

Subject: BUSINESS TRAVEL		Issued By: FINANCE DEPARTMENT	
		Approved By: Kathleen R. Hurtado President & CEO	
Policy #: 1005	Issue Date: June 4, 2008	Revised Date: June 23, 2008	Effective Date: June 30, 2008

Reference: USC Expenditure Policy and Procedure dated 5/1/2008 located here: <http://policies.usc.edu/policies/expmanual050108.pdf>, original HRA Business Travel Policy and Procedure dated 5-1-2008 and revised as of 6-4-2008; and HRA Purchasing Policy <http://www.health-research.org/files/PurchasingPolicy.pdf> and Purchasing Procedure <http://www.health-research.org/files/PurchasingProcedures.pdf>.

PURPOSE

HRA requires that all business travel be properly authorized prior to making any purchases (such as airfare, train tickets, and lodging) so that expenses of a Staff Member traveling on business may be properly reimbursed. Those authorized to travel on HRA business shall observe normally accepted standards in the type and manner of expenses incurred as detailed in this document. Specific regulations regarding travel established by the funding agency *always* take precedence over this policy. Where the funding agency's regulations are more lenient, or where regulations do not exist, this HRA policy will prevail. All project-related reimbursable business travel expenses must be detailed in the IRB-approved protocol-specific budget.

QUICK GUIDE FOR HRA BUSINESS TRAVEL

1. Before making travel arrangements, obtain approval from the Principal Investigator (PI) or HRA's President & CEO as detailed in the Policy section of this document;
2. Prior to any travel purchase, obtain approval from HRA's Finance Manager as detailed in the Procedures section of this document;
3. Within 60 days after trip or event, request reimbursement with required valid and original receipts as detailed in the Procedures section of this document. HRA's Travel Expense Reimbursement Request form is located at: http://www.health-research.org/files/Travel_Form.pdf.

POLICY

1. **ALL TRAVEL FOR STUDY TEAM MUST BE APPROVED BY THEIR PI:** It is the PI's responsibility to verify the following:
 - Appropriate project funds are available for the travel;
 - The travel is provided for in the project's IRB-approved, protocol-specific budget and is in compliance with the regulations of the Sponsor or funding agency;

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- Written approval, if necessary, is secured prior to travel;

2. **ALL TRAVEL FOR ADMINISTRATIVE STAFF MEMBERS MUST BE APPROVED BY HRA'S PRESIDENT & CEO:** Only HRA's President & CEO may approve travel for Staff Members working in HRA's Administrative Office;

Note: HRA does not accommodate a "reduction of expense", in which an expense incurred on a department's account is reduced by the amount the Staff Member reimburses HRA for a personal expense.

3. **TRAVEL REIMBURSEMENT IS ONLY METHOD FOR PIs AND STUDY TEAM MEMBERS:** HRA's Purchasing Department does NOT handle business travel purchases. PIs and Study Team members are only reimbursed by submitting a Travel Expense Reimbursement Request form to HRA's Project AP Staff Member for payment via HRA's Direct Method after travel is complete;
4. **STAFF MEMBERS MUST BE COMPENSATED FOR HOURS WORKED ON BUSINESS TRAVEL:** If a Staff Member attends a formal meeting or conference as part of their job duties, they must be compensated with regular wages, or overtime, as if they were working at their normal work site. HRA does not offer "comp time" (see policy located here: <http://www.health-research.org/files/Compensatory.pdf>) in return for hours worked after normal work hours or on weekends;
5. **TRAVEL REIMBURSEMENT OCCURS AFTER TRAVEL IS COMPLETE:** HRA will reimburse Staff Members for expenses incurred while traveling on HRA business after the travel is complete. Travelers are eligible to claim expenses, allowances, or per diem rates beginning on the date of departure and including the date of return. The charges should be reasonable and should follow the guidelines outlined in this policy. Staff Members must complete a Travel Expense Reimbursement Request form – and attach ***original*** receipts – if requesting reimbursement of actual travel expenses. For information on what constitutes a valid receipt, how expenses must appear on a receipt and what to do if a receipt is missing, please refer to HRA's Receipt Definition Policy located here: <http://www.health-research.org/files/Receipt.pdf>;
6. **SIGNATURE OF PERSON INCURRING EXPENSE:** The person who incurred the travel expense must sign their Travel Expense Reimbursement Request form regardless of the type of purchase, amount or form of payment used. Original signatures are expected. Faxed

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signatures will be accepted when the original signature cannot be reasonably obtained. By signing a Travel Expense Reimbursement Request form, the person who incurred the expense certifies that:

- The amount shown is the amount actually paid;
- A duplicate Travel Expense Reimbursement Request form has not and will not be submitted; and
- Reimbursement for travel expenses has not and will not be sought from any other sources;

7. **SUPPORTING DOCUMENTATION OF NEED TO TRAVEL:** If attending or staffing a formal meeting or conference, either a copy of the registration, the official agenda, or similar documentation – including a description of fees – must be included with the Travel Expense Reimbursement Request form;

8. **ALLOWABLE TRAVEL EXPENSES OVERVIEW:** HRA funds may be used for the following business travel expenses if valid receipts are obtained and a permitted business purpose is provided:

- Airfare and train tickets;
- Conference registration fees;
- Presentation materials;
- Lodging and meals (please see more detailed information in Procedures section of this document); and;
- Airport parking at or near an airport while on business travel;

Note: Please see “Other Expenses” in the Policy section of this document below.

9. **LOWEST AIRFARE AVAILABLE IN THE CONTINENTAL U.S.:** Staff Members should seek 21-day, advance-purchase, airfare rates – or the lowest available airfare – for their route and dates whenever possible. Airfare should be economy-class (coach) and should use the most direct route possible. Expenses resulting from any extensions of the route for the convenience of the traveler will be borne by the traveler. Consideration will be given to applicants who demonstrate that a lower airfare can be obtained by staying an additional night. Please see “Preapproval of Travel Expenses” in Procedures below;

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10. **SPECIAL AIRFARE CONSIDERATIONS FOR “STRICT PROJECTS”**: Strict project airfare costs are subject to the guidelines set forth in the Office of Management and Budget Circular A-21. The applicable Section (J.48) is referenced below:

- “Airfare costs in excess of the lowest available commercial discount fare, Federal Government contract airfare (where authorized and available), or customary standard (coach or equivalent) airfare, are unallowable except when such accommodations would: require circuitous routing; require travel during unreasonable hours; excessively prolong travel; greatly increase the duration of the flight; result in increased costs that would offset transportation savings; or offer accommodations not reasonably adequate for the medical needs of the traveler.”

The Office of Contract Administration should be consulted if there are questions regarding the allowability of travel-related expenses on strict project accounts or for assistance in administering funds for a strict project that contains restrictions on travel-related expenses;

11. **STRICT PROJECT COMPLIANCE WITH FLY AMERICA ACT**: When federal funds are used for foreign travel, tickets must be purchased in compliance with the Fly America Act which stipulates that tickets must be purchased for airline travel on:

- A U.S. flag air carrier; or
- A foreign carrier that operates under a U.S. flag carrier code-sharing agreement and identifies the U.S. flag air carrier’s designator code and flight number;

Such carriers must be used unless the traveler can certify such carriers were “unavailable”, as availability is defined by federal regulations. Certification of unavailability must be on file in the Office of Contract Administration prior to purchase;

12. **USE OF PRIVATELY OWNED AIRCRAFT PROHIBITED**: Use of privately owned or rented aircraft for HRA business is not permitted. HRA’s insurance program specifically excludes coverage of individuals who are acting as pilot, operator, or member of a crew of a private or rented aircraft. Persons traveling on privately owned aircraft are considered to be on personal business and HRA disclaims any responsibility for loss thereof;

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13. **RAIL TRAVEL AND RESTRICTIONS:** HRA will support the cost of economy-class rail for business travel. Use of business class rail is permitted when it is necessary to ensure a seat reservation or with advance, written approval from HRA’s President & CEO. Use of rail is not permitted if it results in a higher cost to HRA than round trip economy-class airfare;
14. **LOCAL OVERNIGHT ACCOMMODATIONS PERMITTED WHEN PREAPPROVED:** When in the best interest of HRA and when preapproved by HRA’s President & CEO, expenses for an overnight stay in Los Angeles can be claimed by a Staff Member using the rates on the USC per diem webpage for lodging and meals
http://fbs.usc.edu/depts/DC/object.aspx?object_id=1246. Such overnight stays may be necessary for those coordinating a local event with early start times or late end times and/or due to HRA business needs. Please see the Procedures below for information on maximum rates;
15. **COMPANION TRAVEL AND PERSONAL TRAVEL REIMBURSEMENT NOT PERMITTED:** When a Staff Member is accompanied on an HRA business trip by a spouse, family member, significant other, friend, etc., the companion’s portion will not be paid for or reimbursed by HRA. When a Staff Member combines personal travel with HRA business travel, the personal portion will not be paid for or reimbursed by HRA;
16. **USE OF PRIVATELY-OWNED OR RENTAL VEHICLES:** For information on using privately owned vehicles or renting a vehicle, please see HRA’s Driving on HRA Business Policy located here: <http://www.health-research.org/files/Driving.pdf>;
17. **BUSINESS PURPOSE REQUIRED FOR ENTERTAINMENT AND MEALS:** In order for a meal or entertainment expense to be paid or reimbursed by HRA and to also be considered non-taxable to the Staff Member, the IRS requires that the names of the persons attending the meal and the business purpose be clearly stated on the receipt. For groups larger than 10, the IRS will accept the approximate number of persons, group identity, and business purpose, in lieu of an itemized list of attendees. This requirement applies regardless of the source of funds, venue location and form of payment. For more information on expense-related business purpose requirements, please see HRA’s Definition of Receipt Policy located here: <http://www.health-research.org/files/Receipt.pdf>;

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18. **ALCOHOL NOT REIMBURSABLE:** Alcohol is not reimbursable unless prior written approval is obtained from HRA’s President & CEO;
19. **CREDIT CARD FEES AND INTEREST AND ATM FEES NOT REIMBURSABLE:** Personal credit cards are considered the responsibility of the Staff Member. The Staff Member is responsible for making all payments to the credit card company, including any credit card participation fees. Late fees and/or interest fees incurred on personal credit cards will not be paid for or reimbursed by HRA. Also, fees incurred at ATMs when a personal debit, ATM or credit card was used are not reimbursable;
20. **OTHER EXPENSES:** HRA follows USC’s policies regarding the following list of other expenses while traveling on HRA business. If permitted, these expenses must be reported as actual expenses on HRA’s Travel Expense Reimbursement Request form and not as part of lodging and meal expenses. Valid receipts with a stated business purpose are required. See HRA’s Definition of Receipt Policy and Procedure located at: <http://www.health-research.org/files/Receipt.pdf>. To quickly find more information, go to USC’s Expenditure Policies and Procedures located here: <http://policies.usc.edu/policies/expmanual050108.pdf> and use the search feature and the term(s) listed below:

Other Expenses	
Clothing and accessories	Hotel Telephones
Dependent and pet care	Luggage
Dry cleaning and laundry	Mini Bar, Snacks and Candy
Excess baggage	Movies
Fees for cancelling or changing a reservation	Personal Care
Hotel/airport Internet access	Tips

Note: Tips are subject to USC’s per diem limits when traveling and alcohol is not reimbursable unless prior written approval is obtained from HRA’s President & CEO.

21. **STAFF MEMBERS RESPONSIBLE FOR HRA ITEMS:** When traveling on HRA business, Staff Members are responsible for HRA-owned items. Any loss or damage is to be reported to HRA immediately after the end of the trip;

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22. **FREQUENT TRAVELER PROGRAM PARTICIPATION ALLOWED BUT FEES NOT REIMBURSED:** Participation in travel-related frequent flyer or frequent stay programs is permitted. Miles and points from such programs can be retained by the Staff Member. However, HRA does not reimburse the value of any frequent traveler points redeemed for HRA business travel. Also, costs to participate in a frequent traveler program are not reimbursed by HRA.

PROCEDURES

1. **PREAPPROVAL OF TRAVEL EXPENSES:** All expenses for HRA business travel transportation (airfare and train tickets) and lodging must be preapproved by HRA’s Finance Manager prior to purchase. Anyone considering travel is required to obtain price quotes consistent with the Business Travel policies in this document from either www.expedia.com or www.orbitz.com. Staff Members must print the website price quote pages and submit them to HRA’s Finance Manager for approval prior to purchase. Exceptions to this preapproval are granted only by HRA’s President & CEO;
2. **MAXIMUM ACTUAL AND PER DIEM RATES FOR MEALS AND LODGING:** HRA uses USC Disbursement Control and Accounts Payable maximum rates for lodging and meals. When an HRA business trip includes at least one night of lodging, expenses for incurred meals and lodging are to be reported using the per diem rates located at: http://fbs.usc.edu/depts/DC/object.aspx?object_id=1246. HRA only accepts the per diem meal and lodging rates listed on the USC webpage and permits a business traveler to select actual expenses or per diem rates on each day of travel. Maximum rates may not be exceeded without prior approval by HRA’s President & CEO. Because the USC per diem rates used by HRA are subject to change, bookmark the USC webpage above for future reference and do not print it out. Receipts are required for reimbursement of actual expenses. It is imperative that the receipt separate hotel room and tax charges from meal and other charges. For information on what constitutes a valid receipt, how expenses must appear on a receipt and what to do if a receipt is missing, please refer to HRA’s Receipt Definition Policy located here: <http://www.health-research.org/files/Receipt.pdf>;
3. **REIMBURSEMENT REQUESTS MUST BE SUBMITTED WITHIN 60 DAYS:** All Travel Expense Reimbursement Request forms and accompanying receipts must be submitted to HRA’s Project AP Staff Member within 60 days from the end of travel. After reviewing and approving the charges, the Project AP Staff Member then forwards the Travel Expense

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Reimbursement Request form to the Accounts Payable Department for payment and/or reimbursement via the Direct Payment Method. If a request is submitted more than 60 days after travel has occurred, reimbursement will likely be denied.

RESPONSIBILITY

PIs
HRA Finance Manager
All Business Travelers