

Budget guidelines for proposal writing and requirements for the financial report for Preparatory Funding | 9th Call 2022

(Version 24.2.2022)

The following guidelines are aligned to the budget guidelines of the ADA.

Budget guidelines for proposal writing

At least half of the project budget has to be allocated to the partner institution(s) in the target country(ies).

Budget sheet for application: Use the first summary to depict the total costs per partner institution per budget category and the second summary to illustrate the share of Austrian institutions, institutions in priority countries and associate partner institutions. Maximum share of the latter group is 30%.

The following budget items have to be considered for the proposal writing and added accordingly to the budget sheet.

Staff costs

- Have to be calculated based on local rates.
- Numbers of days and daily rate have to be added in the respective columns.
- One row per staff member has to be used.

Travel and subsistence costs

- Travel costs for in-country travels and international travels have to be considered.
- Cost efficiency for travels is required, e.g. economy class for flight and train tickets.
- In all cases accommodation costs and daily allowance have to be calculated based on the “Austrian Reisegebühreenvorschrift - RGV”, the Austrian Regulation for Travel Expense Reimbursement (see requirements for the financial reports).

Expenses for visa, travel insurance and required travel vaccinations are eligible, as is malaria prophylaxis.

Other costs

- CO₂ compensation costs are required for all flights, domestic and international. Pre-calculation of CO₂ costs based on envisaged flights can be calculated on the website of the BOKU university. These costs have to be added to the Austrian partner institution’s part (see requirements for the financial reports).
- Bank fees are eligible but have to be budgeted.
- Auditing costs have to be added to the respective institution.
- Costs for meetings, etc. have to be added to other costs with a brief indication of the underlying costs, e.g. costs for venue rent, catering, technical equipment.

Overhead costs

- Max. 2% of the total costs can be allocated to overhead costs (e.g. general accounting, stationary, use of institutional venues, electricity, communication expenses). The 2% refer to the actual and approved expenses.

Not eligible budget categories for Preparatory Funding

- Equipment and material – does not apply for Preparatory Funding
- Dissemination – does not apply for Preparatory Funding

Guidelines for the budget and financial report for Preparatory Funding

1. General requirements – applicable to both, Austrian institutions and institutions in the partner countries

- + Only costs generated during the duration of the Preparatory Funding are considered as eligible. Costs incurred before the start and the end of the project are not eligible.
- + Only audit costs are exceptionally allowed to be paid after the project end but have to be included in the financial report.
- + Stated liabilities in the audit will not be accepted.
- + The second and final instalment (up to 50% of the budgeted costs) will only be paid 1) if a formally complete Academic Partnership project proposal that meets the formal and thematic requirements of the APPEAR programme is submitted and 2) after the approval of the final report. Therefore, it might be necessary for the participating institutions to pre-finance some of the expenses.

The financial reports have to be available within two months after the project end.

2. Requirements for the financial report of Austrian partner institutions

The part of the financial report covering the costs of the Austrian partner institutions will be assessed by the APPEAR Office. Documents submitted to APPEAR have to take the following points into account:

- + The report has to be structured according to the budget categories and the respective budget items within the categories outlined in the budget sheet of the application form (staff costs, travel and subsistence, and other costs).
- + All expenses have to be supported by invoices.
- + All invoices have to be issued either in German or in English. If this is not possible a translation of the invoice's content has to be provided.
- + An invoice absolutely has to contain the following:
 - Name and address of the issuer of the bill (invoice)
 - Place and date of issue
 - Invoice number
 - Exact specification of the object purchased or of the service
 - Currency, amount, and tax, if any

- VAT number
- Balancing endorsement (= endorsement confirming that the bill has been duly paid; this can also be proved by submission of a confirmation of the money transfer / statement of account).
- + Foreign currency: You have to show a currency exchange confirmation which presents the exchange rate. This exchange rate (with the date of the currency exchange confirmation or receipt on your bank account) has to be applied to the respective expenses.
- + Eligible receipts for the exchange rate are:
 - Currency exchange receipt
 - Credit card statement
 - Bank statement (if paid with Austrian bank card)

Online currency converter such as OANDA, EZB, etc. will not be accepted.

If such a currency exchange confirmation or bank receipt is missing, the invoice amount shall be converted at the exchange rate defined by the Austrian Ministry of Finance for the respective foreign currency for the month in which the expenditure was made, minus a 25% deduction.

- + VAT shall not be covered unless the institution can show that according to national legislation the recovering of VAT is not possible.
- + A detailed cost breakdown structured according to the budget categories has to be included in the financial report. Expenses of the partner institution(s) do not have to be included.

3. Requirements for the financial report of the participating institutions in partner countries

- + The local office of the Austrian Development Agency (ADA) has to be contacted by the project coordinator in order to receive recommendations for external auditors and the external auditor has to be chosen in accordance with ADA. Further engagement of auditors will then be the responsibility of the project coordinator and the decision based on the best price ratio and the availability of an audit firm.
- + Audit reports have to be audited by external auditors under recognition of the International Standard on Related Services (ISRS) 4400.
- + APPEAR Terms of Reference (ToR) for the external audit report have to be used by the auditor. The ToR will be forwarded to the project coordinators by the APPEAR Office in time.
- + The original invoices can remain within the partner institution.
- + The report has to be structured according to the budget categories and the respective budget items within the categories outlined in the budget sheet of the application form (staff costs, travel and subsistence, and other costs).
- + The report has to be issued in English.
- + The report has to present expenses in local currency and converted to Euro.

- + The auditor has to present the currency exchange rate(s) that was used for the conversion in Euro.
- + The auditor has to present a cash flow and the ECR (Expenditure Coverage Ratio).
- + In case of several partners in the target country(ies) only one audit report that includes expenses of all partner institutions in these countries can be submitted.
- + Expenses of the Austrian partner institution do not have to be included in the audit report.
- + A draft of the audit report has to be sent to the APPEAR Office via email. After assessment of the draft, the APPEAR Office will inform the respective institution if a revision is needed. Only after confirmation of the APPEAR Office, the audit report can be finalized, and the hardcopy of the audit report sent to the Office.
- + Audit report with original signatures has to be submitted in hardcopy to the APPEAR Office, the report has to be bound and pages need to be numbered.

4. Budget categories – applicable to both, Austrian institutions and institutions in the partner countries

4.1. Staff costs

Staff costs are eligible for performing administrative and academic tasks which are directly necessary for the achievement of the project.

If additional, time-bound and very specific expertise is needed and e. g. experts, facilitators, workshop trainers, consultants, etc. are hired for temporary project-related work they have to be added to other costs.

Please note the following:

- + Staff costs have to be based on local rates.
- + Please specify staff cost for each institution and for each staff member in the project separately, based on local and daily rates and the actual working days required for the project.
- + If applicable, please include all salary related costs, such as tax, health insurance, employer's share of contribution to taxes.

In the framework of the audit report the auditor has to check and present the working days for the specific reporting period, the daily rate for each of the staff members and the function in the project. Staff costs need to be presented separately for each staff member.

Supporting documents which have to be shown:

- + Payslips (if available) and work verification for each staff member need to be presented. A work verification for each staff member needs to be issued separately by the responsible institution. It needs to be signed by the representative of the institute and the staff member and has to contain the following information:
 - Project number and name
 - Name of staff member
 - Item/content of work done
 - Working days

- Daily rate
- Amount due
- Signature of the staff member and the responsible person at the institution.

A template for the work verification that includes all above mentioned points will be provided by the APPEAR Office in time.

4.2. Travel and subsistence costs

Only staff members of the project are eligible for refund of travel and subsistence costs for project specific travel. Travel and subsistence costs will be calculated based on the guidelines of the 'Austrian Reisegebührevorschrift (RGV)', the Austrian Regulation for Travel Expense Reimbursement. These can be found on the APPEAR website. The use of the columns (1, 2a, 2b, 3) depends on how the members of the institutions are categorised but must not exceed category 2b. Even if higher per diems were used in the budget sheet of the Preparatory Funding proposal, category 2b of the RGV must not be exceeded in the financial report.

Please note the following:

- + Travel and subsistence include international and in-country travel costs.
- + Purpose, date / duration of travel and numbers of days need to be presented.
- + Costs and number of flights, accommodation, subsistence rates and related travel expenses such as insurance and visa need to be presented have to be specified.
- + Daily rates will be reduced by meals. If no daily rates are issued, meals will be refunded up to the amount of the daily rate.
- + Expenses for first-aid kit for Austrian project partners may only include travel vaccination and malaria-prophylaxis.
- + The use of a taxi instead of public transportation in Austria is only allowed in exceptional cases and requires a written explanation.
- + Expenses for project partners from the target country for travel insurance and visa when travelling to Austria are eligible, and vice versa.
- + In case a motor vehicle is rented a log-book must be kept. This log-book must clearly show, in chronological order, the number of kilometres driven on official business, the date and the purpose of the trip, the kilometre readings at the start and end, the name of the driver as well as the amounts of fuelling.

4.2.1. Travel costs of institutions in target countries:

Travel costs have to be verified by the auditor. The audit report needs to state the above-mentioned information, i.e.:

- + date
- + duration
- + name of project member
- + destination

- + summary of items, i.e. (flight ticket, visa, hotel for e.g. 5 nights, daily rates for e.g. 7 days)
- + When travelling to Austria, daily rates as stated in the RGV have to be applied (see website and FAQ). Local rates as used by the respective institutions in the priority countries for travels to Austria cannot be accepted. For local and international travels the daily rates as stated in the RGV have to be used, up to category 2b.

4.2.2. Travel costs of Austrian partner institutions:

Supporting documents which have to be provided:

- + Claim form (Dienstreiseabrechnung) for travelling expenses as issued by the higher education institution.
- + Copies of all invoices mentioned in the form for travelling expenses.
- + Flight ticket (including boarding passes), or any other ticket of transport (train tickets, etc.) and invoice, itinerary
- + Vaccination costs, pharmacy costs for vaccines, malaria prophylaxis, etc.

4.3. Other costs

This section should only include costs which do not fall into the categories above, such as bank charges, costs for audit report and CO₂ compensation.

- + Costs for audit report
Supporting documents which have to be shown: invoices
- + Costs for CO₂ compensation have to be included in other costs of the Austrian partner institution. Number of flights (including destinations) will be sent to the BOKU. BOKU calculates emissions and compensation payments and sends invoice to project partners. Compensation payment for all flights, also the ones from partners in the priority country is made through the Austrian partner institution.
Supporting documents which have to be shown: Invoices, including project name, period, amount of flights

4.4. Overhead costs

All partner institutions are entitled to overhead costs. Overhead costs are granted for general administration and support costs for internal services of the institutions, directly related to the project. The total expenses for overhead costs may not exceed 2% of the total project costs and are calculated on the actual and approved expenses of each partner institution. No supporting documentation is required. If less than 2% overhead costs were calculated in the budget sheet of the project proposal, the percentage used in the budget sheet has to be used. If no overhead costs were allocated in the budget sheet, no overhead costs will be reimbursed.