



NORTHWESTERN UNIVERSITY

Responsible University Officials:
Associate Vice President for
Financial Operations and Treasurer
Controller

Responsible Offices:
Office of Financial Operations

Origination Date:
May 1, 2000

Travel Policy and Procedures

Policy Statement

University-approved travel is generally defined as transportation on Northwestern business in excess of one's normal commute. University-approved travel includes movement on official University business from home or normal place of employment to another destination, and return to home or normal place of employment. University-approved travel does not include commuting between home and normal place of employment.

It is the policy of Northwestern University (NU) to reimburse NU faculty and staff and to pay outside vendors for necessary, appropriate, and approved travel-related costs and activities. The policies and procedures herein apply to all sources of funds, including gifts, endowment income, sponsored programs, designated income, released funds, and University appropriations.

More restrictive policies and procedures may apply to certain funding sources including many sponsored programs. More restrictive travel policies and procedures may also be specified by certain programs, schools, departments, centers, or divisions, and will be applicable in those cases. Employees are responsible for following this policy and, if applicable, the policy of their particular program, school, department, center, or division.

Based on the significant amount of federally sponsored funds that the University receives, many travel policies parallel those of the Federal government. Auditors review expenditures for University travel using the same standards that apply to travel by Federal employees. University travel policy applies to all sponsored programs. However, if specific agency guidelines for a sponsored program are more restrictive than University policy, then agency rules shall apply. Individuals should be familiar with the specific cost allowability provisions of their sponsored programs. In no case will an amount be reimbursed that is larger than allowed under the University's policies and procedures. Some funding agencies require prior written approval if domestic or foreign travel exceeds the budgeted amount. Please consult your sponsored program documents or contact Accounting for Research and Sponsored Programs (ASRSP) for more information.

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Changes in University business travel policies and procedures may be made from time to time, and will be communicated via broadcast e-mail. Amendments will be available electronically through the World Wide Web and will be effective on issuance. The information herein supersedes all previous travel policy and procedure documentation.

Reason for Policy/Purpose

The University exists to conduct teaching, research, and public service. Expenditures of University funds for travel must occur in furtherance of this mission, and a business purpose must exist for each instance of expenditure. Each person responsible for making decisions concerning these expenditures should always ask, first and foremost, whether an expense represents a worthy use of University funds.

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Who Approved this Policy

Provost
Senior Vice President of Business and Finance

Who Needs to Know this Policy

All individuals responsible for making travel expenditure decisions or purchases in furtherance of the University's mission.

Website Address for this Policy

The Travel Policy and Procedures are located on the Financial Operations website
<http://www.northwestern.edu/financial-operations/policies-procedures/policies/travel.pdf>

Other Websites that may be helpful include:
Financial Policies and Procedures website <http://www.northwestern.edu/financial-operations/policies-procedures/>

Travel Services website: <http://www.univsvcs.northwestern.edu/travel/>

"Cost Transfers to Sponsored Accounts" memo
http://www.northwestern.edu/coststudies/Cost_Transfers_Policy.pdf

Health Insurance for International Travel
<http://www.northwestern.edu/risk/abroad.htm>

Government Rates: http://aoprals.state.gov/web920/per_diem.asp

"Standards for Business Conduct": <http://www.northwestern.edu/auditing/how/standards.pdf>

Visa Fees Allowable on Sponsored Projects
<http://www.northwestern.edu/asrsp/immigration.html>

Currency Converter
<http://www.oanda.com/currency/classic-converter>

Contacts/Responsibilities

- a) Travel Policies for Non-sponsored Programs
Guy Wilson, Accounts Payable
2020 Ridge Avenue, 2nd Floor
Evanston Campus

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847-491-4445

Fax: 847-491-4738

E-mail: gwilson@northwestern.edu

- b)** Travel Policies for Sponsored Programs
Evanston Accounting for Research and Sponsored Programs (ASRSP)
Jany Raskina
847-491-4697
E-mail: y-raskina@northwestern.edu

Chicago Accounting for Research and Sponsored Programs (ASRSP)
Rosanna Rolle
312-503-0835
Email: m-sian@northwestern.edu

- c)** Questions about Travel Services and Arrangements
Jeffrey Levin, University Services
847-491-5993
E-mail: jhlevin@northwestern.edu

- d)** Making Travel Arrangements
See the University Services Travel Services website for details at
<http://www.univsvcs.northwestern.edu/travel/air.htm> .

1) University-designated Travel Agencies

Tower Travel Management
53 Odgen Ave.
Clarendon Hills, IL 60514
Hours: M-F 6am - 10pm, Sat 9am - 1pm
866-NU2-TRVL (866-682-8785)

Fax: 630-954-3881 E-mail: nu@towertravel.com
24-Hour Emergency Service Toll free: 866-NU2-TRVL (866-682-8785)

Compass Online Booking Support
nucompass@towertravel.com
Emergency Phone Number: 866-NU2-TRVL (866-682-8785)
You will need the record locator from the confirmation

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Intra World Travel
1740 Ridge Avenue
Evanston, IL 60201
Hours: 9:00 a.m. - 5:30 p.m., Monday - Friday; 10:00 a.m. - 1:00 p.m., Saturday
847-491-6930 or 800-626-6963
Fax: 847-491-0923
E-mail: dialair@aol.com
Website: <http://www.intrawld.com/>

Four Corners Travel/Travel 100 Group
WBE certified (certificate number: 2005108183)
519 Park Drive
Kenilworth, IL 60043
Hours: 9:00 a.m. - 5:00 p.m. Monday – Friday; Saturday by appointment only
847-256-7570 or 800-245-9335 Fax: 847-256-9475
E-mail: tina@t100g.com or kathy@t100g.com or judy@t100g.com

2) University Motor Pool

847-491-3560
Evanston reservations: 847-491-5075
Chicago reservations: 312-503-8129
M-F, 8 am - 4:30 pm
E-mail: motor-pool@northwestern.edu

3) National Car Rental

See http://www.northwestern.edu/userservices/travel/car_rental/index.html
Call 800-CAR-RENT or go to
http://www.nationalcar.com/index.do?COUPON%20ID=10009415&RECAP_NO=5004464&COUPON_ID2=10009416&footer=1&action=/bigTen.do&header=1

e) Corporate Charge Card
Office of Treasury Operations
619 Clark Street
Evanston Campus MC:1130
847-467-4962
Fax: 847-491-4988

f) Travel Insurance

1) Tickets booked through University-designated Travel Agencies

Jeffrey Levin, University Services
847-491-5993
E-mail: jhlevin@northwestern.edu

2) International Health Insurance

Chris Johnson, Risk Management

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847-491-8518

cljohnson@northwestern.edu

3) Other, including Commercial Vehicles and Reporting Accidents

Risk Management

8:30 a.m. - 4:30 p.m., Monday - Friday

847-491-5610

g) Travel Reimbursement or Cash Advance Special Requests

Accounts Payable

847-491-7339

Definitions

Identified throughout this policy document.

1. University Travel Policy

a) **Authority and Responsibility**

Travel must be authorized in advance by the traveler's supervisor. Employees must be authorized to commit the University's resources to business travel, and are subject to disciplinary action up to and including the termination of employment if proper authorization is not obtained. A process should be established within each school/unit as to how authorizations for business travel will be documented. It is the responsibility of each school/unit to determine how it chooses to implement the authorization process (e.g. e-mail, authorization form). Travelers must verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the travel, the traveler or his/her proxy must submit a NUFinancials Expense Report and supporting documentation with receipts attached to the Expense Receipts page to obtain expense reimbursement. Within 30 days after the completion of each trip, a NUFinancials Expense Report should be submitted.

The faculty or staff supervisor is responsible for reviewing the Expense Report for compliance with policy and for providing proper payment documentation. Supervisors are required to review expenditures, and in cases where there is reason to believe the expenditures may be inappropriate or extravagant, withhold reimbursement. Deans and central administrative offices also review reimbursements and may question expenditures at any time.

Each school is responsible for ensuring that individual travelers and their supervisors properly implement and administer this policy.

The ultimate responsibility for the review and approval of transactions lies with the school/unit. Accounts Payable (AP), upon receipt of the complete Expense Report, will verify that it has been signed by the traveler and the traveler's supervisor, and approved by all required approvers via the electronic workflow approval process. AP verifies that any attached Expense Policy Exception Request has been signed by the Dean, Vice President or his/her designee. If the Expense Report does not contain the proper signatures and exceptions are not accompanied by an Expense Policy Exception Request, the Expense Report is returned to the school/unit for revision. AP will, at its discretion, review expenses for reasonableness and compliance with policies and guidelines. Items that are not returned by AP should not be construed as acceptance for future practice. AP does reserve the right to seek additional information when deemed warranted and there are post audit procedures to assist in evaluating transaction data.

For sponsored projects, Accounting Services for Research and Sponsored Projects, ASRSP, verifies that charges on the Expense Report are in compliance with both sponsor and University policies, approves the Expense Report via the electronic workflow approval process, and forwards the Expense Report to Accounts Payable.

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If the Expense Report contains a charge that is not allowable, the Expense Report is returned to the department for revision.

b) Airfares/Airline Fees

University-approved air travel with scheduled flight times, including stopovers and change of planes, of 12 hours or less must be at the most reasonable and economical rate. Business class travel is permitted, with written pre-approval from the sponsor for sponsored projects, when scheduled flight time, including stopovers and change of planes, is in excess of 12 hours. All travelers should use the least expensive airfare, including non-refundable and penalty fares, based on a two-hour "window" on either side of their preferred departure or arrival times. Air carrier selection cannot be biased by the traveler's frequent flyer affiliation. The lowest cost air travel should take precedence.

Travelers are strongly encouraged to book well in advance of travel to secure the lowest fares. In addition, travelers are encouraged to select special or promotional flights that may require significant advance booking, use alternative airports, entail a connection, or feature departure and/or arrival times slightly different than originally specified by the traveler.

The University contracts with designated travel agencies to provide full-service business travel arrangements. See the "University-Designated Travel Agencies" in the Contact section of this document.

Reasonable and actual add-on airline fees, within the fare class for which the traveler is authorized (coach or business class), are reimbursable. Such add-on fees include, but are not limited to, checked baggage fees and advance seat selection fees. Add-on airline fees should be paid by the traveler and submitted for reimbursement with an original detailed receipt.

c) Amex Corporate Card

The AMEX corporate card is available to any active NU employee (with Department Dean / Admin approval) as a means to keep business-related travel expenses separate from personal finances. This is a personal liability card to be used **ONLY** for University business travel expenses.

1) Limits of Use

The corporate card is to be used only for business-related travel and entertainment expenses as defined in throughout this policy. **Personal use of the card is prohibited.**

2) Corporate Card Benefits

The Amex Corporate Card is designed to provide NU employees with no-impact credit in order to segregate business travel expenditures from their own personal finances. Benefits have been negotiated by Treasury Operations in favor of NU employees, some of which are listed below.

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- Your 'application' for an Amex Corporate Card through Treasury Operations involves a "provisional" credit check - which does not appear on personal credit reports and has a neutral impact on personal credit. Assigned credit limits and subsequent corporate card transactional activity will not appear on personal credit reports, except in the event of misuse, long delays in balance settlement, or delinquency. Any impact on personal credit reports resulting from billing disputes, delays in repayment or delinquency is at the sole discretion of American Express.
- There is no annual fee.
- Membership Rewards points are earned and may be combined with personal reward points.
- Card accounts can be managed online without paper generation.
- Cardholders receive TAI (Travel Accident Insurance) – Up to \$350,000 (<http://corp.americanexpress.com/gcs/cards/land/ComparisonChart.htm>)
- Cardholders receive BI (Baggage Insurance) – Up to \$1,750 in total. (<http://corp.americanexpress.com/gcs/cards/land/ComparisonChart.htm>)
24x7 customer service

3) Disclosure of Certain Risks

- This is a personal liability card, in which all payments are the cardholder's (not the University's) responsibility and liability. Each cardholder is responsible for paying all charges on his or her corporate charge card account in a timely fashion. Repeated late payments and/or account delinquency may impact your personal credit. Treasury Operations will never become involved in the cardholder/Amex relationship unless there is significant deficiency on repayment to Amex. Online statements will be available to all cardholders via MYCA (Manage Your Card Account) on the American Express website. For more information, visit: <http://corp.americanexpress.com/gcs/cards>.
- The cardholder account can, under some circumstances, be frozen and/or closed by Northwestern or American Express.
- Fraudulent or unauthorized use of the corporate card can be grounds for termination from University employment.
- If the corporate card has a "guaranteed" status, in the event of cardholder delinquency or default, the cardholder's department will be responsible for all outstanding balances due on the account.

4) Authorized Use

The Amex Corporate Card is limited to University-business related travel expenses (e.g. hotel, food, automobile). Northwestern University Travel & Expense Policy applies to the use of this card. The Travel & Expense Policy can be found here: <http://www.northwestern.edu/financial-operations/policies-procedures/policies/travel.pdf>.

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5) Card Reimbursement Process

- The cardholder will request reimbursement of all University-approved expenses via Accounts Payable. AP will reimbursement cardholder only after verifying that all expenses are allowable under University Policy and that all required supporting documentation related to expenses has been provided and is valid.
- **Reimbursements will never be made prior to completion of travel.**
- **The University will reimburse the cardholder directly;** we will never remit payment directly to American Express.

6) Applying for an Amex Corporate Card

- Employees who are interested in an American Express Corporate Card and have Dean / Administrative approval should complete the [Data & Approval Form](#) and the [Card Agreement Form](#).
- Completed forms should be e-mailed to ccard@northwestern.edu and the originals sent inter-office mail directly to Treasury Operations, 619 Clark St. Room 110 in Evanston, IL.
- Cards are sent by AMEX via US mail within one week of receiving application materials.

7) Credit Limits

Pending AMEX approval, cards may be obtained with various credit limits not to exceed \$10,000. The [Data and Approval Form](#) should be completed.

8) Account Delinquency

- The total amount owed for charge card usage is due upon receipt of the statement every month. An account is considered delinquent if payment has not been received and credited to the cardholder's AMEX account within 30 days after the statement billing cycle ends.
- If an account becomes delinquent more than 6 times in any 12-month period or when the account has not been paid within 60 days, employee participation in this corporate card program is terminated, with notification to the employee's manager.
- Employees whose corporate cards have been cancelled due to nonpayment / delinquency of charges will not be allowed to rejoin the program.

9) Employee Separation / Retirement

If a cardholder separates, terminates, or retires from the University he / she will return the corporate card to the Office of Treasury Operations prior to departure. The corporate card account should be paid up-to-date and should not carry a balance.

d) Cancellations & Refunds

Arrangements for all charges, cancellations, and refunds associated with University-approved travel are the responsibility of the department, school, and/or traveler.

e) Commercial Rental Vehicles

Commercial rental vehicles should be used only when it is not possible to use the Motor Pool, as follows:

- Commercial rental vehicles should not be used if less expensive transportation is available.
- The University's designated vehicle rental agency should be used whenever possible.
- Discount car rental cards are no longer available.
- Economy, compact or subcompact vehicles should always be rented. Reimbursement will be made for other types of vehicles in exceptional cases (e.g., several travelers are riding in one car, equipment being transported, etc.).
- Travelers should rent vehicles in the University's name with the authorized traveler as the named driver. Under no conditions should the authorized traveler allow another person to operate their rental vehicle.
- Travelers should not purchase a collision damage waiver (CDW) from the rental agency if the rental is in the U.S or Canada; coverage should only be purchased for international rentals.
- Travelers must report all accidents to the Office of Risk Management within 24 hours, and immediately when any accident results in any personal injury or towing of a vehicle. The traveler should follow the rental agency accident report instructions, in addition to forwarding a copy of the report to the Office of Risk Management. Departments failing to report an accident within 24 hours will be charged \$1,000.00 deductible that will increase by \$500.00 every day after the accident the department does not completely report it to the Office of Risk Management. See the "Travel Insurance" section of this document for additional information.

f) Direct Billing to Departments or Sponsored Projects

1) Expenses Authorized for Direct Billing

- Airline Tickets
Direct billing of airline tickets to a department or sponsored project (through the University's financial system) for University-approved business travel is provided through all of the University-designated Travel Agencies. This is the recommended method for purchasing airline tickets for approved business travel.
- Hotel Arrangements for Hosting Conferences or Academic Functions
We understand that, when hosting conferences or academic functions, it is important as a courtesy to visitors for the department to arrange for a block of hotel rooms on their behalf; or to book a special function, conference room, or ballroom in advance. If you have such circumstances, contact your area

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business office in advance to coordinate an arrangement with the hotel. Coordination at this level assures another level of review and control over the billing arrangement.

Contact Travel Services at (847) 491-5993, or see a listing of preferred local hotels with which University Services has negotiated discounted rates, some of which also have authorization from University Services to provide direct billing to University departments for the circumstances described above, at <http://www.univsvcs.northwestern.edu/travel/hotel.htm>. A Hotel Reservation Agreement Form may be downloaded from this site to arrange billing with the hotel for each event.

2) Expenses Not Authorized for Direct Billing

- **Lodging**
Direct billing of individual lodging charges to University departments is highly discouraged, and guests of the University should pay their own hotel bill and submit their receipts as part of their total trip settlement. Direct billing has a greater potential to disconnect the costs associated with an individual traveler and the documentation of the costs associated with proving the business purpose of the travel. This is particularly important when justifying expenses for sponsored projects – where federal regulations also greatly discourage direct billing. It is also important for IRS purposes to demonstrate that the traveler being reimbursed was only reimbursed once for expenses incurred on a trip or, in the case of direct billing the hotel, that the traveler was in fact NOT reimbursed. Any direct-billed individual lodging must be in conformance in all other ways with both the University's travel and entertainment policies and must be submitted for payment with the original itemized hotel bill and an Expense Policy Exception Request, available on the NUPortal Purchasing & Payments tab, signed by the Dean, V.P. or Designee.
- **Taxi, Shuttle, and/or Limousine Services**
Direct billing arrangements between taxi, shuttle, and/or limousine services and University departments are not allowable for travel by University employees or guests of the University. Employees and guests should pay for taxi and limousine services and then submit reimbursement requests on a NUFinancials Expense Report (employees) or Visitor's Expense Report (guests), available on the NUPortal Purchasing & Payments tab. In highly exceptional circumstances, arrangements may be made for such billing subject to prior review and approval of the area business office and the Manager of Purchasing Resource Services (PRS).

g) Domestic vs. Foreign Travel on Sponsored Programs

1) Domestic Travel

Domestic travel is defined as travel within the US, its territories or Canada.

2) Foreign Travel

Foreign travel is defined as travel between the US, including its territories or Canada and any other country; OR travel between points outside the US, its territories, or Canada.

3) Approval

Many sponsored programs require that foreign travel be approved or authorized in writing in advance by the sponsoring agency. In addition, some sponsored programs require that travel to certain areas be cleared through other government channels. For these and similar reasons, ASRSP must be consulted when foreign travel under Federal or non-Federal sponsored programs is planned.

4) Per Diems

Per diems are permissible for meals and incidental expenses (M&IE) for authorized business travel. Certain awards have per diem limitations. Such requests should be made in advance of the trip, as these arrangements may require agency approval. If approved, the University uses the Federal Government's published per diem rate schedules to govern reimbursement standards. See the "Per Diem" section in this document.

h) Foreign Air Carrier

Use of foreign-based carriers is restricted on sponsored programs. See the "Sponsored Program Travel" section of this document.

The use of foreign carriers is allowed on non-sponsored sources of funds, as long as this complies with other University travel policies and procedures.

i) Ground Transportation

Taxi fares, including tips, are reimbursable where public transportation is not practical. This includes taxis between hotels and railroad stations or airports, between appointments or between hotels and places of temporary duty.

Shuttle, limousine, or livery service charges, to and from airports and railroad stations plus reasonable tips, are reimbursable, where such costs do not exceed the comparable taxi fare. Receipts are required for reimbursement from the University.

See also the "Direct Billing to Departments" section of this document.

j) Intercampus Travel

Many schools/departments have expanded their operations to include offices on both the Evanston and Chicago campuses or have reason to have staff attend frequent meetings on either campus. Questions are often raised about the appropriate method and policies regarding the reimbursement for intercampus travel (e.g. parking, mileage).

Intercampus travel arrangements must be authorized in advance by the traveler's supervisor. The supervisor should evaluate what mode of transportation and reimbursement is appropriate given the nature of the assignment. Transportation and reimbursement options are subject to the budget availability of the unit, and the optimal time and budgetary trade-off for transportation services.

If an individual has special or unusual requirements, consult your supervisor.

Internal Revenue Guidance

A starting point for the University's policy guidance is provided by the Internal Revenue Service. Internal Revenue Service (IRS) Publication 463 Travel, Entertainment, Gift, and Car Expenses provides guidance on business-related travel, entertainment, gift, or transportation expenses. In order to begin to develop guidance for intercampus travel expenses, the definitions of the main place of business and transportation expenses must be considered.

Per the publication, the main place of business is determined by considering the following:

- The total time ordinarily spent in each place.
- The level of your business activity in each place.

According to IRS Publication 529 Miscellaneous Deductions, the cost of commuting between your residence and your place of business is nondeductible. For Northwestern University (Northwestern), most employees are assigned to one campus as their main place of business. Additionally, the most common transportation expense would be travel to a business meeting away from the employee's regular workplace.

Intercampus Transportation Options

The following highlights intercampus transportation options for Northwestern. All options assume the employee's travel is for legitimate business purposes.

- **Intercampus Shuttle**
Northwestern operates an intercampus shuttle that begins running at 6:40am leaving the Ward Building on the Chicago campus and 6:45am leaving Ryan Field in Evanston. The departure times vary depending on the time of day. In order to ride the shuttle, individuals must present their WildCARD. Additional information can be found at <http://www.northwestern.edu/userservices/transportation/shuttles/intercampus/intercampus.html>.

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- **Public Transportation**
Public transportation is another alternative for commuting to the Evanston and Chicago campuses. University Services has created Alternative Transportation Brochures which include information on train and bus routes, biking to work, car-sharing programs, and more. These brochures can be found at <http://www.northwestern.edu/userservices/transportation/commuter/index.html>.
- **Parking Options**
Chicago campus permit holders can park in Evanston with an appropriate designation tag at no additional cost. Evanston campus permit holders do not have parking privileges on the Chicago campus. The following provides details on the Chicago parking options available.

Discounted Employee Parking

Employees can take advantage of the Chicago campus discounted parking rates. Employees can park in the lot at the Erie/Ontario garages for up to 12 hours for \$10.25. Individuals enter the lot and obtain a ticket. They must present their WildCARD and parking ticket to the Parking Office (Abbott Hall) to receive the validation. When they return to pay for their parking, they will insert the ticket and the validation to obtain the discount. The Parking Office's hours are from 8am to 5pm.

Discounted Department Parking

Departments can request daily discounted parking cards for visitors and guests by completing the online discount parking request. The form requests information on the requestor and the reason for the requests. There are no explicit restrictions; however, the reason must relate to University business. The chart string is validated; however, there is no supervisory approval required. Information on the parking rates can be found at <http://www.northwestern.edu/userservices/transportation/parking/validation.html>. Departments are required to order the validated parking cards ahead of time.

- **Mileage Options**
Reimbursement for mileage is permissible when traveling between campuses. The rate of reimbursement is based on U.S. Federal Government reimbursement rates and is subject to appropriate mileage documentation and budget availability. Per the IRS, the cost of commuting between your residence and your place of business is nondeductible; therefore, not reimbursable.

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k) Lodging

Travelers must book standard accommodations in reasonably priced, commercial-class hotels and motels. Use of preferred hotel vendors is encouraged. For a complete listing of Big-10 discounted hotels for faculty and staff travel, and preferred Evanston and Chicago hotels for University guests, please visit <http://www.northwestern.edu/userservices/travel/hotels/index.html>. Travelers should ask for educational discounts at all hotels and motels, many of which charge reduced rates to those who identify themselves as University faculty or staff. To ensure the lowest possible costs, the traveler is encouraged to book lodging through the designated University Travel Agencies.

Travelers will be reimbursed for the reasonable and actual cost of lodging. The Business Travel News Corporate Travel Index showing average negotiated hotel rates for the top 100 U.S. and international travel cities is available for reference on the NU Travel website at http://www.northwestern.edu/userservices/travel/resources/rate_references.html.

Conference-site hotels will be reimbursed at the actual cost. To verify conference-site hotel rate, include conference literature with the Expense Report when requesting reimbursement. In unusual circumstances where designation of the conference rate is not listed on literature or on the hotel itinerary/bill, a signed Expense Policy Exception Request, available on the NU Portal Purchasing & Payments tab, may be submitted along with the conference literature.

See also the "Direct Billing to Departments" section of this document.

When lodging with friends or relatives, employees may be reimbursed for additional costs the host incurs in accommodating them, if the employee is able to substantiate the costs and they are reasonable. If there was no charge for the accommodations and the expense can be substantiated, a token of appreciation (not to exceed \$100 and no alcohol for sponsored projects), such as a meal or flowers, may be given to the host.

For nonconventional lodging, employees may be reimbursed for actual costs of other types of lodging when there are no conventional lodging facilities in the area (e.g. remote areas) or when conventional facilities are in short supply because of an influx of attendees at a special event.

When an employee rents a room, apartment, house, or other lodging on a long-term basis (e.g., weekly, monthly), the following expenses may be considered part of the lodging cost:

- The rental cost for a furnished dwelling; if unfurnished, the rental cost of the dwelling and the rental cost of appropriate and necessary furniture and appliances (e.g., stove, refrigerator, chairs, tables, bed, sofa, television, and/or vacuum cleaner);
- Cost of connecting/disconnecting and using utilities;

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- Cost of reasonable maid fees and cleaning charges;
- Monthly telephone use fee (does not include installation and long-distance calls); and,
- If ordinarily included in the price of a hotel/motel room in the area concerned, the cost of special user fees (e.g., cable TV or Internet charges).

I) Meals

Travelers should use reasonably priced restaurants and dining rooms. In planning entertainment for University guests, all efforts should be made to provide reasonable meal arrangements.

Original itemized receipts must be submitted on the Expense Receipts page of the NUFinancials Expense Report for reimbursement of meal expenses, unless the per diem reimbursement method is selected. Please consult the Per Diem section for details.

1) Breakfast and Lunch:

Reasonable and actual expenses

For breakfast and lunch meals, the University's reimbursement policy is based on documentation of reasonable and actual expenses, supported by original itemized receipts.

2) Dinner – Faculty and Staff Travel or Hosting University Guest:

\$65 per person (including tax and tip)

The recommended standard for reimbursement for dinners for faculty and staff when traveling on University business and for dinners hosted by faculty or staff members for University guests is \$65 per person (including tax and tip). See Evanston restaurants with fixed price dinner menus that meet this reimbursement standard at

<http://www.univsvcs.northwestern.edu/travel/fixedmenu.html> .

3) Dinner – Special Recruiting/Donor Dinners:

\$90 per person (including tax and tip)

With the approval of the appropriate Dean or Vice President, in special recruiting or donor circumstances for vice presidents, deans, department heads and tenure line faculty, the maximum recommended standard for dinner reimbursement is \$90 per person (including tax and tip).

The original itemized receipt should be attached to the Expense Receipts page of the NUFinancials Expense Report. If meals for other individuals are included in the total, their names and relationship to the University must be given as well as the business purpose of the meal. For group meals, the most senior employee should assume the responsibility of paying the bill.

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Reimbursement of meals under \$40 for which receipts were unobtainable will be allowed only on a limited basis in the event of the occasional missing receipt and not for an aggregation of meals. When such meal receipts are unobtainable, proof of travel must be submitted on the Expense Receipts page of the Expense Report in the form of a hotel bill, airline passenger receipt, conference literature, or comparable materials. Payments for group meals while traveling require a written explanation when no receipts are available. The University reserves the right to withhold any meal reimbursement not having sufficient proof of actual expenditures and a valid reason.

m) Per Diem

Per diems are permissible for meals and incidental expenses (M&IE) for authorized business travel. For M&IE, the reimbursement method selected must be used for the entire trip and should be established ahead of the trip. For lodging, all actual expenses must be supported by receipts. Per diem allowances shall not exceed the maximum stated by the government's published standards.

The following matrix provides guidance regarding the reimbursement methods.

Criteria	Reimbursement Method Options	
	Per Diem	Actual Expenses**
Lodging		X
Meals and Incidental Expenses	X	X
Trip duration is less than or equal to 12 hours.		X
Trip duration is greater than 12 hours.	X	X
First day of travel	75% of the per diem rate	X
Last day of travel	75% of the per diem rate	X

** Receipts must be submitted for reimbursement. Meals must comply with policy limits.

The M&IE per diem amount should be reduced by the per diem amount of the meal included in the registration or conference fee, unless one of the following applies:

- The employee is unable to consume the furnished meal(s) because of medical requirements or religious beliefs;
- The employee was unable to take part in a furnished meal due to the conduct of official business.

In the case of travel charged to a sponsored program, the reimbursement arrangements may require prior sponsor approval.

Per Diem Rates

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The employee's travel location determines the maximum per diem reimbursement rate. Dates and locations for other points visited for business should be noted to substantiate the per diem rate used. In order to expedite the review process, travelers are required to include a print-out of the per diem rate table in their supporting documentation.

The following provides information on the per diem rate to use based on the travel destination.

Travel Destination	Where to Find the Per Diem Rate
Domestic, also known as Continental United States (CONUS)	<p>http://www.gsa.gov/portal/category/21287</p> <p>The rates are established by the General Services Administration. The rates are listed by city/state or zip code and date. It is recommended that travelers use the zip code of their travel destination to identify the applicable per diem rates.</p> <p>If a city is not listed, check to ensure that the county within which it is located is also not listed. Visit the National Association of Counties website at http://www.naco.org/Pages/default.aspx to determine the county a destination is located in. If the city is not listed, but the county is, then the per diem rate is the rate for that entire county.</p> <p>If the city and the county are not listed, then that area is considered to be a Standard CONUS location which is \$46 for meals and incidental expenses.</p>
Foreign	<p>http://aoprals.state.gov/web920/per_diem.asp</p> <p>The rates are established by the U.S. Department of State and are listed by travel country/city (post name)/date.</p>
Outside CONUS, Overseas Non-Foreign Areas, such as Alaska, Hawaii, Puerto Rico and Guam	<p>http://www.defensetravel.dod.mil/site/perdiemCalc.cfm</p> <p>The rates are established by the Defense Travel Management Office - Department of Defense Center for Travel Excellence. The rates are listed by country/state.</p>

Incidental and Additional Expenses

The following provides guidance on the expenses that are part of per diem incidentals and additional expenses that are reimbursable with receipts.

Expense	Incidental Expenses* Part of the M&IE per diem rate	Additional Expenses** Receipts required
Tips and fees given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships.	X	

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Expense	Incidental Expenses* Part of the M&IE per diem rate	Additional Expenses** Receipts required
Transportation between places of lodging or business and places where meals are taken, if suitable meals cannot be obtained at the travel location.	X	
Shuttle, limousine, or livery service charges, to and from airports and railroad stations plus reasonable tips, where such costs do not exceed comparable taxi fare.		X
Internet connections for business use at hotels, conference sites, airports and Internet cafes while traveling.		X
Taxi fares, including tips, to and from airports and railroad stations.		X
Mailing cost associated with filing travel expense reports.	X	

* As defined by the Federal Travel Regulations.

** Please consult the Receipts section of this policy for additional guidance.

n) **Personal Funds**

Travelers must review travel reimbursement guidelines prior to expending personal funds for business travel to determine if such expenses are allowable and reimbursable. See the "Travel Expenses" section of this document. The University reserves the right to deny reimbursement of travel-related expenditures if they fail to comply with University policies and procedures.

If an employee has an existing Corporate Charge Card, it should be used to pay for food, lodging, and other reimbursable travel expenses. New Corporate Charge Cards are no longer available.

A traveler advances personal funds for the purchase of airline tickets at his/her own risk. Reimbursements to individuals will not be made prior to completion of travel.

o) **Private Air Carrier**

The use of private aircraft for University business is prohibited.

p) **Private Automobile Transportation**

Travel using privately owned vehicles may be desirable to save time, transport equipment, or reduce cost when a number of persons are traveling together.

The rate of reimbursement, 55.5 cents per mile effective 07/01/11 (or 51.0 cents per mile effective 01/01/11-06/30/11), is based on U.S. Federal Government reimbursement rates. This reimbursement covers all fuel, maintenance, insurance, transportation, and operating costs. Fuel costs are included in the per-mile

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reimbursement rate and are not reimbursed separately for use of privately owned vehicles. Damage to a privately owned vehicle used for University business is covered by the individuals' private insurance, costs for which are also included in the mileage reimbursement. The University does not assume responsibility for deductibles or other uninsured loss to the vehicle.

Tolls and reasonable parking charges will be reimbursed in addition to the mileage allowance. No reimbursement will be made for the cost of repairs to the vehicle or other such costs whether they result from the traveler's actions or the actions of others. Costs for parking and moving violations are not reimbursable.

If, primarily for the convenience of the traveler, a personal automobile is used for approved travel to points more than 300 miles beyond the point of origin, the following applies:

- Reimbursement will not exceed the lesser of the cost of the per-mile reimbursement plus tolls, or
- The least expensive round-trip air fare between the nearest commercial airport serving the origin and destination cities, plus associated transfer costs to and from the airport.

q) Rail Transportation

The University will reimburse the cost of railroad fare not to exceed the cost of the least expensive airfare.

r) Receipts, in General

The University's reimbursement policy is based on documentation of reasonable and actual expenses, supported by original itemized receipts. Original itemized receipts must be submitted for all travel expenses including airline and rail, hotels, meals, automobile rental, and incidentals. Monthly credit card statements and/or travel agency invoices and statements alone are not acceptable as backup documentation. Receipts are not required for meals and incidental expenses, if the per diem reimbursement method is selected. Please consult the Per Diem section for details.

1) Expense under \$40 without a Receipt

Reimbursement of expenses under \$40 for which receipts were unobtainable will be allowed only on a limited basis in the event of the occasional missing receipt and not for an aggregation of expenses, especially meals. The University reserves the right to withhold reimbursement of expenditures lacking receipts and a valid reason for such omission. A consistent pattern of reimbursement requests without receipts will cause AP to return the reimbursement request to the traveler and ask the school or unit to follow up as appropriate.

2) Expense \$40 or Greater without a Receipt

An expense of \$40 or greater without a valid receipt will only be considered for reimbursement when submitted with a completed Expense Policy Exception

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Request, available on the NUPortal Purchasing & Payments tab, signed by the Dean, Vice President or designee.

s) **Registration & Conference Fees**

Registration fees for a meeting or conference at which attendance has been approved should be billed directly to a departmental or sponsored project source of funds through the University's financial system or paid for with a procurement card. Registration fees paid directly by an individual will not be reimbursed until the conference is completed and proof of attendance is submitted.

For any unusual conference travel requirements, contact University Travel Services or your school or unit business administrator.

t) **Spouse or Other Dependent Expenses**

Incremental costs for travel, lodging, meal, or other travel expenses for spouses or other dependents will not be reimbursed. Please consult the Office of the Controller if special consideration is requested. Although spousal travel is not generally allowable, exceptions are made when the University requires the spouse to attend an event as a condition of one's work assignment. It is generally limited to deans and senior officers and should occur infrequently. IRS regulations outline the requirements for reimbursements for spousal travel; failure to meet this test can result in the determination of additional taxable income to the employee.

u) **Taxes**

Taxes on travel and business entertainment services are allowable and reimbursable.

v) **Telephone Calls/International Phone Cards**

Telephone calls and faxes, specifically those necessary to obtain transportation and hotel reservations, or to communicate with the office or one's family to indicate safe arrival, are reimbursable.

International phone cards are recognized as a cost effective way of paying for international business calls. International phone cards purchased for valid business purposes for \$25 or less are reimbursable with no individual call documentation required. International phone cards purchased for more than \$25 are reimbursable but also require that the phone card owner maintains a log of business calls for which the phone card is used, listing the person called, date of call, length of call and business purpose of the call. To meet audit requirements, the phone card usage log should be filed with the original phone card purchase documentation.

w) **Tips**

Reasonable tips associated with baggage handling, storage and other services are reimbursable.

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x) Tolls & Parking Fees

Tolls and reasonable parking charges will be reimbursed. Receipts should be attached to the Expense Receipts page of the Expense Report.

y) Travel Arrangements

University-designated Travel Agencies should be contacted to arrange all air and rail transportation, hotel accommodations, and car rentals. Airline tickets may be direct-billed to a department or sponsored project through a designated travel agency. A personal credit card must be provided for train tickets, hotel reservations and car rentals. These Travel Agencies provide:

1. Direct billing of airline tickets to a department or sponsored project through the University's financial system
2. Exclusive access to discounted airfares from selected air carriers with which the University has negotiated volume-based contracts for travel
3. Travel insurance when airline tickets are billed to departmental funding sources through the University's financial system.
4. Access to hotels covered by Northwestern/Big 10 educational discounts
5. Access to the University-designated commercial rental vehicle agency

See the "University-designated Travel Agencies" in the contact section of this document for further information, including the agencies and air carriers with which the University currently contracts.

z) Travel Cash Advances

1) Policy Summary

Travel advances are issued to a university employee for out-of-pocket expenses that will be incurred during travel on University business. Employees may request a travel cash advance through the NUFinancials Travel Authorization/Cash Advance process and receive an advance via the employee's normal payroll payment method, either direct deposit to the employee's primary payroll bank account or a check. Travel advance checks may be cashed at the Bursar.

Advances charged to a sponsored project must be approved by ASRSP.

2) General Travel Advance Restrictions

Listed below are restrictions on Travel Advances:

1. Advances are only available for University employees. Non-University employees are not eligible for any type of advance.
2. Advances are only issued five working days prior to the travel.
3. Advances must be \$350.00 or more.
4. Advances are not available for a travel period that is less than 14 days. It is assumed that employees will be able to cover costs for shorter trips and process an expense reimbursement upon return.
5. Advances may not be used to purchase primary modes of transportation.

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6. Advances should be reconciled within five working days of return from travel but no later than 90 days from date of return. Unreconciled advances will be charged to the traveler's departmental budget, and, as required by federal law, the amount will be reported to the IRS as taxable compensation to the traveler.
7. Advances will not be issued to an employee who has not fully accounted for an earlier advance except when this individual must leave for another trip within the five working days following return from the earlier travel.
8. The University reserves the right to withhold advance privileges from any individual who fails to abide by University policies.

aa) Travel Expenditures not Reimbursable by the University

1. Airfares, Business class, for travel with scheduled flight time, including stopovers and change of planes, of 12 hours or less
2. Airfares, First-class
3. Airline clubs
4. Airline upgrades
5. Books, Magazines, Newspapers for personal use
6. Child-care, babysitting, house-sitting, pet-sitting/kennel charges
7. Commuting between home and campus
8. Corporate Charge Card delinquency assessments. (An exception may be if the delinquency assessment is not due to the actions of the traveler)
9. Costs incurred by traveler's failure to cancel transportation or hotel reservations in a timely fashion
10. Evening-wear rentals
11. Formal wear expenses
12. Flowers
13. Gifts
14. Haircuts and personal grooming
15. Laundry and dry-cleaning (An exception may be made for extended foreign travel with receipts)
16. Passports, vaccinations, and visas, when not required as a specific and necessary condition of the travel assignment
17. Personal entertainment expenses including in-flight movies, headsets, health club facilities, hotel pay-per-view movies, in-theatre movies, social activities, and related incidental costs
18. Shoeshine services
19. Travel accident insurance premiums and/or purchase of additional travel insurance (with the exception of international health insurance)
20. Other expenses not directly related to the performance of the travel assignment

In addition to the list above, the following travel-related items are not allowable as a direct cost on a sponsored program:

1. Airfares, Business class - Business class travel is reimbursable only with advance written approval of the sponsor and when the scheduled flight time, including stopovers and change of planes, is in excess of 12 hours.

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(Cost accounting note: The additional cost of a business class fare over the coach fare is a federal unallowable cost and must be segregated in a separate non-sponsored chart string. Documented medical exceptions are allowable.)

2. Alcohol
3. Expenses associated with the recruitment of faculty
4. Passports, vaccinations, and visas, when not required as a specific and necessary condition of the travel assignment. Only certain visa fees are allowable on sponsored projects. Refer to <http://www.northwestern.edu/asrsp/immigration.html> for a current list of allowable fees.

bb) Travel Insurance

Faculty and staff are covered by the University's blanket accidental death and dismemberment insurance while on approved travel outside the city or cities in which they reside and/or normally work. This does not include commuting between home and normal work sites or traveling in aircraft other than commercial or approved charter aircraft. The beneficiary is the same as the beneficiary designated under the Northwestern University Group Life Insurance program. An individual who wishes to designate a different beneficiary for the blanket travel insurance should call Human Resources. (Consult <http://www.northwestern.edu/hr/benefits/> for additional information on University coverage.)

Insurance is provided when business tickets are ordered through any of the three University-designated Travel Agencies and charged directly to a chart string. If the entire cost of the passenger fare has been charged prior to departure for the airport, terminal or station, coverage is also provided for common carrier travel (including taxi, bus, train, or limousine, but not including courtesy transportation without a specific charge); immediately,

- a) Preceding your departure, directly to the airport, terminal or station,
- b) While at the airport, terminal or station, and
- c) Immediately following your arrival at the airport, terminal or station of your destination.

The coverage level is \$500,000 for domestic and international travel.

Checked and carry-on luggage is insured up to \$1,250, when the cost of a common carrier ticket and baggage fee are both ordered through any of the three University-designated Travel Agencies and charged directly to a chart string. Checked and carry-on luggage coverage is secondary to compensation that must be paid by the common carrier's insurance coverage. The following items are not covered.

- Cash
- Contact lenses
- Documents
- Eyeglasses

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- Hearing aids
- Prostheses
- Sunglasses
- Tickets

Notice of claim must be made within 20 days.

Please contact Travel Services for more information regarding this coverage.

Because NU provides the coverage described, separate insurance is not eligible for travel expense reimbursement.

Questions regarding insurance coverage for non-employees undertaking University-approved travel, coverage for individuals whose employee status is unclear, or whether certain travel qualifies as approved travel, should be directed to Human Resources prior to the trip.

cc) Travel Internet Connectivity

Charges for Internet connections for business use at hotels, conference sites, airports and Internet cafes while traveling are reimbursable with receipts.

dd) University Motor Pool

Current policies, procedures, and prices for renting University-owned vehicles are available from the Motor Pool at

<http://www.univsvcs.northwestern.edu/motorpool/index.html> .

For approved travel by automobile, a University-owned vehicle should be rented from the Motor Pool whenever possible. This is preferred to using a personal or commercially-rented vehicle. Motor Pool vehicles are for University business only. Please consult the Motor Pool Policy regarding the appropriate use of Motor Pool vehicles.

Incidental costs associated with the use of a University-owned vehicle, including parking fees, tolls, fuel and all related, appropriate and necessary costs not covered by the sign-out agreement with the University, will be reimbursed. This does not include damage or abuse of the vehicle, or parking and moving violations. Contact the Motor Pool for procedures on obtaining fuel.

Notify the University Motor Pool and the Office of Risk Management immediately after an accident, especially if it involves personal injury or vehicle damage. Any accident not reported to the Office of Risk Management will result in a \$1,000 deductible applied and will increase by \$500.00 every day after the first 24 hours the accident is not completely reported to the Office of Risk Management.

ee) University-designated Vehicle Rental Agency

National Car Rental is the preferred car rental supplier for all the Big Ten/Northwestern University business travel. National Car Rental offers NU travelers a high level of service at the best possible rate.

The benefits of using National Car Rental for business or leisure travel are:

1. Unlimited mileage (some exceptions, including mini vans and larger than full size one way car rentals)
2. Lowest rate is always guaranteed
3. Discount of up to 10% on promotional and holiday rates
4. Fee-waived Emerald Aisle Club membership
5. Loss Damage Waiver included in rate
6. Liability insurance included in rate

The Emerald Aisle Club is offered to Big Ten/Northwestern University faculty and staff on a "fee waived" basis (Non-University members pay \$50 per year for this privilege). Members of the Emerald Aisle Club receive express service at all locations and easy check-in at over 40 major airports around the country. To join the Emerald Aisle Club go to https://www.nationalcar.com/index.do?action=/hotDealsTemplate&msg=ZL_BigTen_Northwestern_of_fer Complete the form and e-mail it directly to National Car Rental. You will receive your membership in 2-3 weeks.

In the event of an accident, individuals not renting vehicles from National Car Rental or the University Motor Pool will be subject to \$1,000 deductible plus any administration fees charged. Drivers should rent the vehicles in the University's name with the approved driver as the named driver. Under no conditions should the approved driver allow another person to operate their rental vehicle.

The collision damage waiver should not be purchased from the rental agency, except for international rentals. On foreign business rentals, the driver should accept the CDW/LDW and liability insurance in the minimum amount offered by the rental agency. Should an accident occur, the driver must follow the rental agency accident report instructions, in addition to forwarding a copy of the report to the Office of Risk Management.

ff) Use of Foreign-based Carriers on Sponsored Programs

When making travel arrangements to a foreign country, which are to be paid by sponsored program funds (particularly those programs that are federally funded), it is required that a US-based air carrier be used. This requirement applies based on the Federal guidelines provided below regardless of factors of cost, convenience, or personal preference. Be advised that the traveler, and not the travel agency, is responsible for compliance.

1) Use of U.S. Flag Air Carriers

(Applicable to all Federally Sponsored Programs)

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Article 17 of the Federal Demonstration Project General Terms and Conditions as revised July, 1997. The Comptroller General of the United States, by Decision B138942 of June 17, 1975, as amended March 31, 1981, provided guidelines for implementation of Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974.

Any air transportation to, from, between or within a country other than the U.S., of persons or property, the expense of which will be assisted by this award, must be performed on a U.S. flag carrier service provided such carrier is available.

2) Foreign Air Carrier Rules

The following rules apply unless the result would be use of foreign air carrier (“foreign carrier”) for the first or last leg of travel from or to the U.S.:

- A U.S. flag carrier (U.S. carrier) shall be used to destination or in the absence of through service, to farthest interchange point.
- If a U.S. carrier does not serve an origin or interchange point, a foreign carrier shall be used to the nearest interchange point to connect with a U.S. carrier.
- If a U.S. carrier involuntarily reroutes the traveler via a foreign carrier, the foreign carrier may be used.

3) Exceptions

In the following situations, use of a foreign carrier is permissible.

- Travel to and from the U.S.
Use of a foreign carrier is permissible if:
 - The airport abroad is the origin or destination airport, and use of a U.S. carrier would extend the total travel time by 24 hours or more than would travel by a foreign carrier, or
 - The airport abroad is an interchange point and use of a U.S. carrier would require the traveler to wait six (6) hours or more than would travel by foreign carrier.
- Travel between points outside the U.S.
Use of a Foreign Carrier is permissible if:
 - Travel by foreign carrier would eliminate two (2) or more aircraft changes en route; or
 - Travel by U.S. carrier would extend the total travel time six (6) hours or more than would travel by foreign carrier.
- Short Distance Travel.
For all short distance travel, regardless of origin and destination, use of a foreign carrier is permissible if the elapsed travel time on a scheduled flight from origin to destination airport by foreign carrier is three (3) hours or less and service by U.S. carrier would double the travel time.

gg) Visas, Passports, Inoculations

Fees for visas, passports, and inoculations are allowable when they are a specific and necessary condition of fulfilling a work assignment on behalf of Northwestern University. For example, if foreign travel is authorized as part of a sponsored program budget, and a visa is necessary for travel, this is allowable.

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Only certain visa fees are allowable on sponsored projects. Refer to <http://www.northwestern.edu/asrsp/immigration.html> for a current list of allowable fees.

2. Travel Expense Procedures

a) Bookings

A complete travel itinerary should be planned as soon as travel has been authorized and dates and destination have been determined. Arrange domestic and international transportation and all necessary lodging using the University-designated travel agencies. Employees will be asked to provide their reservation agent the departure and arrival timeframe, including a two-hour “window” on either side. Tickets will be issued when the department or traveler requests that the travel be booked. At the time of booking, a valid chart string from the University’s financial system is necessary. Travel fares paid using personal credit cards will not be reimbursed until the travel is completed and original supporting documentation is submitted and approved for reimbursement. Airfares are not guaranteed until tickets are actually issued.

The University-designated travel agencies should be informed of and asked to book all special conference or association-discounted air and hotel rates. If the travel agent is restricted from booking at the special discount rate, the agent will issue instructions on how the booking may be completed.

See the Agency Fee Schedule at <http://www.univsvcs.northwestern.edu/secure/travelmatrix.pdf>.

Please note that certain programs, schools, departments, centers, or divisions may implement more restrictive booking requirements. The University-designated travel agencies will be ready to implement such guidance when informed during the booking process.

b) Contracted Travel Agencies & Air Carrier

The University- designated travel agencies include Tower Travel, Compass Online booking support, Intra-World Travel, and Four Corners. See the “Contact Information” section of this document.

The University’s contracted air carrier is United Airlines and their Star Alliance partners, offering discounts off certain fares when booked through any of the above University-designated travel agencies.

c) **Health Insurance – International**

Health insurance coverage for faculty and staff who are traveling outside the United States on University business is available. Benefits are identical to those available to students studying abroad and are described at:

<http://www.northwestern.edu/risk/abroad.htm> .

Faculty and staff interested in obtaining health insurance for their overseas travel should contact Chris Johnson, Risk Management, 847-491-8518 or cljohnson@northwestern.edu .

d) **Insurance for Rented Vehicles – Domestic**

Rental companies offer collision damage waiver (CDW) coverage and/or loss damage waiver (LDW) coverage on a daily fee basis. The purpose of these waivers is to eliminate the renter's responsibility for damage to the rented vehicle by collision, loss, theft, or vandalism. Some companies may also offer personal accident or liability insurance.

Travelers renting in the United States and Canada do not need to purchase any of these coverages. The University's automobile insurance applies to these types of losses, subject to a \$1000 deductible charged to the renting employee's department (the \$1000 deductible will be waived when the vehicle is rented through the University-designated vehicle rental agency (Big Ten Vehicle Rental Agreement). Travelers will NOT be reimbursed for the cost of LDW, CDW, accident or liability insurance purchased from domestic or Canadian rental agencies.

Travelers must report all accidents to the Office of Risk Management within 24 hours, and immediately when any accident results in any personal injury or towing of a vehicle. The traveler should follow the rental agency accident report instructions, in addition to forwarding a copy of the report to the Office of Risk Management. Departments failing to report an accident within 24 hours will be charged \$1000 deductible that will increase by \$500 every day after the accident that the department does not completely report it to the Office of Risk Management.

e) **Insurance for Rented Vehicles – International**

Because the University's automobile insurance is not recognized in most countries, drivers who rent vehicles outside the United States and Canada must purchase insurance from the international rental agency. Renters must make sure that they comply with local laws and regulations when purchasing insurance while abroad. The renter should accept the CDW/LDW and liability insurance in the minimum amount offered by the rental agency. The cost of this international automobile insurance is reimbursable.

f) **Loss of or Damage to Personal Property**

The University does not carry insurance that applies to loss of or damage to luggage or other personal effects during travel. If such damage or loss occurs, travelers should seek reimbursement through their own insurance or attempt to

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recover directly from the party responsible, such as the airline carrier. Travel booked through the University-designated Travel Agencies provides for some personal property insurance.

g) Loss of or Damage to University Property

Individuals who travel with University property should contact Risk Management to determine whether the items are insured and, if not, whether it is advisable to purchase insurance.

h) Travel Advance Conditions

Travel advances may be obtained in the following situations:

1. Extended trips of more than 14 days.
2. Unusual and special circumstances as approved by Accounts Payable.
3. On an exceptional basis, graduate students may be allowed to obtain an advance if (1) they are named specifically on a grant, or (2) special circumstances arise and a faculty member will ensure the student submits the required reconciliation on a timely basis.

i) Travel Advance Procedure

A travel cash advance can be obtained under the exceptional conditions noted above. The request is made via the NUFinancials Travel Authorization/Cash Advance process. The cash advance request must include the departure and return dates, the destination, business purpose of travel, and the name of the traveler. The Travel Authorization must be signed by the traveler and supervisor and submitted for required approvals via electronic workflow. The signed Travel Authorization is submitted to Accounts Payable. However, advances charged to a sponsored project must first be submitted to ASRSP for approval. Accounts Payable performs a final audit, approves the request and initiates the payment. The approved advance is paid via the employee's normal payroll payment method, either direct deposit to the employee's primary payroll bank account or by check. For special situations, an employee may request a check by attaching a Hold for Pickup slip and clearly stating that a check is required rather than a direct deposit advance.

j) Non-designated Travel Agencies

Direct billing to departmental or sponsored project funding sources in the University's financial system for University-approved business travel is available only through the University-designated travel agencies. Direct billing will not be implemented with any non-designated travel agency.

Purchasing decisions are business decisions made on behalf of the University and should be made with the utmost consideration for what is in the best interest of the University. Therefore, quotes should be obtained from the University-designated travel agencies in order to appropriately evaluate travel options. Department supervisors responsible for approving travel have the responsibility and authority to question any travel fares that are not reasonable or justifiable.

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Travel fares paid using personal funds by an individual who elects not to use the University-designated travel agencies will not be reimbursed until the travel is completed and original supporting documentation is submitted and approved for reimbursement.

k) Payment Process for Direct-billed Expenses

1) Airline Tickets

Airline tickets purchased through a University-designated Travel Agency are charged directly to the specified department or sponsored project in the University's financial system. The airfare should, nonetheless, be recorded on the employee's NUFInancials Expense Report. Since the payment to the Travel Agency has already been made, the airfare on the Expense Report will be excluded from reimbursement calculations.

2) All Other Direct-billed Travel Expenses

The Direct Payment Request form (DPR), available on the NUPortal Purchasing & Payments tab, is used to request payment for authorized direct-billed transactions other than airline tickets. The completed and approved DPR form, along with applicable documentation such as the original itemized bill, Hotel Reservation Agreement Form, and Expense Policy Exception Request, available on the NUPortal Purchasing & Payments tab, must be sent to ASRSP for sponsored projects or to Accounts Payable for processing.

l) Processing Travel Expenses

1) Create Expense Report within 30 Days

Within 30 days after the completion of each trip, a NUFInancials Expense Report should be submitted.

2) The 90-Day Rule

All expenditures, costs and cost transfers should be assigned to their proper source of funds within 90 days of their occurrence in order to be posted. Processing of all travel expenditures against both sponsored and non-sponsored sources of funds must adhere to the 90-day rule. Expenditures and costs over 90 days will be posted only on an exceptional basis. For sponsored program expenditures, expenditures and costs over 90 days will be posted only on an exceptional basis and only with a 90-Day justification letter signed by the PI and submitted with the Expense Report. See http://www.northwestern.edu/financial-operations/policies-procedures/policies/90-Day_Rule_Policy_and_FAQs.pdf for additional information concerning the 90-day rule.

See the "Cost Transfers to Sponsored Accounts" memo for steps in submitting a

correction journal along with supporting documentation and the required explanation/justification of the cost transfer at http://www.northwestern.edu/coststudies/Cost_Transfers_Policy.pdf

3) **Completing the Expense Report**

In order to obtain reimbursement for personal funds expended for travel, and to account for any amounts expended using an advance, all expenses must be documented on the NUFinancials Expense Report. See the "Travel Expenses" section of this document for information on reimbursable expenses and required original itemized receipts and other documentation.

A delay in reimbursement may occur if the Expense Report is not complete. Accounts Payable will verify that:

- All Expense Report expenses are supported by original detailed receipts or other acceptable documentation submitted on the Expense Receipts page(s) of the Expense Report.
- An employee check to Northwestern University must be included to refund any unspent amount of an advance.
- All required signatures and approvals have been recorded.

Incomplete Expense Reports will be returned to the traveler.

a) **One Expense Report per Trip**

All expenses for a trip must be consolidated and submitted on a single Expense Report.

b) **Monthly Expense Report for Extended Travel**

Those traveling for extended periods should submit an Expense Report and documentation on a monthly basis.

c) **Business Purpose**

The Expense Report must document the business purpose of the travel.

d) **Documentation of Differences between Receipt and Expense Report Amount**

Occasionally, the amount claimed on an Expense Report is more or less than the amount of attached receipts. In this case, a written statement explaining the differences should accompany the Expense Report.

e) **Include Currency Conversion Documentation**

Include rates used in converting foreign currency to U.S. funds. The rates should be those used at the time of transaction, not the rates in effect at the time the Expense Report is submitted. For a transaction in a foreign currency, the original itemized receipt plus documentation of the exchange rate is required in the form of 1) a charge card or credit card statement or, 2) for a cash transaction, a calculated U.S. dollar

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equivalent on the date of the transaction. A currency converter is available at <http://www.oanda.com/currency/classic-converter>. Specify the amount of the expense, the transaction date, the original currency to convert from, "US Dollar. USD" to convert to, and select the "Typical cash rate: +4%". Submit a printout of the conversion web page with the Expense Report.

f) Travel Advance

If the traveler received a travel advance, s/he must return the completed Expense Report with proper receipts to Accounts Payable, attaching a personal check in the amount of any refund of the advance shown as "Amount Due Vendor" on the Expense Report.

g) Expense Report for Sponsored Program Travel

Business travel being charged to a sponsored program must be approved by Accounting Services for Research and Sponsored Programs (ASRSP).

h) Signatures and Approvals

The Expense Report must be signed by the traveler and the traveler's supervisor. The immediate supervisor should always review and sign the Expense Report. Faculty must obtain signatures from the department chair or faculty supervisor. This is a basic financial control, required by generally accepted accounting and audit principles and it should always be observed. The signed Expense Report will be routed via electronic workflow for approvals.

4) Fares Purchased through the Designated Travel Agencies

For tickets purchased through the University-designated Travel Agencies where the payment is billed directly to the department or sponsored project, the ticket will be charged directly to a department or sponsored project in the University's financial system. Accounts Payable will not reimburse the traveler for such a ticket as this would pay for the ticket twice. The airfare should be included on the Expense Report but marked with a Payment Type of 'Travel Center'.

Travel fares paid using personal funds by an individual who elects not to use the University-designated Travel Agencies will not be reimbursed until the travel is completed and original supporting documentation is submitted and approved for reimbursement. See the "Non-designated Travel Agencies" section of this document.

5) Special Circumstances (Expense Policy Exception Request)

In those instances where requests for travel and other business reimbursements do not conform to stated University policies, an Expense Policy Exception Request, available on the NUPortal Purchasing & Payments tab, must be submitted with the traveler's Expense Report, explaining the

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reasons for not conforming to stated University policies, signed by the dean, vice president or their designees. The traveler's immediate supervisor's signature on an Expense Policy Exception Request is not adequate unless that person has been assigned as designee.

For business class tickets purchased from an University-designated travel agent, the approved Expense Policy Exception Request must be submitted to the travel agent prior to the issuance of the airline ticket.

6) Special Circumstances for Sponsored Programs

a) Travel Dates

All Travel must be completed within the beginning and end dates of the sponsored program.

b) Reimbursements in Advance of Travel

Reimbursements to individuals will not be made prior to completion of travel.

In order to streamline processing of travel documents on sponsored program, verify that the full chart string is included in the space provided on the NUFinancials Expense Report and always use the appropriate account, i.e. 76765 for domestic travel and 76770 for foreign travel.

7) Submitting Expense Report Documents to AP or ASRSP

The completed and signed Expense Report and Expense Receipts page(s) with all original receipts and other documentation should be forwarded to ASRSP for sponsored project travel or to Accounts Payable for all other travel. For sponsored project travel, ASRSP will forward the Expense Report and all attachments to Accounts Payable after reviewing and approving the Expense Report.

8) Reimbursement to Traveler

Reimbursement to the traveler will be made via the employee's normal payroll payment method, either direct deposit to the employee's primary payroll bank account or by check. For special situations, an employee may contact Accounts Payable at 847-491-7339 to request a check rather than a direct deposit reimbursement.

m) Reconciling Advances

Advances should be reconciled within five working days of return from travel but no later than 90 days from date of return. Unreconciled advances will be charged to the traveler's department, and, as required by Federal law, the amount will be reported to the IRS as taxable compensation to the traveler.

1) Travel Advances

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After travel is completed, a NUFinancials Expense Report must be completed and submitted, including all appropriate receipts. Make sure to follow the Apply Cash Advance(s) procedure in NUFinancials Expense Report process. Unspent funds from the advance should be returned with the Expense Report in the form of a personal check made payable to Northwestern University. Expense Report processing is given priority attention to ensure reimbursement is timely.

n) University-designated Travel Agencies

Purpose of Designated Travel Agencies

The University contracts with specific travel agencies (University-designated Travel Agencies) to provide full-service business travel arrangements including air and rail transportation, hotel reservations, and car rentals. Airline tickets may be direct-billed to a department or sponsored project through a designated travel agency; a personal credit card must be provided for train tickets, hotel reservations and car rentals. Information gathered on University-related travel and the volume booked through these agencies is utilized to negotiate discounts and favorable terms with airlines, hotels, and rental car companies.

We highly recommend using the University-designated travel agencies for the following reasons:

- a. Direct billing of airline tickets to a department or sponsored project (through the University's financial system) for University-approved business travel is provided exclusively through all of the University-designated travel agencies.
- b. The University-designated travel agencies have exclusive access to discounted airfares from selected air carriers with which the University has negotiated volume-based contracts for travel. These discounts are dependent on continued use of these travel agencies.
- c. Travel booked through the University-designated travel agencies and billed to a department in the University's financial system provides travel insurance. See the "Travel Insurance" section of this document.
- d. Certain agencies (Tower Travel) have access to most web-based fares the traveler would find by searching the Internet on their own.
- e. The University-designated travel agencies have access to hotels covered by Northwestern/Big 10 educational discounts, and the University-designated commercial rental vehicle agency
- f. If necessary, the University, through the designated travel agencies, can also identify the flights and destinations of travel booked through the travel agencies.
- g. There are services the designated travel agencies offer that Internet sites may not, including assistance with flight changes, airline or ticketing issues, and a 24-hour emergency number (Tower Travel). Please see the Agency Fee Schedule at <http://www.univsvcs.northwestern.edu/secure/travelmatrix.pdf> for associated fees for these services.

3. Travel for Non-University Personnel

a) Travel Policy for Non-University Personnel

The travel policies and procedures stated in this document apply fully to individuals who are not University faculty or staff, but who are to be reimbursed by the University for University-approved travel, including transportation, lodging, and other travel-related costs. These individuals include guest lecturers or researchers, consultants, and prospective faculty or staff. Funds to support such travel are commonly limited by departmental budgets and/or the terms of sponsored programs. No commitment for reimbursing such expenses should be made before ascertaining that the University's travel policies and procedures authorize such activities. The appropriate University officer may approve more specific or restrictive policies for individual departments with special needs. Special considerations and additional restrictions apply to travel for non-resident aliens, described at <http://www.northwestern.edu/hr/payroll/nonresidentindcont.html> .

Questions regarding insurance coverage for non-employees undertaking University-approved travel, coverage for individuals whose employee status is unclear, or whether certain travel qualifies as approved travel should be directed to Risk Management prior to the trip. See the "Contact Information" section of this document.

To ensure compliance, the department is responsible for informing guests of the University's travel policy and procedures prior to their visit, and providing them with the Visitor's Expense Report, available on the NUPortal Purchasing & Payments tab, to document travel expenses. To request reimbursement, the department arranging the travel is responsible for having all visitor forms properly completed and processed with original receipts attached if applicable.

b) Employment Interviews

Prospective employees may be reimbursed for travel expenses incurred in connection with an employment interview at the University, if authorized by the hiring department. The University's travel policies and procedures must be followed. Air travel arrangements for the prospective employee should be made through the approved NU Travel Agencies and charged directly to the appropriate department funding source in the University's financial system. Reimbursement for out-of-pocket travel expenses is requested by submitting the completed Visitor's Expense Report, available on the NUPortal Purchasing & Payments tab, along with original receipts if applicable.

c) Lecturers and Other Official Visitors

Departments may authorize reimbursement to visiting lecturers and other official visitors for expenses incurred in connection with their travel to the University. The

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University's travel policies and procedures must be followed. Air travel arrangements should be made through the approved NU Travel agencies and charged directly to the appropriate departmental funding source in the University's financial system. Reimbursement is requested by submitting the completed Visitor's Expense Report, available on the NUPortal Purchasing & Payments tab, along with original receipts if applicable.

History /Revision Dates

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