



OKLAHOMA WORKFORCE DEVELOPMENT ISSUANCE # 14-2013

TO: Workforce Investment Board Chairs
Workforce Investment Board Staff
Workforce Investment Fiscal Agents

FROM: Deidre Myers, Deputy Director
Office of Economic and Workforce Policy

DATE: August 7, 2013

SUBJECT: Use of Grant Funds to Pay for the Cost of Meals, Food, Coffee or other Refreshments for Employee Youth Participant Consumption.

RESCISSIONS: This issuance rescinds OETI #02-2010 and Memorandum M-03-2010.

CATEGORY: Policy category A

PURPOSE: This policy is being re-released for the purpose of reissuing under the Oklahoma Department of Commerce (ODOC) policy naming convention and as reference to the rescission and update of OESC OETI #02-2010 and Memorandum M-03-2010. This policy does not change any previous guidance or content related to the Use of Grant Funds to Pay for the Cost of Meals, Food, Coffee, or other Refreshments for Employee and Youth Participant Consumption.

REFERENCES: U.S. Department of Labor (DOL), Region 4, Financial Management Bulletin 01-10 (R4FMB No. 01-10), "Use of Grant Funds to Pay for the Cost of Meals, Food, Coffee or other Refreshments for Employee Consumption" - **Effective February 28, 2010.**

MESSAGE: The use of ETA grant funds to pay for meals, food, coffee or other refreshments (hereafter referred to as "meals") consumed by employees and youth participants is prohibited except as described below.

STAFF MEALS

When an employee is in a travel status, the cost of meals is limited to such costs that are allowable by the grantee's official travel policies, or, in the absence of an official travel policy on the issue, the Federal Travel Regulations (FTRs) apply. The FTRs provide for a per diem or an actual expense system to underwrite the cost of meals consumed by employees when in a travel status. The FTRs permits such payments only when an employee is in travel status overnight. An exception to the overnight requirement is provided when travel during the course of a day exceeds 12 hours and is authorized in advance.

The Federal cost principles provide that, “Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the [institution’s] non-federally-sponsored activities.” [2 CFR § 220 Appendix A, (J)(53); 2 CFR § 225 Appendix B, (43); and 2 CFR § 230 Appendix B, (51), these are formerly OMB Circulars A-21, A-87, & A-122 respectively.]

The Cost Principles allow for the costs of meals incidental to the cost of meetings and conferences where the primary purpose is the dissemination of technical information. [2 CFR § 220 Appendix A, (J)(32); 2 CFR § 225 Appendix B, (27); and 2 CFR § 230 Appendix B, (29), these are formerly OMB Circulars A-21, A-87, & A-122 respectively.]

- Costs of meals incidental to the cost of meetings and conferences are allowable when the grantee incurs such costs in the process of conducting meetings or conferences with external customers and other professional colleagues outside of the entity’s organization. Therefore, if employees are participating in an allowable activity then the incidental costs for the meals and refreshments they consume may be allowable;
- Charging costs for meals while engaging in day-to-day business or staff training with employees of that organization, including the supervision of youth participants, does not fall within the criterion of conducting meetings or conferences. Staff engaging in day-to-day business or staff training must pay for their own meals;
- The cost of a “working lunch” with external customers and other colleagues is only considered “reasonable and necessary” when there is adequate documentation on the necessity of having the meeting during a meal time instead of during normal business hours. Documentation should specify what ETA-related subjects were discussed, and include a list of participants and dated itemized meal cost receipts.

YOUTH MEALS

Providing meals for youth in all day workshops must be addressed in the LWIB approved supportive services policy and be adequately documented to support the necessity and reasonableness of the meal. (Important piece here...it must be in board approved supportive service policy).

WIA regulations require LWIBs to establish limits on the provision of supportive services, the maximum amount of funds to be spent, and maximum length of time supportive services may be available to participants. Local policy must clearly define the circumstances under which a meal may be served to youth participants during an all-day training/workshop session.

Food allowances for youth participants attending all day workshops will be paid and documented in the same manner as other allowable supportive services.

- Actual attendance in training must be verified;

- A signed Time and Attendance sheet will serve as a self-attestation of participant attendance;
- The Service Provider will be required to document the actual cost of meals each day;
- The meal allowance per day shall not exceed (enter your LWIB approved amount) per participant per day;
- Remember the reimbursement of tips are unallowable;
- Each day's meal will require 3 price quotes;
 - If you know you are going to have 3 workshops in the summer, you may procure from the same vendor to cover the entire timeframe after you receive your 3 price quotes;
 - If you do outings, call ahead and obtain quotes; and
- The cost of each meal must be included in the total supportive services provided to each participant and cannot exceed the LWIB's supportive service limits for such costs.

ACTION REQUIRED: Grantees must develop a policy that is consistent with this guidance. The lack of appropriate policies, procedures and systems could result in findings and disallowed costs. Copies must be distributed to appropriate staff and subcontractors. A copy of this issuance must be maintained as a part of your permanent file.

NOTE: ODOC issued guidance is subject to change pending new DOL regulation, audit requirements, or internal determinations on efficiencies and effectiveness to program delivery and stewardship of federal funds.

INQUIRIES: Questions regarding this issuance should be addressed to Tina Lindsay at Tina.Lindsay@OKCommerce.gov or (405) 815-5137.