§ 80.120 Program Income

(a) Program income is gross income received by the grantee or subgrantee and earned only as a result of the grant during the grant period.

(b) Program income includes revenue from:
   (1) Services performed under a grant;
   (2) Use or rental of real or personal property acquired, constructed, or managed with grant funds;
   (3) Payments by concessioners or contractors under an arrangement with the agency or subgrantee to provide a service in support of grant objectives on real property acquired, constructed, or managed with grant funds;
   (4) Sale of items produced under a grant;
   (5) Royalties and license fees for copyrighted material, patents, and inventions developed as a result of a grant; or
   (6) Sale of a product of mining, drilling, forestry, or agriculture during the period of a grant that supports the:
      (i) Mining, drilling, forestry, or agriculture;
      (ii) Acquisition of the land on which these activities occurred.

(c) Program income does not include:
   (1) Interest on grant funds, rebates, credits, discounts, or refunds;
   (2) Sales receipts retained by concessioners or contractors under an arrangement with the agency to provide a service in support of grant objectives on real property acquired, constructed, or managed with grant funds;
   (3) Cash received by the agency or by volunteer instructors to cover incidental costs of a class for hunter or aquatic-resource education;
   (4) Cooperative farming or grazing arrangements as described at § 80.98; or
   (5) Proceeds from the sale of real property.

§ 80.121 May an agency earn program income?

A State fish and wildlife agency may earn income from activities incidental to the grant purposes as long as producing income is not a primary purpose. The agency must account for income received from these activities in the project records and dispose of it according to the terms of the grant.

§ 80.122 May an agency deduct the costs of generating program income from gross income?

(a) A State fish and wildlife agency may deduct the costs of generating program income from gross income when it calculates program income as long as the agency does not:
   (1) Pay these costs with:
      (i) Federal or matching cash under a Federal grant; or
      (ii) Federal cash unrelated to a grant.
   (2) Cover these costs by accepting:
      (i) Matching in-kind contributions for a Federal grant; or
      (ii) Matching in-kind contributions for a Federal grant.