

POLICY MANUAL

2. FINANCIAL MANAGEMENT.

2.02 Cost Allowability for Travel, Incentive Items, and Tuition Reimbursement

A. POLICY OVERVIEW:

The local agency (LA) shall be reimbursed for travel according to this policy and shall obtain State Agency (SA) approval prior to arranging overnight or out-of-state travel, purchasing incentive items, granting staff approval to enroll in classes for reimbursement through the grant agreement.

B. POLICY:

1. Travel

- a. The reimbursement amount for travel and subsistence shall be no higher than the rates established by the U.S. General Service Administration (GSA) and Commonwealth Travel and Subsistence Rates. The Commonwealth Travel and Subsistence Rates document can be found at www.health.pa.gov/vendors.

(1) General

- a. LAs will be held liable for the repayment of any travel expenditures disallowed by the SA review process or by audit.
- b. All LAs shall have in place their own written travel policies. This policy should not be interpreted as suggesting what every LA's travel policy should contain. This policy is to inform the LAs the maximum level the SA will reimburse for travel. If a LA's policy is to make reimbursement at less than the State rate, the LA's rate should be used. If a LA's policy is to make reimbursement at greater than the State rate, the maximum that can be billed is the State's maximum rates identified in this policy. There should be no differential treatment made between travel reimbursement to WIC employees and other agency staff members.
- c. LAs are responsible for ensuring that WIC travel expenses claimed are proper, accurate, and incurred in accordance with this policy. Immediate supervisors shall be responsible for reviewing and approving of travel claims.
- d. Receipts for all travel expenses must be submitted to the SA for reimbursement, regardless of dollar amount upon request.

(2) Authorization to Travel

- a. At a minimum, travel shall be approved prior to travel by each WIC employee's immediate supervisor.
- b. All overnight travel, excluding regular clinic travel, requires prior approval by the SA. Requests shall be made at least three weeks in advance of such travel.
- c. All out-of-state travel requires prior approval by the SA. Requests

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shall be made at least three weeks in advance of such travel.

- d. Participation in meetings, seminars, trainings, and conferences must be approved by the Training Unit prior to the request for authorization to travel. Approval for travel will be based on the impact on the staff person's workload, staffing pattern and budget. If a seminar is being held at various locations at different times, there should be an effort to schedule attendance at the nearest location. Prior approval by the SA is required for reimbursement of conference and convention registration fees.

(3) Cash Advances

- a. No cash advance will be made from the SA to a LA for travel. The SA will not reimburse travel expenses until the employee has traveled and their expenses are documented. Only exception is early bird registration fees.

(4) Transportation

- a. Employees will not be eligible for reimbursement of commuting costs between official headquarters and personal residence. When an employee is required to travel directly from residence to a work site other than their official headquarters, the distance from residence to work site, or official headquarters to work site, whichever is less, will be used to calculate mileage reimbursement.
- b. The mileage reimbursement rate shall be at the rate established in the LA's travel policy or the GSA rate in effect at the time the travel occurs, whichever is lower. There should be no differential treatment made between travel reimbursement to WIC employees and other LA staff members.

(5) Lodging

- a. Reimbursement for lodging expenses is only allowed when the destination is located more than 50 miles one-way from both the employee's official headquarters and personal residence.

(6) Subsistence

- a. The subsistence reimbursement rate shall be at the rate established by the GSA rate in effect at the time the travel occurs or the LA rate, whichever is lower. There should be no differential treatment made between travel reimbursement to WIC employees and other LA staff members.
- b. Tips shall be reimbursed at a maximum of 20% of the allowable portion of the receipt.

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(7) Breakfast, Lunch or Dinner Meetings

- a. Generally, meals provided at meetings are an unallowed Program expense for LA staff. Under certain exceptions, employees on official business attending breakfast, lunch or dinner meetings may be entitled to receive reimbursement for actual costs incurred. This applies whether the engagement is held at a rented business space or official headquarters. If an employee opts not to participate in a provided meal, they may not seek reimbursement for an alternate selection.
- b. Breakfast, Lunch or dinner meetings must meet the following criteria to be an allowable Program expense:
 1. Necessary for Program purposes to achieve the meeting objectives. Convenience or ease of administration is insufficient.
 2. The types of food and beverages provided must be reasonable in the circumstances to meet Program purposes. Meals should not have the appearance of extravagance. The meal must not include any unallowed items, such as alcoholic beverages.
 3. The meal must be served at the same establishment that hosts the meeting and should be included in the space invoice when possible.
 4. In-house staff meetings are insufficient justification for having a meal provided.

(8) Other Expenses

- a. Employees may be granted reimbursement for miscellaneous expenses such as telephone, registered or certified mail, or fax charges incurred while conducting official business. Justification of the need for and purpose of such charges must be provided on the travel reimbursement request. Charges for laundry, dry cleaning, alcoholic beverages, or other personal services are not reimbursable.
- b. Expenditures for non-travel related items such as office supplies not needed for the purpose of the travel cannot be reimbursed on a travel reimbursement claim. Such items should be purchased through normal LA procurement procedures.

(9) Documentation of Travel

- a. Requests for reimbursement of travel expenses shall be submitted for each individual employee monthly and on a form which includes, at a minimum the following information:

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1. Traveler's name.
2. Program travel is being charged to.
3. Departure/return dates and times.
4. Itemized listing of travel costs incurred such as transportation, lodging, meals, and miscellaneous costs. Each category should be identified separately.
5. Purpose of travel should be completely explained.
6. Total amount requested.
7. Employee and supervisor signature, unless approval is granted through an employee management system.

- b. Travel expenses will only be reimbursed with a corresponding receipt unless a reason is given and approved for why it was impossible to secure a receipt.

2. Incentive Items

- a. Reimbursement for costs incurred for the purchase of incentive items may be allowable if all the following conditions are met:
 - (1) Program incentive items are reasonable and necessary to promote specific program purposes of outreach, nutrition education, or breastfeeding promotion.
 - (2) Incentive items are primarily intended for use by Program participants or potential participants.
 - (3) Items must present a WIC outreach or nutrition education message and must be expected to be seen widely by the target population. Items in which exposure is likely limited to the office or clinic surroundings of the staff members will generally not be allowable incentive costs.
 - (4) Prior written approval for all incentive items shall be obtained from the SA.
- b. Costs incurred for incentive items shall be charged to the line item in which the benefit is received and for which it is approved (outreach, nutrition education, or breastfeeding promotion).

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3. Tuition and Exam Fee Reimbursement

- a. Reimbursement of tuition for a maximum of one course per employee per academic semester is permissible when all the following conditions have been met:
- (1) Funding is available in the budget.
 - (2) The person is a full-time WIC employee.
 - (3) The course is directly related to the employee's job and would strengthen the person's ability to perform the job.
 - (4) The course is NOT required for the employee to meet minimum academic training requirements of his/her current position.
 - (5) The employee will not be paid for time involved in class attendance or associated travel.
 - (6) Prior written approval has been obtained from the SA. Requests for approval for tuition or exam fees reimbursement must be submitted to the SA at least thirty days prior to the beginning of the course.
 - (7) Reimbursement shall be for tuition, textbooks, or exam fees related to the course.
 - (8) Reimbursement for tuition, textbooks, and exam fees is contingent upon the successful completion of the course with a grade of 'B' or better. Evidence must be received by the SA verifying successful completion of the course with a grade of 'B' or better. The LA staff is responsible for any upfront costs.
 - (9) The maximum annual reimbursement to be provided to an employee per Federal Fiscal Year shall be \$3,000.
 - (10) The maximum value of the reimbursement of \$3,000 will be adjusted for employees who receive grant or scholarship funds.¹ Grant or scholarship funds shall be distributed proportionally across the expenses for tuition and fees. The remaining portion of tuition, textbooks, or exam fees shall be used to calculate the reimbursable amount.
 - (11) The budget period to be charged shall be the contract period in which the individual successfully completes the course.

¹ To set the maximum annual tuition reimbursement amount for non-employees of an Institution of Higher Education (IHE), 2 CFR 200.431(j)(2) refers to the tax-free amount allowed by 26 U.S.C. § 127. § 127 sets the maximum tax-free amount at \$5,250.

While 2 CFR 200.431(j)(2) is not applicable to the SA because it is not an IHE, § 127 serves as a point of reference for the SA's setting of \$3,000 as the maximum annual reimbursement amount for tuition.

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Reference(s):

1. 2 CFR 200.475
2. 2 CFR 200.474
3. 2 CFR 200.473
4. [WIC Policy Memorandum #95-5: Allowability of Costs for Program Incentive Items](#)
5. 26 U.S.C. § 127

Policy Status:

1. This Policy supersedes P&P Number 2.02, dated October 2, 2017.