

SOUTHERN NEVADA WORKFORCE INVESTMENT BOARD
General Policy & Procedure

PROGRAM INCOME

EFFECTIVE DATE: July 11, 2003

NUMBER: 2.11

AUTHORIZATION: SNWIB Manager

BACKGROUND:

Program income means gross income received by the service provider directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. [§97.25(b), Section 195(7)(B)(i – iii), State Policy Section 3.10]

I. DEFINITION OF PROGRAM INCOME

Under the Workforce Investment Act, program income includes:

- A. Receipts from good or services provided (excluding conferences) as a result of activities funded under WIA Title I;
- B. Funds provided to a service provider in excess of the costs associated with the program of services provided;
- C. Interest income earned from any WIA Title I funds received.

II. USE OF PROGRAM INCOME:

The following provisions apply to the use of program income:

- A. All program income earned under WIA Title I grants may be retained only if the funds are used to support allowable activities under the Workforce Investment Act.
- B. All program income meeting the requirements outlined in SNWIB Policy 2.8(III)(E) must be placed in an interest bearing account
- C. Program income shall be used prior to the submission of the final report for the funding period of the program year to which the earnings are attributable.
- D. When the cost of generating program income has been charged to the program, the gross amount earned must be added to the WIA Title I program. However, the cost of generating program income must be subtracted from the amount earned to establish the net amount of program income available for use under the grants when these costs have not been charged to the WIA Title I program.
- E. All program income must be administered under the appropriate Federal, State and local guidelines and procedures.

- F. All program income shall be returned to the SNWIB if the income cannot be used by the subrecipient. The SNWIB may permit another subrecipient to use the income for WIA purposes.
- G. Program income and expenditures shall be reported to the SNWIB and must be traceable through the fiscal system.
- H. Subrecipients are to track income expenditures on a first-in first-out basis. Therefore, the first dollar of program income spent by the subrecipient is to be counted against the first dollar of program income that the subrecipient earned.
- I. Program income may not be spent to cover disallowed costs.