

Guidance on Costs and Reimbursements

Cost Policies

To be allowable, all costs charged to Food and Nutrition Service (FNS) shall be valid obligations of the State, Tribal Nation, local government, or sub-grantee and shall be **REASONABLE**, **NECESSARY**, and **DIRECTLY RELATED** to participation in the program as charges under an approved SNAP E&T plan. Charges to the Employment and Training (E&T) program must be **CONSISTENT** with charges to other Federal and State grants, awards, and activities.

SNAP E&T Essential Cost Principles

- Costs must be reasonable and necessary. A cost is **REASONABLE** if, in its nature and amount, it does not exceed that which a prudent person would pay under the circumstances prevailing at the time the decision was made to incur this cost. **NECESSARY** costs are incurred to carry out essential functions, cannot be avoided without adversely affecting program operation, and do not duplicate existing efforts.
- E&T expenses must be **DIRECTLY RELATED** to an approved E&T program activity.
- E&T funds may not be used for SNAP eligibility determination, sanction activities, participant wages, or meals eaten away from home. These expenses are prohibited by SNAP regulations (at 7 CFR 273) and cannot be charged to the E&T program.
- The State must retain oversight of E&T activities provided by partner agencies; the State is responsible for submitting the requests for Federal reimbursement and reporting directly to FNS.
- Federal funds may not be used to **SUPPLANT** non-Federal funds for existing activities. FNS may not be charged more than the general public (or what the client would pay if not participating in E&T) for an educational activity. Federal E&T reimbursements can be used to **SUPPLEMENT**, rather than supplant, State or local funding for existing education services or activities. Supplementing means to go above and beyond the educational services provided at no cost to non-E&T participants.

Cost Category

Administrative Costs—supports overall operations of SNAP E&T

- Accounting services
- Human resource management
- Financial management
- Reporting
- Marketing the E&T program

Program Costs—directly related to providing SNAP E&T services

- Costs attributable to participants
- Staff salary, benefits, training (including tuition), travel (attributed to staff who market, recruit, train, place, support, coordinate or supervise participants, or who develop materials used in such activities)
- Case management

Support Services—participant reimbursements directly supporting an approved SNAP E&T activity

- Must be allowable
- Must be reasonable, necessary, and directly related to participation in an E&T activity
- Must not be available through another government program or at no cost

Documentation of support services must be on file and listed in Workforce One (WF1) under Support Services in the SNAP E&T person record. Case note why it was determined to be reasonable, necessary, and the activity it is supporting. Providers are encouraged to contact State program staff to request review of unusual requests.

ALMOST ALWAYS ALLOWABLE

- Books
- Cellular device/service ⁷
- Clothing for job interviews
- Course registration fees
- Dependent care costs ⁸
- Driver's license
- Gasoline
- Housing (rent/hotel stay) ⁴
- Laptop ⁵
- Licensing and bonding fees for work experience/placement
- Mobile hotspot
- Personal safety items
- Training materials
- Transportation expenses
- Uniforms
- Utilities ⁴

SOMETIMES ALLOWABLE

- Automobile insurance ⁶
- Automobile repairs
- Background checks ¹
- Clothing required for a job ²
- Drug tests/fingerprinting ¹
- Equipment
- Food ³
- Legal Services
- Medical services ¹
- Minor dental work such as cleaning
- Student activity fees
- Test fees
- Tools
- Tuition/fees
- Union dues ¹
- Vision (eyeglasses or eye exam)
- Wages ⁹

NOT ALLOWABLE

- Automobile purchase
- Drug/alcohol counseling or therapy
- Home mortgage/insurance/taxes
- Living stipends
- Mental health treatment
- Relocation expenses
- Stipends/incentives
- Student loans

¹ Only if required for a job

² As part of job retention activity (up to 90 days)

³ Must be directly tied to a culinary or similar training curriculum

⁴ Must be emergency situation, only offered on a case-by-case basis, no other sources available, up to two months per program year

⁵ If cost of laptop itself exceeds \$700, must receive approval from State program staff prior to requesting reimbursement, approval must be documented

⁶ Must be considered on a case-by-case basis, up to two months per program year

⁷ Must be considered on a case-by-case basis, allowed only for the job seeker, no other feasible sources available, up to \$200 per program year

⁸ Participant must attempt to seek childcare funding through CCAP first. If reimbursing long-term dependent care costs, rate must not exceed that established by CCAP

⁹ Except through an approved subsidized work-based learning activity