



Harvard's Travel & Reimbursement Policy

An Overview

September 28, 2016

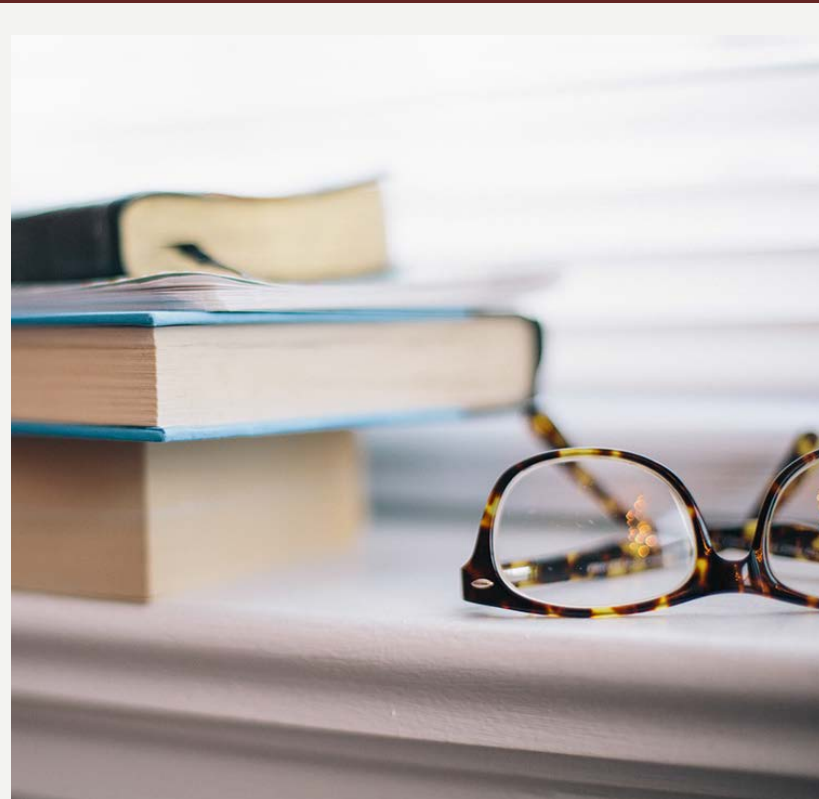
Subject Matter Experts



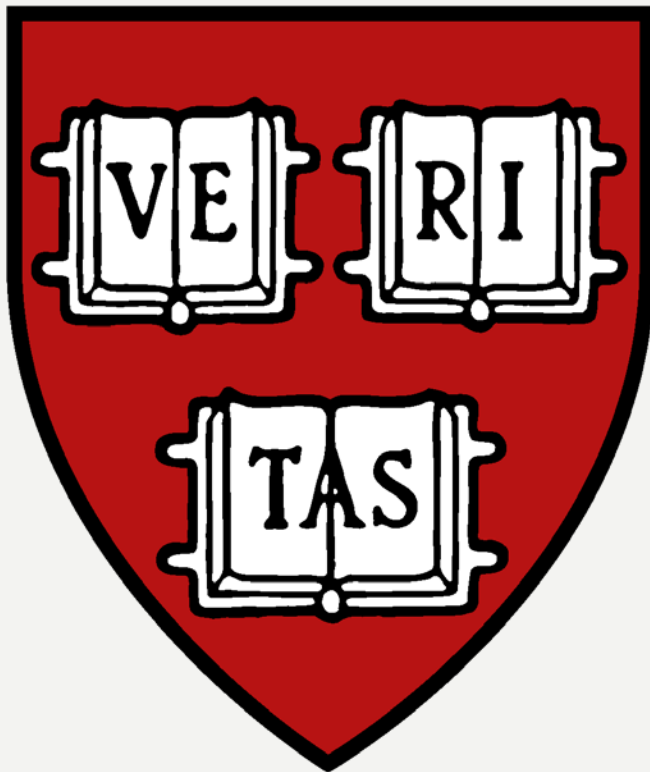
- **Stacey Clifton**, Manager of Travel, Expense, and Card Services, Strategic Procurement
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Agenda

- **Overarching principles**
- **Preferred vendors**
- **Guidelines for:**
 - **Air Travel**
 - **Lodging**
 - **Ground Transportation**
 - **Meals**
- **Personal Expenses**
- **Reimbursements**
- **Q&A**



Overarching principles

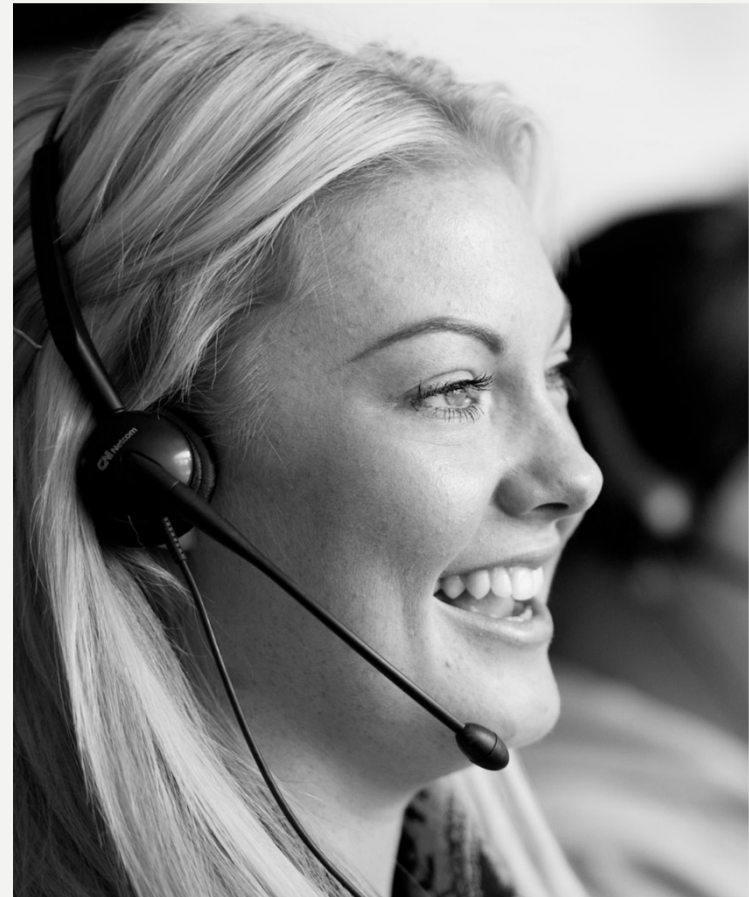


- Travel expenses must be reasonable and necessary
- Most restrictive policy prevails – University, school, sponsor, etc.
- **No policy can address every scenario. Where unusual circumstances arise, the spirit of the policy – and good judgment – should prevail**

Using preferred travel agencies

Your status as a Harvard traveler entitles you to special benefits and savings, such as help with seat availability

- Greater value
- Negotiated pricing
- Duty of care
- Feeds to Harvard Travel Assist
One stop shopping – one call for air, hotel and car reservations
- Help with Fly America and Open Skies Acts



Using preferred car rental vendors

Harvard's preferred car rental vendors and/or sedan services offer discounted rates which include the insurance coverage required by the University.

Harvard's programs with Hertz and National allow a traveler to take advantage of promotional rates while still getting the insurance coverage he/she needs.



Using preferred hotel vendors



Harvard has discounts at local properties in the Cambridge and Boston area, as well as with select chains including:

- Starwood - 20% off the best available rate
- Club Quarters – offers low “fixed” rates to member organizations
- Wyndham - up to 20% off the best available rate

Air Travel



Air travel introduction

Funding source

- Harvard's air travel guidelines and policies differ depending on the source of the funding used for the travel: federal vs. non-federal
- Generally, travel on federal funds is more restrictive

Non-federally
funded travel

Federally-funded
travel

Non-federally funded air travel

Domestic flights (48 contiguous states)

Lowest priced, non-stop economy airfare that meets business needs

Canada, Mexico, Alaska, Hawaii, U.S. Territories and Possessions

Lowest priced, non-stop business-class airfare if:

- The scheduled air time is more than 6 hours; AND
- Funds are available

Other International Destinations

Lowest-priced, non-stop business-class airfare if funds are available

- Complimentary upgrades are allowed, but should be documented
- First-class airfare is possible for documented medical reasons, when approved by a Fin Dean

Non-federally funded air travel, cont.



- Ticket upgrades* **within the allowable class** of service are reimbursable where permitted by local policies and budget.
- The University will **not** reimburse travelers for tickets purchased using frequent flyer miles.
- Issuing fees for such tickets are reimbursable.
- Frequent flyer memberships should not influence travelers to select something other than the lowest priced flight.

**Ticket upgrades refers to seat upgrades within the same class (for example, some airlines offer upgrades for coach class seats with extra legroom)*

Federally funded air travel

- Travelers using federal funds must incur the **lowest possible expense** to the federal award
- In most cases this is a non-refundable (restricted) economy class airfare, except when certain specific exceptions are met



Federally funded air travel

The Fly America Act

- Travelers flying on federal funds must comply with the [Fly America Act](#), which states that travelers must fly on U.S. Flag Carriers even when a less costly foreign flag carrier is available, unless the flight meets a specified exception
- The International section of the [Harvard Travel Services website](#) has additional information about using U.S. Flag Carriers



Airline fees: what's reimbursable?

Reimbursable fees include:

- Baggage fees
- Ticket cancellation and change fees (with a valid business reason)

Non-reimbursable fees include:

- Lost or damaged baggage
- Airport airline club membership fees
- Memberships or fees for priority boarding, expedited security screening or customs processing

Lodging



Lodging guidelines

- Travelers are expected to stay in standard, single-occupancy rooms where available.
- Exercise fiscal responsibility when choosing hotels.
- It is strongly recommended that travelers book lodging with one of Harvard's preferred vendors.



Rental accommodations

- Travelers may stay in rental accommodations (e.g., VRBO or Airbnb) if the total cost is less expensive than a hotel stay in a standard, single occupancy room.
- Harvard does not recommend Airbnb stays, however. If travelers choose to stay in a rental accommodation, they must provide documentation of the rental accommodation's lower cost.



Reimbursable lodging expenses

Reimbursable expenses include:

- Travelers who stay in a private residence may be reimbursed up to US \$75 per visit (including taxes or other charges) for gifts for their hosts. Appreciation gifts cannot be charged to sponsored funds.
- Reasonable hotel internet connection charges
- Reasonable phone calls (such as personal calls to sustain reasonable contact with family, and/or reasonable and necessary to conduct business.)

Non-reimbursable expenses include:

- Room-upgrade, cancellation, or guest club fees. Free upgrades are allowed, but must be noted on the report to avoid confusion when auditing.
- Rooms purchased through frequent-guest credits.
- Personal expenses like in-room movies, alcoholic beverages, golf fees, or health club/exercise room fees.
- Lodging for trips of less than 50 miles one-way (determined from the traveler's place of business, not home) unless for business-related extenuating circumstances

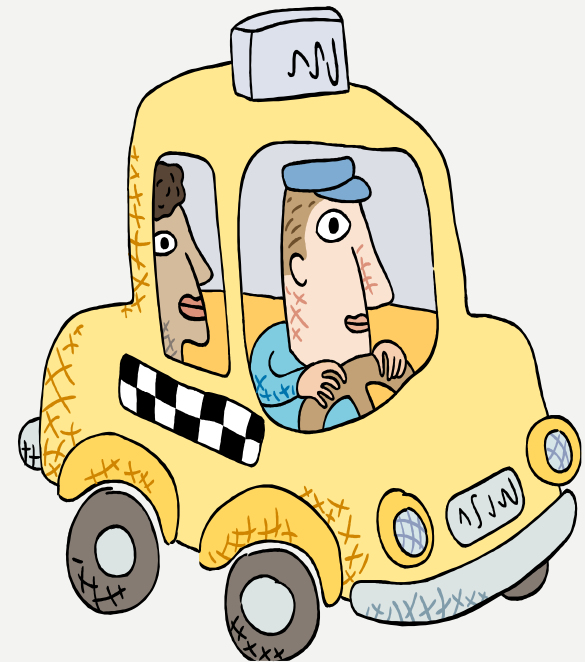
Booking and reimbursement

Procedures

- Attach the hotel folio (with any personal charges removed from the total) to the reimbursement request. Attach the hotel folio regardless of the amount.
- It is strongly recommended that travelers book lodging through one of Harvard's preferred vendors.



Ground Transportation

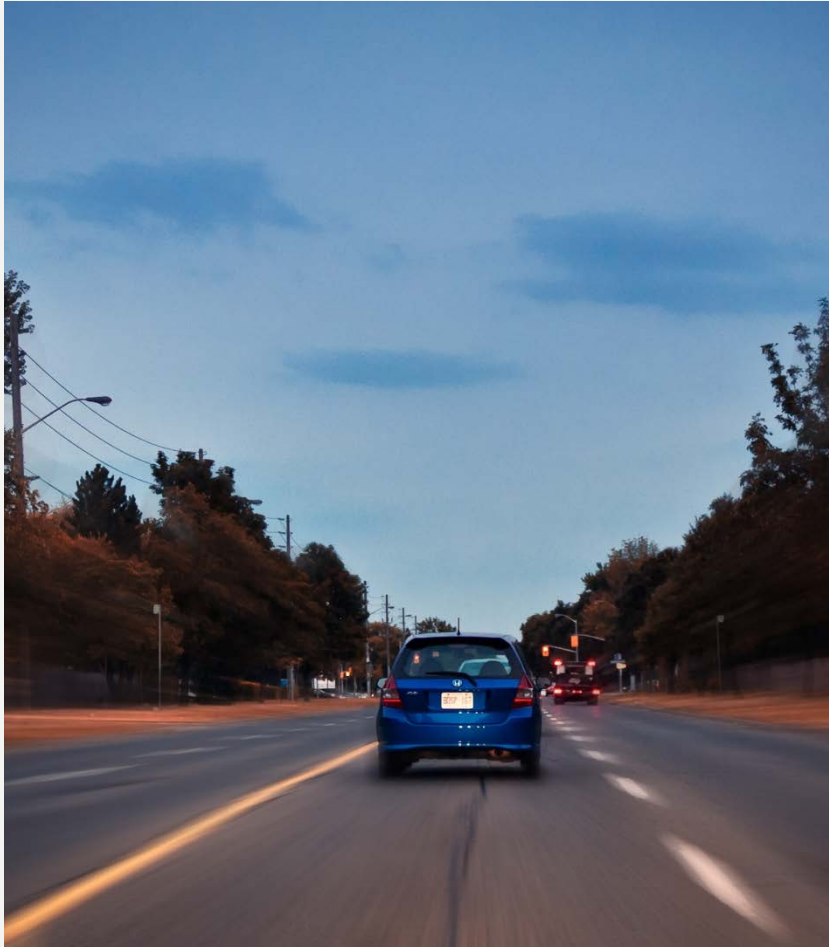


Taxi, Uber, and sedan services

- Travelers are expected to use fiscal responsibility when traveling to and from air, bus, or rail terminals. Taxis and Uber are common choices; travelers should also consider public transportation options and shuttle services.
- Private sedans, Uber Black, or other car services may not be used to attend meetings on or around campus. Limousine expenses are prohibited.

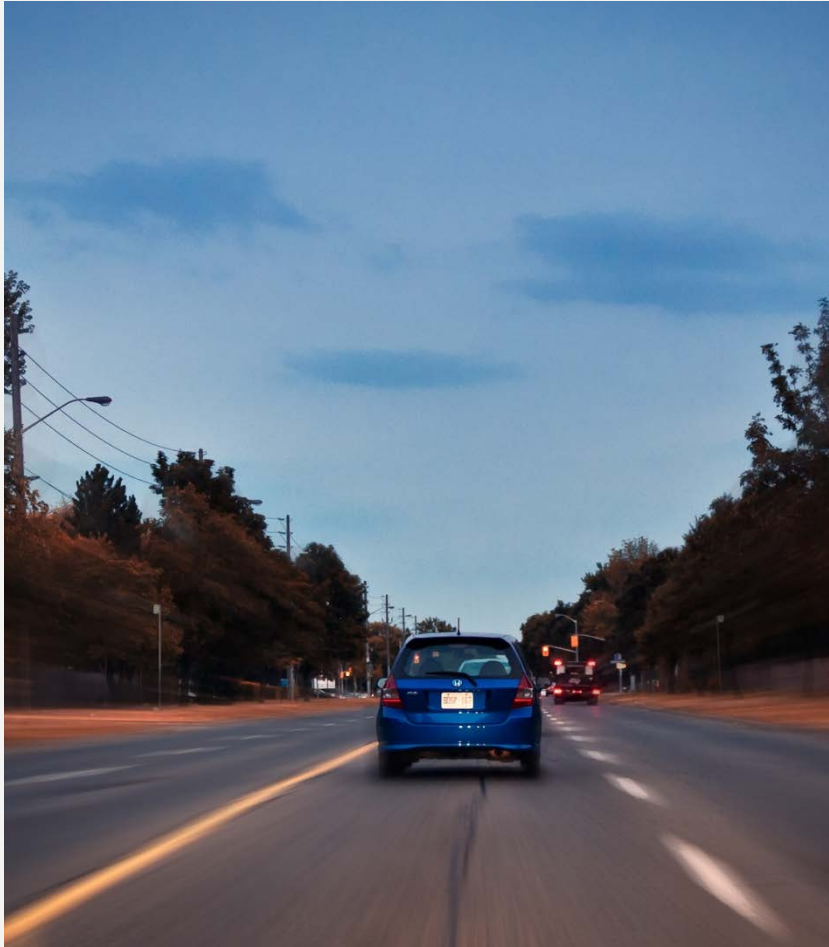


Personal car use



- Using one's personal car for business travel is reimbursable up to the [federal government mileage rate](#).
- Mileage requests must include the traveler's itinerary, dates, and the number of miles driven.

Personal car use



When using a personal car for business travel:

- Gas expenses will not be reimbursed in lieu of miles.
- Insurance on a personal car, and any liability from inadequate insurance coverage, is the responsibility of the traveler, not the University.
- Travel to and from the airport using a personal car may be reimbursed.

Rental car policies

- Use a preferred vendor when possible.
- Select a vehicle class that is consistent with business needs (usually a compact or mid-size).
- Free vehicle upgrades are often available through Harvard's preferred vendors. Free upgrades should be noted in the reimbursement request.

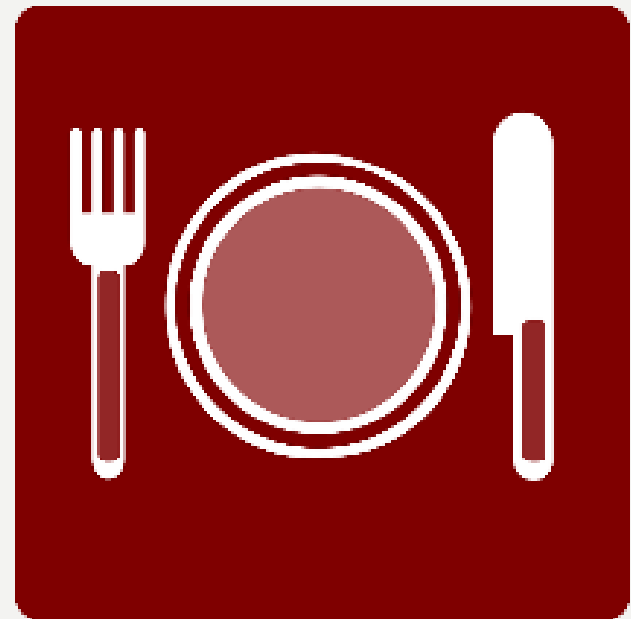


Rental car policies

- Employees must use Harvard's corporate account numbers to receive negotiated rates and insurance coverage
- In the U.S., Harvard travelers using Harvard's account number at preferred vendors automatically get the recommended insurance coverage
- For more information, see the [Harvard Travel website](#) under "Booking" > "Traveling by Ground."



Meals



Individual meals while traveling

- Travelers will be reimbursed for reasonable meal expenses while on University business. Travelers are expected to use their best judgement when incurring meal expenses.
- 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.
- Itemized receipts for individual meals are **encouraged** regardless of amount, and are **required** for meals charged to federal funds.



Entertainment/business meals



- Business meals are meals with faculty, staff, students, donors, or other external parties during which specific documented business discussions take place.
- The business purpose for the meal expense must include the names of all attendees (if fewer than five guests; otherwise list the total number of guests), their connection to Harvard and the business conducted during the meal.

Entertainment/business meals, cont.



- Travelers should exercise fiscal responsibility when choosing restaurants.
- Alcoholic purchases should be kept to a minimum and must be charged to object code 8450. Alcohol is **not allowable** as a charge to a federally funded award.

Personal Expenses



Business vs. personal expenses

Per IRS regulations, **some expenses are always deemed personal and cannot be reimbursed.** Some common examples that arise while traveling:

- In-room movies
- Minibar alcohol charges
- Hotel fitness club charges
- Purchases of clothing or toiletries
- Hairstyling or cosmetic services
- Airline club fees



Combined business & personal travel

- **The overarching principle is that Harvard should not bear higher costs because of personal activities.**
- Per IRS regulations, travel expenses are only reimbursable if the trip is primarily related to business.
- Determinations often made on a case-by-case basis
- Comparable flight costs are helpful information
- See Appendix E of the [Travel Policy](#)



Spousal travel



- Expenses related to an employee's spouse or other family member are not reimbursable unless there is a bona fide business purpose for their presence on the trip.
- If there is no bona fide purpose but the department still wants to reimburse the employee for the expenses, it must be done as reportable additional pay to the employee.
- See Appendix F of the [Travel Policy](#).

Reimbursements



Reimbursement policies

Harvard's reimbursement policies are based on IRS regulations

The IRS requires Harvard to follow the "Accountable Plan" rules when making reimbursements, which state that:

- Expenses must have a direct business connection
- Expenses must be substantiated with documentation
- Reimbursement requests must be submitted within a reasonable time



Reimbursement requests

Reimbursement systems

- Harvard is moving to a new Expense Reimbursement system called Concur
- Concur is being implemented on a school by school basis
- See <http://travel.harvard.edu/concur> for more information

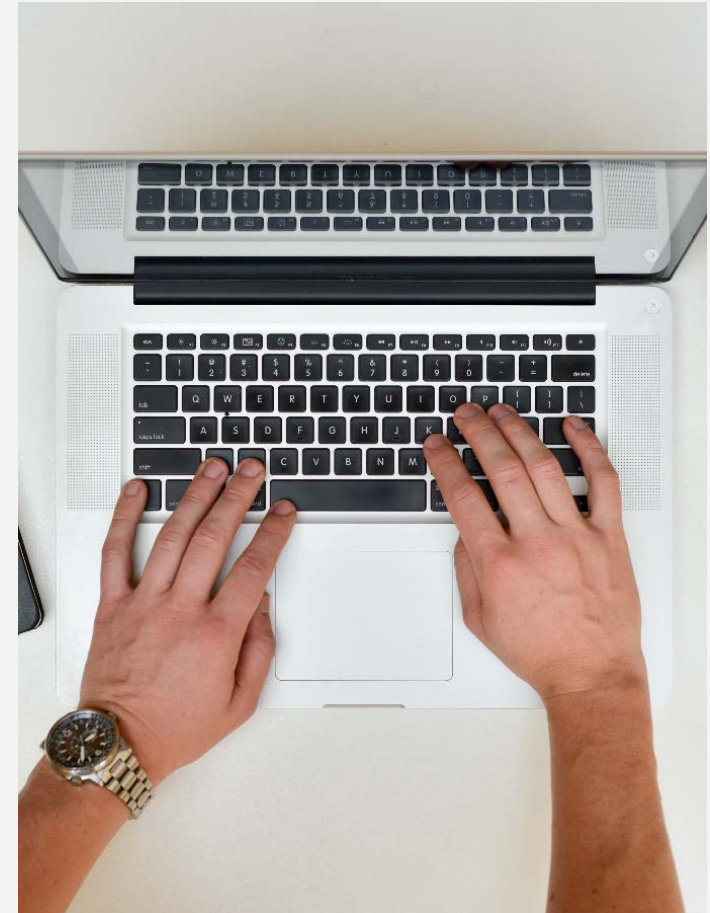


Reimbursement requests, cont.

Travelers submitting their requests for reimbursement should ensure that their requests are:

- Supported by a **detailed business purpose**
- Accompanied by all required **receipts**
- **Signed** by the reimbursee / cardholder (if WR)
- Charged to the appropriate **account coding**
- Submitted **no later than their department/ School's deadline**

Note: reimbursement requests received by Reimbursement and Card Services (RCS) or approved in Concur over ninety (90) days after the end of the trip **cannot be reimbursed**.



Itemized receipts



- Receipts for all expenses are encouraged, but only receipts for individual expenses of \$75 or more are required to be attached to the reimbursement request and sent to RCS or submitted in Concur.
- Some departments have local policies requiring receipts for lower amounts. Such receipts should be kept locally, **not** submitted to RCS.
- All hotel folios are required, regardless of amount. All personal charges must be deducted from the folio.

Itemized receipts, continued



- Itemized receipts are **encouraged** for meal expenses of any amount, and are **required** if the meal is charged to federal funds.
- A traveler who does not have a required receipt must complete a [Missing Receipt Affidavit \(MRA\)](#) and submit proof of payment.
- MRAs must be signed by the traveler and the approver.

Timeline for reimbursement

Below is the overall University guidance on deadlines for reimbursement. Individual Schools/Units may have their own policies and deadlines; users should check with their local finance office for guidance.

Within 90 days of the end of the trip, reimbursement requests received by RCS/approved in Concur are processed as normal.

91-182 days after the end of the trip, requests will be treated as income to the employee, processed via Payroll as additional pay, and taxes will be withheld.

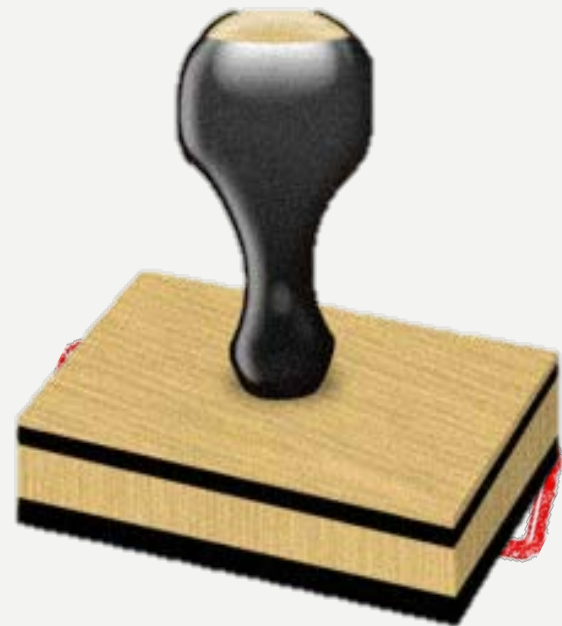
After 183 days, the request will NOT be paid.

A grid with more details is in section 3.F. of the [Travel Policy](#), including special rules for extended business trips.

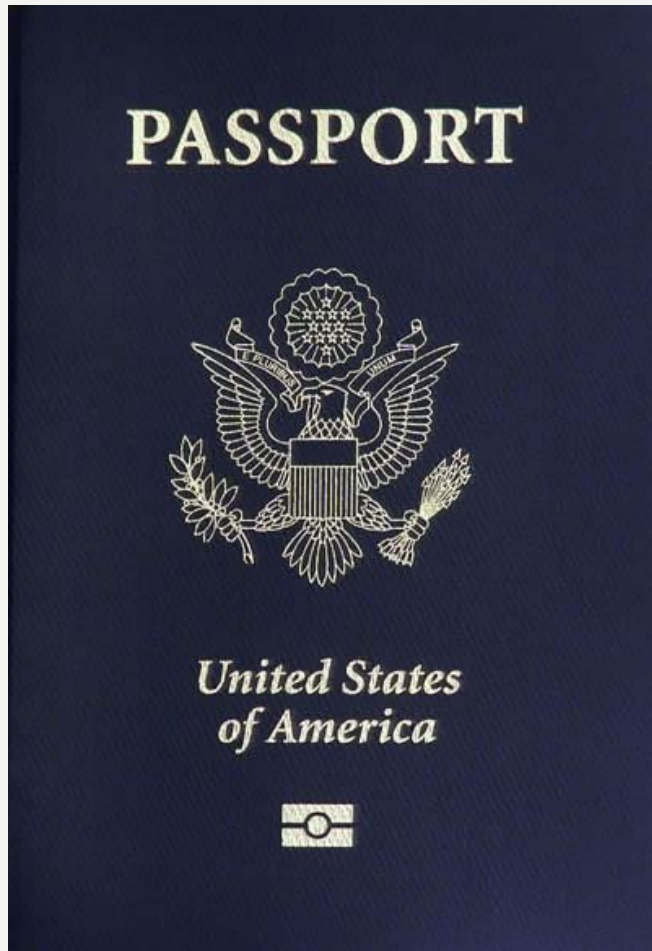
Rejected requests

Most WR requests that are rejected by Reimbursement & Card Services are rejected due to one of these reasons:

- Report is not approved in Oracle
- Business purpose is incomplete
- Signature is missing
- RCS receives the report later than 90 days from the end of the trip
- Receipts are missing



Miscellaneous expenses



- Foreign currency expenses must be converted to U.S. dollars, with the conversion rate documented in the report.
- Expenses related to inoculations, visas, and passports for the traveler required for business travel are reimbursable.
- Reimbursements to foreign nationals must be reviewed prior to payment to ensure that they are allowable by the IRS and not subject to additional withholding.

Sponsored reimbursements

To ensure that all charges to sponsored awards are allowable, expenses charged to federally sponsored projects must comply with:

- Award terms and conditions
- Funding agency requirements
- Federal requirements
- University [Sponsored Expenditure Guidelines](#)
- [University Travel Policy](#)

In all cases, the most restrictive requirements take precedence.



Sponsored reimbursements

The Office for Sponsored Programs (OSP) supports schools with matters related to compliance with sponsored funding.

For additional information regarding sponsored reimbursements see:

- Appendix G of the [Travel Policy](#)
- [Sponsored Expenditure Guidelines](#)



Q&A

Questions?

Additional resources

Please refer to the websites below for additional information on Harvard's Travel Policy. You should also check with your local financial office for any Tub-specific policy guidelines.

Harvard Travel Services Website & Portal

<http://travel.harvard.edu/>

The complete Harvard Financial Travel Policy is available at:

<http://policies.fad.harvard.edu/pages/travel-0>

Responsibilities of Purchasers, Preparers and Approvers

<http://policies.fad.harvard.edu/responsibilities-purchasers-preparers-and-approvers>

Card Services

<http://cardservices.harvard.edu/home>

Office for Sponsored Programs Sponsored Travel Guidance and Policy

<http://osp.finance.harvard.edu/travel-policy>