



ÉCOLE POLYTECHNIQUE
FÉDÉRALE DE LAUSANNE

Rules for the financial and administrative management of H2020 European projects

LEX 3.1.7

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Glossary

CA	Consortium Agreement – Contractual collaborative framework between the beneficiaries of the project
CDG	Contrôle de gestion – Department within the Vice Presidency for Finances
Chronos	Timekeeping tool available to EPFL researchers for recording the hours worked on research projects and justifying the eligible salary costs to funding sources
DoA	Description of the Action – Annexe 1 to the contract which outlines the work to be completed within the framework of the project
DoH	Declaration of Honour – First document signed by each beneficiary of a project accepted by the European Commission. It is necessary for preparing the GA. It identifies the beneficiaries, the budget and the structure for the project
DSCRTT	EPFL Directive on Grants, Research Contracts and Technology Transfer – LEX 3.4.1
EC	European Commission
ECO	Equipment and Centers Management Office
ERC	European Research Council – Funding Agency, the activities of which are included in the H2020 programme
EU	European Union
FS	Financial Statement – Table which must be used by each beneficiary for reporting costs to the European Commission
GA	Grant Agreement – The project contract signed by the European Commission and the coordinator (principal beneficiary if there are several beneficiaries)
GrantsDB	Database of EPFL research projects
H2020	Horizon 2020 - European Framework Programme for Research and Innovation 2014 – 2020
LOI	Letter of Intent
MSCA	Marie Skłodowska-Curie Actions – Element of the H2020 programme
NDA	Non-Disclosure Agreement – Agreement between the partners to ensure the confidentiality of certain elements relating to a proposal or a project
PI	Principal Investigator – Principal researcher in charge of a project
ReO	Research Office – Department within the Vice Presidency for Research
RH	Human Resources
SEDIA	Single Electronic Data Interchange Area – European Commission portal which must be used for monitoring, preparing and reporting on European projects
SERI	State Secretariat for Education, Research and Innovation
Summary financial statement	Table used by the CDG to transmit the amounts of eligible costs according to project fund spending or fixed amounts for Marie-Curie projects
Timesheets	Forms used to record working hours before the introduction of Chronos
TP	Third Party
VPFI	Vice Presidency for Finances
VPRHO	Vice Presidency for Human Resources and Operations

The Direction of the Ecole polytechnique fédérale de Lausanne hereby adopts the following:

Preamble

The present directive defines the practices and processes applicable at EPFL for the financial and administrative management for all research projects funded by the Horizon 2020 (H2020) European Commission (hereinafter “EC”) framework programme. This directive covers the “Pre-Award” phase, which runs from the preparation of the funding request to the confirmation and negotiation of grant allocation, the “Award” phase and the “Post-Award” phase, which follows the allocation of the grant. The present directive must be implemented by all laboratories involved in one or more H2020 projects.

The areas covered in the present document concern namely the institutional signature, the recording of institutional signatures in the European portal, the participation conditions for EPFL researchers for certain types of project, the opening of funds, financial reporting, exchange rates, VAT, cost eligibility, working time recording and document management.

The researcher in charge of the project and the Central Services are jointly responsible for the lifecycle of projects (Pre-Award, Award, Post-Award, Closing). The Central Services handle the following aspects in close collaboration with the laboratories:

- Information on the management rules specific to the H2020 programme
- Verification of ethical authorisations
- Verification of the eligibility of costs allocated to projects in accordance with the present EPFL regulations
- Calculation of eligible costs at the time of financial statement preparation
- Verification of costs declared to the European Commission or SERI
- Organisation of audits requested by the EC, according to the specific provisions of the Grant Agreement or following an exceptional request from the EC or the European Court of Auditors.

All researchers are advised to contact the ReO as soon as they begin preparing a H2020 proposal. If so required, the ReO will also point researchers towards the competent services throughout the various phases of a H2020 project.

In the present document, all terms designating functions apply to persons of either gender.

Note: certain COFUND or EJP projects may be subject to exceptions. Likewise, certain EPFL Units which use an analytical accounting system may follow different management rules.

Chapter 1 Pre-award/Award phase

Section 1 Rules applicable to all projects

Article 1 EPFL PIC number

When submitting a project for the purpose of obtaining a H2020 grant, all EPFL Principal Investigators (hereinafter “PI”) must use the following Participant Identification Code (PIC) number: 999973971



Article 2 Responsibilities during the Pre-award/Award phase

The responsibilities of the various actors participating in the Pre-award/Award phase are detailed in Annexe 1: “Responsibility Matrix: project submission, negotiation and signing of contracts for grants”.

This document also clarifies the rules concerning documents such as the MoU, NDA, Letter of Intent and Letter of Commitment.

Article 3 Roles to be added to the H2020 Single Electronic Data Interchange Area

¹ **At the time of submitting** the grant request, the PI must add the following email addresses as “participant contact” (or “coordinator contact” where necessary) in the H2020 [Single Electronic Data Interchange Area \(SEDIA\)](#):

- research.office@epfl.ch (ReO address)
- sf.fonds@epfl.ch (CDG address, “sf” meaning finance support).

² In accordance with [LEX 3.4.1](#) (Art. 16), the project must also be submitted to the GrantsDB database. This submission guarantees the institutional monitoring of the project and notably the institute signatures on the contractual documents.

The process for submitting a project to GrantsDB is explained on the [ReO website](#).

³ **Once the project has been accepted by the EC**, the PI must enter the following email addresses in the [SEDIA portal](#):

- lsign@epfl.ch as “PLSIGN” (“Project Legal Signatory”: the person authorised to sign the GA). This address is used for the electronic signature for the “Proposed Legal Authorized Signatory” of EPFL
- fsign@epfl.ch as “PFSIGN” for EPFL (“Project Financial Signatory”: the person who has the right to sign financial statements). This address is used for the electronic signature of the “Project Financial Signatory” of EPFL.

⁴ The process for adding roles is explained on the [ReO website](#).

Article 4 Rules applicable to the submission of projects relating to PI status

¹ Except when otherwise stated in writing, all PIs without the title “Full Professor”, “Associate Professor” or “Tenure Track Assistant Professor” (namely SNSF-funded Professor, Adjunct Professor, Senior Scientist, SNSF Eccellenza Professorial Fellowship, Postdoctoral Researcher)

must provide an Endorsement Letter signed by the Dean to the ReO in support of his/her application.

² Prior to submitting a grant request, a PI with the status “Tenure Track Assistant Professor” must provide the ReO with an Endorsement Letter in support of his/her submission signed by the Dean of his/her School if the duration of the project in question continues beyond the end date of his/her employment contract with EPFL.

³ For information on the means of providing this support, see the ReO.

Article 5 Rules applicable to the submission of projects in the case of anticipated retirement of a Professor

¹ A Professor may not submit or ask an employee from his/her Unit to submit projects which will end after his/her anticipated retirement date.

² Exceptions linked to the ERC Advanced Grants and Synergy are handled on a case by case basis; they require the support of the School Dean and the backing of the EPFL Direction.

³ For information on the means of providing this support, see the ReO.

Article 6 “Open access to research” clause in the Grant Agreement

Projects for which the Grant Agreement includes the special clause N° 29.3 (“Open access to research”) must have a “Data Management Plan” (DMP). In this case, the PI is asked to contact researchdata@epfl.ch.

Article 7 Respect of Public Procurement laws and other regulations for the acquisition of equipment

All acquisitions made by EPFL employees within the context of their activity at EPFL, or by a third-party on their behalf, are subject to the following regulations and legislation:

- Federal laws on Public Procurement: Federal Act on Public Procurement (FAPP, RS 172.056.1), Federal Ordinance of Public Procurement (OPP, RS 172.056.11) and supervisory parameters from the Federal Procurement Commission (FPC).
- *Conditions générales du Domaine des écoles polytechniques fédérales relatives à l'achat de biens et services* (General terms and conditions of the ETH Domain regarding the purchase of goods and services).
- EPFL regulations: in particular the “Directives concerning purchases and inventory” ([LEX 5.8.1](#)) and the “Financial Regulations” ([LEX 5.1.1](#)).

Article 8 Request for complementary financing for the non-eligible portion of equipment costs by EPFL

¹ The depreciation rules are as follows (see Article 2.2.2 GA):

- For IT equipment: 3 years
- For other scientific equipment: 5 years
- Depreciation only concerns equipment with a value equal to or exceeding CHF 10,000 per item (VAT included) and software with a value equal to or exceeding CHF 100,000 (VAT included). The depreciation period for equipment with a value upwards of CHF 1,000,000 (VAT included) depends on the duration of the maintenance contract. Questions may be sent to sf@epfl.ch.

Equipment must be amortised over the lifespan of the item and not the duration of the project. It is important to plan for the acquisition and entry into service of equipment to occur as closely to the beginning of the project as possible. If, in spite of this, an item of scientific equipment cannot be entirely amortised during the contractual period underway, it must be partially financed through an alternative source of funding. The PI is responsible for finding this complementary financing option (the amount of which must equate to the non-amortisable part of the project).

² EPFL offers researchers the possibility of requesting complementary financing for the non-eligible portion of these costs from ECO. In this case, the PI must submit a contribution request to ECO **at least one month prior** to the submission deadline for the European project.

This request must include a letter from the School Dean (i) supporting the request; (ii) indicating the amount allocated (if any) by the laboratory and/or School; and (iii) an evaluation of the infrastructure costs relating to the purchase (in collaboration with the VPRHO if necessary). ECO will then examine the request and communicate the decision to the Vice President for Research within one month.

Requests which do not reach ECO within the set deadlines will receive no allocation. In this case, it will be the PI's responsibility to find a funding source which will cover the full amount of the non-eligible costs.

Contact ECO (research@epfl.ch) for further information or requests for assistance.

Section 2 Rules applicable to European Research Council (ERC) grants

Article 9 Submission of grant requests to the European Research Council (ERC)

¹ A "Host Support Letter" signed by the Vice President for Research is required before a grant request can be submitted to the ERC. The PI must contact the ReO in order to request this letter **at least three weeks before** the submission deadline.

² The PI must provide to the ReO:

- the budget (copy of the B2C part of the "Proposal", including table and explanations);
- the "Administrative Forms" (in PDF format), including the final title and acronym for the project;
- a summary of the project, even if this is provisional;
- the "Ethical Self-Assessment", if applicable;
- if the PI is a SNSF-funded Professor, is supported by a SNSF Eccellenza Professorial Fellowship, or is a Senior Scientist (MER), he/she must obtain the approval of the Dean and HR Manager of his/her School. For information on the means of providing this support, see the ReO;
- if the PI is a Tenure Track Assistant Professor, he/she must provide an "Endorsement Letter" to support his/her application, signed by the Dean of his/her School. For information on the means of providing this support, see the ReO;
- if the PI is a Postdoctoral Researcher, he/she must complete the "Registration Form". The ReO can provide a template.

Section 3 Rules applicable to Marie Skłodowska-Curie Actions

Article 10 Rules applicable to all Marie Skłodowska-Curie Actions

¹ The PI is responsible for verifying the eligibility of researchers in accordance with EC criteria, including respect for the Mobility Rule in the case of Marie Skłodowska-Curie "Innovative Training Networks" (ITN) projects.

² For the purposes of verifying eligibility for ITN projects, the starting date of the employment contract is deemed to constitute the date of recruitment for the researcher.

Article 11 Rules applicable to Marie Skłodowska-Curie Actions: Global Fellowships (IF-GF)

EPFL does not participate in IF-Global Fellowships projects as a "Host Organisation" (beneficiary institute hosting the researcher after his/her return from a period spent in a non-European or non-associated country).

Article 12 Rules applicable to Marie Skłodowska-Curie Actions: European Joint Doctorates (ITN-EJD)

EPFL researchers must consult the ReO **at least two months in advance** if they intend to submit a project within the context of the “European Joint Doctorates” programme (programme leading to the joint or simultaneous deliverance of a doctoral degree by several universities). Approval from the Doctoral School and the Vice President for Education is required.

Section 4 Rules applicable to collaborative projects

Article 13 Memorandum of Understanding (MoU), Non-Disclosure Agreement (NDA), Letter of Intent (LOI)

When preparing multi-stakeholder submissions, the PI may have to draft or sign a Memorandum of Understanding (MoU), a Non-Disclosure Agreement (NDA) or a Letter of Intent (LOI). These documents must receive validation (see Annexe 1). In this case, contact the ReO for the drafting or verification of the documents prior to signing.

Article 14 Consortium Agreement

In the case of multi-stakeholder projects, the PI is responsible for sending the Consortium Agreement to the ReO at its first version and without delay for the purposes of legal review and negotiation. The Consortium Agreement must be signed in accordance with the [DSCRTT](#) (see also Annexe 1).

Article 15 Financial, staffing or material contributions from EPFL

Certain projects require financial participation or participation in the form of personnel (working hours) or material from EPFL. All prior commitments in this context must be validated by the ReO before submission.

Chapter 2 Post-Award Phase

Section 5 Financial and administrative management of projects

Article 16 Project funding depending on Swiss status

As the status of Switzerland within the context of its participation in H2020 changed on 15th September 2014 (date of partial association), certain projects are funded by the EC, whilst others are funded by SERI (participation of Switzerland as a Third Country). In order to determine the type of funding, please refer to the tables in Annexe 2 (situation prior to 15th September 2014, then from 15th September 2014 until 31st December 2016, date of Switzerland’s reintegration as an associated country).

Article 17 Opening a fund

The opening of a fund linked to a project by the CDG is subject to the validation of the contract by the ReO. This rule is applicable to all H2020 projects, regardless of whether they are funded by the EC or by SERI (see Annexe 2). See [LEX 5.1.1](#) for detailed financial regulations.

Article 18 Funds linked to H2020 projects

¹ For all mono-beneficiary or multi-beneficiary projects for which EPFL is not the coordinator, two different funds are linked to the projects:

- The “project” fund, which is created by the CDG via the data entered in the GrantsDB database at the beginning of the project;
- The laboratory’s “reserved” fund, into which the CDG transfers the portion of the indirect costs covered by the laboratory (see Art. 2.1.3 GA).

² If EPFL is the coordinator of a multi-beneficiary project, a “management” fund is created. This fund is separate to the project fund into which the financial contribution for all project partners is transferred by the EC. In accordance with Article 21.7 of the Grant Agreement, when this financial contribution is received, the amount is to be allocated to the partners without undue delay in proportion to budget allocations or in accordance with the instructions provided in the CA.

³ For all H2020 projects for which EPFL is the coordinator, exchange margins (positive or negative) resulting from the various accounting exchange rates applied to the transfers to partners and the corresponding financing are offset; the financial impact is absorbed centrally.

⁴ Indirect costs are shared between EPFL, the School and the laboratory at the time of payment from the EC or SERI for projects financed by these parties (see [LEX 5.1.1](#)).

⁵ For Marie Skłodowska-Curie ITN projects, the laboratory undertakes (as negotiated and indicated in the CA) to transfer a portion of management costs/overheads to the project coordinator (the amount is specified in the CA). The amount transferred is considered the direct cost of management. The balance of the overheads/management category constitutes the overheads.

Article 19 Provision of funding

¹ Funding is paid in instalments.

² For projects funded by the EC (see Annexe 2), the GA lays out the payment conditions. These conditions generally follow the following logic:

- Pre-financing is paid to the coordinator and must be transferred to the beneficiaries within 30 days following receipt of the funding. The pre-financing amount is indicated in the GA, as is the amount levied by the EC for a guarantee fund (European Central Bank), corresponding to 5% of the total contribution. Pre-financing means that the funding received must be spent in accordance with the project GA (see the project GA and Section 6 of the present regulations regarding eligible costs). Should the money be spent otherwise, the EC may request that the amount be refunded.
- One or more interim payments corresponding to the amounts spent during the associated period, paid within 90 days after the acceptance of each financial report. The interim payments may not exceed 85% of the maximum contribution from the European Commission for the project (90% of the “maximum Grant amount” minus 5% which will remain blocked until the final payment for the guarantee fund).
- One final payment or settling of the balance after the final report is accepted. If at the end of the project the amount of eligible costs is less than the amount of pre-financing, EPFL must reimburse the difference to the EC. In this case, there is neither an interim payment nor a final payment.
- If the final amount of eligible costs exceeds the maximum amount of the EC contribution, the PI is held responsible for covering the difference.

³ For projects funded by SERI, the payment methods are as follows:

- The first instalment represents 50% of the full amount and is paid after the signing of the contract by the beneficiary, upon receipt of an invoice from the beneficiary.
- The second instalment represents 30% of the full amount and is paid upon receipt of the signed accounting report and an invoice from the beneficiary.
- The third instalment represents 20% of the full amount and is paid once the signed final report is approved and an invoice has been received from the beneficiary.

The second instalment is paid when the interim financial statement has been accepted. This report must be provided within the 60 days following the first 12 months of the project for those projects lasting fewer than 36 months, and within the 60 days following the first 24 months of the project for projects lasting 36 months or more.

The third instalment is paid upon acceptance of the final financial statement, which must be provided 60 days after the end of the GA at the latest.

If at the end of the project the amount of the eligible costs is less than the amount received, the amount to be reimbursed (difference between eligible costs and amount received) must be paid to SERI within 30 days.

⁴ For all H2020 projects, an indirect participation in the costs occurs at the time of payment in the form of an overhead, with the exception of MSCA projects, where this transfer occurs at the end of the project (based on the final account of project costs established by the CDG at the time of closing the fund).

Article 20 Exchange rate

¹ For projects funded by the EC (see Annexe 2):

- Spending: the exchange rate used for preparing the Financial Statement (FS) is the average daily exchange rate from during the reporting period according to the European Central Bank. The Units are informed of this exchange rate by the CDG during the preparation of the FS in the document entitled "Summary Financial Statement".
- Revenue: for projects submitted before 15.01.2016, EPFL has implemented a guaranteed EUR/CHF exchange rate. This exchange rate is set at the beginning of the project and remains valid until 31.12.2017 for payments received until 31.12.2017.
- For projects submitted after 15.01.2016, there is no guaranteed rate.

² For projects funded by SERI, payments are made in Swiss francs (CHF). The calculation of the budget in Swiss francs is completed by SERI using the average exchange rate from the Swiss National Bank (www.snb.ch) for the month corresponding to the end of the deadline for the call for proposals.

Article 21 Amendments

The laboratory must notify the ReO of project amendments and must record and update all changes in the GrantsDB database. Where necessary, the PI must also inform SERI, copying the ReO into all communications.

Article 22 Communication with the EC or with SERI

All communications with the European Commission or with SERI not relating to standard project management operations must be carried out via the ReO.

Article 23 Closing of funds / reporting periods

The project fund will be closed by the CDG after the final payment. All information concerning costs rejected by SERI or the EC must be shared between the laboratory, the ReO and the CDG.

Section 6 Eligibility of costs

[The H2020 Grant Agreement](#) by the European Commission is considered binding.

The aim of this section is to present a non-exhaustive list of the main management rules concerning H2020 projects. They support the School management rules and reiterate the important points but are not exhaustive. Eligible costs are those which may be covered using the project fund and declared to the EC or SERI. They represent the direct costs (total cost of the project minus the indirect costs).

Article 24 General conditions

¹To be considered eligible within the context of a European project, costs must be:

- a) Real and related to the project; the connection with the project must be able to be proven at all times throughout the project duration and for 5 further years following the end of the project;
- b) Incurred by EPFL;
- c) Incurred during the project duration, except for the preparation of the periodic and final report for the last reporting period (60 days after the end of the project) and costs relating to preparations for the “kick-off meeting”;
- d) Determined in accordance with EPFL management principles and accounting practices;
- e) Useful/necessary for the completion of project objectives according to the DoA;
- f) Recorded in EPFL accounts;
- g) Used for the project in a manner consistent with the principles of economy and effectiveness;
- h) Verifiable, i.e. with supporting documentation.

² All spending relating to the purchase of goods or services must be carried out in a manner consistent with the principle of “best value for money”, which is defined as the most advantageous combination between price and quality. All purchases must respect the EPFL norms regarding conflicts of interest (see [LEX 5.8.3](#)).

Article 25 Scientific equipment

¹ The Directive concerning purchases and inventory ([LEX 5.8.1](#)) applies.

² The purchase of an item of scientific equipment does not constitute an eligible cost according to the terms of the management rules of the EC and SERI. Only the amount corresponding to the period of use of the equipment during the project is considered eligible.

³ In order to optimise reimbursements from funding sources, the following conditions must be checked:

- a) The equipment must have been planned for at the time of establishing the initial budget and mentioned in the DoA;
- b) The installation and entry into service of the equipment must be planned for the beginning of the project (or as close to this date as possible).
- c) If the equipment is 100% dedicated to a single European project, EPFL equipment depreciation rules apply:
 - < CHF 10,000 (VAT incl.): acquisitions below CHF 10,000 (VAT incl.) are considered as an expense i.e. may be charged to the project once;
 - CHF 10,000 (VAT incl.) – CHF 1,000,000 (VAT incl.): within this limit, for equipment intended for research purposes the depreciation period is set as follows:
 - 3 years for IT equipment (1/3 of its value per year)
 - 5 years for scientific equipment (1/5 of its value per year)
 - > CHF 1,000,000 (VAT incl.) the duration of the depreciation period for equipment with a value exceeding CHF 1 million (VAT incl.) depends on the duration of the maintenance contract. In this case, contact sf@epfl.ch.
 - The beginning of the depreciation period is set by the date of entry into service for the equipment according to the inventory form. If the duration of the depreciation period exceeds the end date of the project, complementary financing for the non-eligible costs must be found from another source by the PI (see Article 8).
- d) If the equipment is partially used by one or more European projects or other projects, the amount of time for which the equipment is used must be monitored by the laboratory. In this case, contact the ReO.

⁴ The amount of the invoice must be charged to the project fund. The CDG calculates the eligible amount at each reporting period for the project. This calculation is approved by the PI at the time of reporting.

⁵ Equipment purchases, carried out via the specialised EPFL purchase portals, must respect the principle of “best value for money”. Depending on the value threshold of the purchase, a public invitation to tender may be necessary (consult ECO).

For purchases carried out directly by the laboratory, it must be possible to demonstrate that the acquisition is respectful of the principle of “best value for money”. In practice, the laboratory must ensure that the following points are respected:

- Minimum of three offers from three different suppliers
- Justification of supplier choice

Order files containing all documents relating to the purchase must be stored in the EPFL purchase portal or by the purchasing Unit for 10 years.

⁶ For all questions concerning the purchase of equipment, contact ECO (research@epfl.ch).

Article 26 Goods, works and services

¹ The Directive concerning purchases and inventory ([LEX 5.8.1](#)) applies.

The purchase of goods, works and services must be referenced in Annexe 1 of the GA and/or in the technical and scientific reports for the action.

All purchases, carried out via the specialised EPFL purchase portals, must respect the principle of “best value for money”.

For purchases carried out directly by the laboratory, it must be possible to demonstrate that the acquisition is respectful of the principle of “best value for money”. In practice, the laboratory must ensure that the following points are respected:

- a) Minimum of three offers from three different suppliers
- b) Justification of supplier choice

Order files containing all documents relating to the purchase must be stored in the EPFL purchase portals or by the purchasing Unit for 10 years.

² For goods used and invoiced globally for the performance of laboratory projects, the Unit must ensure that the breakdown of these costs is well balanced.

³ Internal invoices are eligible as costs for the project, provided that the following conditions are satisfied:

- a) The method of calculation used to determine the amount of the invoice is indicated on the invoice or recorded by the issuer of the invoice in an attached document. If the working time of a person responsible for the maintenance or handling of an item of equipment is invoiced, this person must be able to justify the time spent working on the project through recorded timekeeping (see Article 33) or alternative sources such as the laboratory journal, analytical documents or the record of the amount of time for which equipment was used. The amount invoiced must correspond to the working time multiplied by the person’s hourly rate.
- b) The nature of the service as well as the connection with the project are indicated on the invoice or in an attached document.
- c) The amount invoiced does not include overheads or indirect costs.

⁴ User fees for platforms are eligible for reimbursement. In this case, the user fees recorded on the platform and invoiced to the laboratory are considered binding, according to the established institutional format.

Article 27 Contribution in-kind by a third party

¹ If it is necessary for the completion of the project, the beneficiary/Unit may make use of a third party for the provision of necessary goods, services or skills (contribution in-kind).

² The amounts invoiced by third parties are eligible provided that the conditions below are satisfied:

- The amount of the fees invoiced is equal to or below the real amount recorded in the third-party accounts, i.e. the third party must not make a profit from the transaction.
- The contribution from the third party must have been planned for in the DoA.
- The invoice provides a detailed description of the calculation used to define the amount invoiced and the connection with the project.

Contribution in-kind may take place within the premises of the beneficiary or externally. In the first case, the invoice will contain no overheads; 25% will be added via the project. In the second case,

the invoice will contain the third-party overheads and no overhead will be added by the project (see Annexe 3).

³ In the case of an audit by the EC or the European Court of Auditors, the auditors reserve the right to control the detail of amounts invoiced by the third party.

⁴ For projects funded by SERI, the above points are applicable. In addition, the headquarters of the third party must be located in Switzerland.

Article 28 Subcontracting

¹ The Directive concerning purchases and inventory ([LEX 5.8.1](#)) applies.

² The costs of subcontracting concern the completion of a task for the project by a third party for which the third party earns a profit from the work conducted. The amount invoiced by the subcontracting party is considered eligible provided that the costs are:

- clearly specified in Annexe 1 in terms of both their nature and their amount, de facto known by the Commission at the time of approving the proposal, or
- approved via an amendment to the GA after signing with a clear definition of the nature and known costs to the EC, or
- exceptionally approved by the EC based on justifications provided by the beneficiary in the periodic technical report.

When selected with the help of the specialised EPFL purchase centers, subcontracting must be considered to respect the principle of “best value for money”.

Subcontracting selected directly by the laboratories must be able to demonstrate respect for the principle of “best value for money”. In practice, the laboratory must ensure that the following points are respected:

- a) Minimum of three offers from three different suppliers
- b) Justification of supplier choice

Order files containing all documents relating to subcontracting must be stored in the EPFL purchase portal or by the purchasing Unit for 10 years.

³ For projects funded by SERI, the above points are applicable. In addition, the headquarters of the subcontracting company must be located in Switzerland (see Annexe 3).

Article 29 Travel

¹ [LEX 5.6.1](#) (Directives concerning professional travel and the reimbursement of expenses) applies.

² LEX 5.6.1 applies to all EPFL staff members and for the reimbursement of travel expenses for external experts mentioned in the DoA.

The following points are to be additionally noted:

- a) The travel fees of a person whose salary is fully funded by a European fund may not be covered by another European fund.
- b) It must be possible to clearly establish and document a connection between the person, the travel and the project. The following supporting documents must be archived in the laboratory for the duration of the project and for 5 additional years following its end. For example:
 - o Travel requests
 - o Boarding passes, hotel or restaurant invoices
 - o Meeting minutes with a list of participants
 - o Certificate of participation in conferences relating to the project
 - o Personal contribution (presentations, publications, posters) mentioning the name of the project.

³ In accordance with EPFL rules, costs for a visa and for necessary vaccinations for the trip will be reimbursed. Passport fees and identity card fees are not taken into account and must not therefore be charged to the project fund.

⁴ Travel fees for a person not working at EPFL must be duly motivated and accompanied by a certificate from the person indicating that no amount will be reimbursed from his/her own institute.

⁵ Accounting entries relating to travel must obligatorily mention the number of the relevant travel budget. Travel budgets approved by the Head of the finance center must be archived.

Article 30 Meal expenses

¹ [LEX 5.6.1](#) (Directive concerning professional travel and the reimbursement of expenses) applies.

² Expenses for meals and coffee breaks are considered eligible costs in the context of the organisation of consortium meetings and may therefore be declared as direct costs throughout the day and between two work sessions only.

³ Hospitality expenses are generally considered by the EC to represent indirect costs. They cannot be charged to the project fund unless the following conditions are met:

- a) the list of meal participants is attached to the restaurant invoice. On this list, each participant must confirm that he/she receives no reimbursement for his/her own institute.
- b) The list of guests corresponds to the list of participants in the meeting.
- c) The costs and provisional budget are planned in the DoA or approved in writing by the Project Officer during the project duration.

Article 31 VAT

In accordance with EC rules (Article 6.5 Grant Agreement) VAT is considered an eligible cost, provided that it is non-deductible through the fiscal authority of the country of affiliation.

On this basis, and in accordance with pronouncements from SERI, it is not possible for research institutes such as EPFL to recover VAT from the fiscal authority. VAT is thus considered an eligible cost for H2020 projects.

Article 32 Indirect and non-eligible costs

The following costs in particular cannot be considered direct costs and therefore cannot be charged to the project fund:

- a) costs related to return on capital
 - b) debts and debt service charges
 - c) provisions for future losses or debts
 - d) interest owed
 - e) doubtful debts
 - f) currency exchange losses
 - g) bank costs charged by the beneficiary's bank for transfers from the EC
 - h) recruitment costs with the exception of costs relating to the recruitment of a researcher employed within the framework of a MSCA-ITN project
 - i) excessive or reckless expenditure
 - j) costs incurred during suspension of the implementation of the action
 - k) costs declared under another grant fund
- Article 6.5 of the GA is binding.

Article 33 Eligibility of salary costs

Article 33.1 General points

¹ The laws and ordinances on employees of the Confederation and the EPFL "Rules and Regulations concerning Working Time Management (RGT)" are applicable to all EPFL staff and therefore to all employees funded by the EC H2020 programme and all employees funded by SERI within the framework of a H2020 project ([Lex 4.1.4](#)).

² In order to respect the framework conditions laid out by the EC, each employee for whom the salary is charged to a European fund **must imperatively record and certify their hours worked** on the project. EPFL requires that the person concerned count the hours worked on this project. The Head of Unit is responsible for controlling working hours, except in exceptional cases in which this responsibility is conferred to the ReO.

- a) The monitoring of EPFL employee absences is carried out using an absence management system (<http://absences.epfl.ch>).
- b) All employees (regardless of role, professors included) for whom the salary is fully or partially charged to at least one European fund must justify his/her work schedule by filling out timesheets for the number of funds concerned. These timesheets must be completed on a weekly basis and submitted for validation and approved by the Head of Unit on a monthly basis. It is strongly recommended that all employees working on the project complete a timesheet, regardless of whether their salary is funded by the project or not.
- c) Timesheets are considered compliant when:
 - a. The name and number of the fund is indicated;
 - b. The names of the employee and his/her superior are indicated in full;
 - c. There is a double signature (the employee and the superior);
 - d. The date of the signature is no more than 30 days after the working period;
 - e. The employee's activity rate is indicated.
- d) Until 1st June 2018, working hours were recorded using a timekeeping tool in Excel format provided by the ReO. These signed timesheets had to be scanned and uploaded to the GrantsDB database at least every three months. Since 1st June 2018, timekeeping has been recorded using the Chronos tool. The access rights for Chronos are managed in a decentralised manner within each laboratory by the heads of Unit and the Unit Administrators via the ACCRED application.

The Heads of Unit are responsible for controlling the recording of working hours and must ensure that hours are recorded on at least a weekly basis. The Head of Unit is also responsible for the monthly validation of the working hours recorded. This task cannot be delegated to another person. The validation of working hours recorded must be completed within the 30 days following the end of the month concerned.

³ In order to declare the salary costs, EPFL does not calculate an hourly rate, but allocates an amount of the monthly salary for the project on a pro rata basis according to the working hours recorded. To do this, EPFL uses the standard number of annual productive working hours calculated per employee category as indicated on the [ReO website](#). Questions concerning standard productive working hours may be sent to the ReO (research@epfl.ch).

⁴ As far as possible, it is recommended that staff should work on only one project per person.

⁵ All employees working on a European project have the right to an appropriate job specification, the content of which must be coherent with the other documents relating to the project. Templates are available on the HR website (<https://rh.epfl.ch/FormulairesRH>) and must be used for all new employment situations.

Article 33.2 Trainees, fellows and assistants

¹ The present provision is aimed at Student Assistants, Construction Assistants and Temporary Assistants at EPFL in the sense of [LEX 4.7.1](#), as well as fellows and trainees without employment contracts with EPFL, who receive a monthly grant, the amount of which is decided upon by their host laboratory.

² The cost of a trainee or fellow from another institute can only be claimed as an eligible cost within the framework of a European project if:

- a) The active presence at EPFL is formally listed by HR and by controls on the working time within the Unit concerned in accordance with the rules laid out in Article 33 of the present document (equivalent conditions for PhD students and Postdoctoral Researchers in the same Unit).
- b) The connection with the project is documented:
 - o The contribution from the trainee or fellow is recorded in a placement report and/or is explicitly mentioned in the project's scientific report(s) and the related publications.
 - o And/or the Head of the project provides a certificate attesting the participation of the trainee or fellow in the project. The certificate is signed by the Head of the project and the trainee or fellow and is then archived in the GrantsDB database.

³ The cost of Student Assistants, Construction Assistants and Temporary Assistants is considered eligible where the collaboration concerns a productive activity relating to the project, and not when it constitutes training for the student involved.

Article 33.3 Visiting Professors or Academic Guests

¹ [LEX 4.2.5](#), concerning Visiting Professors and Academic Guests applies.

² The participation costs of Visiting Professors or Academic Guests are only considered eligible if the time dedicated to the European project is recorded via a timekeeping control within the Unit concerned in accordance with the rules laid out in Article 33 above.

Article 33.4 Professors Emeritus

¹ EPFL may employ a Professor Emeritus for research activities by allocating a mandate in accordance with [LEX 4.2.6](#) on EPFL policy concerning Professors Emeritus.

² The participation costs of Professors Emeritus are only considered eligible if the Professor Emeritus is mentioned in the DoA and his/her working time dedicated to the project is recorded via a timekeeping control within the Unit concerned in accordance with the rules laid out in Article 33 above.

Article 34 Specific provisions for Marie Skłodowska-Curie (MSC) projects

¹ MSC projects are open to various types of beneficiary:

- a) MSC-ITN projects are open to beneficiaries wishing to work as part of a network and to recruit PhD students.
- b) MSC-IF projects are open to Postdoctoral Researchers.
- c) MSC-RISE projects are open to universities and industries wishing to initiate staff exchanges with an element of training.
- d) MSC-COFUND projects are open to universities which wish to offer a fellowship programme at PhD student or postdoctoral level, in order to send or receive researchers to or from abroad.

² For MSC-ITN projects, the recruitment process for researchers is the same as for all EPFL employees, with the additional specific characteristics:

- a) The laboratory ensures that the recruitment process has international reach by publishing the offer on the Euraxess website and archives the relating documentation.
- b) The laboratory undertakes to ensure that researchers respect EC eligibility criteria, particularly with regards to the Mobility Rule: they must not have lived or worked in Switzerland for more than 12 months in the 36 months preceding the start date of their EPFL employment contract.

³ For MSC-IF projects, the EC verifies the respect of eligibility rules at the time of evaluation.

⁴ For MSC-RISE projects, the researcher will not receive a salary, but rather a fixed-rate amount for each month of the exchange.

⁵ For MSC-COFUND projects, the recruitment process for researchers retained after evaluation is the same as for all EPFL staff, with the additional following provisions:

- a) The Unit responsible for managing the project undertakes to ensure that researchers respect EC eligibility criteria, in particular the Mobility Rule: they must not have lived or worked in Switzerland for more than 12 months in the 36 months preceding the start date of their EPFL employment contract;
- b) Specific provisions defined in the DoA.

⁶ In the three ITN, IF and COFUND cases, the researcher must work full time on the project selected. By default, the EPFL salary scale applies to all researchers, regardless of their source of funding.

⁷ In the case of researchers funded by a MSC-ITN or MSC-IF project, in signing the contract EPFL undertakes to pay researchers at least the financial contribution paid by the EC, that is to say the amount of the “monthly living allowance”, the “mobility allowance” and the “family allowance” in accordance with the contract.

⁸ The overhead is not allocated according to the standard rules (see Article 19 above) at the beginning of the project. It is paid into the project fund so as to contribute to any possible salary compensations.

⁹ At the time of closing, the CDG ensures that the salary paid is not lower than the EC contribution received by EPFL.

¹⁰ Should the salary be lower, the CDG communicates the supplementary amount to be paid to the employee to the laboratory.

¹¹ In all cases, the allocation of remaining overheads is completed in accordance with the standard rules for closing. Should a negative balance occur, the laboratory covers the difference.

Article 35 Types of spending unplanned in the initial budget

The EC may approve certain types of spending (subcontracting, third-party contributions, etc) which were not included in the DoA or in the action budget, without an amendment to the agreement, if:

- they are specifically justified in the technical periodic report, and
- they do not imply any modifications to the agreement which would call into question the decision to allocate a grant or violate the principle of equal treatment of candidates.

The PO or the project coordinator (copy to the ReO and CDG) are to be contacted with justifications before any change is acted.

Section 7 Reporting

Article 36 Timeframes

¹ H2020 projects are divided into “reporting” periods which are outlined in the GA. The deadline for the submission of reports is set at **60 days** following the end of the period concerned. The detail of the reports to be submitted to the EC is indicated in the GA.

² The CDG collaborates with the laboratory for the drafting of the Financial Statement as well as the preparation of the audit when the total contribution for direct costs requested from the EC exceeds EUR 325,000 during or at the end of the project. MSCA-ITN projects are exempt.

³ For projects funded by SERI (see Annexe 2), the Financial Statement requested by SERI is in addition to the documents requested by the EC. The Financial Statement completed for the EC will indicate 0 in accordance with Article 9 of the GA.

Article 37 Internal organisation for preparation of the Financial Statement

¹ The various steps for preparing the Financial Statement for the EC are as follows:

- a) Notification of a reporting deadline by email by the contact person from the CDG group in charge (VPFI) (information concerning the contact person is available on the website www.sf.epfl.ch).
- b) In the case of an audit (Art. 36), the notification email will contain the following audit preparation documents:
 - o Terms of Reference letter (ToR)-H2020
 - o Representation Letter
- c) The Financial Statement may only be prepared after the closing of accounts for the period concerned.
- d) The dates for the monthly closing of accounts are indicated on the VPFI website: <http://sf.epfl.ch/bouclementmensuel> (French only).
- e) The CDG sends the summary financial statement which enables the laboratory (Head of project of Unit Administrator) to complete the EPFL Financial Statement directly on the EC portal.
- f) The laboratory justifies costs reported in the Financial Statement in the explanation of use of resources in accordance with the level of detail required according to Article 2.3.3 GA.

- g) Expenses are recorded in EUR, in accordance with Article 2.1.5 GA.
- h) The Financial Statement must be signed electronically by the FSIGN. The document is submitted to the FSIGN via the European portal.
- i) All documents must be submitted to the coordinator or the EC via the European portal prior to the 60-day deadline.
- j) The coordinator must submit the periodic report (grouping the technical report and financial statement) to the European Commission him/herself.

² The various steps for preparing the financial statement for SERI are as follows:

- a) SERI sends an informational email to each beneficiary.
- b) Notification of a reporting deadline by email by the contact person from the CDG group in charge (VPFI) (information concerning the contact person is available on the website www.sf.epfl.ch).
- c) The Financial Statement may only be prepared after the closing of accounts for the period concerned.
- d) The dates for the monthly closing of accounts are indicated on the VPFI website: <http://sf.epfl.ch/boucllementmensuel> (French only).
- e) The CDG sends the summary financial report (Excel document "SEFRI Financial Reporting").
- f) The Excel document and the scanned invoices (pdf format) must be transferred to SERI via its internet platform designed for this purpose (link also provided in the email).
- g) Expenses are recorded in CHF, in accordance with Article 2.1.5 GA.

Article 38 Explanation of use of resources

At the time of reporting, the European Commission will request a detailed explanation of expenses which must be justified in the European portal (SEDIA).

Article 39 Specific provisions for MSC projects

For MSC projects, the figures reported in the EPFL Financial Statement must correspond to the fixed amounts set out in the GA.

Article 40 External audits

¹ There are three types of audit relating to European projects:

- a) The audit completed by the mandatary chosen by EPFL when the total contribution from the EC or SERI for direct costs reaches or exceeds EUR 325,000.
- b) The audits of the European Commission.
- c) The audits of the European Court of Auditors

² For audits completed by an external auditor mandated by EPFL:

- a) All EPFL audits are concentrated into one week each month (1st week of 2nd month (T0)).
- b) The following documents must be provided to the CDG before the audit begins:
 - o Terms of Reference signed by the PI: letter confirming the consulting of an external auditor by EPFL.
 - o Representation Letter signed by the PI: letter confirming the accuracy of the statements provided by EPFL to the auditor.
 - o Records of working time must be archived in the GrantsDB database until 1st June 2018, at which date the Chronos tool will enter into service.
- c) All of the above documents must be made available for the auditors on the Monday of the week of the audit.

³ The cost of audits mandated by EPFL at the end of each phase of the project is charged to the project and reported in the final reporting period.

⁴ Notification of audits by the European Commission and European Court of Auditors is generally received by the Head of the project, who must inform the CDG as soon as possible.

Article 41 Specific provisions for SERI-funded projects

¹ In accordance with Article 9 of the GA, for projects funded by SERI, the beneficiary must submit the EPFL financial statement to the EC, indicating:

- a) "0" in all categories
- b) "0" under "Requested EU contribution"

² In addition to the financial report submitted to the EC, the beneficiary transmits to SERI:

- a) The reports submitted to the EC;
- b) For projects lasting at least three years, the beneficiary prepares a Financial Statement after 24 months and submits it to SERI within the 60 days following the end of the 24-month period. At the same time, the beneficiary submits the invoice for the second instalment of the financial contribution.
- c) If the project lasts for less than three years, the beneficiary submits a financial statement after 12 months, along with the invoice for the second instalment.
- d) At the end of the project, within the 60 days following the end of the contract, the beneficiary submits a copy of the final scientific reports and Financial Statements sent to the EC as well as the final SERI Financial Statement.

³ The final Financial Statement includes:

- a) A list of all project costs.
- b) Copies of the original supporting documents.
- c) Balance confirmation or account statement from the CDG.
- d) If the contribution for costs exceeds EUR 325,000, an audit certificate is required.
- e) If the project involves a foreign subcontractor, the beneficiary must present and archive the proof that it was not possible to work with a subcontractor in Switzerland.

Chapter 3 Final provisions and entry into force

Article 42 Entry into force

The present management rules enter into force on 13th February 2019. They support the rules in the H2020 Grant Agreement already in force.

On behalf of the EPFL Direction:

Martin Vetterli
President

Susan Killias
General Counsel