

# Knowledge Gateway Scheme

## Eligible Expenditure

Eligible costs are defined as direct or indirect costs incurred in carrying out the research project. They must fulfil the following criteria:

- They must be **actual**;
- They must be **reasonable** and **wholly necessary** for the project;
- They must be incurred **during the lifetime** of the project;
- They must be **recorded** in the accounts for the project, which must be maintained during the lifetime of the project and reported on as required by BIM;
- They must **not be funded from any other source**; and
- They must be **incurred solely to advance the research project**.

The eligible **cost categories** are:

1. The relevant portion of salary costs of non-core personnel directly employed on the project will be eligible for support – total salary cost for productive hours 1,720 hours per annum (with timesheets maintained). Salary costs of permanent/core staff will not be eligible.
2. Costs borne by industry directly related to their contribution to the project.
3. Subcontractor costs (not allowed between consortium partners).
4. Consumables.
5. Publication costs, and promotion of research results to the Irish seafood sector.
6. Travel and subsistence costs.
7. Equipment (depreciation only for project period for equipment subject to depreciation).
8. Vessel charter.
9. Other direct costs (e.g., software licences, sampling/analysis) essential to the implementation of the project.
10. Overheads will be eligible at a flat rate of 25% of eligible direct costs.
11. Value Added Tax is eligible since this is not recoverable by the eligible beneficiaries.

Grantees may apply to BIM to transfer between cost headings during the grant term. All budget reallocations will be subject to approval. Further details are available below.

Further notes on what is eligible under each cost category are provided below, along with information on what will be sought for each category at the time of claim.

### 1) Staff Costs

Staff costs are deemed to be:

- the gross salary of eligible staff members;
- the grantee's contribution to their PRSI (pay related social insurance) costs; and
- the grantee's contribution to their pension. This rate must be specified in the budget and is subject to a maximum of 20% of salary.

Please further note:

- Only the costs of the actual hours/days worked by the persons directly carrying out work under the project may be charged. Such personnel must:
  - Be directly hired by the participant;
  - Work under the sole technical supervision and responsibility of the participant, and
  - Be remunerated in accordance with the normal practices of the participant.

- Remuneration costs must be calculated individually for each staff member and the use of average salary or pay scale levels is not permitted.

At the time of claim, the following will be sought:

- For staff who are employed full-time on the project:
  - Payroll records of the participant showing costs for remuneration of salary reflecting the total gross remuneration plus the employer's portion of PRSI and pension contributions.
  - A declaration confirming the staff were employed full time on the project, signed by both the staff member and a Finance Officer.
- For staff who are employed part-time on the project:
  - Payroll records of the participant showing costs for remuneration of salary reflecting the total gross remuneration plus the employer's portion of PRSI and pension contributions.
  - Timesheets.
  - Hourly rate.
  - Standard hours per week.
- Relevant documentation regarding the employer's pension contributions to validate that these contributions are made to an appropriate pension scheme.

## 2) Costs borne by industry

Note that one of the evaluation criteria for applications is outreach and engagement, so it is expected that appropriate costs are budgeted to integrate potential users of the project results into project planning and into the work of the project.

At the time of claim, the following will be sought:

- A record of costs incurred by industry members (maintained by the grantee), showing:
  - Industry member name
  - Date of the cost
  - Nature of the cost
  - Value of the cost
- Proof of payment of these costs to industry members

## 3) Subcontractor costs

Where specialist resources are required, it may be necessary to obtain external assistance in the form of subcontract or consultancy arrangements. These costs may only be charged as external assistance to the project if:

- they are incurred in compliance with the conditions set out in the Letter of Offer;
- they do not exceed 20% of the overall grant-aid allocated to the project;
- the subcontracts for external assistance are awarded and concluded in accordance with the Irish government procurement procedures as set out in the Department of Finance public procurement regulations (BIM's Grants Management System provides additional information on requirements for supplier quotes – the number of quotes required, and the content of those quotes);
- they are in accordance with market prices; and
- a clear explanation is given as to why the project team could not have included these specialist skills.

As subcontracting and consultancy arrangements invariably relate to the production of a service, it should be clear in all consulting or subcontracting arrangements that any intellectual property

arising from such work remains the property of the participant and must be at the entire disposal of the participant.

At the time of claim, the following will be sought:

- Copies of quotes or tender responses received – noting that the grant aid offered will be that matching the lowest quote, regardless of the supplier selected.
- Invoices from subcontractors.
- Proof of payment to subcontractors.

#### **4) Consumables**

Examples of eligible consumables would be laboratory consumables, or books and specialist journals.

At the time of claim, the following will be sought:

- Invoices for consumable costs incurred
- Proof of payment

#### **5) Publications costs, and promotion of research results to the Irish seafood sector**

Costs should be included to cover the preparation and publication of research outputs, e.g. reports, brochures, books and other publications. All publications must acknowledge the funding provided by BIM. Note that one of the evaluation criteria for applications is outreach and engagement, so it is expected that appropriate costs are budgeted to promote research outputs.

At the time of claim, the following will be sought:

- Invoices for any external costs incurred related to publication and promotion
- Proof of payment of invoices
- Where costs are internal, accounting records showing the cost allocation to the project
- Copies of publications and confirmation of the publication method (digital/print)

#### **6) Travel and Subsistence**

Actual travel and related subsistence costs (including those based on mileage and subsistence rates) for personnel working on the project are fully reimbursable and may be charged to the project, provided that the costs comply with Irish civil service rates.

Where travel costs are incurred by employees involved in the project and such costs are reimbursed by the participant on the basis of a lump sum or per diem basis then it is the lump sum or per diem payment that is considered to be the eligible cost.

Where researchers outside of the State are required by the project co-ordinator to attend project meetings in Ireland, their costs will be deemed eligible and will not require prior approval. The approval of such travel will be contingent upon adequate budget being available, based on the applicant's original submission, and appropriate justification being provided by the relevant participant. Failure to do so will result in all costs relating to travel from outside of the country being disallowed.

At the time of claim, the following will be sought:

- Detailed travel and subsistence records being charged to the project, showing:
  - The name of the project team member;
  - The date(s) of travel;
  - The purpose of travel;
  - The nature of the costs e.g. mileage, accommodation, per diem; and

- The cost.
- In addition, where individuals are reimbursed for use of their private vehicle for business travel by way of mileage then the relevant rate per mile, destination, and number of miles travelled must be clearly stated.

## 7) Equipment

If the equipment required for the project is written off over more than 2 years (24 months), only the depreciation over the lifetime of the project is eligible.

If the equipment required for the project is written off within 2 years, the full cost is eligible.

At the time of claim, the following will be sought:

- Where depreciation is eligible, an extract of a Fixed Asset Register will be sought, which clearly shows depreciation of the eligible equipment for the timeframe the claim covers. This will need to be signed by a qualified accountant.
- Where the full cost is eligible, an invoice and proof of payment will be sought.

## 8) Vessel Charter

Should vessel charter have been included and approved in the application budget, the following will be sought at the time of claim:

- An invoice for the vessel charter, showing the vessel name, the cost per day and the number of days
- Proof of payment

## 9) Other Direct Costs

Other direct costs can include specific items as stated in the application budget or in an approved budget reallocation, which do not come into any of the above eligible cost categories. Such costs may only be claimed subject to prior approval by BIM. Examples would be software licences, sampling or analysis costs.

At the time of claim, the following will be sought:

- Invoices for budgeted costs
- Proof of payment

## 10) Overheads

Overheads will be eligible at a flat rate of 25% of eligible direct costs (excluding equipment, sub-contracting costs, and vessel charter). Costs deemed to be covered by overheads include stationery, interview expenses, advertising costs, etc

At the time of claim, the evidence provided for the eligible direct costs, and accepted by BIM as sufficient to support payment of direct costs, will also be considered sufficient to support payment of overheads. BIM will determine if any costs included in other categories should be deemed to be covered by overheads.

## **Ineligible Expenditure**

The following operations or expenditure are not eligible for support:

- Indirect taxes / charges.
- Foreign exchange losses
- Debt and debt service charges.
- Costs funded by another National or EU grant.
- Resources received free of charge.
- Cost of recruitment.
- Salary costs, except as provided for under eligible expenditure above.
- Overheads, except as provided for under eligible expenditure above.
- Purchase of land or buildings.
- The cost of existing product, stock or raw material used as part of the project.
- Costs relating to training.

**The list of ineligible items may be added to at any time.**