

Termination of Flat-Rate Per Diem Frequently Asked Questions

ALCOAST 283/18

Effective 13 August 2018, the John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2019, section 603, "Prohibition on Per Diem Allowance Reductions Based on the Duration of Temporary Duty Assignment or Civilian Travel," includes a repeal of the authority to prescribe a reduced flat-rate per diem for long-term temporary duty (TDY) travel. Below is a list of frequently asked questions (FAQs) addressing process and administrative concerns that may arise because of the termination of this policy.

FAQs

1. Why is flat-rate being terminated and what is the effective date?

The NDAA for FY 2019, section 603, included a repeal of the authority to prescribe a reduced flat-rate per diem for long-term temporary duty (TDY) travel. The repeal of the authority to prescribe flat-rate per diem was effective the day the President signed the NDAA 13 August 2018. The last day the member is paid flat-rate per diem is 12 August 2018. Beginning 13 August 2018, the member's per diem transitions to the Lodging Plus computation method. This means that per diem for lodging, meals, and incidental expenses may not be reduced to 75 or 55 percent based on the length of TDY. This also applies to members currently performing TDY.

2. Are there any resources that I can reference about this policy change?

Yes. Members, AOs, and Commands may reference:

- ALCOAST 283/18, Termination of Flat-Rate Per Diem During Long-Term TDY
- Flat-Per Diem Termination TPAX User Guide is available on PPC (tv1) website:
<https://www.dcms.uscg.mil/ppc/travel/>
- Flat-Per Diem Transition Examples are available on DTMO's website:
<https://www.defensetravel.dod.mil/>

3. Will flat-rate per diem still apply for members who were performing TDY when the policy changed on 13 August 2018 (i.e., grandfathered)?

No, effective 12 August 2018 flat-rate per diem was terminated even for members currently on TDY orders. Effective 13 August 2018, all members are reimbursed under the Lodging Plus computation based on the full locality per diem rate.

4. Will I have to provide lodging receipts after flat-rate per diem ends?

Yes, the Joint Travel Regulations (JTR) paragraph 010301 specifies that an itemized receipt is required for each lodging expense regardless of the amount.

5. What if I am paying monthly for the rental of an apartment and flat-rate per diem ends in the middle of the month?

Effective 13 August 2018, per diem is paid using the Lodging Plus computation method – the monthly apartment rent plus appropriate utilities added together and divided by the number of days in the month. This computation provides the daily lodging rate used for the lodging plus computation. Members are paid actual lodging expenses up to the maximum locality rate, and full per diem for meals and incidental expenses (M&IE).

- 6. Will I have to create an amendment to my orders when flat-rate per diem ends?**
ALCOAST 283/18 will serve as the amendment to orders and must be uploaded in TPAX. The last day the member is paid flat-rate per diem is 12 August 2018. Beginning 13 August 2018, the member's per diem transitions to the Lodging Plus computation method.
- 7. If I am staying in commercial lodging that was booked outside of the Travel Management Company (TMC) (i.e., ADTRAV) when flat-rate per diem is eliminated, may I be reimbursed lodging?**
Yes, the member may remain in the original lodging throughout the TDY. If the member moves after the flat-rate per diem policy ends 12 August 2018, they must comply with the JTR, par. 020303 on making lodging reservations through the TMC. An exception to this regulation may be authorized for a member who is unable to obtain long-term lodging through the TMC in accordance with the JTR, par. 020303-A3. An unavailability statement from the TMC would be required and should be reference on the TDY order, the member would book the lodging directly with the commercial lodging facility. Lodging should not be reserved through an online booking agent (e.g., Expedia.com, Hotel.com) or through privately owned non-commercial lodging companies (e.g., AirBnB). However, if a member books lodging through an online booking agent or a privately owned non-commercial lodging company, reimbursement is limited to the expenses authorized for commercial lodging and itemized receipts are required in accordance with the JTR, par. 020303-A4.
- 8. If the TDY was considered "more advantageous" under flat-rate per diem, but not under full per diem, can the AO curtail the number of days of my TDY?**
The AO determines the mission requirements and can adjust the TDY accordingly.
- 9. Will the elimination of the flat-rate per diem policy be a legitimate reason to break my lease without penalty? If not, will the Government pay lease-breaking expenses?**
Whether the member is released from their lease or not is between the member and the landlord and depends on the terms of the lease. If the TDY is curtailed for official reasons, then early termination fees or penalties may be reimbursed as specified in the JTR, Table 2-16. However, if the member chooses to move for personal reasons as a result of flat-rate per diem elimination, there is no authority in the JTR to pay lease-breaking expenses.
- 10. With the elimination of the flat-rate per diem policy, will the Government pay for storage if I move from an apartment to commercial lodging?**
No, there is no authority in the JTR to pay for storage in this situation.
- 11. What is the impact of eliminating flat-rate per diem on dual lodging?**
The authority for 30-day dual lodging is also eliminated, and the member may only be authorized dual lodging as specified in the JTR, Table 2-16.
- 12. What if I am ordered on a long-term TDY that was authorized flat-rate per diem, but I do not depart the PDS on TDY until the day of or after the President signs the NDAA (13 August 2018) that eliminates flat-rate per diem?**
Flat-rate per diem will not apply and Lodging Plus per diem will be the computation method used for TDY travel days on or after the effective date of the NDAA.
- 13. Does the termination of flat-rate per diem apply to Active Duty and Reserve Members?**
Yes, this applies to both Active and Reserve members in a TDY status.