Program Income

Purpose
To ensure proper disposition and accountability for program income (PI) related to local agencies (LAs) financed in whole or in part with Federal grant funds.

Authority
7 CFR Part 3016; Uniform Grant Guidance, 2 CFR 200

Policy
PI shall be handled in accordance with the Uniform Federal Assistance Regulations, Part 3016, Subpart A.

Definition
Program income - all revenues directly generated by a WIC contract attachment supported activity or earned only as a result of the WIC project during the term of the contract attachment.

Procedures
I. LAs shall use PI to further the program objectives in accordance with state/federal regulations.

II. PI shall be spent only towards WIC activities/expenditures.

III. LAs shall identify and report this income utilizing the forms and timeframes specified in Policy AC:28.0.

IV. LAs shall utilize one of the following methods for applying PI:
   A. Additive method – add PI to the funds already committed to the project by both parties.
B. Deductive method – deduct the PI from the total allowable costs to determine the net allowable costs.

V. LAs shall expend PI during the contract attachment term in which it is earned and may not carry forward to the succeeding term.

VI. PI not expended in the term in which it is earned shall be refunded to the state agency.