



POLICIES AND PROCEDURES

POLICY TYPE:	Finance Policy #5, Program Income
EFFECTIVE:	July 1, 2022
REVISED:	July 1, 2024

PURPOSE

This policy will communicate to staff the federal and state requirements associated with Program Income.

REFERENCES

- Workforce Innovation and Opportunity Act (Public Law 113-128)
- Code of Federal Regulations Title 2 Grants and Agreements Subpart A: 2 C.F.R. 200.1 Definitions
- Code of Federal Regulations Title 29 Labor Part 95 Subpart C Financial and Program Management: 95.24 Program Income
- Higher Education Coordinating Commission Office of Workforce Investments Policy: Financial Management and Administrative Standards (3/27/2024) Revised Policy

POLICY

All revenue, including Program Income, must be recorded by Lane Workforce Partnership (LWP) in accordance with local, state, and federal regulatory requirements. Program Income is gross income received by the grantee directly generated by a grant supported activity or earned only as a result of the grant during the grant period. Program includes, but is not limited to, income from the following:

- The use of rental of property acquired with WIOA funds.
- The sale of commodities or items fabricated under a WIOA award.
- License fees and royalties on patents or copyrights.
- Goods or services (including conferences) provided as a result of WIOA funded activities.
- Any excess of revenue over costs incurred for services provided.
- Interest earned on funds received under WIOA.
- Activities which generate revenue such as fee-for-service, facilities, or equipment.

PROCEDURES

- A. Master Chart of Accounts: The Chart of Accounts of Lane Workforce Partnership (LWP) includes a holding fund for the recording of all Program Income Revenues. This will be Fund 90. Revenues will be posted to appropriate Revenue Object Codes in Fund 90. No direct expenditures (AP) will be made from this account.
- B. Cash Receipt: All cash (cash or checks) will be transferred within one working business day by the receiving staff person to LWP Finance. A written receipt will be issued upon request for all

Cash Receivables. The responsible Finance staff will enter into the electronic books of record the cash entry. Cash will be managed in accordance with LWP Finance Policy #8 – Cash Management.

- C. ‘Additions Method’: All program income received by LWP will be managed using the ‘Additions Method.’ Program Income allocable to any federal or state funds will be added back to the fund. The cost of generating Program Income shall be subtracted from the amount earned to establish the net amount of Program Income available for use.
- D. Acceptability Test: All costs charged as Program Income must meet the specifications detailed in LWP Finance Policy #4 Procurement and Purchasing.
- E. Allowable Period: All Program Income earned in a program year shall be expensed within the period of grant funding availability or in accordance with the grant agreement. Any Program Income funds remaining will be used to reduce the reported grant expenditures at closeout.
- F. Reporting: All Program Income will be reported at least quarterly on applicable grant financial documents. LWP Finance will track all program income as it occurs for financial reporting purposes.

RESPONSIBILITIES

This policy applies to all LWP grant funded activities and staff. For example: An LWP staff person organizes a business seminar for employers to meet and network with other local business leaders as an Employer Service. The staff person spends 4 hours on this task. The staff person is paid \$30.00 an hour. Thirty employers attend and pay \$20.00 a piece for a total of \$600. The LWP staff member worked a total of 4 hours at \$30 or \$120.00. Other costs attributed to the seminar equal \$25.20 for a total cost of \$145.20. The generated revenues will first reimburse the staff wages and other expenses, leaving the amount of \$454.20 which is program income.

This policy will be monitored for compliance by LWP Finance Staff with oversight provided by LWP Management.

ISSUED

Revised Date: July 1, 2024



Tiffany Cink, Chief Operating Officer