

FINANCIAL REPORTING GUIDE

FOR PROJECTS FUNDED THROUGH THE RTI-CALLS 2021-27

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INTRODUCTION

This cost guideline serves as a **common basis for cost reimbursement** for all RTI projects funded by the Gesellschaft für Forschungsförderung NÖ mbH (GFF) from 2021 to 2027. Additional regulations or restrictions on the funded cost categories may be defined in the program-specific tender documents and the funding agreement.

FUNDING AND REVENUE

Funding is paid on account to the project management organization based on the budget plans of the funded project and the actual project progress. The project management organization is responsible for the distribution of funds within the project consortium.

If the funded activity generates **revenue** (e.g., paid use of the funded infrastructure by third parties, exploitation of prototypes created within the funded project, etc.), this revenue must be included in the reporting system.

ELIGIBLE COSTS

In accordance with the principles of **economy, efficiency, and effectiveness**, costs are only eligible for funding if their nature and amount are necessary and appropriate to fulfil the funding purpose. Only costs directly attributable to the project, verifiable with receipts, and incurred within the defined funding period according to the funding agreement can be reimbursed. The payment date may extend no more than three months beyond the end of the project.

NON-ELIGIBLE COSTS

Costs that fall into the following categories are generally not eligible for funding:

- Costs outside the project duration
- Invoices not issued to the grant recipients
- Payments not made by the grant recipients
- Cash discounts and rebates
- VAT, provided the grant recipients are entitled to deduct input tax
- (Partial) amounts from payments for which credits were subsequently granted or reimbursed
- Costs for the acquisition of land
- Financing costs
- Cash payments exceeding € 5.000,-

CONTROLLING AND RECOGNITION OF COSTS

As part of the reporting process, grant recipients prepare lists of receipts. Funding rates are only paid out after the funding agency has reviewed the invoiced costs. Although no audit of receipts is typically performed during this phase, grant recipients may be requested to submit samples.

The final detailed review and approval of the invoiced costs will be performed as part of a third-party financial audit. All project-relevant records and receipts must be retained for at least ten years, unless there are additional contractual agreements or legal requirements.

Note for foreign partner institutions:

All costs and revenue must be reported in euros. Foreign currencies have to be converted into Euros if necessary. The **exchange rate of the Austrian National Bank** valid on the reporting date must be used for this purpose (e.g., reporting period October 1, 2022–September 30, 2023 → reporting date: September 30, 2023). The exchange rate must be disclosed in the financial report.

REPORTING OF INDIVIDUAL COST CATEGORIES

The funded costs are included in the annual reports using the standardized reporting form.

The project management enters the email address of the respective contact person for the financial report (finance or controlling department) for all institutions in the submission system under Section B of the report and sends the notifications. These contact persons receive an automatically generated email with a personalized link to the financial report page of the respective institution. The billing form (Excel) for each institution can be downloaded there.

The reporting form is used to consistently record and present all costs and revenues incurred in the project per institution. It must be completed completely and truthfully before being uploaded to the personalized financial report page. Only by maintaining the file name and format can it be ensured that the data is correctly imported and read by the submission system. Any deviations in costs must be explained in the designated comments field on the financial report page.

In the project report, the project management only sees the totals of the individual cost categories (e.g., total personnel costs) per institution. Personal data from the accounting documents is not displayed for data protection reasons. The final submission of the completed report is the responsibility of the project management. The individual accounting documents of the consortium can only be viewed by the funding agency. They serve to verify the plausibility of the reports and subsequently form the basis for financial audits by third parties.

PERSONNEL COSTS

Staff costs are reportable for both salaried project staff and freelancers. In addition to the basic salary, all salary components, including non-wage labor costs, are recognized to the extent that they are legally regulated by law, collective bargaining agreements, a works agreement, or are provided for in industry-standard employment contracts. Salary components for additional services or overtime¹ accrued and paid during the project period are also billable.

The **working hours**² are derived from the time records. While GFF does not provide detailed specifications in this regard and does not offer templates, a clear relation³ to the project must be established.

¹ This also includes flat-rate overtime payments, regardless of the additional work actually performed.

² It is important to note that the annual number of project hours billed per person – especially when working on multiple funded projects simultaneously – may not exceed the annual hourly rate. For individuals who are employed by multiple funding recipients simultaneously, the maximum number of hours billed per year for all funded projects in which that individual participates may also be the annual hourly rate. The total personnel costs billed for funded projects (e.g., FFG, EU, FWF, AWS, federal states) may not exceed the costs according to the annual payroll account. It must be ensured that an overall annual evaluation can be carried out for each individual across all funded projects.

³ Specify the project number, the work package number according to the project breakdown structure and the activity (e.g. workshop, research, meeting, etc.).

The **maximum reportable personnel costs** for full-time employment (at least 38,5 hours per week or 1.720 hours per year) are capped at the current annual maximum tax assessment basis plus a flat-rate non-wage labour cost allowance of 30%.

CALCULATION OF THE HOURLY RATE FOR BILLING PERSONNEL COSTS

The hourly rate is generally calculated by dividing the gross annual salary (including LNK) of the last completed calendar year by the annual hourly rate.

For full-time employment of at least 38,5 hours per week, a **flat-rate annual hourly rate** of 1.720 can be used. For lower employment levels, a pro rata annual hourly rate must be used. Alternatively, an hourly rate based on the **actual productive hours** of the last completed calendar year can be used. This requires a continuous **electronic time recording system**. Within a project, an institution cannot switch between the two methods for determining the annual hourly rate. Therefore, the method selected for the respective institution in the first reporting period must be used for the entire project.

If a reporting period extends over two calendar years, the current or ongoing calendar year is generally not yet complete. This means that, in principle, the values for the not yet completed – i.e. current or ongoing – calendar year must also be calculated on the basis of the last completed calendar year:

Example:

Reporting period December 1, 2022 – November 30, 2023:

- Values for 2022 → Hourly rate is determined based on the 2022 data (calendar year 2022 already completed).
- Values for 2023 → If the calendar year 2023 has ended at the time the report is actually prepared, the values from the completed calendar year 2023 are used; otherwise, the values are derived from the completed calendar year 2022.

There are, however, the following exceptions:

- If new staff are hired in the not yet completed – i.e., current or ongoing – calendar year.
- If there are significant salary increases/reclassifications in the not yet completed – i.e., current or ongoing calendar year (e.g., new function, above-average inflation adjustment compared to previous years, contractual advancement).

Example:

Determination of the hourly rate for full-time employment (at least 38,5 hours) and an interim salary adjustment (reporting period July 1, 2023 – June 30, 2024)

- Values for 2023 → Hourly rate is determined based on the 2023 data (calendar year 2023 already completed):
Gross annual salary including long-term care costs = €70.000
Annual hourly divisor = 1.720
→ Hourly rate for 2023: $€70.000 / 1.720 = €40,70$
- Values for 2024 → Hourly rate is determined based on the 2024 data due to an interim salary adjustment (therefore, extrapolation of the gross annual salary for 2024):
Gross monthly salary including long-term care costs for January – April 2024 = € 5.000
Gross monthly salary including LNK for May – December 2024 = €5.500

Average monthly salary: $((5.000 * 4) + (5.500 * 8)) / 12 = €5.333$

Extrapolated gross annual salary including LNK = $€5.333 * 14 = €74.667$

Annual hourly rate = 1.720

→ Hourly rate 2024: $€74.667 / 1.720 = €43,41$

Example:

Calculating the hourly rate for newly hired personnel (reporting period July 1, 2023 – June 30, 2024):

- Values for 2023 and 2024 Hourly rate is determined based on the 2023 data and extrapolated to a gross annual salary (starting in October 2023):

Gross monthly salary including LNK from October 2023: €4.200

Extrapolated gross annual salary including LNK = $€4.200 * 14 = 58.800$

Annual hourly divisor = 1.720

→ Hourly rate 2023/2024: $€58.800 / 1.720 = €34,19$

The personnel costs are calculated by multiplying the hourly rate by the hours worked in the project.

PERSONNEL COSTS (RTI-DISSERTATIONS)

Funding will cover **50% of the actual personnel costs** (100% for cooperative projects) for the employment of a doctoral candidate for **30 hours per week**.

In addition to the basic salary, all salary components, including non-wage labour costs, that are additionally paid based on a collective bargaining agreement or works agreement are also billable. Salary components for additional services or overtime⁴ accrued and paid during the project period are also billable. The **maximum personnel costs** are capped at the current annual FWF rates for doctoral candidates (including the employer's share) and are calculated pro rata on a daily basis. Within the scope of this employment, doctoral candidates must devote themselves exclusively to their dissertation and to other clearly attributable projects and activities.

If the employment is not regulated in an **employment contract** with a defined job description in accordance with the dissertation project, the actual **hours⁵ worked during the employment** (at least 1,290 annual hours) must be documented by means of time records during the billing process. While the GFF does not provide detailed specifications in this regard and does not offer templates, a clear project connection must be established.

Deviations must be verified in the annual reports; a cost-neutral extension is permitted in exceptional circumstances (parental leave, long periods of sick leave, etc.).

⁴ This also includes flat-rate overtime payments, regardless of the actual additional work performed.

⁵ It is important to note that the annual number of project hours billed per person, especially when working on multiple funded projects simultaneously, may not exceed the annual hourly rate. For individuals who are employed by multiple funding recipients simultaneously, the maximum number of hours billed per year for all funded projects in which they work may also be the annual hourly rate. The total personnel costs billed for funded projects (e.g., FFG, EU, FWFR, AWS, federal states) may not exceed the costs according to the annual payroll account. It must be ensured that an overall annual evaluation can be carried out per person for all funded projects..

MATERIAL COSTS AND OTHER COSTS

Eligible material costs and other costs are defined or restricted in the program-specific call documents. Costs are entered on an individual receipt basis.

Acquisition costs are eligible as material costs up to the limit for low-value assets. Costs related to the creation of a prototype (if eligible for funding in the respective call) can only be billed if it is neither capitalized nor utilized in the fixed asset list.

Starting with the RTI calls 2025, only **open access publications** are eligible for funding. Open access publication fees such as article processing charges (APCs) or book processing charges (BPCs) are considered eligible costs. Further details can be found in the GFF Open Science Policy.

Travel expenses can only be billed by project staff, must clearly demonstrate a project connection, and are eligible if they can be claimed as business expenses according to the regulations applicable to staff members. If reimbursement of expenses was paid instead of per diems, these are limited to the applicable daily allowance. The travel time charged for the daily allowance must be objectively justified in relation to the funded project (e.g., duration of an event) and correspond to the travel receipts (e.g., flight times). Statutory mileage allowances apply. The mileage allowance also covers parking fees, tolls (including vignettes), and fuel. The most cost-effective travel option should be chosen.

Internal service allocations can be billed as costs per unit ("unit costs"). The respective "unit costs" must be based on calculation models that are consistent, plausible, and verifiable by third parties. Only direct and indirect costs that can actually and additionally be allocated to the project directly or via cost units can be included in the "unit costs."

THIRD-PARTY SERVICES

This cost category includes, among other things, costs for contract research, technical/scientific know-how, costs for technical/scientific consulting, and equivalent services that are an integral part of the funded research activity. Costs for purchased personnel services (personnel leasing, work contracts) must also be included here. In contrast to material costs and acquisition costs, the service component predominates in third-party services. The arm's length principle applies.

Lead partners, cooperation partners, and their affiliated institutions may not provide third-party services within the project. Furthermore, the eligibility of third-party services may be restricted in the respective tender documents.

OVERHEAD COSTS

Overhead costs are **added to eligible costs as a flat rate**. There is generally no overhead surcharge for third-party services, internal service charges, personnel costs for RTI dissertations, or acquisition costs for RTI infrastructure. The calculation basis and the amount of the flat rate are defined in the program-specific tender documents.

This covers all indirect costs in the project, such as:

- Rent and operating costs
- Office supplies
- Administrative personnel costs

DEPRECIATION (ONLY RTI-PROJECTS: APPLIED SCIENCE)

The **amount of depreciation** is calculated by dividing the acquisition cost by the useful life during the reporting period and is calculated pro rata by month. If the asset is commissioned up to and including the 15th of the month, the month of activation can be considered as the useful life during the reporting period.

The **usage percentage** in the project is calculated by dividing the usage hours in the project by the total capacity during the reporting period.

The **usage hours** in the project are determined by recording the operating hours of the research infrastructure. This record must include the machine designation, the unique project assignment, and the operating times.

The **total capacity** of a research infrastructure is determined using one of the following methods:

- the actual operating hours according to machine hour records
- the average of the actual operating hours according to machine hour records for the last three years or
- the maximum operating hours according to the operating manual
- if none of the above options is possible, a flat-rate annual hourly divisor of 1.720 is used

Example (calculating the amount of depreciation):

- Reporting period: January 1, 2022 – December 31, 2022
Date of acquisition: July 12, 2022
Acquisition cost: €60.000
Useful life: 6 years
Useful life in the reporting period (in months) = 6 (July – December activation occurs before the 16th of the month)
Actual total capacity (in hours) in the reporting period = 800h (July – December)
Actual usage in the project (in hours) in the reporting period = 300h (July – December)
Usage share in the project = $300\text{h}/800\text{h} = 37,5\%$
→ **Billable depreciation in the project = €60.000/6 years/12 months * 6 months * 0,375 = €1.875**

ACQUISITION COSTS (ONLY RTI-PROJECTS: INFRASTRUCTURE)

Only infrastructure acquisition costs that are directly attributable to the funded project, are capitalized, and result in expenditures are eligible for funding.

The recording of the usage times of the research infrastructure must be ensured. While the GFF does not provide detailed specifications in this regard and does not offer templates, a **clear connection** to the project must be established.

Support for the depreciation of the requested research infrastructure through additional third-party funding and grants must be excluded.

IN-KIND

The in-kind corresponds to the difference between eligible costs and funding. Whether the in-kind can be financed through additional third-party funding and grants is defined in the program-specific tender documents. In any case, all eligible costs must be documented at the cost center.

OBLIGATIONS AND CONDITIONS

COST REALLOCATION

Cost reallocations between cost categories (personnel costs, material costs and other costs, third-party services, and overheads) and between participating institutions are generally possible and must be explained in the reporting process.

However, they must be requested in writing (email) from the funding agency and require its approval:

- if the individual shift (e.g., a third-party service is no longer required and the funding is to be used for personnel costs instead) exceeds 5% of the total project funding, or
- if several smaller shifts (each less than 5% of the total funding) in total exceed 10% of the total project funding.

Furthermore, cost reallocations are only possible if the conditions stated in the call for proposals continue to be met (e.g., use of funds in Lower Austria).

CHANGE OF PERSONNEL

Any changes to the project staff members named, as well as changes to the participating institutions, the scientific project management and/or the partners involved, must be submitted to the funding agency immediately in writing (e-mail) and require the approval of all institutions involved in the project.