

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

Permission to Generate Income

Nita M. Lowey 21st Century Community Learning Centers (21st CCLC) programs are allowed to generate income under certain circumstances. Program income is any revenue generated as a direct result of the 21st CCLC award and is in addition to the federal funds provided by the state through its competitive subgrant application process. It includes the proceeds of fundraisers, such as bake sales, for which 21st CCLC funds were used to pay for the resources needed for the fundraiser (i.e., supplies, staff time, etc.). 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 of real or personal property purchased with award funds, etc. **The Wisconsin Department of Public Instruction (DPI) highly discourages grant sub-recipients from charging fees for program services.** If you subcontract for program services, the grantee is responsible for ensuring that all program income guidelines are followed by the subcontracted organization.

Any 21st CCLC program that intends to generate program income of any kind, including income generated from collecting fees, is required to:

1. Submit a Program Income Application to the DPI, and
2. receive approval from the DPI prior to generating any income, including collecting any fees.

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.

The DPI will consider each application on a case-by-case basis and inform the applicant of approval or disapproval. **Applications must be submitted annually with the Yearly Progress Report (YPR). No applications will be accepted outside of the YPR.**

Use of Program Income

Note that any 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 appropriately,
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.

Please note, 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.

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 DPI consultant.

The availability of fee waivers must be communicated to potential participants on the enrollment form and other program documents, as appropriate. 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

As a reminder, grantees may not ask for documentation of any kind when determining eligibility for waivers (e.g., W-2's, evidence of participation in financial assistance programs, family income, etc.). It is also generally recommended that the enrollment form not ask for free and reduced lunch (FRL) status; however, if the site requires this information for some reason, the enrollment form must include the following language:

Providing the student's FRL 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.

Tracking and Reporting Program Income

21st CCLC sites that are approved to generate program income, including fees, must track the collected income and report it to DPI on an annual basis. Grantees should follow their organization's procedures for tracking program income. Grantees are strongly encouraged to work with their organization's business office to ensure that program income is tracked and reported appropriately and all relevant 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

¹ Insert the appropriate amount for "--."

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. For example, if the program spent \$11,000 on program expenses during a certain period and collected \$1,000 in fees during the same period, the grantee will receive a reimbursement of \$10,000.

Program income is NOT subtracted from the grant award. If the program does not spend program income during the fiscal year in which it was collected, the amount of program income will be subtracted from the grantee's reimbursement for that year. However, the grantee may have access to the grant funds that were not paid out to them in the form of reimbursements during that year as carryover the following fiscal year. As a reminder, carryover funds are not guaranteed and may be waived or capped, and programs in year five of their cycles, except for those that have applied for and been granted a renewability extension, are not allowed to claim carryover funds.

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.

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 Child Care Subsidy Program should be aware of the following:

1. Wisconsin Shares reimbursements are not considered program income and should not be reported to DPI as program income.
2. 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.
3. 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.
4. Families cannot be required to participate in the Wisconsin Shares program in order to participate in the 21st CCLC program. Programs must be willing to reduce or waive program fees for families who choose not to enroll in the Wisconsin Shares program.

Questions

Any questions about program income should be directed to your 21st CCLC consultant. Please see <https://dpi.wi.gov/sspw/clc/contacts> to learn who your assigned consultant is.