

New York University

UNIVERSITY POLICIES

Title: *Domestic and Foreign Travel Policy for Sponsored Programs*

Effective Date: September 1, 2013

Supersedes: N/A

Issuing Authority: Sponsored Programs Administration

Responsible Officer: Assistant Vice President for Post-Award Administration

Policy

It is the policy of New York University (“University”) that the *Business Expenses* policy applies to all domestic and foreign travel for sponsored programs. However, if specific sponsor guidelines for a sponsored program are more restrictive than University policy, then sponsor rules shall apply.

All travel expenses charged to Federally sponsored projects, (both direct and pass-through) are governed by the cost principles of OMB Circular A-21. Therefore, charges must pass the following three tests:

- The cost must be *allowable* under both the provisions of A-21 and under the terms of a specific award.
- The cost must be *allocable*; that is, the expense can be associated to a project with a high degree of accuracy.
- The cost must be *reasonable*, that is, the cost reflects what a “prudent person” would pay in a like circumstance.

Sponsored research awards may be used to cover the costs associated with travel and subsistence associated with the award, e.g. transportation, meals and lodging. However, there are a number of factors provided below to consider for allowability and allocability of travel costs on sponsored awards.

Purpose of this Policy

The purpose of this policy is to provide guidance for proposing and administering travel costs, both foreign and domestic, in compliance with Federal and other sponsor requirements, and NYU policy.

Scope of this Policy

This Policy is applicable to all schools, departments, units and personnel of the University involved in administering sponsored awards.

Procedures for Implementation

For all sponsored awards, the University Policy and Procedures for Domestic and Foreign Travel Expense Reimbursements must be followed. ([Business Expenses Policy](#) and [Accounts Payable](#) for appropriate forms) Business expenses charged to sponsored projects are subject to the guidelines provided in this policy.

a. Proposal /Budget

Generally, the proposal should include a budget for foreign and domestic travel costs and the proposal must have explicitly stated justification for the travel. This will translate into a budget category for travel when the sponsored project is established.

Travel is allowable as a direct cost where such travel will provide direct benefit to the project and comply with NYU and sponsor requirements. Costs for employees working on the project may include per diems or subsistence allowances and other travel-related expenses, such as mileage allowances if travel is by personal automobile.

All travel charged to sponsored projects must be approved by the Principal Investigator or the individual responsible for the management of “restricted” funds. Before making travel arrangements, make sure that travel is allowed under the terms of an agreement or contract. In some cases, the sponsor’s written approval may be required prior to any trip. Please see current [PAS requirements](#) for any travel changes exceeding the approved budget by \$1,000 or 25%, whichever is greater.

b. Travel Advances

When travel advances are necessary, the traveler must complete a travel advance form and submit it to Accounts Payable at least 10 to 20 days prior to travel.

Travel advance requests and reconciliations must follow the requirements in the [Business Expenses Policy](#).

Requests for travel advances exceeding \$500 must include a description of the circumstance that requires the advance and a brief budget of expenses must be provided in the Form.

Advances for sponsored programs must be reconciled within 30 days of the end of the trip. See NYU’s [Business Expenses Policy](#) for additional guidance. All advances must be cleared prior to closing an award.

If the advances are not cleared at the time of the award closeout, expenses associated with the remaining advance amount will be charged to a discretionary chartfield.

c. Domestic Travel

Domestic travel is travel performed within the recipient's own country. For the U.S., it includes travel within and between any of the 50 States of the U.S. and its possessions, territories, Canada and, in most cases Mexico.

d. Foreign Travel

Foreign travel is travel outside of the United States, its territories and possessions, Canada and, in most cases, Mexico. However, for a foreign organization as described above, foreign travel means travel outside that country. When an award is Federally funded, the employee must comply with the requirements of the **Fly America Act**.

(To assist in compliance with the Fly America Act, a *Fly America Act Waiver Checklist* is included as an *Appendix 1* to this Policy.)

The Act requires that U.S.-flag air carriers be used to the maximum extent possible when commercial air transportation is the means of travel between the U.S. and a foreign country or between foreign countries. This requirement shall not be influenced by factors of cost, convenience, or personal travel preference. The cost of travel under a ticket issued by a U.S. flag air carrier that leases space on a foreign air carrier under a code-sharing agreement is allowable if the purchase is in accordance with GSA regulations on U.S. flag air carriers and code shares. There are exceptions to the Act, including but not limited to instances where the use of a U.S. flag carrier would:

- a) Require circuitous routing;
- b) Require travel during unreasonable hours;
- c) Excessively prolong travel;
- d) The alternate airline is a flag carrier from a country with open skies agreement with the United States and there is no city-pair contract flight. City-pair contracts provide for a discounted airline rate and are normally available only to Federal employees and Federal contractors. NYU's Federal award will establish whether or not NYU can avail itself of the benefits of a city-pair contract.

Such exceptions must be documented by providing a snapshot of flight availability, flight times and duration. Documentation is required to show that the ticket was issued under a code-share agreement. Note: Federal regulations prohibit the charging of business class or first class air travel to Federally sponsored projects.

The cost in excess over the coach fare must be segregated on the *Employee Reimbursement Request*. Any cost in excess over the coach fare will not be reimbursed from other non-sponsored funds unless approved in advance and the request for reimbursement must be accompanied by a written justification. Airfare costs in excess of the customary standard commercial airfare (coach

or equivalent), Federal Government contract airfare (where authorized and available) or the lowest commercial discount airfare are unallowable except when such accommodations would:

- a) Result in additional costs that would offset the transportation savings of flying coach; or
- b) Offer accommodations not reasonably adequate for the traveler's medical needs. The traveler must provide, on a case-by-case basis, a written note from their physician to justify the medical necessity.

Fly America Act and Open Skies Agreements

Generally, if a traveler is traveling on funds provided by the Federal government, the traveler must use a US flag carrier (an airline owned by an American company) regardless of cost or convenience.

If you are scheduling Federally-funded international travel, all flights where possible should be scheduled with US flag carriers or on foreign air carriers that code share with a US flag carrier. Code sharing occurs when two or more airlines "code" the same flight as if it were their own. A U.S. airline may sell a seat on the plane of a foreign air carrier. This seat is considered the same as one on a plane operated by a U.S. flag carrier. Compliance with the Fly America Act is satisfied when the U.S. flag air carrier's designator code is included next to the flight numbers on the airline ticket, boarding pass or on the documentation for an electronic ticket (passenger receipt).

For example, Delta has a code share agreement with Air France to Paris, France. If the boarding pass or e-ticket identifies a flight as DL ##, the requirements of the Federal Travel Regulations would be met, even if the flight was on an Air France airplane. If however, the boarding pass or e-ticket identifies the flight as an AF##, the requirements of the Federal Travel Regulations would not be met.

Open Skies Agreement

The United States Government has entered into several air transport agreements that allow Federally funded transportation services for travel and cargo movements to use foreign air carriers under certain circumstances.

There are currently four bilateral/multilateral "Open Skies Agreements" (U.S. Government Procured Transportation) in effect: the European Union (EU), Australia, Switzerland, and Japan.

Open Skies Agreements also provide a limited exception to the Fly America Act. Where an open skies agreement exists, a traveler may use the foreign airline except when a "GSA City Pair" exists or the travel is funded by the U.S. Department of Defense. Information on GSA City Pairs may be found at: <http://apps.fas.gsa.gov/citypairs/search/>.

When traveling to a destination serviced by a European Union airline, NYU travelers flying on a Federal grant can fly on either a US carrier or a EU (European Union) carrier as long as they touch down in a EU country.

The rights given to airlines concerning U.S Government procured transportation under the Open Skies Agreement do not apply to transportation obtained or funded by the Secretary of Defense or the Secretary of a military department.

In all cases, travel costs are limited to those allowed by [NYU's Business Expenses Policy](#) and in the case of air travel, the lowest reasonable commercial airfares must be used. Researchers are strongly encouraged to take advantage of discount fares for airline travel through advance purchase of tickets where travel schedules can be planned in advance (such as for national meetings and other scheduled events).

Faculty, staff and students working on the sponsored project are responsible for their own expenses. Individuals are personally responsible to ensure travel arrangements meet sponsored travel regulations. Improper or inadequately supported travel claims cannot be paid and may delay the reimbursement process.

e. Meals

Original itemized receipts must be submitted for all meals when claiming actual expenses, as opposed to per diem. Original receipts are not required in cases where the traveler claims per diem for meal expenses. *A traveler cannot claim both actual expense and per diem for meals on a single trip.* The University's per diem rate is \$50 for domestic travel, and follows the U.S. Department of State rates for foreign travel. A traveler must pro-rate the per diem for the first and last day of travel unless the entire day is spent in travel status. In all cases, alcohol is not a reimbursable expense on an award.

Meals for Non-traveler: The cost for the meals of a non-traveler or individual not specified in the award is not reimbursable as a travel expense.

f. Entertainment

Entertainment is *not* reimbursable. Entertainment expenses include costs for meals other than the traveler, amusement, diversion or social activities. However, a meal expense is allowable and is not deemed entertainment when a bona fide business meeting discussing and/or collaborating on the research takes place. In order to be deemed a bona fide meeting, there must be an agenda and a list of attendees and their role in the project and these must be provided with the reimbursement request.

g. Lodging

Domestic Travel

As stated earlier, domestic travel is travel performed within the recipient's own country. For the U.S., it includes travel within and between any of the 50 States of the U.S. and its possessions, territories, Canada and, in most cases, Mexico.

Travelers will be reimbursed for the actual cost of lodging, up to \$300 plus tax per day. The University's general guideline is that total expenses for lodging and meals should not exceed \$350 per day. Exceptions will be granted if the expense is necessary, documented and approved by the appropriate school/department representative. Conference-site hotels will be reimbursed at the actual cost. (See *Documentation Requirements* below.)

Foreign Travel

Foreign travel is defined as any travel outside of the U.S. and its territories and possessions and Canada and in most cases, Mexico. For foreign travel, NYU uses the [Department of State per diem rates](#), listed by country.

h. Documentation

Travel expenses for conferences or meetings should include the following original receipts for documentation:

- Attach a copy of the conference agenda;
- Include a statement that specifies the nature of the business conducted and reason for travel;
- If it is a meal expense, list name of attendees, explain why the meal was necessary and explain how it directly benefited the sponsored research award;
- Hotel receipt;
- Airline boarding pass or itinerary;
- Ground Transportation (rental car bill, receipts from taxis or limousines, ticket coupon from rail or bus).

Failure to produce a receipt may result in non-payment to the employee. Missing or inadequate documentation should follow University policy and the researcher must complete the Accounts Payable "Missing/Inadequate Documentation Report."

i. Preferred Vendor

When planning travel for sponsored research awards, travelers are encouraged to consult *NYU Traveler* for potential discounts with particular vendors to optimize financial resources and ensure proper stewardship over Federal funds. For assistance with travel arrangements, please visit [NYU Traveler](#).

j. Use of Personal Credit Card or Department Travel Card

Employees and students who are traveling on sponsored research awards are encouraged to use a department's travel credit card, when available, for their purchases and minimize carrying large sums of money for paying expenses. Use of personal credit cards, while discouraged, is allowed.

k. Canceled trips

In accordance with NYU's travel policy, employees and students who have purchased tickets or incurred expenses for travel on sponsored research awards and that are subsequently canceled should inquire about using the same ticket for future travel. If the travel is not postponed to a future date, then the expenses should not be charged to the grant but rather a discretionary chartfield unless the travel has been canceled for reasons beyond the employee's control. Fees associated with changing reservations and late fees for credit cards should not be charged to sponsored projects. See [NYU's Business Expenses Policy](#) for additional guidance.

Policy Definitions

N/A

Related Policies:

- Accounts Payable for appropriate forms
 - <http://www.nyu.edu/financial.services/cdv/pdf/exp2000T.pdf>
- *Business Expenses*
 - <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/business-expenses.html>
- NYU Traveler for assistance with travel arrangements
 - <http://www.nyu.edu/nyutraveler>
- PAS requirements for any travel changes
 - <http://www.nyu.edu/content/dam/nyu/research/documents/OSP/pas99.pdf>

Federal Regulations

- Federal Acquisition Regulation
 - <https://www.acquisition.gov/far/index.html>
- OMB Circular A-21
 - http://www.whitehouse.gov/omb/circulars/a021/a21_2004.html
- OMB Circular A-133
 - http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf
- The U.S. Department of Defense, Information on GSA City Pairs
 - <http://apps.fas.gsa.gov/citypairs/search/>
- The U.S. Department of State, Per Diem Rates
 - http://aoprals.state.gov/content.asp?content_id=184&menu_id=81

Appendices

Appendix 1: *Fly America Act Waiver Checklist*

This form can be used to determine if a waiver of the Fly America Act (41 CFR Part 301-10) could be allowable under the Federal regulations.

- _____ 1. Use of a foreign air carrier is a matter of necessity because of:
- _____ Medical reasons.
 - _____ It is required to avoid unreasonable risk to traveler's safety.
 - _____ A seat on a U.S. flag air carrier in an authorized class of service is unavailable or a seat on a foreign air carrier in an authorized class of service is available.
(Provide detailed explanation along with supporting documentation from at least 2 U.S. flag carriers.)
 - _____ Use of a U.S. flag air carrier will not accomplish the sponsoring agency's mission.
(Provide detailed justification with supporting documentation from the Federal sponsoring agency.)
- _____ 2. Code sharing agreement exists when U.S. is a party and the Department of Transportation determines agreement meets requirements of the Fly America Act. (Supporting documentation with U.S. flag carrier designator code must be included.)
- _____ 3. No U.S. flag air carrier provides service on a particular leg of your route.
- _____ 4. A U.S. flag air carrier involuntarily reroutes traveler on a foreign air carrier.
- _____ 5. Service on a foreign air carrier is three hours or less, and use of U.S. flag air carrier doubles travel time.
- _____ 6. Air travel is between the U.S. and another country and use of a U.S. flag air carrier on a nonstop flight extends travel time by 24 hours or more.
- _____ 7. Other:
- _____ Use of a U.S. flag air carrier increases the number of aircraft changes outside the U.S. by two or more.
 - _____ Use of a U.S. flag air carrier extends travel time by six hours or more.
 - _____ Use of a U.S. flag air carrier requires a connecting time of four hours or more at an overseas interchange point.