

Guidance on Costs and Reimbursements

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, 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 component

- Must be allowable, necessary and reasonable
- Must not be available through another government program or at no cost
- Must be for employment related to an E&T component

ALMOST ALWAYS ALLOWABLE

- Books ¹
- Clothing for job interviews ¹
- Course registration fees
- Dependent care costs
- Gasoline
- Housing—Participant rent/utilities up to two months per program year ¹⁰
- Licensing and bonding fees for work experience/placement
- Personal safety items ¹
- Training materials ¹
- Transportation expenses
- Uniforms ¹
- Driver's License

SOMETIMES ALLOWABLE

- Automobile repairs ²
- Background checks ³
- Clothing required for a job ⁴
- Minor dental work such as cleaning
- Drug tests ³
- Equipment ⁵
- Fingerprinting ³

- Medical services ³
- Legal services
- Student activity fees ⁶
- Test fees ⁷
- Tools ¹
- Tuition/fees ⁸
- Union dues ³
- Vision (eye glasses or eye exam)
- Food ⁹

¹ *Must be necessary to complete E&T training sessions/educational coursework*

² *Capped or limited to a reasonable amount*

³ *Only if required for a job*

⁴ *As part of job retention component (up to 90 days)*

⁵ *Must be necessary to complete E&T component or job retention component up to 90 days*

⁶ *Only if required to participate in class*

⁷ *Must be directly associated with an E&T component*

⁸ *See cost principles below*

⁹ *Must be directly tied to a culinary or similar training curriculum*

¹⁰ *Must be emergency situation and only offered on a case by case basis; no other sources available (must be documented)*

NOT ALLOWABLE

- Automobile purchase
- Insurance or ownership/taxes
- Drug/alcohol counseling or therapy
- Living stipends
- Mental health treatment
- Personal computers
- Relocation expenses
- Student loans
- Wages
- Stipends

Additional guidance can be found by accessing the [USDA FNS SNAP Employment and Training Toolkit](#).

Cost Policies:

FNS reimburses a State agency for half of all allowable administrative E&T costs in excess of its E&T grant. The same principle applies to partner agencies. To be allowable, all costs charged to Food and Nutrition Service (FNS) shall be VALID OBLIGATIONS of the State, local government or sub-grantee and shall be NECESSARY AND REASONABLE 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

- E&T expenses must be directly related to an **APPROVED** E&T PROGRAM component
- 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 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 components 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.
- States are contracting with community colleges and using third-party reimbursement models to fund their E&T components. Costs not charged to the general public cannot be charged to the SNAP E&T program. Nor can these costs be used as the state share toward the 50 percent federal reimbursement. Unallowable costs cannot be used to match, or draw down, federal funds for the administration of the E&T program. Federal funds can be used to pay for some education and additional support services offered through community colleges, as long as these services are above and beyond those offered to non-E&T students or offered at cost. These components and services must be outlined in the State E&T plan and approved by FNS. Tuition, case management and other support services are allowable costs and can be paid with either 100 percent E&T grant money or 50/50 Federal reimbursement money.

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