



Project Funding FAQs

General information		
1.	What is the process from submitting an application through to the start of a project?	<ul style="list-style-type: none">• The application is prepared using the “Innosuisse Analytics” online tool and submitted to Innosuisse, where its form and content are assessed. The Innovation Council makes a decision regarding the content of the application. If an application is approved, the applicants will receive an information letter describing the next steps.• The research partners use the “contract details” form to inform Innosuisse of the project payment method, the contractual partners and the start of the project.• The funding agreement signed by all partners must be sent to Innosuisse. Only when the agreement has been concluded will Innosuisse be obliged to make the approved funding payments. If an application is rejected, the applicants will receive a rejection ruling giving the reason and including the rights of appeal.
2.	When do the new Innosuisse regulations become applicable?	<ul style="list-style-type: none">• Applications that were submitted from 1 January 2018 will be assessed and implemented in accordance with the new regulations.• Applications that were submitted up to 31 December 2017 will be assessed in accordance with the old CTI regulations.
3.	Under Article 5 of the Federal Act on the Promotion of Research and Innovation (RIPA), how must non-commercial research centres outside of the university domain which have never received funding proceed?	<ul style="list-style-type: none">• The right to submit an application is reviewed as part of a specific funding application for an innovation project.• Since applications involving new research partners do not yet include hourly rates for staff and the institution cannot yet be selected in the online tool, the research partner must first contact supervision@innosuisse.ch. The necessary data will then be entered in the online tool. For the first application, personnel expenses will subsequently be calculated using maximum hourly rates on a provisional basis. If the right to funding is recognised, the research centre will inform Innosuisse of its notional hourly rates.• Together with its funding application, the new research institution should ideally submit its Articles of Association, a list of research staff including their role and level of training, a list of any innovation projects already completed in the last two years as well as any other useful information.



Application submission		
4.	How is the budget calculated and which rates for personnel expenses are used in the online tool for applications?	<ul style="list-style-type: none">The application tool calculates the project budget and the cost ceiling based on the standard personnel expenses stored for the relevant research institutions, requested material costs and overheads (see point 23). The cost ceiling takes the maximum rates for personnel expenses into account.
5.	How are the notional hourly rates calculated for 2018?	<ul style="list-style-type: none">The standard rates calculated in accordance with the Innosuisse Excel template are being used for 2018 (see point 6). The calculation according to the Excel template is roughly performed as follows: total sum of the annual gross salaries of all research institution staff per role divided by full-time equivalents and annual productive hours. The employer contribution is also calculated with a flat rate of 20%.
6.	How should a research institution proceed if it does not yet have any notional hourly rates to calculate salary costs?	<ul style="list-style-type: none">Innosuisse sent all research partners who have previously taken part in projects an Excel template to calculate the standard rates for personnel expenses. The document can also be requested by e-mailing supervision@innosuisse.ch. As an interim solution for 2018, a confirmation by the finance department of the research partner is sufficient to prove the accuracy of the hourly rates used. From 2019, it is envisaged that the accuracy of the calculation will be confirmed by an external assessment body (e.g. an auditor) if the hourly rates will be used for project payment as well as submitting applications.
8.	What should be declared in the application/contract if the staff are not yet known at the time the application is submitted?	<ul style="list-style-type: none">Names of project staff do not need to be provided in the application/contract, with the exception of the key people. However, the budgeted hours must be submitted in each staff category in order for an estimated value to be calculated. When making funding decisions, Innosuisse particularly considers the reasonable and efficient distribution of proposed hours across each staff category in the project.
9.	What do you need to pay attention to in terms of the functions within the project when entering personnel expenses in the application tool?	<ul style="list-style-type: none">Hours have to be entered according to the employee's personnel function and the employee's salary costs for the research institute, not according to the function within the project.



Project contributions		
11.	What do the eligible direct project costs include?	<ul style="list-style-type: none"> The eligible direct project costs include personnel expenses and material costs.
12.	What do the personnel expenses include?	<ul style="list-style-type: none"> They include the actual personnel costs and employer-paid contributions.
13.	Which personnel expenses are eligible and have to be documented in the financial reporting?	<ul style="list-style-type: none"> Notional hourly rates: The project accounting applies the notional hourly rates submitted by the research partner and accepted by Innosuisse. Gross annual salaries: The project accounts apply the salary statements submitted by the research partner and approved by Innosuisse. In addition, the actual social insurance contributions paid by the employer are covered (see also point 16).
	Do all project partners have to choose the same accounting method? Also, once a method is selected, does it apply to all future projects as well?	<ul style="list-style-type: none"> No. Every project partner is free to choose whichever accounting method seems best suited for reporting their personnel expenses. The method selected applies only to the project that has been approved.
14.	Is there a limit on the eligible personnel expenses?	<ul style="list-style-type: none"> Only the function-related costs for the project are eligible. The annual costs may not exceed the maximum annual gross salaries pursuant to Article 5 of the implementing provisions for innovation projects.
15.	Are costs for professors eligible?	<ul style="list-style-type: none"> The rule applies equally to all project staff that the salaries submitted for reimbursement are not financed in any way through other sources. The function criterion, or whether the employment relationship is temporary or permanent, is not relevant. Project staff whose employment is already fully financed by the public sector or other third-party resources cannot claim any personnel expenses. If in a given funding application this is not the case with respect to professors, it is the responsibility of the research partner in question to provide proof to this effect.
16.	How are employer-paid social insurance contributions treated?	<ul style="list-style-type: none"> In the funding application, a flat rate of 20 per cent of the salary costs is initially applied to cover the employer-paid contributions under OASIA/InvIA/LECA, OPA and UIA. For the project accounting, the flat rates submitted and accepted with the notional hourly rates or the actual percentage paid on gross salary as documented in the salary statement are subsequently applied.
17.	Other than personnel expenses, what project costs are eligible?	<ul style="list-style-type: none"> Material costs are eligible if the materials in question are essential for realising the project, do not pertain to the basic infrastructure of a research facility and are not covered by the financial contribution from the implementation partner.



		<ul style="list-style-type: none">• Material costs may comprise costs for equipment, consumable supplies, third-party services and international travel.• Costs that are not eligible include:<ul style="list-style-type: none">- publication of research results- travel within Switzerland (included in overheads)
18.	What costs for using research infrastructure are eligible?	<ul style="list-style-type: none">• If the infrastructure (including existing infrastructure) is not used exclusively for an Innosuisse project, the actual percentage used in the project may be booked to the project. The percentage utilisation must be verifiable (e.g. through laboratory log books) and auditable.
19.	What costs for consumable supplies are eligible?	<ul style="list-style-type: none">• To be eligible, the costs must pertain to consumable supplies that are essential for carrying out the project, were purchased during the course of the project and are not among the standard supplies provided by the research facility. The relevance to the project must be clearly documented (e.g. purchase receipt).
20.	What costs for third-party services are eligible?	<ul style="list-style-type: none">• As a rule, the work in a project is done by the project participants, not outsiders.• Grounds must be given for using third-party service providers and it must be demonstrated that it is necessary for the project. This may also pertain to services purchased from third parties, such as computing time and cloud computing.• If a research institute abroad must be enlisted to perform certain tasks, the related costs may be claimed as third-party service costs.
21.	What travel costs are eligible?	<ul style="list-style-type: none">• To be eligible, the costs must pertain to cross-border travel that is essential for carrying out the project, specifically with respect to cross-border projects. Costs for travel within Switzerland should be covered, if necessary, via the overhead contribution and are not reimbursed separately.• The reimbursement of travel costs is based on the FDF Ordinance of 6 December 2001 to the Federal Personnel Ordinance.



22.	How are eligible material costs distinguished from non-eligible costs relating to basic research facility infrastructure?	<ul style="list-style-type: none"> • The equipment and infrastructure required for the ordinary operation and standards of a research facility cannot be charged to Innosuisse. Nor may the use of such equipment and infrastructure be charged to Innosuisse. • Basic infrastructure covers equipment, materials and other items of infrastructure which are part of the standard equipment of a research facility with a similar research purpose. This includes, for instance, standard IT infrastructure – including hardware and software – and disposable gloves and syringes in clinical work. However, if a software item is directly related to the project and is essential to the project's realisation, its cost is eligible.
23.	What is the significance of the budget (target costs), the cost ceiling and the actual (effective) costs?	<ul style="list-style-type: none"> • Funding budget: The funding budget is calculated in the funding application using the standard costs determined for personnel, for example, and serves as the planned budget for the project. • Cost ceiling: The cost ceiling is calculated on the basis of the maximum hourly rates for project staff in the funding application, among other things, and is stipulated in the funding agreement along with the funding budget. The cost ceiling may be used up without amending the funding agreement, provided the increase in personnel expenses is due to reasonable salary rises, necessary higher employer-paid social insurance contributions, inflation adjustment measures, salary increases associated with staff changes within the same project function category and minor changes to the distribution of the proposed working hours across the various personnel functions or due to approved changes to key people. The cash contribution and the individual contribution by the implementation partner, on the other hand, are set in the funding agreement in accordance with the funding budget and may not be changed. • Actual costs: The actual costs are the verifiable costs generated by the project, which are reported in the project's final accounts and documented, by receipts for instance. Based on these final project accounts, both the amount of the final funding instalment and the total amount of funding actually paid out for the project are determined.

Participation of implementation partners		
24.	How much do the implementation partners contribute to covering the project costs?	<ul style="list-style-type: none"> • The implementation partners contribute at least the same amount towards covering the project costs as the amount of Innosuisse's funding contribution as calculated according to the funding budget stipulated in the funding agreement. For this purpose, the funding contribution is understood to exclude the overhead portion (i.e. less the overhead contribution).



25.	What form does the participation of the implementation partners take?	<ul style="list-style-type: none"> • Implementation partners participate by contributing their own work and services as well as financing (cash amount) to the research partner. The financial (cash) contribution is at least 10 per cent of the funding contribution made by Innosuisse. • Financial contributions made by the implementation partners to the research partners to cover essential costs incurred by the research partners in carrying out the project (i.e. salaries and material costs) are treated as part of the cash contribution.
26.	What costs are counted towards the contribution of proprietary work and services?	<ul style="list-style-type: none"> • Staff and material costs of the implementation partners which must be incurred due to their participation in the project count as contributions of own work and services. • The implementation partners' personnel expenses are composed of salary costs and employer-paid social insurance contributions. The implementation partners apply the hourly wage rates (standard costs) accepted by Innosuisse and applied by the research partner managing the contributions in determining the wage costs in the funding application. • The implementation partners apply a flat rate of 20 per cent of the salary costs of their own work and service contributions in determining the employer-paid social insurance contributions for the purposes of the funding application. • Material costs are counted towards the implementation partners' contribution of proprietary work and services insofar as they are essential for the proper execution of the project and represent the actual costs. In other words they must be recognisable in the operating accounts of the implementation partners.

Overhead contributions		
27.	What is the legal basis for the payment of overhead contributions?	<ul style="list-style-type: none"> • Article 23 RIPA (SR 420.1); Articles 33, 34, 37 and 38 RIPO (SR 420.11); Article 8 Innosuisse Funding Ordinance (SR 420.231).
28.	What purpose do overhead contributions serve?	<ul style="list-style-type: none"> • Overhead contributions partially cover the indirect costs incurred by the research institutes in connection with research projects supported by Innosuisse through project funding (Article 33 RIPO).
29.	Which research partners receive overhead contributions?	<ul style="list-style-type: none"> • Innosuisse pays overhead contributions to all research partners who qualify.
30.	How is the overhead contribution calculated?	<ul style="list-style-type: none"> • As a flat rate based on personnel expenses.



31.	How much is the flat rate?	<ul style="list-style-type: none">• Parliament stipulates a maximum flat-rate payment. For the 2017–2020 financial period, this was 15 per cent.• Innosuisse sets the applicable flat rate relative to the annual financial resources available.• In 2018, Innosuisse paid the maximum 15 per cent rate.
32.	To what items is the flat rate for overhead applied?	<ul style="list-style-type: none">• The overhead contribution is based on the personnel expenses approved in each individual case (salary costs and employer-paid social insurance contributions, see below).• Material costs do not qualify as overhead for this purpose.
33.	What reference date applies when setting the percentage to be used as the flat rate?	<ul style="list-style-type: none">• The overhead contribution is calculated using the percentage valid for the flat rate on the date on which the funding application is submitted.
34.	Is the flat rate binding for the full duration of the project?	<ul style="list-style-type: none">• Yes. The flat rate applicable at the time the project funding application is submitted applies for the project's entire duration.
35.	Is the overhead contribution accounted for separately?	<ul style="list-style-type: none">• Yes. In the project funding decision, the overhead contribution is distinguished from the direct project costs.
36.	How is the overhead contribution paid?	<ul style="list-style-type: none">• The overhead contribution is paid along with the funding instalments for the direct project costs on the same percentage basis as the direct project costs.

During the project		
37.	Are budget reallocations between staff and material costs possible?	<ul style="list-style-type: none">• No. It is not possible to redistribute personnel expenses and material costs within the budget.
38.	Can a budget increase be requested?	<ul style="list-style-type: none">• In exceptional cases, costs in addition to the expected contribution stipulated in the funding agreement may be approved as part of a supplementary application if they are incurred due to approved changes to the project or were unforeseeable and the project partners could not be held responsible. The funding agreement will be amended accordingly. (Article 11 of the implementing provisions for innovation projects).• The personnel expenses can be increased up to the cost ceiling for the reasons mentioned in question 23 without amending the funding agreement.
39.	Is it necessary to report a change in staff?	<ul style="list-style-type: none">• No. Not unless the change concerns the key people reported to Innosuisse.• The key people noted in the funding agreement are project staff who cannot be replaced within a short period of time (less than six months) due to their knowledge.



41.	By when must the financial contribution (cash amount) be transferred to the research partner(s)?	<ul style="list-style-type: none">The financial contribution (cash amount) must be paid to the research partner by the time Innosuisse makes the second funding instalment.
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Interim financial report/prognosis and final project report		
42.	Can the accounting method specified be changed during the course of the project?	<ul style="list-style-type: none">The accounting method chosen when the agreement is signed ("Gross salaries" or "Notional hourly rates") applies for the duration of the project and cannot be changed.
43.	When does an interim financial report have to be submitted?	<ul style="list-style-type: none">For projects less than 18 months in duration it is not necessary to produce an interim financial report unless Innosuisse expressly requests one. In all other projects, an interim financial report is normally required every 12 months. Depending on the duration of the project and the agreed funding instalment payments, there may be minor deviations from this rule.
44.	What documents have to accompany the interim financial report?	<ul style="list-style-type: none">It is not necessary to submit supporting documentation/receipts with the interim financial report.
45.	What information has to be provided in the interim financial report as regards the prognosis, i.e. what is being reviewed?	<ul style="list-style-type: none">The prognosis is supposed to indicate the anticipated costs up to the end of the project. This information helps Innosuisse in the overall assessment of the project milestones.The purpose of the interim report is to give Innosuisse a rough idea of the status of the project, including the progress of the research and the relationship of the costs incurred thus far to the final costs. This should make it possible to identify any divergences from the project plan at an early stage and take correction action, if necessary.
46.	How many annual hours may be allocated to the project?	<ul style="list-style-type: none">The number of annual hours that may be allocated to the project depends on the internal guidelines of the respective research institute or implementation partner. The maximum eligible gross salary is stipulated in Article 5 Section 1 of the implementing provisions for innovation projects.
47.	What happens if the actual project costs are higher than the budget stipulated in the funding agreement?	<ul style="list-style-type: none">Staff cost adjustments: Staff cost increases for the reasons mentioned in question 23 do not require the funding agreement to be amended, provided that they are below the cost ceiling. Cost increases of this nature are only permitted for personnel expenses, however.Other adjustments: Approval for changes to the project plan or work packets or other unforeseen changes in the project that result in higher costs must be sought from Innosuisse in advance using the appropriate form, not only at the end of the project. They require the funding agreement to be amended.



48.	How does any amendment in the funding contribution of Innosuisse calculated on the basis of the final project accounting affect the contribution of the implementation partners?	<ul style="list-style-type: none">• The contribution of the implementation partners is based on the funding budget stipulated in the funding agreement and, therefore, remains unchanged.• .
49.	If the contribution of own work/services of the implementation partners is less than 50%, what effect does this have on the amount paid out?	<ul style="list-style-type: none">• If the implementation partners contribute less than the amount defined in the funding agreement, Innosuisse's funding contribution will be reduced accordingly.
50.	How much are the employer-paid social insurance contributions?	<ul style="list-style-type: none">• Notional hourly rates: The employer-paid contributions are accounted for in the amount accepted by Innosuisse in accordance with the definitive calculation of the notional hourly rates.• Gross annual salaries: The employer-paid contributions are accounted for in the amount actually paid according to the salary statements submitted.
51.	Do bonuses paid and other extraordinary remuneration count as salary?	<ul style="list-style-type: none">• No. Innosuisse does not recognise remuneration of this nature as salary components of project partners that are relevant for the project funding.

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