

ITEA Contribution rules A - 2018

Based on planned costs as defined in the national funding contract

According to Article VII.1 of the ITEA 2 and the ITEA 3 Frame Agreements, all costs covered by the approved ITEA budget will be borne by all ITEA Partners. This document describes the detailed ITEA contribution rules based on planned costs as defined in the national funding contract for 2018 as approved by the ITEA Board in its meeting of 4 December 2017.

Important: this set of ITEA Contribution rules only applies to project partners who have not yet been invoiced for the same project before 2018. Other project partners will be invoiced according to the ITEA Contribution Rules B - 2018.

Responsibilities

1. The technical contacts of each project partner and the national project coordinators are responsible for providing the national funding contract data to the ITEA Office for their respective organisation and the country consortium¹.
2. The ITEA Office is responsible for collecting the eligible planned costs from the national funding contracts and also for calculating and invoicing the **contribution** to be paid by each ITEA partner.
3. The ITEA Board is responsible for determining and approving the contribution rules and the annual **ITEA contribution rate**.

ITEA Contribution 2018 based on 'Contracted costs'

From 2018 onwards, ITEA introduces the new invoicing process in order to increase the transparency of the invoicing system as well as to reduce the overhead of project leaders from administrative Change Requests. This new process applies to partners who have not yet been invoiced according to the ITEA contribution rules B - 2018.

For this transition, the ITEA Rules and Regulations have been adapted in such a way that project partners are obliged to share the national funding contract data with the ITEA Office as soon as the national contract is signed. The ITEA Office will contact the Public Authorities to confirm the contract data. The planned costs that are indicated on the signed national funding contract are called 'Contracted costs', and these are the base figures for calculating the ITEA contribution fee.

Adaptation of a national contract based on effort actually realised is not accepted as a change in the national contract.

Once the ITEA Office receives the information stated on the national funding contract concerning the planned costs, these costs will become the primary information rather than the planned costs stated on the FPP.

¹ See ITEA Rules and Regulation 2017 Article 6.4

General rules for the 2018 Contribution

1. For 2018, the ITEA contribution due per partner is 1.5 % of the 2018 'Contracted costs' for that partner.
2. Exempted from contribution in 2018 based on 'Contracted costs' are:
 - a. partners for whom public funding has been rejected;
 - b. partners that decided to participate at their own costs without applying for public funding for 2018.

Invoicing procedure

1. A partner is considered to be funded based on clear evidence² that a signed national funding contract exists. Where no signed national contract exists, no invoice for an ITEA contribution fee will be sent.
2. The eligible costs per partner on which the contract is based are stored in the ITEA invoicing system as 'Contracted costs' independent of the FPP planned costs; if the costs are not specified per year, then the ITEA Office allocates the costs proportionally over the years in which the project is running.
3. The national contract is in the national currency and the contracted costs will also be stored in the ITEA Office in that national currency. The contribution fee will be invoiced in euros on the basis of the exchange rates^{3 4} on 1 January and 1 July of each year.
4. If there is evidence that the national contract exists but the contracted costs are not yet shared with the ITEA Office, then the FPP planned costs will be used for invoicing. In this case, no correction will be allowed, even if the ITEA Office receives the contracted costs at a later stage.
5. The contracted costs will only be changed in order to reflect changes in the national funding contract. Project partners should inform the ITEA Office whenever such changes happen. Changes in the national funding contract can only apply to the future.
6. The submission of a Change Request (CR) is not needed to update the eligible planned costs for invoices for the ITEA contribution fee.
7. The ITEA Office invoices the annual contribution for each partner in ITEA in advance in two six-monthly instalments: 50% in January and 50% in July. In specific cases invoices may also be issued later during the second half of the year.

² Clear evidence means that either the ITEA Office has a copy of the signed national funding contract in which the ITEA Office can check the total eligible planned costs and the duration of the national funding contract, or that the funding is confirmed by the Public Authorities, etc.

³ The ITEA Office uses the exchange rate published by the European Central Bank. If the exchange rates for 1 January or 1 July are not available, the ITEA Office will use the exchange rate of the next available dates.

(https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html)

⁴ In the event that the reference exchange rate of a currency is not available at the European Central Bank, the ITEA Office will use the exchange rate published by a central bank (monetary authority) that manages the currency.

8. Project leaders will be informed at least one month before invoicing to remind project partners to share the national funding contract information with the ITEA Office. Each project partner will be informed individually about the exact amount of the invoice in order to be able to request Purchase Orders if needed.
9. Exceptions:
 - If a project finishes in the first half of the year, only one full (100%) annual contribution invoice will be issued.
 - If a project starts in the first half of the year, only one full (100%) annual contribution invoice will be issued.
10. Each contribution invoice consists of:
 - a full or 50% instalment of the annual contribution;
 - a possible addition for the contribution due up to the current invoice period which was not invoiced during the previous invoice period.

References

1. ITEA 2 Frame Agreement – Version 8, 25 November 2005
2. ITEA 3 Frame Agreement – Version V, 2 July 2013
3. ITEA Rules and Regulations – Version 16, August 2017

Frequently asked questions

Questions:

1. Why do ITEA partners need to pay fees?
2. What obliges partners to actually pay these fees?
3. What happens if a partner does not pay its fees?
4. Can you explain the figures we have on our invoice? To what exactly is the contribution rate applied?
5. What should we actually report in the costs section, on the Community website?
6. Why are invoices based on planned costs?
7. Can we change our total costs?
8. We indicated in the latest progress report (or review) that we have underspent, and we provided figures on our exact spending. Why do we have to report this again online?
9. We have received a draft invoice that we cannot accept, as the figures are wrong. What should we do to receive an invoice with the correct data?
10. Can we know the exact amount of fees that we will have to pay for the whole project?
11. We have only been granted funding for the first (or second) half of the year: what should we do?
12. Our funding suddenly stopped: do we still have to pay the ITEA fees?
13. We want to opt out from the project, so how should we avoid further invoices?
14. The project has started, but our funding decision is not yet known. Do we have to pay fees?
15. The funding decision for our organisation is known to be positive, but we haven't yet started contributing as we haven't yet received the actual contracts. Do we have to pay fees?
16. Our project has started, but we need to set up a considerable CR as the project has drastically changed since the FPP submission. This will take some time: can we thus postpone the invoices?
17. We are a research organisation; do we need to pay the ITEA contribution fee?
18. Our national funding contract has changed during the course of the project: what should we do?
19. We have a very specific case which doesn't fit in any of the above questions: what should we do?

Answers:

Answers as detailed below are directly derived from the ITEA Rules & Regulations.

1. Why do ITEA partners need to pay fees?
 - ITEA is a non-profit association: the operational costs for running the ITEA Programmes are paid through an annual contribution by the public funded participants of the Programmes. To ensure financial balance, the annual budget and contribution rules are approved by the ITEA Board.
 - The ITEA operation costs include the management of the Calls (opening, evaluation, monitoring, etc.), support to projects, ICT (public and Community websites), communication (organisation of events like the PO Days, promotional events, support to project dissemination, e.g. through magazine articles, etc.), etc.
2. What obliges partners to actually pay these fees?
 - Companies from the ITEA Board have signed the ITEA Frame Agreement, which commits them to these invoicing rules.
 - Other project partners are due to sign a Declaration of Acceptance (DoA) as a pre-requisite for participating in an ITEA project. This DoA commits them to these invoicing rules.
3. What happens if a partner does not pay its fees?

- Not abiding by the ITEA Rules & Regulations, including these invoicing rules, can lead to exclusion from the ITEA Programmes.
 - The ITEA Office manages its debtors (when due fees are not paid despite reminders) like any other organisation and may resort to legal measures where appropriate in extreme cases.
4. Can you explain the figures we have on our invoice? To what exactly is the contribution rate applied?
- For a first (or second) semester, the fees to be paid correspond to the contribution rate applied on half of the contracted planned costs of the current year at the exchange rate of 1 January (or 1 July) for the respective organisation. The respective planned costs are taken from the signed national funding contract. If the costs are not specified per year on the national funding contract, then the office allocates the cost proportionally over the years in which the project is running. We do not manage semester-specific costs: we simply divide the total annual costs equally to both semesters.
 - Invoices are considered individually per project.
5. What should we actually report in the costs section, on the Community website?
- The costs to be reported should correspond with the eligible costs as defined by your Public Authorities and as indicated in your national contracts for funding. These figures updated by partners will have an impact on the FPP. However, the invoice system refers to the contracted costs managed by the ITEA Office.
 - If in doubt, the figures provided can be checked by the ITEA Office with the respective Public Authorities.
6. Why are invoices based on planned costs?
- The invoices are based on planned costs and not on the spent costs in order to ensure the sustainability of the ITEA Organisation through financial consistency and predictability.
7. Can we change our total costs?
- Changes in total costs data can only be approved whenever there is a modification in the agreed national funding decisions, which needs to be confirmed by the relevant Public Authorities
 - NB: If partners add self-funded costs on top of what was agreed in the national contracts, then they do not need to report these added costs to the ITEA Office.
8. We indicated in the latest progress report (or review) that we have underspent, and we provided figures on our exact spending. Why do we have to report this again online?
- Invoices are based on planned costs as specified in the national funding contract, not on actual costs spent, so you do not need to report actual spending figures online.
9. We have received a draft invoice that we cannot accept, as the figures are wrong. What should we do to receive an invoice with the correct data?
- If the contracted costs are not correctly reflected on the payment sheet, please contact the ITEA Office as soon as possible.
10. Can we know the exact amount of fees that we will have to pay for the whole project?
- You can make a good approximation of the total fees you will have to pay for the whole project despite not knowing the exact total.
 - Before each invoice round each partner receives a detailed invoice specification per project. You can use this specification to predict the future invoices.
 - The total fees you will have to pay correspond to the annual contribution rate applied to the costs over each project year, as defined in the signed national funding contract.

- The contribution rate is defined and approved each year by the ITEA Board.
 - As a consequence, the total fees that will have to be paid depend on how the contribution rate may evolve.
 - In the event that the eligible planned costs as specified in the national funding contract are changed during course of the project, the total fee amount will be changed accordingly.
11. We have only been granted funding for the first (or second) half of the year: what should we do?
- We only manage funding on an annual (not monthly) basis, so fees apply to the costs of all years in which funding has been granted. On the other hand, partners are exempted from ITEA fees for all the years in which no funding has been received.
12. Our funding suddenly stopped: do we still have to pay the ITEA fees?
- Partners still have to pay fees for any year covered by the national funding contracts. However, partners whose funding has stopped are exempted from fees for all subsequent years (as long as no new funding contracts are signed).
13. We want to opt out from the project, so how should we avoid further invoices?
- If you withdraw during the lifetime of a project (i.e. after having contributed), you have to prove the nullified costs and effort for the forthcoming years (and update those of the current year, if relevant) in the national funding contract. Furthermore, a confirmation from the relevant Public Authorities is needed.
14. The project has started, but our funding decision is not yet known. Do we have to pay fees?
- No. Partners who have not signed the national funding contract should not yet receive invoices. If you receive an invoice in such a case, please contact the ITEA Office and explain that your funding contract has not yet been signed.
15. The funding decision for our organisation is known to be positive, but we haven't yet started contributing as we haven't yet received the actual contracts. Do we have to pay fees?
- No, Partners who have not signed the national funding contract should not yet receive invoices. If you receive an invoice in such a case, please contact the ITEA Office and explain that your funding contract has not yet been signed.
16. Our project has started, but we need to set up a considerable CR as the project has drastically changed since the FPP submission. This will take some time: can we thus postpone the invoices?
- As long as the signed national funding contract is available, it will be the basis for the invoice and partners are obliged to pay it in time.
17. We are a research organisation; do we need to pay the ITEA contribution fee?
- In ITEA 2 universities were exempted from paying the ITEA contribution fee. Research institutes that are not part of a university are obliged to pay the ITEA contribution fee.
 - In ITEA 3 all funded partners are obliged to pay the ITEA contribution fee.
18. Our national funding contract has changed during the course of the project: what should we do?
- Please share the changed national funding contract information with the ITEA Office as soon as possible. If you have already received an invoice, updated contract information will be reflected in the next invoice period if applicable.
19. We have a very specific case which doesn't fit in any of the above questions: what should we do?
- Please contact the ITEA Office.