

**LOYOLA MARYMOUNT UNIVERSITY
POLICIES AND PROCEDURES**

DEPARTMENT: CONTROLLER’S OFFICE	
SUBJECT: TRAVEL POLICY	Page 1 of 24
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1 Statement of Policy

Loyola Marymount University will reimburse faculty and staff and certain non-employees for necessary and reasonable travel and other expenses incurred while traveling on behalf of the University.

This document outlines general policies and procedures to allow reasonable guidance for travelers and administrators and is not expected to cover every possible situation. The Controller’s Office does not approve purchases or reimbursements. Each division, department, or principal investigator must establish and adhere to an approval process. Department heads and principal investigators may delegate authority except where specific signatures are required. Accountability lies in the departments. The Controller’s Office will report any violations of this policy to the appropriate manager. Establishing accountability within each area is a managerial responsibility. Sponsored projects may have additional requirements; items of an unusual nature should be discussed with the Post Award Administration & Accounting department in the Controller's Office or the Office of Sponsored Programs, as applicable, before the submission of an expense for reimbursement.

This policy is in place to ensure sound practices and proper reporting of travel, and entertainment in compliance with external regulations, including tax regulations under the Internal Revenue Code, federal cost regulations under [Office of Management and Budget \(OMB\) Circular A-21](#), and donor and sponsor restrictions.

This policy applies to anyone who has been authorized to travel utilizing University funds for expenditures of the type described in this policy document. This includes, but is not limited to, faculty, staff, undergraduate and graduate students, and others (such as job applicants, guest lecturers, and invited guests).

Authority for travel by University faculty and staff is obtained from the appropriate Supervisor. These individuals will assess the necessity for travel, taking into

consideration such factors as the value to be derived by the University, the estimated cost, and the effect of the absence from campus of the faculty or staff member.

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2 Definitions

Accountable Plan	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 connection or purpose, substantiate expenses, and return any amount in excess of substantiated expenses to the employer. Accountable Plan is an IRS term.
Away from Home	For purposes of business or professional expenses, "home" is defined as LMU, not his/her personal residence. Travel expenses qualify as business or professional expenses only if the traveler is away from home at a temporary work site.
Business or Professional Expense	An ordinary, necessary, and reasonable charge for goods or services that fosters or supports the ongoing mission of the University.
Collision Damage Waiver/Liability Damage Waiver (CDW/LDW)	A type of insurance that provides protection for any damage that may occur to the vehicle you have rented. If you are renting a vehicle while traveling on behalf of the University, do not purchase this insurance as this coverage is provided under LMU's Business Auto Liability Policy.
Direct Deposit	A payment method in which LMU directly deposits a payment into an employee's bank account. This method is available for travel payments only if the individual is an employee of LMU and has elected direct deposit for his/her payroll check.
Domestic Travel	Travel among any of the 50 United States, its possessions and territories, and Canada. In the case of sponsored projects, domestic travel may be defined differently in the award documents.
Extended Travel	Travel that exceeds 90 consecutive days.
Foreign National	An individual who is not a citizen of the United States of America.
Foreign Travel	Travel outside of the United States, its possessions and territories, and Canada. In the case of sponsored projects, foreign travel may be defined in the award documents.
Incidentals	An IRS term for minor expenses included in the per diem rate for "meals and incidentals" (M & I). Miscellaneous expenses include tips, mailing expenses, etc.
Local Travel	Travel on behalf of the University in Southern California.
Miscellaneous Expenses	Expenses for ground transportation (e.g., taxis, airport shuttle services, public transportation) and other various non-personal expenses.
Official Travel	Approved travel on behalf of the University between "home" and another destination. Travel between one's personal residence and the University is commuting, not official travel.
Ordinary, Necessary and Reasonable Expense	An expense is ordinary if it is normal and customary. An expense is necessary if it is appropriate and helpful to the University. An expense is reasonable if a prudent person would incur the expense in similar circumstances.
P-Card	A corporate Visa card provided through the University's P-Card program.
<u>Per-diem Domestic</u>	Reimbursement rates established by the federal government for travel within any of the continental United States. See foreign per diems for Hawaii and Alaska.
Personal Expense	An expense for personal items such as clothing, luggage, toiletries, newspapers, magazines, movies, or other entertainment.
Proof of Payment	Documentation that reflects date, amount, and that a payment was made (cash register receipt, credit card receipt, bank or credit card statement, or cancelled check).
Reasonable Costs	A cost may be considered reasonable if the nature of the goods or services acquired or applied, and the amount involved therefore, reflects the action that a prudent person would have taken under the circumstances prevailing at the time the decision to incur the cost was made.
Receipt	A written acknowledgement that something has been received; receipts should include key information required by accountable plan rules such as the vendor, date, amount, description of good or service, etc.
Remote Site	A travel location that is not easily accessible.

Signature Authority	The authority to make a payment from a unit operating account.
Sponsored Project	A signed award (grant, contract, or cooperative agreement) under which the University agrees to perform a certain scope of work for an external sponsor.
Sponsoring Agency	A governmental or private organization that provides funding for a sponsored project.
Substantiated Expenses	An IRS term under the "accountable plan rules" that requires documentation as to amount, time, place, and business purpose as well as evidence that the expenses were incurred or paid.
Sufficient Documentary Evidence	Information and documentation that, when taken as a whole, substantiates the expense and business purpose under the accountable plan rules. Sufficient documentation should include who, what, when, where, why, and how much.
Supervisor	One who is in charge of a particular department, college or division.
Temporary Work Site	An IRS term for a work location away from an individual's regular work site. Travel expenses qualify as business expenses only if the traveler is "away from home" at a temporary work site. An assignment that is expected to last more than 12 months is classified as indefinite, not temporary.
Transaction Authority	The authority to commit the University to receive or expend resources.
Travel Advance	Payments made to or on behalf of a traveler prior to travel.
Travel Expense	For tax purposes, the ordinary, necessary, and reasonable expenses of traveling away from home to a temporary work site.
U.S. Flag Carrier	An air carrier that holds a certificate under 49 U.S.C. 41102 and whose service is authorized either by the carrier's certificate or by exemption or regulation. This is in reference to the " Fly America Act "

3 General Considerations

3.1 *Exceptions*

The Senior Vice President and Chief Financial Officer has sole authority to approve exceptions to provisions of this policy. Approved exceptions must be explicitly justified as beneficial to the University and generally require the recommendation of the individual's divisional Senior Vice President.

3.2 *First Considerations*

1. Determine if the potential benefits of the trip justify the time and expense involved after considering cost-effective alternatives, such as video or teleconferencing.
2. Familiarize yourself with any applicable sponsor requirements, as they may be more restrictive than the University's.
3. Obtain appropriate approval to take the trip. The Controller's Office strongly encourages each department to require the use of a travel request form.
4. Familiarize yourself with the University's requirements for documentation and other reimbursement issues before you travel (see the [Documentation and Reimbursement Issues](#) section of this document).

3.3 *Non-Reimbursable Expenses*

The following expenses are not reimbursable under this policy:

- Personal grooming services, such as barbers, hairdressers and shoe shines;
- [Car rental insurance](#) purchased for domestic travel;
- Child care;
- Dues in private airline clubs (e.g., United Airlines' Red Carpet Club);
- Frequent flier fees and similar awards fees for hotel and car rentals;
- Gym and recreational fees, including massages and saunas;
- In-room movies;
- Insurance costs such as life insurance, flight insurance (unless approved prior to purchase for good reason), personal automobile insurance and baggage insurance;
- Laundry or valet service for travel of fewer than seven days;
- Lost baggage;
- Loss or theft of cash advance money, airline tickets, personal funds or property;
- "No-show" charges for hotel and car service;
- Parking tickets or traffic violation tickets;
- Personal automobile repairs;
- Personal credit card annual fees or finance charges;
- Personal telephone charges in excess of reasonable calls home, generally one per day;
- Pet care;

- Upgrades (air, hotel, car, etc.);
- Any other personal items not specifically mentioned.

3.4 *Travel Charged to Sponsored Projects or Government Appropriations*

A sponsoring agency may have budget or other restrictions as well as notification requirements related to travel. Consult with the Post Award Administration & Accounting department in the Controller's Office about foreign travel as the approval process varies among sponsoring agencies. Foreign travel may require advance approval by the sponsor and many sponsored agreements require travel on U.S. Flag Carriers (see [Fly America Act](#)), regardless of cost considerations.

All travel costs charged to grants and contracts must be reasonable and in accordance with policies established by LMU and the sponsor and the terms of the specific award. Travel policies of federal and non-federal sponsors may vary. Although grant-sponsored travel must be in accordance with the University travel policy, more stringent restrictions may apply.

3.5 *Transportation*

The following segments of this document outline the University's expectation of travelers regarding modes of travel. For related reimbursement information, see the [Payment Methods and Expense Reimbursements](#) section of this document.

The traveler should select a mode of transportation that is cost-effective and efficient. If, for other than a University-related purpose, the traveler takes an indirect route, or interrupts a direct route, reimbursement for travel costs will be either the actual cost or the costs that would have been incurred by traveling the direct route by the most economical means, whichever is less.

3.5.1 Domestic Air Travel

Domestic travel includes travel within and between any of the United States and its territories and possessions. It also includes travel between the United States and Canada when the travel is sponsored by a federal agency.

3.5.1.1 Airline Class of Service

Travelers are expected to book the lowest-priced, non-stop coach class airfare available. Business class and first class domestic travel will not be reimbursed unless the Controller's Office is provided a letter from the President, Provost, a Senior Vice President, or a Dean explaining the medical reasons or extenuating circumstances that require such service.

3.5.1.2 Savings Opportunities

Whenever possible, travelers should take advantage of available savings. Reservations should be made as soon as travel plans are finalized in order to receive advance purchase discounts. Greater savings can be achieved by allowing maximum flexibility and planning travel well in advance of a trip. It is University policy to authorize a Saturday stay-over to the extent that resulting savings in airfare are greater than the additional costs incurred for hotel, car rental, etc.

3.5.1.3 Upgrades for Domestic Air Travel

An upgrade at the expense of the University is not permitted.

3.5.1.4 Sponsored Project Domestic Air Travel

Contact the Manager of Grant Accounting in the Controller's Office for specific policies and procedures regarding federally funded travel.

3.5.1.5 Airline Frequent Flier Programs

The University will not reimburse travelers for the value of air travel obtained using frequent flier miles. LMU will however, reimburse fees associated with issuing a frequent flyer ticket such as taxes and agency or airlines services fees. Frequent flyer memberships should not influence travelers to select a flight that is not the lowest priced flight available. However, frequent flyer bonuses will be retained by the employee, and any upgrade or bonus awards will be retained by the employee.

3.5.1.6 Travel on Charter and Private Aircraft and Boats

Persons contemplating University travel using aircraft or boats owned by, or rented and operated by the traveler, or as a guest on a charter or private aircraft should submit their written plans to the Controller's Office. Only with prior written permission from the Controller's Office may such travel occur and reimbursements be made. Significant risk management issues may be involved in such arrangements. For the safety of travelers, the University does not suggest traveling on chartered aircraft and boats. Contact the Office of Risk Management for more information.

3.5.1.7 Lost or Excess Baggage

The airlines are responsible for compensating the owners of lost baggage. The University will not reimburse travelers for personal items lost while traveling on the University's behalf. Airlines now will often charge an extra fee for luggage. Faculty and staff will be reimbursed for excess baggage charges only when reasonable and necessary. Some examples are:

- When traveling with heavy or bulky materials or equipment necessary for your work;
- When traveling for more than 14 days.

Note: Travel Agents may be able to secure special arrangements if given advance notice.

3.5.1.8 Changes and Cancellations

When a trip is canceled after the ticket has been issued, the traveler should inquire about using the same ticket for future travel. Incurring cancellation and change fees for airline travel can be a valid reimbursable expense. The traveler must explain the reason why the change was necessary on their documentation.

3.5.1.9 Unused/Voided Airline Tickets (Paper/Electronic Tickets)

Unused paper airline tickets or flight coupons may have a cash value and therefore must not be discarded or destroyed. To expedite refunds, unused or partially used paper airline tickets must be returned immediately to the travel agency that issued the ticket.

To refund e-tickets you must notify the travel agency that issued the ticket that you are requesting a refund. Unused tickets must not be sent to the airline unless they were issued directly from the airline. Contact the airline for their return procedures and requirements.

For a change fee, some non-refundable tickets can be used for future travel. Unused non-refundable tickets should be returned to the traveler's approver to keep on hand for future travel. Travelers must not include unused tickets with their documentation. Unused tickets cannot be used for personal travel.

3.5.1.10 Lost or Stolen Airline Tickets

Upon discovery of a lost or stolen ticket, the traveler should immediately report the loss to the issuing travel agency or directly to the airline, at which time a lost ticket application will be filed. The standard time for a lost or stolen ticket to be refunded is 90 days.

3.5.1.11 Air Travel Payment Procedures

Please see the [Payment Methods and Expense Reimbursements](#) section of this document.

3.5.2 International Air Travel

Loyola Marymount University has a preferred contract agreement for International Travel with STA Travel. (www.statravel.com) STA Travel is responsible for arranging and coordinating reservations and itineraries for LMU Faculty/Staff University Group Event Travel. To facilitate coordinated International Travel, contact the STATravel Westwood Branch at (310)824.1574; or email: http://lmu@statravel.com

For additional information on foreign entry requirements, please visit the U.S. Department of State [Web site](#).

3.5.2.1 Airline Class of Service for International Travel

When traveling to and from destinations outside North America, business class airfare is allowed. Business class airfare is allowed for trips to Canada or Mexico only if direct air

travel exceeds seven hours. A request for purchase of a business class ticket must be accompanied by an approval from a divisional Senior Vice President or Academic Dean.

First class travel is prohibited for all destinations unless a letter from an Academic Dean, a Senior Vice President, or the President approving the expenditure along with an explanation of the medical reasons or extenuating circumstances that require first class travel. This approval must be submitted with the expense documentation.

3.5.2.2 Savings Opportunities

Reservations should be made as soon as travel plans are finalized. As always, the best way to achieve savings is to plan in advance.

3.5.2.3 Upgrades for International Air Travel

An upgrade at the expense of the University is not permitted.

3.5.2.4 Sponsored Project International Travel

Federal regulations require the use of U.S. airlines for all travel abroad when federal funds are used to pay the travel expenses. Any air transportation to, from, between, or within a country other than the United States, part or all of which will be paid with federal funds, must be done on a U.S. airline if service is available. A U.S. airline must be used even if foreign airline service is cheaper and more convenient. This is commonly referred to as the “[Fly America Act](#).” If you are using grant or project funds for your travel expenses, please consult with the Post Award Accounting and Administration department in the Controller’s Office to ensure compliance with all regulations.

3.5.3 Travel by Automobile

3.5.3.1 Personal Vehicle

Use of a traveler's automobile will be reimbursed at the current Internal Revenue Service mileage rate. This mileage rate covers depreciation, maintenance, repairs, gasoline, oil, insurance, and vehicle registration fees. You will only be reimbursed mileage in excess of your base commute. Your base commute is the distance you travel to/from LMU from home. You will be reimbursed at whichever is lowest, the current mileage rate or the lowest discounted airfare. This is called airfare-in-lieu of mileage. Please visit the [IRS Web site for mileage rates](#).

In addition to the standard mileage allowance, necessary and reasonable charges for the following automobile-related expenses are allowed: tolls, ferries, parking, bridges, tunnels, and liability and physical damage insurance coverage for driving in foreign countries. **Traffic ticket and parking ticket expenses will not be reimbursed.**

Private vehicles used on University travel must be covered under the owner's insurance as required by law. The vehicle insurance policy need not be classified for commercial use, but if the extent of University travel goes beyond incidental use, it shall be the

responsibility of the employee or volunteer to check and resolve these issues with their insurance company.

The individual's insurance covering the private vehicle used on University travel pays first; if that insurance is exhausted, the University insurance pays second to the extent of the policy. Claims made against private insurance for personal injury and physical damage, including any deductible costs, for accidents occurring from the operation of privately owned vehicle when used on University travel are not reimbursable from University funds or University insurance.

3.5.3.2 Car Rentals / Hires

Long distance travel by rental car is discouraged, since it increases travel time and places the University at higher risk for accident liabilities.

LMU will reimburse the traveler for the cost of renting a compact or standard-sized car and for automobile-related expenses if use of a rental vehicle is the most economical mode of transportation. Upgrades to full-size cars can be reimbursed by the University if a detailed explanation (for example, number of persons, luggage accommodations, length of commute between airport and destination) accompanies the reimbursement request. Before renting a car, the traveler should consider shuttle services and taxis, particularly for transportation between airport and lodging. Mileage is not reimbursable for rental cars. In these cases, the cost of gasoline may be reimbursed.

Should there be valid need to rent a vehicle, LMU has preferred discount agreements with Enterprise Car Rental, and National Car rental. The Corporate Car Rental Contract Discount Code is: XZ32613 for more details:

<http://www.lmu.edu/Assets/Enterprise+and+National+Car+Rental.pdf>

Car rental agreements for both faculty and staff and non-faculty and staff renting cars for university travel should, for insurance reasons, include "Loyola Marymount University" with the name of an individual. Use of the University's P-Card serves this purpose for faculty and staff since both names appear on the charge card.

3.5.3.3 Employees with Car Allowances

Employees who receive a monthly car allowance are expected to use their personal vehicle when traveling locally by automobile.

3.5.3.4 Accident Notification

If a rented vehicle is involved in an accident, the Office of Risk Management should be notified no later than the following business day.

3.5.3.5 Rental Car Insurance

Authorized drivers of commercially rented vehicles should **not** purchase any insurance from the rental agency on domestic rentals. All domestic insurance requirements are met by the University's auto insurance policy. Rental agency insurance should be purchased on all rentals in foreign countries.

The following describes the circumstances under which travelers should accept car rental insurance.

Renter	Coverage			
	<i>LDW/CDW</i> ¹	<i>LIS/ALI</i> ²	<i>PAI</i> ³	<i>PEC/PEP</i> ⁴
LMU Employee renting within the United States	<i>Do Not Accept</i> LMU Business Auto Liability Policy covers Not reimbursable	<i>Do Not Accept</i> LMU Business Auto Liability Policy covers Not reimbursable	<i>Do Not Accept</i> LMU Business Auto Liability Policy covers Not reimbursable	<i>Optional</i> LMU policies do not cover. Check your homeowner's policy – it may cover this. Not reimbursable
LMU Employee renting outside the United States	<i>Accept</i> LMU policies do not cover Reimbursable	<i>Accept</i> LMU policies do not cover Reimbursable	<i>Do Not Accept</i> LMU Travel Insurance Policy covers Not reimbursable	<i>Optional</i> LMU policies do not cover. Check your homeowner's policy – it may cover this. Not reimbursable
Non-LMU Employee	<i>Optional</i> LMU policies do not cover Reimbursable	<i>Optional</i> LMU policies do not cover Reimbursable	<i>Optional</i> LMU policies do not cover Not Reimbursable	<i>Optional</i> LMU policies do not cover. Check your homeowner's policy – it may cover this. Not reimbursable

¹ Loss Damage Waiver/Collision Damage Waiver: Protects from liability for damage caused by collision or roll-over.

² Liability Insurance Supplement/Additional Liability Insurance: Protects from liability for damage claims by a third party.

³ Personal Accident Insurance: Coverage in event of your accidental death or dismemberment.

⁴ Personal Effects Coverage/Effect Protection: Coverage for lost or damaged items.

3.5.4 Other Transportation

Travelers should select the most cost-effective means of ground transportation, whether shuttle, taxi, limousine, local bus, etc. as needed to travel between business locations.

For travelers using railroads, non-local buses or other commercial vessels, LMU will pay the cost of the lowest first-class accommodations available for the trip. Reimbursement will not exceed the commercial airfare that would be reimbursable for the same trip.

3.6 Lodging

Travelers should use conference hotels or reasonable and convenient hotels nearby. The choice of accommodations must be reasonable and is primarily the responsibility of the authorizing department. Faculty and staff should ascertain whether the hotel grants an education discount. Some hotels provide a discount based on presentation of a University faculty or staff identification. Faculty and staff should be aware of and utilize these special discounts where available. Seminars and conferences often offer favorable rates for attendees at particular hotels. Faculty and staff attending conferences should take advantage of these rates. Conference hotels are allowable even if they do not offer the lowest rate in the area.

Lodging will be reimbursed at the single occupancy rate unless (1) a larger room is shared with another employee on University travel or (2) special circumstances warrant a larger room or suite of rooms. Documentation of such situations should accompany the hotel receipt. Expanded accommodations for family members and/or guests are the responsibility of the employee and are non-reimbursable. Normally, reservations made will guarantee a late arrival. If an LMU traveler is unable to honor the reservation, it is his/her responsibility to ensure that the room is canceled in compliance with the cancellation terms established by the hotel.

Approval for reimbursement of any "extra" days of meals and nights of lodging is based upon "savings" accruing to the University from discounted hotel and/or airfares. For example, when an airline requires a Saturday night stay for the discount airfare and the airfare savings exceed the extra lodging cost for the weekend stay, the weekend lodging costs are reimbursable.

Receipts must be attached to the trip documentation for all hotel bills and other charges. For more information on payment and reimbursement, please see the [Payment Methods and Expense Reimbursements](#) section of this document.

University travelers will not be reimbursed for free accommodations awarded in connection with hotel frequent guest programs.

3.7 *Miscellaneous Travel Expenses*

Reasonable and customary gratuities are considered travel expenses and are reimbursable. Expenses such as entertainment, sightseeing, hotel movies, and excessive laundry expense are not reimbursable. University travelers who combine a personal trip with official University travel are responsible for the transportation costs in excess of the round-trip fare to the business destination. If a traveler's family accompanies him/her on a trip, all expenses applicable to the family (other than those of the traveler at a single occupancy rate) must be excluded from the expense documentation.

3.7.1 Laundry

Travelers will be reimbursed for reasonable and actual expenses for laundry services that are necessary due to an absence from home of seven or more days or when unusual and documented circumstances mandate these services. These circumstances should be included on the expense documentation.

3.7.2 Telephone and Internet Usage

The University expects faculty and staff to use the most economical or efficient means of accessing the Internet when you are traveling. Travelers are cautioned to be sure they thoroughly understand the cost of using such services provided by hotels; usage charges may apply and flat rates can be very high. Likewise, if using dial-up services, travelers should be sure they use the most cost-effective method of access to dial-up services. Travelers should use a University-issued or personal cell phone, corporate credit card (P-Card), or phone card whenever possible to avoid excessive charges by hotels for telephone service.

LMU will reimburse personal calls that are reasonable (generally not to exceed a cost of \$10 per day).

For related reimbursement information, see the [Payment Methods and Expense Reimbursements](#) section of this document.

3.8 *Meal Allowance*

Actual cost of meals will be allowed to an average of \$60.00 per day per trip (including gratuities). Original receipts must be attached to the travel expense report or P-Card statement. Itemized receipts are required for all federally sponsored projects and preferred for all others.

3.8.1 Prorating Meal Allowance

The need for prorating the meal allowance occurs when a traveler is on travel status for a partial day, which is frequently the case for first and last day of travel status. Prorating the meal allowance will be based on a 24-hour day, and the meal allocation corresponds to the hours of the day a person is on travel status.

	Time of Travel Status	Percent of Meal Allowance
Breakfast	Travel status from 12:01 a.m. to 10:00 a.m.	20 percent of meal allowance
Lunch	Travel status from 10:01 a.m. to 4:00 p.m.	30 percent of meal allowance
Dinner	Travel status from 4:01 p.m. to 12:00 a.m.	50 percent of meal allowance

3.8.2 Meals with Other Employees When All Are on Travel Status

When several employees are on travel status and dine together, the fact that they are dining together does not constitute a business group meal. Since each employee is on travel status, each would have a meal allowance available and will be reimbursed accordingly.

3.8.3 Group Per Diem

Per diems are granted in advance only in special circumstances, when a group of people (e.g. athletes) is traveling together on a University-related function. The procedure is as follows: (1) obtain an advance for the total amount needed; (2) distribute the per diems to each traveler; (3) obtain the signature of those receiving the per diems on a log sheet; (4) submit the log sheet and a copy of the Travel Advance Form from which the advance was requested to the Controller's Office or Fiscal Affairs Office at the Loyola Law School.

The value of an advance that is not properly documented may result in denial of subsequent advances, disciplinary action, and/or reporting the amount as taxable income to the traveler. The faculty/staff member who received the travel advance has the sole responsibility of providing all required documentation to the Controller's Office or Fiscal Affairs Office at the Loyola Law School.

3.8.4 Business Meals vs. Travel Meals

Business meals are those taken with business or professional associates, University guests, job applicants, professional colleagues, or donors during which University-related discussions take place. Travel Meals are personal meals that are eaten while traveling on behalf of University. When traveling for the University, faculty, staff, and students may be reimbursed for approved, necessary, and reasonable business meal expenditures. Business meals are allowed to be expensed as such and the traveler will not be expected to stay within the limits of the meal allowance.

Original itemized receipts are required for all business meal expenses on federally and non federal sponsored projects and preferred for all others. Time, date, location, attendees, and purpose must be included in the P-Card or Travel Expense Report explanation for these expenses. *Reimbursements for meals are appropriate if they are properly substantiated including the elements listed. It is important that the description of the business purpose specifically address the topic discussed during the meal. Generic explanations such as "Business Lunch" are not adequate substantiation; the purpose should clearly be one that furthers the interest of the University and enables the approver to understand that that is the case.*

When traveling, meals taken between two or more employees without a clear purpose are not reimbursable as a business meal from any University funding source. The cost of such meals will be reimbursed using each employee's meal allowance.

3.9 Foreign Travel Considerations

3.9.1 International Assistance

LMU purchases a Travel Assistance insurance policy from ACE Insurance Company. The insurance covers all LMU employees while traveling abroad. The policy provides medical insurance, medical evacuation, and repatriation coverage. (NOTE: Though an employee may have medical insurance in the U.S., and this insurance may have a foreign component, the ACE policy has first-dollar coverage, without co-pays or deductibles, and will pay the foreign provider directly). ACE has foreign-language specialists on staff to assist with any medical problem while overseas.

The ACE policy will also provide for security evacuation in the event of war, natural hazard, or civil unrest while in a foreign country.

Travelers should contact the Risk Management Department before leaving to obtain the ACE insurance information.

The LMU Study Abroad Office manages our Overseas Risk Management data base, which is a tool to manage and track LMU travelers in the event of an overseas emergency. All LMU employees should contact the Study Abroad Office before they leave and provide their itinerary and emergency contact information.

All LMU employees should also register with the U.S. Embassy in every foreign country to which they travel. This can be done through the U.S. Government Smart Traveler Enrollment Program (STEP). This will enable the U.S. Government to help you in an emergency.

Populating the LMU Risk Management data base and enrolling with STEP should be done before you leave the U.S.

3.9.2 Passports and Visas

A passport is an internationally recognized travel document that verifies the identity and nationality of the bearer. A valid U.S. passport is required to enter and leave most foreign countries. Only the U.S. State Department has the authority to grant issue or verify United States passports. Visit the State Department's [Web site](#) for more information on obtaining or renewing a passport. Passports fees are not reimbursable.

Many foreign countries require alien visitors on business to obtain a visa to work in that country. If a visa is required, obtain it from the appropriate foreign consular representative before proceeding abroad. Allow sufficient time for processing your visa application, especially if you are applying by mail. Most foreign consular representatives

are located in principal cities, and in many instances a traveler may be required to obtain visas from the consular office in the area of his/her residence. **It is the responsibility of the traveler to obtain visas, where required, from the appropriate embassy or nearest consulate of the destination country. Fees for work-related visas are reimbursable.**

It is important that a visa be checked immediately to make sure no mistakes were made. Processing and visa fees vary, and fees may not be refundable. For specific details, the [Embassy](#) or Consulate of the destination country can be consulted.

3.9.3 Safety, Security, and International Travel Advisories

The U.S. State Department issues two types of travel advisories: A Travel Alert, which means a traveler, should use caution when traveling to a particular country or area of a country, and a Travel Warning, which means only essential travel to that country or area of that country is advisable. The University has a policy of not allowing travel to a country with a Travel Warning. An appeal can be made to Risk Management to lift the ban on a Travel Warning country. Risk Management will work with our General Counsel and others at the University to review the ban. (Example: Both Mexico and Israel have Travel Warnings posted for them. The University reviews travel to these countries in each instance and decides whether or not to allow a particular trip.) You can find out which countries have State Department advisors by going to their website: [State Department.Gov](#). Or you can contact Risk Management.

In case of emergency when traveling abroad, please note the closest U.S. Embassy and contact the embassy staff immediately. Visit the U.S. State Department's [Web site](#) for a list of U.S. Embassies.

Additional information on international destinations, including entry requirements, health and immunization, and safety and security, can be found through the [Bureau of Consular Affairs](#).

Detailed health information for international and domestic travel can be found at the [Centers for Disease Control and Prevention](#).

3.9.4 Foreign Currency

Because the conversion rate is usually better abroad, it is advisable to change unused local currency back to U.S. dollars before leaving the foreign country. Note that in certain countries, such as Russia, travelers must turn in all local currency before departing. For information on foreign currency conversion and expense reporting, please refer to the section titled [Payment Methods and Expense Reimbursements](#).

When using the Visa P-Card abroad, Visa will exchange the local currency charges to U.S. dollars upon purchase. For the latest exchange rates, please visit [Visa's exchange rate calculator](#).

4 Payment Methods and Expense Reimbursements

While authorizing payment, the travel request form should be used to determine if the expenses are valid and reasonable. Expenses that have not been properly substantiated within 60 days from the due date may become either non reimbursable or reported as taxable income to the traveler.

4.1 P-Card (University Credit Card)

Travelers should use their P-Card for all travel expenses. This is the preferred method of payment because it provides insurance coverage for University travel. This insurance coverage is available for all P-Card carrying faculty and staff through JP Morgan Chase. For more information on this coverage, please refer to the [P-Card Travel Benefits](#) section of this document or your Visa Commercial Card Benefits Packages.

In order to obtain a P-card, contact the P-Card Administrator in the Controller's Office for the current application procedures. You may also download a [P-Card application](#).

4.2 Cash

LMU discourages the use of cash because any loss or misappropriation is not covered by insurance. LMU will pay reasonable ATM fees when cash is required during University travel.

4.3 Traveler's Checks

If your trip requires the use of traveler's checks, you should obtain the checks directly from a bank. If you need a travel advance to cover this cost, see the [Travel Advances](#) section of this document. LMU will reimburse fees when the traveler's checks are used for University travel.

4.4 Direct Payment of Travel Expenses

LMU permits direct payment of travel expenses for group travel.

Caution: It is the traveler's responsibility to ensure that he or she never requests reimbursement for any amount that has been directly paid by LMU.

4.5 *Travel Advances*

Travel advances are provided *only* in the following situations:

- For travelers ineligible to obtain a P-Card or travelers who have not yet obtained that card;
- When the trip requires the use of travelers checks;
- Extended stays, especially to foreign destinations;
- Group travel per diems.

Travel advances should be submitted in close proximity (10 days in advance) to the travel dates. They should be cleared within 14 days after completion of the trip.

The value of an advance that is not properly documented may result in denial of subsequent advances, disciplinary action, and/or reporting the amount as taxable income to the traveler.

By signing the travel advance request form, you agree to submit a Travel/Expense Report within 14 days of the completion of your trip. Any advance that is not used for the trip must be returned to the University immediately after travel. If a trip is cancelled, the unused advance must be returned immediately to the Controller's Office or Fiscal Affairs Office at the Loyola Law School.

Failure to account for advances properly can or will result in the suspension or cancellation of advance privileges.

4.6 *Travel Expense Report*

The traveler must submit a travel expense report to the Controller's Office, or Fiscal Affairs Office at the Loyola Law School, in order to receive reimbursement for expenses incurred while traveling on behalf of the University. The request must be prepared in sufficient detail to satisfy IRS Accountable Plan rules. An Accountable Plan must satisfy the following three requirements:

- Expenses must have a valid business connection or purpose;
- Expenses must be adequately substantiated;
- Advances in excess of substantiated expenses must be returned within 30 days from the end of the trip.

Travel expense reports must be approved by the immediate supervisor of the requestor or the Budget Manager of the account designated, whoever has higher-level budgetary authority. Original receipts must be attached to the Travel/Expense Report to properly document each expense. All documentation must be submitted to the Controller's Office within 15 days after the completion of the trip.

5 Appendix

5.1 Office of Management and Budget Circular A-21

The Office of Management and Budget (OMB) has issued circulars detailing federal grant cost principles. These circulars establish standards for determining costs that may be charged to federal programs. Topics include advance payments and reimbursements to grantees for allowable costs and similar guidelines for the use of federal funds.

As is the case with grants management circulars, the cost principles are adopted by federal agencies and then become part of all grant and financial assistance agreements with recipients. Federal officials note that these policies are used to determine whether costs are reasonable, allowable, and "allocable" to a federal grant. OMB Circular A-21, Cost Principles for Educational Institutions, is applicable to the travel policy of Loyola Marymount University.

OMB Circular A-21: Section J.48 Travel Costs

A. General

Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the institution. 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 results in charges consistent with those normally allowed in like circumstances in the institution's non-federally sponsored activities.

B. Lodging and Subsistence

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, shall be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the institution in its regular operations as the result of the institution's written travel policy. In the absence of an acceptable, written institution policy regarding travel costs, the rates and amounts established under subchapter I of Chapter 57, Title 5, United States Code ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter shall apply to travel under sponsored agreements (48 CFR 31.205-46(a)).

C. Commercial Air Travel

1. (1) Airfare costs in excess of the customary standard commercial airfare (coach or equivalent), Federal Government contract airfare (where authorized and available), or the lowest commercial discount airfare are unallowable except when such accommodations would:
 - (a) require circuitous routing;
 - (b) require travel during unreasonable hours; (c) excessively prolong travel;
 - (d) result in additional costs that would offset the transportation savings; or

(e) offer accommodations not reasonably adequate for the traveler's medical needs. The institution must justify and document these conditions on a case-by-case basis in order for the use of first-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal Government will generally not question a institution's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the institution can demonstrate either of the following:

(a) that such airfare was not available in the specific case; or

(b) that it is the institution's overall practice to make routine use of such airfare

D. Air Travel by Other than Commercial Carrier

Costs of travel by institution-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of allowable commercial air travel, as provided for in subsection 53.c., is unallowable.

Source: Office of Management and Budget Web site for Circular A-21

http://www.whitehouse.gov/omb/circulars_a021_2004/#j

5.2 Fly America Act

The Fly America Act refers to the provisions enacted by [U.S. Code Title 49, Subtitle VII, Part A, Subpart I, Chapter 401, 40118 - Government-Financed Air Transportation](#).

Persons traveling using federal funds and contemplating using a non-U.S. carrier are advised to consult Post Award Administration in the Controller's Office to ensure compliance with regulations.

This part of the U.S. Code is applicable to all individuals using U.S. federal government funds and requires them to travel on U.S. flag carrier airlines. These individuals include U.S. federal faculty and staff, their dependents, consultants, contractors, **grantees (universities)**, and others directly funded by the U.S. government.

The Fly America Act is a requirement of Federal Acquisition Regulation (FAR) Subpart 47.403-3—Air Transportation by U.S.-Flag Carriers and is, therefore, applicable to all US Government contracts issued to US and non-US companies.

Guidelines for Implementation of the Fly America Act (Case number B-138942) were issued by the Comptroller General of the United States on March 31, 1981. By using a non-U.S. carrier, a documented reason must be provided. Use of a non-U.S. carrier may be permissible if:

Travel to and from the United States:

- The airport abroad is the origin or destination airport, and use of a U.S. carrier would extend the total travel time 24 hours or more than would travel by non-U.S. carrier; or
- The airport abroad is an interchange point, and use of a U.S. carrier would require the traveler to wait six hours or more to make connection or would extend the total travel time six hours or more than would travel by non-U.S. carrier.

Travel between Points outside the United States:

- Travel by non-U.S. carrier would eliminate two or more aircraft changes en route; or
- Travel by U.S. carrier would extend the total travel time six hours or more than would travel by non-U.S. carrier;
- Short Distance Travel. For all short distance travel, regardless of origin and destination, use of a non-U.S. carrier is permissible if the elapsed travel time on a scheduled flight from origin to destination airport by non-U.S. carrier is three hours or less and service by U.S. carrier would double the travel time.

The biggest exception to the Fly America Act is the Open Skies Agreement. On October 6, 2010, the United States and European Union (EU) "Open Skies" Air Transport Agreement was published by the U.S. General Services Administration (GSA) providing a full explanation of the multilateral agreement in place so that qualifying travelers, whose travel is supported by federal funds, may travel on EU airlines as well as U.S. carriers. A list of current member countries of the EU is available at the Europa website: <http://europa.eu/about-eu/countries/>. There are also Open Skies agreements with Australia, Switzerland and Japan. These agreements allow for the following:

- EU: When traveling to a destination serviced by an EU airline, LMU travelers flying on a federal grant can fly on either a U.S. carrier or an EU carrier as long as they touch down in an EU country.
- Australia: LMU travelers using federal dollars can use an Australian airline only if a point of origin/destination is either the U.S. or Australia and there is no city-pair contract flight between the origin and destination.
- Switzerland: LMU travelers using federal dollars can use a Swiss airline only if a point of origin/destination is either the U.S. or Switzerland and there is no city-pair contract flight between the origin and destination.
- Japan: LMU travelers using federal dollars can use a Japanese airline only if a point of origin/destination is either the U.S. or Japan and there is no city-pair contract flight between the origin and destination.

To see if a city-pair contract flight exists for your trip, use the search engine found at <http://apps.fas.gsa.gov/citypairs/search/index.cfm?ft>. (Note that LMU travelers are ineligible for the fares listed at this site.)

5.3 P-Card Travel Benefits

Under the terms of LMU's agreement with JP Morgan Chase, travelers receive the following benefits:

- Automatic common carrier baggage reimbursement (coverage level \$1,250); Travelers who charge common carrier passenger fare to the P-Card automatically receive insurance coverage of up to \$1,250 for carry-on luggage and checked baggage;
- Worldwide automatic travel accident insurance (coverage level: \$500,000); 24-Hour accidental death and dismemberment insurance covers all travelers who charge common carrier transportation to the JP Morgan Chase P-Card. The coverage is up to \$500,000 and supplements the University's business travel coverage;
- Hotel/motel burglary replacement (coverage level: \$1,000);
- Emergency evacuation and transportation coverage.

Twenty-four hour customer service is available within the United States at 800.270.7760 for:

- Reporting lost or stolen cards;
- Emergency card replacement;
- Monthly statements and balances;
- Billing disputes;
- Card member benefits and services.

P-Card PaymentNet™ provides P-Card members with the following benefits:

- Access account information 24 hours a day, 7 days a week;
- Information available to prepare and reconcile expense reports;
- View U.S. dollar equivalent of unbilled charges made in other currencies;
- Check your corporate card bill on-line at <https://www.paymentnet.com/Login.asp>;
- Access the P-Card application online at <http://www.lmu.edu/Asset425.aspx>.

5.4 *Web site References*

(Listed by the order in document)

- U.S. State Department
http://travel.state.gov/travel/tips/brochures/brochures_1229.html
- IRS Web site (mileage rates)
<http://www.irs.gov/newsroom/article/0,,id=176030,00.html>
- International SOS Web site
http://www.internationalsos.com/members_home/login/login.cfm
- U.S. State Department (embassy) <http://usembassy.state.gov/>
- U.S. State Department (current travel warnings)
http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html
- U.S. State Department (passport) <http://travel.state.gov/passport/>
- Bureau of Consular Affairs
http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html
- Centers for Disease Control and Prevention <http://www.cdc.gov/travel>
- Visa Exchange Rate Calculator
http://corporate.visa.com/pd/consumer_services/consumer_ex_rates_us.jsp
- P-Card Application <http://www.lmu.edu/PageFactory.aspx?PageID=12841>