

# AIDA Governing Board meeting

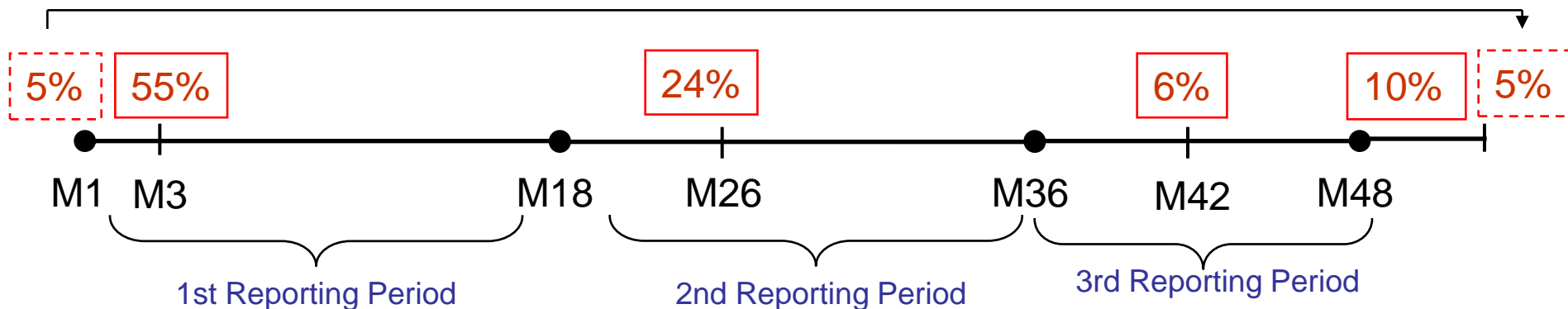
12 April 2012, INFN-LNF

## **Overview of the use of resources by M18 and the financial situation of the beneficiaries**

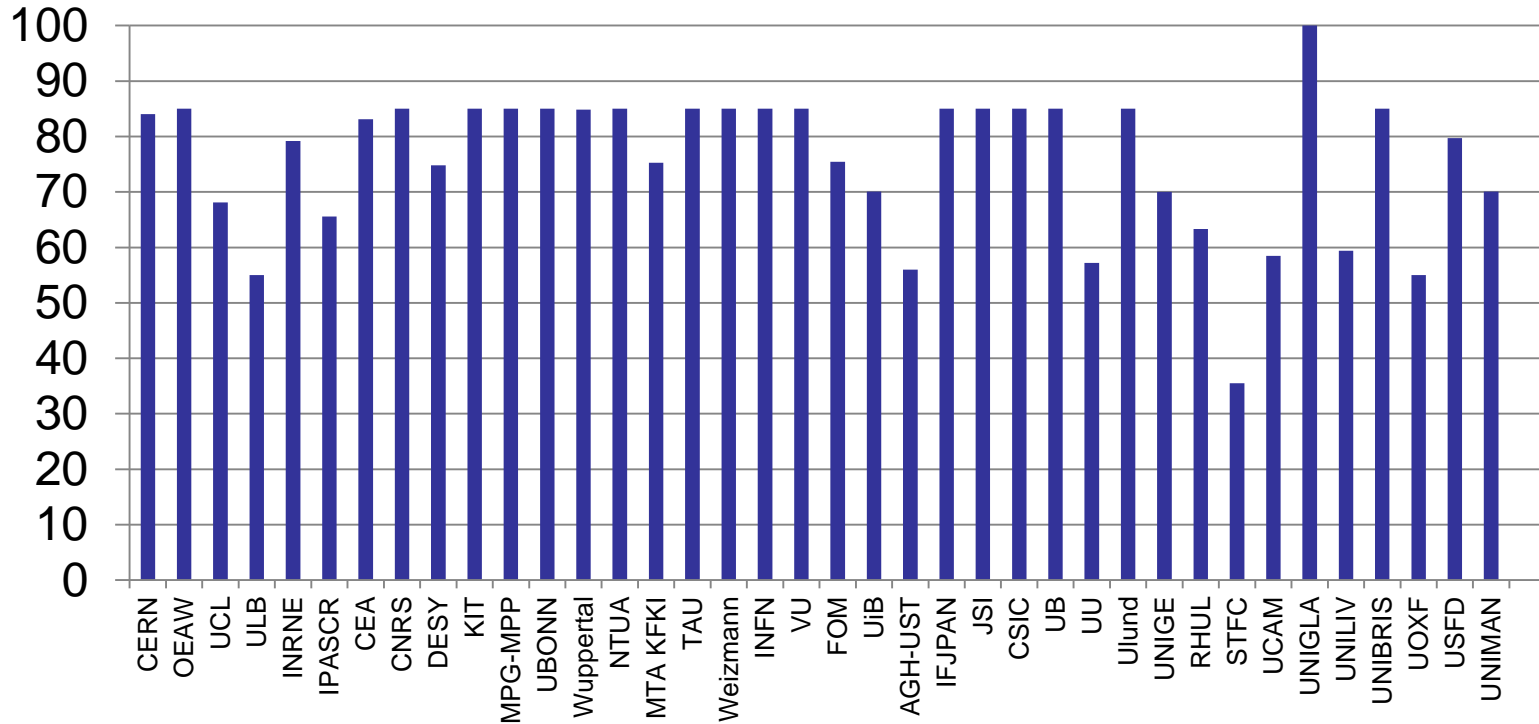
*S. Stavrev, CERN  
Administrative Manager*

- Payments of EC funding to the Consortium
- Principles of financial reporting to the EC
- Use of resources by M18 per Work Package
- Use of resources by M18 by the beneficiaries
  - Partners that seem to over-use or under-use resources by M18
  - Special case of STFC

- Pre-financing = **60 %**, of which 5% withheld (for FP7 Guarantee Fund, to be reimbursed at the end).
- Effective pre-financing = **55%** of the 8 M€ of which 60% was paid (pro-rata to project share) to each participant at the start, and the other 40% were distributed after the 1st Annual GB meeting (or after the M18 reporting).
- Second EC payment: at M(18+3+5) = reimbursement of costs for the first Reporting Period ~ **24%**
- Third EC payment limited by 85% of the 8 M€: at M(36+2+3) ~ **6%**
- Final EC payment (**10% + 5%**) – after the Final Report is approved



### % of EC contribution to be paid after P1 report, including the pre-financing



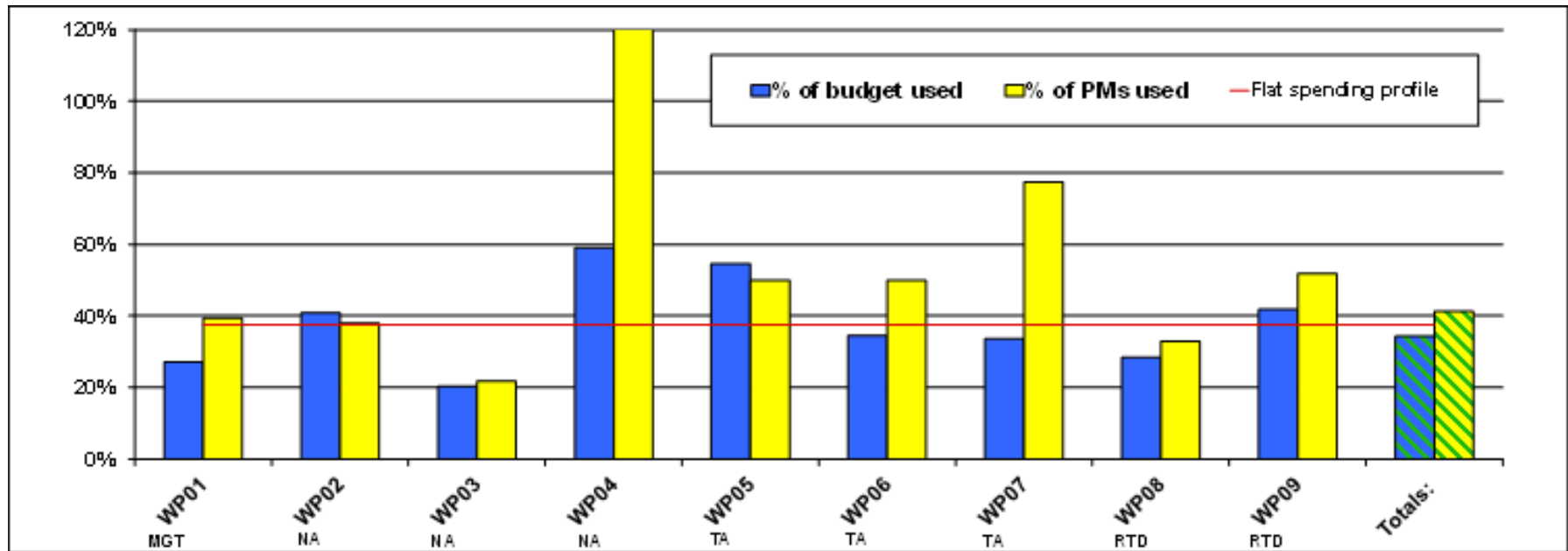
**Note:** the fact that the Consortium has received ~ 80% of the EC funding already does NOT mean that the corresponding resources have been used and justified.

- EC funding for AIDA (8 M€) ~ **31%** of the full costs (26 M€).
- Special agreement with the EC to apply “**partial cost reporting**”, i.e. to report officially to the EC only a fraction of the full costs, sufficient to justify the EC contribution.
- This allows flexibility for the partners to select which costs to report, and at the level of the consortium AIDA has to justify (as minimum) **13-14 M€** to receive the 8 M€ from the EC.
- Simplification in the financial reporting and verification for the beneficiaries, for the Coordinator, and for the EC.
- This cost reporting model **is not mandatory**: some partners still select or prefer to report their full costs.

### At M18 (end of P1):

- Full estimated costs of ~ **9 M€**
- Costs reported to the EC ~ **6 M€**, of which **1.9 M€** claimed for reimbursement

### Normalized full costs (including matching funds and overheads)

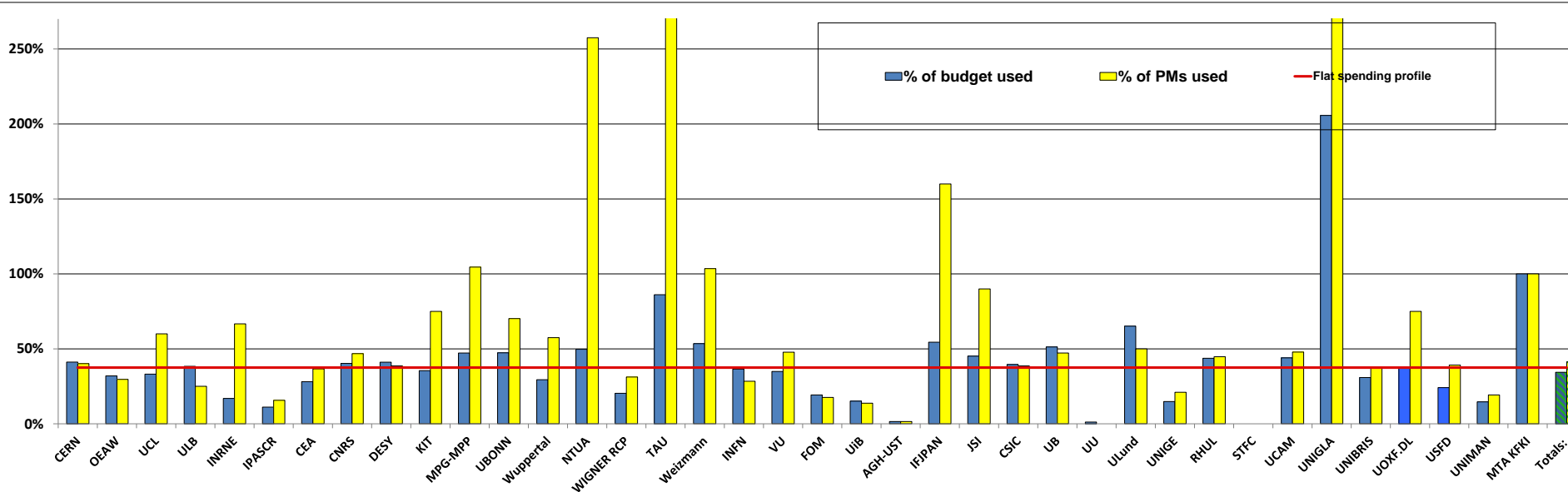


- **WP3 (under-spending)**, where the first year was focused on the definition of the programme of work, and most activities started in Y2 only;
- **WP4 (over-spending)**, where more man-power than foreseen will be used;
- **WP7 (over-spending)**, where more local staff has been necessary.



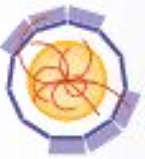
# Use of resources by M18 per beneficiary 1/2

## Normalized full costs (including matching funds and overheads)



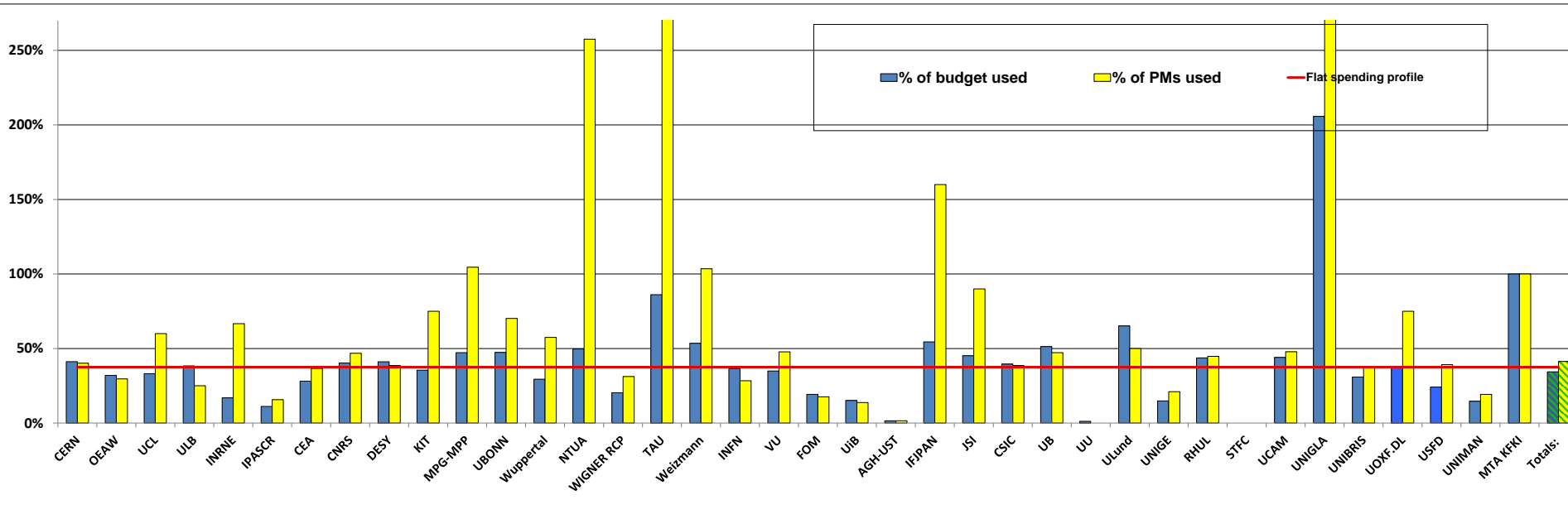
### Over-spending at M18:

- **MPP** (man-power): using mainly PhD students (low cost)
- **NTUA** (man-power): using much more man-power than foreseen (a few p-ms only)
- **TAU** (man-power and budget): using much more man-power than foreseen (additional matching funds)
- **Weizmann** (man-power): using much more man-power than foreseen (additional matching funds)
- **IFJ PAN** (man-power): using much more man-power than foreseen (additional matching funds)
- **UNIGLA** (man-power and budget): terminated; used much more resources than committed.
- **MTA KFKI** (man-power and budget): terminated (just 1 p-m)



# Use of resources by M18 per beneficiary 2/2

## Normalized full costs (including matching funds and overheads)



### Under-spending at M18:

- **IPASCR**: will ramp up activities in P2
- **FOM**: will ramp up activities in P2
- **UiB**: delayed recruitment, issue with matching funds
- **AGH-UST**: will ramp up activities in P2.
- **UU**: will ramp up activities in P2
- **UNIGE**: will ramp up activities in P2
- **STFC**: special case
- **UNIMAN**: partner as of M13 only



- Expected commitments of STFC in AIDA (following withdrawal from WP4):

Work-package	Man-power	Full costs	EC contribution
WP2	38 p-m	457 k€	77 k€
WP3	15 p-m	188 k€	45 k€
WP8	54 p-m	787 k€	250 k€

- At present, STFC's technical contribution to WP2 and WP3 appears limited – some activities in WP2; WP3 unclear.
- STFC is a task leader of Task 8.4 in WP8. After a slow start, task activities are now progressing.

- At M12, STFC **did not provide** the required Internal Resource Utilisation Summary
- At M18 (P1 reporting), STFC **did not provide** the required Internal Resource Utilisation Summary
- At M18 (P1 reporting), STFC **reported zero costs** and claimed zero costs to the EC (official Financial Statement)
- Despite several attempts, the management team has not been able to obtain from STFC any information about **the status of the resources used so far** in WP2, WP3 and WP8.

Recently, STFC has made the following statements

- Their commitments and man-power (53 p-m) to WP2 and WP3 **remain as foreseen**;
- Their commitment **to WP8 deliverables remain**. However, they will not be able to provide the necessary **matching funds** for the committed man-power (54 p-m).
- A few months ago, the Task leader of 8.4 was considering re-allocating **~ 100 k€ EC funding** to other partners in the task (WP).
- Recently, STFC have changed their mind and would like to **keep and use the EC funding** in WP8.4 for performing irradiation tests on epoxies.

Main principle of AIDA funding: **each partner has to provide the necessary matching funds** (40-60% of the full costs on average) in order to receive and use the EC funding.

# Proposal to the Governing Board (subject to “electronic” voting)

- The principle of AIDA funding should be applied to STFC **without exception**.
- The management team to inform STFC that in case they will not be able **to provide the necessary matching funds** in WP8, they should estimate the fraction of EC funding which will remain “available” and should **make a proposal for re-allocation** of this funding to other partner(s) in the task (WP) a.s.a.p.
- At the latest at the time of the P2 reporting (M36), STFC has to provide an estimate of the resources used **since the start of the project for WP2, WP3 and WP8**.
- In case **of evidence that the resources in WP2 and WP3** have not and will not be used as planned, part of the EC funding for STFC may be allocated to other partner(s) in those WPs.