project scope and project time?*

Answer: Project scope can be defined as the tasks, activities of the project (as specified in the Description of Action).

Project time is the duration of project.