

# PROGRAM INCOME

## Quick Guide



Identify. Disclose. Track. Use Appropriately.  
Follow Sponsor Rules.

### WHAT IS PROGRAM INCOME?

Program income is gross income earned during the period of performance that is directly generated by a sponsored project or earned as a result of that project. (2 CFR §200.1; §200.307)

#### COMMON EXAMPLES



- Fees for services (lab testing, analysis)
- Conference or workshop registration fees
- Sale of project-related materials, software, or publications
- Equipment or facility usage fees
- License fees or royalties from project-developed IP



#### NOT PROGRAM INCOME

- Rebates, credits, discounts
- Interest on federal advances (unless specified)

### WHAT YOU MUST DO (PI RESPONSIBILITIES)

- 1 IDENTIFY & DISCLOSE**
  - Identify potential program income early
  - Notify OSP/GMA when income is generated

- 2 TRACK SEPARATELY**
  - Ensure income is recorded and tracked separately from the main award
  - Maintain documentation (source, amount, purpose)

- 3 USE APPROPRIATELY**
  - Use only for allowable, allocable, and reasonable project costs
  - Follow sponsor rules on how income must be used

- 4 FOLLOW SPONSOR RULES**

Program income must be handled using one of these methods:

  - Additive – Adds funds to your project (most common)
  - Deductive – Reduces sponsor funding
  - Matching – Counts toward cost share

If not specified → Additive is the default

- 5 REPORTING**
  - Report program income only if required by the award
  - Always track it internally—even if not reportable

- 6 TIMING MATTERS**
  - Applies only to income earned during the project period
  - Income earned after the project ends is not program income (unless sponsor says otherwise)

#### KEY REMINDERS

- ✓ Identify early
- ✓ Disclose to OSP/GMA
- ✓ Track separately
- ✓ Use only for project purposes
- ✓ Follow sponsor rules
- ✓ When unsure—ask before acting

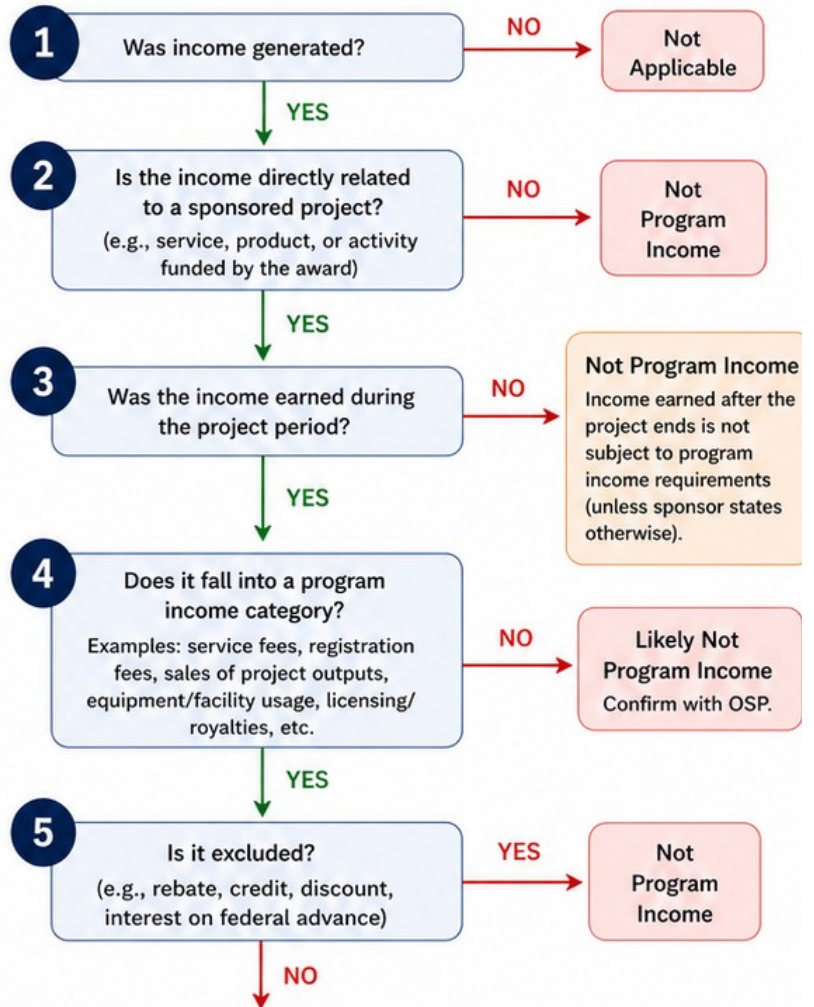
#### REGULATORY & SPONSOR GUIDANCE

- 2 CFR §200.307 – Program Income
- NIH Grants Policy Statement
- NSF PAPPG
- DOE Guidance
- DOD Regulations

When sponsor terms differ, the award terms take precedence.

### IS THIS PROGRAM INCOME?

Use this decision tree.



#### THIS IS PROGRAM INCOME

##### Next Steps:

- Notify OSP/GMA
- Ensure separate tracking in the financial system
- Confirm required method (Additive, Deductive, or Matching)
- Use only for allowable project-related costs
- Report if required by the award (not all program income is reportable)



#### WHEN IN DOUBT

Contact the Office of Sponsored Projects (OSP) before collecting or using the income.

[osp@utep.edu](mailto:osp@utep.edu)



This quick guide is for informational purposes only. Always refer to the specific terms and conditions of your award and consult with OSP or GMA for guidance.