



Program Income

October 6, 2011

Program Income

Definitions

- AEFLA Adult Education and Family Literacy Act of 1998
- EDGAR Education Department General Administrative Regulations

Program Income

Definitions

- Green Book Florida Department of Education's Project Application and Amendment Procedures for Federal and State Programs
- Program Income Gross income received by the grantee or subgrantee directly generated by a grant-supported activity, or earned only as a result of the grant agreement during the grant period.

Program Income

- 2011 General Appropriation Act
- Amended tuition and fees policies for AE

In state :

- Block tuition rate of \$45 per half year, **or** \$30 per term

Out of state:

- \$45 per half year plus out of state fee of \$135
or
\$30 per term plus an out of state fee of \$90

Program Income

- Tuition collected is considered Program Income (EDGAR, 80.25) and (Green Book)
- Program income means gross income received by the grantee or subgrantee directly generated by a grant-supported activity, or earned only as a result of the grant agreement during the grant period [EDGAR §80.25 (b)].

Processing Program Income

- Must have two separate accounts: one account for Federal funds and one for non-Federal funds.
- Program income should be deposited into accounts based on a prorated amount.

Processing Program Income

STEP 1

Calculate percentage of the total cost of the program supported by AEFLA funds:

$$\frac{\text{AEFLA Grant award}}{\text{Total cost of Adult Education program}} = \frac{\$ 62,500}{\$250,000} = 25\%^*$$

**If a subgrantee determines that AEFLA funds account for 25 percent of the total costs to run the program, 25 percent of tuition received should be deposited in the Federal funds account and 75 percent should be deposited in the non-Federal funds account.*

Processing Program Income

STEP 2

Costs incurred to generate program income may be deducted from gross income to determine program income:

Gross program income:	\$10,000
Costs incurred to generate program income:	<u>- 2,500</u>
Total Adult Education Program Income:	\$ 7,500

Processing Program Income

STEP 3

Determination of Program Income:

Total Adult Education Program Income	\$7,500
Percentage supported by AEFLA grant	<u>x 25%</u>
Applicable program income	\$1,875

Remember...

- Applicable program income must be reported on the DOE 499, line 12.
- Program income deposited into the Federal funds account must be used solely and specifically for adult education allowable costs and under the terms and conditions of the grant.
- ~~Tuition~~ Program income generated in the current fiscal year must be spent in the adult education program in the same year generated. ~~or, at the latest, during the ensuing program year~~ EDGAR §80.25(g).

Program Income

There are two ways to apply the program income to the AEFLA grants –

1. Deduct program income from the total allowable cost to determine the net allowable costs, thus reducing the grantee contribution
2. Add program income to the funds committed by the grant, thereby increasing the total amount committed to the grant program.

Program Income

- Program income may be added (option 2) to the project only when prior written approval is obtained from:

Florida Department of Education

Bureau Chief of Contracts, Grants and Procurement
Services

325 West Gaines Street, Room 344

Tallahassee, Florida 32399-0400

Program Income

Questions?

If you have questions regarding program income, please contact Gloria Spradley-Brown, Bureau Chief at 850-245-9053 or via e-mail at Gloria.Spradley@fldoe.org.

If you have questions regarding adult education policy changes on adult education block tuition, please contact Zelda Rogers, Director of Adult Education, at 850-245-9906 or Zelda.Rogers@fldoe.org.