

Nordplus Adult

## **Guidelines and requirements for budgeting in Nordplus Adult**

In the following the guidelines and requirements for budgeting Nordplus Adult projects are presented. A separate guide for reporting, documentation of costs and financial management of grants will be provided for all Nordplus Adult grant beneficiaries.

The guidelines presented here should be discussed among the project organisations already at application stage, as the financial framework in Nordplus Adult involves specific procedures to be adopted and implemented from the very beginning and has implications on the type of activities that can be carried out.

The grants for mobility (flat rates) are different from that of collaboration projects (budgets) and the two set of activities are therefore presented in two separate sections.

For general information on the Nordplus Adult programme, please see the Nordplus Handbook 2015.

Danish Agency for Higher Education, December 2014

## **Content**

1. General framework for budgeting .....	3
1.1 Eligible costs.....	3
1.2 Sound financial management.....	3
2. Mobility projects.....	3
3. Collaboration projects.....	5
3.1. Costs of time invested.....	7
3.2. Use of external expertise .....	7
3.3. Administrative expenses.....	8

## **1. General framework for budgeting**

The Nordplus Adult grant is a contribution to a transnational partnership working towards a specific purpose and towards achieving a specific aim within a limited period of time.

The nature of this particular type of project has effect on budgeting within a Nordplus Adult project. Please make note of the following points before submitting an application:

### ***1.1 Eligible costs***

The following eligible (and ineligible) costs in Nordplus Adult apply to mobility projects and collaboration projects alike:

- only costs directly related to the project and its activities are eligible
- costs for non-Nordic or non-Baltic participants or costs for activities outside the Nordic or Baltic countries are not eligible.

For collaboration projects these costs are not eligible:

- indirect costs, e.g. overheads or general costs
- costs for office equipment, such as IT equipment

Furthermore costs involving participants with special needs may be met by a grant of up to 100 per cent. Additional funds may be provided to cover cost for e.g. escorts and interpreters. The extra funds may be applied for after the ordinary application deadline directly to the Danish Agency for Higher Education. A doctor's certificate is usually required.

Further specifications of eligible and not eligible costs are given in the sections for mobility projects and collaboration projects respectively.

### ***1.2 Sound financial management***

When planning and carrying out a Nordplus Adult project the principles of sound financial management should always be observed.

This means that the spending should be reasonable and justified, not excessive or reckless. Costs must be identifiable and verifiable and the spending must secure value for money and be cost-effective. There must be an appropriate balance between quantity and quality and the best price.

Overall, the best relationship between resources used and the results achieved must exist.

## **2. Mobility projects**

- Exchange of adult learners and teachers and preparatory visits.

Grants for mobility projects are contributions to the costs related to transnational exchanges/stays and specifically include contributions to travel

costs and costs for board and accommodation while staying in another country.

In Nordplus Adult, mobility grants are considered as lump sums and not based on actual costs incurred. They are based on a set of flat rates for travel and for board and accommodation respectively, and the actual grant is calculated by multiplication of the approved number of participants, the duration of stay(s) and the applicable rates.

There are different travel rates for different groups of countries and different board rates for different target groups listed in the tables below.

#### **Travel rates per participant**

To and from Greenland	1.300 euro
To and from the Faroe Islands and Iceland	660 euro
Between Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Sweden and Åland	330 euro
Domestic, more than 500 km (both ways)	150 euro

The rate for domestic travelling is an addition to the rates for transnational travel. Grants for domestic travel can be applied for when the distance between the participant's hometown and the nearest international airport, train or bus station in home country is more than 250 km.

#### **Accommodation/board rates per participant**

	Per day	Per week	Per month
Folk high school students	20 euro	70 euro	200 euro
Adult learners (students)	40 euro	160 euro	480 euro
Teachers/other pedagogical staff	70 euro	355 euro	1.065 euro

The fact that mobility grants are lump sums and not based on actual costs incurred means that it is the number of participants, the duration of the stays and the sending/host country which must be reported and documented at final report stage and not the actual costs of the exchanges/stays.

Put differently, beneficiaries are entitled to the full grant amount if the total number of mobilities is carried out in accordance with the aims outlined in the application even if the expenses are lower than the granted amount.

By the same account, the final grant will be reduced in the following cases:

- if fewer participants have taken part in the exchanges and/or if the stays have been shorter than foreseen in the grant decision, the final grant amount will be reduced accordingly
- changes in sending/host country may in some cases lead to a reduction of grant as different travel rates apply to different groups of countries
- the minimum duration for the type of stay/exchange in question must be kept. Shorter stays than the required minimum are ineligible and cannot be part of the reporting. See the Nordplus Handbook for the various types of exchanges and their minimum duration.

Any change in sending/host country must be justified and approved by the administration and cannot lead to an increase in grant.

If exchanges/stays are fulfilled and carried out as indicated in the grant decision, the actual use of the grant can take place with full flexibility, for instance:

- grant amounts originally allocated to travel costs can be used for board accommodation and vice versa, e.g. in case travel rates are higher than the actual travel costs and unused travel grant amounts are generated - and vice versa
- grant amounts originally allocated to stays in one country/organisation can be used for costs of stays in another country/organisation of the exchange program, e.g. when the travel and subsistence rates for one country are higher than the actual costs and unused grant amounts for a country are generated - and vice versa
- in carrying out the exchanges/stays foreseen in the grant decision, any unused grant amount can be used to include more participants or to cover other costs specifically incurred from the exchanges foreseen.

### **3. Collaboration projects**

*- thematic networks, development projects and mapping projects.*

Grants for collaboration projects are contributions to costs incurred by organisations of different countries collaborating on a systematic basis for a limited period of time aiming to exchange knowledge and experience, develop teaching materials, methods, concepts or carry out studies on adult learning.

Grants for collaboration projects are based on a specified budget of the estimated, actual costs of the project. Grants from Nordplus Adult can cover up to 75% of approved costs, while at least 25% of the costs must be co-financed, covered by either the participating organisations themselves (self-financing) and/or other external sources.

The budget must include costs for all project activities during the full project period, covering all organisations in all countries - both costs covered by the organisations own contributions (co-financing), other external contributions and by the applied grant from the Nordplus Adult program.

For applied grants over 10.000 euros a detailed budget must be attached to the application. The detailed budget should give more information on the calculated expenses under the three categories of “travel”, “accommodation/board” and “other costs”.

The budget may include a variety of types of costs, e.g.:

- travel (including travel insurance) and accommodation/board costs in connection to project meetings
- costs for printing of reports, brochures and other printed materials
- costs for establishing of a project web site, e.g. with the aim to disseminate project results
- costs for meetings, seminars or conferences aimed at disseminating the achieved results to a broader audience. The support would e.g. cover costs related to rent of premises, equipment fees for speakers etc.<sup>1</sup>
- the value of work hours put into the project
- costs for translation.

Please take notice of the following requirements when making the separate budget:

- the budget must include each applicable sub-category of costs of the budget
- the budget must also specify the costs to be covered by the grant and the costs to be covered by the co-financing of the participating organisations and/or external sources
- the co-financing must as amount to minimum 25% of the total budget, but the composition of the co-financing may vary: it can be limited to certain types of costs or be calculated as 25% of all types of cost.
- the budget must specify “Other costs” in terms of the various types of costs it includes
- costs for travel and board and accommodation for project meetings etc. should be given as real costs. Per diem rates given by the organisations to the employees may be included in the budget as “real costs” when these rates can be documented as standard rates by the organisations. Fixed mobility rates can only be used if they can be documented not to be above the actual costs
- VAT (Value Added Tax) can normally not be included. Only when the organisations can show that they are unable to recover VAT may it be included in the budget. As public legal organisations/entities are normally able to recover VAT, they cannot include VAT in their costs.

---

<sup>1</sup> Please note that travel and accommodation/board costs for participants outside of the project group cannot be included in the budget.

### ***3.1. Costs of time invested***

In support of aim to contribute to the development of the adult learning sector and provide specific results, Nordplus Adult provides grant contributions for time invested in development projects and mapping projects. As a result the value of time (work hours) directly used by the project organisations for actual development work is an eligible part of the project costs, whether as co-financing and/or as a cost covered by the grant.

Please note that for thematic networks, which do not require developments and mapping, time put into the network activities can only be included in the budget as co-financing.

The value of time is calculated by multiplication of the hours used specifically in the project by a person directly involved in development and mapping activities and the actual hourly rate of this person. Each partner should keep a separate account of the hours spent for the project. The following points should be observed:

- the hourly rate is based on the actual salary of the individual, which may include social benefit charges and other statutory costs, but not bonuses, leased cars or comparable costs
- indirect/general costs or overhead, e.g. contributions to costs of the project organisations' premises, general management etc. cannot be calculated into the hourly rates used.

If the hourly rate is calculated on the basis of the monthly salary, the following principle should be applied:

- the monthly salary for full time employment divided by the number of hours per month for full time employment according to national law/labour market agreement for that type of employment/employee in question.

Standardised hourly rates may be used, whether as joint rate for all involved individuals in all organisations and countries or various rates for e.g. various categories of staff, various functions etc. However, the following requirements must be observed:

- the standardised rates used cannot be higher than the lowest of the salaries it covers/replaces
- the hourly rate(s) used, whether individual or standardised, must be foreseen in the project budget and cannot be changed or introduced for reporting.

### ***3.2. Use of external expertise***

Normally, the project organisations should jointly possess the competences to carry out the activities and achieve the results described in the approved application. However, use of external expertise is accepted when:

- it is foreseen in the approved project and budget

- it is only used to a limited extent, for specific and limited efforts and purposes
- the price does not exceed what is considered to be the market price for the expertise and effort in question.

Furthermore, external expertise at “market price” cannot be provided by the project organisations themselves as general/indirect costs or overheads may not be included in the budget.

Use of “internal” expertise from other parts or departments of the project organisations is possible, but the price or value of this must apply with the rules for project organisations and cannot include any general/indirect costs or overheads.

### ***3.3. Administrative expenses***

The value of the project organisations general use of own facilities, materials, equipment etc. for project purposes is normally considered ineligible.

However the coordinating institution may use up to a maximum of 5% of the total used grant for administrative expenses to meet the added cost of coordinating the activities. Coordinators do not need to provide supporting documentation for administrative expenses.