



Management's manual for the expenses charged in **Horizon 2020** for UMH projects

The EC Programme Horizon 2020 has simplified its financial rules for Europe's businesses; however, it is important to provide action basic rules within the UMH in order to ensure compliance with them.

1) Personnel section

- The contracted people in order to develop their activity exclusively in the project do not need to fulfill timetable record (Timesheet). As a general rule, these contracted persons in the projects fulfill and signed an exclusivity declaration:
http://ec.europa.eu/research/participants/data/ref/h2020/other/legal/tempo/tmpl_decl-excl-work_en.doc at the end of each justification period. It has to be indicated clearly the contracted period and the activities developed in the project (number of person/ months and work package where the activity has been developed).
- Only the permanent personnel working in the project have to fulfil Timesheets. Every time that a project starts a model Timesheets will be provide by SGI-OTRI with all the requirements established by the EC.
- In order to determine the hourly rates; **UMH has decided to use the number of 1720 as annual productive hours**. In this way is adopted the first option established in the article 6.2 and recommended by EC, from the Grant Agreement. The calculation of the hourly rates will be done on the base of the last closed financial year, within the justification period carried out.
 - Annual hourly rates must be calculated as follows:
For each person: actual annual personnel costs (excluding additional remuneration) for the person divided by number of annual productive hours (1720). The rate must be calculated by full financial year (i.e. the 12-month period covered by the annual accounts of the entity).



2) Subcontracting

- Only activities foreseen in the Work Program and adequately described in the Technical Annex (Annex I from the Grant Agreement) could be subcontracted.
- It is essential to guarantee the best available price and we will distinguish the following options:
 - When the subcontracting cost is below 18.000 €, we need documents to support the purchase and at least three different offers. If you need more information about the procedure check the information in the following document: [circular nº2/2014 de Gerencia UMH](#)
 - When the subcontracting cost is higher than 18.000 €, the procedure to be followed will be an administrative procurement and you should contact the UMH Contracting Service.

3) Other direct costs.

Inside this section, Other Direct Costs the following requirements' should be carry out:

- **The cost should be optimized:** In this sense we recommend to present three different offers from different companies, which could offer the product/service, if the cost is higher than 500€. When the cost is below 500€, it could be advisable to present evidences that, the market has been searched to get the best cost for the product/service, for example e-mails from different suppliers with description of the product and price should be kept.
- **It is necessary:** Appropriately justified and coherent with the activities foreseen in the Work Program.
- **It is completely link to the project:** Request invoices very detailed (a general description won't be accepted, like for example (laboratory material...)) also is needed the project reference where the expense is included. It is advisable a stamp use in order to verify all the invoices charged to the European Project.



In this section the following costs categories are distinguished:

- Travel and allowance: it will be eligible if they are in harmony with the regular experience in the University.
- Equipment depreciation: In this section is suggested to use records systems equipment.
- Purchases of consumer goods and services: the following are included:
 - Consumables materials and supplies
 - It is advisable to make purchase to the identified supplies in the Marco Agreement Ref. 15/11 (<http://contratacion.umh.es/2011/05/25/expediente-n%c2%ba-1511/#more-1677>). In case any specific material is needed and could not be supplied within this Agreement, it is recommended the request of three different offers. If a material could only be supplied by an only one company, it will be necessary strongly support the need and specificity of the material. If the cost of the specific material is higher than 17999, an administrative procurement procedure should be used.
 - Diffusion Service (including publication open charges – Open Access)
 - IPR costs
 - Audit Certificate on financial statements (if they are required in the Grant Agreement)
 - Translation charges
 - Catering Service for meetings foresee in the Work Program
 - Web site establishment and maintenance
 - Internal invoices for a perfectly price list services (Ex. Animal Service)

All the information in relation with the management of these costs should be file in the project record /folder. Also it has to be available to future audit review.

