



UNIVERSITAT
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Location and history

The UPV is more than 40 years old,

but some of its centres are even older: more than 100 years old.

It comprises three fully equipped campuses



The UPV in Round Figures

- 30,000 students and 3,000 lecturers and researchers supported by 1,500 non-academic professionals.
- 9 schools, 2 faculties and 2 higher polytechnic schools for 40 degree courses, 80 master, 30 Ph.D. courses.
- 13 teaching centres and research, 44 centres, 41 departmental groups.



R&D&I Management Office

- Encourage and manage research activities carried out in the UPV
- Support and enhance the coordination and execution of economic administrative management processes, including legal framework
- Support and management of public and private contracts.

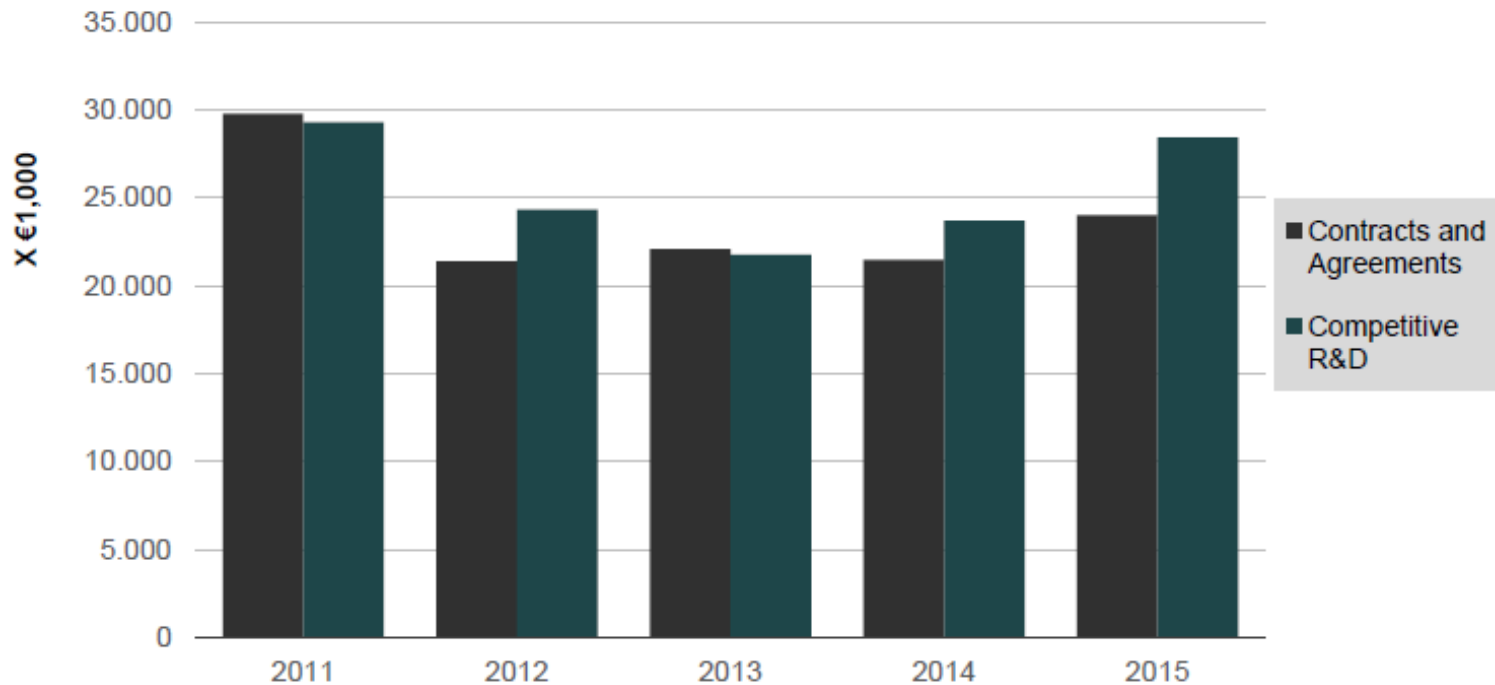
2015 UPV Figures

SIGNED OFF ACTIONS	3.050
R&D&D INCOME	52,6 M€
LICENSED TECHNOLOGIES	18 licences
LICENCE REVENUES	311 K€
NEW SHARED SPIN-OFF	1 spin-offs



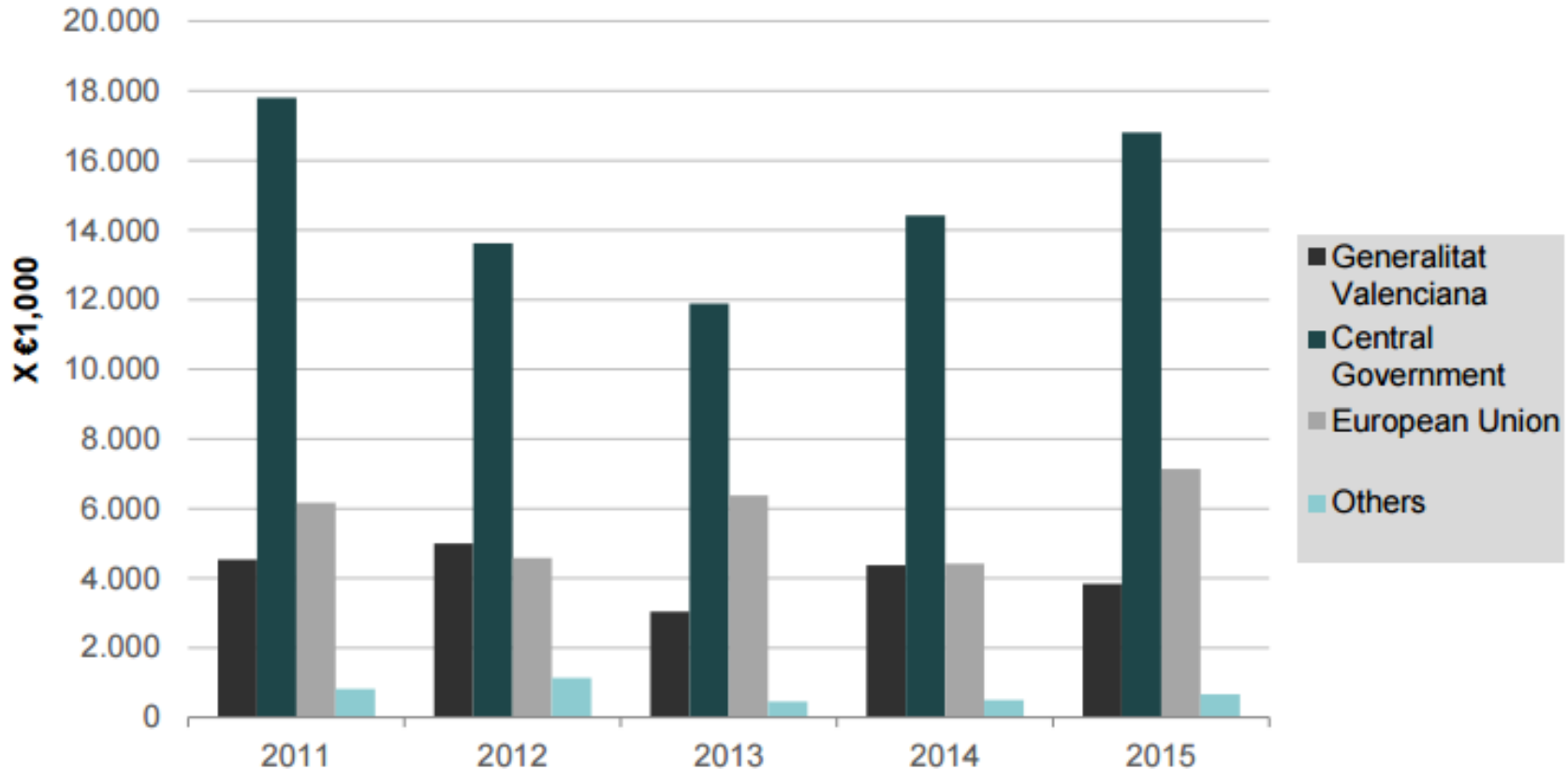
Public and private income from R&D&I activities

Income from R&D&I in public research and private contracts



Origin of Public Funding

Income from Competitive R&D by Origin



Main R&D&I european programmes for UPV

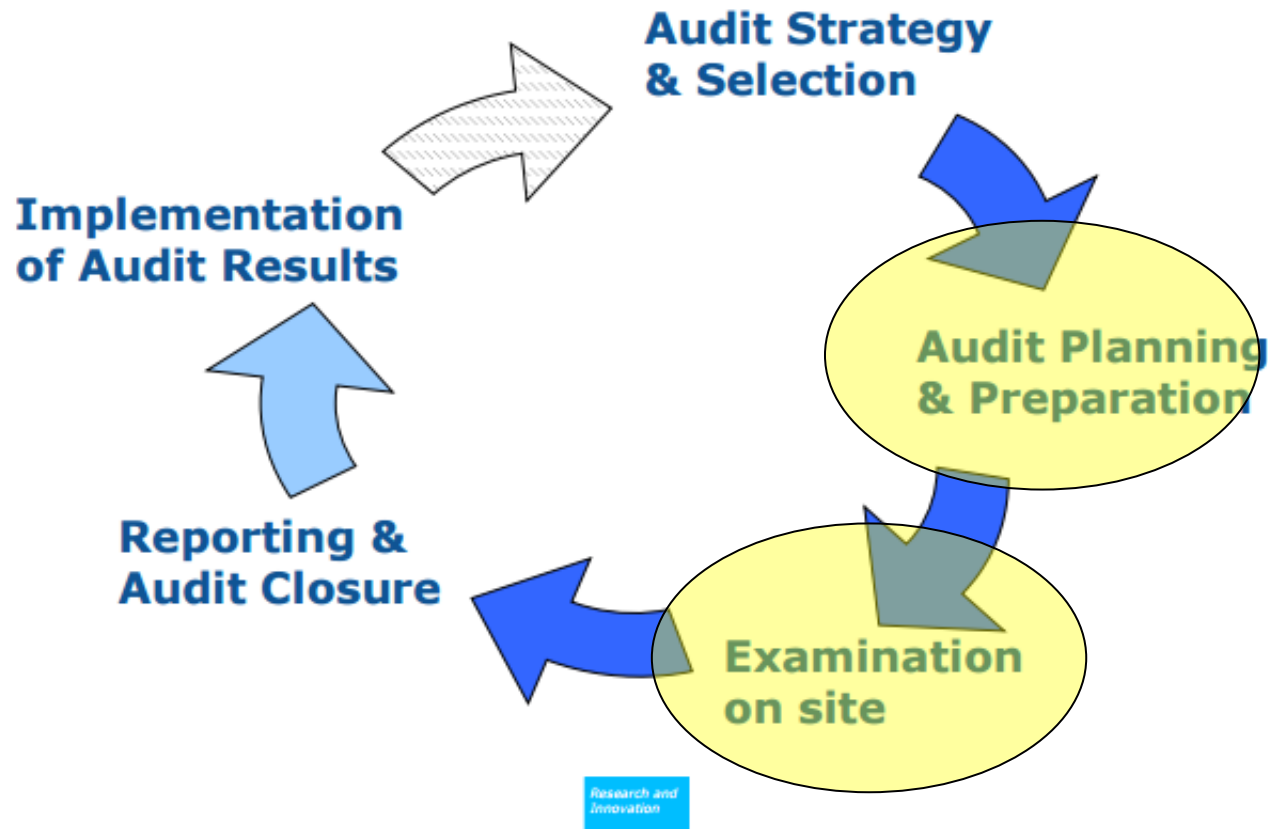
Programme	Nº GA	UPV as coordinator
FP6 (2002-2006)	64	9
CIP (2007-2013)	8	0
FP7 (2007-2013)	126	26
H2020 (2014-2016)	58	12



Experience with H2020 audit from UPV's perspective



Audit cycle



Audit planning and preparation

1st contact → Formal “Letter of announcement” of audit including detailed annex with information and documents to be provided prior and during the on site examination

- Via Participant Portal : inbox “My formal notification” (**22 December 2016**)
- Via email to the Lear and Participant Contacts

3 deadlines from receipt of the formal communication:

- 10 days after formal communication for no acceptance (1st January)
- 1 calendar week for contacting contact person in KPMG (29 December)
- 20 calendar day for examination on site (11 January), negotiable with the auditor.

Subsequent contacts → mails and phone calls :

- to set the date (6-10 February)
- to clarify doubts concerning required documentation.



Audit planning and preparation

- **Formal notification**

Europa / Research / Participant Portal notification

Dear Participant,

You have received a Formal Notification from the Commission. To view the document, log on to the Participant Portal, go to My Area > My Formal Notifications.

A Formal Notification that has not been accepted within 10 days after sending is considered to have been accepted.

Regards,

Participant Portal Grant Management Service

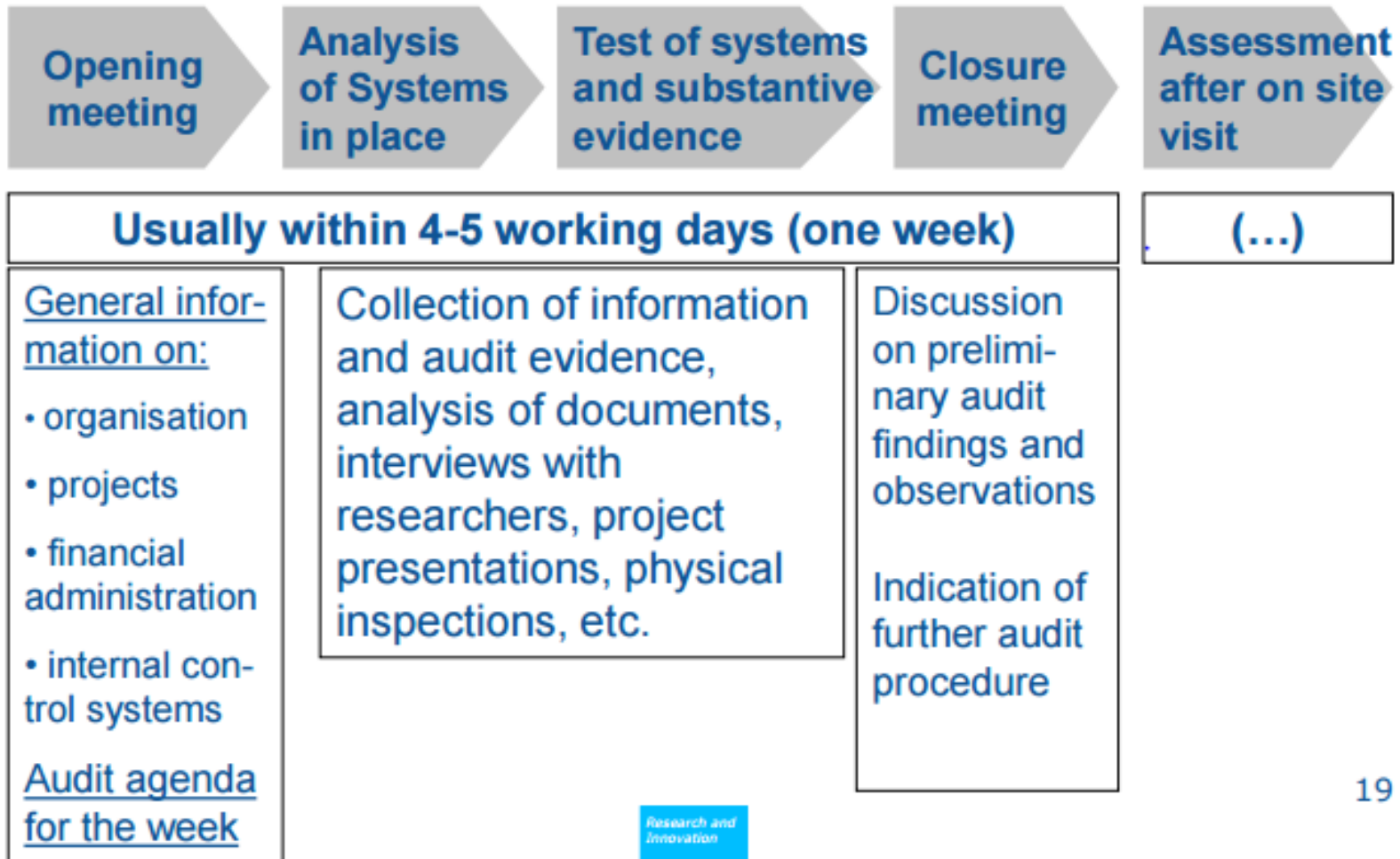
- **Letter of communication**

You are invited to provide *KPMG Project Management Office* **within one calendar week of receipt of this letter** the details of the relevant contact person within your organisation for the completion of the assignment – including her/his full name, e-mail and phone number – at the following e-mail address: de-fmeuaudits@kpmg.com.

Please enable *KPMG AG Wirtschaftsprüfungsgesellschaft* to start with their audit fieldwork within 20 calendar days after receipt of this letter, unless the auditors agree with you on a later date.



Examination on site



General data in our case

- Duration: 5 days
- Number of Grant Agreements: 6
- Auditors: Spanish, good knowledge of national regulations.
- Estimated effort (working days):
 - Auditors: 10 (examination on site) + XX (preparation)
 - UPV: 8-10 (examination on site) + 15-20 (preparation)
- FP7 audit : 3 GA, 5 days, same effort on site, less effort for UPV for preparation



COLLECTION OF INFORMATION. ANNEX I.

- I. General Information about the Beneficiary***
- II. Receipt and distribution of EU/EURATOM financial contribution***
- III. Supporting documents for personnel costs***
- IV. Supporting documents for subcontracting
- V. Financial support to TP (new)
- VI. Supporting documents for equipment, infrastructure
- VII. Contribution in-kind
- VIII. Supporting documents for other goods and services***
- IX. State aid (new)
- X. Access costs for transnational or virtual access to research infrastructure (new)
- XI. Information about the consortium (new)***



COLLECTION OF INFORMATION

General Information about the Beneficiary

General information, accounts, other EU funding-actions, procedures (financial and scientific management, procurement, stock, depreciation, invoicing for shared resources, travel, etc.)

EC audit reports on previous audits.(implementation of recommendation)

- New: requirements
 - VAT status
 - Evidence of being 'contracting authority' or 'contracting entity'
 - Internal procedures to avoid conflict of interest.



COLLECTION OF INFORMATION

Supporting documents for personnel costs

Time recording procedures and evidences (timesheets), calculation method, productive hours used, methodology, etc. Contracts, payroll (for all audited period), payments.

- New:
 - Third Parties: supporting documents (same as required to the beneficiary)
 - Collective labour agreement
 - List of person declared under personnel costs for 5 other actions/projects



COLLECTION OF INFORMATION

Supporting documents for personnel costs

UPV option for hourly rate calculation:

- Actual costs with fixed number of annual productive hours (1720 h)
- Monthly timesheet with daily details recorded on a full time recording system (computer systems tool)

✓ H2020:

- ✓ more reliable system with clear examples on the AMGA
- ✓ Less probability of systematic and recurrent errors



CLOSURE MEETING

Discussion on preliminary audit findings and observations

- Oral report with audit findings in the middle of the week
- The last day, auditors sent us a mail summarizing the findings

After the examination on site

- The following weeks we have had a fluid communication, by mail and phone calls, in order to resolve doubts and queries of the auditors.



SUMMARIZING

- Simplified methods, simplified audit process:
 - UPV choice for hourly rate calculation method
 - 1720 annual productive hours
 - Clear rules for the periods to be considered for remuneration
 - 25% flat rate for indirect costs
 - Increase of efficiency from part of EC: more projects audited in the same time compare to previous audits programmes
 - Biggest sample: more documents are required...
 - More people involved (managers and researchers)
- ➔ keep records and supporting documentation according to the EC requirements, by budget categories



SUMMARIZING

- Auditors: Spanish with good knowledge of national regulations
- Information required was reasonable for personnel and other goods and services, not unexpected requirements
- Recommendations:
 - During the on-the-spot audit , try to solve all findings identified
 - Try to implement all the recommendations made on previous EC audit reports
 - Third parties: collect all the relevant documentation during the Financial Statement preparation



Thank you!





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