



TRAVEL AND BUSINESS
EXPENSE GUIDELINES







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Overview

Boston University appreciates the efforts of those who travel on University business. Travelers should be comfortable while traveling, understand the University's travel and business expense guidelines, and obtain reimbursement quickly. At the same time, it is necessary to keep travel and business expenses within reasonable limits and to follow consistent reimbursement procedures.

Purpose of the Travel and Business Expense Guidelines

- To assist Boston University employees throughout the travel and business expense process
- To provide the Boston University community with a clear and consistent understanding of the University's travel and business expense guidelines and reimbursement procedures
- To ensure that employee expenditures are properly documented in accordance with Internal Revenue Service regulations, federal grant and contract requirements, and University policies
- To set reasonable standards that permit University employees to make arrangements for transportation, accommodations, and related expenditures efficiently and in a cost-effective manner

For any expense reimbursement questions, please feel free to contact the Travel Section at 617-353-4062 or visit the website www.bu.edu/travel.



Scope of the Travel and Business Expense Guidelines

These guidelines apply to anyone who incurs Boston University travel or business expenses. (Personal entertainment or travel is not reimbursable.)

Departments may impose more stringent controls over travel and business expenses than those required by these guidelines. Failure to comply with these guidelines may result in a delay or denial of reimbursement.

General Guidelines

- Boston University will reimburse employees for reasonable and properly documented travel and business expenses incurred when approved for University business.
- In general, University employees should select methods of travel that are comfortable, applying customary and reasonable professional standards in the selection of travel services.
- When practicable, travelers should use standard accommodations in reasonably priced hotels, taking advantage of educational and group discounts. The University recommends that all travel arrangements be made through BCD Travel at 617-353-1700, or toll-free at 866-535-3238.
- Expenditures may be reported on either an actual cost basis (substantiated with receipts) or a per diem (daily allowance) basis domestic and foreign. Whichever method is chosen must be applied to the entire trip.
- The Boston University P-Card may not be used for local travel expenses.



Responsibility of the Authorized Signer

The authorized signer is the person responsible for approving departmental expenditures and must be a regular Boston University employee. In all cases, the traveler's supervisor must also sign the Travel and Business Expense Report; employees may not approve expenses for an individual to whom they report. Authorized signers have primary responsibility for ensuring compliance with these guidelines and for verifying that expenses and expense reports meet the following criteria:

- The travel or business expense was incurred while conducting University business.
- The information contained on the expense report and supporting documentation is accurate and complies with these guidelines.
- The travel and business expense meets applicable sponsor program guidelines and applicable regulations.
- The expenditure is charged to the proper account(s).

Corporate Credit Cards

It is strongly suggested that all employees traveling on University business enroll in the University's Corporate Credit Card travel program. The **Diners Club Corporate Card** is the preferred card for travel expenses related to University business. Some of the advantages of the card are:

- The Diners Club Corporate Card is accepted at over 24 million locations worldwide—everywhere MasterCard credit cards are welcomed.
- No annual fee or credit limit.
- Reduced need to carry cash—employees may



obtain travel advances directly from Diners Club through ATM machines (with the Cirrus logo) worldwide. (A small fee may be charged for each advance.) To enroll in the Diners Club cash advance program and obtain a PIN, call Diners Club at 800-234-6377.

- Greater convenience and flexibility when traveling.
- An Internal Service Request (ISR) is not required when the Diners Club Corporate Card is used to purchase airfare through BCD Travel.
- The Diners Club Corporate Card provides for primary collision/loss damage insurance up to the full value of the rental vehicle. This directly reduces the University's expenditures for any vehicle accidents and helps departments avoid a \$500 deductible for any at-fault accidents.
- All full-time employees of Boston University are eligible to apply for a Diners Club Corporate Card. Please refer to www.bu.edu/travel for an application.

The following are guidelines for the Diners Club Corporate Card use:

- It is strongly recommended that the Diners Club Corporate Card be used to rent any vehicle for University business.
- Diners Club Corporate Cards may not be used for the purchase of equipment, supplies, services, etc., which are covered by the policies of Sourcing & Procurement.
- Original receipts must be provided when requesting reimbursement.

Travel Advances

Travelers should use their Diners Club Corporate Card whenever a travel advance is necessary. Please see www.bu.edu/travel for additional information on this program. You may enroll in the Diners Club cash advance program and obtain a PIN by calling Diners Club at 800-234-6377. (A small fee may be charged to the cardholder for each cash advance and will be reimbursed for advances received in connection with travel on University business.)

A University-provided travel advance may be requested for the following situations:

- travel by those who have applied for, but have not yet received, a corporate card;
- travel to locations where the Diners Club Corporate Card is not accepted.

To request a travel advance, the traveler must complete a **Travel Advance Request Form**, obtain appropriate dean/vice president and authorized signer approval, and forward the form with supporting documentation (including conference/seminar brochures) to the Travel Section. Travel advances should be requested at least 15 days prior to the trip. Travel advances are usually issued within 5 business days before the start of the trip and must be accounted for on the **Travel and Business Expense Report**. The **Travel and Business Expense Report** must be completed within 30 days after an employee returns from a trip. Failure to provide proper accounting and supporting documentation for an advance or to repay an advance in excess of expenses may result in the University withholding the amount of the travel advance from other funds due the traveler or



reporting the advance to the IRS on a W-2 form including payroll withholding. Repayment of an unused travel advance must be credited to the account that the travel advance was charged. A travel advance will not be issued to travelers with an outstanding advance or for the purpose of procuring an airline ticket.

A **Travel and Business Expense Report** must be completed to substantiate a travel advance, even if the traveler is not owed any reimbursement.

Transportation

AIRFARE:

Air travel is reimbursed for economy airfare only. Exceptions for travel involving an extended period of travel time will ordinarily be permitted with the prior written approval of the President, University Provost for faculty, or the appropriate Senior Vice President for staff.

Vice Presidents and Academic Deans are authorized to make their travel arrangements using the following guidelines:

1. For flights of more than a 3-hour duration (either domestic or international), you may arrange for business-class travel (or first-class when necessary) at your own discretion.
2. For business trips that are time sensitive where, for example, you are required to begin meetings or other business-related activities immediately upon arrival, you may use discretion and avail yourself of business-class travel (or first-class when necessary).

Boston University recommends that airfare be purchased from BCD Travel using a Diners Club Corporate Card. If an Internal Service Request (ISR) is used instead of a Corporate Card, the ISR must contain the following information:

- It is very important to note when completing an ISR to list all pertinent travel information in the NOTE PAD section of the form (at minimum: traveler's name, record locator code, and/or date of travel)

A copy of the BCD Travel "e-bill" must be attached to the Travel and Business Expense Report and sent to Boston University, Accounts Payable Department Travel Section at 25 Buick Street, Boston, MA 02215.

A Travel and Business Expense Report must be completed to substantiate a travel advance, or if airfare was purchased with an ISR, even if the traveler is not owed any reimbursement.

RENTAL VEHICLES—DOMESTIC

Boston University has a corporate discount program with Avis for the rental of vehicles for University-approved business. In addition to competitive pricing, this program offers advantages such as:

- Unlimited free mileage for rentals returned to the original renting location
- No-cost loss/damage waiver for any loss or damage to the rental vehicle
- Discounts on international locations ranging from 10 to 20 percent
- Extensive liability insurance program



Avis offers many other benefits. Please see www.bu.edu/travel for a copy of the current agreement. Reservations may be made directly with the car rental agency or through BCD Travel.

AUTO INSURANCE:

Boston University's insurance covers the individual as well as the vehicle when a vehicle is rented for business purposes; therefore, employees should not sign (or initial) for additional insurance coverage offered by car rental companies. Please see www.bu.edu/cfo/risk-management/risk-management-resources/automobiles/rental-procedures/.

Remember to use the Diners Club Corporate Card for car rentals to receive free primary collision damage waiver (CDW) insurance for the full value of a rental vehicle. This directly reduces the University's expenditures for any accidents, and helps the department avoid a \$500 deductible for any at-fault accidents. This coverage is currently available worldwide and includes automobiles, 15-passenger vans, and sport utility vehicles traveling on municipal, state, and federally maintained roads.

RENTAL VEHICLES—FOREIGN

The Diners Club Corporate Card should be used when renting a vehicle for use outside the United States, its territories, and Canada. Use of the card for foreign rental vehicles provides free primary collision damage coverage while on University business.

If the Diners Club Corporate Card is not used to rent a vehicle in a foreign country, both liability and collision coverage should be purchased for the vehicle. See www.bu.edu/cfo/risk-management/risk-management-resources/automobiles/rental-procedures/.

Vehicles should be rented only through well-known, established car rental companies.

REIMBURSEMENT FOR DOMESTIC AND FOREIGN RENTAL VEHICLES:

When requesting reimbursement for rental vehicles, the original itemized rental receipt/agreement must be submitted with the Travel and Business Expense Report. Credit card receipts and other forms of proof of payment are not acceptable documentation.

USE OF PERSONAL VEHICLE:

The use of a privately owned vehicle for University business purposes is authorized when it is cost effective.

Employees will be reimbursed at the current Internal Revenue Service rate per mile, plus properly documented parking fees and tolls. The IRS per-mile rate covers the total cost of operating an automobile for local travel or transportation away from home, including such items as gasoline, oil, maintenance, repairs, etc.

The total expense reported for transportation using a personal vehicle may not exceed the equivalent allowable economy airfare.

OTHER TRANSPORTATION COSTS:

Other transportation expenses include the cost of taxis, airport shuttles, and public transportation while on approved Boston University travel.



Lodging and Meals

The following applies to reimbursements on an actual cost basis:

LODGING:

Travelers should use standard accommodations in reasonably priced hotels and motels.

Many hotels and motels charge reduced rates for those who identify themselves as University faculty or administrators. BCD Travel should be contacted when reserving a hotel room, as they are often able to offer rooms at a substantial discount.

Because hotel reservations are generally guaranteed to ensure lodging for late arrivals, travelers are required to cancel reservations in a timely manner to prevent “no-show” charges.

When requesting reimbursement, the original itemized hotel bill and the original receipt showing proof of payment must be attached to the Travel and Business Expense Report.

If direct billing is involved, Boston University must be listed as the purchaser on the invoice. Only lodging charges and related taxes will be paid.

MEALS:

Receipts for meals should accompany the Travel and Business Expense Report. A reasonable estimate of meal expenses is allowable for periods of extended travel (usually greater than 7 days).

When meal expenses include charges for individuals other than the employee being reimbursed, the Travel and Business Expense Report must indicate the name(s), the business purpose(s), and the date of the meal.

Sponsored Travel—Federal Travel Restrictions

There are significant federal compliance requirements concerning foreign travel. For further information, contact Post Award Financial Operations (PAFO).

Airlines that are considered “U.S. flag carriers” must be used on all federally sponsored projects, unless advance written approval is received from Post Award Financial Operations (PAFO).

Reimbursement for the cost of alcohol is not allowed on federal awards. The traveler must note that alcohol was not part of the meal when an original itemized meal receipt is not submitted.

Local Travel Expenses

For local travel expenses the University will reimburse an employee for the expense when it is deemed to be necessary, reasonable, and appropriate by the employee’s supervisor and in accordance with University guidelines. The University’s Purchasing Card (P-Card) cannot be used as payment for a local business travel expense. The Diners Club Corporate Card or personal credit card should be used to pay for local travel expense.

All local travel expense reimbursements must be requested on a Travel and Business Expense Report and must be approved by the employee’s supervisor and authorized signer. For your convenience, you may combine multiple local travel and business expenses on one Travel and Business Expense Report (and submit this report monthly).



Petty cash funds may be used for local travel expenses totaling less than \$25.00. However, **your supervisor must sign** the petty cash receipt authorizing the expenditure.

Documentation of reimbursable business expenses submitted on a Travel and Business Expense Report must include the original receipt, name(s) of person(s) in attendance, their relation to the University or other affiliation, date(s), and business topics discussed or business purpose of the expense. Additional substantiation of expenses may be requested if the relationship and business purpose are not clearly indicated. In the absence of appropriate documentation, the expense, if paid or reimbursed, will be treated as income to the individual and subject to employment taxes and W-2 reporting.

Entertainment expenses, however represented, are not allowable charges to most sponsored agreements and must be coded as “U” Unallowable. Charges for alcohol are not allowable on any sponsored grant or contract.

Spousal Travel

In certain cases, there may be a bona fide business purpose for an employee’s spouse to travel to and represent the University at a particular function and for the spouse’s travel and business expenses to be reimbursed in accordance with these guidelines. All such cases require the prior written approval of the President, University Provost, or Senior Vice President on a Request for Spousal Travel form. In accordance with IRS regulations, to qualify as a bona fide business purpose, the presence of the spouse must be essential (not merely

beneficial) to the employee's ability to carry out his/her University responsibilities. The spouse's performance of some incidental service (such as typing notes) and/or accompanying the employee to luncheons and dinners is not a bona fide business purpose. The bona fide business purpose of the accompanying spouse must be clearly documented on an approved Request for Spousal Travel form, which must be attached to the employee's Travel and Business Expense Report. There will be no tax consequences to the employee in these circumstances.

In other cases, it may be determined that it would be desirable, but that it does not serve a bona fide business purpose, for the spouse to attend a particular function on behalf of the University. Under these circumstances, and with submission of an approved Request for Spousal Travel form, reimbursement of the spouse's travel and business expenses will be, under IRS regulations, included in the employee's taxable wages as a taxable "fringe benefit," **and the appropriate taxes will be withheld.**

In all other cases, a spouse's travel and entertainment expenses will be the personal responsibility of the employee.

Other Reimbursable Expenses

The following incidental expenses, when directly related to business travel, generally are reimbursable:

- Tips for meals should be indicated on meal receipt
- Tips: baggage, valet, porter, etc.
- Currency conversion
- Traveler's check fees
- Business office expenses (i.e., fax, copy services, etc.)



- Overnight delivery/postage/airfreight charges, if sending a package for business-related needs
- Diners Club cash advances received in connection with travel on University business.

Non-Reimbursable Expenses

Travelers will NOT be reimbursed for the following miscellaneous expenses (including, but not necessarily limited to):

- Payments made for contracted services or commodities covered under purchasing policies (Sourcing & Procurement).
- Family members' travel expenses, except for spousal travel where there is a bona fide University business purpose and where prior written approval is obtained from the President, University Provost, or Senior Vice President on the Request for Spousal Travel form. See SPOUSAL TRAVEL on page 13 for additional details.
- Flight insurance. (The University provides blanket travel accident insurance coverage for full-time employees.)
- Personal telephone calls (except those of short duration while traveling)
- Personal entertainment and all other items of a personal nature
- Expenses related to personal/vacation days while on a business trip
- Laundry and dry cleaning during business travel of less than 5 days. (In appropriate circumstances, an exception may be warranted.)

- Fines and penalties
- Parking, traffic tickets, or any other motor vehicle violations
- Any item appearing unreasonable in nature or amount
- Annual fees for credit cards or Corporate Card Reward Program fees
- Corporate credit card delinquency fees and finance charges other than those related to travel advances
- Excess baggage charges, or replacement cost of lost baggage and its contents
- Air travel class upgrades, unless there is a bona fide University business purpose and prior written approval is obtained from the President, University Provost, or Senior Vice President
- Rental of cellular phones or usage with rental car
- Auto/Air/Rail Club memberships

Expense Substantiation

The University will reimburse employees for reasonable and necessary expenses incurred for authorized University business when a Travel and Business Expense Report has been properly completed and approved by the traveler's supervisor and the authorized signer. Expenses are reimbursed on an actual cost basis, and original receipts must be submitted for expenses in excess of \$25.00. Per diem (daily allowance) rates may be chosen to report expenses, and the per diem rate must be used for the entire trip. Each trip must be reported separately.

- If receipts are not available, an explanation must be provided, specifying the date(s), place(s),



person(s), purpose(s), and cost(s) of the expense item(s).

- In cases where it can be assumed that receipts will be difficult to obtain, the employee may keep a detailed log of the expenses to submit when reimbursement is requested.
- For expenses of a small and incidental nature for which receipts are not readily available, an exception may be permitted at the discretion of the Travel Section.

Completing a Travel and Business Expense Report

A Travel and Business Expense Report must be completed generally within 30 days after an employee returns from a trip. Each trip must be reported separately on a Travel and Business Expense Report. **The report must be completed in all cases in which airfare has been purchased on an ISR to BCD Travel or reimbursement has been received for an airfare purchased on the Diners Club Corporate Card or a travel advance has been received.** A Travel and Business Expense Report must be completed to substantiate a cash advance, even if the traveler is not owed any reimbursement, or if airfare was purchased with an ISR.

Travelers may not authorize reimbursement of their own travel expenses. The following signatures must appear on the Travel and Business Expense Report:

1. The individual requesting reimbursement (normally the traveler)
2. The authorized signer for the account to be charged
3. The supervisor of the person receiving reimbursement

The traveler is responsible for converting foreign currency to United States funds on the Travel and Business Expense Report. The rates used must be included on the Travel and Business Expense Report and should be those in effect at the time of the transaction, not those in effect at the time the Travel and Business Expense Report is completed. For background information on foreign currency conversions, visit www.oanda.com/convert/classic.

Important Contact Information

Boston University, Accounts Payable Department, Travel Section

25 Buick Street
Boston, MA 02215
Telephone: 617-353-4062
Fax: 617-353-3600
www.bu.edu/travel

Boston University, Post Award Financial Operations

25 Buick Street, Second Floor
Boston, MA 02215
Telephone: 617-353-4555
Fax: 617-353-6740

Boston University Travel Agent, BCD Travel

24 Hours eReservations & Information
www.bu.edu/travel
Travel Reservations (Live Agent) 8am - 8pm EST
617-353-1700 or 866-535-3238
email: bu@bcdtravel.com



Emergency After Hours Assistance

866-222-9744

International Collect: 847-624-3171

VIT Code: 3XSC

Worldwide Websites

PER DIEM RATES

Domestic Per Diem Rates

www.gsa.gov—Click on “Per Diem Rates” and follow prompts

Foreign Per Diem Rates

www.state.gov/m/a/als/prdm/

FOREIGN CURRENCY CONVERSIONS

www.oanda.com/convert/classic

UNITED STATES DEPARTMENT OF STATE TRAVEL ADVISORIES

http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html





Boston University Accounts Payable
Travel Section

25 Buick Street
Boston, MA 02215

Boston University's policies provide for equal opportunity and affirmative action in employment and admission to all programs of the University.

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