



Travel

Policy Statement

This policy establishes how Harvard University will reimburse individuals for travel expenses incurred conducting University business. As a public charity that benefits from gifts by donors and sponsored awards, Harvard University has a stewardship obligation to use its funds prudently; all Harvard University employees must use University resources wisely and in the fullest support of Harvard's mission of education and research. As such, travel expenses must be reasonable and necessary, and travelers must always use the most cost-effective means of travel. All travel reimbursements must meet the IRS accountable plan rules in order to be excluded from the traveler's gross income. While no policy can address every scenario, this document is intended to cover the most common travel-related situations; where unusual circumstances arise, the spirit of this policy – along with good judgment – should prevail.

Reason for Policy

Harvard has an obligation to promptly and consistently reimburse people incurring appropriate expenses on its behalf. Individuals should not benefit financially, nor incur financial losses, as a result of traveling on behalf of the University. This policy protects the University's assets, and the assets of those spending on its behalf, by clearly stating acceptable expenses and reimbursement procedures.

Who Must Comply

All Harvard University schools, tubs, local units, Affiliate Institutions, Allied Institutions and University-wide Initiatives must comply. All individuals incurring travel expenses on behalf of the University must comply. Due to differences in travel activities across the University, some units may have stricter local policies to address their particular needs; check with your local unit before traveling.

Procedures

1. **Select your means of travel.** Strategic Procurement has formed key vendor partnerships with certain travel agencies to secure favorable rates. Harvard strongly encourages travelers to book all travel arrangements through these preferred agencies and to always choose the most cost-effective means of travel. See the [Harvard Travel Services](#) website for more information. General information on common methods of travel follow; see Appendices A – D for detailed guidance for each type. Travel charged to federal awards must comply with additional restrictions; see sections below marked with an asterisk (*) and refer to [Appendix G](#) for details.
 - A. **Air travel***: travelers are expected to book the lowest and most reasonable nonstop airfare consistent with their itinerary, the business purpose of their trip, and the requirements of the funding source. The purchase of first class air travel is not allowed. Business class air travel is only allowed for certain flights (local policies may be more restrictive). Complimentary no-cost upgrades are allowed. See [Appendix A](#) for detailed guidance. Travel charged to federal awards must follow the special federal requirements listed in [Appendix G](#).
 - B. **Ground transportation***: travelers are expected to use the most economical mode of transportation appropriate for their needs. See [Appendix B](#) for detailed guidance.
 - a. Public transportation, shuttle services, taxis: Where available, public transportation and shuttle services should be considered. Taxis may also be used where other methods of travel are unavailable or impractical.
 - b. Business use of personal cars: Harvard reimburses mileage up to the federal rates for business use of personal cars, gas expenses cannot be reimbursed. Travelers must ensure personal cars used for business use have appropriate insurance.
 - c. Rental cars: travelers must only rent cars for business use when it is the most cost-effective or practical means of travel. Travelers should rent cars through Harvard preferred vendors, which include insurance coverage inside the continental U.S. for benefits-eligible employees; otherwise, travelers must purchase appropriate insurance coverage. Fifteen passenger vans

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards



are not permitted for safety concerns, and the University provides no insurance coverage for such vehicles.

- d. Car/sedan/limousine service: private sedan or car services should be used only when valid business reasons preclude the use of more economical transportation. The use of private sedan or car services to attend meetings on or around campus is prohibited. Harvard will NOT reimburse for limousine expenses under any circumstances.
 - e. Bus and van rental: if chartering a bus is necessary, travelers are recommended to charter such buses through Harvard Campus Services Transit & Fleet department, when possible. Insurance restrictions apply when working with outside vendors.
 - f. Rail travel: expected to be at the lowest fare that offers reserved seating.
- C. **Lodging***: the University will reimburse travelers for lodging expenses while on official University business further than 50 miles one way from the traveler's place of work. If an employee is required to stay on or near campus overnight, those expenses may be reimbursed if they are incurred for the benefit of the University rather than for the convenience of the employee; allowing non-essential employees to come to work on time or in inclement weather are not sufficient reasons. Travelers must stay in standard, single-occupancy rooms where available. See [Appendix C](#) for detailed guidance.
- D. **Meals, entertainment and miscellaneous travel expenses***: see [Appendix D](#) for detailed guidance.
- a. Individual meals: travelers will be reimbursed for reasonable individual meal expenses while on University business. Per IRS regulations, the University does not reimburse individual meal expenses for one-day travel except when the travel time is greater than 12 hours. Individual entertainment expenses, such as in-room movies, are not reimbursable.
 - b. Business meals: all meal costs must be substantiated by a complete and explanatory business purpose; if a traveler hosts others at a business meal, the traveler must document each attendee's name (if fewer than five guests; otherwise list total number of guests), connection to Harvard and the business conducted during the meal.
- E. **Insurance**
- a. Business travel accident insurance/emergency assistance: the University maintains a business travel accident insurance policy that provides worldwide coverage for accidental death or dismemberment while employees and registered Harvard students are traveling on official University business. Because this coverage has a maximum payout limit per conveyance such as aircraft or car, travelers are encouraged to travel in groups of no more than four when possible. Non-employees are not covered by University business travel accident insurance; travel accident insurance for nonemployees is reimbursable at the School/unit's discretion if it is for a compelling business reason. The University maintains no insurance for loss or damage to personal property. For more information on the University's business travel accident insurance policy, including information on what to do in the event of a claim, see the [Risk Management and Audit Services website](#). Zipcar users are generally encouraged to purchase the full damage waiver; see [Appendix B](#) for details.
 - b. Trip cancellation insurance*: trip cancellation insurance may be reimbursed on nonfederal funds if it is approved in advance and is for a compelling business reason. Travelers are cautioned that trip cancellation insurance does not necessarily provide coverage in all situations; purchasing a refundable ticket may be more appropriate for certain scenarios.
 - c. Repatriation insurance: some countries require travelers to show proof of repatriation insurance when applying for a visa. While traveling on Harvard business you will typically be covered by the University's business travel accident insurance which includes the requisite coverage. This insurance is a component of the [Harvard Travel Assist](#) program administered by Global Support Services. To request a letter certifying coverage please complete a [request form](#).

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards



- d. Baggage insurance is not a reimbursable expense; typically it is included when travel is booked on the Harvard Corporate Card and is also provided by carriers.
- e. Other insurance: any additional travel or other travel-related insurance purchased is generally not a reimbursable expense, unless specifically required for certain international trips and pre-arranged with Insurance or Global Support Services.

- F. **Emergency Travel Assistance Program:** Harvard Travel Assist provides medical and security advice and referrals and emergency evacuation services to eligible Harvard travelers abroad. To learn more about the program prior to traveling and to register your trip in the Harvard Travel Registry, go to the [Global Support Services website](#).

2. Pay for travel using an approved method.

- A. **Corporate Card:** Harvard's Corporate Card (also called the Travel and Entertainment Card) is the preferred payment method for travel expenses for Harvard employee travelers and employees arranging travel on behalf of others. Using the Harvard Travel & Entertainment Card eliminates the need to calculate foreign currency conversions—charges made using the Card are automatically converted to U.S. dollars on the billing statements, usually at favorable rates. Paid employees who take at least three business trips per year and/or incur entertainment expenses of \$5,000 or more per year are strongly encouraged to apply for a Harvard Travel and Entertainment Card; visit the [Harvard Travel Services](#) website for additional information. Expenses charged to the Corporate Card must be paid within 60 days to avoid late fees.
- B. **Direct Billing using Harvard General Ledger Coding:** direct billing is only available for tickets purchased through BCD Travel, a Harvard vendor partner. A Harvard employee traveler (or employee arranging travel on behalf of others) may directly bill Harvard departmental general ledger coding for approved airline and Amtrak tickets using Harvard's Web Reimbursement application. Restrictions apply to fellowship payments made to non-resident aliens. For more information on direct billing, visit the [Harvard Travel Services website](#).
- C. **Personal Funds:** travelers without access to a Travel and Entertainment Card (students, non-employees, and employees who may travel too infrequently to apply for a Travel and Entertainment Card) may use personal cash or a personal credit card to pay for travel expenses. The traveler can be reimbursed for these expenses AFTER the trip has occurred and upon presentation of appropriate documentation. Travelers should keep all required detailed receipts for reimbursement; alternately, per diems may be allowed depending on local policy.
- D. **Cash Advances:**
 - a. The University strongly discourages the use of cash advances due to financial risks and the administrative burden associated with processing and reconciling advances. Cash advances should be used infrequently and must be reasonable and dictated by circumstances, such as for incidental, out-of-pocket expenses like tips, taxis, and meals that cannot be charged to the Travel and Entertainment Card. Daily cash advances for domestic travel should not exceed \$50, and daily cash advances for international travel should not exceed \$75. Cash advances will be issued to University employees only.
 - b. Advances must be settled based on actual expenses. Cash advances should be settled within fifteen (15) days of the completion of the trip. Cash advance amounts unreconciled after 90 days will be added to the traveler's gross income. "Reconciled" means all documentation submitted by the traveler, reviewed, and approved by UFS BEFORE 90 days; employees are encouraged to submit documentation well in advance of the 90 day deadline to allow for transit and processing. Employees who fail to account for a cash advance will **NOT** be eligible to obtain future cash advances.

- 3. **Get reimbursed for your travel.** Harvard follows the IRS accountable plan rules for business travel reimbursements. In order to comply with IRS accountable plan regulations, travelers must provide the following



HARVARD UNIVERSITY FINANCIAL POLICY

Responsible Office: University Financial Services
Date First Effective: 7/1/2010
Revision Date: 12/1/2015

information when submitting their travel expenses for reimbursement. Any expense that fails to meet IRS accountable plan rules must be treated as income to the reimbursee. Special rules apply to non-resident aliens and fellowship recipients; contact the Non-Resident Alien Tax Group at (617) 495-8500 for more information.

- A. **Business connection:** travel expenses must be directly related to services provided on behalf of the University, not personal activities.
 - a. **Combining business with personal travel:** generally, business trips should have more days spent on business activities than personal activities. However, in certain circumstances, a business-related primary motivation for the trip may be more determinative than the relative number of days. See [Appendix E](#) for more information.
 - b. **Spousal/family member travel:** expenses related to an employee’s spouse or other family members are not reimbursable unless there is a bona fide business purpose for their presence on the trip. See [Appendix F](#) for more information.
- B. **Substantiation:** each reimbursement request for travel expenses must be supported by a detailed business purpose that includes the following information:
 - a. **Who** traveled or attended the event (e.g., all guests who attended a business-related meal)
 - b. **What** type of event or activity was attended or purchase made
 - c. **When** the event or activity took place
 - d. **Where** the event or activity took place
 - e. **Why** the expense was incurred
- C. **Receipts*** (see [Appendix G](#) and the [Sponsored Expenditure Guidelines](#) for more information):
 - a. Reimbursement requests for individual expenses equal to or greater than \$75 must be accompanied by receipts.
 - b. All hotel receipts (usually called hotel folios) must be submitted regardless of amount.
 - c. Itemized receipts for all business meals that include alcohol regardless of amount are encouraged. There are special rules around itemized receipts for business meals and federal awards. In addition, Schools, particularly those with significant federal funding, may also have special rules around itemized receipts and charging of alcohol to non-federal funds. Contact your Tub Finance Office for more information.
 - d. Original receipts are strongly encouraged, but copies, scans or faxes are acceptable if originals are not available. Reimbursees and approvers are jointly responsible for ensuring duplicate receipts are not submitted for payment.
- D. **Missing Receipt Affidavits (MRAs):** travelers who lose receipts required by this policy must submit completed, signed Missing Receipt Affidavits and proof of payment with their reimbursement requests. MRAs must be used as exceptions, not on a regular basis. Missing Receipt Affidavits lacking required information or documentation itself will be returned to the authorized signer.
- E. **Reimbursee signature:** the traveler/reimbursee must sign all his or her reimbursement receipt reports or expense forms.
- F. **Timeliness of reporting requirements:**
 - a. Standard (not extended) business trips: regardless of the method used to pay for travel, UFS must receive completed employee receipt reports within 90 days of the end date of the trip. Receipt reports submitted after this date must be processed through Payroll as Additional Pay.

Receipt deadlines for standard (not extended) business trips:

If UFS receives receipt report in:	Result:
0-90 days after trip end date (preferably within 60)	Reimbursement without tax implications to reimbursee

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HARVARD UNIVERSITY FINANCIAL POLICY

Responsible Office: University Financial Services
Date First Effective: 7/1/2010
Revision Date: 12/1/2015

on the Corporate Card must be paid by the statement due date)	
91-182 days after trip end date	Reimbursement will be treated as income to the employee and must be processed via Payroll. Reimbursement will be processed as additional pay and taxes will be withheld; departments must include an Additional Pay for with reimbursement request. Payments may NOT be grossed up.
183+ days after trip end date	Expenses will NOT be reimbursed with University funds.

- b. Extended business trips: travelers on trips lasting over 30 consecutive days (but less than one year) have 120 days to submit receipt reports for nontaxable reimbursement; include the term “Extended Business Trip” at the beginning of the business purpose. Other deadlines are the same as for standard business trips:

Receipt deadlines for extended business trips:

If UFS receives receipt report in:	Result:
0-120 days after trip end date (preferably within 60 – expenses on the Corporate Card must be paid by the statement due date)	Reimbursement without tax implications to reimbursee
121-182 days after trip end date	Reimbursement will be treated as income to the employee and must be processed via Payroll. Reimbursement will be processed as additional pay and taxes will be withheld; departments must include an Additional Pay for with reimbursement request. Payments may NOT be grossed up.
183+ days after trip end date	Expenses will NOT be reimbursed with University funds.

- G. **Foreign currencies:** all reimbursement receipt reports must be submitted in U.S. dollars with an explanation and translation of the foreign receipts and their conversions
 - a. Travelers and preparers must use the currency rates that were in effect when travel took place (check with your school finance office for specifics); therefore, currency- exchange receipts must be saved and used for converting foreign currencies back to U.S. dollars on the reimbursement receipt report.
 - b. When more than one exchange of the same type of foreign currency is made during the reporting period, use a weighted-average exchange rate (i.e., the total of U.S. dollars divided by the total amount of foreign currency).
 - c. For current foreign currency conversion rates, visit the Harvard Travel Services website.
- H. **Use of per diems*:** *Individual schools/units have the discretion to allow or prohibit use of per diems.* However, travelers are encouraged to submit reimbursements for actual meal and lodging expenses, particularly for long trips involving multiple stops in different cities. Harvard will reimburse travelers up to the federal per diem rate; for a link to current government per diem rates, visit the Harvard Travel Services website. Per diems will not be paid in advance of a trip. On the first and last travel days of a trip, travelers are only eligible for 75 percent of the total meals and incidental expenses rate for their travel location.
- I. **Elective fees:** some hotels, airlines and other vendors ask customers to pay for “elective fees” such as carbon offset credits, donations to charities, etc. Harvard travelers may pay for these fees with personal funds, but should not submit them for reimbursement with University funds. “Resort fees” that are mandatory for all guests staying at a hotel are reimbursable.

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards



- J. **Alcohol***: all purchases of alcohol at business meals – even if not charged to federal funds – should be charged to object code 8450, Expenses Ineligible for Federal Reimbursement. For this reason, itemized receipts for all business meals that include alcohol regardless of amount are encouraged. Alcohol at business meals cannot be charged to federal funds (see Appendix G for detailed instructions). Schools, particularly those with significant federal funding, may also have special rules around itemized receipts and charging of alcohol to non-federal funds. Contact your Tub Finance Office for more information.

4. Understand rules for special reimbursement situations.

- A. **Expenses payable by outside organizations**: Travelers should not seek payment from Harvard for business-related expenditures that will be reimbursed from another source. Where travel and other expenses will ultimately be paid by a third party, travelers should seek reimbursement from the third party directly. However, under extenuating circumstances, such as uncertainty regarding the outside organization's willingness to pay, or a multi-leg trip with expenses payable by Harvard and an outside entity commingled, Harvard may reimburse an individual for some or all such expenses with Financial Dean approval. Delay in the outside party's payment to the traveler does not constitute an extenuating circumstance. If Harvard does reimburse an individual for business expenses that are later reimbursed by a third party, the individual must repay Harvard in full for any duplicate reimbursements. Under no circumstances will Harvard provide up-front payment for expenses that are not related to University business, even if the recipient intends to later reimburse Harvard.
- B. **Use of University tax exemption**: note that individuals who use a personal payment mechanism (for example, their own cash or a personal credit card) to make a purchase on behalf of the University CANNOT use the University's sales or meals tax exemption. For Harvard's sales tax exemption to be valid, Harvard must make the entire purchase directly. Pursuant to local policies, Harvard may reimburse individuals for sales or meals tax incurred on valid University purchases.
- C. **Employee recruitment***: Harvard can reimburse a prospective employee for his or her own authorized travel expenses such as airfare, hotel, and meals incurred during the recruitment without tax consequences. Once a candidate accepts an offer, additional travel or house-hunting expenses incurred by the incoming employee and family are considered taxable (actual moving expenses may be nontaxable, see below). See the [Office of the Controller](#) website.
- D. **Moving expenses**: reimbursement for the relocation of newly recruited personnel is authorized at the department level, and should be approved by the department's financial dean, vice president, or department head. Under certain circumstances, an employee's moving expenses may be nontaxable. However, the University is required to report all moving reimbursements to the IRS; see the [Office of the Controller](#) website. Local HR offices can provide additional guidance.
- E. **Fellowships (also called stipends or allowances)**: if student or non-employee travel is related to an individual's personal pursuit of study or research, that travel is not considered University business and must be paid as a fellowship to the recipient. A fellowship is any amount paid or allowed to, or for the benefit of, an individual in the pursuit of study or research. A fellowship may take the form of payments to the recipient, such as stipend payments or reimbursements for supplies or non-University travel expenses. These expenses must be processed via HCOM Payment Request through the University's Accounts Payable system, and not processed as a reimbursement. The recipients are not employees performing services and therefore cannot satisfy the business-purpose requirement under an accountable plan, as defined by the IRS. See the [Fellowships policy](#) for additional information.
- F. **Non-resident aliens**: The NRA Tax group must review all reimbursement requests payable to non-resident aliens prior to payment, to ensure the expenses are reimbursable under IRS and Department of Homeland Security regulations.

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards



- G. **Lifetime professional or academic memberships:** subject to local policy and budget, a department may pay for lifetime membership to professional or academic organizations for tenured faculty only and only if the economics of purchasing a lifetime membership are more cost-effective than purchasing membership each year. Lifetime memberships for staff, junior faculty or other roles are not a reimbursable expense and cannot be charged to sponsored awards.

Responsibilities and Contacts

Financial deans or equivalent tub financial officers ensure that local units, specifically travelers and approvers, abide by this policy and the accompanying procedures. At their own discretion, tubs may impose stricter local policies.

Reimbursements and Card Services processes travel reimbursement requests, audits reimbursement requests to ensure that they are compliant with University policy and with IRS and other regulations, and records and reports any taxable reimbursements. **Contact:** (617) 495-8500

Office for Sponsored Programs (OSP) helps determine which travel expenditures are reimbursable under a particular grant or contract, and is available to assist with any questions related to travel on sponsored funds. **Contact:** (617) 496-4771 or <http://osp.finance.harvard.edu/>

Risk Management and Audit Services (RMAS), within the Office of the Vice President for Finance, is responsible for performing periodic, random departmental audits, which include reviews of travel and entertainment business expense reimbursements. See the [RMAS home page](#).

Global Support Services: provides operational guidance and resources to students, faculty, and staff traveling or managing projects abroad, and manages Harvard Travel Assist program. **Contact:** <http://globalsupport.harvard.edu/>

Strategic Procurement provides guidance and answers questions related to preferred vendors. **Contact:** (617) 495-9308

Definitions

Accountable plan: An IRS term for a plan under which an employer reimburses an employee for expenses and is not required to report the reimbursement as taxable income to the employee. The employee must document business purpose, substantiate expenses, and return any amount in excess of substantiated expenses to the employer.

Business meals: Meals taken with students, colleagues, or donors during which specific business discussions take place. Employees will be reimbursed based on reasonable actual costs as determined by the authorized approver.

Entertainment expenses: Entertainment expenses include outings to theaters or other cultural events when a business discussion takes place during, immediately before, or immediately after the event.

Hotel folio: A hotel industry term used describe a list of room charges for a guest (e.g., invoice or bill).

Incidentals: An IRS term for minor expenses included in the per diem rate for "meals and incidentals." Incidental expenses include tips, mailing expenses, etc.

Individual meals: Meal expenses of travelers on a business trip. Can be reimbursed according to actual and reasonable costs, or on a per diem basis based on IRS rates.

Miscellaneous expenses: Expenses for ground transportation (e.g., taxis, airport shuttle services, public transportation), tips, and other various non-personal expenses.

Official travel: Travel on official University business from one's home or normal place of employment to another destination, including University facilities outside the Boston metropolitan area. Per IRS rules, official travel does not include commuting to and from work.

Per diem: Reimbursement rates established by the federal government for travel inside and outside the U.S.



HARVARD UNIVERSITY FINANCIAL POLICY

Responsible Office: University Financial Services
Date First Effective: 7/1/2010
Revision Date: 12/1/2015

Personal expenses: Expenses for personal items such as clothing, luggage, toiletries, newspapers, magazines, or movies. Personal expenses are generally not reimbursable.

Related Resources

Job aid on completing reimbursement forms: <http://eureka.harvard.edu/Eureka/jobaids.cfm?categoryID=503&y=0>

Harvard Travel Services Website: <http://travel.harvard.edu/>

Global Support Services: <http://traveltools.harvard.edu>

Fly America Act and Open Skies Agreement: see the Harvard Travel Services [International Travel page](#) and click on the “Fly America Act” section

Employee recruitment and moving expense information: <http://oc.finance.harvard.edu/how-to/tax-services/moving-recruiting-and-related-expenses>

Revision History

12/1/2015: Extended date of revised sponsored travel requirements to travel booked on or after 3/1/2016, clarified guidelines for reimbursement of airline wifi on sponsored and non-sponsored funds

10/1/2015: Moved requirements for travel charged to federal funds to Appendix G; added additional guidance for airfare based on clarified federal requirements; removed restriction on per diems for nonemployees; added guidance on local lodging expenses, trip cancellation and repatriation insurance, travel accident insurance for non-benefits eligible employees, rental cars for student groups, lifetime memberships, first and last day meals and incidental expense per diems, and memberships for expedited security screening/customs processing; clarified responsibility for losses incurred during business use of personal cars.

5/1/2015, 10/2/2014: Updated car rental insurance grid

11/15/2013: clarified that travelers should not seek payment from Harvard for business-related expenditures that will be reimbursed from another source; allowed schools to define their own thresholds for airline seat upgrades; added information to car rental insurance grid.

6/30/2013: updated format, increased reimbursable amount for airline seat upgrades to \$100 per flight; added information on the Open Skies Agreement; allowed copies/scans/faxes of receipts when originals are not available; added insurance restrictions on rental of 15-passenger vans; added information about Harvard’s Commuter Choice Zipcar program, added guidance on reimbursement of elective fees.

Appendices

[Appendix A: Detailed Guidelines for Air Travel](#)

[Appendix B: Detailed Guidelines for Ground Transportation](#)

[Appendix C: Detailed Guidelines for Lodging](#)

[Appendix D: Detailed Guidelines for Meals, Entertainment and Miscellaneous Expenses](#)

[Appendix E: Guidance for Combined Business and Personal Travel](#)

[Appendix F: Guidance for Spousal/Family Member Travel](#)

[Appendix G: Requirements for Travel Charged to Federal Funds](#)

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards

Appendix A: Air Travel NOT CHARGED TO FEDERAL AWARDS

See Appendix G for federal guidelines

1. **Preferred travel partners.** Harvard strongly encourages travelers to book airline tickets through one of Harvard’s preferred travel agencies and to use our preferred airlines where possible. To learn more about Harvard’s travel agency partners and exclusive travel discounts, see the [Harvard Travel Services website](#).
2. **Fare guidelines***
 - a. Travelers are expected to book the lowest and most reasonable nonstop airfare consistent with their itinerary, the business purpose of their trip, and the requirements of the funding source. First class air travel is not allowed. Business class is acceptable in limited circumstances, such as when a trip has an in-air flight time over six hours. Under extenuating circumstances, such as documented medical reasons, the purchase of business class or first class service may be reimbursable where it is normally prohibited, provided the expense is approved by the traveler’s Financial Dean. The cost of a business class ticket, even when allowed by Harvard policy, cannot be charged to a federal award unless it meets the criteria in Appendix G.

	Scheduled air time ⁽¹⁾ of trip is six (6) hours or less AND will not be charged to a federal award	Scheduled air time ⁽¹⁾ of trip is more than six (6) hours AND will not be charged to a federal award
Domestic Air Travel inside the contiguous 48 United States	Lowest-priced non-stop economy class airfare only	
Air Travel Involving <ul style="list-style-type: none"> • Alaska • Hawaii • Canada • Mexico • U.S. Territories and Possessions ⁽²⁾ 	Lowest-priced non-stop economy class airfare only	Lowest -priced non-stop business class if permitted by local policy and budget
Air Travel Involving an international location OTHER THAN Canada and Mexico	Lowest -priced non-stop business class if permitted by local policy and budget	
<p>⁽¹⁾Air time means the amount of time a traveler is in the air. The air time of connecting legs can be added together to yield the total air time of a trip. Time spent on a stopover/layover does not count towards total air time</p> <p>⁽²⁾ U.S. Territories and Possessions: Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands and Baker, Howland, Kingman Reef, Jarvis, Johnston, Midway, Palmyra, and Wake Islands</p> <p>Examples:</p> <ol style="list-style-type: none"> 1. A trip to San Francisco with in air time of 6 hours and 17 minutes must be booked in economy class because the flight is within the contiguous 48 states. 2. A trip to Winnipeg, Canada that has a connection, Boston to Toronto with a scheduled air time of 1 hour 50 minutes, and Toronto to Winnipeg with a scheduled on-board time of 2 hours, 40 minutes must be booked in economy class because the total scheduled air time is under 6 hours. 3. A trip to Mazatlan, Mexico that has a scheduled air time of 8 hours 14 minutes can be booked in business class because the scheduled in-air time is over 6 hours. 		

* See Appendix G for restrictions on travel expenses charaed to federal awards

- b. Ticket upgrades*: Some airlines charge fees for preferred economy seating. Where permitted by local policies and budget, reasonable costs for these items are reimbursable. Complementary no cost upgrades are allowed.
- c. Airline frequent flyer programs
 - i. Free tickets: Harvard CANNOT reimburse travelers for tickets purchased with frequent-flyer miles. Monetary compensation provided to an employee in exchange for a free ticket is considered additional income. Harvard will reimburse fees associated with issuing a frequent-flyer ticket, such as taxes and agency or airlines services fees. Travelers must always select the lowest-priced flight available regardless of personal frequent-flyer memberships.
 - ii. Upgrades: travelers may use personal, frequent-flyer-program miles to upgrade tickets provided there is no additional cost to the University. Note all free upgrades on the expense-reimbursement report to avoid confusion when auditing.
 - iii. Airline policies: Harvard travelers are expected to observe airline policies regarding booking of flights, including restrictions on purchase of a roundtrip ticket for one-way travel.

3. Airline fees

- a. Reimbursable:
 - i. Baggage check fees: Harvard will reimburse employees for reasonable and necessary fees for checking baggage.
 - ii. Ticket cancellation fees and change fees: Harvard will reimburse any cancellation fees or change fees provided there is a valid reason, such as a canceled conference or a medical emergency, for the change or cancellation of the ticket. Authorized approvers must ensure any change or cancellation fees charged to sponsored funds are allowable.
- b. Not reimbursable:
 - i. Lost or damaged baggage: Harvard will not reimburse travelers for personal items lost or damaged while traveling on business, nor will the University replace lost or damaged personal items. The traveler must address any such claims to the responsible airline.
 - ii. Airport airline club membership fees: airline club membership dues and similar programs are not reimbursable expenses.
 - iii. Memberships or fees for priority boarding, expedited security screening or customs processing (Global Entry, PreCheck, Nexus, Sentri) are not reimbursable. At the tub's discretion, the tub can treat these fees as additional pay.

4. **Airline incidentals***: some airlines charge fees for wifi, snacks, non-alcoholic drinks, pillows and blankets, etc. Where permitted by local policies and budget, reasonable costs for these items are reimbursable.

5. **Unused tickets***: when travel plans must be changed due to unforeseen circumstances, the traveler is responsible for notifying Egencia, or the airline or travel agency that booked the ticket. Flights must be cancelled prior to flight departure time. The traveler should request a refund (when a refundable ticket was issued) or request that cost of the unused ticket be applied to a future ticket. Penalties for changes to an airline ticket or similar charges for business reasons or circumstances beyond the traveler's control will be reimbursed. Unused tickets cannot be used for personal travel.

6. Non-commercial flights

- a. Travel on charter aircraft: due to safety concerns, the University discourages use of chartered aircrafts. Travelers considering a chartered flight must contact their local tub financial dean's office before booking. Additionally, proof of adequate liability insurance must be provided, in advance, by the aircraft owners/operators. Minimum limits of \$25 million for light turboprop aircraft, \$50 million for light jet aircraft, and a minimum of \$3 million per seat for commercial airlines operated outside the US are recommended.
- b. Use of a private aircraft: a traveler may fly on private aircraft only under exceptional circumstances and only with the prior approval of his or her financial dean (or designee), administrative dean (or designee), or Vice President. Insurance recommendations are the same for private aircraft as for chartered aircraft; see the Risk Management and Audit Services website, at <http://rmas.fad.harvard.edu/>.

* See Appendix G for restrictions on travel expenses charged to federal awards

Appendix B - Ground Transportation: Rental Cars, Business Use of Personal Cars, and Rail Travel

I. Public Transportation, Shuttle Services and Taxis. Travelers should consider public transportation and shuttle services where they are available. Taxis may also be used where other methods of travel are unavailable or impractical.

II. Business Use of Personal Cars

1. **Necessity.** Travelers may use his or her personal car for University business travel if doing so is less expensive than other means of transportation. Harvard reimburses travelers for the business use of a personal car up to the federal government mileage rate. For a link to current government rates, visit the [Harvard Travel Services website](#). All requests for mileage reimbursement must include the traveler's itinerary, the dates the mileage expenses were incurred, and the number of business-related miles driven. The University will **NOT** reimburse travelers for gas expenses in lieu of miles. Commuting expenses, repairs, and ticket and traffic violations are **not** reimbursable.
2. **Mileage reimbursements.**
 - a. When traveling long distance to a business destination where flying would be an option, the mileage reimbursement amount cannot exceed the lowest airfare. Travelers must submit documentation of the lowest-cost airfare with the mileage reimbursement. If the driver requesting mileage reimbursement has carried one or more other University employees involved in the business trip, this information should be documented and submitted with the request.
 - b. When traveling from home to the airport on a business trip, a traveler may use a personal car and request mileage reimbursement if the cost of taxi services exceeds the total cost of the mileage, tolls, and parking combined.
 - c. When traveling to an off-campus temporary business destination, a traveler may use a personal car and request mileage reimbursement if the traveler typically works at an on-campus location. In such cases, travelers must be reimbursed from their actual starting point, i.e., from their home if traveling directly to the temporary work location from home, or from their regular on-campus location to the temporary work location.
3. **Personal car insurance coverage.** It is the responsibility of the traveler to carry adequate insurance coverage for his or her own protection and for the protection of any passengers. Personal liability losses for benefits-eligible employees are covered above \$100,000 through the University's self-insurance funds. Travelers will not be reimbursed by the University for collision losses that occur during business usage of a personal car if that car is not adequately insured for collision damage. For more information, visit Risk Management and Audit Services Insurance Department website, at <http://rmas.fad.harvard.edu>.

III. Rental Cars

1. **Necessity.** A traveler may rent a car if driving to a destination is more cost-effective or practical than flying or taking a train, or if driving is necessary to transport large or bulky materials. Travelers arriving by other means may rent a car **at** their destination if doing so is less expensive than other local transportation modes such as taxis or airport shuttles.
2. **Preferred vendors.** Employees who rent a car on Harvard business should where possible choose a University preferred rental car provider. Travelers should make reservations directly with one of Harvard's preferred rental car agencies or through one of Harvard's preferred travel agencies, using the appropriate Harvard corporate account numbers to receive negotiated rates and insurance coverage. Harvard's rental car corporate account numbers and preferred agencies can be found on the Harvard Travel Services website, under "Exclusive Travel Discounts – Preferred Rental Car," at <http://travel.harvard.edu/traveling-ground>
3. **Restrictions on vehicle type.** Travelers must rent the most economical vehicle consistent with business needs and travel circumstances (usually a compact or mid-size), and must not exceed a full-size vehicle. Often Harvard's preferred rental car agencies will provide a free upgrade to travelers; travelers should note any free upgrades on their reimbursement requests to assist auditors. Fifteen passenger vans (or larger) are prohibited.

4. Insurance coverage.

- a. Rental Car Insurance Coverage: Harvard drivers must get insurance for rental cars in accordance with the attached [Rental Car Insurance Quick Reference Guide](#) prior to making a reservation. The University retains losses below \$250,000 per occurrence. Therefore, if a traveler does not purchase liability limits as specified in the table below, the department is responsible for covering losses up to \$250,000. Zipcar users are strongly encouraged to purchase the full damage waiver. No insurance is provided for fifteen passenger vans or larger.
- b. Insurance for Personal Use of a Rental Car. Personal use of a rental car during a business trip is NOT covered under University insurance in most cases. Harvard provides (or reimburses for) insurance coverage for travelers using a rental car the day before, the day after, and during the business trip. However, travelers who choose to extend a business trip for personal reasons either before or after business is conducted must purchase and pay for their own insurance coverage for those days. Harvard will NOT reimburse this coverage.
- c. Accidents: should a rental car accident occur while on University business, the traveler must submit a written accident report as soon as possible to the rental car company, to local authorities, as required, and to the University Insurance Office at 496-8830. For more information, visit Risk Management and Audit Services Insurance Department website, at <http://rmas.fad.harvard.edu>.

5. Minimum driving age and cancellations.

- a. Minimum driving age: all drivers must meet the rental company's minimum-age requirement (typically 21, though sometimes older). Travelers must ensure that they meet age requirements when making reservations.
- b. Cancellations: travelers are responsible for canceling rental-car reservations when necessary by contacting the agency involved. When making cancellations, travelers must request and record a cancellation number in case of any billing disputes.

6. Rental Car Club Memberships.

- a. Zipcar memberships may be arranged through Harvard's Commuter Choice program; see <http://www.campusservices.harvard.edu/commuterchoice>. The preferred form of payment for Zip Car rentals is the Corporate Card. If the Corporate cardholder is the renter, the coverage from the corporate card will cover the zip car deductible as long as the renter does not accept any additional insurances from Zip Car and reports the accident to Mastercard within 60 days. If the Corporate cardholder is not the renter, or the traveler is using another form of payment, there is a \$750 deductible charged by Zip Car; in such cases, travelers are strongly encouraged to purchase the full waiver from Zip Car which eliminates the deductible. This is a reimbursable expense. Note that since Zipcar is an individual rental, the waiver would not extend to another driver for the same vehicle rental.
- b. Harvard travelers can get free memberships with Hertz as a part of the University's contract.
- c. **Membership fees for other rental car club programs are not reimbursable.**

IV. Sedan Services. Private sedan or car services are normally more expensive than taxis and should be used only when valid business reasons preclude the use of more economical transportation. The use of private sedan or car services to attend meetings on or around campus is prohibited. Limousine expenses under any circumstances are **not** reimbursable. Visit the Harvard Travel Services website, at <http://travel.harvard.edu/traveling-ground> for more information, including a list of preferred sedan-services providers.

V. Rail Travel. All rail travel is expected to be at the lowest fare that offers reserved seating. For rail travel over six hours, first-class seating is reimbursable. For most international rail travel, reserved seating is only available in first class.

VI. Bus Charters. For University groups chartering busses, we recommend travelers charter such vehicles from Campus Services Transit & Fleet department, when possible. If chartering through an outside party, proof of adequate liability insurance must be provided, in advance, by the charter owners/operators. Minimum limits of \$1 million per seat are recommended.

Rental Car Insurance Quick Reference Guide

The following matrix applies to benefits eligible Harvard employees, non-benefits eligible Harvard employees and non-employees traveling on Harvard related business. This includes students performing official work for Harvard and student groups sponsored by the FAS's Office of Student Life (and equivalent offices at other Harvard schools) on official Harvard trips. Travelers must purchase all of the insurance indicated below even if paying for the rental with a Harvard corporate card.

Insurance Type and What It Covers	Within All 50 U.S. States and Within Puerto Rico	Outside All 50 U.S. States and Outside Puerto Rico
<p>Supplemental Liability Insurance (SLI)</p> <p><i>Protects authorized drivers against bodily injury</i></p>	<ul style="list-style-type: none"> • Enterprise, National, or Hertz* - DECLINE MUST use Harvard's account numbers: <ul style="list-style-type: none"> ○ Hertz = CDP 31570 ○ Enterprise/National = XZHARVB • All other vendors - PURCHASE SLI of \$250K per person/\$250K per occurrence 	<ul style="list-style-type: none"> • All vendors - PURCHASE SLI of \$250K per person/\$250K per occurrence
<p>Loss Damage Waiver/Collision Damage Waiver (LDW/CDW)</p> <p><i>Covers damage to your rental car</i></p>	<ul style="list-style-type: none"> • Enterprise, National, or Hertz* - DECLINE MUST use Harvard's account numbers: <ul style="list-style-type: none"> ○ Hertz = CDP 31570 ○ Enterprise/National = XZHARVB • All other vendors - PURCHASE LDW/CDW 	<ul style="list-style-type: none"> • All vendors - PURCHASE LDW/CDW • In some countries there is a deductible that applies even if you purchased the LDW/CDW coverage. This is a reimbursable expense. Departments can recover this amount by filing a claim with the Insurance Office (617-495-7971)
<p>Personal Accident Insurance (PAI)</p> <p><i>Covers medical expenses, loss of or damage to property, and accidental death</i></p>	<ul style="list-style-type: none"> • PAI is not a reimbursable expense • Drivers may purchase PAI at their own expense 	<ul style="list-style-type: none"> • PAI is not a reimbursable expense • Drivers may purchase PAI at their own expense

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*There are a handful of small, remote Hertz locations ("licensee" locations) that do not honor the Harvard corporate rates or include the required insurance; if renting from one of these locations, travelers must purchase SLI of \$250K per person, per occurrence and LDW/CDW insurance. When renting with Hertz, be sure to verify that Harvard's corporate rates and required insurance are provided at that location. [See the Travel Policy page "Related Resources" sidebar for a list of Hertz licensee locations.](#)

Appendix C: Lodging

1. **Necessity:** the University will reimburse travelers for lodging expenses while on official University business further than 50 miles one way from the traveler's place of work.
2. **Preferred travel partners:** Harvard strongly encourages travelers to book lodging through one of Harvard's preferred hotels or travel agencies. To learn more about Harvard's travel agency partners and exclusive travel discounts, visit the Harvard Travel Services website, at <http://www.travel.harvard.edu/cgi-bin/travel/booking/hotels.php>.
3. **Hotels:**
 - a. Rooms: travelers are expected to stay in standard, single-occupancy rooms where available; room-upgrade fees are not reimbursable. Travelers are responsible for canceling room reservations when necessary; Harvard will not reimburse travelers for cancellation or "no-show" charges. Reimbursement requests for lodging expenses must be supported by a hotel folio, regardless of the expense amount. Proof of payment is required.
 - b. Internet connection fees: Harvard will reimburse for reasonable internet connectivity fees.
 - c. In-room movies and similar charges: the University will not reimburse travelers for personal expenses, such as, but not limited to, in-room video rentals, in-room alcoholic beverages, and recreational charges (such as golf fees or exercise- room/health-club fees).
 - d. Hotel frequent guest programs: Harvard CANNOT reimburse travelers for rooms purchased with frequent-guest-program credits. Monetary compensation provided to an employee in exchange for free lodging is considered additional income. However, travelers may use personal, hotel-frequent-guest-program credits to upgrade a room provided there is no additional cost to the University. All free upgrades must be noted on the expense reimbursement report to avoid confusion when auditing. Hotel frequent-guest program fees are not reimbursable.
4. **Rental accommodations:** travelers may stay in rental accommodations only if the total cost of the rental is less expensive than the total cost of the required hotel stay in a standard, single-occupancy room. For example, if University business requires a traveler to stay in a hotel for four nights, the traveler could rent a house for a week only if the weekly rental fee is less than the cost of a four-night hotel stay in a standard, single occupancy room. Travelers must provide documentation of the rental accommodation's lower cost. Rental accommodations must be approved in advance by the traveler's department or tub financial dean's office. Travelers must pay the landlord of the rental accommodation through HCOM Payment Request or Harvard University Corporate Card to enable proper tax reporting; other payment methods are prohibited.
5. **Private residences*:** travelers who stay in a private residence with relatives or friends while traveling on business may be reimbursed for one appreciation gift per visit, under \$75 (including tax or any other charges).
6. **Sabbatical lodging:** sabbatical lodging expenses are reimbursed only if the faculty member incurs two sets of living expenses simultaneously. A faculty member may be reimbursed for additional lodging expenses incurred at the sabbatical location, less any income received by the faculty member for renting out his or her primary residence, provided there is a stated business purpose for the additional lodging expenses. The tax rules surrounding sabbatical expenses are complex; contact your local finance office.

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards

Appendix D – Meals, Entertainment and Miscellaneous Expenses While Traveling

Generally Reimbursable	
Inoculations	Expenses related to inoculations required for business travel are reimbursable
Passports and Visas	Expenses related to visas and/or passports required for University business travel are reimbursable.
Hotel Internet Connections	Travelers will be reimbursed hotel internet-connection charges that are reasonable and necessary for conducting University business.
Reimbursable with Restrictions	
Laundry	Laundry expenses for business trips of four (4) days or less are not reimbursable. Reasonable laundry expenses for business trips of five (5) days or more are reimbursable, provided the reimbursement request has a proper detailed business purpose noting the duration of the trip.
Telephone Calls	<p>Travelers will be reimbursed for phone calls that are reasonable and necessary for conducting University business, and that result in incremental out of pocket cost to the traveler. Travelers are expected to use the most economical means of making phone calls while traveling on business. Reimbursement requests with telephone-call expenses must be accompanied by a hotel or phone bill showing itemized call information. Expenses for calls made from airplane phones (“airphones”) are not reimbursable except in emergencies or extenuating circumstances.</p> <p>Cell phone/smartphone use when traveling abroad can become cost prohibitive if you are not equipped with the correct plans and tips for minimizing cost. HUIT Telecom Operations has developed mobility guides with essential step by step instructions to ensure that you minimize cell phone costs for both voice and data while traveling abroad. For more information, see the Cell Phone Travel Checklist to make sure you are ready to take your cell phone/smartphone abroad.</p>
Entertainment expenses*	Individual entertainment expenses while traveling (in-room movies, etc.) are not reimbursable. However, business entertainment expenses, such as outings to theaters or cultural events, are reimbursable if the person(s) entertained has a potential or actual business relationship with the University, or if the business discussion will directly benefit the University. Employees must also follow any local tub policies when incurring entertainment expenses; an individual with questions must contact his or her tub financial dean’s office. Entertainment expenses must be charged to object code 8450.
Individual meal expenses while traveling	Travelers will be reimbursed for reasonable individual meal expenses while on University business. Harvard will not reimburse for excessive meal costs that are not substantiated by a complete and explanatory business purpose. Per IRS regulations, the University does not reimburse individual meal expenses for one-day travel except when the travel time is greater than twelve (12) hours. Per diem rates may not be used for one-day travel.
Business meals with others while traveling	Business meals are defined as meals with faculty, staff, students, donors, or other external parties during which specific documented business discussions take place. Travelers must exercise fiscal responsibility when choosing restaurants; travelers should avoid high-end establishments unless circumstances dictate that such a choice is appropriate, as when conducting University business with a major donor or foreign dignitary. Harvard will not reimburse for excessive meal costs that are not substantiated by a complete and explanatory business purpose.
Alcoholic beverages*	Alcohol purchased at business meals should be kept to a minimum, and must be charged to object code 8450 (expenses ineligible for federal reimbursement). Some local policies may have greater restrictions on the purchase of alcohol; travelers with questions must contact their tub financial dean’s office for details.
Nonstandard fundraising expenses	The University recognizes the unique nature of certain travel, entertainment, and non-travel business expenses incurred for fundraising and development activities. If these activities necessitate a deviation from stated policies, the individual must attach a brief explanation to the completed receipt report or expense form. A letter from a Financial Dean is not required, except in the case of first-class air travel. The business purpose must indicate that the expenses are directly related to development activity.
Not Reimbursable	
In-room charges, etc.	The University will not reimburse travelers for personal expenses, such as, but not limited to, in-room video rentals, in-room alcoholic beverages, and recreational charges (such as golf fees or exercise- room/health-club fees).

* See [Appendix G](#) for restrictions on travel expenses charged to federal awards

Appendix E: Combined Business and Personal Travel

All travel charged to the University must have a bona fide business purpose that substantially and directly benefits Harvard. A Harvard traveler can be reimbursed for all reasonable travel expenses of trips that are entirely business related. When personal and business travel are combined, the department must determine if the trip was **primarily** for University business or for personal travel. The ultimate issue is whether the primary motivation for the trip was for business or personal reasons; the amount of time spent on business activities compared to the time spent on personal activities is an important factor, but is not necessarily determinative. As a general rule, however, if more days are spent on University business than on non-University business, the trip can be deemed **primarily** for University business. When determining if a trip is related primarily to business or to personal activities, units must consider the amount of trip time devoted to personal activities and to business activities, and to whether any personal activities result in additional costs to the University.

If a trip was primarily for business and, while at the business destination, the traveler extends his or her stay for a vacation, made a personal side trip, or had other personal activities, the traveler can be reimbursed only for the business-related travel expenses. These expenses include the travel costs of getting to and from the business destination, lodging expenses incurred while conducting University business, and any business-related expenses at the business destination. Incremental costs that result from combining business and personal activities may not be reimbursed.

If a trip was primarily for personal reasons, such as a vacation, the cost of the trip (including travel to and from the destination, lodging, and other miscellaneous expense) is a non-reimbursable personal expense. However, a Harvard traveler may be reimbursed for bona fide University business expenses incurred during a personal trip, such as conference fees. However, per IRS regulations, the scheduling of incidental business activities during an otherwise personal trip, such as having lunch with a colleague at another University or attending one lecture during a two-week trip taken with family, will not change what is really a vacation into a reimbursable business trip. Travelers and approvers are expected to exercise fiscal responsibility and good judgment; your knowledge of the particular circumstances will inform your determination.

The following grid gives examples to help travelers and approvers determine if a trip is related primarily to business or to personal activities:

Trip more likely to be considered primarily <u>personal</u> when:	Trip more likely to be considered primarily <u>business</u> when:
An individual travels to celebrate holidays with her family. During the two-week visit, she has two meetings with colleagues to discuss research.	An individual attends a conference from Wednesday through Friday, and he extends his stay through Sunday.
An individual participates in a family wedding ceremony over the weekend. On Monday, he presents a lecture at a university in the city where the wedding was held.	An individual presents a two-week lecture series, and she extends her stay for an additional three weeks to collaborate with colleagues on research work.
An individual plans a three-week vacation in Italy. Upon completion of the vacation, she plans a two-day visit, partially funded by her grant, to a research center located in Paris.	An individual attends a procurement consortium meeting from Monday through Wednesday, and he schedules a tour of the sponsoring vendor's facilities for the following Tuesday.

Appendix F: Guidelines for Spousal/Family Member Travel

Expenses related to an employee’s spouse or other family members are not reimbursable unless there is a bona fide business purpose for their presence on the trip. If there is no bona fide business purpose and the department still wishes to reimburse the family members’ business expenses, those expenses must be processed as additional pay to the Harvard employee.

Bona Fide Business Purpose for Spousal/Family Member Travel. When an employee spouse/family member who attends a function has a significant role in the business proceedings, or is involved in fund-raising activities, this constitutes a business purpose under IRS regulations. In such cases, the University will reimburse the business traveler for the spouse’s (or other family member’s) non-personal expenses directly resulting from travel on University business. A spouse who attends a function is considered to have a business purpose if he or she has a significant role in the proceedings or makes an important contribution to the success of an event. Generally, protocol or tradition dictates when the participation of a high-level official's spouse is required at official University functions, such as alumni gatherings, fund-raising, or ceremonial activities, certain athletic events, and community events.

Non-Bona Fide Business Purpose for Spousal/Family Member Travel. The IRS has ruled that when a spouse attends a meeting or conference as a companion and has no significant role or performs only incidental duties of a social, clerical, or medical nature, then the attendance does not constitute a business purpose. The following grid is provided to help determine if spousal/family travel is taxable or non-taxable:

Expenses more likely to be taxable when:	Expenses more likely “bona fide” (non- taxable) when:
No formal request for family member to attend event(s)	Formal or official correspondence requests spouse or other family members of Harvard employees to make the trip or attend event(s)
Family members are not required to attend meetings, given assignments in advance, or make presentation at the event(s)	Spouses or other family members are required to attend meetings, given assignments in advance, or make presentation at the event(s)
Family member performs only “helpful” services, such as social, medical assistance, etc.	Family member performs “necessary” services by acting as a representative of the University in a substantial manner
Only Harvard employees and family member attend event(s)	Non-Harvard individuals (alumni, donors, recruits, etc.) attend event(s)
Family members participate in substantial tourist activities	Family members do not participate in tourist activities

Appendix G: Requirements for Travel Expenses Charged to Federal Awards

As outlined in the [Sponsored Expenditure Guidelines Policy](#), travel-related expenses are allowable as direct expenses when they provide a direct benefit to the sponsored award.

Unallowable travel expenses include, but are not limited to:

- Limousines
- Commuting or travel expenses when not on “travel status”
- Airfare above “lowest economy fare class” (coach or equivalent)

Domestic and foreign travel charged to a sponsored project must follow these guidelines as well as the Harvard University Travel Policy and funding agency requirements, whichever imposes the greater restrictions.

Travel expenses that directly support the sponsored project may be charged on an actual expense basis, on a per diem or mileage basis in lieu of actual expenses 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.

In order to charge a business meal on a federal award, an itemized receipt should be presented even if the total amount of the bill is less than \$75. If an itemized receipt is not available, use a Missing Receipt Affidavit (MRA), and:

- If the meal(s) did not include alcohol, the traveler must attest in writing that no alcohol was charged, and the entire amount can be charged to the appropriate federal award.
- If the meal(s) did include alcohol and the traveler can attest in writing the alcohol cost, then the alcohol portion of the meal costs, along with the applicable tax and tip, must be charged to a non-sponsored account (using object code 8450). The remainder of the meal costs can be charged to the appropriate federal award.
- If alcohol was included and the traveler CANNOT attest to the alcohol cost, then no portion of the meal costs can be charged to a federal award.

Air Travel

2 CFR §200.474.3(d)

Lowest Economy Fare Class

Federal regulations require travelers to incur the lowest possible expense to the federal award; in most circumstances, this is a non-refundable (restricted) economy class airfare.

Federal regulations require that airfare costs in excess of the lowest economy fare class 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.

Once this criteria is met, the traveler must justify and document the exception for the use of business-class or upgraded economy airfare to be allowable on a federal award. Complementary (no cost) upgrades are allowed. The [Federal Lowest Economy Airfare Travel Reimbursement Exception Form](#) must be completed and signed by an authorized signer and submitted with the travel reimbursement documentation.

There may be circumstances where there is a high likelihood that the itinerary may change; in these situations it is appropriate to purchase a refundable (unrestricted) ticket. Include in the business purpose section of the reimbursement request the reason for purchasing a refundable ticket.

Business Class Airfare or Upgraded Economy

If business class travel or upgraded economy is allowed under the Harvard Travel Policy but cannot be charged to the federal award, the traveler may still fly business class or upgraded economy. However, the difference in fare between the least expensive economy fare class and the business class fare must be charged to a non-sponsored account. Business class airfare can only be charged to a federal award if one of the Federal exceptions noted above is met. There are no exceptions to this rule.

The traveler must obtain, within one business day of booking the flight, a price quote for the economy fare for the same itinerary. The economy class fare can be charged to the federal award and the difference **must** be charged to a non-sponsored account. The [Federal Lowest Economy Split Coding Job Aid](#) can be utilized to calculate the charges and retained as supporting documentation.

If the traveler does not obtain written documentation of the lowest available economy fare for the same itinerary within one business day of booking the flight, then NO portion of the fare may be charged to the federal award. Post-booking quotes are not allowed as substitute documentation.

Fly America Act

All air travel on federal awards must comply with the Fly America Act and use U.S. Flag Carriers even when a less costly foreign flag carrier is available, unless the flight meets the circumstances and exceptions described in the Harvard University [Fly America Travel Reimbursement Exception Form](#). Departments/local units need to retain documentation of the Fly America exceptions.

The Open Skies Agreement is an exception to the Fly America Act requirement and it allows travelers to fly on airlines from the European Union, Australia, Switzerland and Japan under certain circumstances. To determine if a flight meets the Open Skies Agreement criteria, see the Harvard Travel Services [International Travel page](#) and scroll down to the Fly America Act and Open Skies Agreement Decision Tree.

Examples of **allowable** air travel expenses on federal awards:

- A researcher purchased an economy fare and it was upgraded to business class for free (no additional costs)
- A research fellow traveled on a foreign airline but the ticket has a US carrier code (code share) next to the flight numbers

Examples of **unallowable** air travel expenses on federal awards:

- A PI purchased a non-stop business class ticket for domestic travel because the coach class fare was not available and there were alternative flights available
- A PI booked a business class ticket for an 8 hour international flight on a US carrier and charged the full fare to the federal award without any written documentation of an exception
- A co-PI booked an economy airfare for a flight from Boston to Amsterdam on a European carrier; purpose of the trip was to present a paper on a DOD-funded award.
- A post-doc purchased a ticket from a US Airlines website for attending a conference in Vancouver, but the ticket has a foreign carrier's code (code share) next to the flight numbers (the seat does not qualify as US flag carrier)

Airline incidentals

- Reasonable airline internet fees during travel related to an award are generally allowable costs on federal awards
- Some airlines charge fees for snacks, non-alcoholic drinks, pillows and blankets, etc. Where permitted by local policies and budget, reasonable costs for these items are reimbursable. Expense categories typically ineligible for Federal Reimbursement like entertainment (e.g. in-flight movie) and alcohol cannot be charged to a federal award.

Local Business Meals

Meals consumed in the local environs (i.e. the Longwood Medical Area Campus, the affiliated hospitals, or the Harvard Cambridge and Allston campuses) are rarely allowed to be charged to federal awards.

The Harvard University Travel policy may permit the expenditure of Harvard funds for these types of expenses, but they are generally unallowable on federal awards. In these cases, the expense should be charged to a faculty or departmental discretionary account or other appropriate non-federal account.

Examples of food charges that should not be directly charged:

- Researchers and/or staff meeting to discuss progress on the grant
- PI has lunch/dinner with a colleague to discuss research (the meal of the visitor, if they are on travel status, may be charged to the award)

Local business meals may be directly charged to an award if they are linked to a formal meeting or conference at which technical information directly related to the award is being shared or disseminated. Note that specific federal sponsors may have varying terms and conditions that differ from the federal definitions. Please refer to the award's terms and conditions for any specific treatment of expenses.

Examples of meal charges that may be allowed as a direct expense:

- Lunch and refreshments are provided for a periodic all-day meeting with collaborators on a program project where technical information closely related to that project is being shared. There is a formal agenda and documented attendee list.
- A researcher is being recruited to fill an open position on a research grant and travels to Harvard University local environs. Only the researcher's meal may be charged to the grant since he/she is on travel status.

In order to charge a business meal on a federal award, an itemized receipt should be presented even if the total amount of the bill is less than \$75. If an itemized receipt is not available, including the use of a Missing Receipt Affidavit (MRA), and:

- If the meal(s) did not include alcohol, the traveler must attest in writing that no alcohol was charged, the entire amount can be charged to the appropriate federal award.
- If the meal(s) did include alcohol and the traveler can attest in writing the alcohol cost, then the alcohol portion of the meal costs, along with the applicable tax and tip, must be charged to a non-sponsored account (using object code 8450). The remainder of the meal costs can be charged to the appropriate federal award.
- If alcohol was included and the traveler CANNOT attest to the alcohol cost, then no portion of the meal costs can be charged to a federal award.

Local Parking

Parking expenses incurred in the local environs are normally not allowed to be directly charged to a federal award. Parking can be charged as a direct cost if the local travel benefits the project directly and there is a clear and reasonable business case.

Examples of parking charges that may be charged as a direct cost:

- A PI drives to another institution within the local environs to meet with collaborators on a specific project
- A researcher is working on a federally funded project that includes several Boston hospitals, requiring occasional trips from Harvard University to the affiliated hospitals
- Subjects in a research study are reimbursed for parking expenses incurred when they visit the study site
- Local parking is associated with an out-of-town collaborator on the project who is in travel status when incurring the parking charge

Local Transportation

- Car Services - The use of private sedan, limousine or car services to attend meetings on or around campus is unallowable as a direct expense
- Local Transportation Services- Where available, public transportation and shuttle services may be allowable as a direct cost. Taxis may also be used where other methods of travel are unavailable or impractical.

Communication Expenses

Communication expenses that can be linked to a specific sponsored project with a high degree of accuracy and are used primarily for the sponsored project may be charged as a direct expense. Examples of communication expenses that may be charged as a direct cost include the following:

- Itemized long distance telephone charges for communication related specifically to an award
- Communication devices used exclusively for conducting surveys
- Telephones and PDAs used exclusively to manage a multi-site research project
- Dedicated telephone lines set up to receive data feeds from the field or conduct surveys
- Hotel and airline Internet fees during travel related to an award
- Incremental expenses for international coverage for Harvard employees in travel status
- Cell phones in remote locations where communication infrastructure is limited