

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 65.05, **Program Income**

PURPOSE: 6 0 Td()T-16(ha)(h)05 (re)ly ge (res) 15.8 (sup) 35 d t-15.7 (hi)-24.1 (s)15.8(-1n T0.064 Tw T(t)-15.7 (o)
ed as a result of the Federal award."

Program Income Treatment:

Program income on federal projects can be handled in one of three ways as defined by 2 CFR 200.307.

Direct Method –

Program income is added to committed funds of the project and increasing the available budget.

Program income is used to finance program objectives.

This method is the default method for federal awards unless the awarding agency specifies

another alternative.

Cost Sharing Method –

Program income is used to comply with cost sharing or matching requirements of the award

agreement.

Program income is used to finance the non-federal portion of the project.

Indirect Method –

Program income is to be deducted from total allowable costs to determine the net allowable costs.

Program income is used for current costs of the project unless the sponsor specifies otherwise.

Responsibilities:

Program Director (PD)/Principal Investigator (PI) or other designated

operational personnel -

Identify sources of actual or potential program income during the proposal stage and

document program income in the Cayuse system.

Ensure program income is properly determined and calculated.

Request or prepare invoices timely for products or services which produce program income.

7)