

<b>FINANCE</b>  <b>PROCEDURE</b>  <b>MANUAL</b>	<b>TITLE:</b> Grants – Program Income	
	<b>NUMBER:</b> FIN-GRF-021	<b>VERSION:</b> 01
	<b>ISSUED DATE:</b> 9/30/2010	<b>REVISION DATE:</b> 2/12/2013

➤ **Purpose:**

Treatment of program income earned through the operation of Federal Grants.

➤ **Definitions:**

**General Ledger Classification (GL Code):** Code used to indicate the type of transaction or account. GL Codes are determined by the [Accounting Manual for Florida's College System](#).

**Organizational Unit (Org. Unit):** Coding within the budget structure that allows for clear identification of an area of responsibility and managerial responsibility/authority. These areas of responsibility may also be referred to as divisions, departments, sections, or offices. The numbering of the organizational units is based on the [Accounting Manual for Florida's College System](#).

**Program Income:** Gross income earned by the recipient that is directly generated by a supported activity, or earned as a result of the award.

➤ **Responsibility:**

**Cashier's Office:** Receives all checks, cash, and money orders and applies them to the respective grant.

**Grant Director:** Ensures the application of program income in accordance with the purposes allowed by the grantor.

➤ **Procedure Details:**

1. Program income earned during the project period must be retained by the recipient, must be in accordance with Federal Regulations as set out in 45 CFR part 92.25 or the terms and conditions

of the award. The afore referenced section of the CFR directs that the income be used in one or more of the following ways:

- a. Deducted from total allowable costs and third-party in-kind contributions for the purpose of determining the net costs on which the Federal share will be based. Used to finance the non-Federal share of the project or program.
  - b. Used to satisfy all or part of a matching requirement
  - c. Used for costs that are in addition to the allowable costs of the project for any purposes that further the objectives of the legislation under which the grant was made
2. Unless the awarding agency regulations provide otherwise, program income earned after the end of the grant will be transferred to Fund 1 (College General Unrestricted Funds).
  3. All Checks, Cash, or Money Orders must be deposited with the Cashier's Office within Cash Collection Guidelines ([FIN-SAS-006](#)) including notification of proper Organizational Unit and the applicable GL code.
  4. A donation is not considered income. It is a gift. Donations to the College are deposited with the Foundation

➤ **References:**

45 CFR Part 92.25: [http://edocket.access.gpo.gov/cfr\\_2004/octqtr/pdf/45cfr92.25.pdf](http://edocket.access.gpo.gov/cfr_2004/octqtr/pdf/45cfr92.25.pdf)