MEMORANDUM

TO: All Prequalified Consultants

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

DATE: January 14, 2020

SUBJECT: 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, 2020.

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 remain at forty-one cents ($0.41) per mile. A premium of thirteen cents ($0.13) per mile will be permitted for a four (4) wheel drive vehicle, resulting in an allowable rate of fifty-four cents ($0.54) per mile.

Allowable direct costs for meals shall remain in effect as follows:

- Breakfast: authorized travel 6:30 a.m. through 9:00 a.m. – Eight dollars ($8.00)
- Lunch: authorized travel 11:00 a.m. through 2:00 p.m. – Ten dollars ($10.00)
- Dinner: authorized travel 5:00 p.m. through 9:00 p.m. – Eighteen dollars ($18.00)

The current policy for negotiating direct cost reimbursement for hotel lodging shall also remain in effect at ninety dollars ($90.00) per night for all personnel. There is not a separate rate for survey or 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.