NATIONAL SCIENCE FOUNDATION

NSF Program Income Webinar

October 28, 2020

CMB

CASH MANAGEMENT BRANCH

BUDGET, FINANCE AND AWARDS MANAGEMENT | DIVISION OF FINANCIAL MANAGEMENT

Speakers

- Division of Financial Management (DFM)
  - Jesse Simons; Chief, Cash Management Branch
  - Chris Berner; Head, Grantee Cash Management Section (GCMS)
  - Diana Phan; Financial Specialist, GCMS
  - Justin Poll; Accountant, GCMS

Agenda and Topics Covered

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

Background

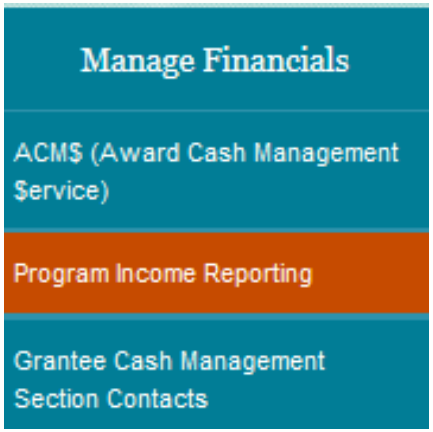
- Prior to the implementation of ACM$, program income was collected with the submission of the quarterly SF 425 Federal Financial Report (FFR)
- Implementation of ACM$ eliminated the need for the quarterly FFR, however collection of program income required a different strategy
- Addressed with the 2014 Proposal and Award Policies and Procedures Guide (PAPPG)
- The current reporting requirement is documented in the *2020 Proposal and Award Policies and Procedures Guide (PAPPG) (NSF 20-1), Chapter VIII.D.4 of Part II Award, Administration and Monitoring of Grants*

Who is Required to Submit a Report

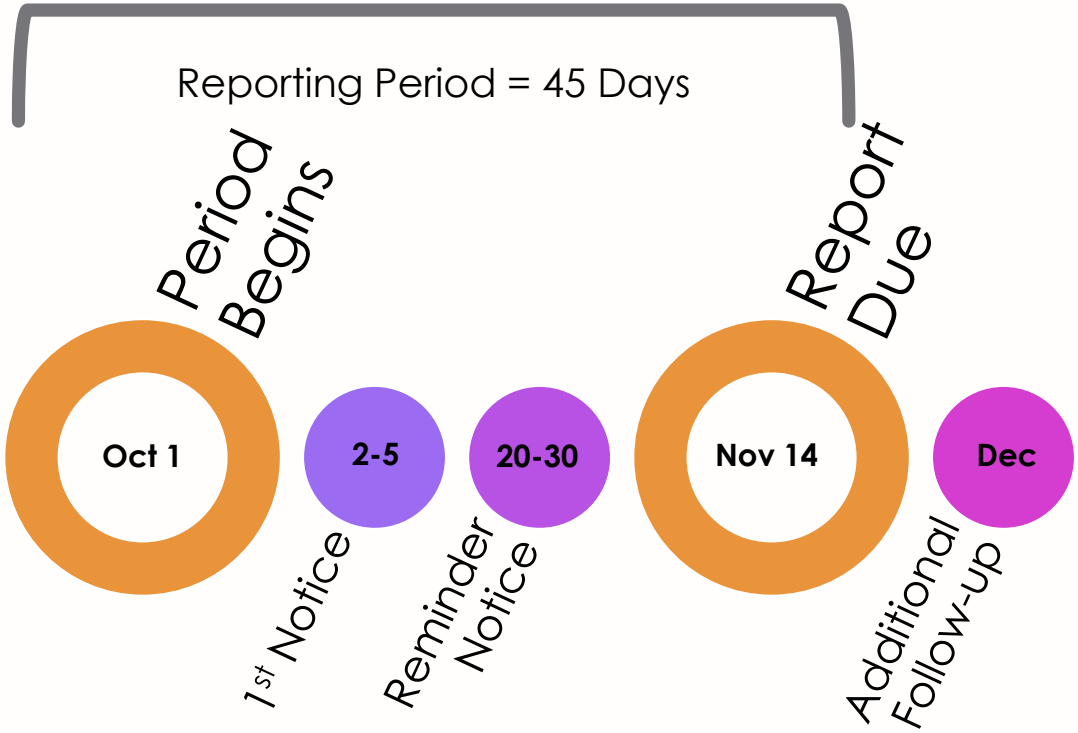
- Any institution of higher education or non-profit that had an active award during the current reporting period
  - Current Reporting Period = Previous Federal Fiscal Year
  - Example – 10/01/2019 to 09/30/2020
- Does not include:
  - Awards made to SBIR organizations
  - Awards made to individual fellows
- 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 FY2019
- ***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 is NOT Program Income

- 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, 2016, your institution was awarded a grant for $500,000 to conduct research. The award is subject to standard treatment of program income (RTCs). A piece of equipment funded by the grant has down time while not 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, 2020 for reimbursement of project expenses.

In your FY20 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, 2016, 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, 2020.

In your FY20 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, 2020, 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, 2020 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 2020 Program Income

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

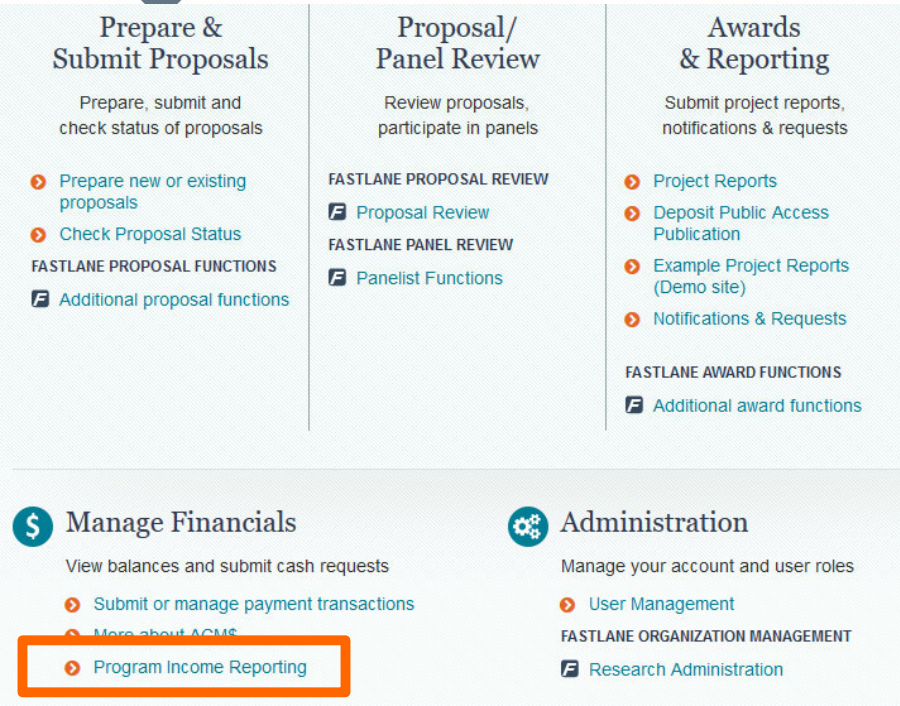
Simplified Procedure – **NO** Program Income

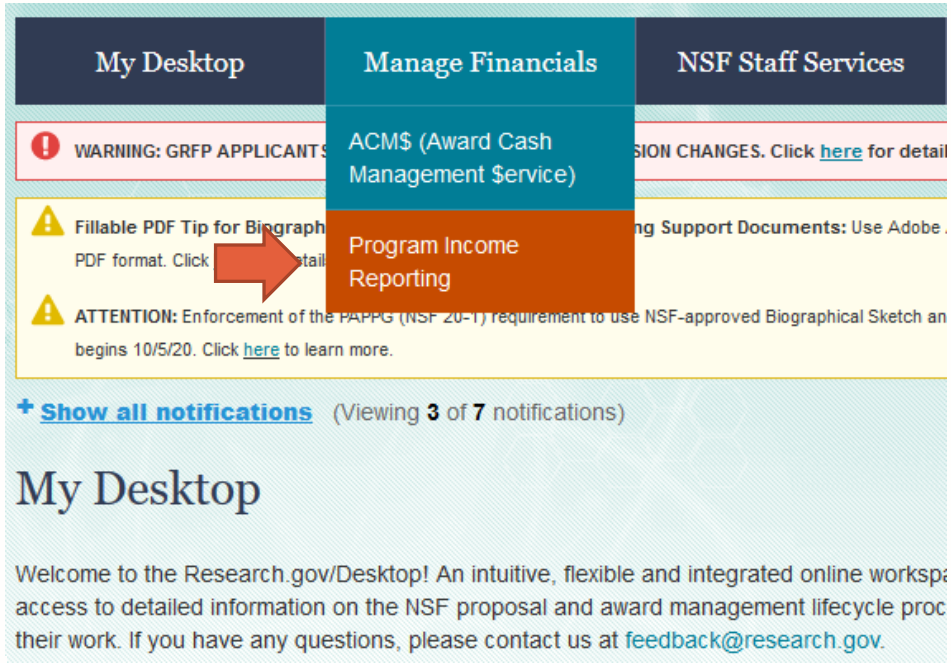
NEW for 2020

- 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

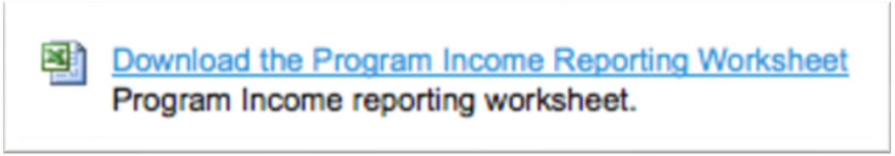




http://research.gov/programincome

Instructions – Worksheet Download

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



Instructions – Report Header

- The Report Header requires the following information:
  - Organization Name
  - NSF 10-digit Organization ID
  - State Code
  - Reporting Period (Pre-populated)

Organization Name:		**Please enter Organization Name**		
NSF Organization	‘0001234567	**Please enter 10-digit Organization ID, not an individual's NSF User ID**		
State:				
Reporting Period	**Inception to Date - September 30, 2020**	**Do not change**		

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

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

◉	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 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 active awards that earned program income***

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***

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	lust be a positive dollar mount or zero. If eductive alternative olumn field is completed, hen there can be no value ther than zero or null in he additive alternative olumn	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**

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

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	0.0	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 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 (ie. 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!

Useful Reminders

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

  1,747 Institutions received notices = 1,747 reports expected

- Report is due 45 days after the reporting period begins

  November 14th

- Only annual reports are required

QUESTIONS?

- All Topics
- Website
  www.nsf.gov/bfa/dfm/cmeab.jsp
- Presentation & recording available in 1-2 weeks