

Project Administration Committee

Meeting 2. 10th December 2010, 10:00 CET, Teleconference.

Present:

Groupings:

EGI.eu Celine Bitoune, Rob van der Meer
Ibergrid Isabel Campos
CE Jana Hrdličková
EIRO
UK.IE.NL Claire Devereux
NBIS Hank Nussbacher
SEE Alexei Altuhov, Peter Bogatencov, Luka Filipovic
IT.RU Laura Perini
FRRO
APGI
DACH Andres Aeschlimann

Chair: Claire Devereux, minutes: Claire Devereux

Agenda

1. Minutes and actions from previous meeting
2. PAC groupings and nominations for representatives
3. Proposal for a Face to Face meeting in Vilnius, EGI User Forum
4. EGI-InSPIRE – justification of funding with respect to task funding
5. Planning for closure of quarter in PPT and subsequent payment dates
6. Questions & Answers

1. Minutes and actions

There were no amendments to the minutes (attached to the agenda in Indico). Action round up:

Number	Owner	Action	Status
1.1	Celine/Claire	Request nominations for a representative and deputy per PMB grouping	Ongoing – CD will chase outstanding partners
1.2	All PAC reps	Report costs of audit certificates for JRU members to Celine	Ongoing – some received but not all

2.1	Claire	Remind all lead beneficiaries in January book auditors if appropriate.	new
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2. PAC groupings and nominations

Thanks to the members who sent in their nominations for main and deputy contacts for the PAC Groupings. Many have been received. CD will follow up with partners yet to nominate (EIRO, NBIS, IT.RU, FRRO, APGI). CB reminded all about the importance of attending the PAC meetings and being aware of financial and reporting requirements.

3. Proposal for a Face to Face meeting in Vilnius, EGI User Forum

There will be a PAC face to face meeting in Vilnius during the EGI User Forum in April. Provisionally we propose a meeting on either Tuesday 12th April (PM) or Wednesday 13th April. Please note these dates for your diaries. It is important to have at least one representative per grouping present though all members are of course invited.

4. EGI-InSPIRE – justification of funding with respect to task funding

CB had circulated a table detailing payments that are being made from EC to members. Note that this table and payment only includes monies from the EC. A separate table and payment is expected for global tasks funded by EGI.eu.

The payment consists of two parts. Firstly, a pre-financing payment composed of six months effort at the rate per partner specified in the project agreements. Secondly, a payment to cover the first quarter based on the PPT effort returns (1st Quarterly Report).

5% Guarantee Fund

Table 1 shows the distribution of pre-financing agreed with the EC. It starts with a summary detailing the funding received from EC to the project as a whole. A pre-financing payment equating to 40% of the total budget for the project was released from EC to EGI. From this, EGI is required to place 5% (of the total budget) in a Participant Guarantee Fund account managed by the European Investment Bank. When a project completes, this 5% will be returned to the participants with the final payment except for participants not covered by government guarantees (i.e. most commercial organizations except state owned ones).

If during a project, a partner defaults financially and the partners decide as a result to terminate the project, then the fund will ensure that they are all paid for completed accepted work. If the partners decide to continue work, then the fund will compensate the project for any lost funding caused by the default. In both cases the Commission would then pursue the defaulting partner for the lost funds. Any recovered funds would go back into the guarantee fund.

Pre-financing and quarterly payments

The pre-financing remaining (35% total budget) equates to 16.8 project months worth of funding. Of this, 6 months effort equivalent will be paid to each lead beneficiary as an up-front payment. Further payments will be quarterly, based on quarterly reports (based on PPT entries). Advance payment 1 (just completed) includes the 6 month up-front payment plus Q1 payment. Table 2 shows payments based on the use of resources during the first quarter of the project, including a detailed breakdown by task to all lead beneficiaries. CB will prepare a further table to include a further breakdown to the individual member level. This will be circulated to lead beneficiaries, not to all members. Steven Newhouse sent a notification to all members when the first advance payment was made. Celine will include the InSpire Financial mail list too in future announcements.

End of First Year Planning

The end of Year 1 for EGI InSPIRE is 30th April 2011. We then have two months to provide all reports for the EC, with includes the Certificate on Financial Statements (CFS) for those partners whose claim will equal or exceed €375,000. We must respect this deadline because all documents need to be uploaded into NEF in good time to allow EC to view and comment on them before summer holidays. We will then have a short time to respond to comments and provide justifications. If all goes to plan we will receive our second pre-financing in time to make quarterly payments to lead beneficiaries in Month 18 and ensure there is no gap in the payment schedule. It is vital that all documents are uploaded in time to prevent a payment gap.

There are guidelines for this process already available on the EGI PAC Wiki. Please look at these now.

https://documents.egi.eu/secure/RetrieveFile?docid=174&version=1&filename=Financial%20guidelines%20under%20the%20FP7_May10.pdf

Further information containing a detailed timeline will be prepared for the PAC wiki in March/April and will be covered at the EGI User Forum PAC face to face meeting in April.

ACTION: CD to remind all partners in January to assess if auditors are required at the end of the first year and book auditors if appropriate.

Isabel asked for it to be noted with EC that a quarterly payment schedule and annual audit results in unnecessarily large administration overheads on lead beneficiaries.

CB noted that the quarterly reports and payments is the same process than in EGEE and was set-up upon EC request. It will ensure a regular track of the project activity through the efforts used and a precise estimate of the budget used. The use of the partners' person month average combined with effort calculations from PPT has definitely simplified the process for quarterly cost preparation.

On the other hand, CB informed that the Project Officer has agreed that some JRUs will not report their costs on an annual basis, but only twice within the project duration. An adjustment can be made along with Year2 and Year4 financial statements.

However this does not prevent the lead beneficiary from transferring to their JRUs the quarterly payments from efforts declared in PPT.CD asked whether the project office (PO) needs to be informed if effort and payments are redistributed within a JRU. CB said it is fine to do this but the PO needs to be informed. In addition and on a case-by-case basis, an approval from the WP leader may be required to ensure that it does not affect the activity as planned in the DoW. Furthermore whenever a transfer of resource implies a transfer of budget, it should be validated by both sides and eventually acknowledged by the PMB; these changes shall than be reflected in the project tables of the Consortium Agreement and contractual documents (DoW and NEF tables), through an amendment.

5. Planning for PPT closure in future quarters and subsequent payment dates.

Project office has been very flexible in both Q1 and Q2 regarding deadlines for closing PPT and reopening timesheets for amendment. However this has resulted in significant delay to receiving payment sign-off from EC. The PMB and the EC have to approve the report containing effort figures before payment is released. The second quarterly report is being approved by the PMB on Friday 17th December. We expect to receive sign-off for the second quarterly payment from the EC in mid January.

The deadline for PPT entries and amendments for December timesheets is going to be 15th January for members to enter data and 20th January for supervisors to validate these entries. Note this is +5 days longer than normal to allow for late start in January after Christmas holidays.

Following this schedule and prompt closure of January timesheets in February we expect to receive sign-off for the third quarter's payment in mid-March.

Please note that non-validated timesheets are not included in quarterly reports and thus are not included to calculate funding.

FYI upcoming EGI-InSPIRE PMB Meetings dates:

- 5th EGI-InSPIRE PMB Meeting
Date: 10 March 2011, Time: 11:00-16:00
Location: EGI.eu Headquarters, Amsterdam, The Netherlands
Tasks: Review financial situation corresponding to EGI-InSPIRE Coordinating Partner and following EGI Council Seminar on 17-18 February, Santander, Spain.
- 6th EGI-InSPIRE PMB Meeting
Date: 15 April 2011, Time: 09:00-12:00
Location: EGI User Forum, Vilnius, Lithuania
Tasks: Chairman election for Reporting Period 2

- EGI-InSPIRE Reporting Period 1 – Review Rehearsal
Date: 15 June 2011
Location: EGI.eu Headquarters, Amsterdam, The Netherlands
- 7th EGI-InSPIRE PMB Meeting
Date: 1 July 2011
Location: EGI.eu Headquarters, Amsterdam, The Netherlands