



**University Policy: Domestic and International Travel Policy**

**Policy Category:** Finance and Business

**Subject:** Authorization and expense reimbursement related to travel for university business

**Office Responsible for Review of this Policy:** Office of Finance and Treasurer

**Supplemental Documents:** [International Travel Safety Tips and Resources](#), [International Travel and Safety Procedures](#), [International Travel and Insurance Approval Procedures](#) (Academic Affairs Units Only), [International Travel and Export Control Compliance](#), [Export Control Regulations – Procedures and Questionnaires](#)

**Related University Policies:** [Corporate Card Policy](#), [Relocation Reimbursement Policy](#), [Accounts Payable Procedures](#), [Procurement and Contracts Policy](#), [Policy on Export Controls](#)

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**I. SCOPE**

This Domestic and International Travel Policy applies to faculty, staff, students, and other visitors who travel for university business.

**II. POLICY STATEMENT**

The purpose of this Policy is to provide broad guidelines and establish procedures related to business and travel expenses for university employees and non-employees, such as students and visitors who are directly paid with university funds (e.g., discretionary accounts, federally and non-federally funded external sponsorships and programs, purchasing card, etc.) or reimbursement by the University to individuals who incurred them for university business. The intent is: a) to support the productivity of those traveling on university business; b) ensure compliance with external and internal requirements; and c) to use university resources wisely.

The Domestic and International Travel Policy is intended to be an information resource and guide to make travel arrangements for domestic and international travel.

**III. DEFINITIONS**

**Local Travel:** Travel that is less than 50 miles one way from the University or the Traveler’s residence, whichever is greater.

**Travel Approver:** The employee’s supervisor or designee (individual or team), responsible to review and approve university business travel.

**Travel Management Company (TMC):** The company selected by the University to service the university community with their travel needs.

**Travel Preparer:** A university employee authorized to assist the Traveler in making the travel arrangements and preparing, completing, and reconciling travel expenses on behalf of the Traveler.

**Traveler:** Faculty, staff, student, or other visitor who is traveling on university business.

## IV. POLICY

### A. Roles and Responsibilities

The University will pay or reimburse Travelers for expenses incurred for university business that are properly authorized, reasonable and appropriately documented as specified in this Policy.

Travelers are responsible for complying with this Policy and should exercise good stewardship of university funds. Travelers must submit their travel related expenses within 90 days of the completion of travel.

Travelers embarking on travel for university business are required to review and abide by any additional requirements and procedures issued by the Office of Risk Management related to insurance, safety and risk management.

Travel Preparers may assist Travelers in making travel arrangements. Travel Preparers are also responsible for complying with this Policy and other applicable university policies. They are responsible for understanding the University's policies and requirements when completing the Employee Travel Expense Reimbursement Form or reconciling expenses in the corporate credit card system. Travelers or Travel Preparers must provide information about the purpose and destination of travel, payees, beneficiaries, allocation of expenses as well as submit all appropriate supporting documentation.

Travel expenses are reimbursable only when all required approvals are obtained before incurring the expense (including necessary advance approval from government agencies or other project sponsors) by the Travel Approver. No person may solely approve his/her travel and/or travel related expenses, or the travel and travel related expenses of an individual to whom he/she reports either directly or indirectly.

### B. Travel Authorization

All domestic and international travel for university business must be authorized in advance of travel. The president, provost, or vice president grant travel authorization for university programs and activities within their respective divisions.

All academic units and departments are required to review and abide by any additional requirements and procedures issued by the Office of Risk Management related to insurance, safety and risk management.

The University reserves the right to restrict, deny, postpone, or recall any travel for university business for any reason, including but not limited to, travel bans, concerns about the safety of the destination, or limited funds.

### C. Allowable Expenses

In order to be paid directly by the University or reimbursed to Traveler, a business expense must meet all the criteria listed below. Federal regulations set the same criteria for allowable expenses:

- ✓ **Necessary** to perform a valid business purpose fulfilling the mission of the University; and
- ✓ **Reasonable** in that the expense is not extreme or excessive, and reflects a prudent decision to incur the expense; and
- ✓ **Appropriate** in that the expense is suitable and fitting in the context of the valid business purpose; and

- ✓ **Allowable** according to the terms of any federal regulation, sponsored contract, or university policy.

Examples of allowable or non-allowable expenses can be found in the lists below. These lists are intended to be informative, but not all-inclusive:

- [APPENDIX A](#)      EXAMPLES OF ALLOWABLE EXPENSES
- [APPENDIX B](#)      EXAMPLES OF NON-ALLOWABLE EXPENSES

#### **D. Airline Travel**

Travelers are strongly encouraged to book airline travel through the University's selected Travel Management Company. Travelers are expected to travel at the lowest available airfare. The University will cover fares as follows:

- Coach class fares on domestic flights
- Coach class fares on international flights up to seven (7) hours (not including layovers)
- Business class fares on international flights greater than seven (7) hours (not including layovers)

Travelers may retain frequent flyer program benefits. However, participation in these programs must not influence flight selection which will result in incremental cost to the University beyond the most economical airfare, as defined in this Policy. The University will not reimburse Travelers for tickets purchased with frequent flyer miles.

Ancillary fees (e.g. convenient or early boarding, extended legroom, seat location, baggage, in-flight meals, wi-fi service, etc.) should be incurred responsibly and should not be excessive.

For international travel, please refer to the additional guidelines and requirements as outlined by Office of Risk Management at [Risk Management Website](#).

#### **E. Meals and Lodging**

Lodging: Travelers are expected to use lodging accommodations as per the guidelines of the allowable expenses outlined in Section IV (C) above. Please contact the University's Travel Management Company to make your lodging reservations or visit the University's [Preferred Hotel Vendors](#) page for a list of hotels with negotiated discounted rates for the University. You may also contact PCD at [pcd@american.edu](mailto:pcd@american.edu) to assist you with identifying economical accommodations in the area you wish to travel.

Meals: Travelers will be reimbursed for personal meal expenses while on business travel. In general, meals should be taken at the most economical restaurant fitting the occasion. Three meals per day will be reimbursed, including breakfast, lunch and dinner. If a meal is provided by a conference as part of the conference fees and a traveler elects to purchase a meal independent of the conference, such meals will be considered a personal expense and will not be reimbursed.

Travelers may select one of the following methods for the entire trip for reimbursement of meal and lodging expenses:

- a. Actual expenses for both lodging and meals;
- b. Actual lodging expenses plus per diem for meals;
- c. Actual meal expenses plus per diem for lodging; or
- d. Per diem for lodging and meals

**Actual expenses should always meet the criteria for Allowable Expenses set in Section IV (B) above.**

Per diem rates are based on the GSA guidelines and can be found at [Per Diem Rates](#). If a Traveler selects a per diem method for reimbursement, no receipts are required. Proof of travel is required (e.g. boarding pass, conference registration tag, etc).

## **F. Ground Transportation**

The most economical mode of transportation, such as shuttle services, public transportation, taxi, Uber or Lyft should be used to and from air, rail or bus terminals, whenever possible.

*Rental Cars:* The University will pay the Traveler for the cost of renting a compact or standard size car when: a) other forms of transportation are not available; b) distance from place of origination to destination is at least 30 miles; and c) the overall cost of renting a car (including the cost of parking at destination) results in cost savings compared to other forms of transportation. Please contact the University's Travel Management Company or visit the University's [Transportation Services](#) link to get more information on discounted car rental rates.

When renting a car, Travelers should decline the Collision Damage Waiver (CDW) and the Liability Damage Waiver (LDW) option or other insurance options because such coverage is provided under the University's insurance policies. Questions or more information on car rental insurance should be directed to the Office of Risk Management [AU Automobile Liability](#).

*Private Vehicles:* Employees may use their personal car for business purposes if it is less expensive than other options, such as rental cars or taxis, or if it saves time. It is the personal responsibility of the owner of a vehicle being used for university business to carry adequate insurance coverage for their protection and for the protection of any passengers. Employees are not covered under the University's automobile policy when driving their vehicle for university business purposes. When driving your own vehicle, the University will reimburse a mileage rate calculated on a per mile basis for the actual miles traveled (not more than 105% of the mileage listed on Google Maps). This mileage rate covers all transportation and operating costs of the vehicle, including gasoline and is based on the stated IRS rate in effect at the time of travel. For current IRS rates please see the following link: [Standard IRS Mileage Rates](#).

For rental cars and private vehicles, the University will also cover tolls, ferries and parking. The University will not reimburse employees for parking tickets, fines for moving violations or vehicle towing charges. For more information on the University's automobile coverage, please visit [Risk Management-Auto Liability](#).

*Rail and other forms of transportation:* The University will pay the cost of the lowest class available for the trip for rail transportation or other form of transportation. For rail bookings, please contact the University's Travel Management Company.

*Local Travel:* Barring exceptional business reasons, local travel does not qualify for an overnight stay or payment of personal meals. If a trip exceeds the local travel limit but the traveler chooses not to stay overnight, personal meals will be eligible for reimbursement at actual meal expenses or per diem rates based on the GSA guidelines at [Per Diem Rates](#)

## **G. Travel Management Company**

Travelers are strongly encouraged to use the University's preferred Travel Management Company and enjoy several benefits:

- One-stop shop for booking air, rail, hotel reservations and car rentals
- Available service 24/7 365 days
- Centralized reservations and billing. No need to use your personal credit card or the University Corporate Card

- Using a centralized reservation system enables the University to know the whereabouts of Travelers and offer emergency assistance if needed
- Departmental reporting
- Competitive rates
- Consolidated travel expenditures
- Volume negotiated discounts
- Frequent flyer benefits remain with employee

Please visit the [American University Travel Services](#) for more information and instructions on how to obtain access and create your travel profile.

## **H. Travel Expenses related to Sponsored Programs**

Travel expenses under a sponsored program are subject to the guidelines of the allowable expenses outlined in Section IV (B) above unless federal regulations or the sponsor imposes greater restrictions. Certain sponsored programs may contain provisions that further limit the amount and type of reimbursable travel expenditures. When there is a conflict between university policy and sponsor requirements, the more restrictive policy applies. Some awards may require the sponsor to pre-approve trips. Sponsors will generally pay international or domestic airfare if such travel is necessary to the project and is so justified and included in the approved budget. Travel includes transportation costs incurred while on official travel status, as well as local travel such as mileage and parking generated to conduct the activities of the sponsored project. The mileage rate is set by the federal government on a yearly basis. Please see the following link: [Standard IRS Mileage Rates](#).

Federal regulations govern the use of federal funds (grants, contracts, cooperative agreements) and the selection of air carriers for foreign travel. For federally-sponsored projects, all international travel must be reported to the PI's academic unit in advance of the trip. All international flights must be on U.S. carriers in accordance with the [Fly America Act](#). Therefore, foreign flag air carriers may not be used solely on the basis of costs. If a U.S. carrier is not available, PIs/PDs are required to check with their assigned OSP staff member or email [OSP@american.edu](mailto:OSP@american.edu) to seek sponsor approval.

Prior to incurring travel expenses, Travelers under sponsored program awards are encouraged to contact the Office for Sponsored Programs for guidance regarding approved travel expenses.

### **I. Group Travel**

Travel by a group of staff or faculty in the same aircraft, automobile or other means of transportation is discouraged as an accident could seriously affect the functioning of a university activity. Maximum coverage under the University's travel insurance also limits the number of employees traveling together to twenty-five (25).

### **J. Travel Expenses of Spouse/Dependent**

The University will not pay or reimburse business travel or expenses for family members who accompany university employees on university business except in unusual circumstances and approved in advance of travel by the Provost or the employee's appropriate Vice President.

### **K. Travel Reimbursement From Multiple Entities**

If a Traveler is planning on a business trip reimbursable jointly by the University and another entity or entities, the University will reimburse for its share of the actual expenses necessary for university business and the Traveler will be responsible for seeking reimbursement for expenses payable by others. Fares and expenses greater than what are allowed in this policy cannot be used as the basis for prorating costs. When another organization reimburses for lodging or meals, the Traveler may not claim per diem from the University. In no case may the amount reimbursed for the trip from all sources exceed the

total actual expenses incurred.

#### **L. Foreign Visitor (nonresident aliens) Travel Expenses**

Payments to foreign visitors, or on behalf of foreign visitors (direct payments to hotels, etc.), may be made only if the visitor enters the United States on an appropriate visa. Acceptable business travel as defined under this Policy may be reimbursed to the Traveler through Accounts Payable department only when all expenses are substantiated by receipts. Unsubstantiated payments such as per diems would constitute US Sourced Income and would be subject to 1042S withholding and reporting. All payments that require 1042S withholding and reporting must be processed through the Foreign National payment team in payroll.

#### **M. Payment and Reimbursement of Travel Expenses**

*University Corporate Credit Card:* Full time staff and faculty have access to a University Corporate Credit Card that can be used for business travel and travel related expenses without impacting their spending limits on their own personal cards. The University Corporate Credit card is the preferred method of payment for meals and incidental expenses and frequent travelers are always encouraged to use this method. By using the University Corporate Credit Card, Travelers have the following benefits: (a) Business Travel Accident Insurance with coverage up to \$200,000; (b) coverage for lost, damaged or stolen baggage up to \$3,000; and (c) collision damage waiver for rental vehicles.

Reconciliation of travel expenses on the Corporate Credit Card should always take place according to the [AU Corporate Card Policy](#)

*Other options of payment/reimbursement:* Other forms of payment or reimbursement of travel expenses are through cash advances or by submitting an [Employee Travel Expense Reimbursement Form](#). Non-employee travel should be submitted by invoice or [Disbursement Request Form](#). Travel reimbursements to a student should be submitted on a [Student Payment Form](#). For more information on these options, please refer to the [Accounts Payable Procedures](#), Section VII.

#### **N. Exceptions**

There may be unique and valid business needs which require exception to this Policy. Exceptions must meet a valid business need and not simply a Traveler's preference and must be requested prior to incurring the expense. Exceptions must be properly documented and approved by a Responsible Official. These Responsible Officials include the President, Provost, Dean, Primary Budget Manager (e.g. Associate/Assistant Dean in each academic unit), or direct report of a cabinet member.

#### **O. Violations**

Failure to meet the requirements outlined in this Policy may result in travel expenses not being reimbursed to the Traveler. Traveler may owe the University an amount equal to the total of discrepancies or unallowable expenses. Travelers who do not follow this Policy will also bear full responsibility for any liability resulting from their travel.

In addition, any employee that violates the requirements found in this Policy may result in disciplinary action up to and including termination of employment.

#### **V. EFFECTIVE DATE**

This Policy is effective November 2010.

This Policy was reviewed or revised on December 6, 2019.

## **APPENDIX A           EXAMPLES OF ALLOWABLE EXPENSES**

The following are examples of allowable expenses; this list is not all inclusive:

- Business office expenses (scanning, copying services)
- Business phone calls
- Conference registration fees
- Currency conversion fees
- Gasoline (only if using a rental car or a University-owned vehicle AND in lieu of mileage)
- Ground transportation (taxi, bus, airport vans, etc.)
- Internet fees clearly identified as not in the price of the hotel
- Laundry/dry cleaning/suit pressing on trips exceeding five days
- Mileage on personal vehicles specifically to and from the airport
- Overnight package service when needed for business documents
- Parking and tolls
- Tips with lodging, meals and transportation- reasonable and customary
- Required vaccinations for international travel
- Visa fees

## **APPENDIX B           EXAMPLES OF NON-ALLOWABLE EXPENSES**

The following are examples of non-allowable expenses. This list is not all inclusive:

- Airline club membership fees;
- Alcoholic drinks- except when appropriately authorized
- Car washes
- Clothing
- Commuting costs to/from home and normal place of business
- Costs incurred by unreasonable failure to cancel reservations
- Entertainment under most federal grants and contracts
- Excessive tipping
- Fines or tickets resulting from traffic, parking, or other violations
- Life, accident, or travel insurance premiums
- Minibar at hotels
- Newspapers, magazines, books
- Non-business meals when traveling locally on university business (unless the mealtime falls within the hours of the meeting)
- Passport fees
- Spa services- saunas and massages
- Shoes and shoe shines
- Souvenirs or personal gifts
- Expenses that have been or will be paid or reimbursed by another source