

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM
Policy # 1.115

Title: LOCAL PROGRAM
ADMINISTRATION

Authority: Board Action

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The Adult Education and High School Equivalency Testing Program shall be administered by the Louisiana Community and Technical College System (LCTCS) and operated by eligible entities as stipulated in the authorizing federal legislation. The LCTCS shall certify adult education sites of instruction using procedures as approved by the Board of Supervisors of the Louisiana Community and Technical College System (LCTCS).

Program Income

Program income is defined as “gross income received by the grantee or sub-grantee directly generated by a grant supported activity or earned as a result of the grant agreement during the grant period.” Program income is governed by the terms of the agreement between the state and local sub-grantee. Program income must be accounted for in program records and used only for costs allocable under Adult Education and Family Literacy Act (AEFLA). Program income may only be used to provide local adult education and literacy services. This can include the payment of salaries and purchase of materials.

In accordance with the Education Department General Administrative Regulations (EDGAR) at 2 C.F.R. §200.307 and 3 CFR 76.534, tuition monies and/or fees collected must be used for classes, coordination, supervision, and general administration of full- and part-time adult basic education programs, including responsibilities associated with the management of the finances of these programs.

Grant recipients shall:

- Notify WRU that program income will be collected during the fiscal year (including the proposed amount to be charged to students);
- Provide an income waiver process to eligible students. Fees charged to students participating in an adult education program must be equitably administered and must not reach levels that have an adverse effect on the participation of economically disadvantaged students;
- Complete and submit the Program Income Report Form(s) to LCTCS. If program income was collected during the fiscal year, a detail of all collections and expenditures by object code must be included in the annual submission.

- Program income must be spent on allowable costs under AEFLA and in accordance with EDGAR Requirements for *Use of Program Income* (2 C.F.R. § 200.307) and State requirements;
- Retain documentation and receipts for program income expenditures; and
- Expend collected program income funds before submitting reimbursement requests for awarded fiscal year funds.

Unless prior written approval is received from LCTCS, institutions of higher education and nonprofit research institutions must add program income to the federal award. For example, a recipient receives a WRU subgrant in the amount of \$30,000. The recipient receives program income in the amount of \$5,000. The recipient may request reimbursement for \$30,000, but is in effect running a \$35,000 program and must expend the \$5,000 of program income on allowable expenditures under the grant.

Program income must be used for the purposes and under the conditions of the WRU subgrant.

Program income will be monitored by LCTCS. Grant recipients not using program income in the appropriate and specified manner will receive written notification from LCTCS and may be subjected to an on-site review and/or corrective actions as LCTCS determines necessary.

Grant recipients will report program income once during the grant award year for review by the state. The Program Income Report will be due at the end of the fourth quarter of the grant cycle. Certification of no program income is also due by the due date from any locality not collecting program income. Information about collecting and reporting program income will be included in all technical-assistance training related to grant reimbursements throughout the year. Program income will be monitored by LCTCS during collection times. Grant recipients not using program income in the appropriate and specified manner will receive written notification from LCTCS and may be subject to an on-site review. The Program Income Report form is available on the LCTCS website.