

Fuel cells and hydrogen

Joint undertaking

Communication campaign

Most common issues identified: Personnel costs



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Personnel costs

Personnel costs



=

**Hours
dedicated to
the project**



X

Hourly rate



Hourly rate

Salary

Social security

Pension contribution

Health insurance

Other statutory costs...

Hourly rate
of an
employee



=



Total annual costs

Annual productive hours

Hourly rate: Productive hours

Standard (ALL employees)	
Total days in a year	365
Weekends	-104
Subtotal	261
Annual holidays	-21
Statutory holidays	-15
Illness & others	-15
Productive days per year	210
Working hours per day	8
Productive hours per year	1 680

VS

Actual (individual)
You compute the actual individual number of productive hours for each employee



The time recording system must allow keeping track of this number of actual individual productive hours



If actual productive hours exceeds standard → use actual!!!



Don't use billable hours!!!

Hourly rate: Productive hours

Activities included

Normal working activities of the personnel, including:

- ✓ Sales and Marketing
- ✓ Preparation of proposals
- ✓ Administrative time
- ✓ Non-project related, general research activities
- ✓ Teaching, training and similar hours (in the case of universities/similar bodies)

Activities excluded

- General training (if not project related)
- General internal meetings (if not project related)



Overtime may be accepted

- ✓ If actually paid according to beneficiary's policy **AND**
- ✓ If there is a system that allows the identification of normal / overtime hours worked for the project

The hourly rate applicable to these «overtime» hours has to be calculated separately from the hourly rate applicable to the normal working hours

- ✓ In any other case: either overtime not paid or there is not clear distinction between normal and overtime hours

The hourly rate is calculated:


- Adding in the numerator: normal costs + «overtime» costs (if any)
- Adding in the denominator: normal hours + «overtime» hours

Hours dedicated to the project



The golden rule: Claim ONLY actual hours worked on the project

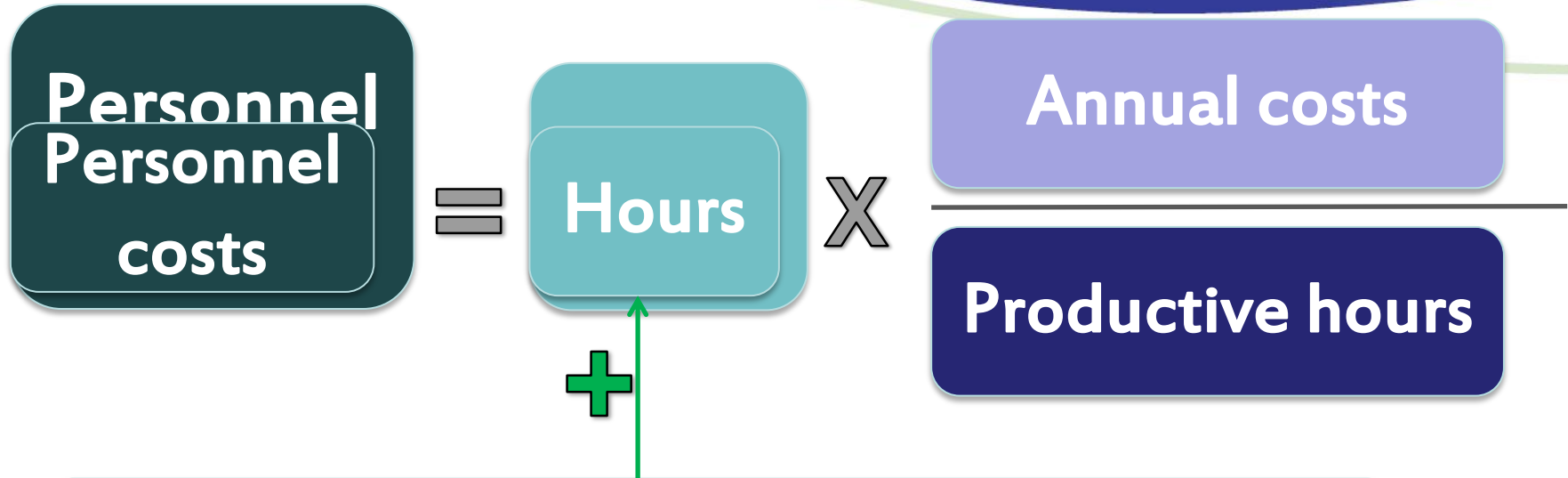
Timesheets

- ✓ Whole duration of the project
- ✓ Daily, weekly or monthly basis
- ✓ Authorised by project manager or other superior
- ✓ Indication of all hours worked, not only project-related tasks 
- ✓ Project-related tasks: reference to the WP/task in the DoW

Alternative evidence

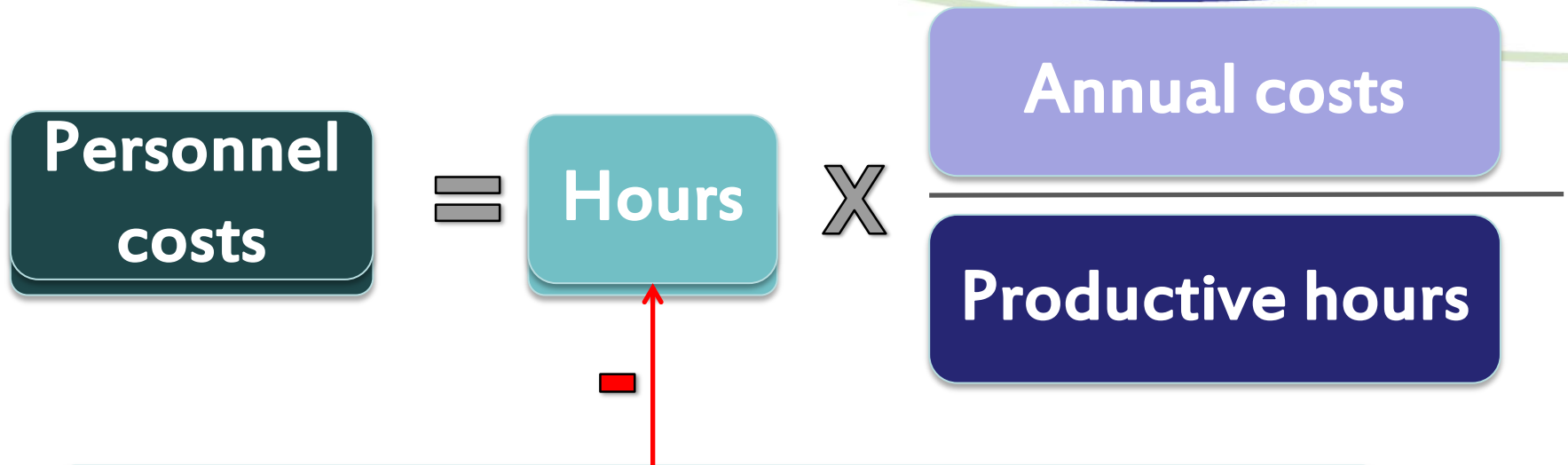
- ✓ Must give the same level of assurance as the timesheets
- ✓ To be assessed by the auditors

Actual personnel costs. Some errors



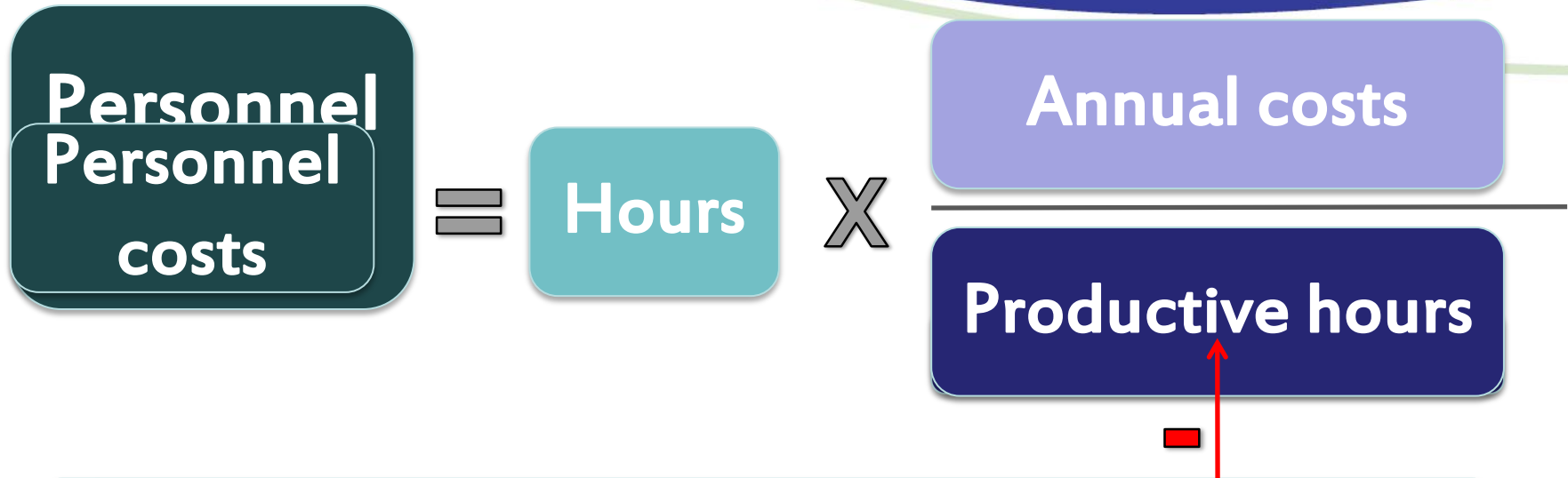
- ✓ **Timesheets not reliable**
- ✓ **Claim of more hours than dedicated to the project**
- ✓ **Claim of more hours than substantiated by timesheets**

Actual personnel costs. Some errors



- ✓ **Timesheets not reliable**
- ✓ **Claim of less hours than dedicated to the project**
- ✓ **Claim of less hours than substantiated by timesheets**

Actual personnel costs. Some errors



- ✓ Use of standard hours instead of actual when the latter are higher
- ✓ Use of billable hours instead of productive hours

Average personnel costs

Acceptability criteria for average personnel costs

- ✓ Based on the **usual cost accounting practice** of the beneficiary and consistently applied to their participations in the Framework Programme
- ✓ Based on the **actual** personnel costs of the beneficiary as registered in its statutory accounts, **without estimated or budgeted elements**
- ✓ They **exclude** any **ineligible cost item** and **any cost claimed under other costs categories** in order to avoid double funding
- ✓ Number of productive hours shall correspond to **usual management practice** of the beneficiary and reflects its actual working standards



SME owners and other natural person who do not receive a salary

**Hourly
rate**

=

Annual living allowance
corresponding to the appropriate
research category published in the
'People' Work Programme of the year
of the publication of the call to which
the proposal has been submitted

1 575

X

Country
correction factor
published in the
same document

100

SME owners



Example: SME owner without salary from Austria with 5 years of experience at the time of deadline of submission of a proposal 2011



Use the **tool** available at the **Participant portal**

39.71 €/h

=

58 500 €/year

1 575

X

106.9

100