UGLG Program Income Decision Tree

UGLG generates income related to activities funded in full or in part with CDBG funds

Does the UGLG wish to return all CDBG revenue for the grant year to MEDC?

- **yes**
  - CDBG income returned to the MEDC does not require any further action, except grant year end reporting.
- **no**
  - The UGLG must wait until grant program year end (June 30th) before spending any funds generated in a grant year unless permission has been given by the MEDC.

Did the UGLG generate more than $35,000 in UGLG Total PI in the grant program year?

- **yes**
  - UGLG must request verification from the MEDC that all UGLG revenues for the grant year totaled less than $35,000, via form 8-H.
  - MEDC Verifies under $35,000
    - The revenue does not meet the official definition of Program Income. These funds are no longer federal & may be used at the discretion of the UGLG, After the end of the Program Year and must be expended by the end of the following Program Year
    - Any funds spent during the program year they are earned in, must be treated as Federal funds and are subject to program compliance.
- **no**
  - UGLG must report Program Income to the MEDC using Form 8-H.
  - MEDC Verifies over $35,000
    - Funds are CDBG PI and will be reported to HUD and subject to monitoring under program guidelines.

UGLG must work with the MEDC to set up a PI Grant to record expenditures and accomplishments.

Contact Program Specialist