

STAFF COSTS IN INTERREG EUROPE- role play for fulltime/fixed percentage

Three characters: a lead Partner, an FLC and a programme representative

Facilitator:

You've surely noticed after our presentation that we highly encourage you to use the fixed percentage method to report staff costs...

THE PROGRAMME

That's right. We encourage you to report your staff costs using a fixed percentage for every employee involved in Interreg Europe projects, either be full-time or part-time. In fact, for the fourth call, we have completely removed the monthly calculation method and the 1720 hours calculation method.

THE FLC + LEAD PARTNER (together)

Really???

FLC

Well, I am really surprised that you are pushing strongly for the use of the fixed percentage as the regulation still mentions the monthly calculation method and the 1720 hours calculation method...

THE PROGRAMME

True. But let me explain: if an employee is involved on a fixed percentage, there is no need to fill in timesheets. You only fix the percentage in a mission letter, and then you multiply the employer's salary by this percentage. It's very simple: no risk of errors for miscalculation and audit trail as we have seen in other methods.

LEAD PARTNER

Wow! But as lead partners, we are used to write timesheets. We anyway do it also for other EU-projects in which we are involved.

THE PROGRAMME

Ok, but what is the benefits of timesheets? If you spend less time filling them in, calculating and checking figures, you can focus more on delivering your project! We want you to produce results not time sheet papers!

FLC

Wait a minute - no need for timesheets? But if everyone is now reporting on a fixed percentage basis, how do I check the reality and plausibility of time worked on project? How do I know that the percentage indicated in the mission letter reflects reality?

LEAD PARTNER

(whispers to the audience): You see? I am sure that our FLC will still request timesheets...and after that, all the costs will be declared ineligible without these documents. I know it!

THE PROGRAMME

But what makes you sure of the correctness of timesheets? Right now, you do not have proofs either that they are correct and you can only assume their plausibility. Well, you can do the same for a mission letter and use your professional judgment. For instance, a full-time involvement of a director in a project does not sound very credible. And then you can also compare figures with other projects for which you are first level controller to get an indication of what an average time allocation is. This can give you some references. Last but not least: you can compare the fixed percentage to the reported activities and other costs. A high fixed percentage for one employee that is not associated to travel costs should raise your concerns (unless this staff is the finance manager).

LEAD PARTNER

Timesheets, mission letters... don't forget: your budget is anyway the limit to what you can claim!

FLC

Well, maybe you are right. I admit after having checked a few partner reports using the fixed percentage: most partners get the figures right from the start. And it is much less time-consuming for me to check.

LEAD PARTNER

(to the audience): Cool. If my organisation pays less for first level control, we could maybe do this video on the Finish good practice with our stakeholder group...

(now to the FLC and programme)

Fair enough...But what if the involvement changes? Also, I have no idea what should be in this assignment document...I mean what level of details is expected in the mission letter?

THE PROGRAMME

Of course, changes can happen over the course of project implementation. For instance, a person being involved full time at some point can at a later stage be involved only part-time depending on the project work plan. This simply needs to be reflected in the new mission letter with a different percentage. Of course, you should not change it very month...

THE FLC

(to project partner) For the mission letter, we expect a reasonable level of detail so that we get a clear understanding of what someone is doing, his involvement, the tasks performed, and of course the fixed percentage!

LEAD PARTNER

Fair enough. I still have one comment though: I am afraid it does not make our life easier in any way. You need to consider that in our organisation we do not work only on Interreg Europe projects, but on several other EU programmes. In my case, I am working half of my time on Interreg Europe and the rest on a Horizon 2020 project.

FLC

Well, the easiest would be that you use the same method across all projects. Otherwise, if this is not possible, you should ensure consistency between the timesheets required for H2020 and the percentage fixed in the mission letter for Interreg Europe. For instance, if you work 40 hours a week and 50% of your time on an Interreg Europe project, we check that you do not declare more than 20 hours on any other projects you are involved in.

LEAD PARTNER

Ok, I get this. But how do I fix the percentage of my assistant who helps me on the project? On average she spends around 10% of her time on project related activities. But during peak times when we have to prepare our partner report, she can spend up to 40% of her time on the project!

THE PROGRAMME

Even small or irregular involvements can be expressed in a percentage. You have 5 months of 10% involvement, and one month of 40% involvement. It gives 15% on average.

FACILITATOR

And then they live happily ever after...thank you for this. Addressing the “actors” and the audience after doing this role play, does it raise any particular questions for you?