
Program Income Policy

Policy Number: F-2013, Rev. 1

Release Date: January 25, 2023

Supersedes: Program Income Policy # F-1013, effective June 30, 2016

PURPOSE

This policy communicates accounting and reporting requirements for program income derived from federal awards, including Workforce Innovation and Opportunity Act (WIOA) Title I funds.

This policy was revised to include:

- Federal award subrecipient accounting and reporting requirements.
- A notification that program income not used in accordance with this policy will be recaptured.
- Update signature line to the WorkForce CEO.
- Updated citations and references.
- Non-substantive formatting updates to improve clarity.

BACKGROUND

Recipients of federal awards, including WIOA Title I funding, must comply with the program income requirements as provided by 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, the U.S. Department of Labor (DOL) and the Washington State Employment Security Department (ESD) Policy 5220- Program Income (current and future revisions), as applicable.

POLICY

WorkForce Central and its subrecipients are authorized to retain earned program income if it is used to support allowable federally funded activities, and when program income and expenditures are:

- Recorded and traceable in the recipient's' financial systems.
- Tracked on a first-in, first-out basis.
- Used prior to:
 - Requesting cash.
 - Submission of the final program year report for the funding program year to which the earnings are attributable.
- Reported to the applicable federal grantors during the reporting period:
 - WorkForce Central must report program income to ESD using an ESD designated form.
 - WorkForce Central's subrecipients must report program income to WorkForce Central using a WorkForce Central designated form.
- Returned if unused to the applicable federal grantors:
 - WorkForce Central will return unused program income to federal grantors, including ESD.
 - WorkForce Central's subrecipients will return unused program income to WorkForce Central.
- Not used for disallowed costs.


- Not accounted for after the end of the award period. However, federal grant recipients will report program income expended after the grant period if the income was earned during the grant period and reflected on the grant closeout.
- Program income not used in accordance with the requirements of this policy will be recaptured by the federal grantor.

Equipment purchased with program income is subject to the requirements in WorkForce Central's Property Management & Inventory Policy located on WorkForce Central's [Policy Library](#).

REFERENCES

- Public Law 113-128, Workforce Innovation and Opportunity Act of 2014
- 2 CFR Part 200 – Program Income
- One-Stop Comprehensive Financial Management Technical Assistance Guide, Part II (July 2011)
- ESD Policy 5220 – Program Income (current and future revisions)
- Generally Accepted Accounting Principles (GAAP)

APPROVED


Katie Condit (Jan 26, 2023 08:01 PST)
Katie Condit, WorkForce Central CEO

Jan 26, 2023
Date

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