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September 9, 2005

MEMORANDUM

TO: Fiscal Officers

FROM: Robert L. Childree

SUBJECT: Update to *Fiscal Policy & Procedures Manual*

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 this to those individuals in your agency who use the manual. If you have questions or comments, please contact Kathleen Baxter at (334) 242-4857 or kathleen.baxter@comptroller.alabama.gov.

RLC:kdb

CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

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

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

The guidelines for travel reimbursements are established by state law as follows (*Code of Alabama 1975*, §36-7-20 through 36-7-23, as amended).

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 status are not entitled to overnight per diem. Individuals whose work hours are during the night period are in work status and 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 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.~~ Exceptions to the policy may be approved by the department director. The travel allowance is set at ~~\$50.00 per day for one overnight stay, \$66.66 per day for two consecutive overnight stays, and \$75.00 per day for three or more consecutive overnight stays.~~ The new rates will be effective April 1, 2003. \$75.00 per day effective September 8, 2005.

"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 ~~\$50.00 per day for one overnight stay, \$66.66 per day for two consecutive overnight stays, and \$75.00 per day for three or more consecutive overnight stays.~~ \$75.00.

CHANGES/UPDATES TO THE FISCAL POLICY AND PROCEDURES MANUAL

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

1.a. Per Diem Allowance (continuation on page 6-18)

The per diem is not to be paid to an employee stationed at the same place in the State for a period in excess of two consecutive months. After two consecutive months, the per diem is reduced to ~~\$37.50~~ \$56.25 per day (75% of daily rate). The per diem includes all charges for meals, lodging, fees, and tips (Attorney General's Opinion issued September 8, 1952, vol. 68, p.63).

Under no circumstances will an employee be paid an overnight travel allowance at the official station or base or primary residence. If state business requires the traveler to be away from the base or official station on weekends or holidays, the traveler will be entitled to reimbursement for travel for those days.

If the individual's travel is interrupted for personal convenience or through the taking of leave, the travel allowance may not exceed the costs that would have been incurred for authorized uninterrupted travel.

No travel allowance shall be paid for a trip of less than six hours' duration. For travel that does not require an overnight stay, the traveler shall be paid a meal allowance of ~~\$7.50~~ \$11.25 (15% of the regular per diem rate) for a trip of from six to twelve hours' duration. For travel in excess of twelve hours' duration the traveler shall be paid ~~\$20.00~~ \$30.00, which represents one meal allowance and one-fourth of the per diem allowance.

No meal allowance will be paid if the traveler remains in the city where his/her home or base is located.