

SPA's TOP 10 LIST

PROGRAM INCOME

1. Program income is gross income earned by a grantee that was directly generated by the grant-supported activity or earned as a result of the award.
2. The University is required to separately monitor, account and report these dollars.
3. There are four different methods that may be utilized to manage program income:
 - Additive* – program income is added to the funds committed to the project.
 - Deductive* – program income is deducted from total allowable project costs to determine net allowable costs.
 - Combination* – the first \$25,000 of program income is added to the funds committed to the project and any amounts exceeding \$25,000 are deducted from total allowable project costs.
 - Cost Sharing* – program income is used to finance some or all of the non-Federal share of the project.
4. The default management method for research grants is additive.
5. Program income may be used only for eligible and allowable project/program costs.
6. The Principle Investigator should identify in the grant application the source(s) and use of program income, as applicable.
7. An unrestricted 93### account/fund will be established for each grant that generates program income. Program income payments/checks should be deposited to this account. A mandatory cost sharing account, ####X, will also be established. All expenditures related to the program income should be charged to the ####X fund.
8. Costs incident to the generation of program income may be deducted from gross income to determine program income, provided these costs have been charged to the award.
9. Program income earned after the project period belongs to the recipient/grantee. These amounts do not have to be reported or remitted to the sponsoring agency.
10. Please refer to the University's Program Income – Policies and Procedures for additional detail on this subject, see <http://spa.wustl.edu/admin.html>.