

Program Income on Sponsored Programs

Scope

This policy applies to all Alcorn State University faculty and staff involved in the fiscal operations and administration of sponsored programs with program income.

Policy Statement

It is the policy of Alcorn State University that any program income on sponsored programs be appropriately identified, documented, expended and reported according to the terms and conditions of the sponsored program such as to comply with best practices, Office of Management and Budget Circular A-110, Section 24, and other specific sponsor requirements, as applicable.

Reason for Policy

This policy is to provide guidance for the identification, documentation, expending and reporting of program income on sponsored programs.

Procedures

Program Income must be identified, documented, and reported to the sponsor when earned according to the terms and conditions of the sponsored project.

Generally, Program Income may be used in one of three methods, as determined by the awarding agency:

- Added to funds committed to the project by the awarding agency and ASU and used to further eligible project or program objectives.
- Used to finance ASU's share of the project or program (cost-share).
- Deducted from the total project or program allowable cost in determining the net allowable costs on which the sponsor's share of costs is based.

In some cases the awarding agency may use a combination of methods. The principal investigator is responsible for working with the departmental fiscal officer and Office of Research and Sponsored Programs when Program Income is earned in order to properly record, expend and report the income to the funding agency.

If Program Income is anticipated at the time of proposal submission, this information must be included in the proposal submission. Any questions regarding this process should be directed to ORSP.

When Program Income is not anticipated during the proposal preparation process and arises out of opportunities that occur during the life of the award, the principal investigator is responsible for notifying the departmental fiscal officer and ORSP in order to establish the Program Income account.

Most agencies identify the method for accounting for Program Income in the award notice, or have default rules for accounting for Program Income. ORSP uses separate accounts to house Program Income and related expenses. The Program Income account and the main grant account are linked in Banner and both accounts are included in financial reports to agencies. The Financial Status Report submitted to the agency must include the aggregate amounts earned and spent.

Regulations of the awarding agency or the terms and conditions of the award should be reviewed for any specific language regarding Program Income for the project. Unless otherwise required by the awarding agency, recipients shall have no obligation to report Program Income earned after the end of the project period.