

 DHS Oregon Department of Human Services	<h2 style="color: #2e7d32; margin: 0;">Policy Transmittal</h2>
<h3 style="color: #2e7d32; margin: 0;">Vocational Rehabilitation</h3>	

Trina M Lee, Administrator

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Number: VR-PT 17-02
Issue 06/16/2017
Due date: Immediately

Topic: Vocational Rehabilitation: Fiscal Policy

Subject: Program Income

Applies to (check all that apply):

<input type="checkbox"/>	Vocational Rehabilitation – All Staff
<input type="checkbox"/>	Vocational Rehabilitation – Executive Team
<input checked="" type="checkbox"/>	Vocational Rehabilitation - Administration
<input checked="" type="checkbox"/>	Vocational Rehabilitation – Branch Managers
<input type="checkbox"/>	Other (please specify)

Policy:

Effective immediately, Oregon Vocational Rehabilitation (the Program) must account for program income in accordance with the provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), codified at 2 CFR 200.80 and 2 CFR 200.307.

Consistent with requirements set forth in both the Uniform Guidance (2 CFR 200.307(e)(2)) and applicable Program regulations, the Program must use program income only as an addition to the Federal award. In doing so, the Program must use Program income for the same purposes authorized under Federal Grant Award.

To the extent that Program income funds are available, the Program must disburse those funds (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional funds from the Department of Education in accordance with the federal regulations for State Vocational Rehabilitation Services (34 CFR 361.63(c)(3)(ii)).

Definition of Program Income

Program income means gross income earned by the Program that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in §200.307 paragraph (f). (See §200.77 Period of performance.)

Program income includes but is not limited to:

- Income from fees for services performed,
- The use or rental of real or personal property acquired under Federal awards,
- The sale of commodities or items fabricated under a Federal award,
- License fees and royalties on patents and copyrights, and
- Principal and interest on loans made with Federal award funds.

Program income is not:

- Interest earned on advances of Federal funds.
- Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them.

See also §200.407 Prior written approval (prior approval).

See also 35 U.S.C. 200-212 “Disposition of Rights in Educational Awards” applies to inventions made under Federal awards.

Applicability:

US Department of Education Grant Award Notice to Oregon Department of Human Services, Vocational Rehabilitation. Number H126A170054. 10/01/2016 – 9/30/2017. See **Title 34, Subtitle B, Chapter III, Part 361 Subpart C—Financing of State Vocational Rehabilitation Programs**

<https://www.ecfr.gov/cgi-bin/text-idx?type=simple;c=ecfr;cc=ecfr;sid=9528696dof9d682da8813464548159cc;idno=34;region=DIV1;q1=361;rgn=div5;view=text;node=34%3A2.1.1.1.7#sp34.2.361.c>

Title 2, Subtitle A, Chapter II, Part 200, Subpart A, §200.77 Period of performance

URL: https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1#se2.1.200_177

Title 2, Subtitle A, Chapter II, Part 200, Subpart A, §200.80 Program Income

URL: https://www.ecfr.gov/cgi-bin/text-idx?SID=9e03084cb00c519a2d175381ad463b18&mc=true&node=se2.1.200_180&rgn=div8

Title 2, Subtitle A, Chapter II, Part 200, Subpart D, §200.307 Program Income

https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=9e03084cb00c519a2d175381ad463b18&mc=true&n=pt2.1.200&r=PART&ty=HTML#se2.1.200_1307

§200.407 Prior written approval (prior approval).

https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1#se2.1.200_1407

§361.63 Program income.

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35 U.S.C. 200-212 “Disposition of Rights in Educational Awards” Title 1, General Provisions

<https://www.gpo.gov/fdsys/search/pagedetails.action?collectionCode=USCODE&searchPath=Title+35%2FPart+II%2FCHAPTER+18&granuleId=USCODE-2014-title35-partII-chap18-sec212&packageId=USCODE-2014-title35&oldPath=Title+35%2FPART+II&fromPageDetails=true&collapse=true&browsePath=Title+35%2FPart+II%2FChapter+18%2FSec.+212&fromBrowse=true>

Field/stakeholder review:

Yes No If yes, reviewed by: SRC Policy Committee (June 12, 2017)

Procedure(s):

Contact Judy Barker. See below.

Training requirement:

Reviewed at June 13, 2017 Leadership meeting.

If you have any questions about this action request, contact:

Contact(s):	Judy Barker, Budget & Performance Analysis Manager		
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