

COST GUIDELINE

LBG CLINICAL RESEARCH GROUPS

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1. BACKGROUND AND KEY POINTS

1.1. CONDITIONS AND LEGAL CONTEXT

In its capacity as the "Handling Agency" of the "Clinical Research Groups" funding programme Ludwig Boltzmann Gesellschaft (LBG) acts on behalf and for the account of the Federal Government when discharging the tasks assigned to it. Public funds must be used in accordance with the principles of economy, efficiency and effectiveness enshrined in European and Austrian law.

The Clinical Research Groups (CRGs) programme will be carried out in accordance with the framework conditions and regulations of the Special Guideline for Clinical Research Groups and the supporting documents as amended from time to time, which are published on the LBG website.

This Guideline serves the purpose of specifying the requirements of the underlying Special Guideline for Clinical Research Groups issued by the Federal Ministry of Education, Science and Research (BMBWF).

Prior to the submission of projects and receiving the funding applied for, funding applicants must, in particular, ensure fulfilment of the following conditions:

Total funding

Financial viability of the CRGs must be ensured in compliance with funding. This must be proved in the funding application by appropriate evidence. In the application applicants must prove that they will contribute the required share of at least 10% of the total project costs out of their own resources. This must be done by presenting a Letter of Commitment listing the contributions of own resources to be made, which must be signed by the Head and the Lead Institution. By their signature they confirm that the contributions of own resources have been listed in consultation and agreement with all consortium members.

Incentive effect

Only projects that have an incentive effect will be eligible for funding. Projects shall be deemed to have an incentive effect if without federal funding the activities cannot be carried out at all or not to the extent necessary.

Avoiding multiple funding

Only those costs that are not subject to multiple funding will be eligible for funding. Applicants must state whether they received public funds, including EU funds, for equal activities in the last three years before submission of the funding application, even if for a different purpose. The notification duty (non-compliance with which will be sanctioned) shall continue to apply until the end of the funded

project and include any funding that has been promised to them but has not been granted yet. The notification duty also applies to future funding which the applicant intends to apply for.

If, during the term of the CRGs, LBG notices that multiple funding has been or is being received or if circumstances emerge due to which multiple funding cannot be unequivocally ruled out, LBG reserves the right not to continue to grant funding and to claim back funds that have been granted before in accordance with Section 6.3 of the Clinical Research Groups Special Guideline.

Qualification of the funding applicant

On the basis of the information and evidence provided in the funding application and in the absence of any indications to the contrary LBG will assume that the applicant fulfils the following requirements:

- it has a sound management;
- the funded activities can be expected to be carried out properly, in particular because the applicant fulfils the relevant professional, business and organisational requirements;
- there is no legal ground for exclusion;
- there are no other grounds for exclusion as defined in the Special Guideline.

1.2. GENERAL TERMS AND CONDITIONS

If funding is granted, the recipients of the funding shall comply with the following terms and conditions:

Notification duty

Material changes to the funded project shall require LBG's written consent to ensure continued funding.

Reasonable contribution of own resources (IN KIND)

Funding recipients must contribute to the project a reasonable share of their own resources (personnel costs, direct financial contributions of the institution, cost of materials, material, equipment and access to and use of available infrastructure, among other things).

The amount and extent of such contributions of own resources must be disclosed in the detailed cost plan as part of the application and confirmed in a Letter of Commitment (see 1.1., Total funding). Adequacy of those own resources must be examined and substantiated on a project-specific basis as part of the review. However, they must account for at least 10% of the total project costs. The consortium partners are free to decide how to divide that contribution among them.

Overheads are neither eligible direct costs nor may they be considered contributions of own resources. In addition, neither third-party funds nor contributions from business entities will be accepted as contributions of own resources.

Separate accounts

If an institution carries out both business and non-business activities, the costs and financing of the business and non-business sectors must be clearly separated. Keeping separate accounts serves the purpose of proving that there is no cross-subsidisation, which means that public funds must not be used for subsidising business activities.

The exact separation concerns not only HR but also the allocation of costs of material; overheads must be allocated according to their purpose.

Upon request, proof must be provided in the form of accounts.

Bookkeeping

Funding recipients undertake to observe the principles of orderly bookkeeping laid down in the Austrian Universities Act 2002 [*Universitätsgesetz 2002/UG*] and in the Austrian Business Code [*Unternehmensgesetzbuch/UGB*]. The principles of lawfulness, efficiency, expediency, economy and transparency as well as the principle of due diligence shall be observed.

Non-compliance with the provisions on administration of the funding of the Clinical Research Group laid down in the Special Guideline may lead to non-acceptance of the costs or loss of funding.

A cost centre or an internal order shall be created in the accounting system (e.g. SAP) of the Lead Institution and of the cooperation partners for each Clinical Research Group, via which all revenues and expenses of the Clinical Research Group will be accounted for in detail. Funds that are not related to the Clinical Research Group must not be accounted for via that cost centre or internal order.

Type of funding

Funding is granted in the form of non-repayable grants. The amount of funding will depend on the funds required for the project. The maximum funding intensity is 90%, with in-kind contributions having to account for at least 10% (see 1.2.). If less than the approved eligible costs is spent during a funding period (the first or the second four-year funding period), then the actual funding percentage shall be applied to the eligible costs actually incurred.

If the maximum funding amount is not fully used and not claimed in one year, excess funds, if any, may be carried forward to the next year. Up to a maximum of 15% of any funds remaining after the end of the first funding period may be carried forward to the second funding period, provided that the funding period is extended. If the project is not extended after the first funding period, the funding period may be extended for a maximum of one year on a cost-neutral basis (phasing out), in which phase excess funds may be used up.

Provided that meeting of the objectives and realisation of the projects outlined in the approved funding application can be ensured, up to 20% of the funding amount may be shifted between cost categories (over one funding period) with no separate approval from LBG being required.

2. FOR APPLICANTS - INFORMATION ON COST PLANNING

Planning and presenting the costs related to the research project is an integral part of the two-stage selection procedure. In an initial application phase applicants must provide an overview of the project costs as part of the short proposals (see attachment "Financial Plan"). In the full-proposal phase (upon invitation only) a detailed cost plan to be drawn up according to the Excel sheet template shall be enclosed with the full proposal (see "Cost Planning Sheet" Annex). The different cost categories and the rules for checking costs are described below.

2.1. ELIGIBLE COSTS

Eligible direct costs means all personnel costs and cost of material that are incurred directly, actually and additionally (to the usual operating expenses) for the term of the funded project and which are economical and economically reasonable.

The following terms and conditions shall be observed with regard to eligibility of costs:

- only costs that can be proved by receipts will be accepted;
- all receipts must comply with the invoice features under VAT law;
- contracts for work or services and the pertaining invoices shall list and describe the hours worked in detail;
- time records for all project employees (including in-kind personnel) must be kept for the portion of working hours dedicated to the CRG.;
- a clear reference to the project and a clear description of the funded project activities must be maintained throughout the project term;
- a clear and direct reference to the project must be shown on all receipts and other accounts;
- the retention period for all project-relevant documents is ten years from the end of the year of payment of the total funding amount (may be longer in well-founded cases);
- if acquisitions are made or contracts are awarded to third parties that exceed a contract value of EUR 6,000 including VAT, three bids (which must not be older than six months) must be provably obtained in accordance with the provisions of the Austrian Public Procurement Act [*Bundesvergabegesetz/BVergG*] and the order or contract must be awarded to the best bidder. Bids must be obtained prior to procurement or commissioning (not at the time of application), and the guidelines of the respective institution must generally be followed.

Funding will be granted only for those expenses that are incurred after the acceptance date specified in the funding agreement. This does not include costs resulting from submission of clinical trials via the Clinical Trials Information System (CTIS) that must be submitted in connection with the research project. The relevant costs will be accepted after the funding agreement has been signed by all parties.

2.1.1. PERSONNEL COSTS

Personnel costs for Mentors, the Head and Work Package/Sub-Project Leaders (including Deputy Head(s)) are not eligible for funding. However, the Head may assume a "rotational position".

Personnel costs for 5-12 project staff members (full-time equivalents/FTEs) of a CRG as well as, in addition, personnel costs for release from clinical work ("rotational positions") are eligible for funding and may be claimed. Rotational positions are designed to enable clinic staff who are involved in patient care to work in a CRG. The rotation allows clinicians (including doctors in training) to be released from clinical duties for a certain period of time (usually no longer than one year) for them to be able to work on one or more CRG work packages/sub-projects. Funding will amount to the personnel costs payable for the interim doctors taking over their clinical duties for the term of the project.

A CRG may not have more than two rotational positions (based on FTEs) per year.

Non-eligible personnel costs (see the first paragraph of 2.1.1. above and 2.2. below for more details) can be counted towards the contributions of own resources to the extent of the work done for the CRG.

Mentors will be considered at 10%, unless they hold a Work Package/Sub-Project Leader role, and at least at 20% if they also act as a Work Package/Sub-Project Leader. The Head will be considered at 25%, and other Work Package/Sub-Project Leaders (including the Deputy Head(s)) at 20%. These portions must not be calculated cumulatively, even when managing multiple Work Packages/Sub-Projects (exception: mentor). They refer to FTE (full-time equivalent) and should be considered as an average over the funding period.

Personnel costs shall be based on regular gross salaries or wages and on the taxes related thereto (employer's direct payroll-related costs). Other payments (e.g. pay for extra hours or overtime) may be accepted. Taking into account an annual adjustment of personnel costs for inflation is recommended for budgeting purposes.

The following costs may be subsumed under the definition of "personnel costs" and are, in principle, eligible for funding:

- gross salary/wage (including holiday pay and Christmas bonus);
- allowances laid down in the employment contract, an internal agreement, the applicable collective agreement or defined by law;
- lump sums for overtime.
- employer's payroll-related costs

Personnel costs are eligible for funding only up to the amounts as per the Salary Scheme of the Republic of Austria or of the relevant Austrian state or those based on relevant statutory provisions or provisions of collective agreements (including legally binding internal agreements); in the course of providing evidence of use of the funding reasons must be given for granting permissible salaries/wages that are higher than the basic salary/wage and meet the general standards of the funding recipients

(no CRG-specific exceptions). The personnel cost rates for employees of public universities under the *UG 2002* are laid down in the collective agreements of the Austrian universities.

Personnel costs for personnel of the CRGs of funding recipients that are not subject to any of those personnel cost schemes will be capped at the standard rates of the Austrian Science Fund (FWF).

(For 2024 see <https://www.fwf.ac.at/de/forschungsfoerderung/personalkostensaetze>)

If staff work on the project on a pro-rata basis the staff costs for those personnel may be claimed on a pro-rata basis only. The amount that may be claimed shall be calculated as follows: monthly eligible personnel costs x percentage of assignment of the person to the project.

Eligibility of contributions in kind

Payments made to personnel in excess of the rates will not be considered an in-kind contribution.

2.1.2. TRAVEL EXPENSES

Travel and accommodation expenses incurred in connection with scientific/academic conferences, field research, expeditions and project meetings may be funded under the Austrian Regulation on Travel Expenses [*Reisegebührevorschrift*] of 1955, *BGBI.* [Federal Law Gazette] No. 133/1955 as amended by *BGBI.* I No. 153/2020.

Travel expenses (per diems, accommodation expenses, transport costs, conference fees) are eligible if they can be claimed as business expenses according to the provisions applicable to the staff member.

Personnel costs and travel expenses are eligible only up to the amounts as per the Salary Scheme of the Republic of Austria or of the relevant Austrian state or those based on relevant statutory provisions or provisions of collective agreements or up to the costs of comparable federal government officials as per the Austrian Regulation on Travel Expenses of 1955.

Evidence must be provided that the travel expenses claimed are clearly related to the research programme. Only travel expenses incurred by CRG personnel (including in-kind personnel) are eligible for funding.

Costs that are reimbursed instead of paying per diems shall be limited to the applicable amount of the per diem. Reimbursement of costs for use of a private motor vehicle is based on the statutory kilometre allowance. The kilometre allowance covers parking fees, tolls (including motorway toll sticker) and fuel.

The funding recipient shall, as a matter of principle, take into account aspects of sustainability and efficiency when choosing a means of transport.

2.1.3. COSTS FOR CONSULTING SERVICES

Costs for consulting services provided by the Clinical Trials Coordination Centre or a comparable institution for the planning, coordination or implementation of clinical trials are also eligible for

funding. If such services are, however, provided by external third parties at least three bids must be obtained before awarding the contract to them (*not* at time of application).¹

2.1.4. COST OF MATERIAL

Funding recipients are generally required to use their best efforts to claim any optional cash discounts offered to them.

This category includes cost of material that is exclusively used for the funded project. Advertising, promotion, sales and marketing expenses are not eligible for funding.

Eligible cost of material includes the following:

- project-related consumables;
- low-value assets²;
- inventory withdrawals, provided that they are valued according to a legally recognised stock-taking method (e.g. FIFO, specific identification, weighted average);
- publication costs (including, without limitation, open access fees and repository fees);
- pro-rata licence fees;
- fees for use and management of data;
- fees for ethics committees and approval from the competent national authority;
- fees for core facilities services, trial drugs or medicines;
- use of core facilities;
- insurance of trial subjects;
- workshops/project meetings, scientific guest lectures, presentations.

The focus of the programme is on the promotion of young scientists. Accordingly, apart from the financing of "rotational positions" for research purposes, proposals should also include a plan for the training of young clinical researchers for them to develop skills as clinician scientists. This may include, for instance, participation in doctoral programmes or mentoring programmes. Such costs are eligible for funding.

Materials sourced in-house must be claimed at cost.

2.1.5. COSTS FOR THIRD-PARTY SERVICES (THIRD-PARTY COSTS)

Such costs include, without limitation, costs for contract research, technical/scientific know-how, costs for technical/scientific consulting and equivalent services which serve the exclusive purpose or are an

¹ The provisions of the Austrian Public Procurement Act [*Bundesvergabegesetz/BVergG 2018*] shall be applied.

² Pursuant to Section 13 of the Austrian Personal Income Tax Act [*Einkommensteuergesetz/EstG*] the cost of acquisition and production of fixed assets subject to wear and tear can be deducted as operating expenses if such costs do not exceed EUR 1,000 per asset (low-value assets).

integral part of the funded research activity. In addition, the costs for purchased personnel services (personnel leasing, contracts for work or services) must be recorded in this cost category.

Contracts for work or services³ are also eligible costs. The hours worked must in any case be stated in detail.

Only costs of services provided by legal entities, partnerships or sole proprietorships that are not part of the Austrian federal administration are eligible for funding.

Costs of internal services provided by one CRG consortium partner to another are, in principle, not eligible for funding.

Services provided by affiliates must be evidenced in the same way as your own costs. In addition, payments or offsetting must be evidenced. Profit mark-ups, if any, must be deducted. Only actual and direct costs provably incurred are eligible for funding, provided that the general terms and conditions of funding are complied with. For the purposes of this Cost Guideline affiliates means all related organisations and cooperation partners.

2.1.6. OVERHEADS

Twenty-five per cent (25%) of the direct costs are included in the total funding as overheads. Costs charged directly to the project may not be charged as overheads at the same time. Direct costs include personnel costs, cost of material and write-off of project-related investments.

This flat rate covers all general and administrative costs that cannot be charged as direct costs, including, without limitation:

- general office management, controlling, accounting, payroll accounting, management;
- tax advice, auditing services, legal advice;
- standard IT (other than IT hardware);
- communication costs;
- office supplies and printed matter;
- workplace equipment (office furniture, IT, etc.);
- depreciation, maintenance and repair of buildings;
- rent for general space;
- operating expenses;
- cleaning and disposal;

- licence fees (for basic equipment);

³ Cf. Section 1151 of the Austrian Civil Code [*Allgemeines Bürgerliches Gesetzbuch/ABGB*]; according to the Austrian Federal Economic Chamber a contract shall be deemed to be a contract for work or services where a person undertakes to produce a certain result for another person. Wirtschaftskammer Österreich (last revised on: 1 February 2024), Werkvertrag (arbeitsrechtlich), Begriff – persönliche Unabhängigkeit – Abgrenzungen, available [here](#), last viewed on 11 June 2024.

- packaging and transportation;
- journals, books, etc.;
- insurance (other than patient insurance);
- taxes;
- general education and training.

2.1.7. ACQUISITION OF EQUIPMENT

Any acquisition of equipment shall be substantiated and accompanied by reasons and a statement to the effect that the necessary aids are not available via a central institution or through collaborations.

When acquiring equipment a distinction must be made between small equipment, research equipment and large-scale equipment.

Small equipment including IT equipment (the cost of acquisition of which is below EUR 1,500 including VAT, unless the research institution is entitled to deduct input tax) may be bought using the funding if this is done in compliance with the institution's procurement guidelines.

In addition, acquisitions of research equipment are also eligible for funding. This includes scientific instruments, system components, self-assembly devices (generally assembled from small equipment and material) and other durable assets, as well as intangible assets such as licences or permits, industrial property rights and resulting licences, provided that the cost of acquisition of the same exceeds EUR 1,500 (including VAT, unless the research institution is entitled to deduct input tax) and the relevant equipment is predominantly (more than 50% of the total costs of the relevant equipment) financed out of CRG funds.

Three recent offers (not older than six months) must be submitted for equipment worth EUR 6,000 or more (including VAT).

For equipment worth EUR 24,000 or more (including VAT) the applicant(s) will, in order to support efficient use of equipment as a whole and in addition to submitting the offers, represent by their signature that (1) no comparable equipment is available for shared use at a reasonable distance as an alternative and that (2) the possibility of co-financing by third parties has been considered. In addition, the applicant(s) is/are required to bear any costs that may arise from operation and maintenance.

Large-scale equipment means large-scale research infrastructure(s) the installation and upgrading of which accounts for a material part of the research budget of the relevant institution, which is/are sufficiently large and is/are shared by many research groups. Large-scale equipment means equipment the cost of acquisition of which exceed an amount of EUR 50,000 (including VAT, unless the research institution is entitled to deduct input tax). Purchases of large-scale equipment are not eligible for funding neither in whole nor in part.

Equipment will be ordered and pre-financed by the research institution upon instruction from the Head or the Sub-Project Manager. The research institution's procurement guidelines shall be observed. The equipment shall be included in the research institution's inventory and the cost of acquisition shall be refunded out of the project budget in accordance with the relevant agreement concluded between the research institution and LBG.

Cost of equipment use

Equipment that is used exclusively for the project and is not classified as large-scale equipment is eligible in the form of depreciation over the term of the project.

Depreciation shall be calculated on the basis of the useful life as per the non-current assets movement schedule. If the asset is capitalised on or after the 16th day of any month, that month cannot be taken into account for calculating the useful life in the reporting period. As a matter of principle, the total useful life as per the non-current assets movement schedule shall be stated. The costs of low-value assets shall be recognised as cost of materials at cost.

If the depreciation period of an object (Section 285 *ABGB*) that is acquired for carrying out work exceeds the project term, no more than the share of the cost that equals the depreciation according to the Austrian Personal Income Tax Act 1988, BGBl. No. 400/1988 as amended, for the project term shall be funded.

Title to the device shall pass to the research institution upon payment. An obligation to operate the device, if any, may be laid down in the funding agreements.

If an object the price (value) of which exceeds the threshold fixed for low-value assets by the personal income tax provisions applicable from time to time by a factor of 4 is acquired by the funding recipient exclusively or predominantly by means of the funds of the grant (with all funding by the Federal Government being relevant), the recipient shall immediately notify the funding entity through LBG as the Handling Agency if the designated purpose ceases to apply or changes significantly and, at the funding entity's request, the recipient shall pay reasonable compensation, make the object concerned available to the funding entity for future use, or transfer title to the object to the Republic of Austria.

Reasonable compensation shall mean the market value of the equipment at the time the designated purpose ceases to apply or changes significantly and shall be calculated by the Federal Ministry of Education, Science and Research (BMBWF). If the object was not exclusively acquired by means of federal funds, the pro-rata share of the market value equal to the grant from the Republic of Austria shall be paid as compensation. If funding is provided by several budget-managing agencies, they shall work out a coordinated approach (Section 13 of the General Guidelines for the Allocation of Grants out of Federal Funds [*Allgemeine Rahmenrichtlinien für die Gewährung von Förderungen aus Bundesmitteln 2014/ARR*]).

Acquisition of prototypes

A separate cost breakdown must be drawn up for funded or financed prototypes.

In-house development costs are fully eligible for funding as part of personnel costs. If funding recipients continue to use the prototype after the funding period, the cost of material and third-party costs required for manufacturing/designing the prototype can be recognised in the amount of depreciation. If the prototype is no longer used after the funding period the full costs can be claimed.

When calculating the amount of depreciation the useful life of the prototype shall be deemed to commence at the beginning of the funding period. As a matter of principle, the total useful life as per

the non-current assets movement schedule shall be stated. If proceeds are received from exploitation of the prototype after completion, the proceeds shall be deducted from the prototype costs claimed.

2.2. NON-ELIGIBLE COSTS

Non-eligible costs include:

- costs that are not absolutely necessary for successful completion of the project or achieving the goal;
- value added tax payable on the costs of eligible services;
- non-eligible elements of personnel costs:
 - severance pay;
 - anniversary bonuses;
 - bonuses;
 - emoluments in kind, such as company cars or company housing;
 - provisions for personnel costs;
 - elements of personnel costs borne by third parties (e.g. the Public Employment Service Austria [AMS]).

If it can be proved that such value added tax must actually and ultimately be borne by the funding recipient, i.e. that the latter is not entitled to deduct input tax, VAT may be considered as an eligible cost element. Value added tax that is refundable in whatever way is not even eligible for funding if the funding recipient actually receives no tax refund. If the funding recipient's work or services for the funding entity are taxable and subject to tax pursuant to the Austrian Value Added Tax Act [*Umsatzsteuergesetz/USTG*] 1994, Federal Law Gazette [*BGBI.*] No. 663, and the tax office therefore regards funding as not constituting a grant but remuneration under a contract and if the funding recipient has to pay VAT to the tax office thereon, such remuneration shall be deemed to be a gross amount. Accordingly, any additional separate refund of such value added tax by the funding entity based on whatever legal ground shall be excluded.

Funds granted by the Republic of Austria must not be used to set up reserves or provisions pursuant to the Austrian Personal Income Tax Act [*Einkommensteuergesetz/EstG*] 1988, *BGBI.* No. 400/1988 as amended, or the Austrian Business Code [*Unternehmensgesetzbuch/UGB*] *dRGBI.* [German Reich Law Gazette], S 219/1897 as amended.

Studies pursuing a direct commercial interest are not eligible for funding. Grants do not cover costs for application for registration of rights to intellectual property either.

3. FOR FUNDING RECIPIENTS - INFORMATION ON DOCUMENTATION AND REPORTING

3.1. GENERAL PROVISIONS

The Head of the Clinical Research Group and the Mentor together are responsible for coordination and submission of all project reports for the entire Clinical Research Group (Lead Institution and cooperation partners) at the times to be communicated by LBG and using the templates provided. The Head of the Clinical Research Group is also responsible for accuracy and completeness of the data.

The reports will be undergo a financial audit and acceptance procedure by LBG and constitute the basis for disbursement of the grant for the subsequent accounting period. However, acceptance of the reports will not result in a final acceptance of costs. The final amount of eligible costs and of the grant will be calculated only after auditing and approval of the final reports by LBG as the Handling Agency after the end of the total project term.

LBG will provide appropriate templates for all reports (annual reports, interim report after the end of the first funding period, final report after the end of the total project term).

3.2. PERIODICITY AND CHRONOLOGY

Annual Report

According to the intervals specified in the grant agreement an Annual Report on the progress of the research project (status report) and on use of the funding received must be presented (statement of accounts in the form of a financial report: interim financial statement). Annual Reports may be drawn up in German or English and must meet the Special Guideline's general criteria for reports.

Interim Report

In addition to the annual status report and in preparation for the interim evaluation in the fourth project year, an English-language Interim Report must be presented after the end of the third project year, which must meet the special criteria of the Special Guideline for such reports.

Final Report

No later than two months after completion of the project a final report on the research results (status report) which meets the criteria of the Special Guideline and on use of funding (final statement of accounts) must be presented in English.

If necessary, LBG may ask the funding recipient to provide separate statements of account (e.g. for a phasing-out phase).

The reports constitute the basis for detailed spot checks, which will be announced and carried out by LBG; LBG will also state the documents that will be necessary for acceptance.

3.3. REPORTING

3.3.1. DETAILS OF REPORT TEMPLATES

Use of the funding received (cost report) must be disclosed in Part B of the report template (see "Annual Report") and structured as follows:

- explanation of material differences compared to the proposal
- reporting of multiple funding
- enclosures:
 - statement of all income and expenses (Cost Reporting Sheet)
 - Directory of Supporting Documents
 - data extracts from the bookkeeping system (condensed)
 - data extracts from the bookkeeping system (detailed)
 - personnel list
 - other relevant enclosures

3.3.2. COST REPORT

Every funding recipient must prove their costs in the form of a breakdown of all income and expenses related to the funded work by original documents and receipts in the form (Cost Reporting Sheet) provided by LBG as the Handling Agency (structured according to the cost plan of the proposal).

For each cost category the totals of the eligible costs claimed and resources in kind of the relevant accounting period must be entered. Reference to the Directory of Supporting Documents must be made.

Directory of Supporting Documents

Eligible costs will be checked according to the Directory of Supporting Documents and the relating supporting documents. In the Directory of Supporting Documents each supporting document will be numbered consecutively and entered separately according to cost category.

The Directory of Supporting Documents must be completed by each funding recipient both for eligible costs and resources in kind.

3.3.3. DATA EXTRACT FROM THE BOOKKEEPING SYSTEM

For every interim financial statement and for the final accounts a data extract from the accounting system (e.g. SAP) must be presented as follows:

- condensed

income and expenses per cost centre/order and account

- detailed

Income and expenses per supporting document entered

If the data extract from the accounting system is not consistent with the list of expenses, reconciliation (including explanations) will be required.

3.3.4. PERSONNEL LIST

All CRG personnel (including in-kind personnel and rotational positions) must be recorded in the "Personnel list" using the template provided by LBG.

Apart from the necessary personal personnel data the template contains

- a documentation of the thematic project allocation (work package/sub-project) by the Head of the CRG;
- the classification according to the statutory salary scheme of the federal or regional government, according to the collective agreement or, for staff of other funding recipients, according to the applicable FWF (Austrian Science Fund) rate;
- reasons for any payments in excess of the statutory salary scheme or collective agreement;
- for staff working on the project pro-rata:

information about the hours assigned to the CRG project expressed as a percentage of the hours of employment;

3.3.5. DETAILED SPOT CHECKS:

LBG reserves the right to ask for presentation of supporting documents to it or to inspect them on the funding recipient's premises. Section 24(2) No. 5 ARR 2014 applies accordingly to transmission of supporting documents.

The supporting documents will be checked by LBG on the basis of the Directory of Supporting Documents.

Spot checks may essentially comprise:

- invoices (if necessary including purchase orders, delivery notes, offers, contracts, etc.);
- payment documents (money transfer forms, extracts from electronic payment media, etc.);
- bank statements and supporting documents as proof of payment;
- non-current assets movement schedule (inventory, general ledger accounts);
- balance sheets and income statement (including audit certificate);
- confirmation of capitalisation by the auditor;
- personnel cost reports:
 - payroll records (e.g. annual payroll account);
 - proof of assignment to the project/job description or role in the project (e.g. amendment to the (short-form) employment contract, roster or similar);
 - for staff working on the project pro-rata:
 - confirmation of project-related work: periodical extracts from the funding recipients' systems for the recording of project work (time sheets) or the like (e.g. annual statements of hours worked on the project signed by the project staff and their superior: overview of tasks in work packages/sub-projects);
 - proof that in the accounting period not more than 100% of personnel costs actually incurred are/were claimed from other funding agencies: e.g. by enclosing appropriate informative extracts from the funding recipients' systems for the recording of project work (time sheets) or supplementary information in a personnel list: working time schedule according to specific activities such as projects or teaching;
- material requisition documents or the like;
- cost unit accounting;
- other documents suitable as proper proof that the project costs accounted for were actually incurred and paid for.

3.3.6. PROJECT COST AUDIT

The annual reports will be audited by LBG. With regard to eligible costs LBG, as the Handling Agency, will grant the funding recipient written approval. Approval is a prerequisite for disbursement of the next funding instalment. The amount of disbursed subsequent installments may be reduced and

adjusted by the amount of any remaining funds (see Chapter 3.3.7), without reducing the total approved funding amount.

Reports must be signed by the Head and the Mentor of the research group, interim reports require a company signature; in both cases the signatures will confirm the following:

- the statement was checked on the basis of supporting documents (invoices, payment documents, bank statements, etc.) and found correct;
- final completion of the funded project (concerns final invoices and other final proofs);
- the requirements defined in the grant agreement have been fulfilled.

Incorrect details may lead to clawback of disbursed grants and other legal consequences.

Ongoing monitoring

Officers or agents of LBG as the Handling Agency the Federal Government and the EU must be allowed to inspect the books and supporting documents and other records suitable for verifying provision of the work (as a matter of principle the originals of all of such documents or records must be made available in their own offices or in the offices of third parties) or they must be presented to them at their request. On-site visits must be allowed as well. In addition, by concluding the grant agreement, the funding recipient agrees to provide them with the necessary information or arrange for such information to be provided to them and to make available a suitable contact person for that purpose, with the auditing body deciding whether those documents or records are related to the work or not. Alternatively, the said institutions must be sent the supporting documents upon request, with electronic transmission being permitted, provided that complete, orderly, identical in terms of content and auditable reproduction in conformity with the original is warranted and inspection of the original supporting documents or subsequent presentation of the same continues to be possible.

LBG may audit (upon request on site) the project results and statements of account during the term and/or after the final report has been submitted. The funding recipient has to present all necessary supporting documents and records upon request.

Any audit will be announced timely in advance and a list containing all documents required for the audit will be transmitted.

3.3.7. DISBURSEMENT

The funding amount will be transferred to the Lead Institution by LBG as the Handling Agency in instalments after receipt of a letter of request. The said letter of request is an integral part of the reporting template made available by LBG ("Annual Reporting", last page: "Affirmation"). The Lead Institution will forward the relevant funding shares to the different cooperation partners.

The relevant amounts will be disbursed

- subject to the proviso that a report has been submitted for the relevant previous project year;
- after fulfilment of the prerequisites has been verified and after the requirements and conditions for the grant agreement have been fulfilled;
- after receipt of the funds by LBG as the Handling Agency.

If funding amounts that have been disbursed have not been used up or if no report on use has been provided, LBG as the Handling Agency may reduce subsequent instalments by the amount that has not been used or proved. Those funds may be used during the remaining project term in agreement with LBG to the extent needed and for eligible costs.

LBG as the Handling Agency may ask the funding recipients to submit an updated budget plan to calculate the budgeted requirements and redefine disbursement of the next instalment according to the new budget plan.

At least 15% of the total funding amount for the first funding period will be disbursed only after the last report for the funding period has been audited and accepted.

3.3.8. INTEREST INCOME

In the event that funds cannot be used for payments due in connection with the funding purpose immediately after they have been transferred to the funding recipients, the funding recipients shall deposit the same in a separate account with a suitable bank at the best possible interest rates available, and any interest accruing shall be offset against the funds granted.

After proper execution of and accounting for the funded work funds not utilised must be paid back within one month of final settlement of accounts to the funding agency plus interest at a rate of 2 percentage points above the base interest rate p.a. applicable from time to time from the day of disbursement of the funds. In the case of late repayment Section 25(4) ARR 2014 shall apply.

This document is translated from German (KOSTENLEITFADEN LBG KLINISCHE FORSCHUNGSGRUPPEN Version_2, 06.08.2024 zur Ausschreibung 2024/25). In the case of inconsistencies or conflicts between the German and the English version the German version shall prevail.