

Topic: <b>Sponsored Awards Admin &amp; Mgmt</b>	Department: <b>Grants</b>	Policy No: <b>5.160.05</b>	Effective Date: <b>12/26/14</b>	Page No: <b>1 of 1</b>
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**Purpose:** To properly record all revenue of the Boyce Thompson Institute for Plant Research (BTI) in the appropriate fund where expenditures were incurred to produce that revenue.

**Policy:**

1. It is the policy BTI that proceeds from any BTI sponsored award activity, evidenced in part by the use of BTI resources such as employee time and effort, or BTI facilities, etc., are deemed to be BTI revenue and must be recorded in the applicable BTI award fund account.

Program Income:

- Only program income revenue may be recorded into a grant or contract (see SAAM 5.160.05 Program Income Policy).

Recording Revenue as a Reduction of Expense:

- Revenue recorded as a reduction of expense is very limited and is applicable only under the following circumstances:
  - Program income received that is not specifically required to be treated as revenue under the terms and conditions of the sponsored award (see SAAM 5.160.05 Program Income Policy).
  - If the vendor was overpaid and a refund was received, the refund is to be credited to the fund and account code to which the purchase was charged.
  - An overpayment may be the result of returning prepayments, the return of defective merchandise, or credit for early payment.

Revenue Transfers:

- Revenue should not be transferred from one fund to another fund using a journal voucher by debiting an expense account and crediting an income account code.
  - This causes both income and expense to be inflated.
  - Income accounts should be credited in restricted funds only in the following circumstances:
    - When the cash is received from outside BTI.
    - When revenue is moved from one fund to another (a correction), and the debit is also to an income account code.