

## **100855 Program and Interest Income**

### **(a)**

All interest earned on deposited LIHEAP funds shall be treated as program income in accordance with the Intergovernmental Cooperation Act (31 U.S.C. 6501, et seq.).

### **(b)**

A contractor shall comply with the requirements and standards set forth in the Common Rule, Section .25, Program Income, as published in Volume 53, Number 48, Federal Register, March 11, 1988, which is hereby incorporated by reference and other applicable Federal laws or regulations which may be adopted.

### **(c)**

Program income is defined as gross income received by a contractor directly generated or earned as a result of grant activities during the term of the contract. If costs are incurred in generating program income, these costs may be deducted from the gross program income to identify reportable net program income.

### **(d)**

Program income shall be used in one of the following ways: (1) Added to grant funds awarded by DEO to further program objectives; (2) Used to finance the non-Federal share of cost sharing or matching requirements of other Federal programs, when approved by DEO; or (3) Deducted from the total project costs in determining the total allowable expenditures.

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**(3)**

Deducted from the total project costs in determining the total allowable expenditures.

**(e)**

Program income earned during a grant period may be retained and used during the program year and/or subsequent program years for grant approved expenditures for energy, subject to the following conditions: (1) A contractor shall maintain records which clearly identify the receipt and disposition of all grant-related income in the same manner as required for other DEO grant funds. (2) A contractor shall identify in the grant closeout report all program income remaining over the expenditure of such income during the program year.

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