Travel Costs on Sponsored Programs

Background

The Boston College Office for Sponsored Programs provides administration and support for sponsored programs. Sponsored programs, or the term sponsored awards, may be used in this document interchangeably and mean any agreement, contract, or grant that is funded by a source other than Boston College. Activities related to sponsored programs must comply with Boston College’s policies and procedures, the sponsor’s terms and conditions, and Federal regulations. Federal regulations include the Code of Federal Register (CFR) Vol. 78 No. 248 issued December 26, 2013, and Vol. 79 No. 244 issued December 19, 2014, also known as the Uniform Guidance and which contains the requirements set forth by the Office of Management and Budget (OMB) and the implementation plans of Federal agencies. The effective date for most parts of the Uniform Guidance is on or after December 26, 2014.

Purpose

The purpose of this policy is to provide guidance for travel costs charged to sponsored awards.

Scope

This policy is applicable to all sponsored awards and must be followed by schools, departments, centers, institutes, and personnel of Boston College involved with sponsored awards.

Effective Date

The effective date of this policy is December 26, 2014.

Definitions

Allowable Costs are charges for goods or services that are permitted on a sponsored award, agreement, contract, or grant. In other words, these costs are in compliance with Boston College’s policies and procedures, the sponsor’s terms and conditions, and Federal regulations, and therefore the allowable costs may be paid from the sponsor’s funds. Allowability also includes the concepts that costs must be: (a) necessary and reasonable for performance of the sponsored award; allocable to the sponsored award; (b) in compliance with the sponsor’s terms and conditions; (c) consistent with policies and procedures that apply uniformly to both Federally-financed and other activities at Boston College; (d) accorded consistent treatment (for example, a cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost; (e) in accordance with generally accepted accounting principles (GAAP); (f) only charged
once (for example, the cost must not be included as a cost or used to meet cost sharing or matching requirements of any other Federally-financed program in either the current or a prior period).

**Allocable Costs:** A cost is allocable to a particular award if the goods or services [the costs] involved are chargeable or assignable to that award in accordance with relative benefits received. This standard is met if the cost: 1) is incurred specifically for the award, 2) benefits both the award and other work of Boston College and can be distributed in proportions that may be approximated using reasonable methods; and 3) is necessary to the overall operation of Boston College and is assignable in part to the award. See also OSP website for [Cost Allocation Methodologies Guide](#).

Direct Costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs.

**Employee** means an individual working for Boston College for pay.

Indirect Costs / Facilities & Administrative Costs (F&A) are costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. “Facilities” is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. “Administration” is defined as general administration and general expenses such as accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of “Facilities.”

**Per diem** means a daily payment instead of actual expenses for subsistence and fees or tips to porters and stewards.

**Reasonable Costs:** A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Consideration must be given to: (a) whether the cost is generally recognized as ordinary and necessary for the proper and efficient performance of the award, (b) sound business practices, arm’s-length bargaining, Federal, State, and other laws and regulations, and terms and conditions of the award, (c) market prices for comparable goods or services for the geographic area, (d) whether the individuals concerned acted with prudence in the circumstances, and (e) whether Boston College deviates from its established practices and policies regarding the incurrence of the costs.

**Sponsored awards** or the term sponsored programs, may be used in this document interchangeably and mean any agreement, contract, or grant that is funded by a source other than Boston College.
Subsistence means lodging, meals, and other necessary expenses for the personal sustenance of the traveler.

Unallowable Costs are expenditures on sponsored award that are not in compliance with Boston College policy, Federal regulations, or specific sponsor terms and conditions. Costs that are deemed unallowable must be removed from the sponsored award via a cost transfer; see Cost Transfer Policy.

Policy Details

It is the policy of Boston College that all costs charged to a sponsored program must comply with Boston College’s policies and procedures, the sponsor’s terms and conditions, and Federal regulations. When there is a conflict between Boston College policy and sponsor requirements, the more restrictive policy applies.

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of Boston College. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and is consistent with Boston College’s Travel Expense Reimbursement Policy.

Costs incurred by employees for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable to the extent such costs do not exceed charges normally allowed by Boston College’s Travel Expense Reimbursement Policy. Please note that Boston College does not permit the reimbursement of travel costs for spouses or dependents, and thus these costs are unallowable on sponsored programs.

Travel costs charged to sponsored awards must be allowable, allocable, and reasonable, and as required in accordance with Uniform Guidance § 200.474, the documentation must justify that:

(1) Participation of the individual is necessary to the sponsored award; and
(2) The costs are reasonable and consistent with Boston College’s established travel policy.

Foreign travel, travel to and/or from locations outside of the United States, may precipitate additional Federal regulations. For example, Federal export control laws and regulations apply to the physical export of controlled equipment, data, and materials to foreign countries, the disclosure of controlled information to foreign entities and persons, and access to controlled equipment and technology by foreign persons visiting Boston College.

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Prior to making foreign travel arrangements, OSP should be contacted to discuss the
destination(s), purpose of the trip, activities during the trip and location(s) the individual will be.
OSP may also recommend a discussion with the Office for Research Compliance to assist
employees and travelers with ensuring compliance with Federal regulations.

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

(i) Require circuitous routing;
(ii) Require travel during unreasonable hours;
(iii) Excessively prolong travel;
(iv) Result in additional costs that would offset the transportation savings; or
(v) Offer accommodations not reasonably adequate for the traveler’s medical needs. The traveler
must justify and document these conditions on a case-by-case basis and obtain prior written
approval from OSP to be allowable.

Federal policy requires that U.S. flag air carriers or approved carriers under the Open Skies
agreement be used regardless of cost, convenience, or personal travel preference. For more
information, refer to the Fly America Act and Open Skies Agreement. Documentation of any
exceptions or waivers must be attached to the travel expense report. Prior to incurring travel-
related expenses, individuals traveling under sponsored project awards are encouraged to contact
the Office for Sponsored Programs for guidance regarding approved travel costs.

Fly America Act  http://www.gsa.gov/portal/content/103191
Open Skies Agreements  http://www.state.gov/e/eb/tra/ata/

Note: An employee’s pre-paid travel costs should be handled through a travel advance; see
Boston College’s Travel Expense Reimbursement Policy.

Documentation of Travel Costs

Travel costs should be processed on the form required by Boston College policy (currently it is
the Boston College Expense Report). Travel costs should be submitted within 30 days of
completion of the trip. The expense report must be accompanied by original receipts that should
show what was purchased and how it was paid for. Boston College will reimburse employees
for incidental costs (e.g. tolls and tips) without a receipt for up to a maximum of $25 a day.

OSP requires individuals to submit the following documentation to substantiate all expenses:

- Air/Rail – original ticket receipt
- Hotel – hotel generated itemized folio is required for all lodging expenses, regardless of
costs (see also *** under hotel in the next section).
- Car rental – car rental agreement receipt
• Personal car usage – receipts for tolls, parking and daily mileage log listing date, itinerary, and number of miles; Mileage documentation (Google Maps, Mapquest, etc.)
• Meals – itemized meal receipt showing details of food/beverages purchased in addition to proof of payment such as a credit card receipt.

Note: Boston College considers a travel advance to be a loan. As such, each advance must be settled within thirty (30) days of an employee’s return from travel. To reconcile an advance it must be reported on the expense report form that documents the trip.

Best Practices Checklist for Travel Costs on Sponsored Awards

Air Travel
☐ Original documentation (such as e-ticket/itinerary/confirmation) showing proof of payment.
***OSP does not recommend bundling hotel and air fare when booking arrangements, if an itemization of the costs for each cannot be obtained.
☐ If you purchase a ticket for another traveler, your credit card statement must be submitted as proof of payment.
☐ Any additional charges (e.g. baggage fees) must have a valid business purpose. Explanation and supporting documentation must be submitted, this includes proof of payment.
☐ Some costs (charges for upgrades, extra legroom, priority seating, travel insurance, etc.) are generally unallowable. If there are unique circumstances, please discuss with OSP prior to incurring these costs on a sponsored award.
☐ Foreign travel on non-US Airline, may be allowable under certain circumstances and should be discussed with OSP after traveler has reviewed Fly America Act and Open Skies.
☐ Travel on Department of Defense awards always requires the use of a US Carrier. Call OSP to discuss if US Carrier does not fly to destination needed because sponsor approval may be necessary prior to incurring travel costs.

Ground Transportation
☐ Original receipts and proof of payment for costs e.g. taxi, parking, etc.
☐ Mileage for use of personal vehicle on a business trip requires documentation of the starting point and destination from a third-party source such as Google Maps, Mapquest, or equivalent.
☐ Subway pass reimbursement requires proof of purchased amount, an itinerary for where the traveler went, how much the trips individually cost, and the total expense (which should be at least equal to the purchased amount). Travelers will be reimbursed for only the amount used.
☐ Final itemized car rental receipt. Best practice – use American Express Corporate Card because it covers the car insurance.
☐ Car upgrades are unallowable costs.
**Lodging**
- **Final itemized hotel bill** showing all hotel charge details and **proof of payment**
- If meals are charged to the room, the traveler must keep the itemized meal receipt and provide the list of attendees at the meal.
- Online hotel bookings require email confirmation and **proof of payment**, still include itemized bill received at hotel.
  ***OSP does not recommend bundling hotel and air fare when booking arrangements, if an itemization of the costs for each can not be obtained.***
- **Lodging per diem is NOT allowed on sponsored awards.**

**Meals**
- **Itemized meal receipts** showing details of food/beverages purchased.
- **Proof of payment** including gratuity.
- List of attendees, if more than just the traveler, and their relationship to the award being charged and the business purpose of the meal.
- Alcoholic beverages are unallowable costs. If a receipt includes the cost, then the cost as well as the associated tip and taxes must **also be removed**.
- Per diem may be used to cover the costs of meals and related taxes and gratuities for the actual days of travel and for days working at the destination. If per diem is used, then it must be used for the entire trip, and actual receipts for meals will not be permitted (traveler can not use itemized meal receipts for one day and per diem for another day).

**Registration**
- Registration confirmation and proof of payment for registration costs.
- When documenting travel costs, include the conference agenda/program that show the conference name, date(s), location, times, and any meals provided.
- Memberships are only allowed if the sponsored award specifically allows, or if the traveler is presenting the sponsored award research at a conference and would be unable to present at the conference unless traveler is a member; documentation supporting this is required in order to charge the cost to the sponsored award.
- A portion of the registration will not be allowed to be charged to a Federal award if the registration/program agenda clearly includes entertainment.

**Foreign Travel**
- Prior to making foreign travel arrangements, **anyone that will be** presenting data at a conference, working with a collaborator, bringing a laptop or other electronic device data equipment and supplies on the trip should first discuss these with the Office for Research Compliance, who can assist employees and travelers with ensuring compliance with Federal Export Controls regulations.
- Some sponsors require **prior approval** for foreign travel, and if it is not documented, then foreign travel costs are unallowable on the sponsored award, if prior approval was not obtained.
- Some sponsors delegate approval of foreign travel to OSP and travelers should discuss foreign travel with OSP in **advance of the trip** to obtain OSP’s approval.
Foreign travel on non-US Airline, may be allowable under certain circumstances and should be discussed with OSP after traveler has reviewed Fly America Act and Open Skies.

Best practice – use the American Express Corporate Card to pay for foreign costs.

When processing an expense report, include the credit card statement in addition to receipts because the statement will show the amount paid (it converts the foreign currency to US dollars with the exchange rate for that date).

Boston College recommends using Oanda for calculating the exchange rate on purchases paid with cash. Best practice is to use the average exchange rate in effect on the first day of travel.

If foreign travel was part of the approved budget from the award proposal, then including that page of the (approved) proposal with the expense report will increase the efficiency of processing travel costs.

Per Diem

- Reimbursement on a per diem basis is allowable for all US travel based on the CONUS standard rates and for International travel based on U.S. Department of State rates.
- Per diem may be used to cover the costs of meals and related taxes and gratuities for the actual days of travel and for days working at the destination. If per diem is used, then it must be used for the entire trip, and actual receipts for meals will not be permitted (traveler can not use itemized meal receipts for one day and per diem for another day).
- For partial days, the per diem allowance rate is to be prorated. For example, if traveling ½ day or less then reimbursement is only at the “first/last day of travel” per diem rate.

General

- Ensure receipts add to the total on the front of the expense report; clearly document when requested reimbursement amount is less than a receipt’s total.
- Traveler must sign the expense report which serves as certification of the expenses, and the award’s Principal Investigator should also review and sign the expense report.
- Costs incurred prior to, or after the completion of, the conference the traveler attended are unallowable on sponsored awards without documented business purpose and the cost being allowable, allocable, and reasonable.
- Ensure the accounts used on the expense report are aligned with the actual types of expenses.
- Ensure the grant was active at the time of travel.
- Discuss any questions with OSP prior to incurring travel costs.

Contacts

If you have any questions about this policy, how to treat a specific cost, or need additional information, please contact the Office for Sponsored Programs main number at 617-552-3344 or directly contact your area’s OSP Liaison (OSP Staff).