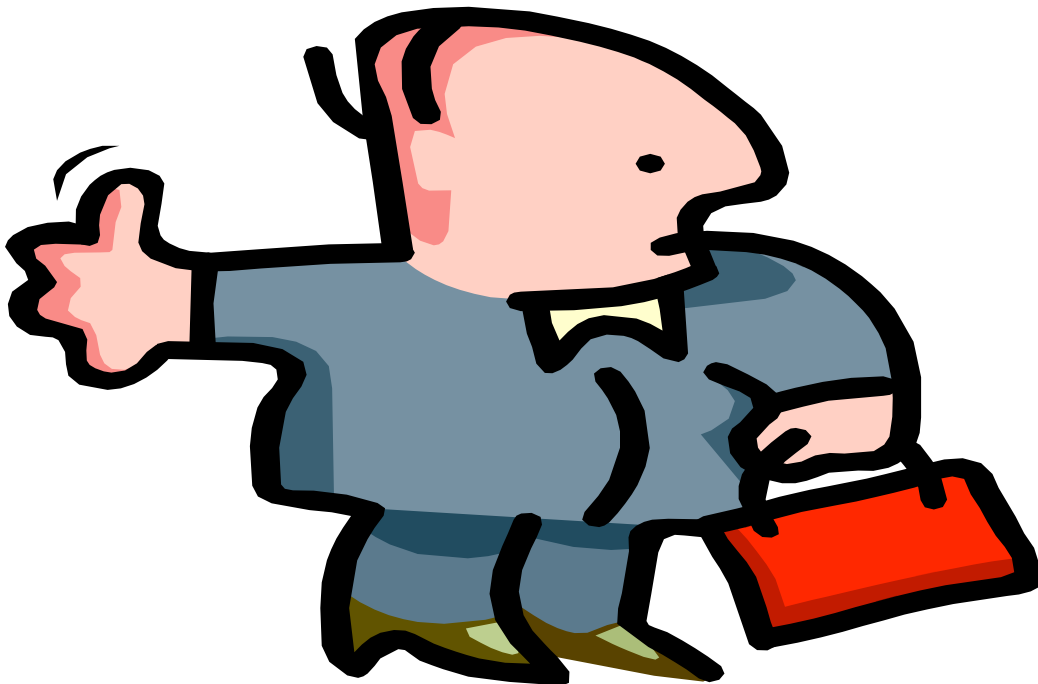


Fundamentals of Travel

Rules of Thumb
To Get You Going...
and Keep You on the Road



Course Objectives

- At the end of this course participants will be able to:
 - Understand MIT's Travel policies
 - Complete travel documents

The basic policy guiding travel expense reimbursement is that the individual traveler should neither gain nor lose personal funds as a result of travel assignments, and that these assignments be planned so that their cost will not exceed budgetary limitations. Thus, each traveler is to be fully reimbursed for all necessary and reasonable expenses incurred in connection with travel on Institute business, but should make efforts to keep all expenses at a sensible minimum. The mode of travel considered reasonable is that which provides adequate standards of comfort, convenience, safety and efficiency.

TRAVEL WARNINGS

<http://web.mit.edu/emergency/>

Agenda

- Introductions
- Travel Agencies
- Airline ticket policies
- Other transportation modes
- Cash travel advance policies
- Travel Advance Request form
- Per diem policies/Request form
- Food
- Miscellaneous Expense
- MIT Hotel Rates
- Special Issues
- Travel Voucher Form
- Diners Club Card

Travel Agencies

- Direct charge airfare tickets to cost object
- Provides all required documentation for the amount and use of the lowest available fare or data to allow segregation of any cost over the lowest available fare
- Will not be tripped up by code sharing
- Most discounted rail & airfares have been negotiated directly with the airlines by a consortia MIT belongs to
- Familiar with MIT policy
- CAO receives a monthly cost savings report further documenting the lowest available air fare requirement for federal reimbursement
- Agency will call the Travel Office for approval of foreign travel & foreign carriers on a sponsored project, business & first class travel for both International and Domestic and spousal travel

Airline Tickets: General Policies

- Federal regulations require that MIT obtain the lowest available coach airfare
- Travelers using non-MIT travel agencies are responsible for providing same docs as MIT agencies
- Reimbursement of processing fees
 - Yes
 - MIT employees from a non-MIT agency \$50 max
- A purpose for all destinations must be clearly documented on the traveler's expense voucher
- In a situation where an additional personal stop occurred that reduced the cost of the air fare, MIT will absorb the full cost of the ticket with a break down of the cost savings
- In a situation where the personal stop increased the fare, the traveler is responsible to pay the difference
- Group Travel
- Unused non-refundable tickets
 - [http://controllers.mit.edu/site/travel/policies_procedures/mit_pp/unused non_refundable tickets](http://controllers.mit.edu/site/travel/policies_procedures/mit_pp/unused_non_refundable_tickets)

Airline Tickets: North American Travel Policies

- MIT defines North America as: Continental U.S., Canada, Mexico, Bermuda and the Caribbean Islands

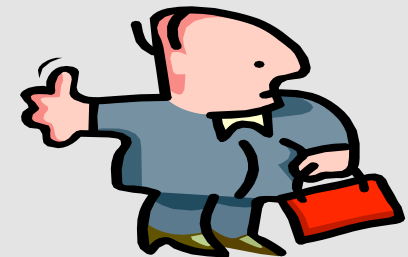
- Airfare costs in excess of the lowest available airfare or customary coach airfare are not allowed except:

- *Unreasonable Accommodations*

- Require circuitous routing
 - Require travel during unreasonable hours
 - Excessively prolong travel
 - Greatly increase the duration of the flight
 - Result in increased cost that would offset transportation savings
 - Offer accommodations not reasonably adequate for the medical needs of the traveler

- *Six Hour Rule – Business Class (or First Class if Business Class is not offered)*

- When a flight has a scheduled in air flying time greater than 6 hours
 - When any part of a roundtrip airfare is in excess of 6 hours

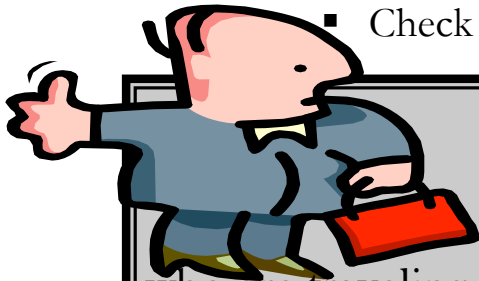


- *MIT Required Procedure*

- Justification on the TEV for Unreasonable Accommodation
 - Obtain prior approval from Department Head or supervisor with the exception of Faculty for the 6 hour rule
 - Approval must be clearly noted on the TEV for the 6 hour rule
 - Document lowest available coach fare
 - Charge a non-WBS, non-Sponsored Cost Object
 - The correct distribution of costs will occur when the TEV is submitted (difference in cost from the lowest available coach and business class airfare)
 - Can only be charged to a sponsored agreement in cases where the grant explicitly allows such expenses

Airline Tickets: Foreign Travel Policies

- **Business Class (or First Class in the absence of Business Class) travel is allowed outside of North America without pre-approval**
 - Federal regulations require that travel supported by Federal funds use American flag carrier airlines
- *MIT Required Procedure*
 - Document lowest available coach fare
 - Charge a non-WBS, non-Sponsored Cost Object
 - The correct distribution of costs will occur when the TEV is submitted (difference in cost from the LAC and business class airfare)
 - Can only be charged to a sponsored agreement in cases where the grant explicitly allows such expenses
 - Check COEUS



International SOS

International SOS is a new emergency medical and security evacuation service provided to faculty, staff and students who are traveling abroad on MIT business.

For further information or membership card call the Insurance Office (617) 324-5031

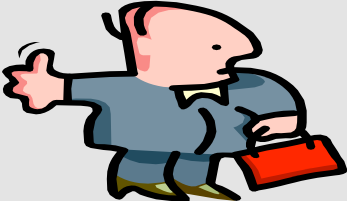
Other Modes of Transportation

- Personal automobile
 - Reimbursed at the prevailing IRS rate rounded down to the nearest whole penny
 - Intended to cover all transportation and operating costs, including fuel
 - No reimbursement for repairs, insurance deductibles, surcharges or traffic tickets
 - Beyond 300 miles (RT) reimbursed for the lower of actual mileage or coach airfare
 - Transport of equipment is strongly discouraged due to the potential exposure for property damage or loss

- Car Rental – MIT approved agencies
 - Budget Car (T240202) and Truck Rental & Avis (A491400)
 - Free counter by-pass service
 - Corporate ID reflected on the agreement
 - Insurance included for domestic
 - Use of the Agencies will serve to mitigate MIT's financial risk
 - Optional collision insurance coverage should be purchased on rentals outside the Continental U.S.
 - Reporting accidents to insure coverage
 - File reports with the local law enforcement agency before departing
 - Contact the Office of Insurance

Other Modes of Transportation (cont.)

- Private airplane
 - Discouraged, but when contemplated requires prior permission of the Insurance Office
 - Reimbursed at the same mileage rate as private auto, the prevailing IRS rate
 - Pilot must be FAA licensed and have private aircraft liability coverage of at least \$1 million
 - Crew members of the aircraft are not covered by the Institute travel accident life insurance

Method	Allowed?	Details
Taxi	Yes	Fare plus tip is reimbursable.
Shuttle service	Yes	
Limousine	No	
Rail travel 	Yes	Reimbursable as long as the total cost of the trip is comparable to, or less than, the lowest available coach airfare

Cash Travel Advances: Policies

- Requested via Travel Advance Request form
- For the purpose of anticipated out-of-pocket expenses
 - Amounts up to \$200 per day for US destinations
 - Amounts up to the Department of State approved per diem for foreign destinations
 - Greater amounts require justification
 - Available up to 7 days prior to trip for cash
 - Original receipts documenting actual expenses must be submitted with the Travel Expense Voucher
- For out-of-state registration fees or registration fees for events when there will be overnight travel
 - Check made out to vendor available at any time
 - For in-state, no overnight stay, use Request for Payment
- Not for airline tickets (pre-paid airline tickets from approved travel agencies are travel advances if you charge them with an MIT cost object)
- Travelers with outstanding travel advances more than 30 days old will not be granted new travel advances until old ones are expensed
- Sufficient notice – **4 business days**
- If out of pocket expenses are less than the cash advance, attach a check to the travel expense voucher

Travel Advance Request Form

- PURPOSE OF TRIP will be the description in SAP when entered from a Travel Advance form
- DATES OF TRIP must be consistent with Travel Voucher & transportation receipts
- SIGNATURE OF TRAVELER is required
- APPROVAL signature is required and must be someone authorized to sign travel documents in the Roles database
 - A traveler cannot sign for themselves
 - ROLES authorizations: <http://rolesweb.mit.edu/webroles.html>

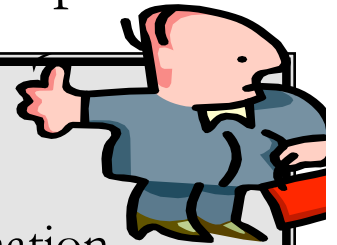


Travel Per Diem: Policies

- The payment of a flat sum for *both hotel and meal charges* in lieu of a statement of actual cost. Other charges require receipts

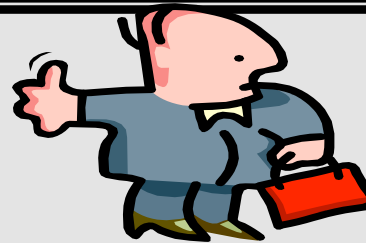
■ For International Travel:

- No justification required when traveling outside of US
- Amount must be within Department of State allowance for destination



■ For Domestic Travel:

- Per Diem Request Form must be submitted
- Requirements for approval:
 - For extended periods of time only
 - Must be approved by Department Head, Lab Director or Principal Investigator



Food & Incidentals

- Original food and incidental receipts in excess of \$75 must be submitted with the TEV
 - Expenses for food are reimbursed on the basis of actual cost
- All food and beverage expenses for meetings will be charged to one G/L account 421000
- Expenses categorized in this G/L account will not be recoverable from the Federal Government unless they are allowed by the specific award
- To substantiate the business purpose of meeting expenditures, departments are required to provide the following:
 - The purpose or topic of discussion
 - A list of attendees (names and group association) present at the meeting
 - Itemized receipts
- Group meals with other MIT employees – Receipt, G/L 420050



Any alcohol included with meals has to be segregated and charged to an appropriate non-federal, departmental account

Miscellaneous Expenses I

Expense	Reimbursed?	Details
Phone	Yes	Business & Personal calls will be reimbursed
Baggage Services	Yes	Expenses associated with baggage handling and storage, including excess baggage charges and tips
Business Office Expenses	Yes	Receipts Required over \$75
Laundry & Valet	Yes	Service charge & tips
Currency Conversion Fees	Yes	
Required Vaccinations	Yes	
Visa/Passport/ Consulate Fees	Yes	
Finance charges on foreign transactions	Yes	
Child Care	Yes	For faculty only: http://web.mit.edu/fnl/volume/193/gibson.html

Miscellaneous Expenses II

Expense	Reimbursed?	Details
Reservation Cancellation Fees	No	Failure to cancel reservations in advance is the financial responsibility of the traveler.
Fines for automobile violations	No	Please drive responsibly.
Personal Automobile Expenses	No	MIT will not reimburse for personal auto repairs, insurance deductibles, or surcharges
Personal items/services	No	Lost or stolen tickets, cash or property; toiletry items, medication; magazine, newspapers and books unrelated to business; health club fees/spa services
Insurance	No	MIT will not reimburse personal travel accident insurance premiums or additionally-purchased car rental insurance for domestic travel
Personal Expenses	No	Expenses not directly related to the performance of the travel assignment
Entertainment costs	No	Hotel movie rentals/airline headsets
Child Care	No	Non-faculty child care not reimbursed
Airline Incentives/Clubs	No	Frequent flyer tickets; airline club fees to be paid in A/P
Credit card fees	No	Corporate card delinquency fees or finance charges

Hotels

- Travelers should use standard accommodations in first-class hotels
- The Travel Office has negotiated rates with hotels both in the Cambridge area and out of state
 - When requesting rates, ask for the MIT rate
 - Always check with the hotel or their web site to see if there is a lower promotional rate
 - The hotels keep records of Institute-related business placed with them and volume will be the key to future negotiations
 - Group rates may vary, please check with the hotel's sales office
 - Some hotels will direct bill. You should contact the hotel's sales office. This is an arrangement is between your department and the hotel.

Hotel/Service Name	Details
Club Quarters	The membership arrangement allows for significant savings (business & personal) at all 13 Club Quarters locations – personal weekend rates start as low as \$56 based upon availability
Academic Ambassadors	discounted hotel rates for Academic (and other non-profit) travelers
Others	Check Travel website for updates and new contracts

- Private residence

Special Issues

- Spousal Travel
 - Requests for MIT reimbursement for a spouse's travel expenses must be made in writing to the Provost and should include a clear explanation of how the spouses' presence will be part of the formal MIT-related program
- Moving Expenses
 - Subject to the department budgetary and contract limitations
 - Some expenses may be taxable
 - Further information, contact MIT's Relocation specialist @ (617) 253-4249
- Annual Vendor Fair
 - The travel vendor fair is held in lobby 13 every September. Booths will be set up by our contracted airlines, hotels, travel and car rental agencies.

Visual Compliance

- Screening system to protect US Homeland security

Travel Voucher Form

- MIT policy – submit within 30 days after the completion of the trip
- IRS policy – submit within 60 days, else may be treated as salary
- Instructions: <http://controllers.mit.edu/site/travel/forms>

COST OBJECT 7 digits

ADDRESS – where the check is to be mailed

DATE TRIP STARTED/ENDED should correspond to the dates on the Travel Advance Request and receipts

PURPOSE OF TRIP is superceded by the description on the Travel Advance Request

- There must be a purpose for each destination for which there is a stopover
- Stopovers with no business purpose may be reimbursed if the traveler can provide documentation to prove that the stopover reduced the cost of the trip or is of equal value
- Viewable in SAP, make it meaningful

AMOUNT should be entered for all expenses including prepaid items such as airline tickets, registration fees, hotel deposits ect and deducted as an advance

SIGNATURE OF TRAVELER is required

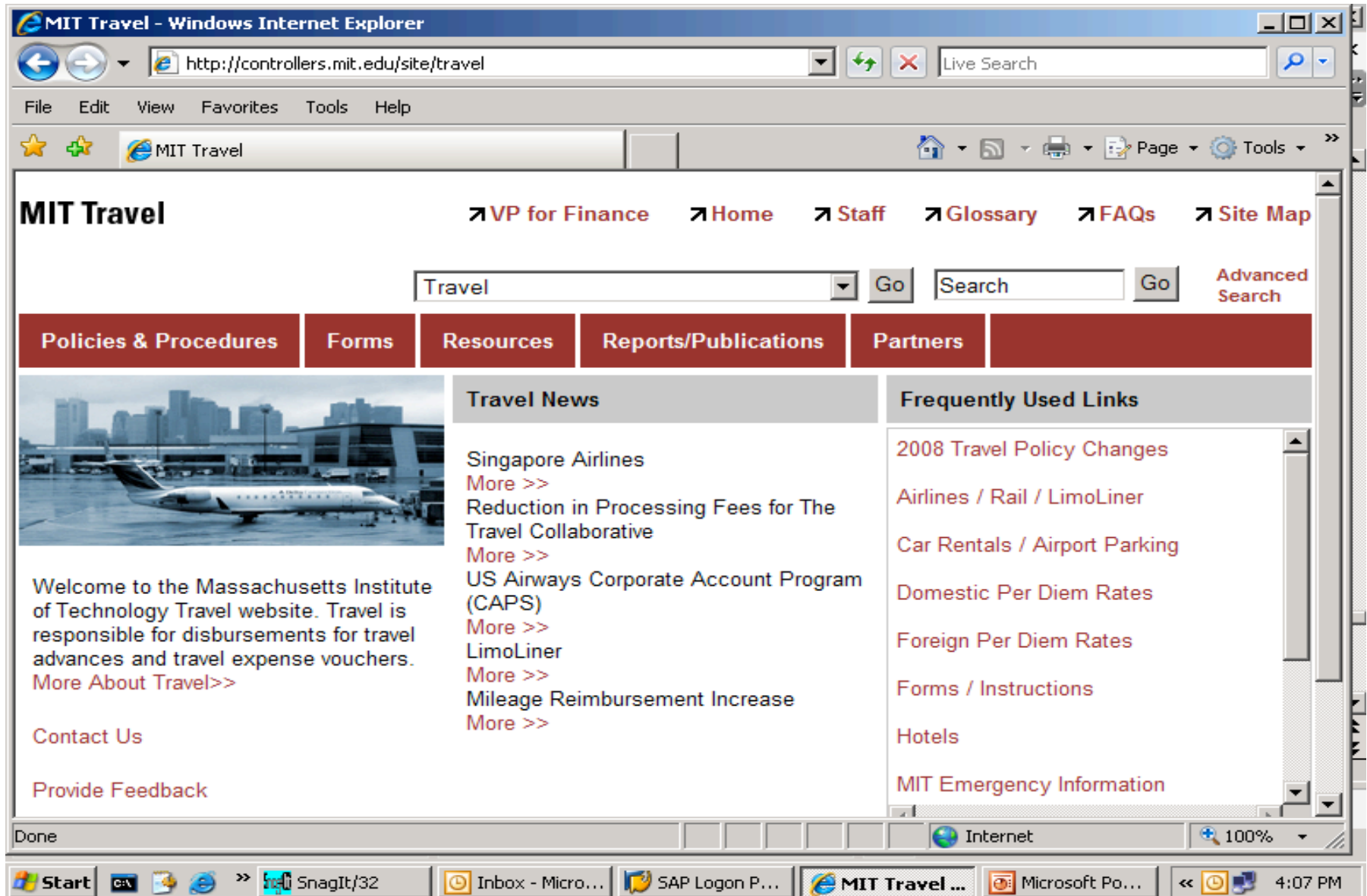
APPROVAL signature is required and must be someone authorized to sign travel documents in the Roles database

- A signature is required for all cost objects charged
- Traveler may not approve their own voucher
- The primary responsibility of the approver is to ensure compliance with MIT's travel policy
- Verify that all original receipts (air, train, car rental and hotel expenses, as well as items over \$75) are attached
- Verify that the TEV meets applicable sponsor guidelines
- The travel expense was incurred while conducting official MIT business
- Documentation is attached for any unusual circumstances or missing original receipts

DINERS CLUB CARD

- No pre-set spending limits
- No up-front credit checks
- Club Rewards – optional
- Primary, full value rental car collision damage insurance (CDW)
- \$350,000 Common carrier travel accident insurance, \$1,250 Excess baggage insurance
- Denver Service Center – 1-800-2diners
- Insurance claims – 800-627-4678
- Emergency traveler assistance – 1-800-346-3779
- Application
 - Departmental approval form <http://controllers.mit.edu/site/travel/formsy>
- Membership policy
http://controllers.mit.edu/site/travel/policies_procedures/mit_pp/diners_club_membership_policy

Help – Web Sites



Help – MIT Travel Agencies & Car Rentals

Name	Service	Contact
Carlson Wagonlit (formally TQ3)	Travel Agency	617-451-4270
OT&T	Travel Agency	781-890-9000
The Travel Collaborative	Travel Agency	617-497-7400
Budget Car Rental	#T240202	Cambridge 617-497-3615 US 800-527-0700 Outside US 800-472-3325
Avis Car Rental	#A491400	800-331-1212

Help – Travel Office Staff

- Ellen Sico, Travel Manager, 3-3547, esico@mit.edu
- Jennifer Tipping O'Connell, Assistant Travel Manager, 3-2756, jtipping@mit.edu
 - Accounting inquiries
- Valerie Alleyne, Travel Assistant, 3-2753, valleyne@mit.edu
 - Airline tickets, Diners Club
- Stacy Prince, Travel Assistant, 3-2754, sprince@mit.edu
 - Payment of travel expense vouchers
- Jean Paul Manga, Travel Assistant, 3-4655
 - Payment of travel advances & general information
- Andrea Finnin, Sr. Travel Assistant, 8-0370, andrea@mit.edu
 - Auditing of travel expense vouchers
- Travel Office Fax 8-5949