

PUBLIC POLICY: WIOA-07-2025

DATE:

Wednesday, JANUARY 29, 2025.

SUBJECT:

EXPENSES FOR OFFICIAL TRAVEL IN AND OUT OF PUERTO RICO AND REPRESENTATION EXPENSES (WORK ALLOWANCES) FOR ATTENDANCE AT MEETINGS OF THE MANATI-DORADO LOCAL LABOR DEVELOPMENT BOARD

PURPOSE:

- Establish controls for travel in and out of Puerto Rico.
- Regulate the payments of allowances to the members of the Manatí-Dorado Local Labor Development Board within the framework of the meetings held.
- This Public Policy allows the Local Board to set its own mileage and work allowances reimbursement rates, as long as they are reasonable.
- Clarifies that travel expenses do not necessarily have to be worked only by reimbursement; the Local Area can pay them directly.
- It is clarified that this Public Policy applies to the members of the Local Board when it comes to official matters.
- Highlight the importance of having internal controls in place for the payment or reimbursement of expenses incurred.

Table of Contents

I.	REFERENCES	1
II.	DEFINITIONS AND ACRONYMS	1
III.	BACKGROUND	4
IV.	POLICY	5
	1. Official Travel to the United States	5
	A. Authorization	5
	B. Air and Ground Transportation Expenses and Incidental Expenses	6
	C. Benefits of the Frequent Flyer Program	7
	D. Accommodation and Living Expenses	7
	E. Travel Expenses Not Allowed	8
	1. Entertainment & Recreation	8
	2. International Travel and First-Class Airline Tickets	8
	3. Alcohol	8
	4. Expenses for Family and Friends	8
	5. Airline Upgrades	9
	6. Cancellation fees	9
	F. Final Expenditure Report and Official Steps Taken and Objectives Achieved	9

2. Travel in Puerto Rico	9
A. Authorization	9
B. Accommodation	10
C. Mileage Expenses	11
D. Living expenses (work allowances)	12
E. Direct Payment by the Local Area	12
3. Payment of Expenses Incurred by Local Board Members for Attendance at Regular and Extraordinary Meetings	13
A. Face-to-face meetings (ordinary/extraordinary)	13
1. Eligible Members and Applicable Work Allowances Amount	13
2. Members Not Eligible for the Work Allowances	14
3. Number of Days for Work Allowances Compensation	14
B. Proportional Allocation	14
C. Virtual Meetings	14
D. Internal Controls	14
1. Attendance Record	15
2. Certification	15
3. Payment Differential	15
4. Review and Approval	15

4. Travel Expense Reimbursement	16
a) Eligible Expenses	16
b) Required Documentation	16
5. Refund Procedure	16
V. REPEAL	16
VI. APPROVAL AND VALIDITY	17
VII. DATE OF EFECTIVENESS	17

I. REFERENCES:

- Sections 184 and 185 of Title I of the Workforce Innovation and Opportunity Act (WIOA) (Federal Public Law 113-128 of July 22, 2014, 128 Stat. 1425 et seq.).
- "Act to Establish the Film Industry Development Program, the Youth Development Program, and the Workforce Development and Training Program" (Law No. 171-2014).
- "Municipal Code of Puerto Rico" (Act No. 107 of August 14, 2020, as amended).
- 2 CFR Subtitle A Chapter II Part 200 entitled, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards".
- 2 CFR Subtitle B Chapter XXIX Part 2900, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Department of Labor Exceptions)".
- State Public Policy No. WIOA-PP-08-23-amendment 1 – Official Travel Expenses In and Out of Puerto Rico and Representation Expenses (work allowances) for Attendance at Meetings of the Labor Development Boards.

II. DEFINITIONS AND ACRONYMS:

1. **Local Labor Development Area (LLDAMD)** – designation by the governor to the geographical area composed of the Municipalities of Barceloneta, Ciales, Dorado, Florida, Manatí, Morovis, Vega Alta and Vega Baja.
2. **AJC** – Acronym for American Job Center.
3. **Private Automobile** - Motor vehicle, except motorbikes, in the name of the officer or Board/Committee member or his or her spouse or lessor (owner of the vehicle) in the case of a lease, and for which he or she has been authorized

to use on official assignments through the Application for Authorization for Private Vehicle Use. It does not include vehicles registered in the name of another family member or private person. In the case of a lease, there must be a written contract between the lessor and the officer or employee or his or her spouse.

4. **OSCC** – Acronym for One Stop Career.
5. **Department of Economic Development and Commerce (DEDC)** - government agency of Puerto Rico designated, through Administrative Bulletin No. OE-2022-034 of June 13, 2022, as administrator and auditor of the federal funds received by the Government of Puerto Rico, under Federal Public Law 113-128 of July 22, 2014 known as the Workforce Innovation and Opportunity Act (WIOA).
6. **Work Allowance** - An amount reimbursed to a person travelling on an official mission to cover the costs of breakfast, lunch and meal incurred during the performance of that official mission. Does not include accommodation expenses.
7. **Baggage** - Personal belongings of the employee or person making the trip. It also includes property and material that the employee needs to fulfill the purposes of the official mission entrusted to him.
8. **Transportation Expenses** - Includes all expenses incurred on official missions for transportation, whether in private or public service cars, trains, airplanes, buses, taxis or other means of transportation, except motorbikes. It also includes other expenses incidental to travel necessary to carry out the official mission, such as cartage, storage, parking and tolls.
9. **GSA** – Acronym for *General Services Administration* which is the federal agency that plans and carries out the economical and efficient management of government property and records. This includes the construction, operation and disposal of buildings, the purchase and distribution of provisions, the handling

of transportation and communications, and the management of the automatic computer program.

10. **Official Mission** - When the employee entrusted to the WDP or the immediate supervisor of the ALDL, performs his tasks and functions assigned to his position and other compatible ones outside his official residence.
11. **Work Development Program (WDP)** - program attached to the (DEDC), created by virtue of Law 171-2014, whose function is to administer, advise, coordinate, supervise and implement the public policy of the workforce development system.
12. **Official Residence** - Specific place where the (LLDA), (AJC) or the office in which the employee is officially appointed or the individual entered into agreements to provide his or her services is located.
13. **Private Residence** - Specific place within the jurisdictional limits of the municipality in which the employee or private person regularly or permanently resides or stays.
14. **Temporary Residence** - A place or office outside the official or private residence where the employee or private person carries out the official mission.
15. **Cheapest Usual Route** - Shorter taxiway usually used to travel to or from temporary residence to official or private residence.
16. **Official Travel** - Authorized travel to the United States to carry out official business or management related to or for the benefit of the performance of his or her duties in the LLDA or AJC.

III. BACKGROUND

Section 184 subsection (a)(2)(A) of the Workforce Innovation and Opportunity Act (WIOA) provides that WIOA funds shall be used in accordance with the principles of uniform costs and administrative requirements established by the *Federal Office of Management and Budget* (OMB) and detailed in Chapter II Part 200 of Title 2 of the Code of Federal Regulation (CFR). For their part Sections 200.400 through 200.476 of 2 CFR set forth the principles to be used in determining allowable and nonallowable costs in federally subsidized programs, and applicable to WIOA programs.

In relation to travel expenses, 2 CFR 200.474 defines them as those expenses of transportation, lodging, subsistence and related items that are incurred in travel for official business. These may be charged on the basis of actual cost, per day or per mileage rather than actual costs incurred, or on a combination of both, as long as the method used applies to an entire trip and not to selected days of the trip. In turn, expenses must be consistent with those normally permitted under similar circumstances in the non-federal entity's non-federally funded activities and in accordance with the non-federal entity's written travel reimbursement policies.

With respect to lodging and subsistence, section 200.474(b) establishes that they must be reasonable and permissible only to the extent that they do not exceed the normally allowable expenses and are in accordance with the written travel policy. In turn, in order for these to be paid for with federal funds, the documentation must justify that:

- a. The participation of the person to make the trip is necessary for the federal grant and,
- b. Costs are reasonable and consistent with established travel policy.

On the other hand, the *One-Stop Comprehensive Financial Management Technical Assistance Guide* (TAG) issued by the U.S. Department of Labor provides that allowable travel costs must be:

“Reasonable travel costs necessary to effectively manage the grant, provide oversight, and measure program effectiveness are allowable. Air travel, when necessary, should be obtained at the lowest possible customary standard (coach or equivalent fare). All cost principles treat these costs as allowable”. (Emphasis Supplied)

That is, the U.S. Department of Labor's guidance clarifies that travel costs must be reasonable and necessary to effectively administer the grant, provide oversight, and measure the effectiveness of the program to be permissible. In addition, air transportation, when necessary, must be obtained to the lowest possible standard.

IV. POLICY:

1. Official Travel to the United States

A. Authorization

1. Any trip to the United States that requires accommodation and/or air transportation must be submitted to the consideration and recommendation of the Workforce Development Program (WDP) of the Department of Economic Development and Commerce (DEDC) for due authorization.
2. All applications must be signed by the Executive Director of the LLDAMD and must use the form included as *Annex I* – Application for Travel Authorization and be accompanied by the following:
 - a. Authorization from the President of the Board of Directors of Mayors, or Local Labor Development Board (whichever applies);
 - b. Agenda of the event to be participated in;

- c. Hotel reservation documents (Estimated);
 - d. Air Transportation Reservation Documents (Estimated).
3. Only three (3) people will be authorized per LLDAMD, of which at least two (2) of these must perform functions related to the topics that will be offered in the training.
 4. The request must be sent desarrollolaboral@ddec.pr.gov and planificacion-validacion@ddec.pr.gov, at least fifteen (15) business days prior to the date of travel and/or accommodation for prior approval.
 5. Once the request has been submitted, the WDP will review and evaluate it within a period of no more than five (5) days and according to the availability of funds, determine whether to authorize or deny the travel request and notify the LLDAMD of the determination no more than five (5) business days after receiving it.
 6. If for any reason, the LLAMD is unable to comply with the above term, the WDP will be asked for an exception to that term and will indicate the reasons why it did not comply. The WDP will determine whether the request will be met via exception.

B. Air and Ground Transportation Expenses and Incidental Expenses

1. Air transportation expenses must be at the cheapest rate known as tourist or coach, except when it is impossible to get a reservation with that rate.
2. Ground transportation expenses include: parking, tolls on highways, bridges, trains, freight and other similar expenses incurred in the transportation of the person authorized to travel.
3. Incidental expenses include, but are not limited to, taxes, cartage, storage or transportation of LLDAMD property or personnel, overweight luggage for equipment or material directly related to official management. These will require receipts to be reimbursed.

4. The cost of transporting carry-on luggage and a suitcase is authorized for trips outside of Puerto Rico. Additional bags or excess weight or size allowed free of additional cost by the transportation companies, will be reimbursed only in duly justified and authorized cases.

C. Benefits of the Frequent Flyer Program

1. On all official travel funded by WIOA, mileage and benefits accrued by an officer or employee under Air Mileage Accrual Programs will be used for the purchase of travel tickets and other benefits needed solely for official use.
2. The LLDAMD will establish a register of officials who make official trips. This will contain the staff member's frequent flyer program account numbers and the miles they accrue directly attributable to spending with WIOA funds on official travel.
3. The LLDAMD will coordinate with each staff member who undertakes official travel the use of these benefits, ensuring that those that are directly attributable to the expenditure with WIOA funds are accessible.

D. Accommodation and Living Expenses

1. The Local Board determines that the amount of lodging and meals for breakfast, lunch, and dinner expenses will be computed in accordance with the rates established by the General Services Administration (GSA) at <https://www.gsa.gov/travel/plan-book/per-diem-rates>.
2. If the air transportation includes the cost of breakfast, lunch or dinner, depending on the hours of the trip, the per diem will be computed from the moment the official arrives at his destination until the moment he leaves that place. In the event that air transportation does not include the cost of breakfast, lunch or dinner, the per diem will be computed as follows:
 - a. On the day of departure from Puerto Rico, the per diem will be calculated from three (3) hours before the departure time of the flight to the United States.

facilities provided to employees/officers or members of the Local Board of the LLDAMD.

5. Airline Upgrades.

6. Cancellation Fees: Costs incurred for failure to timely cancel travel or hotel reservations.

F. Final Expenditure Report and Official Steps Taken and Objectives Achieved

1. Any person who is granted authorization to travel to the United States must submit a report (*Annex 1*), within fifteen (15) days of his or her return, detailing:
 - a. the final breakdown of expenses incurred in air transportation, lodging, ground transportation expenses, incidental expenses;
 - b. the steps taken;
 - c. the goals achieved or knowledge obtained and how they can use them for the better execution and performance of their functions.
 - d. The report must be sent to planificación-validacion@ddec.pr.gov.

2. Travel in Puerto Rico

A. Authorization

1. Any travel within Puerto Rico that requires lodging must be submitted to the consideration and recommendation of the Director of the WDP for due authorization.
2. The request should be sent to the following emails: desarrollolaboral@ddec.pr.gov and planificación-validacion@ddec.pr.gov.
3. The local area must submit the request to the WDP at least ten (10) business days prior to the date of travel and/or accommodation for prior approval.

4. The WDP will respond to the request at least five (5) business days after receipt of the request.

B. Accommodation

1. In cases where the temporary residence is located near the official or private residence of the officer or member of the Local Board, in such a way as to allow the latter to return to his official or private residence after the performance of the work entrusted, he shall not be entitled to payment of accommodation expenses.
2. Employees/officers or members of the Local Board with official residence in Puerto Rico, who are designated to travel on official missions will be entitled to reimbursement of lodging expenses actually incurred upon presentation of quotes, commercial invoices, receipts, and evidence of payment. However, lodging expenses may be objected to that depart from the standards of austerity and modesty, or that are not considered reasonable and necessary, as these terms are defined in 2 CFR 200 or are considered extravagant and excessive, as defined in Act 230 of July 23, 1974, as amended.
3. Where it is more economical and convenient for the WDP or the LLDAMD for the employee/officer or member of the Local Board or the person to return daily or weekly to his or her official or private residence and the person, for personal reasons, remains in the temporary residence, he or she shall not be entitled to payment for accommodation.
4. When the employee/officer or member of the Local Board or the person must remain in the temporary residence because the mission entrusted to him or her requires it and he or she decides to travel daily or before the end of the work week to his or her official or private residence, the amount payable for these travel expenses shall not exceed the sum of the cost of lodging plus the applicable subsistence allowance if he or she had remained in the temporary residence.

C. Mileage Expenses

1. The Local Board establishes that transportation expenses will only be covered when the distance traveled exceeds a minimum amount of five miles (0.5). The mileage payable will be calculated using the Highway Authority's Village Distance Chart in accordance with guidance established by the federal government's General Service Office (GSA), <https://www.gsa.gov/travel/plan-book/transportation-airfare-pov-etc/privately-owned-vehicle-pov-mileage-reimbursement-rates>.
2. In order to claim reimbursement for mileage expenses, the LLDAMD employee/officer must be authorized to use his or her private car for official business. In turn, you will not be able to have an expired or restricted driver's license and must have at least compulsory insurance for your vehicle. If you use a private vehicle without having been authorized, you will not be entitled to reimbursement for the travel expenses incurred.
3. An employee, officer, or Board/Committee member who is a passenger will not be entitled to mileage reimbursement.
4. The Local Board shall establish the "rates" for mileage reimbursement, ensuring that:
 - a. Rates are reasonable and reflect actual costs incurred.
 - b. The amount payable for mileage may not exceed the limits set forth in the Local Board travel policy.
5. The closest and most economical route to the place to be visited must be established as the main base; either the municipality where the official residence is located or the municipality where the employee/officer or Board/Committee member's private residence is located.
6. The cost of parking will be reimbursed based on the expense incurred and according to the receipt of the payment made.

D. Living expenses (work allowances)

Employees/officers or members of the Board/Committees authorized to travel within jurisdictional boundaries may receive per diem payments (breakfast, lunch, and dinner), based on departure and return times, at rates established by the Local Board.

1. The Local Board may pay per diems based on this Public Policy of minimum distance traveled and ensuring that the costs are reasonable and necessary for the purpose of the official trip.
2. The itinerary for the payment of subsistence allowances will be based on a regular working schedule of the LLDAMD. The per diem will be calculated from the moment they leave their official or private residence until the moment they return to it.

Diet	Check-out before	Return After	Set Quantity
Breakfast	6:30 AM	8:00 AM	\$ 10.00
Lunch	12:00 M	1:00 PM	\$ 12.00
Food	6:00 PM	7:00 PM	\$ 15.00
Daily Diet			\$ 37.00

3. If breakfast, lunch or dinner was provided at the place where the official procedures are carried out, the employee/official or member of the Local Board will not be able to claim that part of the per diem.

E. Direct Payment by Local Area

Travel and lodging payments can be made directly by the LLDAMD, whether it is the payment of hotel, air transportation or the advance of living expenses, as long as the due internal controls are complied with. If these payments are not made in advance, the expenses will be reimbursed, subject to the presentation of the corresponding documentation.

1. Report of final expenses and official steps taken and objectives achieved. The employee/officer or member of the Local Board who is granted authorization to

participate in activities in Puerto Rico in which lodging is required, must submit a report (*Annex 2*), within fifteen (15) days of his return, detailing:

- a. the final breakdown of expenses incurred in lodging, ground transportation expenses, incidental expenses;
 - b. the goals achieved or knowledge obtained and how they can use them for the better execution and performance of their functions.
3. **Payment of Expenses Incurred by Local Board Members for Attendance at Regular and Extraordinary Meetings.**

A. Face-to-face meetings (ordinary/extraordinary)

Local Board members do not receive compensation for being board members. However, the Local Board establishes compensation (work allowances) for expenses incurred by participating in regular and extraordinary meetings of the Local Board, these in-person meetings specifically related to Title I programs under the laws of the WIOA Act.

Local Board members who attend the regular or extraordinary in-person meetings related to the performance of their duties will receive compensation (work allowances) for expenses incurred for participation in the meeting specifically related to the WIOA Title I Program.

If Local Board members attend other events related to the aforementioned meetings, the Puerto Rico Travel Expenses section of this Public Policy applies.

1) Eligible Members and Applicable Work Allowances Amount (per diem)

The Local Board President or Interim President shall receive compensation (per diem) for expenses incurred in the amount of one hundred dollars (\$100.00), while the other members of the Local Board shall receive compensation (per diem) for expenses incurred in the amount of seventy-

five dollars (\$75.00) per meeting. It will not apply to the meetings of the Working Committees.

The members of the Local Board must have full permanence in the meeting. This compensation (per diem) for the expenses incurred will be the same for ordinary or extraordinary meetings of the Local Board.

2) Members Not Eligible for the Work Allowances

Members representing the Government of Puerto Rico.

3) Number of Days for Work Allowances Compensation (per diem)

This stipend will be awarded up to a maximum of six (6) meetings per year.

B. Proportional Allocation

In the event that a Local Board meeting discusses issues unrelated to WIOA Title I programs, funds for travel expenses and allowance will be allocated in proportion to the time and discussions related to WIOA Title I programs.

C. Virtual Meetings

In the case of virtual meetings, no reimbursement of expenses or per diem will be provided, as no direct travel or accommodation costs are incurred. Local Board members may participate in these meetings at no cost.

D. Internal Controls

To ensure the effective application of the principles of cost and equity in payments to Local Board members, the following internal controls will be implemented:

1. Attendance Record

An attendance record will be kept at each meeting, which establishes whether the meeting is face-to-face or virtual. Each Local Board member who attends will sign the attendance record and this meeting will be required to be fully related to Programs and Activities under Title I of the WIOA Act.

2. Certification

The Executive Officer stationed at the Local Board will prepare a Certification stating the date of the meeting, whether it was in-person or virtual.

From the meeting to be face-to-face, the Certification in Original with a copy of the Attendance Record will be presented to the Finance Department of the Local Labor Development Manatí/Dorado, for the due process of intervention and disbursement according to this Public Policy and the Procedure Manual Fiscal Area and Internal Controls.

3. Payment Differential

The payments must be fully related to programs and activities under Title I of the WIOA Act. For this reason, the agenda of the meeting must be filed, along with the register of signatures and documents related to the payment to the members of the Local Board.

4. Review and Approval

Payments will be reviewed and approved by the competent authority, ensuring that this public policy and the guidelines of the Local Board are complied with. Ensure that they are based on effective attendance and member contribution in relation to WIOA Title I programs and activities.

4. Travel Expense Reimbursement:

a) Eligible Expenses:

Expenses eligible for payment or reimbursement may include, but are not limited to, the following:

1. Transportation fares (flights, trains, buses, etc.);
2. Hotel accommodation (when overnight stays are necessary);
3. Meals and other living expenses, at rates permitted by federal regulations and Local Board policy;
4. Other travel-related expenses, such as parking fees and local transportation.

b) Required Documentation:

To be eligible for payment or reimbursement of travel expenses, Local Board members must submit documentation required by this Public Policy including receipts and proof of expenses. The documentation must justify the need to attend the meeting and the reasonableness of the expenses incurred.

5. Refund Procedure:

Local Board members who wish to apply for reimbursement of travel expenses must follow the procedure set forth by the Local Board in this Public Policy, which includes timely submission of supporting documents and prior approval of the travel request, where applicable.

V. REPEAL:

This Public Policy repeals the Fifth Amendment to the Manual of Fiscal Area Procedures and Internal Controls and the Amendment to the Internal Regulations of the Manatí-Dorado Local Labor Development Board dated January 24, 2024.

VI. APPROVAL AND VALIDITY:

This Public Policy No. WIOA-07-2025 will be effective upon approval by the members of the Local Board and the Board of Directors of Mayors of the Local Workforce Development Area Manatí-Dorado.

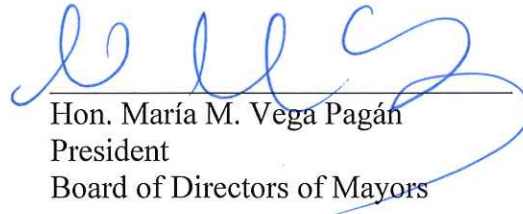
VII. DATE OF EFFECTIVENESS

Public Policy No. WIOA-07-2025 was approved by the Local Board members and the Board of Directors of Mayors of the Manatí-Dorado Local Workforce Development Area.

In Vega Alta, Puerto Rico, on January 29, 2025.



Sra. Agnelis Laureano Vega
Interim President
Local Workforce Development Board



Hon. María M. Vega Pagán
President
Board of Directors of Mayors

Note: In this document, the masculine gender will be used to refer to both genders in a way that makes it easier to read. This style of writing is not intended to imply the supremacy of one genre over another.