LLP: The Grant Agreement and Project Monitoring

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Overview

1. The Project Lifecycle
2. Grant Agreement + Actors
3. Monitoring
4. Amendments
5. Reports
6. Tips and Hints
7. Useful Links and Contacts
1. The Project Lifecycle
The Project Lifecycle

- Proposals for further improvements
- Call for proposals/Programme guide
- Feedback to DG
- Reports Assessments
- Controls
- Follow up & Monitoring
- Start of the project
- Contracts/decisions
- Project selection
2. Grant Agreement + Actors
Types of Grant Agreement

- A **multibeneficiary grant agreement** → for all consortia except the previous mentioned

- A **mono-beneficiary grant agreement** → for Erasmus Networks and unilateral projects
Agreed between the Agency (EACEA) and beneficiary (by order of importance):

Special Conditions
General Conditions
+ Annexes

= Grant agreement

= Rights and obligations of both parties
The Grant Agreement

It contains key information such as:

- Role of beneficiaries
- Purpose of the grant
- Eligibility period of expenses
- Budget and maximum grant
- Payment arrangements
- Reporting obligations
- Administrative and bank details
- General conditions
- Eligibility of the costs
- Exchange rate applicable for conversion into €
The Grant Agreement contains the **Annexes** below:

<table>
<thead>
<tr>
<th><strong>Monobeneficiary grant agreement</strong></th>
<th><strong>Multibeneficiary grant agreement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annex I - Description of the action</td>
<td>Annex I - Description of the action</td>
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<tr>
<td>Annex II - Estimated and Eligible budget of the action</td>
<td>Annex II - Estimated and Eligible budget of the action</td>
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<tr>
<td>Annex III - Guidelines for administrative and financial management and reporting (Handbook)</td>
<td>Annex III - Mandates conferring powers of attorney from the co-beneficiaries to the co-ordinator</td>
</tr>
<tr>
<td>Annex IV - List of partners</td>
<td>Annex IV - Guidelines for administrative and financial management and reporting (Handbook)</td>
</tr>
<tr>
<td></td>
<td>Annex V - List of beneficiaries</td>
</tr>
</tbody>
</table>

The Multi-beneficiary Agreement

Actors

**Project**
- Beneficiaries
  - Co-ordinator
    - Legal representative
  - Co-beneficiaries
- Subcontractors
- Associated Partners

**EACEA**
- Project officer
- Financial officer
Multi-beneficiary agreement

Co-ordinator (Art 1.3)

- **Intermediary** between the Agency and the co-beneficiaries
  - Establishes communication between the Agency and the co-beneficiaries
  - Provides all necessary documents and information to the Agency and to the co-beneficiaries
- **Sole recipient of payment** → ensure that co-beneficiaries receive the payment
- Monitors budget
- Ensures that agreed actions are implemented
Legal representative

- Person that **signs** all legal documents
  Eg. Grant agreement, amendment requests

- Always belongs to the co-ordinating organization
• Person managing daily communication from and to the Agency
• Usually belongs to the co-ordinating organization
• Monitors the budget, controls the costs and the justifying documents
• Responsible for the implementation of the project
• Manages co-beneficiaries work and deals with problems between beneficiaries
Co-beneficiaries* (Art. 1.3)

- Share part of the budget
  - Receive part of the EU contribution
  - Contribute to the co-financing
- Are responsible for the financial contribution received
- Are co-responsible for the implementation of the project
- Report to the co-ordinator and transmit all justifying costs
- Audits can take place at their institution/organization

*Including third country participants (with budgetary restrictions)
### Other project participants

**Subcontractor**

- Organisation/person that **does not belong to co-beneficiary organizations** and performs specific tasks for which no competence exists amongst the co-beneficiaries.
- **Project management** and the **general administration** of the project may **not be sub-contracted**.

**Associated Partners**

- Participate in project activities, but do not share part of the budget.
- Cannot be subcontracted
The Agency - EACEA

Actors

- Management of **centralized actions**
- Calls, selections, contracts, monitoring, acceptance, payments
- Responsible for the legal and financial compliance of the project

**Project officer:**
- Performs continuous monitoring of the project
- Acts as helpdesk during the project lifetime
- Validates the expert’s assessments of progress and final reports

**Financial officer:**
- Assesses the financial part of Progress and Final reports
- Acts as helpdesk concerning financial matters.
3. Monitoring
Ensure that:

- The goals will be achieved as scheduled
- The quality of products is good
- The financial and administrative regulations are respected
- The project’s evaluation supports the project work
- The dissemination and exploitation are efficient
Get insight of:

- The realisation of the work programme and budget
- Co-operation with and within the partnership
- Project’s management and administrative practices
- Project’s results

Give support in problematic issues and during preparation of the reports
Monitoring Activities

Online support documents
• Project management information published on the website (contractual documents, handbook, guidelines)

Helpdesk
• Dialogue, telephone, letters, e-mails

Reporting
• Evaluation of progress and final reports – feedback (content & finance)

Meetings
• Coordinators’ meeting including workshops
• Visits to projects
• Thematic cluster meetings
• Attending key events organised by the projects

Follow-up
• Good practices in project management, dissemination
Positive Indicators

J Expert’s recommendations at selection stage followed
J Balanced work plan
J Active participation, clear management structure and division of tasks
J Project coordinators supported at institutional level for all aspects of project implementation
J Good internal/external communication (strategy, tools..)
J Web page as a dynamic tool for dissemination and promotion
J Highly engaged target groups and stakeholders
Monitoring Strategy (2)

Negative Indicators

- Delays in work plan (e.g. partner withdrawal)
- Sleeping partners
- Very few activities implemented
- Poor dissemination plan
- No compliance with publicity clause
- Weak implementation of dissemination strategy from the project start
- No internal quality control / evaluation mechanisms
- Underestimation of accreditation problems (CD)
4. Amendments
Amendments (1)

Only in case of **ESSENTIAL** changes, duly thought through, that do not substantially modify the project

**How to make your request?**

- **Officially**, in **writing**
- **Before** the change occurs
- **At least one month** before the end of the eligibility period
- **Signed** by the **legal representative** of the beneficiary
- Together with all necessary **evidence / supporting documents**
Amendments (2)

Use the **Amendment request form** in the following cases:

- Change in partnership
  - Withdrawal or replacement of co-beneficiaries / partners
  - New co-beneficiaries joining the project
- Change of the coordinator or change of name / address of the coordinator (main beneficiary organisation)
- Changes to the eligibility period (may not exceed 6 months)
- Changes to the budget breakdown
- Change of bank account
- Changes to the work programme
For some changes, no need for specific template, just send an official letter & supporting documents:

- Change of legal representative of the beneficiary organisation
- Change of project managing organisation / project manager (if it is already a partner/co-beneficiary)

See Handbook, section 1.6
Budget structure

<table>
<thead>
<tr>
<th>Heading A</th>
<th>Direct costs</th>
<th>Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>160.000,00</td>
</tr>
<tr>
<td>Heading B</td>
<td>Direct costs (operational costs)</td>
<td>Travel &amp; subsistence (item B.1)</td>
<td>115.000,00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Equipment (item B.2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subcontracting (item B.3)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other (item B.4)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Indirect costs</td>
<td></td>
<td>14.000,00</td>
</tr>
</tbody>
</table>

- Total expenditures cannot be modified. Consequently, increase of heading A (Staff) implies decrease of heading B (Travel + Equipment + Subcontracting + Other) and vice versa.
- No transfer with indirect costs as these are a % of approved eligible final direct costs.

Maximum grant cannot be modified.
• ONLY if transfer **exceeds 10% of the budget** heading for which the transfer is intended

Example 1
Increase of the budget allocated to "Staff" from 160.000 to 170.000 €
→ less than 10%

**No amendment is necessary (GA article I.4.4)**

Example 2
Increase of the expenses for operational costs (Travel & subsistence + Equipment + Subcontracting + Other) from 115.000 to 150.000 €
→ more than

**STOP**

**Formal amendment request is necessary**

• **ONLY if** **justified** and consequence of change(s) in the work-programme
• **Total budget, EU grant and maximum EU contribution cannot be modified**
Amendments – Do’s and don’ts

Do’s
- Discuss amendments in advance with your project manager in case of doubt
- Submit amendments without delays
- Duly justify the reasons for the proposed changes (or request may be rejected)
- If possible, put together different issues in one amendment request

Don’ts
- Don’t submit amendment retrospectively
- Don’t add a new partner without clear / relevant tasks and added value to the project
- Don’t request budgetary changes at the end of the project just before reporting
- Don’t request prolongation of eligibility period few weeks before the end just because you cannot finish the project on time
5. Reports
Progress report

IF project duration > 18 month

Final report

In all cases
Purpose of the reports

For the benefit of the entire project consortium

- Measure the state of progress
- Adopt solutions to improve certain aspects
- Improve visibility in the wider community
- Reinforce the dissemination strategy

For the Agency's benefit and use

- Decision on continuation of project / intervention by the Agency: recommendations, monitoring visits, etc.
- Next payment (if applicable)
- Identification of good practices or projects needing following up
- Feedback to the Commission for policy-making
Structure of the report (both progress and final)

**Public part**
(including executive summary)

1. Project objective
2. Project approach
3. Outcomes and results
4. Partnership
5. Plans for the future
6. Contribution to EU policies

Reminder: Public part must be understandable to outsiders

**Confidential part**

1. Declaration page (signed by legal rep.)
2. Outcomes / results / products
3. Implementation of the work plan / tasks
4. Impact
5. Involvement of partners
6. Involvement of staff
7. Management aspects
8. Dissemination and Exploitation
9. Annexe 1 – Financial reporting Table

Number of copies to be sent: 1 paper original and 2 electronic copies on CD or USB key
• Covers the **first half of the project**
• Deadline: **midterm + 1 month**
• Content → assessed by external expert
• Feedback → sent to coordinator
• Use **Excel** reporting form
• For guidance and instructions on reporting instructions, please refer to section 3.1 of the Handbook
• **No** Progress report for projects lasting **up to 18 months**

Grant agreement articles I.4.2, I.5, II.15.1 & II.15.2
• Covers **full** eligibility period
• Describe project activities + achievements
• Deadline: **end of eligibility period + 2 months**
• Declare all **actual expenses and incomes**!
• Use **only Excel** reporting form developed by the Agency
• Only provide supporting documents upon request
• Content → assessed by external expert
• Feedback → sent to coordinator
<table>
<thead>
<tr>
<th>Grade</th>
<th>Rating</th>
<th>Corresponding reduction in eligible staff costs within the final EU contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good</td>
<td>10</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>Good</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Acceptable</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Weak</td>
<td>4</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>50%</td>
</tr>
<tr>
<td>Very Weak</td>
<td>2</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>85%</td>
</tr>
</tbody>
</table>
Hints for reporting

• Fill in the forms from the beginning of the project
• **Check forms** requested at final report stage
• Get help from financial colleagues
• Discuss financial issues with co-beneficiaries and financial officers from the Agency
• Collect and check **supporting documents** on a regular basis (originals from co-ordinator and certified copies from co-beneficiaries)
• Keep **all correspondence**, including emails
Key documents for the financial management/reporting:

- Grant Agreement
- LLP 2011 Handbook (Annex IV Grant Agreement)
- Financial Excel reporting form
- FAQ on EACEA website (to be posted)
INTRODUCTION

1. MANAGEMENT OF YOUR PROJECT

1.1 Overview of the Project Life Cycle
1.2 Your project in the lifecycle of the Lifelong Learning Programme
1.3 Monitoring of the Project by the Agency
1.4 Progress Report and Final Report
1.5 Dissemination and Exploitation of Results
1.6 Amendment Requests
2. FINANCIAL RULES
   2.1 General Provisions on Eligibility of Costs
   2.2 Non-eligible Costs
   2.3 Categories of Eligible Direct Costs
   2.4 Indirect costs
   2.5 Calculation of the Final EU Grant
   2.6 Checks and Audits

3. REPORTING INSTRUCTIONS
   3.1 General rules and remarks for the Progress and Final Reports
   3.2 Instructions for the Progress and Final Reports
   3.3 Instructions for the Financial Reporting tool

Annex I: Definition of terms
Annex II: Assessment sheet for final report
6. Tips and Hints
• Read carefully all legal documentation
• Sign partnership agreements
• Consider the feedback on your application and on Progress Report
• Start dissemination activities from the very beginning of the project
• Keep an eye on your planning, activities & budget
• Consult us for advice and support
• Establish a common approach within the consortium to address concerns
• Take into account that you are dealing with an international partnership
7. Useful Links + Contacts
Useful links

- **EACEA website – LLP 2011 reporting**
- **Dissemination and Exploitation of results** ➔ [http://ec.europa.eu/dgs/education_culture/valorisation/guide_en.htm](http://ec.europa.eu/dgs/education_culture/valorisation/guide_en.htm)
Contacts

Your project officer:
name.surname@ec.europa.eu

Functional Mailbox by Action:
LdV: EACEA-Leonardo-da-vinci@ec.europa.eu
GRU: EACEA-LLPGRUNDTVIG@ec.europa.eu

Agency LLP webpage:
Thank you for your attention and good luck!!