



Program Income on Federally Sponsored Awards Policy

Approval Authority:	Vice Chancellor for Finance
Responsible Administrator:	Controller
Responsible Office:	Finance
Policy Contact:	Senior Director, Research Finance

POLICY STATEMENT

This Program Income on Sponsored Award Policy has been developed to ensure that sponsored awards funded by federal grants and receiving program income during the project period account for such income in a manner that will permit its identification and treatment consistent with the requirements of the federal sponsor. Program income from projects supported by federal contracts will be accounted for according to the terms of the contract.

REASON FOR POLICY

The intent of this policy is to provide guidance to the research community on what constitutes program income and to ensure good stewardship of Vanderbilt's federally sponsored awards when program income exists as well as ensuring and enhancing compliance with the Uniform Guidance and sponsor guidelines.

POLICY SCOPE

All federally sponsored awards where program income is received are subject to this program income policy. You may contact Research Finance if you have any questions related to program income on a sponsored award.

This policy should be understood by all University employees responsible for managing and overseeing federally sponsored awards, including Principal Investigators (PIs), Grant Managers, Departmental Managers and appropriate Dean's office personnel.

POLICY

All program income on federally sponsored awards should be identified and associated with the award. There is an obligation to track program income that is associated with Federal grants and contracts. In accordance with the Office of Management and Budget (OMB) Uniform Guidance, program income must be used for items that are reasonable, allowable, allocable and meet the consistency requirements under federal cost principles during the life of the award. Any program income received after the associated federal

award has ended, does not have to be tracked separately and is considered institutional funds.

See the **Procedures** document for more detailed descriptions and requirements.

DEFINITIONS

Program Income - For the purposes of this policy, program income is defined as gross income earned by a recipient from activities where part or all of the cost is either borne as a direct cost by an award or counted as a direct cost towards meeting a cost sharing or matching requirement of an award.

PROCEDURES

Procedures for managing program income on federally sponsored awards are outlined <https://finance.vanderbilt.edu/researchfinance/vupolicies.php>

FREQUENTLY ASKED QUESTIONS

FAQs related to this policy are outlined <https://finance.vanderbilt.edu/researchfinance/vupolicies.php>

ADDITIONAL CONTACTS

Subject	Contact/Position	Phone	Email
Policy Issuance	Director, RF	615-343-6655	researchfinance@vanderbilt.edu
Policy Questions	RF	615-343-6655	researchfinance@vanderbilt.edu

RELATED POLICIES/DOCUMENTS

Federal Uniform Guidance – <https://www.ecfr.gov>

NIH Grants Policy Statement – <https://grants.nih.gov/policy/index.htm>

NSF Requirements – <https://www.nsf.gov/bfa/dias/policy/>

HISTORY

Issued: 01/01/2000

Latest Update: 04/10/2023

***Disclaimer:** The policies and procedures that guide practices are intended to assist in consistent administration and compliance. Vanderbilt reserves the right to modify its policies and practices, in whole or in part, at any time. Revisions to existing policies and procedures, and the development of new policies and procedures, will be made from time to time at the discretion of the University. When new policies are implemented or existing policies are revised, the University will notify members of the University community as soon as practicable. However, where differences occur, the most recent policy as reviewed and approved by the University will take precedence.*