



USAID
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Functional Series 600
Budget and Finance

INTERIM UPDATE 09-02

SUBJECT: Discontinuance of All-Inclusive Per Diem Reimbursement

NEW MATERIAL: This general notice announces that as of July 1, 2009, the all-inclusive method (also known as the flat rate method) of per diem reimbursement is no longer authorized.

EFFECTIVE DATE: 04/23/2009

POLICY

USAID/General Notice
M/CFO/FPS & M/AS/TT
04/23/2009

Subject: Discontinuance of All-Inclusive Per Diem Reimbursement

As of July 1, 2009, the all-inclusive method (also known as the flat rate method) of per diem reimbursement will no longer be authorized for new travel authorizations (TAs). All TAs issued after June 30, 2009 must reference the Lodging-Plus method for per diem reimbursement, unless the per diem rates are inadequate for a particular travel assignment. In such instances, travelers may use the actual expense method of per diem reimbursement. The Lodging-Plus and the actual expense methods require travelers to attach lodging receipts and receipts for all reimbursable items over \$75.00 to their travel voucher. Refer to ADS 633 and ADS 522 for details on the Lodging-Plus and actual expense methods.

This policy change applies to USAID direct hire employees and to USAID's Personal Services Contractors (PSC) (US, Third Country National (TCN), and Foreign Service National (FSN)) in accordance with the terms of their contracts. It does not apply directly to other contractors and their employees or grant/cooperative agreement recipients and their employees. The terms and conditions of their awards govern the per diem reimbursement policy for these individuals. For employees of other U.S. Government agencies working for USAID, the terms of the interagency agreement (e.g., through a Participating Agency Service Agreement (PASA) or Participating Agency

Program Agreement (PAPA)) determine the appropriate policy.

If properly authorized, TAs issued before July 1, 2009 with travel commencing after July 1, may be reimbursed using the all-inclusive method. The Federal Travel Regulation (FTR) (see FTR 301-11) does not permit the all-inclusive method of per diem reimbursement. The authority to use the all-inclusive reimbursement method has been based on a waiver from the General Services Administration (GSA), originally provided in 1996 and extended in 1999. During the interim, the waiver allowed USAID to implement an electronic processing and routing system for travel documents. That system is E2 Travel Solutions (E2). Once E2 is available to the entire Agency, the basis for the GSA waiver no longer applies. Therefore, TAs issued after June 30 must not authorize reimbursement via the all-inclusive method.

Point of Contact: Any questions concerning this Notice may be directed to:

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Remarks	This IU will remain active until it is incorporated into an ADS chapter.

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