



**This is a translation of the Dutch text. In matters of dispute, the Dutch text will apply.**

## **Introduction**

The Netherlands Organization for Scientific Research (NWO) and the institutions participating in the Darwin Center for Biogeosciences have pledged to contribute one million euros each to the Darwin Center on an annual basis. The institutions have committed themselves to provide this amount entirely as 'new' funding and they are also committed to continue allocating two million euros of 'old' funding to biogeological research each year.

This appendix provides definitions of 'old' and 'new' funding, and also explains the procedures for matching, for allocation of funds to the institutions, and how each institution will account for the funds received.

## **Definitions of 'old' and 'new' funding**

Definition of 'old' funding: old funding (old money) includes all funds that, at the reference date of 1 July 2004, were allocated on a structural basis by the participating institutions to salaries of permanent staff (i.e. academic staff and support/administrative staff) working in biogeological research. Old funding also includes all structural expenditure on infrastructure insofar as this can be shown to be primarily intended for biogeological research (e.g. operating budgets, depreciation of equipment).

Definition of 'new' funding: new funding (new money) includes all new funds spent annually on salaries of staff engaged in research covered by the research themes of the Darwin Center for Biogeosciences. Research by these staff members has to be approved by the Scientific Director of the Center if this funding is to be considered as 'new' funding. This approval is only granted if the research fits appropriately in the Darwin Center's research themes, as defined by the Steering Committee and the Board. In exceptional cases, and subject to approval of the Darwin Center's Scientific Director and Board, funds spent on equipment may qualify as new funding, provided the equipment is of national importance, is available to all members of the Darwin Center and has been purchased from the institution's own resources.

Please note: New money refers only to funds directly contributed by an institution. NWO funds obtained through other channels (in the form, for example, of NWO medium-size grants or individual grants such as the VENI VIDI VICI or Spinoza grants etc.) are not included. An auditors' certificate has to be submitted if a staff position is to qualify as new funding for matching purposes.

Beginning in 2009 (second period), and under certain circumstances, foreign (non-Dutch) money can be regarded as 'new money'; see under Post-post matching.

## **Matching procedures**

The starting point is that matching is provided by new funding obtained by the institute (new money; 'eerste geldstroom'). In addition, the matching procedure is based on the fact that the institutions and NWO use different rates when accounting for salaries, with the difference being reflected in the matching.

The total expenditure of NWO and the institutions together should add up to 1 million euros each, i.e. 2 million euros per annum (and 8 million euros altogether over the second period, 2009-2012).

Two matching procedures are possible:

- 1) 50-50
- 2) Post-post

These procedures are outlined below.

### **1) 50-50**

The matching procedure is detailed, using a hypothetical example of the appointment of an approved AIO (research assistant, i.e., PhD student):



- The cost of an AIO's annual salary is according to NWO 200,000 euros (including overhead).
- Because the institutions calculate higher costs, the following was agreed with NWO:
  - For an AIO position, the Darwin Center pays 90,000 euros (plus bench fee);
  - Because for an AIO position 220.000 euros may be calculated, consequently the institution may claim 130,000 euros as matching by new funding. An auditors' certificate must be submitted afterwards to prove that the position was actually filled;
  - The institution receives a bench fee of 2500 euros per annum for every position.

### 2) **Post-post**

The alternative procedure is position-to-position (post-post) matching, where 1 fte\* applied for equals 1 fte matched. If an institution appoints an AIO and wishes to allocate the cost entirely to the matching for a Darwin AIO, this can be done as follows:

- The proposal to be assessed will include two fte. In other words, the matching position will always be included in the review procedure. This ensures that the matching project also fits in the research themes of the Darwin Center;
- The matching position is paid for by new money ('eerste geldstroom') of the participant, an other Dutch institute, or own, new money ('eerste geldstroom') of a foreign (non-Dutch) institute. In case of non-Dutch matching only a 3 years post doc position can be considered for matching;
- The institution is entitled to claim a maximum of 220,000 euros as matching funds for the AIO (basically the cost calculated by NWO for an AIO);
- The institution will receive 180,000 euros (personnel expenses) plus bench fee so that it can employ a full AIO in a research project approved by the Darwin Center. Project expenses exceeding the bench fee will only be reimbursed in exceptional cases;
- Auditors' certificates have to be provided afterwards to prove that the two positions were actually filled.

The matching rules have been expanded in the sense that cooperation with a foreign (non-Dutch) institute is no longer excluded. However, because the Darwin Center cannot transfer money to a foreign institute, matching is in this case restricted to Post-post matching. In addition, foreign matching is only acceptable in the form of a 3 years post doc, because the Darwin Center position applied for should be 100% financially matched.

### **Awarding of funds to institutions**

When submitting project and program proposals, the institutions undertake to guarantee matching if the proposal is approved. The total sum that has to be contributed annually by the institutions as a whole is one million euros. The breakdown of this amount is not specified. Sometimes, an institution may match too much in a given year (if, for instance, an approved AIO is funded entirely from the institution's own resources, while the appropriate Darwin position has not yet been approved or no longer exists), whereas another institution may have spent an insufficient amount on matching. If the reverse applies in the following year, the two institutions may agree mutual matching arrangements.

### **Auditing of awarded funds**

The consortium leader transfers funds awarded by the Darwin Center to the institution as a lump-sum payment. Institutions have to submit an auditors' certificate afterwards to demonstrate that the funds have been used properly.

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\* 1 fte = 1 full position