

HARVARD

FINANCIAL ADMINISTRATION



Travel Policy Brown Bag Session

Office of the Controller

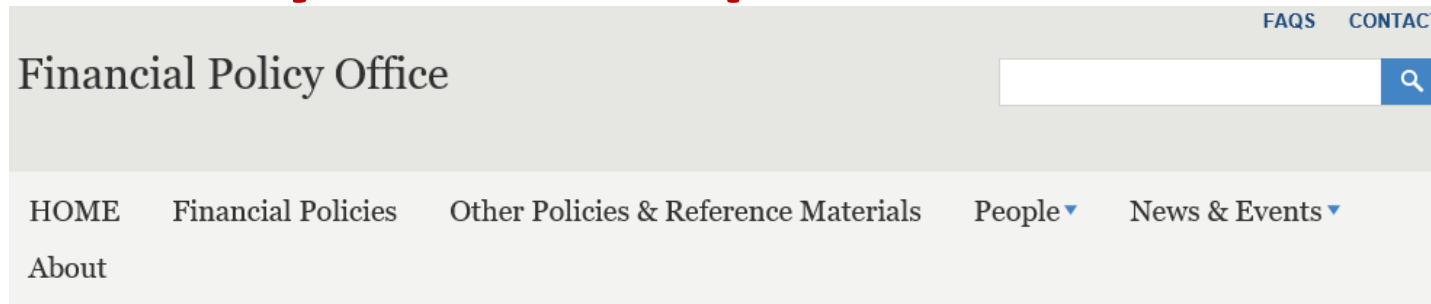
09/27/18

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Financial Policy Website: policies.fad.harvard.edu



What's New

Quick Reference: [Financial Policy Summaries](#)

Effective 7/1/18

[Procurement Policy](#) - new policy effective 7/1/18

[Financial Management of Property, Plant and Equipment](#) - updated 7/1/18



Travel and Card Services:

<https://travel.harvard.edu/policies-reimbursement>

Harvard Travel Services

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Policies & Reimbursement

The links below will direct you to Harvard's travel policies, payment options and reimbursement information.

Travel Policies & Procedures

Description	Link
Harvard Travel Policy	Go
Required use of Egencia for University-funded Air Fare for Central Administration Travelers	Go
Sponsored Travel Policy	Go
Parking Object Code Guidance	Go

VISIT HARVARD TRAVEL PORTAL



Go to the [Harvard Travel Portal](#) >

Card Services

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PCard ▾

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Welcome to Card Services

Card Services administers and provides support for the Harvard University payment card programs

ABOUT CARD SERVICES

Card Services administers the University payment card programs. The University offers two primary card options for eligible faculty and staff who travel or purchase goods and services on behalf of their department: a Purchasing Card (PCard) and a Corporate Card.

Harvard Purchasing Cards ("PCards") are University-liability payment cards issued in the names of authorized, trained individuals to purchase certain eligible goods and services in support of Harvard University business.

WHAT'S NEW

Card Program Matrix

Card Services has created a [card program matrix](#) showing the different card programs available for business use.

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9/27/18 Travel Brown Bag

HARVARD
Financial Administration



Travel Tools

Travel Tools

- Risk Ratings
 - List Protocol
- Register International Travel
 - Registering Groups & Others
 - Travel Registration FAQs
- Emergency Response Program
 - Services
 - Eligibility
 - Check Your Eligibility
 - Country Guides & Alerts
 - Assistance App

[Home](#) » Travel Tools

Travel Tools & Resources

International travel requires careful planning, even for seasoned travelers. Use our tools and resources to inform your pre-departure planning and ensure you have a safe and rewarding trip abroad.

- [Before you leave](#) [While traveling](#)

A Checklist Before You Leave

📄	Review risk ratings and travel policies
📍	Research your destination
✈️	Register your trip
+	Learn about International SOS
📱	Check visa requirements

New Emergency Response Program

International SOS is Harvard University's new provider for travel registration and global emergency response.

[Learn More](#)

News & Advice

- [How to Travel with Medication](#)
- [5 Visa & Passport Tips](#)
- [3 Mobile Phone Options Abroad](#)
- [How to Protect Your Data Abroad](#)



High-Level Reimbursement Process Life Cycle



Payments to Individuals: Taxable until proven not!

- Any time Harvard gives money or other value to an individual, it can have tax implications.
- The “Accountable Plan” is the set of IRS rules Harvard must follow to ensure reimbursements are not taxable to the recipient/reimbursee.
- The rules aren’t necessarily intuitive. Some expenses -- **even though they relate to work** – are still considered personal expenses (commuting, professional attire, etc.)

SUMMARY OF ACCOUNTABLE PLAN RULES

- Must be substantially business-related – not a personal expense
- Must be substantiated – documented with receipts and business purpose
- Reimbursement request must be submitted timely (90 days)
- Amount reimbursed can’t exceed actual expense



Business Related

For Harvard to reimburse an expense without tax implications, the expense must be:

- Ordinary – common and accepted in the normal course of University activities;
- Necessary – appropriate in nature and amount; and
- Business-Related – not a personal expense
- Must be substantiated – documented with receipts and business purpose
- Reimbursement request must be submitted timely (90 days); regardless if charged to corporate card or out-of-pocket.
- Amount reimbursed can't exceed actual expense

Note:

School and units may have more restrictive policies, contact your local finance office for details.

No policy can address every scenario, where unusual circumstances arise, the spirit of the policy – and the good judgement – should prevail.

The source of funding (i.e., sponsored research award) does NOT affect the tax treatment of the expense. The tax treatment of the expense ALWAYS hinges on whether or not it the particular expense is in DIRECT SUPPORT of University business.



Business Related Expense Descriptions

Your business purpose statement should give the reviewer and approver a clear understanding of the reason for the expense. The best way to do this is to answer the 5 Ws.

Who – Who incurred the expense? Where there other individuals involved (names and other affiliations if required).

What – What the expense entailed (business lunch, travel dinner, reception, etc.)

Where – Where the expense was incurred – city/state/country

When – Date the expense was incurred or trip made

Why – Detailed purpose, business activity and how it relates to Harvard business

Poor Example	Good Example
Presenting at Conference	RT Airfare BOS-Paris, Presenter at Indo-European Conference 7/1-13/18
Lunch	Individual Meal in WA, DC attending NSF Annual Symposium
Dinner at Harvest	Dinner at Harvest w/D. Faust and J. Harvard re: Harvard capital campaign wrap-up.
Expenses related to research/development	Adobe Distiller to use in research publication designs



Personal Expenses

Generally, expenses that prepare or indirectly support someone's ability to do their work are considered personal expenses and cannot be reimbursed as Harvard business expenses.

Common examples of non-reimbursable expenses:

- Commuting expenses from your home to your primary work location
- Repetitive meals (i.e., daily breakfast, lunch or dinner) while not traveling
- Costs for clothing that can be substituted for everyday use
- Personal services (e.g., haircuts, cosmetic services)
- Tuxedo rentals or formal wear – even for Harvard-related events
- Personal credit card annual fees
- Parking tickets or traffic violations
- Home office furniture or equipment

See the [Business Expense Reimbursements Policy](#)



What could be considered taxable or reportable?

Unallowable: Personal expenses of any kind (e.g., services, goods, credit card annual fees, rewards, and finance charges – *even if the purchaser intends to reimburse Harvard for the cost of the purchase*).

Common examples of payments that must be processed as taxable include:

- **Late Reimbursement (LRB):** Late reimbursements apply to Harvard employees whose electronically-approved reimbursement requests are received by Travel, Reimbursements and Card Services 91-182 days after the expense has been incurred or trip end date. All expenses with a transaction date greater than 183 days will not be reimbursed.
- **House Hunting or Moving Expenses:** Effective January 1, 2018, payments to an individual or a vendor (e.g., moving company) are taxable to an employee.
- **Other Taxable Payments:** Examples of other taxable payments may include VISA or passport fees for family members, legal fees regarding house closings, etc.
- **3rd Party Payments:** Third party payments may include payments to a moving company for an employee move or reimbursing an individual for housing expenses (where the landlord must be flagged as receiving the income).



Substantiation

A receipt or invoice must be submitted as back up for any purchase \$75 or over with the exception of hotel stays which require a hotel folio (receipt) regardless of the amount. Approvers are encouraged to review receipts under \$75 if provided.

Business meals that include alcohol should have an itemized receipt, regardless of the amount. In cases where an itemized receipt is not available:

- If the meal did not include alcohol, the reimbursee must attest that no alcohol was charged (on the receipt and in Concur).
- If the meal did include alcohol and the reimbursee can attest in writing to the alcohol cost, then the alcohol portion with applicable tax and tip must be charged to object code 8450. No alcohol may be charged to a federal award.
- If alcohol was included and the reimbursee cannot attest to the alcohol cost, then no portion of the meal cost can be charged to a federal award. For all other funding, the invoice should be prorated with a percentage of the alcohol charged to object code 8450. Schools may set their own prorated amounts as long as they are consistent, usually between 20-35% for alcohol and the balance for the meal.

An electronic or paper Missing Receipt Affidavit (MRA) is required for lost receipts over \$75 or for missing hotel folios. MRAs must be used as exceptions, not on a regular basis.

What should a receipt include? See [Definition of Receipts](#) for more details

- Date of transaction
- Name of merchant
- Transaction details (what was purchased)
- The amount of purchase
- The form of payment used (credit card, cash, check)
- Indication that the amount was paid
- Handwritten receipts that do not contain the above information require a Missing Receipt Affidavit (MRA)



Timely

Harvard employees: Concur reports must be approved and submitted to Travel and Reimbursements using the below time table.

Non Harvard employees: While reimbursements to non-employees are not technically bound by the same 90-day deadline, Harvard encourages units to pay non-employee expenses in the same fiscal quarter as they are incurred.

Days after trip or transaction date	Result
0-90 <ul style="list-style-type: none">• Days after trip end date (preferably w/in 60 days)• Days after non trip-related expense incurred	<ul style="list-style-type: none">• No tax implications• Expenses on Corporate Card should be paid by statement due date
91-182 <ul style="list-style-type: none">• Days after trip end date• Days after non trip-related expense incurred	<ul style="list-style-type: none">• Expenses treated as income to employee – must be processed as additional pay with taxes withheld• May NOT be grossed up• Corporate cards should be processed before 90 days to avoid non-reimbursable late fees
183+ <ul style="list-style-type: none">• Days after trip end date• Days after non trip-related expense incurred	<ul style="list-style-type: none">• Expenses may NOT be paid with University funds



Harvard Business Expense Reimbursements

For Harvard to reimburse an expense without tax implications, the expense must be:

- Ordinary – common and accepted in the normal course of University activities;
- Necessary – appropriate in nature and amount; and
- Business-Related – not a personal expense.
- A complete business purpose and receipts (who, what, when, where, why) is required.

Employee Type	Pay Group	Common Object Codes	Reimbursement System
Weekly Trades	SPC, WPT, WRT	6080, 6090	Concur
Bi-Weekly Employees (OT Eligible and Exempt)	POU, PON, PFX	6050, 6070	Concur
Monthly Faculty	MFC	6010-6030	Concur
Internal Post Docs	MIP	6150, 6152	Concur
Weekly Temps (includes work-study)	WTM	6110, 6120	HCOM
Monthly Teaching Fellow	MTF	6140	HCOM
External Post Doc	MEP	6450, 6452	HCOM

Generally, this group is reimbursed via Concur.

This group must be set up as a vendor in the HCOM system







Reimbursements and Changes in Employment Status

What policy do I follow and system do I use for people whose status changes from employee to non-employee or vice versa? Follow the policy based on the individual's appointment status at the time they incur the expense.

Status When Expense was Incurred	Current Status	Use System	Notes
Employee	Non-employee	Concur* OR HCOM – Non-employee Reimbursement (if Harvard business)	<p>Must follow 90 day policy – if over 90 days reimbursements must be processed as additional compensation LRB – 3rd party payment (if terminated in current tax year) or as PR in HCOM if new tax year.</p> <p>*Concur access may be extended for a short period past an employee's end date to process individual reimbursements and corporate card payments. Contact concurhelp@harvard.edu to request an extension.</p>
Nonemployee	Employee	Concur	<p>For expenses made while a nonemployee, best practice is payment within 90 days. Moving expenses are taxable and are processed as a payroll transaction.</p> <p>School must note in the Concur comments section that individual was not an employee at the time the expense was incurred.</p>



Types of Credit Cards Available for Harvard University Business Use

TYPE OF CARD	PURPOSE	PROPER USES (PARTIAL LIST)	PROHIBITED USES (SEE SPECIFIC POLICY FOR FULL DETAILS)	BILLING, PAYMENT & LIABILITY
Purchasing Card PCard Program Information 	<p>Issued to staff, faculty, affiliates, some graduate or undergraduate students (with financial dean approval).</p> <p>Low-dollar, high-volume purchases not available through HCOM.</p>	<ul style="list-style-type: none"> Miscellaneous supplies not available through HCOM Conference & professional membership fees Subscriptions Taxis (including UBER) & sedan services Business meals & allowable entertainment in the Boston/Cambridge area only 	<ul style="list-style-type: none"> Personal expenses HCOM supplier purchases Travel expenses Cash advances Prescription drugs, controlled substances or hazardous materials Gift cards or gift certificates Gifts over \$100 Rental cars (includes Zip Car) Payments to independent contractors 	<ul style="list-style-type: none"> University billed Centrally paid University liability Single purchase & monthly spending limits
Corporate Card Corporate Card Information 	<p>Issued to staff & faculty for reimbursable expenses incurred while traveling or conducting approved University business.</p>	<ul style="list-style-type: none"> Lodging Ground transportation Reimbursable meals Airfare Conference fees Other allowable Harvard business expenses 	<ul style="list-style-type: none"> Personal expenses Payments to independent contractors Late fees 	<ul style="list-style-type: none"> Individually billed Direct payment of approved expenses to Citibank via Concur University & Cardholder jointly liable Payments must be made within statement date to avoid late fees, within 90 days to avoid individual tax liability Monthly spending limits
Declining Balance Card Declining Card Program Information 	<p>Issued under an individual's name (including students), but must have a Harvard employee assigned as a department program administrator. May be used for purchases associated with approved activities with set budgets.</p>	<ul style="list-style-type: none"> Food for on-campus meetings Local student transportation Tickets to approved events Per diems for athletes Approved travel Tub can restrict spending types (MCC Codes) 	<ul style="list-style-type: none"> Personal expenses Payments to independent contractors Late fees 	<ul style="list-style-type: none"> Parent account billed Payment through HCOM University and Departments jointly liable. Payments must be made within statement date to avoid late fees School/Unit sets card spending limit (does not refresh monthly)
Department Card Department Card Information 	<p>Issued under a department's name, but must have a Harvard employee assigned as a department card administrator. May be used for travel expenses for guests & employees who do not have Corporate Cards as well as department expenses which cannot be put on a PCard, purchased through HCOM or invoiced (e.g., catering deposit or hotel)</p>	<ul style="list-style-type: none"> Lodging Ground transportation Reimbursable meals Airfare Conference fees Meeting deposits & charges Tub can restrict spending types (MCC Codes) 	<ul style="list-style-type: none"> Personal expenses Business supplies & services eligible to be purchased via HCOM or PCard Payments to independent contractors Rental cars (includes Zip Car) Late fees require a letter of exception signed by Financial Dean or designee 	<ul style="list-style-type: none"> Individual account billed Direct payment of approved expenses to Citibank via Concur University and Department jointly liable. Payments must be made within statement date to avoid late fees School/unit sets monthly spending limits.

Contact your local card administrator or see cardservices.harvard.edu for additional information or pcard@harvard.edu fad_corporatecard@harvard.edu



Harvard Issued Credit Cards

Individuals who hold Harvard-issued credit cards (e.g., Corporate Cards, PCards, Department Cards or other) agree to follow applicable terms and conditions of the cardholder agreement.

Two key points regarding University cardholders:

- **Harvard-issued credit cards should be used solely for Harvard business-related expenses.** Inadvertent personal use of a Harvard-issued credit card should be rare and should result in prompt identification and payment of the respective charges.
- **Cardholders are responsible for all transactions charged to their Harvard-issued credit card.** Cardholders have a responsibility for validating the reasonableness of all charges made using their Harvard-issued credit cards before submitting expense reports for payment. While detailed reconciliation, account coding and settlement of charges is most often undertaken by designated administrative staff, cardholders should confirm that all charges are proper and appropriate.

It is essential that Harvard's resources are used prudently, in accordance with sponsored guidelines, donor expectations and within the requirements of the regulatory environment in which we operate. We are all stewards of such resources and have a responsibility to employ the highest ethical standards.

If you are unsure if an expense qualifies as a Harvard-related business expense, or need further advice on the use and oversight of a Harvard-issued credit card, please contact your local school or unit's Finance Office.

Per Harvard's Card Application Agreements, improper use of Harvard Cards, including for personal purchases, require full reimbursement to Harvard or Citibank of the amount inappropriately charged. A cardholder may also be subject to disciplinary action up to and including termination of employment.



Preferred Vendors

Airlines:

Harvard's preferred [Travel Agencies](#) include BCD Travel, Egencia, The Travel Collaborative, OTT Travel, Milne Travel, HTT Travel and Protravel International. They are aware of Harvard policies and restrictions regarding travel. Reservations must be made through one of these preferred agencies to receive discounts and added values. Preferred Airlines include American, Jet Blue, Delta, and more.

- Our preferred travel agencies identify our travelers as “Harvard travelers” making them eligible for applicable discounts, benefits and added value features.
- Preferred seating/assistance with seat availability - Preferred seating is available at no additional charge for members of [AA](#) and [Delta](#) frequent flyer programs
- Greater value – free bags with applicable flat fares, early boarding
- Negotiated pricing – Harvard has deeply discounted, fully – refundable flat fares on certain frequently traveled city-pairs with AA and JetBlue
- Duty of care – Our preferred agencies provide feeds to Harvard Travel Assist
- One stop shopping – one call for air, hotel and car reservations
- Help with Fly America and Open Skies Acts (requirement for federal or cost-share funds or expenses transferred to federal awards).



Preferred Vendors

Hotel Vendors:

Harvard has discounts at local properties in the Cambridge and Boston areas, as well as with select chains including:

- Club Quarters – offers low “fixed” rates to member organizations
- Choice Hotels – discounts of up to 25% off the best available rate
- Wyndham - up to 20% off the best available rate

Car Rentals

- Harvard has agreements with Hertz, Enterprise, National car rentals which include the required Harvard insurance coverage's.
 - Harvard Employees can take advantage of free memberships to Hertz Gold Club or Emerald Club by signing up at the links provided on the [Harvard Travel website](#) under Ground Transportation
 - Harvard discounts may be used for personal use (Please note – the insurance coverage's are not included on personal rentals)

Amtrak

- Harvard travelers are expected to purchase the lowest available fare that offers reserved seating. Harvard has discounts with Amtrak which may be found [here](#).



Flights – Not Charged to Federal Awards

	Scheduled air time ⁽¹⁾ of trip is six (6) hours or less AND will not be charged to a federal award	Scheduled air time ⁽¹⁾ of trip is more than six (6) hours AND will not be charged to a federal award
Domestic Air Travel inside the contiguous 48 United States	Lowest-priced non-stop economy class airfare only	
Air Travel Involving <ul style="list-style-type: none"> • Alaska • Hawaii • Canada • Mexico • U.S. Territories and Possessions⁽²⁾ 	Lowest-priced non-stop economy class airfare only	Lowest -priced non-stop business class if permitted by local policy and budget
Air Travel Involving an international location OTHER THAN Canada and Mexico	Lowest -priced non-stop business class if permitted by local policy and budget	

⁽¹⁾ Air time means the amount of time a traveler is in the air. The air time of connecting legs can be added together to yield the total air time of a trip. Time spent on a stopover/layover does not count towards total air time

⁽²⁾ U.S. Territories and Possessions: Puerto Rico, American Samoa, Guam, the U.S. Virgin Islands and Baker, Howland, Kingman Reef, Jarvis, Johnston, Midway, Palmyra, and Wake Islands



Flights – Charged to Federal Awards

Harvard's air travel restrictions differ depending upon the source of the funding used for travel: federal vs non-federal. Generally, travel on federal funds is more restrictive.

Lowest economy fare class on U.S. Air Carriers is required for travel charged to federal awards. Non U.S. Carriers are allowed only with approval of the [Fly America Travel Reimbursement Exception Form](#).

Business class or upgraded economy travel is NOT allowed as a direct charge to a federal award unless an exception is approved using the [Federal Lowest Economy Airfare Travel Reimbursement Exception Form](#). To qualify one of the following must be met:

- Requires circuitous routing;
- Requires travel during unreasonable hours;
- Excessively prolongs the travel;
- Results in additional costs that offset savings;
- Cannot reasonably accommodate the traveler's medical needs.



Airfare Tips and Tricks

Upgrades

- Ticket upgrades* **within the allowable class** of service are reimbursable where permitted by local policies and budget.
- The base fare for a plane ticket may include the costs for a reserved seat. If a ticket upgrade only includes costs for a reserved seat it meets the criteria of lowest economy class airfare for federal funds.
- Complementary no-cost upgrades are allowed, but should be documented.
- The University will **not** reimburse travelers for tickets purchased using frequent flyer miles.
- Frequent flyer memberships should not influence travelers to select something other than the lowest priced flight.
- Under extenuating circumstances, such as a documented medical reason, business or first class service may be reimbursable where normally prohibited, but must be approved by the Financial Dean.
- Business class is only allowable where travel is outside of the contiguous U.S. and airtime is > 6 hours. Local policies may be more restrictive. Contact your Finance Office for guidance

**Ticket upgrades refers to seat upgrades within the same class (for example, some airlines offer upgrades for coach class seats with extra legroom)*



Airfare Tips and Tricks (continued)

- Business travel accident insurance – because Harvard’s business travel accident insurance policy has a maximum payout per conveyance, travelers are encouraged to travel in groups *of no more than four where possible*. Non-employees are not covered by University business travel accident insurance.
- Trip cancellation insurance may be reimbursed on nonfederal funds if approved in advance and is for a compelling business reason. Trip cancellation insurance does not provide coverage in all situations; purchasing a refundable ticket may be more appropriate in certain scenarios. Contact your Finance Office for guidance.



Register International Travel

Registering Travel

Register international travel using [MyTrips](#). This allows MyTrips and the International SOS program to proactively contact registrants during an emergency.

<https://www.globalsupport.harvard.edu/travel-tools/register-international-travel>

International SOS

International SOS provides 24/7 medical and security support and evacuation services to eligible Harvard students, faculty, and staff. To expedite assistance, it's vital that you register your trip in the [International SOS MyTrips platform](#) before you leave.

International SOS offers medical and security assistance. Travelers may download an Assistance App or download a membership card at: <https://www.globalsupport.harvard.edu/travel-tools/emergency-response-program/membership-card>



Hotels and Housing

- Travelers are expected to stay in standard, single-occupancy rooms where available.
- Exercise fiscal responsibility when choosing hotels.
- It is strongly recommended that travelers book lodging with one of Harvard's preferred vendors.
- Travelers may stay in rental accommodations (e.g., VRBO or Airbnb) if the total cost is less expensive than a hotel stay in a standard, single occupancy room. Harvard does not promote nor recommend Airbnb stays however we will reimburse with proper documentation. If travelers choose to stay in a rental accommodation, they must provide documentation of the rental accommodation's lower cost.

Not allowed

Charges for room-upgrade or guest club fees. Free upgrades are allowed, but must be noted on the report to avoid confusion when auditing.

Rooms purchased through frequent-guest credits.

Personal expenses like in-room movies, golf fees, or health club/exercise room fees.

Lodging for trips of less than 50 miles one-way (determined from the traveler's place of business, not home) unless for business-related extenuating circumstances

Property damage insurance or other similar optional fees.



Hotels and Housing Tips and Tricks

- Travelers who stay in a private residence with a relative or friends while traveling on business may be reimbursed for one appreciation gift for their host/hostess per visit valued at \$100 or less (including tax or any other charges). This may be a gift or meal.
- Exercise fiscal responsibility when choosing hotels.
- It is strongly recommended that travelers book lodging with one of Harvard's preferred vendors.
- At their unit or school's discretion, travelers may stay in rental accommodations (e.g., Vacation Rentals By Owner [VRBO] or Airbnb) if the total cost is less expensive than a hotel stay in a standard, single occupancy room.
- Travelers may choose to use Airbnb or other types of VRPO's at their (or the school's) discretion; however, they cannot be compelled to do so. Harvard's stance is to reimburse with proper documentation, but does not endorse use of Airbnb or VRBO's.



Meal Types

Expense Type	Domestic Object Code	Foreign Object Code	Description
Allowance Meal	7654	7674	Use for individual meals where a flat rate/per diem was given.
Individual Meals & Incidentals	7654	7674	Use for expenditures incurred while traveling, for meals without a specific business purpose (e.g., eating alone).
Per Diems Less than Federal	7654	7674	Use for individual meals where the per diem is less than the Federal rate.
Business Meals	7655	7675	Meals with a specific business purpose, incurred either locally or while traveling (e.g., several people meeting to discuss a project).
Alcohol (including tax and tip)	8450	8450	Used for alcohol expenses for both individual or business meals. NEVER allowed on federal funds.



Meals

Individual Meals

- Travelers will be reimbursed for reasonable individual meal expenses while traveling on University business. Travelers are expected to use their best judgement when incurring meal expenses.
- Per IRS regulations, the University does **not** reimburse individual meal expenses for one-day travel, except when the travel time is greater than 12 hours.
- Itemized receipts for individual meals are **encouraged** regardless of amount.

Business Meals

- Business meals are meals with faculty, staff, students, donors, or other external parties during which specific documented business discussions take place.
- The business purpose for the meal expense must include the names of all attendees (if fewer than five guests; otherwise list the total number of guests), their connection to Harvard and the business conducted during the meal.

Alcohol

Business meals that include alcohol should have an itemized receipt, should be kept to a minimum, and must be charged to object code 8450. Alcohol is **not allowed** as a charge on a federal award. The following must be followed if an itemized receipt is not available.

- If the meal did not include alcohol, the reimbursee must attest that no alcohol was charged (on the receipt and in Concur).
- If the meal did include alcohol and the reimbursee can attest in writing to the alcohol cost, then the alcohol portion with applicable tax and tip must be charged to object code 8450. No alcohol may be charged to a federal award.
- If alcohol was included and the reimbursee cannot attest to the alcohol cost, then no portion of the meal cost can be charged to a federal award. For all other funding, the invoice should be prorated with a percentage of the alcohol charged to object code 8450. Schools may set their own prorated amounts as long as they are consistent, usually between 20-35% for alcohol and the balance for the meal.



Meals (continued)

Tipping

Tips should be reasonable and prudent. Contact your local Finance Office for specific local practices or thresholds. Suggested guidance is below.

- Incidentals expenses on federal per diem rates are supposed to cover tips and are capped at \$5/day.
- The average for tipping hotel cleaning is \$2-\$5 a night.
- Industry average for Cab/Uber is ~15% and should not exceed 20%
- Meals – should generally not exceed 20%.



Per Diems

Per Diems – If allowed by local school or unit, are a flat agreed-upon daily rate which cannot exceed the federal per diem rate.

- Traveler must use either per diem or actual expenses (i.e., receipts) for an entire trip, a traveler cannot mix and match within a trip (i.e., receipts one day, per diem another).
- Per diem for travel days is 75% (travel from Harvard/Home to temporary work site, not travel between two work sites (i.e., 75% for travel Harvard to London, but 100% per diem travel between London and Paris).
- If traveling between multiple cities/countries, use the city where you spend the night as the basis for the per diem rate.
- Per Diems are not allowed for one-day travel.
- Incidentals are service fees or tips (including but not limited to bellhops, skycaps, maids, waiters/waitresses, taxi and limousine drivers), laundry expense, personal telephone calls, and transportation between places of lodging or business and places where meals are taken are reimbursed through the incidental expense portion.

Partial Per Diems

- If a trip includes meals that are already paid for (e.g., included on a conference registration fee) or the traveler has business meal with others, the meal per diem allocated must be deducted from the total. The business meal would be the only time a receipt would be required and allowed when a per diem is requested for a trip.



Ground Transportation and Parking

Travelers are expected to use fiscal responsibility when traveling to and from air, bus, or rail terminals. Taxis/Uber/Lyft, etc. are common choices; travelers should also consider public transportation options and shuttle services. Personal car for business travel is also allowable.

Travelers may choose to use Uber or Lyft or other types of shared car services at their (or their school's) discretion; however, they cannot be compelled to do so. Harvard's stance is to reimburse with proper documentation, but does not endorse the use of Uber or Lyft.

Private sedans, Uber Black, or other car services may not be used to attend meetings on or around campus. Limousine expenses are prohibited.

Personal car is allowable when the expenses do not exceed the cost of rental or cabs.

- Gas expenses will not be reimbursed in lieu of miles.
- Insurance on a personal car, and any liability from inadequate insurance coverage, is the responsibility of the traveler, not the University.
- Travel to and from the airport using a personal car may be reimbursed.



Rental Cars

Rental Car

- Use Harvard's preferred vendors and corporate account numbers to receive negotiated rates and insurance coverage.
- Select a vehicle class that is consistent with business needs (usually a compact or mid-size).
- Free vehicle upgrades are often available through Harvard's preferred vendors. Free upgrades should be noted in the reimbursement request.

Rental Car Insurance Quick Reference Guide

The following matrix applies to benefits eligible Harvard employees, non-benefits eligible Harvard employees and non-employees traveling on Harvard related business. This includes students performing official work for Harvard and sponsored student groups on official Harvard trips.

Insurance Type and What It Covers	All 50 U.S. States and Puerto Rico	Outside the 50 U.S. States and Puerto Rico
Supplemental Liability Insurance (SLI) <i>Protects authorized drivers against bodily injury</i>	<ul style="list-style-type: none">• Enterprise, National, or Hertz* - DECLINE MUST use Harvard's account numbers:<ul style="list-style-type: none">○ Hertz = CDP 31570○ Enterprise/National = XZHARVB• All other vendors - PURCHASE SLI of \$250K per person/\$250K per occurrence	<ul style="list-style-type: none">• All vendors - PURCHASE SLI of \$250K per person/\$250K per occurrence
Loss Damage Waiver/Collision Damage Waiver (LDW/CDW) <i>Covers damage to your rental car</i>	<ul style="list-style-type: none">• Enterprise, National, or Hertz* - DECLINE MUST use Harvard's account numbers:<ul style="list-style-type: none">○ Hertz = CDP 31570○ Enterprise/National = XZHARVB• All other vendors - PURCHASE LDW/CDW	<ul style="list-style-type: none">• All vendors - PURCHASE LDW/CDW
Personal Accident Insurance (PAI) <i>Covers medical expenses, loss of or damage to property, and accidental death</i>	<ul style="list-style-type: none">• PAI is not a reimbursable expense• Drivers may purchase PAI at their own expense	<ul style="list-style-type: none">• PAI is not a reimbursable expense• Drivers may purchase PAI at their own expense

Revised 5/1/2015

*Certain Hertz locations are "licensee" locations where Harvard corporate rates are not honored AND where travelers must purchase SLI of \$250K per person, per occurrence and LDW/CDW insurance. When renting with Hertz, be sure to verify that Harvard's corporate rates and required insurance are provided at that location. Click [here](#) for a list of Hertz licensee locations.



HARVARD
Financial Administration

Common Errors

Reimbursement requests are often returned or rejected because of...

- Missing or insufficient detailed business purpose
- Missing Receipts over \$75.00 or no signed Missing Receipt Affidavit (MRA)
- Nonemployee reimbursement is processed as a Payment Request (PR) rather than a Non-Employee Reimbursement (NR) through HCOM
- Per Diem limits are exceeded
- Expenses are taxable to an individual
 - Sympathy flowers to an employee exceed \$100
 - Gift certificate to an employee
- Expenses exceeding 90 days which do not include the appropriate additional pay form
- Corporate card payments which are taxable must include
 - Add Pay form with “No Check Required” written on the top of the form
 - Add Pay form and associated receipts included in the Concur expense report header
 - The “Includes additional pay” box is checked at the expense report header in Concur



External Organizations

Payments by outside organizations

- Individuals should not seek payment from Harvard for business-related expenditures that will be reimbursed from another source. If travel and other expenses will ultimately be paid by a third party, travelers should seek reimbursement from the third party directly.
- Under extenuating circumstances, such as uncertainty regarding the outside organization's willingness to pay or a multi-leg trip with expenses payable by Harvard and an outside entity commingled, Harvard may reimburse an individual for some or all expenses with Financial Dean approval.
- Under no circumstances will Harvard provide up-front payment for expenses that are not related to University business, even if the recipient intends to later reimburse Harvard.





Pop Quiz!



Q: A faculty member submits a reimbursement request for an airline club membership. The business purpose noted is that the club is used when waiting a hour between flights to work on Harvard business.

A: This is not allowable. While the expense appears reasonable, the membership is in the individual's name and can be used for personal use.

Q: A tub's Development Office purchases a membership to the Harvard Faculty Club of New York. They note the membership will be used to house staff while on business in NY and they will use the facilities for developmental programs and events.

A: This would be allowable with Financial Dean approval. While the expense is not ordinary, it is being used in several ways for University business. The membership must be under the name of a Harvard Department and not an individual.

In rare cases, other types of memberships in Harvard's name may be allowable (e.g., Amazon Prime); however these memberships must be approve by a Financial Dean, linked to a Harvard-only Business non-taxable business account, linked to a Harvard email account and may only be used for Harvard-related business.

Q: An employee submits a receipt to be reimbursed for parking in Harvard Square for an early morning business meeting.

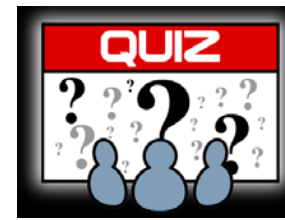
A: Are there additional details? Local parking (parking on or near the Harvard campus such as 123 Mt. Auburn, Harvard Square or other campus parking) is only allowed if there is a clear and reasonable business case and it benefits the project directly. Examples may include:

- The event begins or ends after normal working hours,
- for security/safety (not walking back to regular parking late at night);
- For medical reasons; and/or
- For transportation of items to meeting/event.





Pop Quiz!



Q: A research assistant is flying to a country that requires specific immunization shots and requires a special VISA to get into the country.

A: Costs associated with obtaining the necessary VISAs and immunizations required for travel to non-U.S. destinations on Harvard business are allowable.

Q: Aren't allowance reimbursements (non-travel reimbursements related to an annual research or professional expense allocations), allowed to be processed after 90 days with no tax implications?

A: Allowance reimbursements are not allowed and submission of receipts must follow the accountable plan rules and time limits.

Q: An employee traveling for 2 weeks submits for reimbursement for hotel laundry services.

A: Individuals on travel for over 5 days are eligible for laundry service expenses.

Q: A faculty member is a keynote speaker at a conference in Italy. The conference will pay them an honorarium and travel costs. Should Harvard pay for the plane ticket and be reimbursed later?

A: These are payments from outside organizations. The faculty member should incur expenses on their personal credit card and be reimbursed directly by the outside organization.

Q: Same instance as above, but the faculty member says that Harvard is benefiting from this conference since they are a Dean and are representing Harvard. They believe Harvard should pay for the plane ticket and request reimbursement from the outside organization.

A: It can be difficult to determine personal and Harvard business. In the above instance, unless there is an extenuating circumstance, such as the outside organization's willingness to pay or a multi-leg trip which includes Harvard business, because the faculty member is receiving an honoraria, the expenses lean more towards personal than Harvard business.





Pop Quiz!



Q: If Central does not reject a reimbursement request does that mean it was correct and followed state and federal regulations?

A: No! Travel, Reimbursements and Card Services spot audits employee and nonemployee reimbursement requests, but they cannot audit ever single transaction.

The Approver/Submitter is the last person in the chain to verify that an expense is correct. It is up to them to resolve all questions before approving a transaction..
If you are an Approver and unsure of whether an expense is appropriate, there are resources to help you. Call your Tub Finance Office, Travel, Reimbursements and Card Services, or the Financial Policy Office before you approve a transaction

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Miscellaneous Expenses

Generally Reimbursable	
Inoculations	Expenses related to inoculations required for business travel are reimbursable
Passports and Visas	Expenses related to visas and/or passports required for University business travel are reimbursable.
Hotel Internet Connections	Travelers will be reimbursed hotel internet-connection charges that are reasonable and necessary for conducting University business.
Reimbursable with Restrictions	
Laundry	Laundry expenses for business trips of four (4) days or less are not reimbursable. Reasonable laundry expenses for business trips of five (5) days or more are reimbursable, provided the reimbursement request has a proper detailed business purpose noting the duration of the trip.
Telephone Calls	<p>Travelers will be reimbursed for phone calls that are reasonable and necessary for conducting University business, and that result in incremental out of pocket cost to the traveler. Travelers are expected to use the most economical means of making phone calls while traveling on business. Reimbursement requests with telephone-call expenses must be accompanied by a hotel or phone bill showing itemized call information. Expenses for calls made from airplane phones ("airphones") are not reimbursable except in emergencies or extenuating circumstances.</p> <p>Cell phone/smartphone use when traveling abroad can become cost prohibitive if you are not equipped with the correct plans and tips for minimizing cost. HUIT Telecom Operations has developed mobility guides with essential step by step instructions to ensure that you minimize cell phone costs for both voice and data while traveling abroad. For more information, see the Cell Phone Travel Checklist to make sure you are ready to take your cell phone/smartphone abroad.</p>
Entertainment expenses*	Individual entertainment expenses while traveling (in-room movies, etc.) are not reimbursable. However, business entertainment expenses, such as outings to theaters or cultural events, are reimbursable if the person(s) entertained has a potential or actual business relationship with the University, or if the business discussion will directly benefit the University. Employees must also follow any local tub policies when incurring entertainment expenses; an individual with questions must contact his or her tub financial dean's office. Entertainment expenses must be charged to object code 8450.
Individual meal expenses while traveling	Travelers will be reimbursed for reasonable individual meal expenses while on University business. Harvard will not reimburse for excessive meal costs that are not substantiated by a complete and explanatory business purpose. Per IRS regulations, the University does not reimburse individual meal expenses for one-day travel except when the travel time is greater than twelve (12) hours. Per diem rates may not be used for one-day travel.
Business meals with others while traveling	Business meals are defined as meals with faculty, staff, students, donors, or other external parties during which specific documented business discussions take place. Travelers must exercise fiscal responsibility when choosing restaurants; travelers should avoid high-end establishments unless circumstances dictate that such a choice is appropriate, as when conducting University business with a major donor or foreign dignitary. Harvard will not reimburse for excessive meal costs that are not substantiated by a complete and explanatory business purpose.
Alcoholic beverages*	Alcohol purchased at business meals should be kept to a minimum, and must be charged to object code 8450 (expenses ineligible for federal reimbursement). Some local policies may have greater restrictions on the purchase of alcohol; travelers with questions must contact their tub financial dean's office for details.
Nonstandard fundraising expenses	The University recognizes the unique nature of certain travel, entertainment, and non-travel business expenses incurred for fundraising and development activities. If these activities necessitate a deviation from stated policies, the individual must attach a brief explanation to the completed receipt report or expense form. A letter from a Financial Dean is not required, except in the case of first-class air travel. The business purpose must indicate that the expenses are directly related to development activity.
Not Reimbursable	
In-room charges, etc.	The University will not reimburse travelers for personal expenses, such as, but not limited to, in-room video rentals, in-room alcoholic beverages, and recreational charges (such as golf fees or exercise- room/health-club fees).

Reference Materials

[Business Expense Reimbursements Policy](#)

[Definition of Receipts](#)

[Employee and Nonemployee Gifts and Celebratory Events](#)

[Fraud Awareness and Reporting](#)

[GLACIER Instructions](#)

[Harvard Training Portal](#)

[Honoraria and Reimbursements for Foreign Nationals](#)

[Independent Contractors](#)

[Policy on Responsibilities of Purchasers, Preparers and Approvers](#)

[Harvard Training Portal – On-Line Training - Introduction to ROPPA](#)

[Reference Guide for Purchasers and Reimbursees](#)

[Sponsored Program Policies](#)

[Training Portal](#)

[Travel Policy](#)

[Vendor Set Up Materials](#)

For questions regarding vendor setup or reactivation processes, contact the Vendor Set-up at 617-495-8500 option 3 or vendorsetup_ufs@harvard.edu

For questions regarding the GLACIER process, tax issues, reference materials, and FAQ see the “Nonresident Alien Tax Compliance” website <https://nratax.oc.finance.harvard.edu/> or contact the Nonresident Alien Tax Compliance at 617-495-8500 option 5 or nratax_ufs@harvard.edu .



Common Sources of Reimbursement Questions

Not Reimbursable	<ul style="list-style-type: none"> • Everyday clothing and footwear (even formal wear for a University event) • Home office furniture and equipment (even if used when working from home) • Daily commuting expenses from home to regular place of work • Regular meals (i.e., not “business meals”) • Personal services (i.e., barber, hairstylists, etc.)
Sometimes Reimbursable	<ul style="list-style-type: none"> • Expenses payable by outside organizations • Overnight hotel stays near campus • Laundry
Typically Reimbursable	<ul style="list-style-type: none"> • Software, e-books used for a Harvard project • Books that are used for a Harvard project and that will remain University property • Purchase or rental of regalia for employees participating in commencement exercises



Responsibilities of Purchasers, Preparers & Approvers (ROPPA)

- Individuals who spend funds or who prepare or authorize expenditures on behalf of the University have a stewardship responsibility to ensure those transactions are reasonable, appropriate, and have a proper University business purpose.
- These responsibilities apply to users of all financial systems and mechanisms where money leaves the University (HCOM, PCard, Corporate Card, Concur, etc.)
- All new staff and postdocs who are users of HCOM, PCard, BCD Travel Authorization Forms, and Concur Approvers are required to take an on-line ROPPA training course.

Regardless of your role or which system/mechanism you are using, there are a few key things to know:

- **Spend Harvard resources prudently**
 - Business expense vs personal expense
 - Comply with federal, local, fund or other restrictions
- **Prepare transactions properly**
 - Contain elements of a complete business purpose
 - Proper documentation – see [Definition of Receipts](#)
- **Review and approve transactions in a timely manner**
 - Approver should have sufficient knowledge to make an informed judgement that the transaction is appropriate
 - Approver due diligence – follow-up if there are questions or concerns
- **Create evidence of the approval**
 - Electronic approval, signing paper forms, or emails.
 - Best practice is to thoroughly substantiate review and approval in writing

