



# Project budget

*How to ask for insane amounts of money  
without appearing to be rude*

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SenterNovem is een agentschap van



Ministerie van Economische Zaken



**TranSMES**



SEVENTH FRAMEWORK  
PROGRAMME

Where do I begin?



# Prerequisites

- What is “the edge” of reasonable?
- How much do I get for what activity
- Management is not 7% anymore
- Sharing the wealth



# What is “the edge of reasonable”?

- Which Priority
- What Instrument
- Total Budget of the Call
- Political and Scientific Importance of Topic

# Management

- Not limited to 7% anymore
- Put all management activities in WP1
- Divide management activities over partners
- Exclude as many things as possible from management

# Sharing the wealth

## Dilemma:

- Divide the activities equal amongst partners

or

- Divide funding equal amongst partners

# Budget outline



# Mobilisation of resources

- Human Resources
- Material Resources
- Financial Resources



# Human resources

- Labour
  - Agree on working hours per month
  - Get hourly rate for each partner AND person in the project
  - Get overhead of each partner
  - Use Effort Sheet
- Mobility
  - Tickets (minus taxes)
  - Stay

# Material resources

- Durable equipment
  - Is equipment available ?
  - Calculate deviation of equipment during project
  - Maintenance
- Consumables
  - Can consumables be linked to the project ?
  - Allow for new technologies
- Software
  - Licences
  - Custom made

# Financial resources

- Sub-contracting
  - Avoid sub-contracting
  - Only subcontract minor tasks
- Audit certificates
  - Auditing is sub-contracting
  - Audits might be management costs
  - Audits are negotiable with the Commission
- Receipts to the project
  - Receipts are allowed up to break even point
  - Profits gained from research are NOT receipts
  - Receipts may be used as counter-funding

## Putting things to paper

- Calculate budget per partner (small projects)
- Calculate budget per Work Package (large projects)
- Use one single Spreadsheet
- Specify all costs

# Budget cuts

- Anticipate budget cuts during negotiations with EC
  - No rule of thumb!
- No overall reduction, but removal of Workpackages, tasks or partners
- Don't raise budget by 10% to deal with an expected budget cut at a later stage...

Let's do it ?!?

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**“Our budget has been cut. Tell our research and development people to stop cloning sheep and start cloning money!”**

**EG-LIAISON**



Thank you.

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