



STATE OF ALABAMA  
DEPARTMENT OF FINANCE  
OFFICE OF THE STATE COMPTROLLER

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March 26, 2003

MEMORANDUM

TO: All Department Heads/  
Chief Fiscal Officers

FROM: Robert L. Childree *RLC*  
State Comptroller

SUBJECT: Fiscal Policy & Procedures Update

Attached hereto is an update to the State of Alabama's *Fiscal Policy & Procedures Manual*. This update to the manual is provided to keep current the rules and regulations put forth by the Department of Finance. Please distribute it to those individuals in your agency who use the manual.

This update pertains to the per diem allowance for in-state travel. Effective April 1, 2003, the Governor has set the per diem rate at \$50.00 for overnight travel. Because the rate has been changed to \$50.00, the following allowances are now in effect:

- 1) A \$7.50 meal allowance is allowed if a trip is from 6 to 12 hours duration.
- 2) A \$20.00 allowance is allowed if a trip exceeds 12 hours duration but does not involve an overnight stay.
- 3) If a person in travel status has been stationed at the same location for two consecutive months, the \$50.00 per diem is decreased to \$37.50

As always I appreciate your efforts in implementing this change, and if questions arise, please feel free to contact my office.

RLC: mr

# CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

## CHAPTER 6 SECTION 6-5 PAYMENT TYPES SUBSECTION F PAYMENT FOR REIMBURSEMENT OF TRAVEL EXPENSES

Change

### 1.a. **Per Diem Allowance (second and third paragraph page 6-17)**

The term overnight, as used in Code of Alabama 1975, §36-7-20, as amended, means exactly what the word implies. The common law meaning of night usually means the period between sunset and sunrise. Another rule often applied is that night is defined as beginning thirty minutes after sunset and ending thirty minutes before sunrise. To be entitled to overnight per diem, the trip must require a "rest period." Individuals who remain in work state are not entitled to overnight per diem. Employees within reasonable travel distance from their base are expected to return to base. Individual circumstance will determine what is reasonable but generally, a trip of ~~50~~ **100** miles or less one-way does not require an overnight stay. **Once a year an exception to the 100-mile rule may be approved by Department Directors for employees attending professional meetings.** The travel allowance is set at ~~\$75.00~~ **\$50.00** per day effective ~~October 1, 1996~~ **April 1, 2003**.

"The amount allowable to a person traveling inside the State of Alabama, in the service of the state of any of its departments, institutions, boards, bureaus, commissions, councils, committees, or other like agencies, for expenses other than transportation may be fixed by the Governor at not less than \$50.00 and not more than \$75.00 per day. Such maximum or limit when fixed from time to time shall be uniform in operations as to all persons traveling with the state on official business. The current allowance for overnight per diem is ~~\$75.00~~ **\$50.00** per day.

### 1.b. **Reimbursement For Mileage Expenses (first and second paragraph page 6-18)**

Effective ~~January 1, 2000~~ **January 1, 2003**, persons traveling on official business for the state of any of its departments, institutions, boards, bureaus, commissions, council, committees, or other like agencies in privately owned vehicles shall receive ~~\$ .325~~ **\$.36** per mile in lieu of their actual expenses for transportation. Officers and employees of the state are entitled to mileage allowance from base station to destination and return or for miles actually travel from home to destination and return whichever is less.

Mileage is to be reported in whole miles, rounded to the nearest whole number. To calculate the amount to be reimbursed, all mileage listed on the in-state travel from must be totaled and then multiplied by the applicable rate. The reimbursement rate for mileage expenses ~~is subject to the guidelines established by the Director of Finance and the Governor~~ **is equal to the mileage rate allowed by the internal Revenue Code for income tax deductions**. Employees based in the city of Montgomery, are required to use State Motor Pool vehicles rather than privately owned vehicles. Reimbursement for will not be paid unless the employee has a "for cause" exemption approved by the Director of Finance or a certification from the State Motor Pool that no motor pool car was available for use. A copy of the applicable document should be submitted with the travel claim. An exception applies when the traveler will be away from his base a maximum of 50 miles (one-way). In this case, it is not necessary to obtain a State Motor Pool exemption.

(Changes/Additions are underlined and bold, deletions are lined through)