National Science Foundation
WHERE DISCOVERIES BEGIN

NSF Program Income Webinar

October 18, 2023

PAB

PAYMENTS AND ANALYTICS BRANCH

BUDGET, FINANCE AND AWARDS MANAGEMENT | DIVISION OF FINANCIAL MANAGEMENT

SPEAKERS

- Division of Financial Management (DFM)
  - Justin Poll; Section Chief, Payments and Outreach Section
  - Dorothy Battle, Accountant
  - Nicole Cyrus, Financial Management Specialist

Agenda and Topics Covered

- Introductions
- Basics of Program Income
- Reporting Timeline
- Common Questions/Case Examples
- Report Instructions
- Common Processing Issues
- Questions

BACKGROUND

- Implementation of ACM$ eliminated the need for the quarterly SF 425 Federal Financial Report (FFR), however collection of program income required a different strategy
- The current reporting requirement is documented in the *2023 Proposal and Award Policies and Procedures Guide (PAPPG) (NSF 23-1), Chapter VIII.D.4 of Part II Award, Administration and Monitoring of Grants*

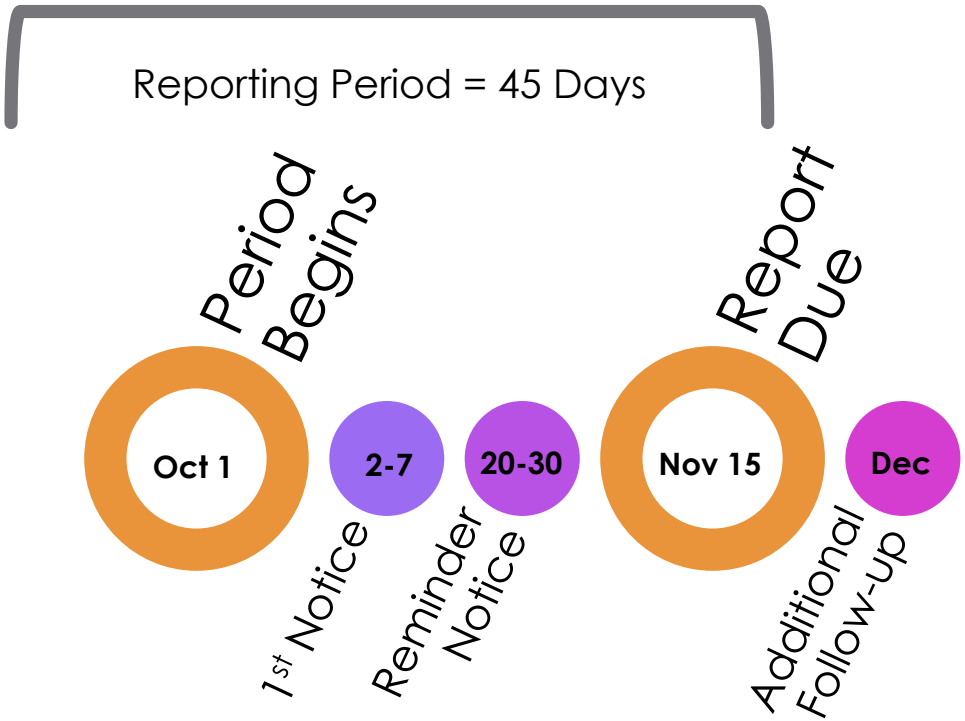
Who is Required to Submit a Report

- Any institution of higher education, non-profit or other grant recipient that had an active award during the current reporting period
  - Current Reporting Period = Previous Federal Fiscal Year
  - Example – 10/01/2022 to 09/30/2023
- Does not include:
  - Awards made to SBIR organizations
  - Awards made to individual fellows
- Is your institution required to submit a report if no program income has been earned?

Basics of Program Income

- The Program Income Reporting Worksheet is available to awardees through Research.gov.
- NSF requires an annual submission of a Program Income worksheet for any active awards within the federal fiscal year
  - Most recent submission was for FY2022
- ***Failure to complete the program income report may result in delay of future NSF award payments***

Reporting Timeline



What is Program Income

- Program income is gross income earned by the awardee organization that is directly generated by a supported activity or earned as a result of NSF-funding during the period of performance.
  - This would include things such as fees for services performed, the use or rental of real property acquired under the grant, the sale of commodities or items fabricated under the grant, and fees charged to register participants for a workshop or conference.

What Program Income is Not

- Reimbursement received for expenditures reported via ACM$ is not Program Income, please do not include these figures in the report.
- Interest earned on advances of Federal funds is not program income.
- Receipt of principal on loans, rebates, credits, discounts, etc., or interest earned on any of them.

NSF Treatment of Program Income

- Standard treatment of program income is "Additive" unless otherwise specified in the grant
  (Grant General Conditions: GC-1 27.b.1 and Research Terms and Conditions 200.307)
  - Additive = income earned is to be retained by the grantee and added to the funds committed to the project by NSF, and thus used to further project objectives
  - Efforts should be made to avoid having excess program income at the end of the project. In general, program income should be expended prior to requesting reimbursement against the grant
- Special treatment may be added to Notice of Award
  - Deductive = must be remitted to NSF by crediting costs otherwise chargeable against the grant
  - Example: FL-26 (1/16 and beyond) Administration of NSF Conference or Group Travel Award Grant Conditions

Program Income Scenario - Additive

On June 1, 2020, your institution was awarded a grant for $500,000 to conduct research. The award is subject to standard treatment of program income (RTC). A piece of equipment funded by the grant has downtime and is not being used for the grant's purpose. Since this equipment is highly specialized, non-federal entities express interest in using the equipment when available. You charge and collect usage fees in the amount of $25,000. Your institution draws down a total of $230,000 in ACM$ as of September 30, 2023, for reimbursement of project expenses.

In your FY23 Program Income Report, for this award, you will report:

A. $255,000
B. $230,000
C. $0
D. $25,000

If no additional program income is earned, what is your maximum reimbursement available from NSF:

A. $500,000
B. $525,000
C. $475,000

Program Income Scenario - Deductive

On June 1, 2021, your institution was awarded a grant for $100,000, subject to Conditions found within FL-26 (1/16), to hold a workshop. You charge admission and collect $25,000 in registration fees. Your institution draws down a total of $30,000 in ACM$ as of September 30, 2023.

In your FY23 Program Income Report, for this award, you will report:

A. $55,000
B. $30,000
C. $0
D. $25,000

If no additional program income is earned, what is your maximum reimbursement available from NSF:

A. $100,000
B. $125,000
C. $75,000

Program Income Scenario – After Project End Date

On May 31, 2023, your institution's NSF research grant has ended. The award was subject to standard treatment of program income (RTCs) and received $500,000 in NSF funding. During the life of the grant, a piece of equipment funded by the grant was rented out to non-federal entities. Fees were charged and collected throughout the award's period of performance, totaling $200,000. As of September 30, 2023, your institution shows a total of $500,000 in ACM$ for project expenditures. Additionally, your institution's project ledger shows you have expended $150,000 of the Program Income generated.

With the $50,000 of Program Income remaining, your institution should:

A. Transfer the funds to help stock the cafeteria's vending machines

B. Use the funds to help cover a shortfall in funding received from a NIH grant

C. Provide Research Administration staff with cash awards for their hard work

D. Remit the remaining funds back to NSF

QUESTIONS?

- Basics of Program Income
- Reporting Timeline
- Common Questions/Case Examples

INSTRUCTIONS

- Ways to report FY 2023 Program Income

CND0

No Program Income To Report	**Program Income To Report**
• Email certification statement • Program Income Worksheet	• Program Income Worksheet

Slide 15

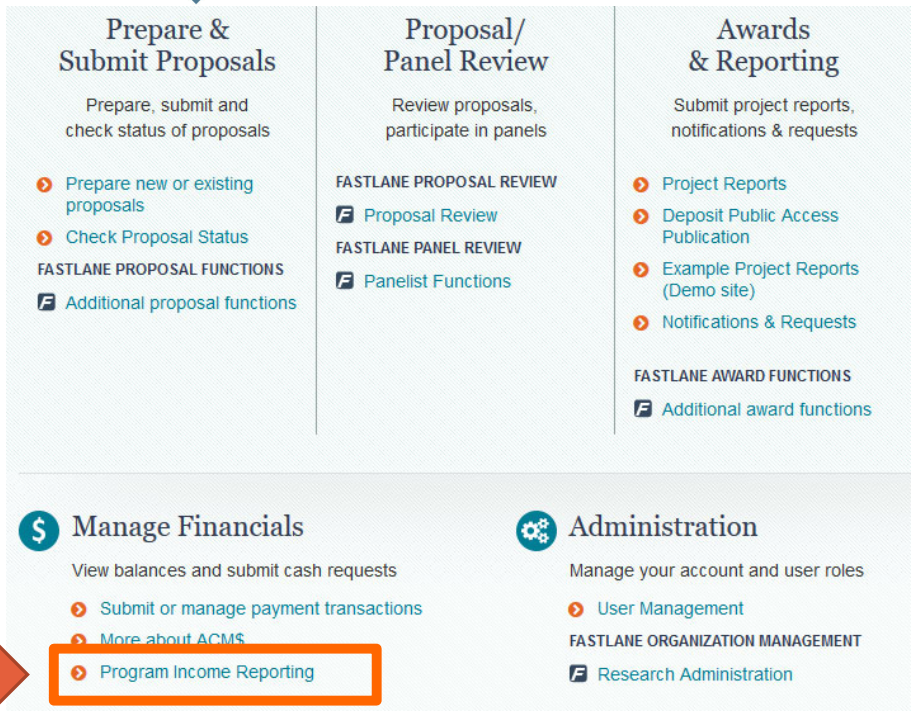
CND0 Updated FY.
Cyrus, Nicole D, 2022-10-12T14:08:00.217

Simplified Procedure – **NO** Program Income

- If there is no program income to report, your institution will be able to validate that status by responding to the email notice you received with the following certification statement:

"I certify to the best of my knowledge and belief, that this organization has no program income to report. I understand that willful provision of false information or concealing a material fact in this request is a criminal offense (18 USC 1001)."

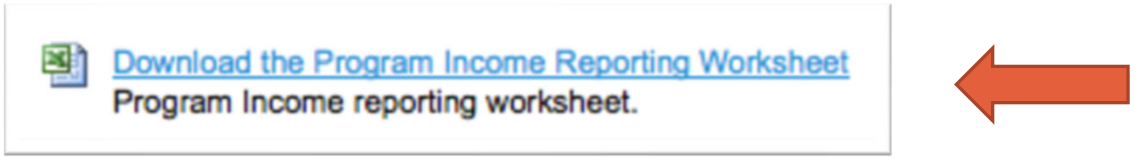
INSTRUCTIONS – ACCESS THE WEBPAGE VIA RESEARCH.GOV



http://research.gov/programincome

Instructions – Worksheet Download

- Download a current worksheet by selecting the download link from the Program Income webpage



CND0

INSTRUCTIONS – REPORT HEADER

- The Report Header requires the following information:
  - Organization Name
  - NSF 10-digit Organization ID **(aka the Institution ID in your email notification)** CND1
  - State Code
  - Reporting Period (Pre-populated)

Organization Name:		Please enter Organization Name
NSF Organization ID:	'0001234567	Please enter 10-digit Organiztion ID, not an individual's NSF User ID
State:		
Reporting Period	Inception to Date - September 30, 2023	Do not change

TIP! **Add an apostrophe in front of your organization ID to make it a text field and keep leading zeros.**

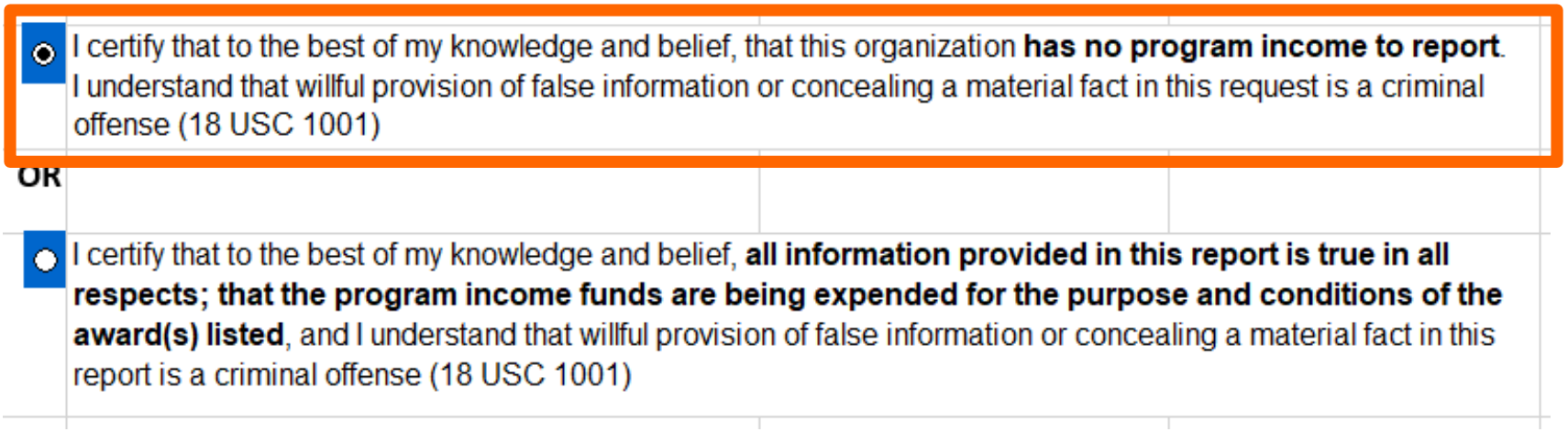
Slide 19

CND0 Reporting period end date updated for FY22.
Cyrus, Nicole D, 2022-10-12T14:00:41.822

CND1 Thought this might be helpful.
Cyrus, Nicole D, 2022-10-12T14:02:48.369

INSTRUCTIONS – REPORT BODY: **NO** PROGRAM INCOME TO REPORT

- When there is no program income earned on any active award, you may skip the report body and go directly to the certification statement section



INSTRUCTIONS – REPORT BODY: PROGRAM INCOME TO REPORT

- **Column B:** List each active award that earned program income during the most recently completed Federal fiscal year (October 1-September 30)
- ***Only list awards that have earned program income***

B	C	D	E	F	G
NSF Award Number	**Program Income Earned (Cumulative)**	**Cumulative Program Income expended in accordance with the additive alternative**	**Cumulative Program Income expended in accordance with the deductive alternative**	**Cumulative Unexpended Program Income**	**Remarks**
Must be 7 numerical characters	Must be a positive dollar amount or zero	Must be a positive dollar amount or zero. If deductive alternative column field is completed, then there can be no value other than zero or null in the additive alternative column	Must be a positive dollar amount or zero. If additive alternative column field is completed, then there can be no value other than zero or null in the deductive alternative column	Must be a positive dollar amount or zero	Optional field
1412200	1,500.00	1,000.00	0.00	500.00	
1623300	25,000.00	19,000.00	0.00	6,000.00	
	26,500.00	**20,000.00**	**0.00**	**6,500.00**	

INSTRUCTIONS – REPORT BODY: PROGRAM INCOME TO REPORT

- **Column C:** Enter the amount of program income earned for the corresponding award.
- Only enter earned program income
- ***Do NOT list expenditures reimbursed by the federal grant***

B	C	D	E	F	G
NSF Award Number	**Program Income Earned (Cumulative)**	**Cumulative Program Income expended in accordance with the additive alternative**	**Cumulative Program Income expended in accordance with the deductive alternative**	**Cumulative Unexpended Program Income**	**Remarks**
Must be 7 numerical characters	Must be a positive dollar amount or zero	Must be a positive dollar amount or zero. If deductive alternative column field is completed, then there can be no value other than zero or null in the additive alternative column	Must be a positive dollar amount or zero. If additive alternative column field is completed, then there can be no value other than zero or null in the deductive alternative column	Must be a positive dollar amount or zero	Optional field
1412200	1,500.00	1,000.00	0.00	500.00	
1623300	25,000.00	19,000.00	0.00	6,000.00	
	26,500.00	**20,000.00**	**0.00**	**6,500.00**	

INSTRUCTIONS – REPORT BODY: PROGRAM INCOME TO REPORT

- **Columns D and E:** Determine the type of program income reported based on award terms and conditions
- **STANDARD TREATMENT is Additive**
- Deductive treatment *only* applies when added to **Award Notice**

B	C	D	E	F	G
NSF Award Number	**Program Income Earned (Cumulative)**	**Cumulative Program Income expended in accordance with the additive alternative**	**Cumulative Program Income expended in accordance with the deductive alternative**	**Cumulative Unexpended Program Income**	**Remarks**
Must be 7 numerical characters	Must be a positive dollar amount or zero	Must be a positive dollar amount or zero. If deductive alternative column field is completed, then there can be no value other than zero or null in the additive alternative column	Must be a positive dollar amount or zero. If additive alternative column field is completed, then there can be no value other than zero or null in the deductive alternative column	Must be a positive dollar amount or zero	Optional field
1412200	1,500.0	1,000.00	0.00	500.00	
1623300	25,000.0	19,000.00	0.00	6,000.00	
	26,500.0	**20,000.00**	**0.00**	**6,500.00**	

INSTRUCTIONS – REPORT BODY: PROGRAM INCOME TO REPORT

- **Column F:** Unexpended program income will be calculated automatically and displayed
- **Column G:** Remarks (optional)

B	C	D	E	F	G
NSF Award Number	**Program Income Earned (Cumulative)**	**Cumulative Program Income expended in accordance with the additive alternative**	**Cumulative Program Income expended in accordance with the deductive alternative**	**Cumulative Unexpended Program Income**	**Remarks**
Must be 7 numerical characters	Must be a positive dollar amount or zero	Must be a positive dollar amount or zero. If deductive alternative column field is completed, then there can be no value other than zero or null in the additive alternative column	Must be a positive dollar amou or zero. If additive alternative column field is completed, then there can be no value other than zero or null in the deductive alternative column	Must be a positive dollar amount or zero	Optional field
1412200	1,500.00	1,000.00	0.0	500.00	
1623300	25,000.00	19,000.00	0.0	6,000.00	
	26,500.00	**20,000.00**	**0.0**	**6,500.00**	

INSTRUCTIONS – REPORT BODY: PROGRAM INCOME TO REPORT

- When you have reported program income, select the 2nd certification statement

○	I certify that to the best of my knowledge and belief, that this organization **has no program income to report**. I understand that willful provision of false information or concealing a material fact in this request is a criminal offense (18 USC 1001)
OR	
◉	I certify that to the best of my knowledge and belief, **all information provided in this report is true in all respects; that the program income funds are being expended for the purpose and conditions of the award(s) listed**, and I understand that willful provision of false information or concealing a material fact in this report is a criminal offense (18 USC 1001)

INSTRUCTIONS – REPORT CERTIFICATION

- The Report Certification section requires the following information:
  - Certifying Official Name
  - Certifying Official Title
  - Phone Number
  - Email Address

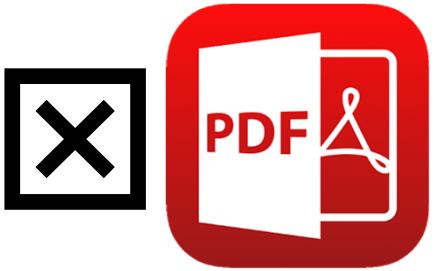
TIP! The Certifying Official does **NOT** need to print and sign the worksheet.

Name of Certifying Official:	John Doe
Title of Certifying Official:	Assistant Director
Certifying Official's Phone Number :	(555) 555-1234
Certifying Official's Email Address:	john.doe@exampleuniversity.edu

Instructions – Report Submission

- Submit the completed Excel worksheet via email to:
  programincomecertification@nsf.gov

TIP! Do **NOT** submit a PDF version of the report template. It will be rejected.



Tips to Avoid Rejection and Processing Issues

- **Do not submit a PDF version** of the report
  - Signed PDF copy of the report is not required
- **Do not adjust/alter the format** of the Excel template
- Use the correct **NSF Organization ID** and **Organization Name**
  - Do **not** enter your NSF user ID in place of your NSF Organization ID
  - Enter all 10 digits of your NSF Organization ID
- Do **not** report non-program income amounts (i.e., ACMS transaction amounts)
- Do **not** submit a report more than once (unless it is for a correction)
- Double check program income treatment for each award!
- If you submit a **written certification statement**, remember to submit it as a reply to one of the notifications your institution received from NSF.

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CND0 Added the word alter here.
Cyrus, Nicole D, 2022-10-12T14:05:07.613

Useful Reminders

- Reporting is required even if your institution has not earned program income

  1,775 Institutions received notices = 1,775 reports expected CND0

- Report is due 45 days after the new reporting period begins

  November 15th

- Only annual reports are required

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CND0 Updated to the FY22 institution count.
Cyrus, Nicole D, 2022-10-12T14:03:43.027

QUESTIONS?

- All Topics
- PAB Website and Branch Contacts
  www.nsf.gov/bfa/dfm/cmeab.jsp
- Career Opportunities | National Science Foundation
  https://beta.nsf.gov/careers