



Co-funded by the
Erasmus+ Programme
of the European Union

1st MEETING

(with participation of public institutions and universities staff)

GRaduates Advancement and Development of University capacities in Albania – GRADUA

Tirana, March 2018

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Aims and Objectives

- ❑ Modernisation and Development of Higher Education Sector within Albania
- ❑ Network building within universities and business world
- ❑ Efficient supervision of training system, network development with the labour market and prediction of skills required for labour market needs.
- ❑ Building a platform based on graduates database (like the model developed in Italy)

I. Preparing and signing of the "Partnership Agreement" with partners

➤ **Main financial issues of partnership agreement:**

Funds centralisation of budget items:

- 1) Coordinator will centralise the "Travel Cost" for these reasons:
 - Required continuously from EACEA and the Italian partner Alma Laura.
- 2) Coordinator will centralise tendering process (will enable this process) for equipments purchase regarding the following reasons:
 - Required continuously from EACEA and the Italian partner Alma Laura.

➤ **Fund transfer to partners**

Will be possible with two instalments:

First instalment:

- 80% of the first tranche after deducting the budget centralised items.
- Transfer: right after signing the agreement and informing the coordinator regarding the partner's bank account

Second Instalment:

- 20% of the first tranche, after deducting the budget centralised items.
- Allocation: one year after the agreement has been signed between the coordinator and EACEA (which is the period between November – December 2018).

The explained procedures above will be applied and together with the second tranche of the fund transfer which is 40% of the budget.

➤ Information reporting and documents submission

Based on discussions with the Italian partner and project officer, we decided that reporting and document submission to be made each 3 months in order to have more time in avoiding financial problems that we may face during the implementation stage.

II. Up-to-date work analysis

From the moment that the agreement was signed with EACEA till now it's worked on:

- Following procedures to open the bank accounts in Euro and Leke (completing documents, meetings with the staff of ministry, communication with the project officer to inform regarding such process etc.).
- One week ago we've been informed by EACEA regarding funds transfer by their side, meanwhile the Paperwork has been sent to Ministry of Finance to progress with the fund transfer in Raiffeisen bank.
- Once the draft of "Partnership Agreement" format and " Guidelines for the use of the funds" were published at the end of December, we've been focused on their study by getting consultation of Italian partner for any uncertainty. Based upon this study and consultations we got, we developed Agreements with partners.
- A three day meeting has been organised in Tirana during January with the Italian partner where were discussed in regard the financial managemnet of funds and technical steps to be taken in order to complete the first of the project.
- Currently we're in the final stage of completing and consolidation of the inforamtion regarding " Decode Tables" based on the inforamtion you sent, so we've started the first stages of technical project implementation.
- We're in the last stage of completing the "Geo Table" information, which is a technical part of the project implementation as well.
- We've prepared the draft-raport of the University System and the Labour Market in our country, which will be sent to you by e-mail together with the signed agreements. We'd like to explain that we have taken into account suggestions of the Italian partner regarding this raport and welcome any suggestion of yours to show on this raport. Afterward, we will proceed with printing and sending of this

information to you in order to satisfy one of the key duties of the first Work-package.

- We're working on the project Website development, which will be soon accessible to all.
- We're working on the organisation of the first "Kick-of" meeting with all partners, as a precondition of EACEA during our meeting in Brussels, different from what was planned in the project proposal.

III. Activities planned for 2018

- **Short meeting**, the "Kick-of" at Agricultural University of Tirana with all the Albanian Partners (as conditioned from EACEA in our meeting in Brussels)- (March- April)
- **Meeting I: In Bologna** (3-5 days) , in which will be broadly explained (April – May):
 - Matters of financial management and creation of committees mentioned in the project proposal. (Steering Committee, Technical Board ect.)
 - Technical matters regarding research methodology.
 - Analysis of the questionnaire compilation, which will serve in data collection of the platform.
- **Meeting II. At Agricultural University of Tirana** (3 -5 days) in which will be discussed: (July)
 - Financial and technical management matters of the project.
 - Plan of sharing and information dissemination.
- **Meeting III: At Polytechnic University** (4-6 days) in which will be treated: (October-November)
 - Financial and technical management matters of the project.
 - First training of staff, IT and Secretary

We should agree that we may face changes of the planned periods because of delays in fund transfer resulting from delays in opening the project bank accounts (as from the EACEA to the coordinator, as from the coordinator to the partners)

IV. Financial management problems

Albanian Legislation and financial rules

As public institutions we're obligated to follow different procedures regarding financial matters compared to our private partners. Taking into account our continued meetings with the procurement and finance offices staff at our university, it's concluded that:

- **Expenses budgeted in “ subcontracting” item with a value up to 1,000,000 leke should be passed to the procurement office: (not limited from EACEA / depending on the domestic rules of HEI-s). Procedures consist of:**
 - **A preliminary request is developed, in which is explained in details: type of expense, specific characteristics, amount and limit budgeted fund,**
 - **Selection of 3 offers is made (procurement office in collaboration with project coordinator for each HEI)**
 - **It's decided by the procurement office regarding the wining company and then proceeded from the finance office with invoice payment.**
 - **Entering into contract the wining company and signing of the act of offering the products/service)**

- **Expenses budgeted in “ subcontracting” item with a value up to 1,000,000 leke go under procedures of an “on line” opened tender: (not limited from EACEA/ depending on the domestic rules of HEI-s).**

Consider special attention with:

- **Presentation of an annual expenses plan for the procurement office since the begining of the year.**

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- **The process of equipments purchasing (computers- servers) will precisely follow the public institutions procurement rules as per albanian legislation of procurement (conditioned totally by EACEA for purchases over 134,000 euro).**

Consider special attention with:

- Preparation of a written request regarding VAT in those purchases, which will be reimbursed by Ministry of Education (the deadline – August of every year as per information received from the finance office).
- **Payments for the staff costs- usually there are injunctions kept leveled 15 % that are known as extra money for the staff (as per domestic rules)**
- **Cost of stay - are not taxed as long as the staff owns a contract with the public institution, otherwise is suggested to be taxed at the level 15% (as per domestic rules)**

Rules of EU

During trainings in Brussels and the study of the “Guidelines for the use of the funds” over funds managements as per budget items, we should put in consideration:

- **Staff Cost**
- are known as cost per unit (fix costs), values per unit are exactly determined as per staff categories (refer to the budget)
- documents for accepting those costs from EACEA:
 - appoitment staff leter,
 - A job contract of staff with the institution, where we should be based to determine the staff category
 - Joint-declaration, a new document used for the staff employed in Erasmus + projects.
 - Monthly Time-sheet based on Work-packages,
 - Salaries Documents (domestics) in which your project payment is identified.
 - Money transfer in the bank account of the staff involved in the project.

Be carefully in:

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- Classification of staff as per categories referred to the job contract (for example rector could not be payed as a technical or administrative staff - was extremely stressed out in Brussels)
 - Matching days in “time –sheet” with days planned in the budget as per Work-packages.

➤ **Travel cost**

- Are known as cost per unit (fix costs), values per unit (275 euro) are exactly determined by EACEA
- Documents to be justified as acceptable from EACEA:
 - boarding-pass
 - individual travel report

Be carefull with :

- departure and arrival destinations planned in the project proposal (for example Tirane-Bolonja- Tirane for the meeting in Bolonja). In other cases a preliminary confirmation should be asked from the project officer.

➤ **Cost of stay**

- Are known as cost per unit (fix costs), values per unit (120 euro/day) are exactly determined by EACEA
- Documents to be justified as acceptable from EACEA:
 - Hotel invoice (preferable / not obligatory)

➤ **Equipment**

- Are justified with the real cost (exactly with the value of invoice), despite the values planned in the project proposal.
- Documents to be justified as acceptable from EACEA:
 - Agreement between the winning company and HEI-s
 - Purchase invoice
 - Bank transfer of funds in accounts of the winning company
 - Inventory documents and acceptance of equipment submission

Be carefull with :

- On the preliminary request directed to the Ministry of Education regarding the reimbursement of VAT.

➤ Subcontracting

- Are justified with the real cost (exactly with the value of invoice), despite the values planned in the project proposal.
- Documents to be justified as acceptable from EACEA:
 - Request made at the procurements office
 - Three offers and decision for selection of the winning company
 - Agreement with subcontractors/winning companies that offer services
 - Purchase invoice
 - Bank transfer of funds in accounts of the winning company
 - Act of Submission (if possible)

Be carefull with:

- Preliminary request directed to the Ministry of Education for reimbursement of VAT (a case in discussion with Ministry whether VAT will be reimbursed)