


# FINANCIAL MEMORANDUM

Memorandum No.	<b>MOUNT SINAI SCHOOL OF MEDICINE</b>  <b>SUBJECT: TRAVEL POLICY</b>	Page  1 of 8
115E Approved by  S. HARVEY		Date Issued/Amended 7/1/98, 12/1/04, 8/1/06 06/01/08, 04/25/2011  Replaces:

The purpose of this memorandum is to set forth the guidelines for approving and reimbursing for travel necessitated by institutional responsibilities. These guidelines apply to all travel funded by the School of Medicine, unless noted otherwise. This policy supersedes all previously issued policies regarding travel.

For procedural information on how to get Travel Requests and Vouchers for institution-related travel approved and processed see the TRAVEL module of Sinai Central Documentation at:  
[http://sinaiknowledge.mssm.edu/Sinai\\_central/finance\\_applications/travel/](http://sinaiknowledge.mssm.edu/Sinai_central/finance_applications/travel/)

## I. LOCAL/REGIONAL TRAVEL VS. INTERCITY TRAVEL

All travel falls into one of the following two categories:

- 1) Local/Regional Travel: generally non-overnight travel within a 75-mile radius of Manhattan. *This travel does not require the use of Travel Requests and Travel Vouchers.*
- 2) Intercity Travel: all travel not classified as local/regional. Intercity travel is classified further as either Domestic or Foreign.

*Domestic Travel*: travel within and between any of the fifty states of the U.S., its possessions and territories, and Canada. U.S. possessions and territories include: Commonwealth of Puerto Rico, Guam, Virgin Islands (St. John, St. Croix, St. Thomas), American Samoa, Wake Island, Wilkes, Peale, Midway Island (Sand, Eastern), Johnston Atoll, Kingman Reef, Caroline Islands, Marshall Islands and Mariana Islands.

*Foreign Travel*: travel to destinations not considered domestic travel.

## II. TRAVEL REQUESTS & VOUCHERS

A traveler must obtain authorization for intercity travel on a Travel Request prior to traveling. To obtain reimbursement and reconcile advanced funds, the traveler must complete a Travel Voucher and Itemization of Travel Expenses immediately after returning from the trip. Travel request documents are not required for local/regional travel.

### III. GUIDELINES/LIMITATIONS ON REIMBURSABLE EXPENSES

#### A. Standard Criteria for Planning Travel Arrangements and Requesting Expense Reimbursement.

The School of Medicine reimburses its personnel for reasonable and proper expenses incurred while traveling on institutional business. By using the following guidelines to plan travel, the appropriateness of reimbursement requests will be assured. Section VII lists travel restrictions specific to the Hospital or School.

- ◆ **Booking Arrangements.** Air, rail, bus, hotel, and car rental arrangements may be made through the Medical Center's preferred travel agency (American Express), or by the traveler. (American Express charges a transaction fee.) Tickets purchased through Amex are billed directly to the funding source.
- ◆ **Conference Site.** For conferences offered at more than one location, the closest (or lowest cost) location should be selected. Selections otherwise must be approved by the Department Chairman (for the School). Official function and seminar/conference fees **are** reimbursable.
- ◆ **Airline Travel.** Purchase economy or coach class airline tickets. To the extent possible, purchase tickets in advance to obtain the best rates. First-class and business class travel are not reimbursed.
- ◆ **Luggage:** Costs of reasonable luggage charges for the travel is reimbursable upon submission of documentation/receipts.
- ◆ For travel supported by Federal Grants and Contracts please see section F on page 4.
- ◆ **Private Automobile Usage.** The standard mileage rate published by the Internal Revenue Service is used for using personal vehicles. Gasoline costs and expenses associated with ownership are included in this rate. Traffic violations are not reimbursable, but tolls and parking fees are.
- ◆ **Automobile Rentals.** Generally, compact cars should be requested, except when three or more employees will be traveling together. Employees should accept collision insurance unless the credit card used offers this coverage as a benefit. Mount Sinai's corporate discount should always be requested.
- ◆ **Other Forms of Transportation.** Travel expenses within cities or to transportation terminals are reimbursable (i.e., taxi, shuttle, and bus fares) and minimum first-class accommodations (excludes air travel) may be used.
- ◆ **Hotel Accommodations.** Hotel accommodations will be paid only when overnight stay is necessary. Book first class, but not luxury, hotels. Reimbursement will be made on the basis of reasonable costs incurred. Corporate discount rates should be obtained whenever possible.
- ◆ **Meals and Other Incidental Expenses.** Reimbursement for meals and all incidental expense is based on Traveler's expenses limited to \$65.00 per day. For international travel, the domestic rate is adjusted for the prevailing exchange rate.



Expenditures for meals for persons other than the traveler, (such as colleagues or associates), are not allowable on grants and contracts supported by Federal and State sponsors.

B. Non-Reimbursable Expenses.

The following expenses are non-reimbursable:

- ◆ First or business class air travel.
- ◆ Costs incurred for failure to cancel a trip or hotel reservation.
- ◆ Lost or stolen tickets, cash, or personal property. If you lose a ticket, contact the travel agency or airline immediately.
- ◆ Expenses not directly related to the purpose of the trip (i.e. video rentals, laundry during short stays).
- ◆ Travel insurance in excess of that provided by the Medical Center.
- ◆ Any type of alcohol beverage.

C. Cancellations.

If any trip for which funds are advanced is cancelled, the advanced funds must be returned to the issuing authority by check or cashier's receipt as soon as the cancellation is known to the traveler.

D. Appropriate Documentation.

All reimbursement vouchers must be accompanied by **original** and appropriate receipts/documentation.

Department Administration must collect the original receipts, organize them neatly, and send them to Accounts Payable with a printout of the online voucher. And, if possible, scan the receipts and attach the scans to the online form. Note: The following information must be clear, and easily readable in the scanned documents:

◆ **General:**

- ◆ Date of Expenditure
  - ◆ Amount (converted to US dollars at the current exchange rate, as necessary)
  - ◆ Vendor Name/Service Provider
  - ◆ Description of item paid
- ◆ **Transportation:** Airplane ticket stubs (original passenger coupons and payment receipts), automobile parking and toll receipts, bus/train ticket stubs and payment receipts, carfare receipts are required. If E-ticket is obtained, the traveler should submit a printout of the E-ticket containing the ticket price, proof of payment and both boarding passes, not an itinerary. If the boarding passes are not provided, then the traveler must provide some other proof that the travel was made. *If the airline ticket doesn't list the price, a copy of the invoice from the airlines/travel agency showing cost of the ticket and proof of payment are required.*

◆ **Hotel:** Itemized hotel bill with proof of payment/receipt.

◆ **Meals and Other Incidental Expenses:** Reimbursement is based on the Travelers travel expenses limited to \$65 per day. The Traveler is not required to submit the receipts but expected to retain them. For international travel, the domestic rate is adjusted for the prevailing exchange rate.

◆ **Mileage:** The reimbursement rate is the Standard Mileage Rate published by the Internal Revenue Service annually. The rate for calendar year 2011 is \$.51 per mile. Mileage for use of personal vehicle should be recorded on the appropriate expense form and/or on a piece of paper attached to the form(s).

◆ **Other:** official function and registration fee receipts, cancelled checks.

E. What to Do When An Expense Receipt is Missing.

◆ **For intercity travel,** the traveler must list all expenses on the online Travel voucher immediately after returning from the approved trip. Expenses without documentation/receipts should be listed on the 'Comments' section of the form, and where and why expenses incurred must be explained. If the item is \$25 or greater, the reason documentation is missing must also be provided.

◆ **For local/regional travel,** the traveler must itemize and explain each undocumented expense on a Petty Cash Voucher or, if total expenses are \$200 or more, on a Check Request. The explanation must include when, where, and why the expense was incurred. If the item is \$25 or more, the reason documentation is missing must also be explained.

F. Federal, State & Foundation Grants.

Many granting agencies (federal, state, and foundation) require approval be obtained for travel not included in the Notice of Award before the proposed travel takes place. An agency may disallow reimbursement if appropriate and original documentation is not submitted. Grant and contract restrictions supersede institutional policy. As such, travel expenses in excess of those allowable and approved in the grant or contract may be disallowed regardless of institutional guidelines. Sponsored Projects Accounting will advise when prior approval is needed from the Grants and Contracts Office or the granting agency. Such approval is generally needed when the proposed travel is not included in the approved budget and when the cumulative expenditures for domestic travel in any budget period will cause the awarded amount for such travel to be exceeded by \$5,000.

◆ Purchase economy or coach class airline tickets. To the extent possible, purchase tickets in advance to obtain the best rates. First-class and business class travel are not reimbursed.



◆ Fly America Act

United States law 49 U.S.C. 40118, commonly referred to as the "Fly America Act," requires use of flag air carrier service for all air travel funded by the U.S. Government. In cases where a U.S. flag air carrier does not provide acceptable service for a particular leg of a trip, foreign air carrier service may be used, but only to or from the nearest interchangeable point on a usually traveled route to connect with U.S. flag air carrier service. In these circumstances, the Federal Travel Regulation Sections 301-10.135-138 specify the exception criteria used to determine the non-availability of a U.S. flag air carrier. See attached *Fly America Act Waiver Checklist*. International air travel on foreign air carriers sometime could meet the requirements of the Fly America Act when a U.S. flag air carrier has a code sharing arrangement with a foreign air carrier.

Federal regulations have been revised to indicate that the ticket (or documentation for an electronic ticket) must identify the U.S. Flag air carrier's two-letter designator code and flight number, which is located on the right-hand section of the passenger receipt. This indicates that the flier is in a U.S. Flag carrier seat, regardless of the air carrier that owns the aircraft.

General Services Administration (GSA) by Federal Travel Regulation GSA Bulletin FTR 11-02 has modified the requirements with respect to the European Union (EU) airlines and the Fly America Act requirements. EU airlines are now granted the right to transport civilian agency-funded passengers between a point in the US and a point outside the US. A list of the EU countries is attached.

G Foreign Travel – Seminars Conventions

Employees who travel abroad for seminars and conventions must attach a meeting agenda issued by the host organization that identifies the topics addressed, the days and times of the meetings. Failure to attach said agenda may result in reimbursement disallowance.

H. Frequent Traveler Programs and Promotional Materials

You are permitted to retain frequent flyer miles or promotional materials received in connection with official travel, as long as they were obtained under the same conditions as those offered to the general public and at no additional cost to the Institution or the Government if travel is funded by the Government. The miles may be applied toward future official business trips, for upgrades at no additional cost to the Institution or the Government, or for personal use. (See NIH Travel Manual Chapter 1500-01, for additional information.)

Airline Frequent Flyer Program

Mount Sinai will not reimburse travelers for tickets purchased with the frequent flyer miles. Providing monetary compensation to an employee in exchange for a free ticket is considered additional income. Frequent flyer memberships should not influence travelers to select flight that is not the lowest priced flight available.

## V. TRAVEL ADVANCES & PREPAYMENTS

Cash advances for travel expenses are available **only** to students, residents, and fellows. Extraordinary circumstances giving rise to an exception must be approved by the Dean or Department Vice President. Advances are limited to local transportation, hotel accommodations (if they cannot be prepaid), meals, and specific miscellaneous expenses identified on the Travel Request.

Advance payments must be requested for conference/seminar fees, hotel accommodations, etc. to the extent possible. Advanced payments must be requested on the online Travel Request. By making use of prepayments and the institution's approved travel agency, the need for cash, and therefore an advance, is significantly reduced. Individuals eligible for advances are not required to use personal credit cards, but the need for cash could be reduced further by using them to pay for meals. Timely submission of the Travel Voucher will ensure reimbursement for any such credit card charges **before** the bill becomes due.

**Enforcement Policy on Travel Advances.** The Treasury Department views cash advances as taxable income unless there is documentation on file proving that the cash payment was reimbursement for business-related expenses.

Therefore, until an individual submits a Travel Voucher with appropriate documentation, we have no such proof and must report that advance to the IRS as taxable income. Cash advances outstanding more than 90 days will be subject to this action.

## VI. TRAVEL INSURANCE

Free accidental death and dismemberment travel insurance is automatically provided to employees traveling on institutional business. To qualify, employees must work at least 17.5 hours per week. Coverage applies to intercity travel\* anywhere in the world and begins when the traveler leaves his/her home or place of business. In the event proceeds are distributed to a beneficiary and a beneficiary is not designated on the Travel Request form, they will be paid to the individual named as beneficiary on the employee's file card in the Benefits office.

\*Intercity travel, for insurance purposes, is travel outside the New York Metropolitan area.

## VII. TRAVEL RESTRICTIONS AND APPROVAL PROTOCOLS

Unless special approval is obtained from the Dean or the Hospital Director, arrangements and expenses must be within the guidelines outlined in this policy. Reimbursement of travel expenses will be made only if travel is authorized according to the procedures set forth in this memorandum.

It is the responsibility of departmental officials approving travel, advance, and reimbursement requests to assure the appropriateness and reasonableness of those requests and compliance to the institutional and contractual policies.



Department administrators must apply the following restrictions to staff travel requests.

A. Hospital-Funded Travel. Also see related Hospital Travel Policy

1. Non-Bargaining Unit and Non-Faculty.

a. Paper Presentations.

- ◆ Vice President (V.P.) approval is required for all paper presentations prior to submitting those papers for presentation. Exceptions to the next two restrictions must be specially approved by the V.P.
- ◆ There is a limit of one paper presentation per employee per year.
- ◆ Presentations are limited to one author.
- ◆ Any honoraria received for speaking engagements funded by the Hospital must be turned over to the Hospital.

b. Annual Meetings of Professional Associations/Societies.

- ◆ Hospital funding for travel to annual meetings of professional associations/societies is limited to trips made at the institution's request, and approval is required from the V.P. The value of each trip is to be evaluated relative to the employee's direct Hospital responsibilities.
- ◆ Attendance by more than one employee at the same conference must be approved in advance by the V.P. In order for an appropriate evaluation to be made regarding the need for multiple attendees, the number of employees requesting funding for the same meeting must be clearly identified at the time each individual Travel Request is submitted.

c. Other Meeting/Events.

- ◆ Hospital funding of attendance at other events is limited to trips made at the institutions' request, with V.P. approval. Trips falling into this category include, but are not limited to, those related to training, systems, regulation and legislation, and major capital purchases.

2. Bargaining Unit Travel.

- ◆ Contractual funding requirements will be adhered to for bargaining unit employees who have travel provisions in their contracts (NYSNA, MSPA, APTA).
- ◆ It is the responsibility of the V.P. to monitor and approve such travel and assure that it falls within the guidelines and requirements of the contract.
- ◆ Contractual guidelines supersede other defined criteria. However, in those areas where guidelines are absent, criteria for non-bargaining unit employees apply.

B. School-funded Travel.

Annual Meetings of Professional Associations/Societies. For non-scientific meetings, attendance by more than one individual at the same conference must be approved in advance by the Dean's Office. In order for an appropriate evaluation to be made regarding the need for multiple attendees, the number of employees requesting funding for the same meeting must be clearly identified at the time each individual Travel Request is submitted.

C. Minimum Approval for Hospital & School Funding Sources.

Intercity Travel Requests require the minimum approvals indicated in the box on the next page. Travel Vouchers need only be approved by the first-level administrator who signed the original Travel Request. Travel Vouchers for Corporate Senior Vice Presidents, the Hospital Director, and the Dean must be reviewed by the V.P. of Internal Audit before being sent to the President for approval.

'Retro-active' requisitions, for either Domestic or Foreign travel are not allowed and cannot be processed. Employees will NOT be reimbursed without and approved travel requisition.



	Department				Finance				
	Traveler	Principal Invest.	Dept. Admin	Chairman	Gen. Acctg.	FPA Acctg.	Sponsored Projects	GCO	Dean's Office
<i>Domestic Travel, charge to:</i>									
- School Budgeting, Gift or Endowment Accts	•		•		•				
- FPA Accts	•		•			•			
- Grant Funds									
• Federal & Non-Federal	•		•				•		
- Chairman (per above, plus Dean's Office)	•		•		○	○	○		•
<i>Foreign Travel, charged to:</i>									
- School Budget, Gift or Endowment Accts	•		•	•	•				
- FPA Accts	•		•	•		•			
- Grant Funds									
• Federal (53,54,55,58)	•	•	•	•			•	•	
• Non-Federal (plus 56,57)	•	•	•	•			•		
- Chairman (per above, plus Dean's Office)	•	○	•		○	○	○		•

Approvals for Senior Hospital and School Leaders	
<u>Employee</u>	<u>Approver</u>
Chief Executive Officer and Dean of the Medical School (CEO)	Chief Risk Officer
President of the Hospital	CEO or designee
Executive Vice Presidents (EVP)	
- Hospital	- President
- School	- CEO or designee
Senior Vice Presidents (SVP)	Appropriate EVP
Vice President's	Appropriate SVP or EVP

### VIII. ADDITIONAL INFORMATION

If additional information is required, contact Accounts Payable; Faculty Practice Associates Accounting; Sponsored Projects Accounting; or the Grants and Contracts Office, as appropriate.

## **List of Countries in the European Union**

The Kingdom of Belgium  
The Republic of Bulgaria  
The Czech Republic  
The Kingdom of Denmark  
The Federal Republic of Germany  
The Republic of Estonia  
Ireland  
The Hellenic Republic  
The Kingdom of Spain  
The French Republic  
The Italian Republic  
The Republic of Cyprus  
The Republic of Latvia  
The Republic of Lithuania  
The Grand Duchy of Luxembourg  
The Republic of Hungary  
Malta  
The Kingdom of the Netherlands  
The Republic of Austria  
The Republic of Poland  
The Portuguese Republic  
Romania  
The Republic of Slovenia  
The Slovak Republic  
The Republic of Finland  
The Kingdom of Sweden