

ACCOUNTING PROCEDURE

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| TOPIC: Section 12--Travel 1.4 | EFFECTIVE DATE: 10/10/86 |
| TITLE: Coding of Training Expense and IRS Reporting | REVISION DATE: 1/12/07 |
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BACKGROUND

As an employer, each agency of the State of Wisconsin is responsible for reporting certain taxable information to the Internal Revenue Service (IRS) in addition to the employee's regular salary. This information, supplemental W-2's, must be sent to the person and transmitted to IRS by January 31 each year. Depending on the IRS rules, at the end of each year, the IRS may require that W-2's be issued for reimbursement of employer provided educational assistance benefits.

This bulletin provides instructions for the coding of various training expenses. In addition to provisions in employee union contracts, chapters 228 & 238 of the *DHFS Supervisor's Manual* provides guidance for determining eligibility and level of reimbursement for training and related expenditures.

Segregation of these expenses provides the Department of Employee Relations (DER) with detailed expenditure information on job-related, career-related training and associated activities for contract considerations. We have established account codes to separate training-related expenditures for tuition, fees and books from the travel expenses (transportation, meals, and lodging) incurred for attending training sessions, conventions or other meetings of professional associations.

PROCEDURES

Travel/Training Expense Detail. To produce information required for IRS reporting and required by DER, the following procedures emphasize the proper use of account codes given in the "Account Code Listing" when coding the travel or invoice vouchers.

- a. Use the following account codes for tuition, fees and books:

21750-Tuition, Fees and Books - Job-Related Training. (For improvement of job skills or knowledge, and is management-directed.) Related travel expense will be recorded in **21100** or **21300**.

21800-Tuition, Fees and Books - Career Related Training. (For activities necessary to progress through a class series of jobs closely related to employee's current job and for affirmative action training.) This account is used to collect the necessary information for reporting taxable educational assistance reimbursements to the IRS. Related travel expense will be recorded in **21100** or **21300**.

21750-Registration/Tuition and Fees - Professional Association Meetings. (For meetings and conventions that are job related and employer-directed.) Related travel expense will be recorded in **21100** or **21300**.

- b. The following account codes will be used for the travel expenses incurred to attend training sessions, conventions or other meetings of professional associations. If meal expenses are incurred without an overnight stay, see [Section 12 - Travel 1.41](#) (Coding of Non-Overnight Meals, Moving Reimbursements, IRS Reporting, and Withholding of Taxes).

21100-In-State Conventions and Conferences. (All in-state travel expenses incurred while attending authorized conventions and conferences.)

21100-Employee Travel for Training In-State. (All in-state travel expenses incurred while attending in-state training sessions.)

21300-Out-of-State Conventions and Conferences. (All out-of-state travel expense incurred while attending authorized conventions and conferences.)

21300-Employee Travel for Training Out-of-State. (All out-of-state travel expenses incurred while attending out-of-state training sessions).

- c. Travel costs for non-state employees. Reimbursement of all costs associated with non-state employees should be coded to Account **21600**.

REFERENCES

DHFS Supervisor's Manual, Chapter 228 and Chapter 238
<http://dhfsweb/hr/SupervisorManual/SupvManNumberIndex.htm>

DHFS APP [Section 12 - Travel 1.41](#) (Coding of Non-Overnight Meals, Moving Reimbursements, IRS Reporting, and Withholding of Taxes)

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