

Attachment no 2 to the resolution no 62/2016 of the Council of the NCN of 7th July 2016

COSTS INCURRED IN RESEARCH PROJECTS FINANCED BY THE NATIONAL SCIENCE CENTRE, UNDER THE BEETHOVEN SCHEME

ELIGIBLE COSTS are expenditures eligible for funding from NCN resources. Eligible costs shall be deemed only the expenditures that fulfil all of the following criteria:

- 1) critical to the completion of the project,
- 2) incurred within the period of the project's duration, i.e. from the day of signing the funding agreement until the day of expiry of the project,¹
- 3) incurred in line with the principle of advisability and frugality, as well as in line with the principle of obtaining optimal effects from given resources,
- 4) allowing for verification, scrupulously documented and duly entered in the accounting records,
- 5) conforming with all rules and regulations applicable, including the rules and regulations of the host institution and the rules and regulations of the NCN, including the rules set forth in the following document.

The following shall not be deemed eligible costs:

- 1) reserves for future liabilities, interest due and other expenditures for debt-servicing, interest and other expenditures for late payments, contractual penalties, fines, penalties and payments for the costs of judicial proceedings,
- 2) VAT, if the host institution is entitled to reclaim VAT,
- 3) costs of proceedings related to conferment of academic degrees/titles,
- 4) costs of fees paid for pre-publishing reviews.

The eligibility of costs shall be subject to review during the proposal evaluation, the evaluation of the annual report, the evaluation of the final report and during the external control and audit.

Eligible costs incurred by the host institution operating the research project shall be subdivided into direct and indirect costs.

1. Indirect costs are the general operative costs of the entity, related indirectly to the research project, and are essential for the proper realisation of the funding agreement.

The maximum limit for indirect costs amounts to 30 per cent of direct costs, excluding "*costs of research facilities, equipment and software*". Indirect costs may not be increased while conducting the project.

Indirect costs shall be covered by a lump sum and considered as incurred expenditure. The host institution shall arrange with the principal investigator in the project for the distribution of at least 25 per cent of the direct costs' value.

¹ Keeping records of costs and settling all liabilities incurred during the period of the project's duration is possible by the date of submitting the final report, no later, however, than within 60 days of the project's expiry.

2. **Direct costs** are costs directly related to the completion of the research project.

A research project's direct costs are further divided into:

- costs of salaries and scholarships,
- costs of research facilities, equipment and software,
- other direct costs.

The following expenditures may not be financed as direct costs:

- 1) salaries of the administrative and financial staff (performing services related to personnel, accounting, legal issues, including the outsourcing of accounting to an accountancy office),
- 2) costs of renovation of facilities,
- 3) costs of adapting/upgrading facilities, so that they can meet the needs of the research tasks,
- 4) fees and rent for the use of facilities, property taxes, etc.,
- 5) utilities (cost of electricity, heating, heating gas, water, as well as other transmission fees, sewage, etc.), telecommunications charges (telephone, Internet) and mail and courier services, excluding the services referred to in point 2.3.2,
- 6) costs of cleaning, janitorial and security services to facilities,
- 7) cost of non-life insurance,
- 8) handling and administrative fees,
- 9) cost of banking services, including: opening and maintaining a sub-account or separate account for the research project, bank fees,
- 10) costs of external audits,
- 11) costs of organising conferences, workshops, seminars, meetings (with the exception of personal costs in points 2.3.3 and 2.3.4),
- 12) costs of subscriptions (with the exception of the cost of data and access to data referred to in point 2.3.6),
- 13) fees for membership in organisations, associations, etc.

All expenses outlined above in points 1-13 may be covered as indirect costs.

2.1 Costs of salaries and scholarships² – under this heading falls the costs of salaries and related expenditures,³ and scholarships.

Salaries may be paid **only to persons employed as members of the research team, i.e. the principal investigator and other investigators in the project**. Payment of salaries may be made pursuant to contracts of employment and civil-law contracts. Resources granted to projects may also be used to cover scholarships for doctoral candidates and students involved in the project activities.

The budget for salaries and scholarships for members of the research teams may include resources for:

² For composite entities, the budget for salaries and scholarships is shared by all individual entities that form the composite entity

³ The amounts of salaries quoted in the document are gross amounts. The amounts quoted shall also include non-wage labour costs, including social and health insurance contributions and other elements of salaries, financed by the host institution. These resources shall also cover the annual bonus, should the host institution have the obligation pay it.

- a) *full-time remuneration*, i.e. salaries paid pursuant to a full-time contract of employment to the project's principal investigator and person(s) employed as *post-doc(s)*,⁴
- b) *additional remuneration for members of the research team*,
- c) *scholarships for doctoral candidates and students*.

Each person may be paid salaries from the project's resources only in one of the forms enumerated above in points a) through c).

2.1.1 Full-time remuneration

The **principal investigator** may be paid a salary from the pool allocated for full-time salaries pursuant to a full-time contract of employment at a research post as long as they meet all of the following conditions:

- a) on the final day of call for proposals under the scheme they are not employed or appointed by the entity referred to in art. 10, points 1-8 & 10 of the Act of 30 April 2010 on the Principles of Financing Science (Journal of Laws of 2014, item 1620 as amended), conducting teaching or research activities, or are employed as researcher,⁵ researcher-lecturer⁶ or technical staff⁷ pursuant to a fixed-term contract with an expiry date no later than within 18 months of the final day of the call for proposals under the scheme;
- b) in the period of receiving the salary they are paid no other salary in whatever form from NCN resources;
- c) in the period of receiving the salary they are paid no other salary pursuant to a contract of employment from any employer,⁸ nor do they receive a pension from the social security system;
- d) the sum of resources allocated for their employment does exceed PLN 150,000 per annum.⁹

The **principal investigator** may be paid a salary from the pool allocated for full-time salaries pursuant to a full-time contract of employment with an employer, acting as host institution, other than their current employer – as long as the conditions set forth in points b), c), d) are all met, and as long as the principal investigator terminates their employment with the current employer within one month of signing the funding agreement.

⁴ A *Post-doc* type post is to be understood as a full-time post, scheduled by the project's principal investigator for a person at the beginning of their career in research who has obtained their doctorate degree within 7 years of joining the project. This period does not include maternity leave, adoption leave, additional maternity leave, additional adoption leave, paternal leave, parental leave granted in compliance with the Employment Code, nor periods of sickness benefit or rehabilitation benefit granted on account of unfitness for work, including any caused by a health condition requiring rehabilitation.

⁵ Researcher within the purview of the Act of 27th July 2005 on Higher Education (Journal of Laws of 2012, item 572 as amended), Act of 30th April 2010 on the Polish Academy of Sciences (Journal of Laws no. 96, item 619 of 2010 as amended) or Act of 30th April 2010 on Research Institutes (Journal of Laws no. 96, item 618 of 2010 as amended)

⁶ Researcher-lecturer within the purview of the Act of 27th July 2005 on Higher Education (Journal of Laws of 2012, item 572 as amended)

⁷ Technical staff within the purview of the Act of 30th April 2010 on Research Institutes (Journal of Laws no. 96, item 618 of 2010 as amended)

⁸ This applies also to employers established outside of the Republic of Poland

⁹ In the event of not receiving full-time remuneration over the entire period of employment scheduled in the proposal, the sum allocated for full-time employment shall be reduced in proportion to the actual period of receiving the remuneration.

The **person employed at a post-doc type post** may be paid a salary from the pool allocated for full-time salaries pursuant to a full-time contract of employment at a research post as long as they meet all of the following conditions:

- a) in the period of receiving the salary they are paid no other salary in whatever form from NCN resources;
- b) the principal investigator in the project has not been their PhD thesis supervisor/auxiliary thesis supervisor;
- c) has been selected by means of open competition procedure, in which the principal investigator chaired the recruitment committee;
- d) in the period of receiving the salary they are paid no other salary pursuant to a contract of employment from any employer;⁸
- e) the sum of resources allocated for their employment does exceed PLN 85,000 per annum⁹.

It is permitted to employ at the post-doc type post in the project, remuneration from the pool allocated for full-time salaries, one person who does not meet the criterion set forth in point b).

The BEETHOVEN funding scheme allows for employing persons at post-doc type posts as long as the total period of employment of all persons at these posts not exceed double the time scheduled for the project. The period of employment of one person may not be below 6 months.

2.1.2. Additional remuneration¹⁰:

The resources for the project may be directed toward payment of additional remuneration. The budget for additional salaries¹¹ is managed by the project's principal investigator upon approval by the head of the host institution.

When calculating the budget for additional salaries, the calculation shall exclude from the team's personnel (principal investigator and other investigators) any persons who in the period of the project's duration is included in the *full-time remuneration* pool of another NCN-funded project, and persons who should be receiving scholarships under the project. The number of persons thus determined shall be the basis for the calculation of the budget for additional salaries.

Under the BEETHOVEN funding scheme, the budget for additional salaries for every month in the funding agreement for all investigators shall amount to no more than:

- a) should the principal investigator not plan to be employed pursuant to a full-time contract of employment, with remuneration paid from the pool allocated for *full-time salaries*:
 - PLN 5,000 for one person;

¹⁰ Sums quoted hereby do not determine the actual amounts of the monthly salaries paid to individual investigators, but serve as the basis for the calculation of the maximum budget for salaries in a given project.

¹¹ Resources allocated for the payment of additional remuneration may be used to also cover contracts of employment (full-time or part-time) and delegating an employee to perform tasks (activities) in the project. The employment paid for from the pool allocated for additional salaries is not subject to the restrictions set forth in point 2.1.1.

- PLN 6,000 for two persons, of which no more than PLN 5,000 for the principal investigator;
 - PLN 7,000 for three persons, of which no more than PLN 5,000 for the principal investigator;
 - PLN 8,000 for four persons, of which no more than PLN 5,000 for the principal investigator;
 - PLN 9,000 for five persons, of which no more than PLN 5,000 for the principal investigator;
 - PLN 10,000 for six persons, of which no more than PLN 5,000 for the principal investigator;¹²
 - PLN 11,000 for seven persons, of which no more than PLN 5,000 for the principal investigator;¹²
- b) should the principal investigator plan to be employed pursuant to a full-time contract of employment, with remuneration paid from the pool allocated for *full-time salaries*:
- PLN 1,000 for one person;
 - PLN 2,000 for two persons;
 - PLN 3,000 for three persons;
 - PLN 4,000 for four persons;
 - PLN 5,000 for five persons;¹²
 - PLN 6,000 for six or more persons.¹²

2.1.3. Scholarships:

Scholarships may be paid on the condition that:

- a) they be granted in compliance with the Regulations on awarding scholarships for young researchers in the NCN-funded research projects, as specified in the Resolution of the Council of the NCN no 51/2013 of 3rd June 2013;
- b) in the period of receiving the scholarship they not receive remuneration from the resources of the NCN;¹³
- c) the total amount of the scholarships received by the investigator from the resources of the NCN does not exceed PLN 3,000 per month. This amount shall not include the amount of scholarship received in the ETIUDA call.

Under the BEETHOVEN funding scheme the budget for scholarships for every month in the funding agreement shall amount to no more than PLN 9,000.

2.2. Costs of research equipment, devices and software¹⁴ – under this heading fall costs of the research equipment to be purchased or built, costs of other devices and software needed to conduct the research tasks in the project.

¹² This applies to consortia and other composite entities.

¹³ Does not apply to laureates of the ETIUDA call.

¹⁴ The project's resources may not be used to finance or co-finance the purchase or building of research equipment which forms large or strategic research infrastructure (art. 22, Act of 30th April 2010 on Financing Science (Journal of Laws no 96, item 615 as amended). Pursuant to art. 2 point 17 of the Act on Financing Science, large or strategic research infrastructure shall be understood as research infrastructure, including IT infrastructure with a value in excess of:

- a) PLN 150,000 in the case of research infrastructure used for research and for research and technological development in the domain of Arts, Humanities and Social Sciences.
- b) PLN 500,000 in the case of research infrastructure used for research and for research and technological development in the domains of Physical Sciences and Engineering and Life Sciences.

Research equipment (as defined by the Central Statistical Office) is to be understood as set(s) of testing, measurement and laboratory apparatus[es] of limited application and high technical parameters (usually several orders of magnitude higher than typical apparatus used for production or exploitation purposes), which in accordance with the accounting policies of the host institution constitute the host institution's fixed assets.

Purchase of research equipment may not constitute the main goal of the project.

Other devices – other devices outside the scope of the definition of research equipment, which in accordance with the accounting policies of the host institution constitute the host institution's fixed assets.

Software – software purchased to meet the requirements of the research project, which in accordance with the accounting policies of the host institution constitutes the host institution's fixed assets.

The value of research equipment shall be determined in accordance with the Accounting Law and it includes, among others: costs of transportation, loading and unloading, insurance of the transported goods, installation/assembly, customs and excise duty, and the value of software if it is treated as a component of the research equipment.

2.3. Other direct costs – under this heading fall costs qualifying neither as “costs of salaries and scholarships” nor “costs of research equipment, devices and software”.

2.3.1. Materials and small devices – cost of purchasing materials and consumables for direct use over the course of the project, including, among others:

- raw materials, half-finished products, reagents,
- stationery, office items and supplies,
- small laboratory devices, IT hardware and small office devices (e.g. a computer, licensing costs and software development, printers, scanners, monitors, copiers), other devices, as long as according to the accounting policies of the host institution they are not qualified as tangible or intangible assets.

2.3.2 Outsourcing – costs of services rendered by third parties (incorporated as well as individuals with a business activity), including, among others:

- cost of research services (laboratory analyses, statistical reports, polls, etc.),
- cost of purchasing other specialist services critical to the completion of the research in due form (proofreading, editing, graphics, counselling, monitoring, etc.),
- cost of postal, shipping and transport services directly related to the completion of a given research task,
- cost of renting a venue, cost of catering, etc., which are essential to the completion of research tasks that include subjects/respondents.

Persons who are recipients of salaries or scholarships in the project may not be involved in research tasks as subcontractors directly or indirectly (via institutions that employ them).

2.3.3 Business trips – costs of business trips of the members of the research team, including, among others:

- costs of participation in seminars/conferences related to the subject of the research,

- costs of trips critical to the completion of the research, e.g. preliminary archival and library research, fieldwork, etc.

Costs of business trips include:

- daily allowance and reimbursement of travel costs, as set forth by the regulations passed in accordance with art. 77 § 2 of the Polish Labour Code,
- individual insurance,
- conference fees,
- other costs, as long as they are considered justified and essential to the completion of the research, such as: visas, vaccinations, etc.

Long-term expeditions may be qualified as eligible if their costs have been calculated in line with the principle of advisability and frugality, based on a solid assessment of their actual costs.

2.3.4 Visits and consultations – costs of visits by external collaborators and/or consultants closely connected to the subject of the research.

In this category only personal costs in the form of allowances, reimbursement of travel costs and accommodation shall be eligible.

2.3.5 Collective investigators – the total cost of gratification for persons carrying out one-off responsibilities (e.g. interviewers) as well as study participants. The minimum number of such investigators is 5 persons. This category does not include technicians and lab managers. A detailed cost estimate shall be drafted, describing the objective of the expenditure and its total cost, as well as the number of persons receiving benefits, the value of a unit-rate and the form of benefit (monetary or material).

2.3.6 Other costs – other costs that fall into none of the previous categories, among others:

- costs of purchasing data/databases or access thereto,
- specialist publications/teaching aids,
- costs of publishing the results (as long as the published materials meet the conditions set forth in the funding agreement).

The research project may include actions intended to promote and disseminate its results. Anticipated costs generated by such actions, as long as they meet the conditions of eligibility, shall be entered in the categories “Costs of salaries and scholarships”, “Outsourcing”, etc., accordingly.

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