

## **Florida Atlantic University Program Income Policies and Procedures**

### **VII. Procedures:**

#### **A. Proposal Stage:**

1. Preparing the Proposal Budget: If Program Income is included in the proposal and scope of work of the project, the projected amount should be stated in the proposal budget and budget justification. The estimated amount of Program Income should be broken down by budget line item. Since the budget is a restatement of the project in terms of dollars, the line item budget should be consistent with the scope of work described in the project narrative.

#### **B. Post Award Stage:**

1. Preparing the Pre Award Routing Sheet: After the award has been received from the sponsor, a Pre Award Routing Sheet will need to be prepared and submitted by the Principal Investigator to set up the separate Program Income Fund. The budget on the Pre Award Routing Sheet should mirror the budget approved by the sponsor for the Program Income. For questions concerning the completion of the Pre Award Routing Sheet, please contact your Sponsored Programs representative.
2. Preparing the Post Award Worksheet: Once the award document is received from the sponsor, Sponsored Programs will prepare a Post Award Worksheet for the funding awarded by the sponsor. Sponsored Programs will send this document, along with a copy of the Pre Award Routing Sheet, the award document, and the approved budget to Research Accounting. The amount of Program Income should be noted on the Post Award Worksheet for the funding awarded by the sponsor.

A separate Post Award Worksheet will be prepared by Sponsored Programs for the Program Income. Sponsored Programs will send this document along with the Pre Award Routing Sheet for the Program Income to Research Accounting.

3. Assigning the Program Income Fund Number: Research Accounting will assign a unique Banner Fund for the Program Income. This Banner Fund will be used to account for the Program Income generated and spent on the project. At the same time, Research Accounting will notify the Department Budget Coordinator of the Program Income Fund Number for this project with the New Program Income Fund Memo (See Exhibit B).

4. Determining the Proper Approach to Apply to Administer and Spend the Program Income: If the award document is not clear as to which method (from Article VI.) is appropriate for the project, the Research Accounting Coordinator will contact the sponsor for guidance and communicate the approach to the PI and Department Budget Coordinator.
5. Processing the Budget Transfer: In order to set up the budget in the Program Income Fund, the Department Budget Coordinator initiates a one-sided budget transfer to add budget to the Program Income Fund in the amounts included on the budget approved by the sponsor. The on-line Budget Transfer is used for processing the Budget Transfer. For questions about the on-line Budget Transfers, please call the University Budget Office.
6. Posting Revenue to the Program Income Fund: All revenue generated as Program Income related to the project must be deposited into the Program Income Fund. The revenue should not be commingled with other funds. For the types of revenue that qualify as Program Income, see Article IV.
7. Posting Expenses to the Program Income Fund: All of the direct costs to be funded by the Program Income Fund for the project, such as salary, fringe benefits, travel, and supplies, must post as expenditures on the Program Income Fund. These costs will be reported as expenditures on the Organization Detail Activity Reports available on Eprint.
8. Reporting Program Income: Research Accounting. will report Program Income to the sponsor as required by the award terms and conditions.
9. Closing Out the Project: Research Accounting.will work with the PI and/or Department Budget Coordinator to determine the actual amount of Program Income generated and expended, so that this amount can be reported to the sponsor, as required. The Program Income Fund will be closed along with the FAU Grant Fund, following the standard close-out procedures.