

Memorandum

To: Deans, Directors, Chairs, Principal Investigators and Administrators
From: Ronald J. Paprocki
Date: July 31, 2000
Subject: Program Income Policy

Federal regulations mandate that the University of Rochester have a written policy on the treatment of program income to federal awards. Program income is defined by OMB Circular A-110 as "gross income earned by the recipient that is directly generated by a supported activity or earned as the result of the award". Examples include fees earned for service performed under an award, rental or usage fees or registration fees.

The attached policy provides more examples of program income, its prescribed use in conjunction with the federal award and specific agency regulations. (For example, NIH normally allows program income to be retained by the grantee and used in support of the award.) The policy also describes steps that must be taken when unanticipated program income is generated during a project as well as the responsibilities of the principal investigator, department and central administration offices with respect to identifying, accounting and reporting program income to the sponsor.

Please note that the University Proposal Sign-Off Form has also been modified to incorporate a question relating to program income; a copy of the revised sign-off form is also attached.

Thank you for your adherence to this new policy. Should you have any questions or concerns, please contact Gunta Lidars in ORPA (x5-5373 or gliders@orpa.rochester.edu) or Cheryl Meiers in SPA (x5-6449 or cmeiers@finance.rochester.edu).

RJP/GJL/glw
attachments