

Terms and Conditions for Grants

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Terms and conditions for grants

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Contents

1. Introduction	3
1.1. Questions, submission of materials, change requests, etc.	3
1.2. Most substantial changes related to audits	3
2. Definitions	4
3. Grant Types	5
3.1. Framework Grants	5
3.2. Project Grants	6
4. Start Date and Grant Period	6
5. Disbursement Profile	7
5.1. Grants with Fixed Disbursement Profiles	7
5.2. Grants without Fixed Disbursement Profiles	7
6. Disbursement of Grant	7
6.1. General Notes on Disbursements	7
6.2. Special Conditions for the Disbursement of Grants Administered by Public Sector Institutions in Denmark	8
6.3. Special Conditions for Disbursement of Grants Administered by Private Enterprises/Organisations	8
6.4. Special Conditions for Disbursement of Grants Administered by Non-Danish Institutions	9
6.5. Special Conditions for Private Persons where FI Pays Personal Income	9
7. Academic Reporting and Review	9
8. Accounts	10
8.1. General Notes on Accounts	10
8.2. General Notes on Annual Financial Statements	10
8.3. General Notes on Final Financial Statements	10
8.4. Special Conditions for Annual Financial Statements When an Administrator is a Government Institution or a Government-Financed, Independent Institution	11
8.5. Special Conditions for Annual Financial Statements and Final Financial Statements when the Grant Holder Is a Private Person without an Institutional Association in Denmark and where FI Disburses Personal Income	11
8.6. Special Notes on Accounts for Grants that Cover Multiple Participants	12
8.7. Special Notes on Deficit Guarantees and Co-Financing	12
8.8. Special Notes on Other Income	13
9. Audit Rules	13
9.1. Government Institutions and State-Financed, Independent Institutions	13
9.2. All Other Institutions and Enterprises	13

10. Grant Documentation Amendments Subject to Prior Approval	14
10.1. Changing Administrators	14
10.2. Changing Grant Holders	15
10.3. Changing Research Groups' Compositions and Management of Activities	15
11. Ceiling for Unspent Funds	15
11.1. Ceiling for Unspent Funds (Re-budgeting)	15
11.2. Changing Disbursement Profiles	16
12. Conclusion of Grant	16
13. Non-performance and Cancellation of Grant	17
13.1. Non-performance	17
13.2. Cancellation	17
14. Employment Terms and Conditions and Remuneration	17
14.1. General Notes on Terms and Conditions and Remuneration	17
14.2. Researcher Education, Etc.	18
15. Sickness and Parental Leave	18
16. Procurement of Equipment, etc.	18
17. Value-Added Tax and Taxes	19
18. Communication and Publications	19
19. Patenting, License Agreements, Sale of Know-How and Proprietary Manufacture	19

Terms and Conditions for Grants

1

Introduction

Terms and Conditions for Grants—January 2015 is published by the Danish Agency for Science, Technology and Innovation (FI). This version supersedes Terms and Conditions for Grants—January 2012 and enters into effect on 1 January 2015.

Grant holders are required to comply with the requirements set out in the present document. The present Terms and Conditions apply to grants whenever a grant letter makes reference to terms and conditions. The current version of the Terms and Conditions for Grants is available at www.ufm.dk/fi/bevilling.

Grant holders should also note other relevant rules, for example, rules governing the administering institution as they relate to employment conditions and procurement. These types of rules are not described here. Grant holders shall be responsible for allocating the grant in accordance with the relevant applicable rules.

Derogations, if any, from the Terms and Conditions for Grants will be notified in the grant letter. In that case, preference shall be given to the grant letter over the Terms and Conditions for Grants.

1.1

Questions, submission of materials, change requests, etc.

Questions, etc. may be directed to the Grant Unit by e-mail at bevilling@fi.dk or by telephone at +45 33 92 92 00.

Financial statements, reports, change requests, etc. shall be submitted to FI by logging into the relevant case at www.e-grant.dk. For more details, please see the Agency's website at ufm.dk/fi/bevilling.

1.2

Most substantial changes related to audits

Please note that the most substantial changes and clarifications made to the present version of the Terms and Conditions for Grants in relation to the earlier January 2012 version pertain to the following:

- The rules for disbursement of the 15% of the final portion of the grant have been changed from a requirement that the final financial statement, final report and other relevant materials must be submitted before the disbursement can take place, to a requirement that the final financial statement and final report must be approved and other relevant materials must be submitted to FI before the disbursement of the final 15% may take place (*cf.* clause 6.1);
- The time limit for submission of the first grant invoice has been shortened from six to three months after the start date of the grant (*cf.* clause 6.1);
- The disbursement time limit for FI for invoices submitted to the FI has been shortened from 'current month + 45 days' to 30 days (*cf.* clause 6.1);

- The limit for auditing final financial statements has been raised from DKK 250,000 to DKK 500,000 (*cf.* clause 9.2) for administrators where external audits are mandatory. The audit instructions contain more details on the audit rules. These are available at the Agency's website; and finally,
- The FI notes that grants do not cover expenses for parental leave and sickness. It is the place of employment that is required to defray such expenses (*cf.* clause 15).

2

Definitions

Overhead: The portion of the grant that is awarded to cover indirect costs related to perform the activity but which are not directly attributable to the specific work. Such cost could include common charges related to rent, premises, and administration. The overhead percentage rate is specified in the grant letter. All amounts specified in the Terms and Conditions for Grants include overhead expenses.

Administrator (Administering Institution): The administrator is the person or entity that handles the administration (finances and personnel) of the grant on behalf of the grant holder and ensures the legality of the administration with respect to employment matters, accounts, etc. The administrator is sometimes referred to as the administering institution; it can be a public sector institution, a private enterprise, organisation, or a private person. Normally, the administrator will be the grant holder's place of employment. The administrator is specified in the grant letter. There can be only one administrator per grant.

Duly Authorised Employee: A duly authorised employee is a person who is empowered by the administrator to discharge a given task under the enterprise or institution's rules for authorisations. For example, an employee may be authorised to certify financial statements.

Grant Donor: The grant donor is the academic research council, the programme committee or other body that awards the grant. Note that, in principle, all enquiries regarding administration of grants shall be transmitted via the Danish Agency for Science, Technology and Innovation.

Grant Documentation: Grant documentation covers

- The grant letter with appendices as well as subsequent amendments, if any;
- The Terms and Conditions for Grants (this present document);
- Application with appendix or appendices;
- Notice (call for proposals); and
- Any other materials to which reference is specifically made in the grant letter or subsequent related additions.

Grant Holder: The grant holder is the person or institution to whom a grant has been awarded. The grant holder is liable in all matters to the grant donor, including compliance with the rules under the Terms and Conditions for Grants. For day-to-day administration of the grant, the administrator may act on behalf of the grant holder subject to agreement with the grant holder.

Grant Period: The grant period is the timeframe within which the grant must be spent. The grant letter lists the grant's start and end dates.

Budget Item: The budget is normally divided into budget items, *cf.* the grant documentation. For a framework grant, budget items might include, for example, scientific/academic salaries, technical/administrative salaries, operating expenses, administrative expenses/overhead and equipment. For a project grant, the budget items will be more detailed and can include conferences, insurance, computer equipment, etc. These are the budget items that are specified with the presentation of the final financial statement.

Operating Expenses: 'Operating expenses' is the portion of a grant that is awarded to cover direct costs that concern activities attributable to the specific activity—apart from salaries, major device acquisitions and any other costs that are independently budgeted.

FI: FI is an abbreviation for 'Forskning og Innovation' and is synonymous with the Agency for Science, Technology and Innovation. FI performs secretariat tasks for the grant donor and, in principle, acts as a point of contact for all enquiries to the grant donor.

Fiscal Year: A fiscal year is here defined as the period from 1 January to 31 December.

Disbursement Profile: The grant documentation dossier may specify which funds may be disbursed per fiscal year. If so, this will be a grant *with* a fixed disbursement profile. The grant donor may also choose not to specify the disbursement for individual fiscal years. If so, this refers to a grant *without* a fixed disbursement profile.

3 Grant Types

Grants are awarded either as framework grants or as project grants. The grant type is determined by the grant donor and is specified in the grant letter.

3.1 Framework Grants

For a framework grant, a specific amount of money is allocated for the general grant period. The grant is based on a specific budget, which is approved by the grant donor as the grant is awarded. The budget shall itemise the grant across a number of general budget items and to any institutions and enterprises that are participating in the activity.

The grant may be used solely to cover expenses that are directly attributable to the supported activity and that are relevant and necessary to complete the activity. In cases where a grant has been awarded that has been reduced in relation to the requested amount, it will be specified in the grant letter and/or the revised budget which budget items have been reduced. Moreover, please refer to clause 8.3 for more detailed rules regarding the presentation of final accounts.

In principle, supplementary grants are not awarded for framework grants. A framework grant shall therefore cover, for example, any price and salary increases and vacation pay for the full grant period.

For questions related to sick and parental leave, please refer to clause 15. If seeking to amend the grant documentation, please see clause 10.

Generally, a private individual may not be the administrator for a framework grant.

3.2

Project Grants

A project grant is a grant where funds are awarded for a specific, delimited activity.

Compared with a framework grant, the budget and budget items of a project are more detailed. The grant documentation specifies the budget items for which the grant is awarded. In cases where a grant has been awarded and has been reduced in relation to the requested amount, the grant letter and/or the revised budget will specify which budget items have been reduced.

Contrary to framework grants, certain budget expenditure items in project grants are subject to regulation. For the presentation of the final financial statement for the grant, the awarded amount for personal income and equipment are regulated so that an offset is made in relation to any increase in personal income (only permanent bonuses), and price increases, etc. Any savings in expenditures for personal income and other cost reductions are also taken into account in relation to the budget. Moreover, please refer to clause 8.3 for more detailed rules regarding the presentation of final accounts.

A grant holder may apply for a supplementary grant for a project grant.

For questions related to sick and parental leave, please refer to clause 15. If seeking to amend the grant documentation, please refer to clause 10.

4

Start Date and Grant Period

Grants are awarded for a delimited period specified with start and end dates. The grant period is set out in the grant documentation dossier.

Grant activities may not be initiated until the start date and must be concluded no later than the end date. Within the grant period, the grant holder may apply to the grant donor to have the grant period changed. Changes to the grant period require specific grounds. A substantiated, written request for a postponement of the start date shall be submitted to FI before the start date. If the grant letter is received later than two (2) months before the grant's start date, the request shall be submitted no later than two (2) months after the grant letter has been received. A substantiated, written request for an extension of the grant period shall be submitted no later than one (1) month before the end date. See clause 1.1 for more details about how the request shall be submitted to FI.

For parental leave-related changes to the grant period, see clause 15.

Costs incurred outside the grant period will not be approved unless subject to a written agreement by and between the grant donor and the holder. Any unspent funds at the end of the grant period shall be repaid to the grant donor and may thus not be carried over to, for example, a new grant.

5 Disbursement Profile

5.1

Grants with Fixed Disbursement Profiles

The grant documentation dossier specifies the funds that may be disbursed per fiscal year. This is referred to as the grant's disbursement profile. The disbursement profile is changed if the unspent funds of a grant, at the end of the fiscal year, exceeds the permitted amount. For more details, see clause 1.1.

5.2

Grants without Fixed Disbursement Profiles

The grant donor may choose not to itemise disbursements for the individual fiscal year in advance. If so, the budget will contain only the general budget for the entire grant period itemised across budget items but without additional allocations across the individual fiscal years. The amounts of disbursements in individual fiscal years are determined by the grant holder's anticipated consumption at the beginning of the individual fiscal year.

Taking into consideration the ceiling for unspent funds (*cf.* clause 11), the grant holder shall submit an invoice to FI based on the anticipated consumption for the upcoming fiscal year, less any unused funds.

If any unused funds from previous years, minus the anticipated use in the upcoming fiscal year, exceed the ceiling for unused funds (*cf.* clause 11), the grant holder shall repay the balance to FI.

6 Disbursement of Grant

6.1

General Notes on Disbursements

A grant disbursement request shall be effected by submitting an electronic invoice via FI's EAN number: 5798000416697. For more details about electronic invoices, please visit the Danish Modernisation Agency's website at www.modst.dk. It is the grant holder's responsibility to transmit a correct electronic invoice.

All invoices shall have a payment deadline (due date/disbursement date) of at least 30 days.

An invoice may be submitted only when all the terms for disbursement (*cf.* the grant documentation) have been met. For example, invoices may not be submitted if there are outstanding reporting-related items (for example, submission of annual financial statements).

The grant holder shall submit the first electronic invoice no later than three (3) months after the start date.

A separate electronic invoice shall be transmitted for each instalment. Public Sector Danish institutions have one instalment per year; others have four instalments per year. The grant documentation may specify supplementary disbursement terms for the individual grant.

For grants awarded from 1 December 2009 to 31 December 2014, the FI will withhold 15% (but with a minimum of DKK 15,000) of the amount to be disbursed for the grant's final fiscal year, until the final account, final report and other required documentation have been received.

For grants awarded after 1 January 2015, the FI will withhold 15% (but with a minimum of DKK 15,000) of the amount to be disbursed for the grant's final fiscal year, until the final account and final report are approved and other required documentation has been received.

Requests for disbursement of withheld funds during the final fiscal year shall be transmitted as separate electronic invoices. The electronic invoice may not be submitted to FI until all the terms and conditions have been met.

The electronic invoice shall always contain the grant's case number and the name of the grant donor (preferably in its abbreviated form). For example, 0601-12345B/FSS. This text shall be inserted as "order number." The case number and grant donor are specified in the grant letter. The grant holder shall ensure that each invoice/credit note is issued with a unique invoice number. The invoice and credit note may not have identical numbers. If a supplementary grant has been awarded, the main and the supplementary grants shall be listed on separate lines on the electronic invoice. The instalment period to which the invoice pertains shall be specified on the invoice (in other words, which year and, if relevant, which quarter).

FI will solely disburse funds to the grant holder specified in the grant letter or in a subsequent change notice via an administrator. If a grant covers multiple institutions and/or enterprises, it is the grant holder's responsibility to have the funds transferred to these.

6.2

Special Conditions for the Disbursement of Grants Administered by Public Sector Institutions in Denmark

Grants less than DKK 3,000,000 shall be paid in a lump sum, irrespective of how many fiscal years are covered by the grant. However, 15% of the total amount shall be withheld until the final accounts and final report have been approved, and any other required documentation has been transmitted to FI (see also clause 6.1 for a more detailed description of the disbursement rules). In other words, the first electronic invoice shall be made out for 85% of the grant.

For grants of or in excess of DKK 3,000,000, disbursements shall be made once a year in accordance with the applicable disbursement profile (*cf.* clause 5 on disbursement profiles).

6.3

Special Conditions for Disbursement of Grants Administered by Private Enterprises/Organisations

Grants less than DKK 100,000 shall be paid in a lump sum irrespective of how many fiscal years are covered by the grant. However, 15% of the total amount shall be withheld until the final accounts and final report have been approved, and any other required documentation has been transmitted to FI (see also clause 6.1 for a more detailed description of the disbursement rules). In other words, the first electronic invoice shall be made out for 85% of the grant.

For grants of less than DKK 100,000 a year, disbursements shall be made once a year in accordance with the applicable disbursement profile (*cf.* clause 5 on disbursement profiles).

For grants of or in excess of DKK 100,000 a year, disbursements shall be made quarterly in four equal instalments in accordance with the applicable disbursement profile (*cf.* clause 5 on disbursement profiles).

The four instalments shall be disbursed based on four separate invoices, which may have a due date no earlier than the last weekday of each quarter. For atypical expense cycles over the course of the year, disbursements in unequal instalments may be acceptable upon submission of a substantiated written request to FI.

6.4

Special Conditions for Disbursement of Grants Administered by Non-Danish Institutions

Grants administered by non-Danish universities or other non-Danish research institutions shall be disbursed annually irrespective of the amount of the grant, in accordance with the applicable disbursement profile (*cf.* clause 5 on disbursement profiles). The grant will be awarded and disbursed in Danish kroner (DKK) but when the invoice is submitted to FI, the issuer may translate the amounts into his own foreign exchange rate, if issuance in Danish kroner is not an option.

Electronic invoices shall not be submitted when the administrator is a non-Danish entity. The grant shall instead be disbursed by submitting a PDF file of the invoice, which specifies the following information:

- Amount payable, *cf.* the disbursement profile;
- Case number for the grant;
- Grant donor;
- International bank account information of the administrator;
 - Name and address of the bank;
 - Account number;
 - SWIFT/BIC number; and
 - IBAN/Routing/Code/Reference number.

6.5

Special Conditions for Private Persons where FI Pays Personal Income

For a private person to whom FI disburses grant funds intended for personal income, the following shall apply for the disbursement of the grant:

- If the grant's annual disbursement, less the grant holder's personal income, is less than DKK 100,000, he or she shall submit one invoice a year.
- If the annual grant, less personal income is DKK 100,000 or more, he or she shall submit invoices in four equal instalments with due dates at the last weekday in each quarter.

7

Academic Reporting and Review

The grant holder shall submit an academic report no later than three (3) months after the expiry of the grant period. The report shall cover the entire grant period. See clause 1.1 for more information about how the report shall be submitted to FI. At any time during the grant period, the grant donor may request information about the activity's progress. In that case, the grant holder shall be required to contribute with the necessary materials.

If a grant donor initiates a review of the awarded grants, the grant holder shall contribute to this with any relevant, requested materials as well as, to a reasonable extent, make himself or herself available for review meetings, interviews, and to respond to questionnaires, etc.

If the grant is covered by other reporting rules, these will be listed in the grant documentation.

8

Accounts

8.1

General Notes on Accounts

There are two types of financial statements: Annual financial statements and final financial statements. Financial statement shall be itemised into the same budget items as in the last approved budget in the grant documentation.

The time limits for presenting financial statement are set out in the grant letter.

Please note that there may be requirements in the grant documentation that supplementary specifications for the grant's usage shall be submitted, e.g. itemised across participating institutions and enterprises.

See clause 1.1 for more information about how accounts shall be submitted to FI.

The instructions for the financial statement form provide more details on mandatory requirements for accounts; and Section 9 on audit rules clarify the rules for endorsements. See also the current version of the Agency's audit instructions available at the Agency's website at www.ufm.dk/fi/bevilling. As part of presenting the final accounts, a statement shall be provided to the effect that the funds be used in accordance with the grant documentation.

8.2

General Notes on Annual Financial Statements

The grant holder shall prepare an annual financial statement for the grant no later than three (3) months after the end of each fiscal year (i.e. 1 April).

However, the first annual financial statement can cover a period of up to 15 months, provided the grant's start date falls on a day before the final three months of a fiscal year (i.e. October, November and December). In that case, this period shall be included in the first annual financial statement, which shall then be submitted after the second fiscal year.

If the grant's start date falls within the first nine (9) months of a fiscal year (i.e. from 1 January to 30 September), an annual financial statement shall be submitted for the relevant fiscal year.

For grants where only a single disbursement has been made (*cf.* clause 6.2 or 6.3), annual financial statements are not required—only a final financial statement.

No separate annual financial statement shall be prepared for the final fiscal year during the grant period. If a grant end date falls during the first three months of a fiscal year (i.e. January, February or March), no separate annual financial statement shall be presented for the those three months or the previous fiscal year. This period (up to 15 months) shall be included in the final financial statement, *cf.* clause 8.3. If a grant end date falls between 1 April and 31 December, a separate annual financial statement shall be presented for the previous fiscal year.

8.3

General Notes on Final Financial Statements

No later than three (3) months after the general grant period's expires, the grant

holder shall prepare a final financial statement for the entire grant period and all disbursed funds.

The grant donor shall approve previous reallocations in case of major reallocations among individual budget items—defined here as more than 25% of a framework grant and more than 10% of a project grant. In principle, any exceedance of these limits will not be refunded without prior approval. If the reallocation is a result of a major, approved amendment to the grant (*cf.* clause 10), it need only refer to the grant donor's approval of the amendment.

When a final statement is presented, the withheld amount of 15% of the previous fiscal year's disbursement shall not be included in the overall disbursed amount. The reason for this is that the amount will not be disbursed until the final financial statement has been approved the final report has been obtained, and any other outstanding materials are submitted (see also clause 6.1 for more details on the disbursement rules).

8.4

Special Conditions for Annual Financial Statements When an Administrator is a Government Institution or a Government-Financed, Independent Institution

Annual accounts for grants where the administrator is a government institution or a government-financed independent institution shall not be itemised across separate budget items. The accounts shall show the total, spent funds for the fiscal year as well as the extent of the unspent funds.

8.5

Special Conditions for Annual Financial Statements and Final Financial Statements when the Grant Holder Is a Private Person without an Institutional Association in Denmark and where FI Disburses Personal Income

The following applies to grants awarded to private persons for study and research stays abroad in excess of one (1) month and where the grant holder is not associated with an institution in Denmark.

Both annual and final financial statements shall be itemised into budget items matching those presented in the grant documentation budget or a subsequent, approved budget. The budget for a given grant shall consist of a section for operating expenses and/or a section for personal income.

All operating expenses shall be documented with original vouchers, including any used boarding passes. Original vouchers shall be scanned in and submitted to FI. See clause 1.1 for more information about how the accounts and vouchers shall be submitted to FI.

Please note that, if your actual operating expenses exceed the total amount you have been awarded for such expenses, any additional expenses will not be reimbursed.

The stay's duration shall be specified and documented for the final financial statement. The easiest manner in which to do this is to provide a statement from the host institution.

On Personal Income

If FI administers the disbursement of the personal income, financial statements do not need to be presented for this part of the grant.

On Operating Expenses

If the grant contains a budget item for operating expenses, such expenses shall be documented with vouchers, *cf.* the approved budget in the grant documentation. This applies to expenses related to, for example, stay and accommodation expenses as well as expenses for books, periodicals, IT, and laboratory equipment, etc.

For grant holder conference participation, participant fees, travel and living expenses shall be covered under the operating budget. Per diem expenses (hourly and daily allowances) shall be covered under the official state rates for the relevant countries (the rates are listed at the Danish Modernisation Agency's website at www.modst.dk).

8.6

Special Notes on Accounts for Grants that Cover Multiple Participants

When accounts are presented for a grant that covers multiple participating institutions, enterprises or other partners, it is the grant holder's responsibility to obtain sub accounts from all the participants so that the grant holder will have a basis for preparing and submitting full accounts for the entire grant. Sub accounts, auditor statements, account statements and original vouchers from the other participants' institutions/enterprises shall not be submitted to FI unless requested by the grant donor. The materials shall thus be stored by the grant holder.

The grant holder shall ensure that interim accounts—annual financial statements as well as final financial statements—from other participants meet the accounting requirements specified in clause 8 and the audit requirements set out in clause 9.

There may be cases where participants of a supported activity enter into an agreement with the grant holder that he or she also administer funds scheduled to accrue to another participating institution/enterprise. For example, this may be the case if funds are intended to accrue to private enterprises or non-Danish entities. In that case, the grant holder shall prepare the accounts on behalf of certain participants and take precautions that an audit is performed.

8.7

Special Notes on Deficit Guarantees and Co-Financing

Some types of grants are awarded under special conditions, such as requiring the provision of deficit guarantees and co-financing. In these cases, special requirements will apply to the presentation of accounts.

Deficit Guarantees

If the grant has been awarded as a deficit guarantee, financial statements shall contain an exhibit with a statement of all expenditures and income related to the activity. Grants with deficit guarantees are typically awarded for periodical publications and conferences.

Co-Financing

If, in the budget that forms the basis for the grant, budgeting includes co-financing, the grant letter may contain requirements that, for each presentation of the financial statements, an account be provided of the co-financing component. This means that, together with annual financial statements and the final financial statement, an overview shall be submitted of the co-financing component specified as amounts over the course of the year matching the budget figures for the co-financing. Co-financing shall contain the same items as the grant budget and shall not be documented with vouchers. Cofinancing shall be specified for each participating institution/enterprise.

8.8

Special Notes on Other Income

Funding From Other Sources

If third-party financing is obtained for costs, which the grant was originally awarded to cover under the grant documentation, the grant holder is required to disclose such financing to the grant donor as soon as possible. If so, the grant donor reserves the right to effect a setoff in the awarded grant.

Interest

Accrued interest from awarded funds shall be listed in the accounts. Interest shall be used in accordance with the grant's objective and shall not be offset in the overall grant.

9

Audit Rules

The applicable audit requirements depend on the type of organisation that is administering the grant.

The grant holder shall ensure that both the combined annual and final financial statements for the grant and any sub accounts obtained from other participating institutions and enterprises meet the audit requirements in this clause.

The grant holder shall submit to FI the audit report related to the accounts for the overall grant together with any relevant accounts, which shall also be signed by the grant holder and endorsed by a duly authorised administrator employee.

See also the audit instructions, which are available at the Agency's website at ufm.dk/fi/bevilling.

9.1

Government Institutions and State-Financed, Independent Institutions

In cases where the audit falls under the purview the Office of the Auditor General of Denmark under the Danish Act on the Auditing of Governmental Financial Statements etc., the financial statements shall always be signed by the grant holder and endorsed by a duly authorised administrator employee. This also applies if the audit function under a Section-9 Agreement on Internal Audits is discharged by an approved auditor.

9.2

All Other Institutions and Enterprises

"All other institutions and enterprises" here refers to municipal/regional/private institutions and enterprises as well as non-Danish universities and other non-Danish research institutions.

Annual financial statements for disbursements of or less than DKK 500,000 as well as final financial statements for grants of or less than DKK 500,000 are not audited.

Annual financial statements for disbursements of or less than DKK 500,000 and final financial statements for grants of or less than DKK 500,000 shall be signed only by the grant holder and shall be endorsed by a duly authorised employee of the institution/enterprise that has administered the funds and prepared the accounts (see the definition of duly authorised employee in clause 2).

Audits are mandatory for annual financial statements for disbursements in excess of DKK 500,000 as well as final financial statements for grants in excess of DKK 500,000.

Annual financial statements for disbursements in excess of DKK 500,000 as well as final financial statements for grants in excess of DKK 500,000 must be audited by an approved auditor. The audited accounts shall be provided with an auditor's report, which shall state that the financial statements have been audited in accordance with the applicable rules set out in the audit instructions. Any qualifications shall be set out in the endorsement. The auditor shall issue an audit report.

The audit shall be performed in accordance with the applicable version of the Agency's audit instructions. The audit instructions are available at the Agency's website at ufm.dk/fi/bevilling.

The grant holder and administrator shall give the auditor access to make any investigation he or she determines to be necessary and shall ensure that the auditor is provided with the information and assistance that the auditor finds necessary for discharging his or her duties.

Moreover, the accounts shall be signed by the grant holder and be endorsed by the duly authorised employee of the institution/enterprise who has administered the funds and prepared the accounts (see the definition of 'duly authorised employee').

10

Grant Documentation Amendments Subject to Prior Approval

See also clause 4 on amending the grant period and clause 11 on changing disbursement profiles.

If major amendments to grant documentation for a given grant are desired, the grant holder shall first obtain written approval from the grant donor. Any approval will depend on a specific assessment of the case.

Changing administrators, grant holders, researcher groups and management team for activities are always considered major amendments, *cf.* clause 10.1–10.3. This also applies to amendments of an academic nature. There may be additional instructions in the grant documentation that set out which amendments require approval. It is the responsibility of the grant holder to transmit any relevant statements and information in connection with the change request to the grant donor.

Changes may not enter into effect until the grant donor has provided his or her written approval. See clause 1.1 for more information about how the request shall be submitted to FI.

10.1

Changing Administrators

If the grant holder wishes to change administrators, the person in question shall request the grant donor in writing to that effect. The request shall be enclosed with a statement from the issuing administrator (represented by the department head or similar function) that person in question has been notified about the change and a confirmation from the new administrator (represented by the department head or similar function) that it will and has the capacity to assume all obligations as administrator, *cf.* the grant documentation. The notification should state the extent to which the new administrator is assuming liabilities regarding

any co-financing. The academic consequences of the activity shall be specified. A date for the actual transfer shall also be notified.

10.2

Changing Grant Holders

If the grant holder wishes to assign the grant to a different person, he or she shall request the grant donor thereof in writing. The request shall be accompanied by a CV and list of publications for the new grant holder and confirmation that this person accepts and understands that he or she is assuming the responsibility as grant holder at the terms and conditions set out in the grant documentation. There shall also be a statement from the administrator that he or she understands and accepts the assignment. Any academic consequences of the activity shall be specified. A date for the actual change shall also be notified.

10.3

Changing Research Groups' Compositions and Management of Activities

If, in the grant documentation, funds for salaries to named persons are awarded, and if it is desired to replace one or several of these named persons by others, the grant holder is required to obtain the grant donor's written approval. When replacing named persons, the request shall be accompanied by CVs and lists of publications for the new persons. The grant donor may request documentation that a new participant's qualifications match those of the replaced participant.

11

Ceiling for Unspent Funds

11.1

Ceiling for Unspent Funds (Re-budgeting)

There is a limit to how much money in unspent funds the grant holder may have at the end of a fiscal year. If an annual account for a grant shows that, at the accounting year's end, there is an unspent amount in excess of the established limit, an audited disbursement profile for the grant shall be prepared—so-called re-budgeting. The ceiling for unspent funds shall apply regardless of whether it is for a grant with a fixed disbursement profile or a grant without a fixed disbursement profile.

The ceiling for unspent funds—also referred to as the re-budgeting limit—depends on whether the grant is administered by a Danish public sector institution or another type of institution/enterprise.

Re-budgeting limits for public sector Danish institutions

Grant Amount	Re-budgeting Limit
< DKK 3 million	No limit, since the amount is disbursed in a lump sum (apart from 15%, see clause 6).
DKK 3–10 million	DKK 1 million
> DKK 10 million	DKK 3 million

Re-budgeting limit for private enterprises/organisations and private persons as well as non-Danish universities and other non-Danish research institutions

Grant Amount	Re-budgeting Limit
All grants, irrespective of amount	DKK 100,000

11.2

Changing Disbursement Profiles

If the ceiling for unspent funds is exceeded, the grant holder shall prepare a proposal for a new disbursement profile. See clause 1.1 for more information about how the new disbursement profile shall be submitted to FI.

The new disbursement profile does not change the grant's overall budget, and the unspent amount will thus continue to be available for the grant.

Based on the desired disbursement profile, the grant donor will prepare a new disbursement profile. The changed disbursement profile will supersede earlier versions of the disbursement profile.

Grants without a fixed disbursement profile will not be re-budgeted, but the annual disbursements are regulated so that no unspent funds remain that exceed the limits set out above (see clause 5.2).

12

Conclusion of Grant

Grants expire on the end date specified in the grant documentation.

Once the grant donor has approved the final financial statement and final report and any other required documentation have been received, the withheld portion of the grant may be disbursed (see also clause 6.1 for a more detailed discussion of the disbursement rules).

In the event that, at the conclusion of the grant, there are unspent fund, the amount in question—including any accrued, unspent interest—shall be repaid to the grant donor. The money shall not be repaid until the final financial statement has been approved and until the grant holder has been notified of the repayment by FI.

Once the final financial statement, final report and any other required reporting and documentation have been approved, and any unspent funds have been repaid, FI will send a receipt for the grant's conclusion to the grant holder. This concludes the grant case.

13

Non-performance and Cancellation of Grant

13.1 Non-performance

Based on a specific assessment, if the grant holder fails to comply with the terms and conditions that apply to the grant, the grant donor may withdraw any remaining grant and ask that the grant be repaid in full or in part.

The grant donor will consider it non-performance if the grant holder does not comply with the grant documentation as defined in clause 1, including

- A delay in the start date for the grant, which has not approved by the grant donor;
- Other delays not approved by the grant donor, including extensions of the grant period;
- Non-performance of the academic goals, plans and budgets set out in the grant documentation;
- A failure to provide—or submitting deficient—academic and accounting reporting relating to the activity; and
- A failure to obtain the requisite approvals.

For non-performance, subject to a specific assessment, the grant donor may send the grant holder as well as any administrator a written demand that the non-performance in question shall be remedied within a reasonable time limit, which will be set out in the demand. If the grant holder or administrator has not remediated the non-performance within the established time limit, the grant donor may—based on a specific assessment—suspend the grant, withdraw any remaining grant as well as demand that already-disbursed funds be re-paid.

Based on a specific assessment, the grant donor may make any review of new applications from the grant holder conditional upon compliance with the grant conditions for previous grants.

13.2

Cancellation

For cancellation of grants, the grant donor shall ensure, to the extent relevant, that salaries are covered for the termination period for personnel who receive salaries from the grant, provided these costs can be covered from the awarded amount.

14

Employment Terms and Conditions and Remuneration

14.1

General Notes on Terms and Conditions and Remuneration

Hiring employees under individual grants shall take place under the hiring authority's applicable rules—this also applies if the hiring authority is not Danish.

When salary is paid, the exact calculation of the salary, including establishing seniority, shall be performed by the hiring authority. Any individual pay supplements in addition to supplements established under collective bargaining agreements for grant-financed employees may be negotiated between the grant holder and the hiring authority.

14.2

Researcher Education, Etc.

Framework grants may contain support for researcher education and training. In respect of a PhD scholarship, an annual educational supplement may be provided for the public sector Danish institution where the PhD scholarship holder in question is employed. Under an agreement between the Council for Independent Research, the former Danish Council for Strategic Research and Danish Universities, the annual rates are DKK 50,000 for the Humanities and Social Sciences and DKK 80,000 for the Technical, Natural and Medical Sciences. Amounts are included in the grant to the extent set out in the budget on which the grant is based. The supplement is not regulated throughout the grant period.

If scientific employees take part and are employed at assistant professor/post doc level for a time-delimited period, the institution may require them to perform the following activities: Teaching (including preparation) to a certain extent and other activities to a limited extent. These activities may not exceed 20% of the fixed weekly work hours financed by the grant donor. Such work shall primarily lie within the research area in which the scientific employees in question work. The grant holder shall make the necessary arrangements in question with the institution.

PhD and postgraduate fellows are required to discharge any work-related duties for the hiring or host institution as directed by the institution to an extent that, upon employment for 3 years, corresponds to a total of 840 hours. PhD and postgraduate fellows remaining registered at a non-Danish educational institution for the entire duration shall not be obligated to perform such work but will be expected to expend the study effort on which the process is predicated.

15

Sickness and Parental Leave

The grant holder shall minimise any effects that sick and parental leave may have on the progress of the general activity. The grant donor shall be notified of any parental leave and sickness as soon as the parties realise that these may affect the activities under the grant. If it is desired that the grant be extended as a result of parental leave or sickness, the grant donor shall be requested in writing thereof—see also clause 4.

The grant shall not cover expenses for parental leave and sickness and, in principle, no supplementary grants are awarded for this purpose.

It is the place of employment that shall defray any expenses related to parental leave and sickness under the relevant applicable rules.

16

Procurement of Equipment, etc.

All procurement pertaining to the grant shall take place under the public procurement rules that apply to the institution/enterprise that arranges the procurement—even if a copy of obtained tenders was transmitted with the application.

After the conclusion of the grant, any purchased equipment etc. will accrue to the administrator or the institution/enterprise that, under the grant documentation, acquire the equipment.

Unless otherwise provided in the grant documentation, the grant donor assumes that the administrator or the institution/enterprise, which, under the grant documentation, acquire the equipment, will cover expenses for operating the applied-for equipment after the conclusion of the grant period.

17

Value-Added Tax and Taxes

The grant covers full costs. When procurement is performed by the grant holder, the grant will cover the procurement including value-added tax.

All questions related to taxes are referred to the Danish tax authorities (SKAT).

In cases where the grant is subject to taxation, the grant shall not cover such taxation.

Researchers who go on short or long-term stays abroad are advised to register in advance with the relevant municipal assessment authority before going abroad. This similarly applies to PhD scholarships undergoing full researcher training abroad. For more details, please refer to SKAT for instruction related to any tax-related consequences of stays abroad.

18

Communication and Publications

The grant donor's ambition is for supported research to be visible to society. In all communications related to the grant and for contact with the media, the grant holder shall provide the name of the grant donor.

The grant holder should be aware of the rules relating to copyright deposits of publications that have been made public. Please see www.pligtaflevering.dk.

19

Patenting, License Agreements, Sale of Know-How and Proprietary Manufacture

If grant holders' or other participants' use of patent rights, sale of know-how or proprietary production that result from the grant generate income, the grant donor will not institute claims for repayment of all or parts of the grant.