



**TRANSPORTATION CABINET**


Frankfort, Kentucky 40622  
www.transportation.ky.gov/

**Steven L. Beshear**  
Governor

**Michael W. Hancock, P.E.**  
Secretary

MEMORANDUM

**TO:** All Prequalified Consultants

**FROM:** Michael L. Hill, P.E.   
Director  
Division of Professional Services

**DATE:** September 15, 2011

**SUBJECT:** Negotiation of Direct Costs For Mileage, Per Diem, and Hotel

600 KAR 6:070 states that travel reimbursements are governed by 200 KAR 2:006, which specify reimbursement rates for state employees. The regulation provides for an adjustable scale for the average gasoline cost. Current Division of Professional Services policy allows a maximum of Forty-Two Cents (\$.42) a mile for a passenger car and Fifty-Five Cents (\$.55) a mile for a four (4) wheel drive vehicle.

Effective with this memorandum, an average mileage shall be determined from the average of the reimbursement rates of the previous twelve months as governed by 200 KAR 2:006. An interim rate of Forty-Five Cents (\$.45) a mile is hereby established for negotiating for the remainder of September 2011 and will be in effect for one (1) year from the date of this notice. A premium of Thirteen Cents (\$.13) a mile will be allowed for a four (4) wheel drive vehicle. This will allow for a rate of Fifty-Eight Cents (\$.58) a mile for a four (4) wheel drive vehicle.

Negotiated Direct Costs for meals are governed by 200 KAR 2:006, which specified reimbursement rates for state employees remain the same. Breakfast: authorized travel 6:30 a.m. through 9:00a.m. - Seven Dollars (\$7.00); Lunch: authorized travel 11:00 a.m. through 2:00 p.m. - Eight Dollars (\$8.00; and Dinner: authorized travel 5:00 p.m. through 9:00 p.m. - Fifteen Dollars (\$15.00). Current policy for negotiating direct cost reimbursement for hotel lodging also remains the same.

The allowable rate for negotiating direct cost reimbursement for hotel lodging is Seventy-Five Dollard (\$75.00) per night for all personnel. There is not a separate rate for Survey or Field Personnel.



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For Cost Plus A Fixed Fee contracts, KYTC will reimburse for the actual expenditure for hotel. The expenditure will be checked for reasonable when submitting request for payment and in the post audit. If the amount is determined unreasonable, the reimbursement will be disallowed or limited to a reasonable amount. Per Diem and Mileage will be reimbursed according to company policy, not to exceed the maximums above.

MLH/MAY