

The European Research Council

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**ERC Executive Agency
Audit and Ex Post Controls
Unit C4**

**Personnel Costs - Keeping records
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European Research Council
Executive Agency

Established by the European Commission

Personnel Costs Session - Objectives

Help You...



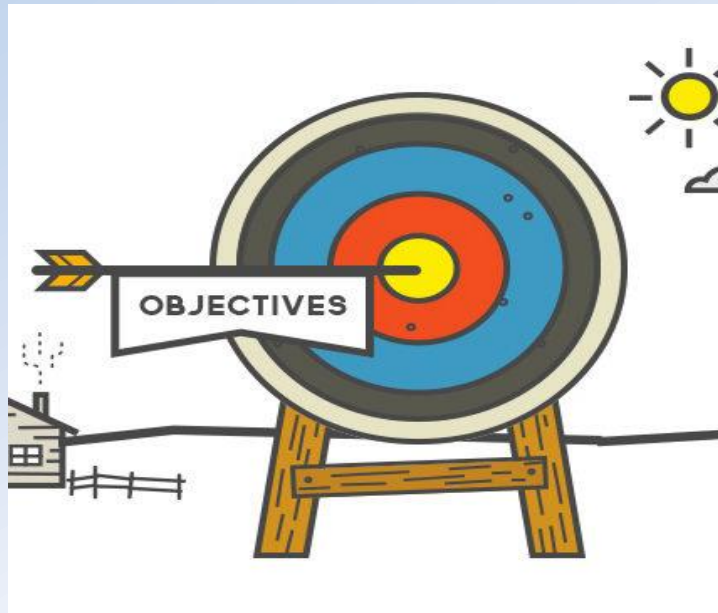
- Fully comply with H2020 rules on:
 - Time-recording
 - Declaration of Exclusive Work on the Action
- Avoid Errors
- Avoid Auditor's having to use Alternative Evidence



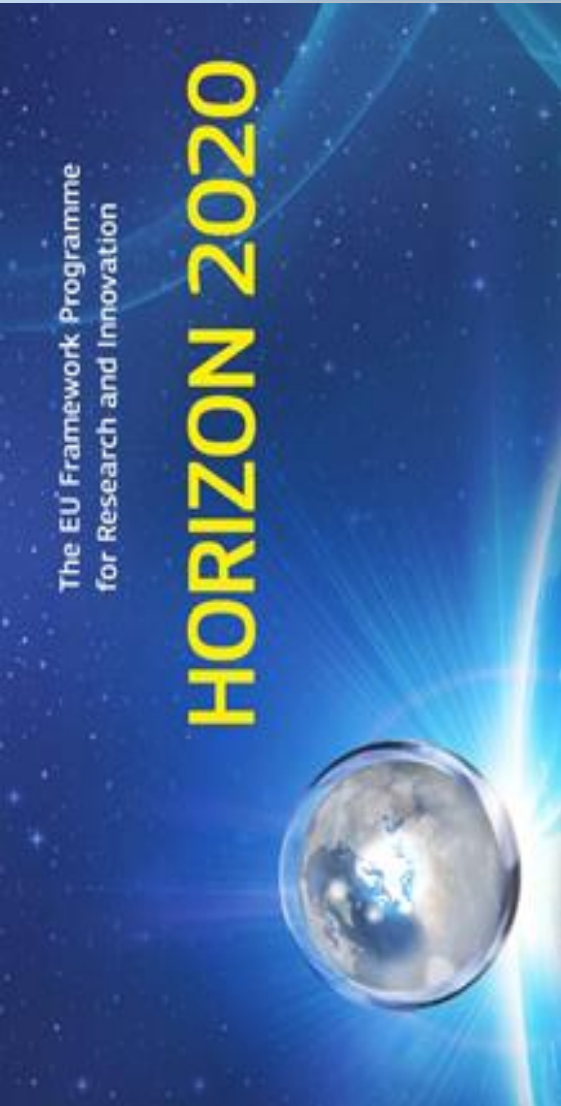
Personnel Costs = 69% of audit errors
of which problematic time-recording = 13%

Personnel Costs Session - Objectives

WHAT WOULD **YOU** LIKE TO LEARN FROM THIS SESSION?



Personnel costs - Keeping records



References

- **MGA's General and specific eligibility conditions**
https://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/amga/h2020-amga_en.pdf
- **Article 18**
Obligation to keep records and other supporting documentation

Keeping timesheets

Timesheets

Declaration

Alternative evidence

Requirement for employees not working exclusively for the action

- ✓ **Reliable time records (i.e. timesheets), comply with minimum requirements:**
 - **Actual** hours reflecting “reality”
 - Paper or computer-based

Time records must be dated and signed at least monthly by the employee and supervisor

Signing a declaration on exclusive work

Timesheets

Declaration

Alternative evidence

**May be used if employee works exclusively
for the action (HI choice)**

Signature of a declaration on exclusive work for the action,
one per reporting period:

- ✓ exclusive work during the whole reporting period, or
- ✓ during an uninterrupted period covering at least a full calendar month

**The declaration must be dated and signed
by the employee and supervisor.**

Missing or unreliable time records/declaration

Timesheets

Declaration

Alternative evidence

May be exceptionally accepted

- ✓ **If it proves the number of hours worked on the action with similar/satisfactory level of assurance**
- ✓ **3 Criteria to be fulfilled to assess credibility**
 1. Clear identification of the person concerned
 2. Clear link to the project under scrutiny
 3. Possibility to quantify time spent on project-related tasks

Beneficiaries bear full risk of rejection of costs

Examples of alternative evidence

Non-exhaustive list:

- ✓ Travel documents (electronic flight ticket, hotel invoice)
- ✓ Agenda, minutes of meetings, attendance lists
- ✓ Working papers, documents related to presentations
- ✓ Letters, notes, memos, emails
- ✓ Scientific publications
- ✓ Laboratory log books
- ✓ Professional/personal diaries

Points to Note

✓ Time-records

- ✓ ACTUAL Hours only - No Budgeted, estimated or % contractual time feeders
- ✓ Timesheets must match absence records (hols/leave) + work-related travel
- ✓ ERC Actions don't have Action Tasks or WP's so add a short description of tasks
- ✓ If using for staff working 100% on the Action consider use of Declaration too

✓ Declaration of Exclusive Work on the Action

- ✓ Condition = uninterrupted period of at least one month
- ✓ Check no other job tasks e.g. lectures/other project work - Auditors will GOOGLE!

✓ Alternative Evidence – AVOID!

- ✓ Discretion of Auditor to use
- ✓ Beneficiary's responsibility to identify hours on each piece of alternative evidence