

Guidance for budget preparation

The project budget in MS Excel format ("Budgetformular_Wipa.xlsx") is part of the grant application for a business partnership and the subsequent grant agreement.

General budget requirements

- The budget must include the costs for the entire project, regardless of the portion financed by ADA.
- Only services described under measures in the planning overview of the application form (under point 4) can be budgeted.
- In-kind services/benefits in kind that do not involve a cash flow are not part of the budget.
- All values are to be understood as the best possible estimate of the actual costs, for which corresponding proof of costs must be provided, and not as flat-rate amounts. For each individual cost item a corresponding receipt and a corresponding entry in the accounts as proof must be established (see receipt list template in the budget form).
- The budget is to be drawn up in EUR.

Attention:

The worksheets are locked, with the exception of those cells in which an entry is required.

1. Personnel and travel expenses

Personnel costs

The form distinguishes between employees and external staff:

Employees are persons who have a contractual employment relationship with a monthly salary payment.

Costs for employees: the gross wages and salaries as well as the related taxes and the employer's share of social security contributions for the applicant's employees deployed for the project must be budgeted. Other payments or non-cash benefits for employees are only eligible for funding if they are provided for by law or collective agreement in a general and legally binding manner. Other payments or non-cash benefits granted to employees without a general legal basis are not eligible for funding.

The rates for the employees of the Recipient are to be calculated according to the following formulas (1 working day consists of 8 working hours):

$$\frac{(\text{cost of the employee}) \times \text{number of monthly salaries per year}}{220 \text{ working days}}$$

or

$$\frac{(\text{cost of the employee}) \times \text{number of monthly salaries per year}}{1,760 \text{ working hours}}$$

Under **rate**, the maximum prime costs on an hourly, daily or monthly basis that can be taken from your accounting can be budgeted. The **number** is the number of hours, days or months that the employee works on the project.

The working time must be recorded in a time sheet (see Appendix 1), stating the date, hours and type of activity.

External staff is commissioned by the grant recipient on a contractual basis (see point 4 "Procurement").

Under **rate**, the actual fee costs can be estimated on an hourly, daily or monthly basis, under **number** the number of hours, days or months that the contractor is assigned to the project (1 working day consists of 8 working hours).

For all employees and external staff assigned to the project, column AI must indicate whether the rate is calculated on an hourly, daily or monthly basis ["hour", "day" or "month"].

A distinction is also made between international and local staff:

- **International employees** or **international staff** are persons who are remunerated at salaries or fees customary in Austria or internationally.
- **Local employees** or **local staff** are usually resident in the partner country and are paid according to local salaries or fees.

Travel expenses

A distinction is made between **domestic travel costs** and **local travel costs**:

- **Domestic travel costs** are incurred in the (European) country of residence of the grant recipient.
- **Local travel costs** are those travel costs incurred in the partner country.

For **flight and ancillary flight costs**, the costs of a flight and return flight (economy class) including all journeys to and from the airport are to be included under **rate**, and the **number of** planned flights under number.

Daily and overnight fees are to be assessed in accordance with the [Travel Fee Regulations \(RGV\)](#) and depend on the partner country.

2. Cost of material

The material costs category includes the acquisition of all assets.

The detailed calculation distinguishes between material costs that are subject to depreciation and those that are not:

- If an asset to be purchased is transferred to a local partner by the end of the project term at the latest or if it is a low-value asset (acquisition costs of max. EUR 1,000.00), the acquisition costs can be budgeted in full. The **acquisition value** must be entered in the form.
- If the asset remains property of the grant recipient or a company controlled by it under company law, only depreciation values can be used in the detailed calculation. The **acquisition value**, the **period of depreciation** (selection via drop-down menu) and the **use in months**, i.e. the period in which the asset is used in the project, must be entered in the form.

In the event that an asset is produced by the grant recipient itself, only prime costs can be budgeted. The costs must be calculated on the basis of comprehensible cost accounting.

3. Other costs

This category includes all other costs that are not personnel or material costs, i.e. the exemplary categories of rent, office costs, telecommunications, translation, public relations, marketing, auditing and evaluation, as well as other project-related expenses not listed here.

For each cost item, select in the penultimate column on the right whether it is a monthly cost or a total sum [month or total]. Monthly calculation is appropriate for regularly recurring costs.

4. Rules for procurements (of services, construction work, deliveries)

Contracts are awarded to external service providers and goods are purchased on a competitive basis in accordance with the General Terms and Conditions for Business Partnerships.

5. Value added tax (VAT)

Any value added tax (VAT) in connection with the project is not covered by the grant unless it can be proven that the VAT is actually and definitively borne by the Recipient.

Appendix 1: Time sheet (template)

Annex 2: [Guidelines for Expenditure Verification of projects \(co-\)financed by the Austrian Development Agency \(ADA\)](#)