



<b>Policy Number and Title:</b>	<b>200.204 Travel Costs Policy for Grants and Contracts</b>		
<b>Approval Authority:</b>	President	<b>Date Effective:</b>	July 1, 2015
<b>Responsible Office:</b>	Accounting	<b>Responsible Office Contact:</b>	Vice President for Business and Finance

**1. POLICY STATEMENT/REASON FOR POLICY**

As a recipient of federal awards, Bay Mills Community College (BMCC) is responsible for ensuring that travel expenses charged to federal grants comply with the rules and regulations as set forth by grantor agencies, the Office of Management and Budget (OMB), and College policy. The travel cost requirements are contained in OMB's 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E – Cost Principles § 200.474 Travel Costs.

**2. ENTITIES AFFECTED BY THIS POLICY**

All BMCC Departments

**3. WHO SHOULD READ THIS POLICY**

All BMCC staff.

**4. WEB SITE ADDRESS FOR THIS POLICY**

-This policy can be found at:

<http://www.bmcc.edu/about-bmcc/governance-administration/college-policies>

**5. FORMS/INSTRUCTIONS**

No forms required.

**6. HISTORY**

-Amended: June 8, 2016

-Next Review Date: June 8, 2019

-BMCC reserves the right to revise policies at any time.

## 7. THE POLICY

### BAY MILLS COMMUNITY COLLEGE TRAVEL COSTS POLICY FOR GRANTS AND CONTRACTS

#### **POLICY STATEMENT**

As a recipient of federal awards, Bay Mills Community College (BMCC) is responsible for ensuring that travel expenses charged to federal grants comply with the rules and regulations as set forth by grantor agencies, the Office of Management and Budget (OMB), and College policy. The travel cost requirements are contained in OMB's 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E – Cost Principles § 200.474 Travel Costs.

#### **PURPOSE**

The purpose of this policy is to establish travel guidelines pertaining to federal grants and contracts to ensure compliance with federal regulations.

#### **POLICY PROCEDURES AND REQUIREMENTS**

##### **I. Travel Cost Requirements (§ 200.474)**

###### **A. General**

1. Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the College.
2. Travel costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in non-grant funded activities, and are in accordance with BMCC's travel policies and procedures.

###### **B. Lodging and Subsistence**

1. Costs incurred by employees for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed those normally allowed in accordance with the College's written travel policy.
2. If lodging and subsistence costs are charged directly to the federal grant, the documentation must justify that:
  - a) Participation of the individual is necessary to the federal award; and
  - b) The costs are reasonable and consistent with the College's established travel policy.

###### **C. Commercial Air Travel**

1. Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:
  - a) Require circuitous routing;
  - b) Require travel during unreasonable hours;
  - c) Excessively prolong travel;
  - d) Result in additional costs that would offset the transportation savings; or
  - e) Offer accommodations not reasonably adequate for the traveler's medical needs. The College must justify and document these conditions on a case-by-case basis in order for the use of first-class or business class airfare to be allowable in such cases.

## II. Domestic and International Travel

### A. Domestic Travel

1. Domestic travel is travel performed within the recipient's own country. For the U.S., it generally includes travel within and between any of the 50 States of the U.S. and its possessions and territories. In some cases, federal agencies include Canada as well.
2. Review the grant regulations carefully as different agencies have different definitions for domestic and international travel.

### B. International Travel

1. Foreign travel is travel outside of the U.S., its territories and possessions, and in some cases Canada.
2. Foreign travel may precipitate additional federal regulations. Some grantor agencies require prior approval for foreign travel, and if it is not documented, then foreign travel costs are unallowable on the federal grant or contract.
3. Generally, if a traveler is traveling on funds provided by the federal government, the traveler must use a U.S. flag carrier (an airline owned by an American company) regardless of cost or convenience. Please refer to the Fly America Act and Open Skies Agreements for more information.
4. Prior to making foreign travel arrangements, you must contact the Accounting Department for guidance regarding travel cost requirements.

## III. BMCC Grant Travel Policy and Procedures

- A. All travel costs charged to federal grants must comply with BMCC's travel policies and procedures, the terms and conditions of the award, grantor agency requirements, and federal regulations. When there is a conflict between BMCC's Travel Expense Policy and grant regulations, the more restrictive policy applies.
- B. Travel costs charged directly to federal grants must meet the following criteria:
  1. The cost must be allowable under both the provisions of OMB 2 CFR 200 and the terms of the grant. Such travel must provide a direct benefit to the project;
  2. The cost must be allocable, that is, the expense can be associated to a project with a high degree of accuracy;
  3. The cost must be reasonable, that is, the cost reflects what a "prudent person" would pay in a similar circumstance.
- C. Costs incurred by employees for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable to the extent such costs do not exceed charges normally allowed by BMCC's Travel Expense Policy.
- D. BMCC's Travel Expense Policy does not permit temporary dependent care costs that directly result from travel to conferences; therefore, these costs are also unallowable on grant-funded programs.

- E. Grant managers must be familiar with the specific cost allowability provisions of their federal grant. In no case will an amount be reimbursed that is larger than allowed under the College's travel policies and procedures. Some funding agencies require prior written approval if domestic or foreign travel exceeds the budgeted amount.
- F. Grant-funded travel must adhere to the BMCC Travel Expense Policy. Items covered by this policy include:
  - 1. Air Transportation
  - 2. Automobile Travel
  - 3. Lodging
  - 4. Actual and Per Diem Allowance Method
  - 5. Travel Advance and Reimbursement Procedures
- G. The required documentation and receipts to substantiate travel costs are described in the BMCC Travel Expense policy.

**Contact(s):** Vice President for Business and Finance

**Related Form(s):** Travel Authorization/Advance Requisition  
Travel Expense Statement

**References**

§200.474 Travel costs (Federal Register, Vol.78, No. 248/Thursday, Dec. 26, 2013/Rules and Regulations).

**Relevant Policy or Procedure(s):** Bay Mills Community College Personnel Policies BMCC Travel Expense Policy

**Approved by:** President

**Date:** Effective July 1, 2015

**Revision(s):** 6/8/2016