

SANILAC COUNTY COMMUNITY MENTAL HEALTH AUTHORITY

ADMINISTRATIVE POLICY

NUMBER: BA172

NAME: FEDERAL PROGRAM INCOME & EXPENDITURES

INITIAL APPROVAL DATE:	07/30/2024	BY: Sanilac CMHA Board
(LAST) REVISION DATE:	07/30/2024	BY: CFO
(LAST) REVIEW DATE:	08/15/2024	BY: Policy Committee
DISCONTINUED DATE:	N/A	REPLACED BY: N/A

I. **PURPOSE**

To establish policies and procedures for the standards that shall be used to account for program income related to projects financed in whole or in part with Federal funds.

II. **APPLICATION**

Populations: **ALL**
Programs: Direct - **ALL**
Contracted - **ALL**

III. **STANDARDS**

- A. Program income earned during the project period shall be retained by the Agency and, in accordance with the terms and conditions of the award, shall be used in one or more of the following ways:
 - a. Added to funds committed to the project or program, and used to further eligible project or program objectives.
 - b. Used to finance the non-Federal share of the project or program; or
 - c. Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based.
 - d. Unless the terms and conditions of the award provide otherwise, recipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period.
- B. Program income related to projects that are financed through federal funding are limited to one or more of the following:
 - a. Furthering the eligible project or program's objectives
 - b. Financing the non-federal share of the project or program
 - c. Deducting it from the total federal share of the project or program's allowable costs
- C. The Agency is responsible for managing and monitoring each project, program, subaward, function or activity supported by the federal award. The Agency shall monitor subawards to ensure that subrecipients have met the audit requirements.

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D. The Agency will ensure that expenditures, actual and budgeted, will be analyzed. When a significant variance occurs between actual and budgeted expenditures, it will be resolved to ensure that total costs do not exceed the amounts budgeted for the grant period.

IV. **ATTACHMENTS**

V. **REFERENCES**

45 CFR Part 74

45 CFR Part 92