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1. General information on the financing and cost plan

For the calculation of the financing and cost plan, please refer to the current **DBU Funding Guidelines** and the **Procedural Provisions** contained therein as well as the **Notes on the application process**.

Expenditure-based funding is only offered to:

- **universities** and
- **public institutions** that receive government funding.

Moreover, the following requirements must be met:

- The expenses eligible for funding must be clearly allocated through accounting transactions made using a **project account** (project bookkeeping). Core-financed costs not eligible for financing must be clearly separated from costs that are to be covered by funding.
- The university or institution is subject to **audits** by the **Regional or Federal Audit Office** (external financial audit).
- A **central third-party funding office** must carry out the processing and calculation of costs for funded projects (separation of duties).

Cost plan: A detailed, transparent cost plan, itemised by cost type, must be submitted together with the project application.

Financing plan: If the project receives other income in the form of third-party funding, sponsorship(s), income from conferences, etc., a financing plan must be created. This plan must detail the amount of income received and who will cover the costs that are not funded by the DBU.

More information: Templates and samples of financing and cost plans for **expenditure-based funding** are available on the DBU website at www.dbu.de/en/funding.

2. Funding-eligible costs

When creating a financing and cost plan, all reasonable project-related expenses or costs that are incurred as a direct result of the project are to be calculated for the planned project duration.

These costs must be directly allocated to the project. Proof of use must be provided in the form of receipts as part of a later review.

In this case, only **project-related expenses** that are not already core-financed are **eligible for DBU funding**. Core-financed costs that can be billed to the project (e.g. budgetarily financed positions, existing laboratory equipment, etc.) are not part of the cost plan and therefore are not eligible for funding.

The project-related expenses eligible for funding are to be clearly allocated through accounting transactions made using a **project account** and separated from the non-eligible, core-financed costs through bookkeeping. In the end, only the actual financing needs will be covered by funding.

In the case of **expenditure-based funding**, the cost plan must be divided into the following **cost types** as a rule:

- Personnel costs
- Material costs
- Third-party services
- Travel expenses

Only costs that are incurred **during the project** may be considered project-related costs. The project duration is defined in the approval letter and generally starts on the date of the approval. The project may not begin before this date.

3. Calculation of the total costs by cost type

Personnel costs

- When planning personnel costs, all personnel expenses that can be posted to the separate project account or cost centre must be taken into account. This includes employer contributions to social security, holiday bonuses, other bonuses, etc.
- Lump-sum or coded indirect cost surcharges will not be accepted.

Material costs

- Project-relevant direct material costs (e.g. material costs, consumables, etc.) that are solely required to carry out the project as planned must be listed under this cost type.
- It must be possible to unambiguously allocate these costs to the project, and they must be posted individually to the project account. Lump-sum costs will not be accepted.
- In this context, other material costs such as consumables and raw materials, energy consumption, office supplies, and office costs are also eligible for funding as long as these costs can be allocated to the project on the basis of causation and have been posted to the project account.

External/third-party services

- These include costs for services conducted by third parties, e.g. service or fee-based contracts.
- In addition to the calculation, the corresponding service contracts or offers together with the scope of services and cost calculation must be submitted to the DBU as part of the application process.

Travel expenses

- Travel expenses (train tickets, accommodation costs, travel cost reimbursements in accordance with federal or state-specific travel expense laws) that are posted to the project account are eligible for funding.
- For project-related trips, the intended number of trips and the anticipated costs per trip must be specified.
- The cost of BahnCard rail passes is only eligible for funding if it can be demonstrated that the pass amortises in the course of the project.

Costs that are purely for calculation purposes, etc., may not be included in the calculation.

Lump-sum overhead costs or project supplements are **not eligible for funding**.

4. Proof of use

The proof of use is processed by a third party that is not familiar with the content of the project e.g. **a third-party funding office**. This office is responsible for maintaining the proof of use as part of the separate accounting requirement and confirms the correctness of the posted costs by signing and stamping the paperwork.

5. Simplified proof of use

In terms of expenditure-based funding, the project costs eligible for funding and that have been incurred may generally be listed in a **simplified proof of use**.

A **statement from the project account with third-party funds** (fund, internal order, etc.) that can be generated from the accounting system (e.g. SAP) is sufficient as a simplified proof of use:

- A **summary** of the **revenues** and **expenditures** separated by cost type (overview) should be included before the calculation of project costs and allocated to the approved cost budgets.
- A printed list of transactions separated by cost type from the accounting system must also be attached for verification.
- The individual transactions for the posted **expenditures** must be divided by cost type.
- Posted project-related **revenues** must also be individually disclosed.
- Furthermore, the account balance or cash holdings of the project account must be clearly identifiable.
- Generally, no additional **accounting receipts** are required for verification purposes. The DBU reserves the right to request individual receipts for individual cost items in addition to the statements from the project account, provided that, based on the submitted transaction lists, the incurred project costs cannot be determined with reasonable assurance or the prerequisites for the simplified verification process have not been met.