

Questions and Answers Session

On IMI2 in-kind Contribution Financial reporting in Sofia

25 March 2021
Gaëlle Lanckmans
IMI Financial Officer

Questions received in advance will be answered during this session.

Questions?

- **Raise your hand** 🖐️ (see bottom of the screen): the hosts will unmute you
 - State your **name and company** before speaking;
 - Do not forget to lower your hand and mute your line when you stop speaking.
- You may submit written questions in the **chat**

Webinar **not** recorded

Panellists

IMI Office:

- Antoine Juliens
- Gaëlle Lanckmans

EFPIA Finance subteam:

- Jörgen Jenssen (AstraZeneca)
- Koen Meeussen (Janssen)
- Mariana Gameiro (Pfizer)
- Markus Mutz (Bayer)
- Nicolas Creff (EFPIA)

Importance of IMI2 in Kind Reporting

IMI is a public-private partnership (PPP):

1 EUR public funding for

1 EUR reported in kind contributions, certified by auditor

→ important to report in kind contribution

Q&A session

1. Technical questions regarding the SOFIA tool
2. Types of contribution
 - Personnel costs
 - Subcontracting costs
 - Financial contributions paid to BRF
 - Cost of certification
 - Other direct costs
 - NON-EU in kind contributions
3. Questions related to the certification of costs (audit report)
4. Others

1. Technical questions

Sofia tool

Questions regarding the SOFIA tool

1. How to access SOFIA?

- Sofia: <https://sofia.imi.europa.eu/Pages/Login.aspx>
- Appoint at least 1 person for the reporting
- Get access to Sofia: send email to helpdesk@imi.europa.eu (specify your PIC and email address)
- More than 1 person can have access

Questions regarding the SOFIA tool

2. How to encode contribution in SOFIA?

IMI2 EFPIA Periodic Report Submission

Export to Excel by Company Export to Excel by Project

Reporting Period: 6 - 01/01/2020-31/12/2020 Document: Financial Statement

PIC	Legal Name	Document	Annex 4
972222853	TAKEDA DEVELOPMENT CENTRE EUROPE LONDON United Kingdom	<div style="border: 1px solid green; padding: 5px;">Financial Statement Adjustment to 2019 Adjustment to 2018</div>	View Edit

Year 2020
(1 Jan – 31 Dec 2020)

Then click on a Project name and start encoding your costs

Questions regarding the SOFIA tool

3. How/where to change prior years reporting?

Prior years reporting are now closed (2019, 2018,...)

If change needed to a prior year → Make an adjustment

Adjustment to a previous year?

- **To make corrections** to contribution already reported and accepted by IMI → report the difference
- **If No contribution reported** for a past year(s) → report the totality
- If your contribution reported last year was **not accepted** by IMI → report the contribution again

Questions regarding the SOFIA tool

4. Concretely what to do in Sofia by the end of April?

1. Adapt contribution per project encoded in January (estimates → **actual** costs)
2. Provide brief **explanation** for each type of contribution
3. Upload signed **Financial statement(s)**
 - ‘Print to PDF’, get it signed, upload in Sofia (after ‘Finalize’)
4. Upload **Audit report**

Choose file

Upload

No Audit report = No contribution accepted

2. Types of Contributions

Types of contribution

5. Personnel costs

A1. Personnel costs – Direct personnel costs declared as actual cost

Please specify:

- *Average FTE rate or Person Months for the concerned year:*
- *List of related WP(s):*

-No breakdown by WP
-No personnel names

Types of contribution

5. Personnel costs

How is time reporting (FTEs) for individuals contributing to projects verified?

- IMI: Consistency with DoA and with Periodic Report (PR) is checked
- Auditor: checks time recording system (if employees have recorded their time spent on projects) or conducts alternative procedures (if privacy rules) to ensure the reported personnel costs are reliable and consistent with the project activities.

Types of contribution

5. Personnel costs

If a company declares FTEs for a WP while the company is not listed on that WP in the DoA, is an amendment required before these FTEs can be reported?

No, if the task is already specified in the Annex 1. In that case an explanation in the financial reporting in Sofia is sufficient to accept the costs. However this needs to be included in an upcoming amendment.

But if the task is new (not described in the DoA), this needs to be discussed with the Project Officer and an Amendment is needed.

Types of contribution

6. Subcontracting costs

B1. Subcontracting costs - Total subcontracting costs, EU and non-EU

Please specify:

- *Brief description of subcontracted task and related WP:*
- *Vendor name, if possible:*
- *Is it foreseen in the DoA (Annex 1)? Y/N*
- *If not, is it a new task (not already described in Annex 1)? Y/N*

If total new subcontracted task → Amendment is necessary before the cost can be accepted

Types of contribution

7. Financial contribution paid to a BRF

(b) Financial Contribution (FC)

Total

Please specify:

- Name of recipient

- Is it foreseen in the DoA (Annex 1)? Y/N

- If not, is the task to be carried-out by the recipient already described in the DoA (Annex 1)? Y/N

General rules on FC:

- To fund BRF activities identified in Annex 1 and not already reimbursed by IMI
- Based on a legal agreement between your company and the BRF
- FC never falls under NON-EU (even if task carried out outside Europe)

Types of contribution

8. Cost of certification (audit report)

Value of contribution (in €)		
#	Project/Advisory Group	Value of in-kind contribution in EU and H2020 associated countries
		(a)
1	IMPRiND	0.00
2	PREFER	0.00
3	SGG Strategic Governance Groups	0.00
4	Financial Contribution to the IMI Office (in EUR)	0.00
5	Cost of Certification	0.00

- Not charged on a Project
- Separate line for cost of certification
- Reported in the year when the cost have been incurred: Audit performed in 2020 (to certify costs of 2019 → costs incurred in 2020 → costs Reported in 2021

Types of contribution

9. Other direct costs

C1. Other direct costs – Total, EU and non-EU

Please provide a brief description of the cost

Only if not already included in the average FTE rate

Specific cases of data :

- Most data have a value, but no actual costs recorded in the accounting system;
- Only costs of extracting or transforming data, as recorded in the accounting system during the project life-time are eligible.

Types of contribution

10. NON-EU in kind contributions

Non-EU in kind: did you provide in kind contribution from outside a Member State or an H2020 Associated country? Yes No

If yes, please provide amount of non-EU in kind contribution

Please specify:

- Is it in line with the estimated budget (Annex 2)? Y/N
- If not, please provide an explanation

- NON-EU IKC cannot exceed 30% of the total reported IKC at the level of IMI2 programme → to ensure 70% of IKC is incurred in EU
- No formal limitation at Project level
- If **important** deviation with budget → Inform EFPIA Office and IMI (may impact the overall 30%)

3. Certification of Costs (audit report)

Certification of costs (audit)

11. Template to be used?

- 1 single Audit report for all costs (projects + SGGs)
- If adjustments: 1 Audit report for all years is accepted
- Auditor **must** follow the [audit report Template](#)
- Same specifications for all auditors (Equal treatment, comparable standards, avoid ambiguities)
- Exception for US: can follow AICPA format but the list of procedures should not be modified.
- Incomplete Audit report = No contribution accepted !

Certification of costs (audit)

12. List available of auditors who have experience with IMI certification?

No, IMI is not allowed to provide a list of auditors.

You can choose for instance the audit firm in charge of auditing your annual accounts.

The auditor of your choice needs to be external from your company.

Certification of costs (audit)

13. Timing? Minimum Threshold?

- Due by 30 April each year
- No minimum threshold but some flexibility: if audit cost higher than reported contribution, the audit can be postponed to next year
- If delay, inform IMI. Even if after the deadline (30 April) → Audit report still to be submitted and costs encoded in Sofia.

Certification of costs (audit)

14. Procedures performed by auditor?

- Auditor carries out all procedures listed in [Annex I](#) (when applicable) and list any deviation
- For each procedure: A sample of items randomly across all projects/advisory groups when more than 10 items (full coverage if less than 10 items or if FC)
- Auditor checks for each procedure if **company's usual practice and standards in term of cost accounting has been followed**
- Company to demonstrate to auditors their 'usual practice' and standards in each area concerned (by providing e.g. Internal documentation, cost records, systems testing)

Certification of costs (audit)

15. Procedure on Financial Contribution (FC):

Does the auditor check if the receiver of the FC has confirmed the reception of the FC?

No.

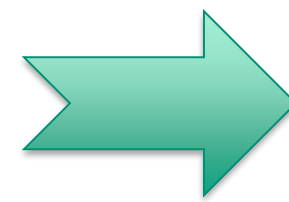
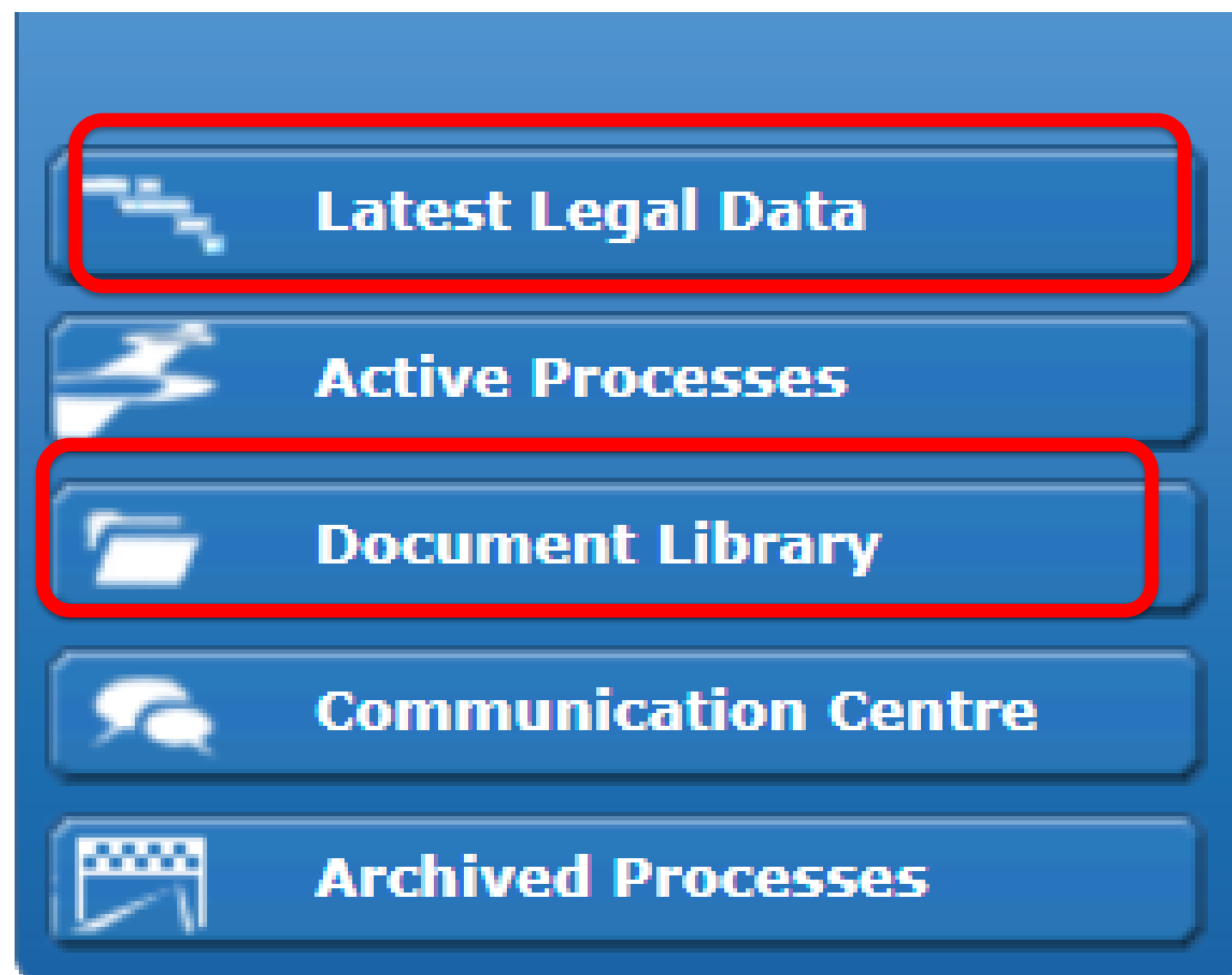
The auditor checks (Procedure 11):

- the FC reported by the BNRF appears in the company's accounts
- there is a formal agreement between the BNRF and the BRF (statement in the DoA or a bilateral agreement)
- there is an invoice specifying the amount of the FC and the project tasks for which this amount is to be used by the recipient.

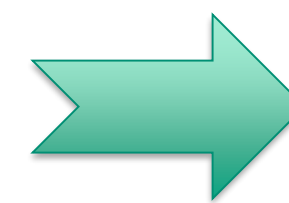
Other

14. Where to find Project documents (DoA, budget, PR)

- **Log in to [Funding & Tenders Portal](#)**
- Grants > My project(s)
- Click on the concerned Project name



SyGMA tool → Tab 'Financial Information' = **Estimated Budget**



→ Upload Grant Agreement (incl **Annex 1 – DoA**)

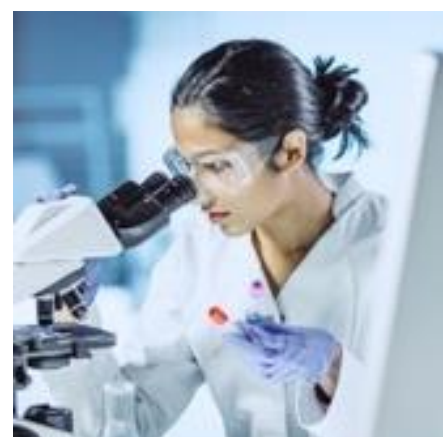
→ Upload **Periodic Report(s)**

Conclusions



Meeting closure

Thanks for your participation!



Any questions? Please contact:
nicolas.creff@efpia.eu
Gaelle.Lanckmans@imi.europa.eu

