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## MARK A. HEINRICH, PH.D. Chancellor

## MEMORANDUM #2016-CTE-026

DATE: March 28, 2016

TO: Presidents, President's Assistants, Instructional Officer's Association, Alabama Community College System

FROM: Dr. Mark Heinrich, Chancellor

RE: Program Income Guidance for Federal Programs

A recent memo from the Office of Career, Technical, and Adult Education dated February 5, 2016 stated;

"Consistent with 2 CFR 200.80, "program income" means gross income earned by the recipient or sub recipient that is directly generated by a Federally-supported activity or earned as a result of the award during the grant period. This can include, but is not limited to, income from fees for services performed."

Additionally, colleges are encouraged to earn income to defray program costs where appropriate. Income realized from Perkins programs must be rolled back <u>into the program from which it was earned</u>, and not the college's general fund.

The guidance provided above will be referenced in the upcoming reissue of ACCS Perkins Career and Technical Education Act Policy and Procedures Guidebook for FY 2016-2017. Current guidance is provided in the Policy and Procedures Guidebook, dated June 3, 2015.

If further clarification is needed please contact Mr. Gene Dudley at (334) 293-4652 or by email at: gene.dudley@accs.edu.

MAH/smi