

Annex 3 to NCN Council Resolution No 70/2022 of 7 July 2022

COSTS IN RESEARCH PROJECTS FUNDED BY THE NATIONAL SCIENCE CENTRE UNDER POLONEZ BIS 3

Drawing up a budget of a research project is one of the crucial stages of its planning. When drawing up the budget, emphasis should be put on determining the required resources and exact estimation of expenses.

The budget must be well justified with regard to the subject and scope of the research, based on realistic calculations and must specify the expenses to be covered by the NCN resources (so-called eligible costs) in individual years of the project's implementation.

ELIGIBLE COSTS are expenditures eligible for funding from NCN resources as long as they fulfil all of the following requirements:

- 1) they are critical to the completion of the project,
- 2) they have been incurred during the eligibility period, i.e. from the day on which the funding decision of the NCN Director becomes legally binding until the final date of the research project's implementation,
- 3) they are advisable and frugal,
- 4) they may be identified and verified,
- 5) they comply with all rules and regulations, including the rules and regulations of the host institution and the rules and regulations of the NCN, including the rules set forth herein,
- 6) in the case of entities applying for state aid, they comply with the Regulation of the Minister of Science and Higher Education issued on the basis of Article 37 (2) of the NCN Act.

The following shall be deemed **ineligible** costs:

- 1) provisions for future liabilities, debt interest and other debt servicing expenses, interest and other amounts due on account of late payments, contractual penalties, fines, penalties and expenses to cover the costs of litigation,
- 2) VAT if the host institution is entitled to reclaim VAT,
- 3) fees for pre-publishing reviews,
- 4) costs of leasing of research equipment,
- 5) costs of NCN research scholarships and doctoral scholarships in the case of entities applying for state aid,
- 6) cost of publication of monographs¹² resulting from research projects which have not been positively reviewed by the NCN, and
- 7) Article Processing Charges in hybrid journals, as defined in the Open Access Policy at the NCN¹³;
- 8) publishing fees (i.e. editing, translation, copies, printed drawings in colour, submission fees) in the case of Open Access publications, with the exception of Article Processing Charges in compliance with routes 1 and 3 described in the Open Access Policy.

The eligibility of costs is checked during the proposal evaluation, evaluation of the annual report¹⁴, evaluation of the final report, evaluation of the monographs and during the external control and audit.

Eligible costs are subdivided into direct and indirect costs.

¹² As defined in §10 of the Regulation on evaluation of the quality of research activity issued by the Minister of Science and Higher Education on 22 February 2019 (Journal of Laws of 2019, item 392).

¹³ Order No 38/2020 of the Director of the National Science Centre on the Open Access Policy at the NCN of 27 May 2020.

¹⁴ The annual report on the implementation of a POLONEZ BIS 3 project must be submitted by the principal investigator together with the host institution within 60 days following 12 months of project completion.

1. **Indirect costs** are costs indirectly related to the research project and essential for it to be implemented. Indirect costs include:
- indirect costs of open access of up to 2% of direct costs that may be spent on open access to publications and research data;
 - other indirect costs of up to 20% of direct costs that may be spent on costs that are related indirectly to the research project, including the cost of open access to publications and research data.

During the project implementation, the Host Institution must reach an agreement with the Principal Investigator on how to use at least 25% of the amount of other indirect costs actually accrued in the project. Any expenses incurred as indirect costs must meet the eligibility criteria laid down in this regulation.

2. **Direct costs** are costs directly related to the completion of the research projects and they include:
- a) costs of salary of the principal investigator
 - b) costs of research, including
 - salaries of staff assigned or recruited to the project,
 - costs of research equipment, devices and software,
 - other direct research expenses.

The following expenses must not be covered from project direct costs:

- 1) salaries of the administrative and financial staff (incl. cost of the administrative officer employed for the minimum working time of 0.25 full-time equivalent; HR services, legal and accounting services, outsourcing of accounting services to an accounting office),
- 2) costs of renovation of facilities,
- 3) costs of adapting/upgrading facilities so that they can meet the needs of the research tasks,
- 4) fees and rent for the use of facilities, property taxes, etc.,
- 5) costs of utilities (electricity, heat, gas and water and other industrial fees, transmission fees, sewage disposal, etc.), telecommunication services (telephone, Internet), postal and courier services, excluding the services referred to in point 2.2.3.C,
- 6) costs of cleaning, janitorial and security services to facilities,
- 7) costs of non-life insurance, including cost of civil liability insurance for participants in medical trials and persons who may be directly affected by medical trials,
- 8) handling fees and administrative fees, including cost of approvals of the Bioethics Committee or Animal Research Ethics Committee,
- 9) costs of banking services, including: opening and maintaining a sub-account or a separate bank account for the research project, bank fees, foreign exchange losses arising from settlement of transactions in foreign currencies,
- 10) costs of external audits,
- 11) costs of organising conferences, workshops, seminars and meetings (with the exception of costs paid to individuals specified in points 2.2.3.D and 2.2.3.E),
- 12) costs of subscriptions (with the exception of the costs of data and access to data referred to in point 2.2.3.G),
- 13) fees for membership in organisations, associations, etc.,
- 14) costs of proceedings related to conferment of academic degrees/titles, and
- 15) costs of publication of scientific articles or costs of open access to research data, with the exception of services referred to in point 2.2.3.C.

2.1 Costs of salary of the principal investigator (applicant)

Only full-time salary may be planned for the principal investigator in a POLONEZ BIS project, paid by the host institution, under the full-time employment contract. The principal investigator's full-time contract **must not** be shorter than the project funding term.

The host institution shall receive funds to cover the following elements of the principal investigator's salary:

- a) living allowance - EUR 65,760¹⁵;
- b) mobility allowance - EUR 41,400¹⁵;
- c) family allowance - EUR 7,200¹⁵;
- d) special needs allowance - EUR 4,800¹⁵.

Living and mobility allowances shall be paid to all principal investigators.

Family and special needs allowances shall be paid to principal investigators who meet the eligibility criteria when submitting their proposals or submit relevant declarations in this regard.

Family allowance shall be paid to the principal investigators who submit a declaration with their proposal that their spouse/partner and/or child/children will relocate to Poland together with them for at least 3 months during the project funding term.

Special needs allowance shall be paid to all applicants who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others (Article 1 of the UN Convention on the Rights of Persons with Disabilities, full text in different languages available at:

<https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities.html#Fulltext>).

The amounts specified in the proposal as due to the principal investigator must not be increased during the project funding term.

The amounts above due to the principal investigator include non-wage labour costs (including health and social security coverage) and other elements of salary funded by the host institution. They shall also cover the additional annual salary (thirteenth salary of the year) if the host institution is bound to pay it.

During the funding period, principal investigators must meet all of the following conditions:

- a) they must not receive any other salary in any form whatsoever granted under the heading of direct costs in research projects funded under NCN calls;
- b) they must not receive any salary from another employer pursuant to an employment contract, including an employer located outside of Poland.

¹⁵ The EUR amounts are converted into PLN according to the EUR exchange rate published by Bank Gospodarstwa Krajowego S.A. in the first exchange rate table of 7 July 2022, where 1 EUR = 4.6234 PLN. The funds converted as such are awarded and transferred to the host institution for the project in PLN, after rounding up the total project costs to the nearest whole value.

2.2 Research expenses

The costs of research must not exceed EUR 100,000¹⁵.

2.2.1. Costs of staff assigned or recruited to the project¹⁶

This category covers the costs of salaries and non-wage labour costs of the members of the research team excluding the principal investigator, i.e. mentor and co-investigators in the project. Salary may be paid pursuant to full-time or part-time employment contracts, civil law contracts or scholarships for students and PhD students.

Research team members remunerated pursuant to an employment contract by a host institution may receive salary under POLONEZ BIS only in a form other than a civil law contract.

Mentor's salary must not exceed PLN 2,000 per month.

Salaries of other co-investigators should be planned taking into account the period of employment, the scope of work in the project, the workload and the level of professional qualifications required.

Salaries and scholarships for students¹⁷ and **PhD students**¹⁸ involved in project tasks may include:

- a) NCN scholarships for students and PhD students,
- b) doctoral scholarships,
- c) salaries for students and PhD students.

NCN scholarships for students and PhD students may be planned, provided that they are awarded pursuant to the Regulations for awarding scholarships for NCN-funded research projects set forth by the NCN Council.

Doctoral scholarships may be planned provided that the PhD students meet the requirements set forth in the Act on Higher Education and Science of 20 July 2018, which entitle them to receive doctoral scholarships throughout the performance period of the tasks planned in the project.

Salaries for students and PhD students may be planned for employment under full-time or part-time employment contracts or civil law contracts for the completion of tasks in a research project. Students and PhD students employed under employment contracts in the host institution for the project must not be paid salary under a civil law contract.

Students and PhD students may receive remuneration in any form listed under (a) – (c) above. In the case of projects carried out in an institution for which funding constitutes state aid, funds for students and PhD students can only be planned in the form listed under letter (c).

The total amount of NCN-funded salaries and scholarships intended for an individual student or PhD student in one or more research projects funded by the NCN cannot exceed PLN 5,000 per month. This amount shall not include doctoral scholarships funded in the ETIUDA call nor the salary for the principal investigator in the PRELUDIUM call.

PhD students receiving PRELUDIUM BIS doctoral scholarships must not receive any scholarship or other salary granted under the heading of POLONEZ BIS direct costs.

¹⁶ Staff assigned or recruited to the project are not subject to restrictions set forth in point 2.1.

¹⁷ Students of first or second-cycle degree programme or uniform Master's studies at universities in Poland.

¹⁸ Participants in doctoral programmes pursuant to the Act on Higher Education of 27 July 2005 or post-graduate students at doctoral schools pursuant to the Act on Higher Education and Science of 20 July 2018.

2.2.2 Costs of research equipment, devices and software – this category covers the costs of purchase or construction of research equipment, other devices and software crucial to research. Project funds may be used to finance or co-finance the purchase or construction of research equipment and IT infrastructure with a value of up to EUR 2,500 per unit¹⁵.

Research equipment (as defined by the Central Statistical Office) shall mean a set(s) of testing, measurement or laboratory apparatus of limited application and high technical parameters (usually several orders of magnitude higher than typical apparatus used for production or exploitation purposes), which in accordance with the host institution's accounting policy constitute the host institution's fixed assets.

Other devices – other devices outside the scope of the definition of research equipment which in accordance with the host institution's accounting policy constitute the host institution's fixed assets.

Software – software purchased to meet the requirements of the research project, which in accordance with the host institution's accounting policy constitutes the host institution's intangible assets.

In the case of research equipment, devices and software constituting fixed assets or intangible assets subject to depreciation pursuant to the Accounting Act of 29 September 1994, eligible costs shall include the purchase price or construction costs of fixed assets or intangible assets within the meaning of the Act, including the total costs incurred by the host institution for the project by the day they of taking them into use, taking into account different criteria of eligibility of state aid.

In the case of entities applying for state aid, the costs of research equipment, devices and software are eligible to the extent and for the period in which they are used for the implementation of the research project. If the research equipment and devices are not used for the research project purposes over the entire period of its use, only depreciation costs corresponding to the period of project's completion, calculated pursuant to the accounting regulations, are deemed eligible costs.

2.2.3. Other direct costs of research – this category covers costs not classified as “Costs of salary for the principal investigator”, “Costs of staff assigned or recruited to the project” or “Costs of research equipment, devices and software”.

A. Materials – costs of purchasing research supplies and consumables for direct use over the course of the research project, including:

- raw-materials, semi-finished products, reagents,
- office supplies, stationery.

B. Small laboratory equipment, IT hardware and small office devices – e.g. computers, software licence and development costs, printers, scanners, monitors, copiers) and other devices, as long as pursuant to the accounting policy of the host institution they are not classified as fixed assets or intangible assets. Project funds may be used to finance or co-finance the purchase of research equipment with a value of up to EUR 2,500 per unit¹⁵.

C. Outsourcing – costs of services rendered by third parties (institutions and individuals with registered business activity), including:

- costs of purchasing research services (laboratory analyses, statistical reports, surveys, etc.),
- costs of purchasing other specialist services necessary for due completion of the research (proofreading, editing, graphics, consulting, monitoring, etc.),
- costs of postal, courier and transport services directly related to the completion of a given research task,

- costs of manuscript translation and editing, and
- costs of premises rental, catering, etc., as necessary for the completion of the research tasks that include subjects/respondents.

In the case of publications governed by the Open Access Policy, costs of manuscript preparation for publication are eligible.

Recipients of salaries or scholarships funded by the NCN in the project may not be involved in research tasks as subcontractors directly or indirectly (via institutions that employ them).

D. Business trips – costs of business trips of research team members, including:

- costs of participation in seminars/conferences related to the subject of the project,
- costs of trips critical to the completion of the research, e.g. preliminary archival and library research, fieldwork, etc.,
- costs of principal investigator's trips to intersectoral secondment institutions outside the host institution's location.

The costs of business trips include:

- daily allowances and reimbursement of travel expenses as set forth in the regulations passed pursuant to Article 775 § 2 of the Polish Labour Code,
- personal insurance,
- conference fees,
- other costs, as long as they are considered justified and essential to the completion of the project, such as visas, medical tests, vaccinations, etc.

Costs of long-term trips may be eligible if they have been calculated in line with the principle of advisability and frugality, on the basis of the actual expenses.

E. Visits and consultations – personal costs (daily allowances, cost of travel expenses and accommodation) of individual visits by external collaborators and/or consultants closely related to the project, with the exception of the costs identified above as not eligible.

F. Collective investigators – total cost of compensation for persons carrying out one-time responsibilities (e.g. interviewers,) and participants in research. The minimum number of such investigators is 5. This category does not include technicians and lab managers.

A detailed budget must be submitted, describing the purpose of the expenses and the overall cost as well as the number of benefit recipients, value and form of benefit (monetary or material).

G. Other costs – other costs that fall in none of the previous categories, such as:

- costs of purchasing data/databases or access thereto,
- specialist publications/teaching aids,
- costs of publications promoting science to the general public (provided that publications include information that the research project was funded by the NCN and under the Marie Skłodowska-Curie Actions (HORIZON 2020), as provided for in the funding agreement),
- costs of publication of monographs that may be incurred once positively reviewed by the NCN.

POLONEZ BIS research projects must also include actions intended to promote the project and its results. Anticipated costs generated by such actions, as long as they meet the conditions of eligibility, shall be entered in the relevant categories of the budget, i.e. "Costs of staff assigned or recruited to the project", "Outsourcing", etc.



The costs of promotion of the research and dissemination of its results may include:

- costs of creating and maintaining the POLONEZ BIS project website;
- costs of documenting the conducted research (audio, photo and video);
- costs of publishing articles promoting science to the general public;
- costs of organising exhibitions presenting the project results; and
- costs of publishing and distributing flyers, posters etc. related to outreach activities.

Funds included in the project budget must be spent in compliance with the rules laid down in this document and in the funding agreement.

Disclaimer:

The English version of this Annex does not constitute a sworn translation and has been prepared as an auxiliary document for your convenience. In case of any doubts as to the interpretation of its provisions, the Polish version shall prevail.

