

North Dakota State University

Policy Manual

SECTION 815

PROGRAM INCOME

SOURCE: NDSU President

1. PROGRAM INCOME. Program income represents gross income earned by the institution from externally supported activities. Such earnings include interest earned on advances, income from service fees, sale of commodities, usage or rental fees, registration fees for workshops and conferences, and royalties on patents and copyrights.

Program income derived from a sponsored project must be accounted for under a separate fund number.

2. Under federal guidelines, proceeds from the sale of real and personal property should be handled in accordance with the policies established in Section 819, Property Management Standards.
3. Unless the agreement provides otherwise, recipients shall have no obligation to the federal government with respect to royalties received as a result of copyrights or patents produced under a grant or other agreement.
4. All other program income earned on a federal project during the project period shall be retained by the institution and, in accordance with the grant or other agreement, shall be:
 - A. added to funds committed to the project and be used to further eligible program objectives;
 - B. used to finance the nonfederal share of the project when approved by the Federal sponsoring agency; or
 - C. deducted from the total project costs in determining the net costs on which the federal share of costs will be based.
5. Under nonfederal programs, the agency guidelines must be reviewed to determine if there are any restrictions on the treatment of program income.
6. If a project is expected to generate program income, the Office of Grant and Contract Accounting should be contacted for further assistance and instructions.

HISTORY:

New	July 1990
Amended	April 1992
Amended	August 2007