

The North Carolina Partnership for Children, Inc.
Smart Start Cost Principles - State Rates
Effective January 1, 2026

Standard State Subsistence Rates

The standard State allowable per diems for meals and lodging are as noted below. These rates are expected to be in effect from July 1, 2025, through June 30, 2027.

	<u>In-State</u>	<u>Out-of-State</u>
Breakfast	\$ 10.60	\$ 10.60
Lunch	14.00	14.00
Dinner	<u>24.40</u>	<u>27.70</u>
Total	<u>\$49.00</u>	<u>\$52.30</u>
Lodging, actual up to	\$94.10	\$111.10

Note that the Cost Principles only permit reimbursement for breakfast or dinner when the employee is in overnight travel status. Refer to Section 5.2.7 of the State Budget Manual regarding related IRS guidance.

The payment of sales tax, lodging tax, local tax, or service fees applied to the cost of lodging is allowed **in addition** to the lodging rate and is to be paid as a lodging expense.

(Pursuant to the Smart Start Cost Principles, excess lodging authorization must be obtained from the partnership Executive Director or his or her designee in order to reimburse an employee for actual costs that exceed the State rates.)

For hosted meetings, when refreshments are allowable, the maximum amount for refreshments is \$5.00 per person per day. Refreshments cannot be reimbursed for employee travel.

US General Services Administration (GSA) Subsistence Rates

As an alternative, in accordance with NC DHHS travel policy effective July 1, 2021, partnerships may choose to use GSA State/City Standard Travel Per Diems for meals and lodging for Smart Start funds and other funds that come from/through DHHS. GSA rates can be located online at: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

The LP's policies and procedures must specify if GSA State and/or City rates will be used instead of standard State rates. The LP is responsible for maintaining documentation of the GSA rate in effect for the time and location of travel; these rates can change monthly.

When using the US GSA rates, the allowability for meal reimbursements during overnight travel must still be determined based upon the departure and arrival times noted in the Smart Start Cost Principles. It is not allowable to use the 75% allocation for the first and last days of travel.

Care must be taken to ensure allowable travel reimbursement rates for other fund sources are not exceeded.

Mileage Reimbursement Rate

The business use mileage reimbursement rate is 72.5 cents per mile when using a personal vehicle.