

## Set up the project budget according to the EC's GPFs (Grant Preparation Forms)

Before setting up the budget according to the EC's GPFs as described below, please read our help article [Understanding the budget calculation](#).

In order to setup the budget of a specific partner according to the figures in the GPF, please proceed with the following steps **for every partner involved in the project**.

### Calculate the personnel costs for partner PX

1. Look up in the **GPFs** the table **A3.1: Budget** of partner PX
2. Go to [Proposal > Contractor > Financial Information > PX](#) and in the panel **Cost rates** create as many personnel cost rates as the project has for the different activity types (e.g. if you have a project with budget in RTD, DEMO, MGNT and OTHER, then you need to create 4 personnel cost rates).
3. Go to [Proposal > Work plan > Staff Effort](#) and enter the planned person-months for the partner PX at each task. If you have planned person-months at work package level only, distribute the WP's person-months linearly to the sub-level tasks.  
**NOTE:** When you enter the person-months on a task, you need to select the correct personnel cost rate dedicated to the activity for the task for example:  
 select the personnel cost rate 1 for RTD efforts  
 personnel cost rate 2 for DEMO efforts  
 personnel cost rate 3 for MGNT efforts  
 personnel cost rate 4 for OTHER efforts
4. After you have completed and entered all the planned staff efforts for partner PX, go back to [Proposal > Contractor > Financial Information > PX](#) and in the panel **Direct Costs** enter a dummy personnel cost rates (e.g. 120.000.00) in the "Year" field of each personnel cost rate (this is a temporary workaround that will allow you to complete the following steps)
5. Go to [Proposal > Contractor > Budget > PX](#) and click the [i] next to [Perso. \(Personnel\)](#) in the column of each activity type. A tooltip will display each activity type showing the **Planned PMs per Pers. Cost Category**. Note down the amounts of total person-months planned per each activity type. For example:  
 29PMs for RTD  
 13 PMs for DEMO  
 10.33 PMs for MGNT  
 4.05PMs for OTHER
6. In the **GPF** table **A3.1: Budget** of partner PX look for the figures for personnel costs for each activity type. For example:  
 300.000€ for RTD  
 200.000€ for DEMO  
 50.000€ for MGNT  
 20.000€ for OTHER
7. Open a calculator application on your computer and divide the personnel costs amount for each activity type by the total amount of person-months for this activity from step 5 and multiply the result times 12 person-months in order to obtain the annual personnel cost rate in €/PY  
 e.g. for RTD  $300.000\text{€} / 29 \text{ PMs} * 12 \text{ PMs} = 124.137,9310344828 \text{ €/PY}$

(this is the annual personnel cost rate mirroring the personnel costs based on your efforts for this activity)

8. Go back to [Proposal > Contractor > Financial Information > PX](#) and copy & paste the results for each activity type, e.g. 124.137,9310344828 €/PY for RTD, (including all decimal numbers) from step 7 into each “Year” field of the **Personnel cost rate X** dedicated to this activity type. Note that the decimal separator must be a dot.
9. Go back to [Proposal > Contractor > Budget > PX](#) and check that the numbers in the row Personnel for every column are correct.

## Calculate the indirect costs for partner PX

1. Go to [Proposal > Contractor > Financial Information > PX](#) and select the **Method of calculating Indirect Costs** as defined in the **GPF table A3.1: Budget** for partner PX (e.g. a flat rate or Actual Indirect Costs)
2. If you have selected **Actual indirect costs** or **Simplified method** as the **Method of calculating Indirect Costs** for the partner PX then you will need to calculate the indirect cost rates in the same way as you calculated the personnel cost rates for the partner PX, but you will need to do so using the numbers in the row Indirect Costs in **GPF table A3.1: Budget**. Enter the calculated rates at [Proposal > Contractor > Financial Information > PX](#) in the fields for Indirect cost rate 1, 2, 3, X (including all decimal numbers).
3. Go back to [Proposal > Contractor > Budget > PX](#) and check that the numbers in the row Indirect costs for every column are correct.

## Calculate the other direct costs for partner PX

1. In the **GPF table A3.1: Budget** for partner PX look for the figures in the rows **Subcontracting** and **Other direct costs** in each column (each activity type) (e.g. 3000€ sub-contracting costs in RTD).
2. Go to [Proposal > Work plan > Costs](#) and select the correct contractor from the menu located in the upper left
3. Add each cost item here according to numbers in the rows **Subcontracting** and **Other direct costs** in each column (each activity): To add costs that mirror the costs for each activity type and rows **Subcontracting** and **Other direct costs**, you need to select a work package (associated with the activity type) or directly choose the activity type from the first selection field and then select the cost category from the second selection field.
4. Divide the total number of costs in this cost category and activity type by the amount of total project months and distribute the numbers over the years as you see fit. If you prefer a linear distribution of the calculation would be e.g. 3.000€ (from RTD/Sub-contracting) / 48 months \* 12 for year 1 = 750€.  
Note: If the final year is not a full year, then you need to use the number remaining months instead of 12.
5. Then click Add entry to add the new cost entry.
6. Go back to [Proposal > Contractor > Budget > PX](#) and check that the numbers in the rows **Subcontracting** and **Other direct costs** for every column are correct.

Repeat these steps for every partner in the project.

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