



Andy Beshear
GOVERNOR

TRANSPORTATION CABINET

200 Mero Street
Frankfort, Kentucky 40601

Jim Gray
SECRETARY

MEMORANDUM

TO: All Prequalified Consultants

FROM: Eric Pelfrey, P.E. *EP*
Director, Division of Professional Services

DATE: January 2, 2025

SUBJECT: 2025 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. This regulation determines reimbursement rates for average gasoline cost, per diems for meals, and hotel lodging. The following rates shall take effect for all contracts and contract modifications from the date of this notice until December 31, 2025.

The regulation provides for an adjustable scale for the average gasoline cost. 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. Using this calculation, the average gasoline cost to be applied as a direct cost shall be forty-four cents (\$0.44) per mile. A premium of thirteen cents (\$.13) per mile will be permitted for a four (4) wheel drive vehicle, resulting in an allowable rate of fifty-seven cents (\$0.57) per mile.

Allowable direct costs for meals shall increase to the following rates:

- Breakfast: authorized travel 6:30 a.m. through 9:00 a.m. – Twelve dollars (\$12)
- Lunch: authorized travel 11:00 a.m. through 2:00 p.m. – Fifteen dollars (\$15)
- Dinner: authorized travel 5:00 p.m. through 9:00 p.m. – Twenty-three dollars (\$23)

The current policy for negotiating direct cost reimbursement for hotel lodging shall increase to one hundred and ten dollars (\$110) per night for all personnel. This rate shall also apply for survey crews and field personnel.

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 Cabinet determines the amount is 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 maximum allowable rates listed above.