

# Program Income Monitoring Checklist

Recipient: \_\_\_\_\_ Contract #: \_\_\_\_\_

*Monitoring is only done when a Recipient 1) is retaining program income from pre-FFY 1993 grants and a monitoring event is triggered by an approval request or a required report not being filed or 2) if program income is generated and reported on open or closed subgrant that was awarded since 1993.*

*Program income from pre-FFY 1993 grants was retained by the Recipient. It is subject to CDBG oversight when the Recipient requests approval to expend program income funds or when the Recipient fails to submit its required semi-annual reports.*

*Program income on subgrants awarded since 1993 must be returned to the Department. Program income can be generated by open housing and economic development projects; however, most new program income will be generated after a subgrant has closed. Examples of program income include when a house that was rehabilitated is sold before it meets the local housing assistance plan requirements or when a Recipient builds a structure and rents space at fair market value to businesses that create new jobs in the community. It can also be created when a CDBG-funded public facility is sold within five years of a neighborhood or commercial subgrant being closed.*

## I. Pre-1993 Program Income N/A (If N/A, skip to section II.)

- List the contract numbers and dollar amounts for the Recipient's pre-1993 program income.

Contract Number	Program Income Amount
	\$
	\$
	\$

*Check the appropriate box.*

2. Is this monitoring in response to a request to expend funds being received?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>no</b>, is it the result of the most recently due semi-annual program income report (due for 12/31 and 6/30 of each year) not being received?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• Is the Recipient required to complete more than one semi-annual program income report because of multiple program income sources?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Is the pre-1993 program income maintained in a separate interest-bearing account(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If not, how is it segregated from the Recipient's other revenue sources? _____</li> <li>_____</li> <li>_____</li> <li>_____</li> </ul>	
4. Is the account(s) a Revolving Loan Fund? (Or more than one fund if multiple sources of program income.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

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*Check the appropriate box.*

5. Has the Recipient been monitored for program income compliance previously?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, were there any findings or concerns that should be revisited?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Does the general ledger contain a program income budget line item (or items if there is more than one source of program income)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
7. Can the receipt of the program income be tracked through the Recipient's accounting system?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• Is program income referenced in the annual single audit?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
8. Describe the process that the Recipient uses to track receipt, processing, posting, and collection of program income.	
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9. Are all scheduled periodic payments of program income current?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If not, how many payments have been skipped in the past two years? _____</li> <li>• If not, how far in arrears is/are the loan(s) at this time? _____</li> <li>• If not, what action has been taken to enforce timely collection?</li> </ul>	
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10. Has the Recipient undertaken any activities with program income funds that have not been approved?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, the Recipient must provide documentation on what activities were completed with the program income funds.</li> </ul>	
11. Were those activities eligible for funding?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>no</b>, the funds must be replaced in the program income account.</li> </ul>	
12. If the Recipient is requesting approval to expend funds, are the activities that are proposed to be paid for with program income funds eligible for funding?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If the activities are eligible for CDBG funding, prepare a letter for the Community Program Manager to sign approving the use of the funds.</li> <li>• If the activities are not eligible for CDBG funding, prepare a letter for the Community Program Manager to sign denying approval to use the funds.</li> </ul>	

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### II. Program Income from Subgrants Awarded Since 1993 N/A (If N/A, skip to section III.)

*Check the appropriate box.*

1. Is this an open subgrant?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, have you discussed the program income reporting requirements with the Recipient? [24CFR570.426 – <b>Program Income</b>, 24CFR570.504 – <b>Program Income</b>; 24CFR570.489 – <b>Program Administrative Requirements</b>; and Section 73C-23.0051(10), Florida Administrative Code – <b>Program and Non-Program Income</b>]</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>no</b>, make sure that the Recipient understands the program income reporting requirements.</li> </ul>	
2. Has the Recipient been monitored for program income compliance previously?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, were there any findings or concerns that should be revisited?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
3. Has program income been generated?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, has it been returned to the Department?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>yes</b>, is it being returned at least on a quarterly basis?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• If <b>no</b>, explain why the program income has not been returned below:</li> </ul>	
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<ul style="list-style-type: none"> <li>• <b><i>If program income has not been returned and sufficient justification has not been given, issue a finding.</i></b></li> </ul>	
4. Does the general ledger contain a program income budget line item (or items if there is more than one source of program income)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Can the receipt of the program income be tracked through the Recipient's accounting system?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
<ul style="list-style-type: none"> <li>• Is program income referenced in the annual single audit?</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
6. Describe the process that the Recipient uses to track receipt, processing, posting, and collection of program income.	
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