

Petroleum Restoration Program
Reimbursement for Travel Expenses on a Per Diem Basis in Agency Term Contracts

Question: In reviewing Section 112.061, Florida Statutes, there appears to be an opportunity for vendors to charge travel costs on a per diem or actual cost basis. The PRP ATC limits Contractors to a fixed per diem rate for travel reimbursement. Can you explain where this limitation is authorized/established?

Answer: The Department procured the Petroleum Restoration Program's Agency Term Contracts (ATCs) in accordance with Chapter 287, Florida Statutes (F.S.), through the issuance of an Invitation to Negotiate (No. 2014004C). Section 112.061, F.S., is the statute that speaks to the allowance of costs for travel by state employees and authorized persons.

The language regarding travel in our current ATCs can be found in the following areas of the document:

1. Paragraph 8.B of the Contract.
2. Attachment A, Section V, Subsection A, Paragraph 5.
3. Attachment A, Section V, Subsection B, Paragraph 4.
4. Schedule of Pay Item Descriptions (may also speak to whether travel costs are included in the unit rate provided or are considered as a reimbursable pay item).

Pursuant to Section 287.058(1)(b), F.S., a state agency may establish rates lower than the maximum provided in Section 112.061, F.S. The Department has done so in DEP Solicitation No. 2014004C, by limiting the customary travel allowance to the established per diem rate, and has carried this requirement forward in the final ATC. The ATC does provide a means for the DEP to authorize the Contractor to be reimbursed, based on hotel and subsistence (meals), pursuant to 112.061, F.S., for work assignments directed at participating in specific meetings and legal proceedings.

Travel types established by Section 112.061, F.S. include the following:

1. Class A – Continuous travel of 24 hours or more away from official headquarters.
2. Class B – Continuous travel of less than 24 hours which involves overnight absence from headquarters.
3. Class C – Travel for short trips where the traveler is not away from his or her official headquarters overnight. The statute [2013] further states that moneys appropriated from the State Treasury cannot be used to pay per diem or subsistence for Class C travel. Based on this direction, Class C is not eligible for reimbursement.

For Class A and B travel, the term headquarters is defined as the city or town where the employee is assigned to an office. It further provides a definition for persons located in the field as the city or town nearest to the area where the majority of the person's work is performed. The Department of Financial Services (DFS) has adopted rules as directed in Section 112.061(9), F.S., that further support Chapter 112.061, F.S. This rule can be found under

Chapter 69I-42, Florida Administrative Code (F.A.C.). Under Section 69I-42.006(7), F.A.C., DFS establishes that a traveler may not claim per diem for travel within a 50 mile radius of his headquarters or residence (*there may be some limited circumstances that can be justified, but the agency head must approve this allowance prior to such travel*).

When negotiating travel with site managers, the Contractor should explain the plan for completing the work to be assigned. Our site managers are expected to evaluate the travel needed and provide a reasonable estimate for per diem associated with work for an assigned facility.