

Program Income Guidelines for Wisconsin Nita M. Lowey 21st Century Community Learning Centers

Definition of Program Income

Nita M. Lowey 21st Century Community Learning Centers (21st CCLC) programs may be allowed to generate income under specific circumstances. Program income is the gross income earned by a non-Federal entity (21st CCLC granted agency or sub-contractors) that is directly generated by a supported activity or earned as a result of the 21st CCLC award during the 21st CCLC grant performance period. It also includes program fees. Program fees may include fees for services or grant-related activities, fees charged for registering participants for a workshop or conference, rental or usage fees charged to participants of real or personal property purchased with award funds, etc.

Permission to Generate Income

The Wisconsin Department of Public Instruction (DPI) highly discourages grant sub-recipients from charging fees for program services. Program fees are often unintentionally interpreted as a barrier to participation, despite a program's best efforts to communicate fee waivers and scholarship opportunities. DPI encourages any program considering a fee for service to explore alternative pathways to generating funding that does not depend on the families the program intends to serve.

If a program decides to submit an application to DPI to generate income (including charging a participation fee), note that DPI is no longer the agency that approves the applications. All applications are now subject to approval by the US Department of Education. Once received, DPI will submit the application on the grantee's behalf. Grantees should note that DPI staff cannot provide any update on the application while it is being reviewed. Review is subject to the US Department of Education's timeline and process.

Applications must be submitted annually during a limited window of time. Current grantees are required to submit their program income application with the Yearly Progress Report (YPR), whereas new cycle grantees will have until July 1 for submission. No applications will be accepted outside of the application window. Grantees should plan accordingly.

To receive approval to generate program income, 21st CCLC programs must demonstrate on the Program Income Application that there are clear processes and procedures in place to ensure that the funds will be used, tracked, and reported appropriately. See the section below for the requirements related to using, tracking, and reporting program income for 21st CCLC programs.

Additionally, if the 21st CCLC program intends to collect fees, a site must document that:

1. There is a clear justification for charging a fee (e.g., the cost of running the program exceeds the amount of the grant award, etc.),
2. the fee is not a barrier to participation under ANY circumstances, and
3. families are not required to submit evidence that they qualify for a waiver or reduction due to their income or other measures.

If the grantee subcontracts for program services, the grantee is responsible for ensuring that all program income guidelines are followed by the subcontracted organization.

Conditions of Approval

Revenue generated as a direct result of the 21st CCLC award, including fees, must:

1. be spent entirely within the grant period (five-year cycle),
2. be tracked and records maintained demonstrating how funds were expended,
3. be utilized for 21st CCLC-related, allowable activities under the grant award conditions, and
4. be utilized for authorized activities, as presented in the approved grant proposal.

Program income generated by a federal award, such as the 21st CCLC grant, can only be spent on costs considered allowable for that award. As such, program income generated by 21st CCLC programs cannot be spent on costs considered unallowable for the 21st CCLC grant. Grantees should reference the DPI [Allowable Costs Associated with 21st CCLC Grant Programs](#) document and [Code of Federal Regulations, 200.404 Reasonable Costs](#) when determining how to allocate funds for appropriate costs.

Tracking and Reporting Program Income

21st CCLC sites that are approved to generate program income, including fees, must track and report collected income to DPI on an annual basis. Grantees are required to ensure that program income is tracked and reported accurately, records are maintained, and all relevant local, state, and federal procedures are followed.

21st CCLC sites that generate revenue will be asked to provide the following information to the DPI on the YPR:

1. Total amount of income generated (fees plus other types of income).
2. Total amount of fees collected (if applicable).
3. Approved fee amount (if applicable).
4. Number of students who paid the fee (if applicable).

Additionally, the program income that the grantee generates must be reported to the DPI on the 21st CCLC claim for reimbursement form. Program income that is reported on the claim form will be subtracted from the reimbursement amount. As such, grantees should report both expenses charged to the grant AND any additional expenses that

were paid for with program income on the claim form. When processing the claim, the business office will subtract the amount of program income reported from the total expenses listed on the claim form and will reimburse the grantee for expenses that were not paid for with program income.

Grantees are highly encouraged to spend program income during the fiscal year in which it is collected. Grantees are **required** to spend program income during the five-year grant cycle.

Fees and Enrollment Forms

Before a site begins charging and collecting fees, an enrollment form must be submitted to the DPI and approved by your assigned DPI consultant. The availability of fee waivers must be communicated to potential participants on the enrollment form and other program materials wherever a fee is referenced. The following (or similar) language must be included on the site's enrollment form:

The monthly fee to attend this program is \$-- per month, or \$-- per year.¹ The program will not allow the inability to pay fees to be a barrier to participation. **Fee waivers are available.** No documentation is required to obtain a fee waiver.

Please indicate below if you would like to request a fee waiver:

I would like to request a fee waiver

Please note, 21st CCLC programs are not allowed to charge families a fee for registering their students in the program (i.e., one time registration fee).

As a reminder, grantees may not require documentation of any kind when determining eligibility for waivers or a fee sliding scale (e.g., W-2's, evidence of participation in financial assistance programs, family income, etc.). The enrollment form should not ask for free and reduced lunch (FRL) status or other potentially sensitive information that is reported to the school through other confidential channels; however, if the site requires this information for some reason, the enrollment form must include the following (or similar) language:

Providing the student's status is **optional**, and opting not to provide this information will not impact your ability to access financial assistance/fee waivers or your child's ability to participate in the program.

Special Considerations for 21st CCLC Sites Participating in the Wisconsin Shares Child Care Subsidy Program

21st CCLC sites that participate in the Wisconsin Department of Children and Families (DCF) Shares Childcare Subsidy Program should be aware of the following:

1. Families cannot be required to participate or enroll in the Wisconsin Shares

¹ Insert the appropriate amount for "--."

program as a condition for participation in the 21st CCLC to participate in the 21st CCLC program.

2. Wisconsin Shares reimbursements are not considered program income and should not be reported to DPI as program income.
3. Money from fees that are collected directly from families (i.e., out-of-pocket expenses) is considered program income and must be reported to the DPI. This may consist of fees paid by families who do not participate in the Wisconsin Shares program. It may also include fee-related expenses that exceed the reimbursement amount of the Wisconsin Shares program and that are paid for by families.
4. Money collected directly from families (any family contribution amount towards the fee cost) is subject to the same restrictions outlined in the "Use of Program Income" section of this document.
5. Programs must waive any DCF associated program fees for families who do not enroll or participate in the Wisconsin Shares program.