

## EXAMPLES OF PROGRAM INCOME

This exhibit is a guidance document to help Service and State fish and wildlife agency staff identify activities that may generate program income. This is a dynamic list.

### 1. Examples of income that should be treated as program income include:

a. Income received by the State fish and wildlife agency from contractors that provide a service that supports grant objectives on lands purchased or managed with Federal Assistance funds (e.g., activities that assist sport fish and wildlife users, boat dock operators, agricultural producers).

b. Income generated during the grant period from the harvest of assets that contribute to grant objectives on lands purchased or managed with Federal Assistance funds (e.g., timber revenue, hay field revenue, grazing revenue).

c. Fees charged directly by the State fish and wildlife agency (not considered a part of a concessionaire's income or payment) for use of facilities purchased or managed with Federal Assistance funds. This category could include fees paid by the user to launch a boat, fees to access a shooting range, waterfowl blind access fees (when not considered license revenue), camping fees, and parking fees.

d. Income from the sale of products (e.g., posters, brochures, pamphlets, books) that were produced using Federal Assistance funds.

e. Other income that is directly generated by a grant supported activity or earned only as a result of the grant agreement during the grant period.

### 2. Examples of income that should not be treated as program income include:

a. License revenues collected by the State fish and wildlife agency for hunting or fishing, including fees for special area access or recreation (50 CFR 80.4(a)(1)).

b. Income generated and retained by a contractor as a result of an arrangement with the State fish and wildlife agency to provide a service. For example, a private company contracts with the State to operate and maintain a shooting range on an existing wildlife management area (purchased many years earlier with Federal Assistance funds). The contractor's income is from range fees collected, supplies equipment and refreshments sold, or instruction offered. In return, the contractor maintains the facility at no cost to the State. The income collected by the contractor is not considered program income and no financial reporting requirements are necessary from the contractor. However, if the contract was negotiated such that the contractor made a payment to the State which was based on net proceeds and allowed a deduction for operation and maintenance of the facility, then the funds collected by the State would be considered program income and financial documentation sufficient to justify and support the payment amount would have to be retained by the contractor.

c. Any revenues received by a State fish and wildlife agency or volunteer hunter education instructors to cover incidental costs for a hunter education class is a special assessment and is not considered program income (43 CFR 12.65(d)).