

Travel Charged to Federal Sponsored Agreements

All travel costs charged to grants and contracts must be reasonable and comply with policies established by SMU, Federal regulations and the sponsoring agency terms, conditions and regulations. Travel policies of federal and nonfederal sponsors vary. The specific terms and conditions of an award must be consulted before making any travel arrangements. If there is a conflict between a sponsor's rule and SMU's rule, the more restrictive rule applies.

In the event that the trip is completed in the last month of a sponsored agreement, expenses must be submitted within 30 calendar days of trip completion to allow for submission of the final financial report.

Listed below are two of the general terms affecting Federal funded grants and contracts:

I. Office of Management and Budget Uniform Guidance (OMB-UG) provides principles for determining the costs applicable to research and development, training, and other sponsored work performed with the Federal Government (Effective as of December 26, 2014). These agreements are referred to as sponsored agreements. Uniform Guidance addresses travel expenses specifically at section 200.474 as follows.

§200.474 Travel costs.

(a) General.

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-Federal entity. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the non-Federal entity's non-federally-funded activities and in accordance with non-Federal entity's written travel reimbursement policies. Notwithstanding the provisions of §200.444 General costs of government, travel costs of officials covered by that section are allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award.

(b) Lodging and subsistence.

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity's written travel policy. In addition, if these costs are charged directly to the Federal award documentation must justify that:

- (1) Participation of the individual is necessary to the Federal award; and

(2) The costs are reasonable and consistent with non-Federal entity's established travel policy.

(c) *Other Considerations.*

(1) Temporary dependent care costs (as dependent is defined in 26 U.S.C. 152) above and beyond regular dependent care that directly results from travel to conferences is allowable provided that:

(i) The costs are a direct result of the individual's travel for the Federal award;

(ii) The costs are consistent with the non-Federal entity's documented travel policy for all entity travel; and

(iii) Are only temporary during the travel period.

(2) Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the Federal awarding agency. See also §200.432 Conferences.

(3) In the absence of an acceptable, written non-Federal entity policy regarding travel costs, the rates and amounts established under 5 U.S.C. 5701-11, ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter must apply to travel under Federal awards (48 CFR 31.205-46(a)).

(d) *Commercial air travel.*

(1) Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:

(i) Require circuitous routing;

(ii) Require travel during unreasonable hours;

(iii) Excessively prolong travel;

(iv) Result in additional costs that would offset the transportation savings; or

(v) Offer accommodations not reasonably adequate for the traveler's medical needs.

The non-Federal entity must justify and document these conditions on a case-by-case basis in order for the use of first-class or business-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal government will generally not question a non-Federal entity's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the non-Federal entity can demonstrate that such airfare was not available in the specific case.

(e) *Air travel by other than commercial carrier.*

Costs of travel by non-Federal entity-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of airfare, as provided for in paragraph (d) of this section, is unallowable.

NOTE: While long term visa cost or passports are not allowed per §200.463 Recruiting costs as a direct charge to a project, an exception is listed as follows:

(d) Short-term, travel visa costs (as opposed to longer term, immigration visas) are generally allowable expenses that may be proposed as a direct cost. Since short-term visas are issued for a specific period and purpose, they can be clearly identified as directly connected to work performed on a Federal award. For these costs to be directly charged to a Federal award, they must:

- (1) Be critical and necessary for the conduct of the project;
- (2) Be allowable under the applicable cost principles;
- (3) Be consistent with the non-Federal entity's cost accounting practices and non-Federal entity policy; and
- (4) Meet the definition of "direct cost" as described in the applicable cost principles.

II. Fly America Act

§301-10.135 When must I travel using U.S. flag air carrier service?

You are required by 49 U.S.C. 40118, commonly referred to as the "Fly America Act," to use U.S. flag air carrier service for all air travel funded by the U.S. Government, except as provided in §§301-10.136 and 301-10.137 or when one of the following exceptions applies:

- (a) Use of a foreign air carrier is determined to be a matter of necessity in accordance with §301-10.138; or
 - (b) The transportation is provided under a bilateral or multilateral air transportation agreement to which the United States Government and the government of a foreign country are parties, and which the Department of Transportation has determined meets the requirements of the Fly America Act;
- or

- (c) You are an officer or employee of the Department of State, United States Information Agency, United States International Development Cooperation Agency, or the Arms Control Disarmament Agency, and your travel is paid with funds appropriated to one of these agencies, and your travel is between two places outside the United States; or
- (d) No U.S. flag air carrier provides service on a particular leg of the route, in which case foreign air carrier service may be used, but only to or from the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or
- (e) A U.S. flag air carrier involuntarily reroutes your travel on a foreign air carrier; or
- (f) Service on a foreign air carrier would be three hours or less, and use of the U.S. flag air carrier would at least double your en route travel time; or
- (g) When the costs of transportation are reimbursed in full by a third party, such as a foreign government, international agency, or other organization.

§301-10.141 Must I provide any special certification or documents if I use a foreign air carrier?

Yes, you must provide a certification, as required in §301-10.142 and any other documents required by your agency. Your agency cannot pay your foreign air carrier fare if you do not provide the required certification.

§301-10.142 What must the certification include?

The certification must include:

- (a) Your name;
- (b) The dates that you traveled;
- (c) The origin and the destination of your travel;
- (d) A detailed itinerary of your travel, name of the air carrier and flight number for each leg of the trip; and
- (e) A statement explaining why you met one of the exceptions in §301-10.135, 301-10.136, or 301-10.137 or a copy of your agency's written approval that foreign air carrier service was deemed a matter of necessity in accordance with §301-10.138.

**** Boarding pass without passenger receipt is not acceptable for reimbursement. A list of the major U.S. flag air carriers is below:**

- Airtran Airways (FL)
- Alaska Airlines (AS)
- America West Airlines (HP)
- American Airlines (AA)
- American Trans Air (TZ)
- Continental Airlines (CO)
- Delta Airlines (DL)
- Frontier Airlines (F9)
- Hawaiian Airlines (HA)
- JetBlue Airways (B6)

- Midwest Express (YX)
- Northwest Airlines (NW)
- Southwest Airlines (WN)
- Spirit Airlines (NK)
- United Airlines (UA)
- US Airways (US)

A complete list is available through the Department of Transportation at:
<http://www.dot.gov/policy/aviation-policy/licensing/US-carriers>

Open Skies Agreements as of July 25, 2012:

- United States (US) Government and the European Union (EU)
- United States (US) and Australia
- United States (US) and Switzerland
- United States (US) and Japan

NOTE: Open Skies does not apply to DOD or Branches of the Military contracts and grants.

More information available at

<http://www.gsa.gov/portal/content/103191>

Other Travel related information:

Passports and Visas

Reimbursement may be permitted for actual passport and visa fees for business travel; however, the expense may not be eligible as a direct cost to a sponsored program. Since a passport can be used for multiple trips over several years, the cost is not a project-specific expense and therefore is not allowed on most sponsored projects as a direct cost. Visas are generally required in relation to a specific trip and therefore the cost is generally allowable as a direct cost for a sponsored project. Also see “Note” included in general term number I, OMB-UG above.

Travel Classifications - CONUS/O-CONUS, Domestic/Foreign

Terminology for foreign travel differentiates between domestic and foreign destinations and reimbursement methods distinguish between CONUS (continental United States) and O-CONUS (outside continental United States). These terms are used throughout sponsored funding programs, and do affect the reimbursement when per diem is approved in lieu of receipts. If per diem is approved, it must be used to determine reimbursement for the entire trip. Per Diem allowances may be for meals and incidental expenses (M&IE) or lodging or both.

Agency Pre-Approval – Many agencies require 45 days advance notice and pre-approval for foreign travel even if it is specified in the Statement of Work, Budget and Award document. **Beware**; agencies have been known to wait until the day before the expected travel date to notify the Principal Investigator that the travel is NOT approved.

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The following is presented as a **sample** of locating per diem rates using the **NIH** definition of domestic vs. foreign travel.

	CONUS Rates	O-CONUS Rates
Domestic travel includes these areas:	48 continental United States	Alaska, Hawaii, Canada, US Territories*
Foreign travel includes these areas:	None	All locations EXCEPT: Alaska, Hawaii, Canada, US Territories*

*Puerto Rico; Guam; U.S. Virgin Islands; American Samoa; Northern Mariana Islands; Midway Islands; Wake Island; Johnston Atoll; Baker, Howland, and Jarvis Islands; Kingman Reef; Navassa Island; Palmyra Atoll

NSF

Domestic Travel. Domestic travel includes travel within and between the U.S., its territories and possessions. (NSF notes that: “According to the Internal Revenue Service, U.S. territories and possessions are as follows: Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, Midway Island, Wake Island, Palmyra Island, Howland Island, Johnston Island, Baker Island, Kingman Reef, Jarvis Island, and other U.S. islands, cays, and reefs that are not part of any of the fifty states.”)

Foreign Travel. Travel outside the areas specified above is considered foreign travel.

DOD Travel Regulations defines foreign area and foreign country as: Any area or country outside the 50 States, District of Columbia, the Commonwealths of Puerto Rico and the Northern Mariana Islands, Guam and the U.S. territories and possessions.

Federal Travel Regulations define foreign area as: “Any area, including the Trust Territories of the Pacific Islands, situated both outside CONUS and the non-foreign areas.” CONUS means the 48 contiguous States and the District of Columbia. Non-foreign area contains the States of Hawaii and Alaska, Commonwealths of Puerto Rico, Guam and the Northern Mariana Islands and the territories and possessions of the United States (excludes the Trust territories of the Pacific Islands).

Department of Energy (DOE) refers to the Federal Travel Regulations in most cases but terms and conditions of each agreement should be reviewed.

Department of State distinguished between international and domestic travel by saying that international travel is outside of the United States. The United States is

defined as the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.

It is safe to say that any travel outside of the 48 contiguous states should be looked at carefully before making arrangements.