DISCLAIMER
As of July 1, 2021 the Business Expenses Related to University Travel Policy is the effective guidance for all University travel. This policy is in the process of being retired.

General
Introduction

This document outlines Johns Hopkins University's travel and business expense policies and procedures. It is designed to assist in ensuring: compliance with IRS Accountable Plan rules for reimbursements of travel and business expenses, compliance with federal regulations when University employees travel domestically as well as internationally, equitable treatment of travelers in all University divisions/departments, and proper reporting of financial data for travel and business expenses.

The IRS rules provide for reimbursements to employees for "ordinary and necessary" business expenses that are "directly connected with or pertaining to" the University's business activities provided that the reimbursement is made in a reasonable period of time after the expense is incurred and that there is adequate documentation. Individuals traveling on University business are expected to exercise the same care in incurring expenses as a prudent person traveling for personal reasons. For the purpose of this document, travel for University business includes all travel, regardless of the source of funds, whether federal, state, private or general funds. In particular, for business travel and entertainment expenses, the IRS says these expenses should be "reasonable and necessary in the conduct of" the University's business, not "lavish or extravagant". Lavish or extravagant expenses cannot be reimbursed tax-free and any expenses paid by the University directly would have to be included as taxable income to the employee.

Reimbursements for travel and business expenses are not taxable to an employee when paid in accordance with the "IRS Accountable Plan" rules. In order to meet IRS Accountable Plan rules, expenses must have been incurred for business and the employee must submit in SAP adequate documentation supporting the expenses and their business purpose within 90 days from the end of the trip or for non-travel business expenses 90 days from the date incurred. In addition, any excess travel advances received by an employee must be repaid within 90 days from the end of the trip.

Business expenses for meals and entertainment must follow the documentation rules for each activity:

- Date and amount
- Name of everyone present (first and last name)
- Business relationship of each person (position title and company)
- Location of the activity and
- Business purpose - a description of the University business conducted
Despite its name, SAP TRIP is used to record ALL travel and business expenses, not just trips. Reimbursements can be made using SAP TRIP in advance of the actual trip. Any amounts paid by another method (e.g. online check request, Pcard, Executive Card) must be entered into SAP TRIP as prepaid ("PD Comp").

These revised Policies and Procedures are effective January 1, 2014. Subsequent revisions are made at the discretion of the University's Office of the Controller and will be noted as a change in the document; revisions will also be communicated to University employees via the Office of Finance Newsletter and/or through other means.

Organizational Responsibility

**Accounts Payable Shared Services**
The Accounts Payable Shared Services issues JP Morgan Chase Travel Cards and processes and disburses funds for travel advances (JHU only) and reimbursement of approved travel and business expenses that are adequately documented in accordance with the IRS Accountable Plan rules.

**University Business area/department**
Authorized business area/department employees approve the issuance of JP Morgan Chase Travel Cards, travel requests, travel advances and travel and business expense reimbursement to employees within their business area/department. Business area/departments are required to comply with these policies and procedures and have the discretion to establish more restrictive requirements. For example, a business area/department may require all receipts, but only receipts of $75 or more must be scanned and sent to Accounts Payable. Travel and business expenses should be authorized based in part on budget availability (funding).

**Traveler**
It is the responsibility of the traveler to comply with the University's policies governing travel. Persons traveling on behalf of the University should exercise good judgment with respect to incurring travel expenses and are expected to spend funds prudently. Travel related expenses will be paid or reimbursed by Accounts Payable Shared Services if they are deemed to be reasonable, properly documented, provide the appropriate approvals and are within the guidelines of this policy. Whenever possible, the traveler should seek reimbursement from the hosting or sponsoring organization rather than the University when invited to speak or present at a conference, symposium and alike.

Questions concerning business travel and expense policies and procedures should be directed to:

**Accounts Payable Shared Services Travel Unit**
Johns Hopkins at Keswick
3910 Keswick Road 4th Floor, Suite N4300
Baltimore, MD 21211

Email: apssc@jhmi.edu
Phone: 443-997-6688
Employee travel fax server: 410-502-7959
Fax (standard correspondence): 443-997-3554
Fax (advance recovery only): 443-997-3554
Website: http://ssc.jhu.edu/accountspayable
Non-employee travel fax: 443-997-3554
Non-employee travel email: travelapss@jhmi.edu

**Federal Regulations**

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The Federal Travel Regulation (FTR) is the regulation contained in 41 Code of Federal Regulations (CFR), Chapters 300 through 304, which implements travel policies for travel by Federal civilian employees and others authorized to travel at government expense. See [http://www.gsa.gov/portal/category/21222](http://www.gsa.gov/portal/category/21222)

The FTR should be followed for travel directly funded by the federal government (federal sponsored funds) unless OMB Circular A-21, Cost Principal for Educational Institution provides additional guidance. For example, in compliance with OMB Circular A-21, the method used (actual expense or per diem) must be used for the entire trip, not selected days. The University's policies and procedures are based on federal regulations, but the regulations should be reviewed for further guidance.

In addition, accounting for travel which may be indirectly funded by the federal government is also important; see definitions of allowable and unallowable in the Definitions section.

### Definitions

<table>
<thead>
<tr>
<th>Allowable Expenses</th>
<th>The expense is a business expense that is an allowable charge for federal funding. Most business expenses are allowable.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Award or prize</td>
<td>A tangible item (such as a plaque) or amount given to a person selected to receive the award based on pre-determined criteria.</td>
</tr>
<tr>
<td>Business meals</td>
<td>Business meals are meals attended by faculty, staff, students and/or others from outside the University for a substantial and bona fide business purpose. A business meal could occur during a trip if a traveler hosts a business meeting and a meal is provided.</td>
</tr>
<tr>
<td>Contributions</td>
<td>Tangible items (such as equipment) or amounts donated to a charity.</td>
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<tr>
<td>Discretionary Funds</td>
<td>Discretionary funds are non-sponsored funds made available by the University to officers, deans and faculty that may not be subject to formal budget approvals. Discretionary funds are for business expenses only, such as those not covered in the business area/department budgets. Discretionary funds are subject to University policies and procedures for purchases, travel and business expenses.</td>
</tr>
<tr>
<td>Domestic Travel</td>
<td>Domestic travel is defined in IRS Publication 463 as travel among any of the fifty United States and District of Columbia. However, if travel expenses are to be paid from a funding agency that defines domestic or foreign travel differently that agency's definition will apply.</td>
</tr>
<tr>
<td>Foreign Travel</td>
<td>IRS Publication 463 defines travel outside the United States as anywhere other than the 50 states and District of Columbia, however, if travel expenses are to be paid from a funding agency that defines foreign travel differently, that agency's definition will apply.</td>
</tr>
<tr>
<td>Honorarium</td>
<td>A nominal amount paid to a guest speaker.</td>
</tr>
<tr>
<td>Incidental Expenses</td>
<td>Per the Federal Travel Regulations, incidental expenses are fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships.</td>
</tr>
<tr>
<td>IRS Accountable Plan Rules</td>
<td>IRS requires adequate documentation of business expenses submitted within a reasonable period of time. Documentation always includes the business purpose of all business expenses regardless of the amount. Documentation requirements vary by type of expense. For example, for a business meal, documentation includes the business purpose, date, amount, location, name and business relationship of each person in attendance.</td>
</tr>
<tr>
<td>Non-employees</td>
<td>A non-employee is someone who is not paid a salary or wage by the University. Examples include: external consultants, independent contractors, students, fellowship recipients, recruits or candidates, and visiting lecturers. Non-employees do not include family members.</td>
</tr>
<tr>
<td><strong>Non-Reimbursable Expenses</strong></td>
<td>The expense is personal and cannot be reimbursed through Accounts Payable. See &quot;Non-Reimbursable expenses&quot; for a listing of common personal expenses.</td>
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</tr>
<tr>
<td><strong>Per Diems</strong></td>
<td>Per diem is the allowance for lodging (excluding taxes), meals and incidental expenses. There are separate per diem rates for lodging and for meals and incidental expenses (M&amp;IE). The General Services Administration establishes per diem rates for destinations within the Continental United States; the State Department establishes the rates for foreign countries; and the Department of Defense establishes non-foreign rates such as Alaska, Hawaii, Puerto Rico, and Guam. Per diem rates are available by city, state and country and are fixed maximum amounts. There are per diem rates for lodging and rates for meals and incidental expenses (M&amp;IE). <strong>When an M&amp;IE per diem is used, the first and last calendar day of travel is calculated at 75 percent.</strong> The M&amp;IE rates include gratuities/tips, see the definition of incidental expenses.</td>
</tr>
<tr>
<td><strong>Reimbursable Expenses</strong></td>
<td>The expense is a business expense with the appropriate supporting documentation submitted into SAP within 90 days of the date incurred.</td>
</tr>
<tr>
<td><strong>Reimbursable Versus Unallowable Expenses</strong></td>
<td>An expense may be reimbursable as a business expense but not allowable for federal funding sources. For example, alcoholic beverages are not allowed under federal regulations; however, alcoholic beverages may be reimbursable but cannot be charged to a federally sponsored award or contract. The amount paid for alcoholic beverages must be accounted for separately using the appropriate general ledger account. Certain general ledger accounts have been established to identify &quot;unallowable&quot; expenses, see SAP TRIP and General Ledger Codes.</td>
</tr>
<tr>
<td><strong>Reimbursable Expenses Under the IRS Accountable Plan Rules</strong></td>
<td>A reimbursement to an employee for business expenses must be submitted into SAP within 90 days from the end of the trip for travel and within 90 days from the date the expense was incurred for non-travel business expenses. Business area/department may establish internal deadlines to meet the 90-day requirement. A reimbursement request not submitted within 90 days may no longer be reimbursable through Accounts Payable. Business expense reimbursements submitted after 90 days require an explanation for consideration of an exception. If the exception is not approved, then at the discretion of the business area/department and with appropriate documentation and approval, the employee could be provided a pay supplement for the expenses not submitted into SAP within the 90 days. See Taxable Payments</td>
</tr>
<tr>
<td><strong>Submitted into SAP</strong></td>
<td>All supporting documentation attached and forwarded to approver.</td>
</tr>
<tr>
<td><strong>Unallowable Expenses</strong></td>
<td>The expense is a business expense that is not an allowable charge for federal funding. For example, alcoholic beverages and first class airfare are generally unallowable; see definition of &quot;reimbursable versus unallowable&quot; above.</td>
</tr>
</tbody>
</table>
SAP System Roles

<table>
<thead>
<tr>
<th>ROLE</th>
<th>DESCRIPTION</th>
<th>ORGANIZATION</th>
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</thead>
<tbody>
<tr>
<td>Travel and Business Expense Reimbursement Requestor (TBERR)</td>
<td>Responsible for the entry of travel requests, including advance requests,</td>
<td>Department</td>
</tr>
<tr>
<td></td>
<td>if applicable, and travel and non-travel expenditures for yourself.</td>
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</tr>
<tr>
<td>Travel and Business Expense Request Assistant (TBERA)</td>
<td>Responsible for the entry of travel requests, including advance requests,</td>
<td>Department</td>
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<td></td>
<td>if applicable, and travel and non-travel expenditures on behalf of others.</td>
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</tr>
<tr>
<td>Concurrent Employee Travel and Business Expense Requestor (CETBER)</td>
<td>Responsible for the entry of travel expense reports for travel and non-</td>
<td>Department</td>
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<td></td>
<td>travel related expenditures, including advance requests if applicable,</td>
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<td></td>
<td>under the correct department/division personnel number.</td>
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<tr>
<td>Travel and Business Expense Approver (TBEA)</td>
<td>Responsible for verifying that travel is for legitimate business purposes</td>
<td>DBO or Department</td>
</tr>
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<td>in compliance with these policies and for monitoring and approving travel</td>
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<td>and business expenditures against funds availability.</td>
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<tr>
<td>Travel and Business Expense Payment Processor (TBEPP)</td>
<td>Responsible for travel advance and expense report processing of employee</td>
<td>Accounts Payable</td>
</tr>
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<td></td>
<td>and non-employee reimbursements and advances.</td>
<td>Shared Services</td>
</tr>
<tr>
<td>Travel and Expense Payment Power User (TEPPU)</td>
<td>Responsible for travel advance and expense report processing, settlement</td>
<td>Accounts Payable</td>
</tr>
<tr>
<td></td>
<td>and posting of employee and non-employee reimbursements and advances.</td>
<td>Shared Services</td>
</tr>
<tr>
<td>Disbursement Processor (DP)</td>
<td>Responsible for producing payments in the form of checks, Electronic</td>
<td>Accounts Payable</td>
</tr>
<tr>
<td></td>
<td>Funds Transfer (EFT) or Automated Clearing House (ACH) for any business</td>
<td>Shared Services</td>
</tr>
<tr>
<td></td>
<td>area or vendor requiring payment for goods and/or services rendered.</td>
<td></td>
</tr>
</tbody>
</table>

Discretionary Funds

Discretionary funds are non-sponsored funds made available by the University to officers, deans and faculty that may not be subject to formal budget approvals. Discretionary funds are for business expenses only, such as those not covered in the business area/department budgets. Discretionary funds are subject to University policies and procedures for purchases, travel and business expenses. Examples of business expenses include:

- Funding the salary or fellowship awarded to an additional graduate student or postdoctoral fellow
- Purchasing lab or office equipment
- Travel expenses for professional development
- Cell phone service necessary for business use - see Cell Phone policy

Discretionary funds are not for personal expenses or for gifts to employees in excess of $25 per calendar year - see "Gifts to Employees". Reimbursement or payment of personal expenses as well as gifts to employees in excess of $25 per calendar year are required to be treated as taxable income and counted as additional compensation. Under IRS intermediate sanctions rules,

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the reimbursement or payment could be deemed an "excess benefit" that would have to be repaid to the University and a 25% penalty would be assessed by the IRS.

For accounting information regarding discretionary funds accounts, go to [http://finance.jhu.edu/policy_procedures/ga_policy_procedures.html#one](http://finance.jhu.edu/policy_procedures/ga_policy_procedures.html#one) to find "Discretionary Funds" under General Accounting.

**JH Travel Services**

**Travel Agencies**
Employees and divisions/departments have the option of using an external travel service. In certain cases, these services will bill the University and the expense will be paid directly based on an invoice. Travel costs paid directly to a travel agency should be included in SAP TRIP as prepaid ("paid by company"). See the Travel Center on the Johns Hopkins Travel website for specific agency information.

**International Travel Clinic for Foreign Travel**
One month prior to foreign travel, travelers are encouraged to contact the University's International Travel Clinic (410-955-8931) for personal immunizations.

**Morgan Chase Travel Card**

**General**
The University will arrange for a JP Morgan Chase Travel Card free of charge to University faculty and staff upon approval by the dean or department administrator. The card is intended to provide individuals with a convenient method to pay for travel expenses and non-travel business meals. Any questions regarding payments of JP Morgan Chase Travel Card reimbursements should be directed to the Accounts Payable Shared Services Travel Unit. Please check Accounts Payable Shared Services to identify your contact person.

The expenses paid with a Travel Card can be electronically added to the SAP TRIP system, see the Procedures section for more information.

**Requests for a Corporate Travel Card**
Employees who travel on University business are eligible for a Corporate Card. The employee will need to complete the JP Morgan Chase application to apply for a card. Departmental approval is required to obtain a Corporate travel card.

**Request for an Executive Travel Card**
To obtain an Executive Travel Card the traveler must have at least $12,000 in annual travel expense. The employee will need to complete the JP Morgan Chase application to apply for a card. Department, business area and office of the controller approvals are required to receive the Executive Travel Card.

Applications for Executive and Corporate Cards should be signed by the applicant and the appropriate Departmental approver, and business area and office of the controller approvers along with an explanation citing the estimated annual expenses for the card. To request an application please contact Accounts Payable Shared Services. Completed applications should be sent to the Accounts Payable Shared Services c/o Travel Card Administrator at Johns Hopkins at Keswick, Suite N4300. After review, requests will be submitted to JP Morgan Chase for issuance of the travel card. It takes seven to ten business days to receive the travel card. Cardholders must read and comply with all terms stated in the disclosure agreement accompanying the card.

Travelers are expected to charge expenses for transportation, lodging, meals, etc. to their Travel Card. The Corporate and Executive cards **should not** be used for purchases of equipment or supplies. Those types of purchases should be made using the University Procurement card.

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Cardholders may make travel related purchases up to the credit card limit as long as the account is not sixty (60) days past due, see Responsibility for Payment.

Responsibility for Payment
Under the Corporate Card program, individuals are responsible for payments to JP Morgan Chase. Payment is the personal responsibility of the cardholder and the University is not responsible in any way for the payment. The billing cycle for the Travel Cards is the 25th of the month. Payment must be made to JP Morgan Chase 25 days after the billing date.

Under the Executive Card program, the University is on a central bill account; one bill for all cards. Accounts Payable Shared Services will initiate the payment to JP Morgan Chase. Payment of the Executive Card charges is treated as an advance under the IRS Accountable Plan rules, see more information in the Policies Travel Advance section. It is the responsibility of the department to allocate the charges to the proper cost objects and GL accounts by the 25th day after the close of the billing cycle. The traveler must include the expenses paid as "pre-paid" in SAP TRIP.

PaymentNet
PaymentNet is the online account manager for individuals who obtain the Executive or Corporate travel card. Monthly statements from JP Morgan Chase can be viewed by the cardholder and approver in PaymentNet.

PaymentNet Contact Information
JP Morgan Chase Commercial Card Services 1-800-270-7760
• Login Assistance
• Online Program Assistance
• Online Information Services (Accessing Reports & Statements)

To check your bill online: PaymentNet (http://www.paymentnet.jpmorgan.com/)

Personal Charges
The Executive and Corporate Cards are intended to be used for business purposes only. Personal expenses should be charged to personal charge cards. Management reports that detail all charges against the JP Morgan Chase Corporate cards may be reviewed by the Accounts Payable Travel Unit.

Delinquent Accounts
Statements for the JP Morgan Chase Travel Cards are electronic. The JP Morgan Chase Corporate card is a non-revolving charge card which requires payment in full be made within twenty-five (25) days after the billing date or approximately twenty-five (25) days after receipt of the monthly statement. JP Morgan Chase expects payment of all charges on the statement upon receipt of the statement by the cardholder. An account becomes delinquent if payment has not been received and credited to the account by JP Morgan Chase within 25 days of the statement billing date.

If an account is not paid within 30 days, JP Morgan Chase will send a letter to the cardholder informing them that their account is delinquent. If payment is not made within 60 days of the billing date, charge privileges will be suspended until full payment is received and credited to the account. The University is not responsible for payment of late charges on delinquent accounts.

Individuals whose cards have been canceled due to non-payment of charges may not be allowed to rejoin the program.
Travel Advances to Travel Cardholders
A JP Morgan Chase Travel Card eliminates the need for travel advances. Travel expenses paid in advance of the trip using a corporate travel card can be reimbursed in advance of the trip. See Reimbursements Prior to Travel (AP-TR-PR-04) and Travel Advances (AP-TR-PR-03) sections of this guide for more information.

Termination of Participation
JP Morgan Chase and Accounts Payable Shared Services reserve the right to terminate a cardholder's privileges at any time. Individual participation in the Corporate Charge Card Program will automatically terminate should the following occur:

- Cardholder is no longer employed by the University.
- An account is 90 days past due; cardholder privileges are suspended when the account is 60 days past due.
- Failure to adhere to the University's policies and procedures for Travel and Expenses and/or use of corporate card.

Accounts Payable Shared Services has the authority to cancel the employee's JP Morgan Chase Travel Card at any time. When a cardholder leaves the Institution or wishes to cancel their Corporate Card for any reason, the cardholder must cut the card in half and return the halves to Accounts Payable Shared Services.

Lost or Stolen Cards
Cardholders should call JP Morgan Chase at 1-800-270-7760 immediately upon loss or theft of the card.

Non-Travel Purchases
The Corporate Card should not be used for purchases of equipment or supplies. The Accounts Payable Shared Services and Supply Chain Shared Services policies and procedures for the University should be followed for such purchases.

Reimbursement Timetable
The Accounts Payable Shared Services Travel Unit processes reimbursements of JP Morgan Chase Corporate Cards. This is done in accordance with the Accounts Payable Shared Services, Service Level Agreement for reimbursement requests that have receipts submitted with the TRIP number via fax (410-502-7959). All payments will be made by electronic funds transfer and will be deposited into the traveler's designated bank account; the bank account used for payroll direct deposit is the default bank account. If you do not have a checking account, a check will be mailed.

SAP TRIP System
The SAP TRIP system can electronically populate expense reports with JP Morgan Chase credit card activity by pulling all the travel card charge information into a buffer on a daily basis. When the employee fills out the travel expense form and goes into the credit card buffer under their personnel number and clicks on the appropriate charge, the expense line will automatically be populated for the expense report they are completing. The employee will be able to delete information that does not pertain to their expense report.

Corporate Card Customer Service Contact Information
Questions regarding your Executive or Corporate Travel Card: 1-800-270-7760

Policy

Accountable Plan Rules
Business travel should be conducted at a minimum cost for achieving the success of the mission of the University. Individuals traveling on University business are expected to exercise the same care in incurring expenses as a prudent person traveling for personal reasons. For the purpose of this document, travel for University business includes all travel, regardless of the source of funds, whether federal, state, private or general funds.
Business expenses for purchases of goods and services are generally paid directly to the vendor; the Purchasing Office provides a variety of means. However, certain business expenses are paid directly by an employee. The employee can be reimbursed under the IRS Accountable Plan rules. The University does not reimburse for sales tax on purchases of goods in states where the University has a sales tax exemption; sales tax exemption certificates for most states are available from the Tax Office, see this site for more information http://finance.jhu.edu/depts/tax/tax_matters.html.

Reimbursing Employee Travel Expenses - IRS Accountable Plan Rules
The University Travel and Business Expense Policy is designed to comply with Internal Revenue Service (IRS) Accountable Plan rules as outlined below.

1. Reimbursement must cover business expenses incurred by employees in connection with the performance of services as employees. Each expense must have a business purpose. Appropriate documentation supporting the business purpose as defined by the IRS is necessary for all expenses and original receipts are required for all expense items of $75 or more. Documentation requirements are included throughout the policies and procedures, detailed receipts are preferred. The original receipts should be scanned and attached to the expense report. Although original receipts can be scanned and maintained by Divisions/departments electronically (on a server that is regularly backed up so the documents can be recovered at any time), the hard copy originals should be retained until the reimbursement has been paid. If the travel or business expense is supported by a federal contract or grant, the original receipts may also be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy originals must be kept after they are scanned for at least one year. Business areas/departments may require receipts for all expense items; only those $75 or more must be attached to the SAP TRIP document.

2. Employees must substantiate the travel and business expenses they incur within a reasonable period in order to be reimbursed tax free. The IRS uses 60 days in its examples, but the University and Health System are adopting 90 days from the end of the trip for travel and 90 days from the date the expense was incurred for non-travel business expenses as a reasonable period. The entire reimbursement plan may be jeopardized if there is a lack of diligence in enforcing substantiation requirements. Employees should be aware of any business area/department deadlines so that the entire reimbursement transaction is submitted into SAP within the 90 days.

3. Employees are required to repay an excess travel advance within 90 days after the end of the trip.

NOTE: If travel expenses are not submitted within the 90 days, an exception may be requested. If the exception is not approved then the reimbursement would be paid as a pay supplement which is added to the employee's gross income subject to tax withholding and employment taxes and included as wages on the Form W-2. Pay supplements may require additional approval by a division/department.

Compliance with these IRS regulations is the responsibility of all employees who travel or are otherwise reimbursed for business expenses.

Overview of Domestic and Foreign Travel

Domestic Travel
Domestic travel is defined in IRS Publication 463 as travel among any of the fifty United States and District of Columbia. However, if travel expenses are to be paid from a funding agency that defines domestic or foreign travel differently that agency's definition will apply.
Foreign Travel

IRS Publication 463 defines travel outside the United States as anywhere other than the 50 states and District of Columbia, however, if travel expenses are to be paid from a funding agency that defines foreign travel differently, that agency's definition will apply. All foreign travel is subject to the special policies cross-referenced below.

For those working in a foreign country, foreign travel would be travel between countries. For overseas local travel, there is a separate general ledger code, 652102, that should be used for those working overseas who travel within the country where they work. Generally, overseas local travel is not processed through SAP TRIP.

Foreign Travel Cross-Reference
The policies and procedures apply to both domestic and foreign travel, but there are some topics that are specific to or have special consideration for foreign travel:

- Use of per diem
- Currency conversion
- Fly America Act
- Federal Export Control Rules
- Travel advances
- Other expenses

Vacation in Conjunction with Business Travel (Domestic or Foreign)
Faculty or staff may plan vacations to coincide with University business travel. When that occurs, the University traveler is expected to maintain accurate records of the time and expenses relating to personal or incremental costs of personal travel versus University business. The distinction must be drawn at the point when the business purpose, i.e., the meeting, seminar, has commenced or been completed.

When an employee takes vacation while on a business trip, the IRS provides exceptions so that the expenses that cannot be easily identified between business and personal do not have to be allocated or prorated between business and personal. The best examples are airfare and transportation to and from the airport. One of the exceptions is: vacation was not a major consideration for the trip. This means that the trip was decided upon for business purposes and that any vacation time was arranged to coincide with the trip, either before or after the business purpose. This IRS exception can be identified when the trip is submitted; there is a check box. If this exception does not apply, do not check the box. Contact the University Tax Office at tax@jhu.edu with any questions.

Also, any cost escalations (e.g. higher airfare) due to the vacation portion of the trip must be paid personally. The traveler needs to obtain comparative itineraries for the airfare. One itinerary is for the travel that is purely for business purposes with no days added. The second is the actual trip including vacation. If there are extra costs, the traveler pays the difference.

Use of Per Diems for Travel Expenses
Per diem rates are available by city, state and country and are fixed maximum amounts (see the definition of Per Diem for the sources of the rates). There are per diem rates for lodging and rates for meals and incidental expenses (M&IE). When an M&IE per diem is used, the first and last calendar day of travel is calculated at 75 percent. The US General Services Administration website M&IE breakdown page has a row showing the calculated amount for the "First and Last Day of Travel". The M&IE rates include gratuities/tips, see the definition of Incidental Expenses.

Per diems are used as stated below. No receipts are required when per diem is used.
In compliance with OMB Circular A-21, the method used (actual expense or per diem) must be used for the entire trip, not selected days. For example, if a per diem is used for meals and incidental, the expenses for each day of business travel during the trip must be submitted using the M&IE per diem.

Per diem cannot be used for travel that is less than 12 hours in duration.

**Business Meals**

A business meal involves others and could occur during the trip. If the traveler is using per diem, the per diem must be used for the traveler; therefore, the traveler's actual share of the cost must be deducted from the cost of the business meal. The actual expense for others at the meal can be reimbursed with the appropriate documentation. Note if other University travelers are also in attendance at the business meal, the same rule applies; each person's actual share of the cost must be deducted from the cost of the business meal and only the per diem amount can be submitted for reimbursement.

**Meals Included in the Conference or Fee**

When meals are included in the conference or seminar fee and the traveler is using per diem, a deduction must be made to the per diem for each meal provided by the host or sponsor of the event. A breakdown of the M&IE rates is available on the US General Services Administration website [M&IE breakdown page](#).

**Travel for Sponsored Activities**

*Domestic* expenses are reimbursed based on actual expenses incurred unless the sponsored funding source requires the use of per diems. For lodging, only actual lodging (hotel) expenses are reimbursed.

*Foreign travel* expenses are reimbursed based on either actual expenses or per diem unless the sponsored funding sources requires use of per diem rates issued by the State Department in the Standardized Regulations for Government Civilian Employees traveling in foreign areas, see [http://aoprals.state.gov/content.asp?content_id=184&menu_id=78](http://aoprals.state.gov/content.asp?content_id=184&menu_id=78). For *foreign travel* expenses, the use of per diem rates for lodging and M&IE is encouraged because use of per diems simplifies the reimbursement process.

**Travel for Non-Sponsored Activities**

*Domestic* travel expenses are reimbursed based on actual expenses incurred unless the business area/department approves the use of M&IE per diems. For lodging, only actual lodging (hotel) expenses are reimbursed.

For *foreign travel* expenses, the use of per diem rates for lodging and M&IE is encouraged because use of per diems simplifies the reimbursement process.
Consult this table to find out where to access *per diem* rates:

<table>
<thead>
<tr>
<th>For Travel In</th>
<th>Rates Set By</th>
<th>For <em>per diem</em> and actual expense see</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Continental United States</td>
<td>General Services Administration</td>
<td>For <em>per diem</em>, see applicable FTR Per Diem Bulletins issued periodically by the Office of Government wide Policy, Office of Transportation and Personal Property, Travel Management Policy, and available on the Internet at <a href="http://www.gsa.gov/perdiem">http://www.gsa.gov/perdiem</a> for actual expense, see 41 CFR CFR 301-11.300 and 301-11.306.</td>
</tr>
<tr>
<td>(b) Non- foreign areas</td>
<td>Department of Defense (Per Diem, Travel and Transportation Allowance Committee (PDTATAC))</td>
<td><em>Per Diem</em> Bulletins issued by PDTATAC and published periodically in the Federal Register or Internet at <a href="http://defensetravel.dod.mil/site/perdiemCalc.cfm">http://defensetravel.dod.mil/site/perdiemCalc.cfm</a>, (Rates also appear in section 925, a <em>per diem</em> supplement to the Department of State Standardized Regulations (Government Civilians-Foreign Areas)).</td>
</tr>
<tr>
<td>(c) Foreign areas</td>
<td>Department of State</td>
<td>A <em>per diem</em> supplement to section 925, Department of State Standardized Regulations (Government Civilians-Foreign Areas and available on the Internet at <a href="http://www.state.gov/">http://www.state.gov/</a>).</td>
</tr>
</tbody>
</table>

**International Travel Registry**

In addition to creating an SAP Trip document for the travel expenses, it is highly recommended that the traveler or his/her designee also update the JHU International Travel Registry. Registered travelers will receive assistance with pre-travel preparations, including notifications about the destination country, risks, and prevention measures. After a traveler creates a Travel Profile, the traveler or his/her designee enters the itinerary for each trip, including flights, accommodations and in-country contacts. This critical information allows divisional crisis management staff to contact and support the traveler in the event that there is a natural disaster, political unrest or other emergency situation.

The JHU International travel registry is available on myJHU portal page. The link/icon is under "myApps" on the left. Here's the direct link: [https://travelregistry.johnshopkins.edu/Travel](https://travelregistry.johnshopkins.edu/Travel)

**International Travel - Export Control Rules**

When you travel outside the US, you become an "exporter" subject to US export control and sanction program regulations. This requires the University traveler to exercise caution and be diligent in determining what may be required by these regulations when traveling to a foreign destination. Depending upon your destination, you may need a license to take certain tangible items and technical information (hard copy and digital) with you. A license may also be required to discuss certain technical information in a foreign country, and in some cases even to provide or receive certain non-technical services and information. A traveler cannot assume that a license is not required for their international travel. The traveler needs to verify that the trip is unlikely to involve restricted exports and other activities by reading the information provided by the Export Control Office, see [http://jhuresearch.jhu.edu/EC/EC_travel_support.htm](http://jhuresearch.jhu.edu/EC/EC_travel_support.htm).

**Reimbursements for Business Trips Involving Overnight Travel**

The SAP TRIP Travel and Business Expense Reimbursement Report must be used to process all travel expenses incurred by faculty, staff, students and non-employees. The features of Travel and Business Expense Reimbursement Report in SAP TRIP allow for appropriate documentation in accordance with the IRS Accountable Plan rules; see the Overview in the Policies Section for the IRS Accountable Plan rules.

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All costs of the trip must be included on the Travel and Business Expense Reimbursement Report regardless of how those costs have been paid, this means that prepaid expenses must be included. Any expenses that are checked off as "prepaid" in the SAP TRIP system will not be included in the reimbursement amount. Prepaid expenses include those reimbursed prior to travel (see Procedures section), those paid on a JP Morgan Chase Executive Card, or those paid directly to a vendor such as a travel agency.

Currency Conversion
If per diem is not used (see Use of Per Diems for Travel Expenses) and original receipts are provided, the University will reimburse faculty, staff and students for actual travel expenses. The total for all expenses should be converted into U.S. dollars at the exchange rate at the time the expense was incurred. The conversion rates should be documented (such as screen prints) and included on the Travel and Business Expense Reimbursement Report.

Because of the complications associated with the conversion of currency, the University strongly suggests the use of credit cards since the credit card statement will have the converted amount.

A reliable source for conversion rates is Oanda, see http://www.oanda.com/currency/converter/.

Non-Employee Travelers
All non-employee travel requires Business area/department financial approval. Requesters are required to download the "new" Non-Employee Travel Reimbursement Expense Report form http://finance.jhu.edu/depts/ap/internal/nonemployee_exp_report.xls from the Accounts Payable Shared Services (APSS) website, complete all required fields on the form and send via email (travelapss@jhmi.edu) or fax 443-997-3554 to the Accounts Payable Travel Unit. APSS will review and audit the documentation. When all documentation is satisfactory APSS will enter the transaction and save it into SAP.

When the document is saved, the document workflows to the business area/department travel approver related to the cost objects being charged in the transaction. The business area/department approver receives the document in their workflow inbox and either approves or rejects the document. Once approved, it will then flow back through workflow to APSS for posting. This new workflow and additional financial review, adds an additional level of authorization and security to the process and helps ensure that payments are properly recorded and approved.

Travel expenses for Non-Employee travelers should be charged against the cost center, internal order or WBS element used to pay for the services rendered. Non-Employee travel expenses are initiated by the business area/department by submitting the Non-Employee Travel Reimbursement form to Accounts Payable Shared Services with the associated receipts. Accounts Payable Shared Services enters the Non-Employee Travel into SAP as a onetime payee vendor.

Terminated Employees
Once an employee has terminated employment with the University, reimbursement for expenses incurred before termination need to be submitted using the non-employee process.

External Consultants and Independent Contractors

The Travel and Business Expense Reimbursement Report is set up in SAP as a non-tax reportable transaction. Consultants and independent contractors, by definition, are separate business entities and the costs of travel performed under the terms of their engagement must be negotiated and included as part of the total consultant contract fees.

Consultants are responsible for maintaining their own records of expenditures incurred related to those fees earned. The Controller's Office cannot advance University funds for travel of consultants or contractors. Travel expenses for external consultants and independent contractors must be submitted on an invoice to Accounts Payable Shared Services to be paid against an open purchase order or by submitting an online payment request (FV60).
Visiting Lecturers
Divisions/departments may authorize reimbursement to visiting lecturers for expenses incurred in connection with their travel to the University. Travel expenses for a visiting lecturer should be processed using the Non-Employee Travel Reimbursement form. The Travel and Business Expense Request Assistant can process the reimbursement report on behalf of the visiting lecturer. Travel expenses will be charged to the correct general ledger account based on the expense category chosen for each receipt. The purpose of the visit and the relationship to the University must be explained on the travel form. If payment is for honoraria and lecture fees, the online payment request should be used (FV60).

Employment Interviews
Prospective faculty and staff members may be reimbursed for travel expenses incurred in connection with an employment interview at the University. Reimbursement should be requested on the Non-Employee Travel Reimbursement form. Travel expenses will be charged to the correct general ledger account based on the expense category chosen for each receipt. The purpose of the visit and the relationship to the University must be explained on the travel form.

Other Official Visitors
Divisions/departments may authorize reimbursement to other official visitors for expenses incurred in connection with their travel to the University. Expenses for official visitors should be processed using the Non-Employee Travel Reimbursement form. Travel expenses will be charged to the correct general ledger account based on the expense category chosen for each receipt. The purpose of the visit and the relationship to the University must be explained on the travel form.

Family Members and Others
Personal travel expenses for family members and others not on University business generally should not be incurred in the name of the University or paid with University funds, even with the intention of reimbursing the University. Exceptions may be made for travel expenses incurred for spouses, etc., accompanying a University traveler when it is more practical for travelers to charge all expenses to their Corporate Charge Cards. In such cases, reimbursement of the incremental or non-business portion of the expense should be submitted using the Travel and Business Expense Reimbursement Report. Expenses for family members and others should be subtracted from the receipt submitted for reimbursement.

Travel Advances

General
A Travel Advance is an extension of University cash creating an accounts receivable that is owed by the employee to the University until the time at which the advance is accounted for and charged to the appropriate expenditure cost center or internal order and the excess is repaid, if any.

Generally, the JP Morgan Chase Travel Card and/or Reimbursements Prior to Travel can be used to eliminate the need for a travel advance. See the General section for information about the JP Morgan Chase Travel Card and the Procedures section for information about Reimbursements Prior to Travel.

Travel Advances are available to University faculty, staff and students that are active in the payroll system and are to be used for meals and incidental travel expenses such as taxi fares. Travel Advances are not available to University Consultants or Independent Contractors. A Travel Advance Recovery form (B-38) must be included for all travel advances and have business area/department approval before Accounts Payable Shared Services will issue the advance.

Requests for travel advances will be accepted in the Accounts Payable Shared Services Travel Unit any time prior to a business trip. However, travel advances will be issued no earlier than 10 business days prior to the beginning date of travel.

The University's direct payment of the Executive Card charges creates an advance under the IRS Accountable Plan rules.
It is the traveler's responsibility to make a full accounting for the use of the travel advance as well as executive card charges and timely repayment to the University of any excess amount. The traveler must account for the advance within 90 days from the end of the trip; the travel expense report must be submitted, approved and the excess advance paid within 90 days. Another travel advance cannot be issued until an outstanding advance has been closed (SAP TRIP report completed and any balance repaid).

In the event that a travel advance is not accounted for within 90 days, the full amount of the advance will be repaid to the University through a payroll deduction. If someone is terminated without accounting for or repaying the travel advance, the amount of the advance will be sent to a collection agency if it is not repaid.

**Amount of Advance**

Travel advances are issued only for expenses that are anticipated to be incurred during the time of travel, but do not include airfare, train tickets, registration fees, hotel deposits or any expenses that can be charged to a credit card or paid directly to the vendor via an online payment request. A Travel and Business Expense Reimbursement Report can be submitted prior to travel to request reimbursement for any charge such as airfare, deposits, etc. that are paid by the traveler, see Reimbursements Prior to Travel later in this section. Reimbursements Prior to Travel will be included on the final expense report and will be deducted to calculate the final reimbursement amount, if any.

**Advances for Domestic Travel**

JP Morgan Chase Corporate and Executive cards are available to travelers, eliminating a majority of the need for travel advances to cardholders.

Advances will be made for domestic travelers and will be limited to not more than $75.00 a day for meals and incidental expenses.

**Advances for Foreign Travel**

Travel advances for foreign travel will be based on the per diem rate for meals and lodging issued by the State Department in the Standardized Regulations for Government Civilian Employees regardless of the method used for travel expense reimbursement. Advances for foreign travel will be given to the University traveler at 80% of per diem. (A per diem is an allowance for daily expenses; see Use of Per Diems for Travel Expense for information about use of per diem rates.)

**Number of Advances and Dollar Limit**

Only one advance is allowed per trip. Additional advances ordinarily will not be made until a previous travel advance has been cleared. When an advance exceeds $5,000 or the requestor already has an outstanding advance, the request will automatically go to the Accounts Payable Shared Services Travel Unit before routing to the business area/department approver(s). Based upon the frequency of travel and timeliness of previous travel expense reports, the request may not be approved. If the request is approved, it will be routed back by workflow to the department for travel and business expense approval. If the request is not approved, it will be routed back by workflow to the requestor.

**Repaying Outstanding Advances**

The traveler must repay travel advances immediately if the trip is canceled. If the traveler does not use the entire advance for the assigned trip, the Travel and Business Expense Reimbursement Report must be completed and the balance returned. If a Travel and Business Expense Reimbursement Report is not processed within 90 days from the end of the trip, it will be assumed that all funds are unused.

The traveler has 90 days from the end of the trip to repay any unused funds before a payroll deduction will be initiated by Accounts Payable for the outstanding advance.
Unused funds should be sent directly to the Travel Unit using the "Travel Advance Funds Due JHU Form". A personal check payable to "JHU" can be sent to:

JHU @ Keswick
Accounts Payable Dept.
3910 Keswick Road, Ste. N4300
Baltimore, MD 21211

Consistent failure to not account for travel advances will result in suspension of travel advance privileges by the University Controller's Office.

Air Travel

General
Consistent with reasonable business planning, air travel accommodations must be made at the lowest coach class fare available that meets business needs. Additional fees for coach class upgrade options such as seat choice and early check-in are permitted at the discretion of the business area/department. Air carrier selection should not be based solely on a traveler's frequent flyer affiliation. The University will not reimburse travelers for tickets purchased with frequent flyer miles. Information on travel and travel discounts can be found on the Johns Hopkins Travel Center website.

First Class / Business Class Approval
The First Class and Business Class Air Travel Justification and Approval form (B-37), must be submitted by electronically attaching it to the SAP TRIP or faxing it (410-502-7959) to the Accounts Payable Shared Services Travel Unit for first class and business class air fare. First class travel may be reimbursed only with approval from a University officer or dean.

The cost of first class air fare needs to be charged to the appropriate "unallowable" general ledger code, see definitions and procedures. Business class airfare is allowed for international travel.

American Carriers
The Fly America Act should be followed when a traveler is traveling on funds provided by the federal government (sponsored funds). Federal regulations require that the traveler use an American flag carrier airline unless an exception applies. One exception is transportation provided under the 4 bilateral/multilateral "Open Skies Agreements". See the Fly America Act Summary http://finance.jhu.edu/depts/ap/internal/act.pdf for more information.

The Fly America Act Waiver Checklist is required for all travel outside the US on a non-American flag carrier airline on sponsored funds. Here's a link to the form http://finance.jhu.edu/depts/ap/internal/waiver.pdf.

Airline Ticket Purchases
Reimbursement of tickets is permitted when the appropriate supporting documentation is provided. The documentation for electronic tickets must be issued by the airline or travel agency and include the name of the traveler, the airline confirmation number, method of payment and amount paid.

Unused Tickets / Cancellations
In those instances where the trip is not taken, the unused ticket(s) should be returned to the Department Administrator for disposition, whether refundable or non-refundable. If refundable, unused tickets should be returned to the travel agency within five working days. If a trip has been cancelled after a non-refundable ticket has been issued, the ticket should be applied to a future trip by the traveler on that airline, usually with an additional fee.
It is the business area/department's responsibility to monitor ticket usage and ensure that trips are actually taken and that any unused tickets are either returned if refundable or used for a subsequent business trip if non-refundable.

Insurance - Life and Medical
The University provides accidental injury or death insurance coverage to all full-time faculty and staff members while traveling for the University, subject to the specific terms and conditions of the insurance policy.

The cost of medical or life insurance purchased by an individual related to travel are personal non-reimbursable expenses.

Insurance - Travel Cancellation
Travel Cancellation insurance can be purchased to recover the cost of cancellation. The expense is allowable. The amount recovered under the policy, if any, must be used to repay the University for the non-refundable costs of the trip.

Ground Transportation

General
The least expensive mode of ground transportation that meets business needs should be taken. For sponsored activities, rail travel accommodations must be made at the lowest coach class fare available that meets business needs.

Train/Taxis/Limos/Buses
Many hotels offer complimentary shuttle service, which should be used when available.

The cost of trains, taxis, limousines and buses in connection with University business activities and travel are reimbursable as well as customary tips.

Reimbursement for railroad fare, taxis, limousines, and buses is permitted when the appropriate supporting documentation is provided. The documentation for electronic railroad tickets must be issued by the railway or travel agency and include the name of the traveler, the rail confirmation number, method of payment and amount paid.

Car Rentals
The use of rental cars is limited to situations where commercial transportation facilities either are not available or their use is impractical or more expensive. The size of the rental car should be the least expensive model consistent with the number of travelers and the purpose of the trip. The rental car should be refueled prior to returning it to the agency to avoid the refueling charge. University employees are strongly encouraged to rent any vehicles through agencies under contract with the University.

Corporate Discount Plan
Additional information on car rental discounts can be found on the Johns Hopkins Travel Center website.

Fines/Traffic Violations
Fines for parking or traffic violations are not reimbursable.

Collision Insurance / Accidents
The University self-insures rental cars in the US in the same manner it insures its own vehicles. Therefore, insurance coverage offered by car rental agencies should not be purchased while traveling on University business in the United States. The cost for coverage in the US would not be reimbursable. When traveling abroad, however, insurance coverage should be purchased and would be reimbursable as a travel expense.

The Risk Management Office must be notified within 24 hours of any collision/accident damage to a rental car used on University business. The University covers the claim amount over the deductible. The amount of the claim up to the deductible can be included in the travel expense report.

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Questions regarding collision insurance and reports of accidents should be directed to the Risk Management Office (443) 997-8258.

**Personal Automobiles**

**Reimbursement and Mileage Rate**
The use of a personal automobile for University business will be reimbursed for actual mileage at the official IRS rate per mile plus tolls and parking fees. For an expense of $75 or more, documentation should be mileage as shown in paper or electronic standard highway mileage guides (e.g. map quest).

Mileage to and from the airport for a business trip is also reimbursable.

The current [mileage rate](#) is available on the Controller's website and is used for local travel in the U.S.

**Local Travel**

**Commuting (mileage from home to your normal work location and back any day of the week) is not reimbursable under the IRS Rules.** If your work location varies, this still applies. For example, on Mondays and Wednesdays, your work location may be at the University's medical campus and the other days it may be at the Homewood campus, your mileage from your home to either location is commuting.

Local travel during the day for business purposes is reimbursable. This is travel in and around the metropolitan area where you work. Local travel takes place close enough to your work location that you will not need to sleep before returning home. For example, during the day the mileage for travel from your normal work location to an alternate site or travel from an alternate site to your normal work location is reimbursable as local travel.

Local travel to attend all-day conferences, meetings or training (not held at your normal work location) is reimbursable. The reimbursable mileage is the distance from your home to the business location and back.

No additional allowances are provided for car expenses of any kind. Expenses incurred due to mechanical failure or accidents are not reimbursable. Gasoline purchases are not reimbursable as it is covered by the mileage rate.

**Fines/Traffic Violations**

Fines for parking or traffic violations are not reimbursable.

**Insurance**

The University does not provide automobile liability insurance coverage for faculty and staff operating personally-owned vehicles. The cost of personal car insurance cannot be reimbursed.

**Hotels / Lodging**

**General**

Faculty, staff, students and non-employees are reimbursed for actual expenses for safe, comfortable, reasonably priced lodging when the appropriate supporting documentation is provided unless a per diem is used; see Use of Per Diem for Travel Expenses. Travelers should ask for educational or corporate discounts at all hotels, many of which charge reduced rates to those who identify themselves. Itemized hotel bills are to be submitted when requesting reimbursement for hotel expense. Monthly statements and non-itemized hotel bills ordinarily will not be accepted as documentation of travel or business expenses.

The University **will not** reimburse travelers for any cash value of hotels paid for with hotel or credit card reward points or similar rewards programs.

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Information on hotel discounts can be found on the Johns Hopkins Travel Center website.

**Room Cancellations**
Hotels should be notified of room cancellations early enough to prevent "No Show" charges. It is advisable that the individual canceling the reservation obtain the name of the hotel staff person and cancellation number.

**Hotel Reservations Paid in Advance**
Reimbursement of hotel accommodations paid in advance is permitted when the appropriate supporting documentation is provided. The documentation for the room must be issued by the hotel or travel agency and include the name of the traveler, the hotel/travel agency confirmation number, method of payment and amount paid. The amount should be itemized by day.

**Unused Hotel Room / Cancellations**
In those instances where the trip is not taken and the reservation is refundable, the prepaid amount needs to be returned to the University within five working days from the date of the refund. If the hotel was not refundable, the amount can be reimbursed with adequate documentation and approval.

It is the business area/department's responsibility to monitor prepaid hotels and ensure that trips are actually taken.

**Personal Charges**
In general, personal expenses are not reimbursable. In particular, child care, movie rentals, mini bar alcoholic refreshments, newspapers, books and magazines are not reimbursable and must be paid for with personal funds, see Non-Reimbursable Expenses for a more complete list.

**Private Homes**
When a home is rented or leased, the expense cannot exceed the cost of the lowest reasonable nearby lodging. Documentation for proof of payment must include a receipt with the amount paid, method of payment and the name of the person, entity or agency paid. For payment to individuals, a copy of the canceled check is required.

When a University traveler is a guest in a private home, a gift, meal or other appropriate token of appreciation may be provided. Gifts costing in excess of what lodging and/or meal expenses (if meals were provided) would have been incurred will not be reimbursed. Receipts for these expenses must be submitted regardless of the cost. Any reimbursement would not be allowed to be charged to sponsored funds and would be recorded as unallowable, see Definitions, section AP-TRV-GS-04.

**Other Charges**
- Laundry - Travelers will be reimbursed for reasonable and actual expenditures for laundry services that are necessary due to an absence from home for a minimum of four consecutive nights lodging on official travel. (Note that when a per diem is used for reimbursement for foreign travel only, laundry service is covered in the per diem and cannot be reimbursed separately.)
- Internet Service - Hotel internet service for business use is a reimbursable expense.

**Meals during Overnight Travel**

**General**
Faculty, staff and students traveling on University business are reimbursed for actual business expenses, unless a per diem is used, see Use of Per Diems for Travel Expenses. Since the cost of meals varies substantially from city to city and within cities, the propriety of such cost will depend on several factors that relate to the purpose of the trip.
Dollar Limits
All meals are based on actual expenses unless a per diem is used. Travel can be based on the government per diem rates, see AP-TRV-PL-03. Original receipts are required in SAP for any one meal of $75 or more and the receipts must be submitted with the SAP TRIP report; divisions/departments may require receipts for all meals and may require itemized receipts.

Business Meals during Overnight Travel
Persons traveling overnight on University business, who hold a business meeting during a meal should classify the expenditure as a business meal (not breakfast, lunch or dinner), see procedures for general ledger codes. See AP-TRV-PL-16 Business Meals Not Involving Overnight Travel and the Business Meals and Entertainment guide for further information. If additional persons are included for reimbursement the documentation must include:

• Date and amount
• Name of everyone present (first and last name)
• Business relationship of each person (position title and company) Location of the activity and
• Business purpose - a description of the University business conducted during this meal.

Original receipt is required for meals of $75 or more and must be scanned and attached to the SAP TRIP document. Original receipts are required for all business meal expenditures and must be retained in the business area/department of the traveler until the trip has been approved and paid. If the business meal expenditure is supported by a federal contract or grant, the original receipt may be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy original must be kept after it is scanned for at least one year. Divisions/departments can require receipts for expenses less than $75 but these are not required to be submitted with the travel expense report.

Other Business Expenses Incurred When Traveling
Other expenses incurred related to travel must be reasonable and justified to establish their business connection to be considered reimbursable. Items not covered under any of the categories outlined herein must be specified on the Travel and Business Expense Reimbursement Report.

Gratuities
Travelers will be reimbursed for reasonable gratuities. The amount of the tip should reflect the quality of the actual service received and/or the prevailing custom for that particular service. Gratuities for meals should be included as part of the cost of the meal. All other tips should be reported on the Travel and Business Expense Reimbursement Report and should be accompanied by a brief description, i.e., porter, bellhop, etc.

(Note that when a per diem is used for reimbursement, gratuities are covered in the per diem.)

Other Reimbursable Expenses

• Passport and visa costs for foreign travel for University business for employees (but not for family members)
• Costs not covered by insurance for vaccines and other medication required for foreign travel for University business

Non-Reimbursable Expenses
An employee cannot be reimbursed under the accountable plan rules for the following miscellaneous personal expenses (the list is not all inclusive):

• Visa, passport and immigration costs for family members
• Airline club membership dues

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- Airfare purchases with "points"
- Air phone usage
- Annual fees for personal credit cards
- Baby-sitting
- Barbers and hairdressers
- Car maintenance or repairs
- Cell phones, smart phones, or similar devices and any accessories
- Charitable contributions made by faculty and staff to organizations
- Commuting expenses (to and from work)
- Clothing or toiletry items
- Corporate card delinquency fees or finance charges
- Country club dues
- Club membership dues, see Club Memberships
- Donations
- Golf fees
- Health club fees
- Health insurance
- Home internet access
- Home telephone service
- Hotels paid for with "points"
- JP Morgan fees for travel reward program (or similar fees with other credit card companies)
- Laundry or valet services for travel of less than four days
- Medical expenses while traveling including over-the-counter medications
- Mini-bar alcoholic refreshments
- Movies (including in-flight and hotel in-house movies)
- "No show" charges for hotel or car service - unless documented and approved by business area/department
- Optional travel or baggage insurance
- Parking tickets or traffic violations
- Personal accident insurance (domestic)
- Personal entertainment, including sports events
- Personal items purchased while traveling including toiletries, magazines, books, newspapers, etc.
- Personal luggage and briefcases
- Personal property insurance
- Personal property lost or stolen
- Personal telephone calls in excess of reasonable calls home
- Pet care including kenneling
- Purchase of services (see Reimbursement for Purchases)
- Saunas, massages or other spa services
- Shoe shine
- Ski lift tickets
- Souvenirs or personal gifts
- Spouse or family member travel or meals [pending clarification]
- Temporary housing - see Moving Expense Policies and Procedures

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Business Meals Not Involving Overnight Travel

Definition
Business meals are defined as meals attended by faculty, staff, students and/or others from outside the University for a substantial and bona fide business purpose.

General
Faculty, staff and students may be reimbursed for approved, necessary and reasonable business meal expenditures. See policy below where the meal is only among University personnel. Expenditures for business meals should be charged to general ledger account 642002 (Meals Non-Travel) except for fund raising activities which should be charged to general ledger account 642001 (Entertainment Unallowable), see procedures for a list of general ledger codes used for business travel expenses.

Documentation of Business Purpose
Business meals must include a substantial and bona fide business discussion and include such purposes as the following:

- Interviewing job applicants
- Meeting prospective donors or sponsors
- Hosting official guests of the University as appropriate for University business

Individuals requesting reimbursement must submit written documentation of the business purpose of the activity and include:

- the date
- the name and title of everyone present for 10 people or less, greater than 10 attendees (the number of people and type of people attending)
- the business relationship of each person the location and
- a description of the University business conducted during this meal.

Original receipt is required for meals of $75 or more and must be scanned and attached to the SAP TRIP document. Original receipts are required for all business meal expenditures and must be retained in the business area/department of the traveler until the trip has been approved and paid. If the business meal expenditure is supported by a federal contract or grant, the original receipt may be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy original must be kept after it is scanned for at least one year. Reimbursement may be processed by completing a Travel and Business Expense Reimbursement Report. Further substantiation of expenditures may be required by the approver if the purpose is not clearly indicated. The business purpose documentation is required regardless of the cost of the meal.

Business Meals among University Personnel
Business meals generally include individuals from outside the University who take part in the business purpose of the meeting. However, there are instances where business meals among University personnel may be reimbursed at the discretion of the business area/department.
Business meals appropriate for reimbursement:

- Business meal expenses associated with interviewing job applicants who are currently employed.
- Food and/or beverages for meetings of regular University Committees including student committees or other working groups with periodic functions (e.g. quarterly) directly related to meeting the University's objectives.
- Food and/or non-alcoholic beverages for University staff required to work during non-usual hours.
- Occasional meals provided during business meetings scheduled mid-day. (Occasional means infrequent; weekly meetings scheduled routinely during lunch would not be eligible.)
- Meals provided in conjunction with a professional development seminar or an employee evaluation.
- Reasonable expenditures for social functions to recognize retiring or resigning employees, introduce new faculty and staff or provide for informal student interaction with department faculty and staff.
- Occasional staff morale events with prior approval as appropriate. (Occasional means infrequent; monthly events would not be eligible.)

Non-business meals not eligible for reimbursement:

- All meals of a personal nature including meals at University dining facilities.
- Meals during working hours, where one employee takes another employee to breakfast, lunch or dinner, other than those specifically noted above as allowable.
- Social events for University employees that do not have a clear business purpose (e.g., wedding or baby showers). The costs of these events should be borne by the participants or by management personally on behalf of the participants.
- Meals provided during meetings routinely scheduled mid-day during lunchtime.
- Meals during local travel including day trips other than business meals noted above.

Documentation of the business purpose must accompany any request for reimbursement related to meals. Such expenses should be adequately documented with the business purpose including the names & titles for 10 attendees or less, and the location of the event. Meals exceeding 10 attendees, we require the number of attendees, type of attendees (donors, faculty, students, nurses, etc.) the date, time, business purpose and location of the event. Such documentation should be processed by completing a Travel and Business Expense Reimbursement Report. Expenses for alcoholic beverages with these types of business meals should be separately itemized and reported so that the appropriate general ledger account can be used, see Procedures section for general ledger codes.

Food and refreshments for events

Food and refreshments for events such as seminars, symposiums, and lectures are generally paid for directly by the department to the food service vendor. Such expenses should be adequately documented with the business purpose including the name & title for 10 attendees or less and the location of the event. Attendees greater than 10 people, we require the number of attendees, type of attendees (donors, faculty, students, nurses, etc.) the date, time, business purpose and location of the event.

Reimbursement for Purchases

All purchases should be made under the University's purchasing policies and procedures such that the purchases are paid for directly by the University. However, on occasion, faculty, staff and students make purchases of goods on behalf of the University. Faculty, staff and students cannot make purchases of services on behalf of the University; services must be paid for directly by the University. For example, if a person pays for catering, lecture fees, honorarium or other services, these expenses cannot be submitted for reimbursement. The only exception is during foreign travel when an interpreter may be required.
For purchases of goods made on behalf of the University, the amount cannot exceed $3,000 and the reimbursement will not include any sales tax paid because the University is exempt from sales tax on purchases. Any purchases over $3,000 will not be reimbursed.

The reimbursement must be adequately documented (date, item(s) purchased, business purpose and amount) including the original receipt for any reimbursement of $75 or more. The original receipt should be scanned and attached to the expense report then retained until the reimbursement has been paid. If the business purchase is supported by a federal contract or grant, the original receipt may be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy original must be kept after it is scanned for at least one year.

**Entertainment & Fundraising**

**Definition**
Entertainment is defined as faculty or staff entertaining students and/or guests of the University at sporting events, theaters, social gatherings or elsewhere.

Entertainment expenditures should be charged to an approved non-sponsored cost center or internal order using general ledger account 642001 (Entertainment Unallowable), so that these costs are clearly identified. Federal regulations prohibit entertainment expenses to be charged to any federally sponsored grant or contracts either charged directly or through F&A (facilities and administrative allocations). Using the appropriate general ledger account code excludes the expense from any federal funding. The term "unallowable" refers to the federal prohibition not the ability to reimburse the expense.

**General**
The University reimburses faculty and staff for approved, necessary and reasonable fundraising entertainment expenses if the activity was directly related to University business and was conducted for the benefit of persons outside the University who were present at the activity.

Business expenses for entertainment and fundraising must follow the documentation rules for each activity:

- Date and amount
- Location of the activity
- Business purpose
- Names and titles of those who attended and
- Business relationship of each person named

Approval with respect to reimbursable fundraising and entertainment expenses rests with the University officers and deans, but may be delegated within academic divisions by the deans to the department chair and Divisional Business Offices.

**Spousal Travel, Meals and Entertainment**
Generally, spousal travel, meals and entertainment is non-reimbursable as a business expense unless there is an essential business purpose for the spouse.

**Club Memberships**
Generally, memberships are available only for individuals, not groups. Dues and membership fees paid to social and recreational clubs for individual membership are taxable income to the person if they are paid for directly by the University on the employee's behalf or reimbursed to the faculty or staff member. These are clubs organized to provide their members access to meals and entertainment facilities or to conduct entertainment activities. They include airline, athletic, luncheon and social clubs such as The Johns Hopkins Club, The Center Club and The Engineers Club.
This does not apply to professional organizations, medical associations or local business leagues.

When memberships are available for multiple members (e.g., a department or division) the memberships are strictly for business use and, as such, will not be considered taxable income to each authorized account user. A departmental/divisional membership cannot be used for any personal use, no exceptions.

Membership fees paid to wholesale or discount clubs are also taxable income whether they are paid for directly by the University on the employee's behalf or reimbursed to the faculty or staff member.

The social and recreational club and discount club dues and membership fees paid for directly by the University on the employee's behalf or reimbursed to the faculty or staff member are taxable compensation to the employee subject to all applicable payroll taxes. See "Taxable Payments".

**Membership Use**

Once a membership is established, all business use must be adequately documented to comply with the IRS Accountable Plan rules. This documentation must include a description of the business purpose for using the club, and the names and titles of those in attendance and their business relationship to each other, see Documentation of Business Purpose. In addition, the dates of use, the type of activity and proof of payment for the expense amounts are required to properly substantiate the business expenses that are either being paid directly by the University or reimbursed to the employee tax-free.

**Alcoholic Beverages**

Alcohol purchases with a business meal or social event are reimbursable at the discretion of each business area/department. Any alcohol charges that are eligible for reimbursement must be charged to a non-sponsored account and specifically to the general ledger account code 642001 (MEALS and ENT UNALLOW). Federal regulations prohibit alcohol purchases to be charged to any federally sponsored grant or contracts either charged directly or through F&A (facilities and administrative allocations). Using the appropriate general ledger account code excludes the expense from any federal funding. The term "unallowable" refers to the federal prohibition not the ability to reimburse the expense - See "Definitions". Alcohol purchases should be reasonable, not lavish or excessive. For example, the cost of a bottle of wine costing $75 or more could be lavish or more than one bottle of wine for a business dinner with 2 persons attending could be excessive.

**Gifts to Employees**

Generally, according to IRS rules, all gifts to employees are considered compensation and would be reported on the Form W-2. The university policy provides two exceptions:

1. Gifts provided under formal programs to recognize length of service or safety achievements of faculty and staff (e.g., University-wide reception hosted by Human Resources for staff and the school for faculty to acknowledge employment longevity milestones).
2. One-time non-cash gifts valued up to $25 per faculty or staff member during a calendar year to recognize accomplishments of a faculty or staff member:
   - Tangible gifts costing up to $25 such as a mug or T-shirt.
   - Note that this exception does not apply to cash and cash equivalents (e.g. gift cards and certificates). Cash and cash equivalents of any value provided to an employee by the university are considered taxable compensation and should be reported in the W-2.
If the combined value of gifts to an employee exceeds $25 in a calendar year, the full value is considered compensation and would be reported on the Form W-2, see Taxable Payments section.

Hospitality, Courtesies and Other Functions

General
All University funds, including funds derived from grants, contracts, gifts and auxiliary services shall be used only for activities related to the University's activities and programs. Accordingly, University funds shall not be used for purposes that are personal in nature and not required for the performance of one's duties or not usual and customary business practices.

Authorizing officials should be aware that certain expenditures covered by this policy may appear to be exclusively social, extravagant or otherwise inappropriate for a non-profit, tax-exempt institution when viewed from the perspective of regulatory agencies, donors, students, alumni, faculty or others. Such expenditures should be avoided.

 Approval
Payments will not be processed for meals, hospitality, courtesies and social functions unless satisfactory support and authorization has been provided. Approval by a senior officer may be requested when the business purpose or amount of expenditure seems unreasonable. Individuals who incur expenditures that do not comply with this policy's guidelines may be personally liable for their payment.

Documentation
Expenditures for business meals, hospitality, courtesies and social functions shall be documented in accordance with IRS guidelines which require the University to record the time, location, participants and business purpose of the activity. This information must be provided when submitting request for the expenditure's payment.

Examples of business expenses:

- A flower arrangement or small memorial donation (under $75) to charities can be made upon the death or serious illness of an employee or an immediate family member of an employee. In such cases Johns Hopkins University should be acknowledged as the sender (e.g., "from all your friends and colleagues at Johns Hopkins University Business area/department"). These donations (flowers or donation) must be made using University general funds and recorded as unallowable expenses.
- An occasional faculty/staff luncheon/dinner to acknowledge good performance of the business area/department or to celebrate the completion of a significant task.
- Examples of personal (non-business) expenses:
- Meals during working hours, including "working meals" where one employee takes another employee to breakfast, lunch or dinner, except those specifically allowable under the "Business Meals Not Involving Overnight Travel" section of this guide.
- Parties for University employees that do not have a clear business purpose, (e.g., to recognize a birthday, marriage or birth). The costs of these events should be borne by the participants or by management personally on behalf of the participants.
- Gift to University employees other than those specifically allowed under Gifts to Employees, see above.

See Non-Reimbursable Expenses section for a more detailed list of non-business expense items.

Awards, Prizes and Honoraria
Awards and Prizes
Awards and prizes can be "cash" which means paid directly by the University as using a check or direct deposit or "non-cash" which means something tangible (e.g., a sweatshirt) is purchased then given to the individual. Gift cards cannot be used.

"Cash" prizes to non-employees and students must be paid using online payment requests (FV-60). Awards and prizes given to non-employees including students are to be paid through Accounts Payable directly to the recipient of the award. All awards and prizes to an individual with a total value of $600 or more are tax reportable to the individual, reportable on an IRS Form 1099.

Awards and prizes given to an employee (generally, faculty and staff members) are taxable as compensation and must be paid through payroll. This would include academic awards, prizes from participating in surveys, and the like.

Faculty and staff cannot direct the payment to a discretionary account rather than accept the payment.

Generally, awards and prizes to students are not related to employment at the University, but in the event that the award or prize is employment related it would be treated the same as those given to employees - it would be taxable as compensation and must be paid through payroll.

Honoraria
An honorarium is a payment to a guest speaker. All honoraria to non-employees must be paid using online payment requests (FV-60). Honoraria given to non-employees are to be paid through Accounts Payable directly to the recipient of the award. Gift cards cannot be used. All honoraria to an individual with a total value of $600 or more are tax reportable to the individual, reportable on an IRS Form 1099.

Honoraria given to an employee (generally, faculty members) are taxable as compensation and must be paid through payroll. Faculty cannot direct the payment to a discretionary account rather than accept the payment.

Contributions to Other Organizations
Generally, Johns Hopkins University does not make contributions to other organizations except small donations as described under Hospitality, Courtesies and Other Functions.

Additional guidance will be provided at a later date.

Political Contributions
Johns Hopkins University (JHU) will not intervene in any political campaign on behalf of, or in opposition to, any candidate for public office. Violation of this prohibition could cause JHU to lose its tax-exempt status or incur excise taxes imposed on political expenditures. JHU prohibits using its funds to make any donation or contribution to any candidate's campaign. This prohibition applies to any political campaign or candidate including donations or contributions, tickets or fees to attend political events or functions, honoraria or stipends favoring or opposing any candidate. This includes requests for JHU funds to be paid, including petty cash funds, as well as any employee seeking reimbursement of personal funds already expended through accounts payable or travel and expense reimbursement. In addition, JHU will not permit use of JHU’s resources or facilities for the purpose of any political campaign.

In compliance with the IRS requirements, JHU has a Policy on Political Activities.

Cell phones
Service plans for cellular phones and similar devices may be reimbursed if there is a documented business reason for use of the device. See the Cellular Phone policies and procedures: policies.jhu.edu/?event=render&mid=779&pid=31966&fid=policy_31966.pdf&_=0.699224547352
New employee relocation/moving expenses
Effective January 1, 2018 all personal moving expenses paid by the university are considered taxable compensation to the employee and should be included in the W-2. The payment of or reimbursement for any personal moving expenses should be processed though payroll. Please see the Moving Expense Policy for more information: https://policies.jhu.edu/?event=render&mid=779&pid=32081&fid=policy_32081.pdf&_=0.0293355546727

Tuition
Tuition provided to employees under University benefit plans is generally not taxable. Tuition provided outside of University benefit plans is taxable income to the employee which should be either paid through payroll or processed through payroll as a non-cash adjustment if the payment was paid directly to a school. See Tax Considerations for Tuition Support for Employees and Dependents: https://policies.jhu.edu/?event=render&mid=779&pid=32084&fid=policy_32084.pdf&_=0.973764944513

Overseas Allowances
Various allowances may be provided to employees working overseas. Allowances may be available for full-time employees relocating for international assignments with a planned duration of one year or more. The type and amount of the allowances will vary according to the country of the assignment. See Overseas Allowances Policies and Procedures: Overseas Allowances AP-TRV-PL-30

Independent Contractors
There are a variety of Federal and Maryland State laws regarding independent contractors. Independent contractors to be paid over $5,000 require approval by the Controller's Office before an agreement is signed. All independent contractors must be paid directly through Accounts Payable in order to meet reporting requirements. Faculty and staff cannot hire and pay independent contractors directly and seek reimbursement. See the Independent Contractors Policies and Procedures: https://policies.jhu.edu/?event=render&mid=779&pid=31968&fid=policy_31968.pdf&_=0.563511952503

Procedures
Accountable Plan Rules
SAP TRIP is the official record of travel and business expenses and is used to capture all expenses. The features of Travel and Business Expense Reimbursement Report in SAP TRIP allow for appropriate documentation in accordance with the IRS Accountable Plan rules; see the Overview in the Policies Section for more about the IRS rules.

SAP Schema Selection
Schema is a design of SAP features created for different types of expense reports. There are 3 choices:

- Domestic Trip - for trips within the 50 United States and Washington, D.C., including local travel
- International Trip - for trips outside the 50 United States and Washington, D.C.
- Non-Travel Related Exp - for business expenses not related to a trip

For international travel, the appropriate country and region (city) code(s) must be used.

Once a trip is assigned in SAP it can be updated as needed until the reporting for the trip is completed.

For information about how to use SAP TRIP see the Knowledge Network https://lms4.learnshare.com/authenticate/shib/default.asp

SAP Roles
The Travel Request form is an electronic form in SAP TRIP. All employees (faculty, staff and students who are active on payroll) can be given travel privileges. In order to process a travel request, you will need one of the following roles: TBERR,
TBERA or CETBER, see roles under the General section. These roles are assigned to those designated by the department administrator. If you are planning on traveling in the future, it would be best to discuss the assignment roles with your supervisor. The Travel Request form is designed to perform two functions: 1) request pre-travel authorization and 2) request an advance of funds, if needed.

**SAP Role Changes for Trip Approval Authorization**

In instances when approval authorization in SAP TRIP needs to be temporarily changed because the approver will be out of the office, the approver or the Support Maintenance Organization (SMO) is authorized to make this change.

The SMO should only be contacted to make such changes when the approver is not able to set up the change in SAP prior to their absence. NOTE: The individual that approval authorization is transferred to must have the TBEA role; see roles under the General section.

**General Ledger (GL) Codes for Expenses**

In general, most travel expenses will be automatically coded to the appropriate general ledger account code for either Travel Domestic or Travel Foreign, depending on the expense item selected. However, certain expenses should be accounted for separately as these expenses are "unallowable" under federal funding. Alcoholic beverages, entertainment associated with business activities and business meals related to fundraising are the primary examples.

<table>
<thead>
<tr>
<th>Travel business expense item</th>
<th>GL Code</th>
<th>GL Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation, lodging, meals, gratuities, etc. for domestic travel</td>
<td>652001</td>
<td>Travel Domestic</td>
</tr>
<tr>
<td>Transportation, lodging, meals, gratuities, etc. for foreign travel</td>
<td>652101</td>
<td>Travel Foreign</td>
</tr>
<tr>
<td>Transportation, etc. for those working in a foreign country for travel within that country</td>
<td>652102</td>
<td>Overseas Local Travel</td>
</tr>
<tr>
<td>First class airfare</td>
<td>642001</td>
<td>Entertainment Unallowable</td>
</tr>
<tr>
<td>Business related fundraising or entertainment (foreign or domestic business)</td>
<td>642001</td>
<td>Entertainment Unallowable</td>
</tr>
<tr>
<td>Alcoholic beverages</td>
<td>642001</td>
<td>Entertainment Unallowable</td>
</tr>
<tr>
<td>Business meals not travel related, not fundraising</td>
<td>642002</td>
<td>Meals Non-Travel</td>
</tr>
<tr>
<td>Business meals not travel related, for fundraising</td>
<td>642001</td>
<td>Entertainment Unallowable</td>
</tr>
</tbody>
</table>

Travel advances are not expenses until the trip is reported.

When expenses are entered into SAP TRIP, the Travel Expense Type is automatically assigned. See this link for the General Ledger Code for each Travel Expense Type: [http://www.sapathopkins.org/wp-content/uploads/2011/01/expensetypesglogaccounts.xls](http://www.sapathopkins.org/wp-content/uploads/2011/01/expensetypesglogaccounts.xls)

**Overview of Domestic and Foreign Travel**

**Pre-Travel Approval in SAP TRIP**

This document is maintained by the Financial Quality Control department of the Controller's Office.
It is not mandatory to obtain prior approval for domestic or international travel using SAP TRIP unless your business area/department and/or funding source requires it. The business area/department has the authority to request their travelers to receive prior approval for travel. To request prior approval for travel, the traveler can enter a Travel Request using the travel manager in SAP TRIP before any expenses are submitted.

In SAP TRIP, a Travel Request form is completed including an estimate of the total travel costs. After saving the Travel Request form a TRIP number is assigned by the system. The Travel Request form will be routed to the travel and business expense approver (TBEA role), based upon the cost center or internal order being charged. The Travel Request preparer will be electronically notified of the business area/department approval or denial.

A Travel Request cannot be created after a Travel and Business Expense Reimbursement Report has been created for your trip.

**Travel Advance Requests**

**Advance Requests**

A Travel Request must be submitted through the SAP TRIP system to request a travel advance (TRIP number will be assigned by the system). The Travel Request can be used for requesting trip approval and the advance at the same time. An Advance will not be issued unless the Travel Request has been approved by all the approvers. Once submitted, the Travel Request form will be routed through workflow to the travel and business expense approver (TBEA role) in your business area/department, based upon the cost center or internal order being charged, before it goes to the Accounts Payable Shared Services Travel Unit. Your advance request should capture the total estimated travel costs including any expenses that have already been paid. After saving the Travel Request form you will be assigned a TRIP number by the system. A signed Travel Advance Recovery form (B-38) will be required by everyone prior to the disbursement of the advance. To insure a quick turnaround, the form should be faxed (443-997-3554) to the Accounts Payable Shared Services Travel Unit.

Accounts Payable Shared Services will index all Travel Advance Recovery forms in the system and link them to the appropriate TRIP number. The originating business area/department will be responsible for retaining the original Travel Advance Recovery form in the business area/department.

If there are any pending issues regarding the travel advance, the Accounts Payable Shared Services Travel Unit will contact the requestor by e-mail or telephone. Payments will be by electronic funds transfer and will be deposited into the traveler's designated bank account. If the traveler does not have a bank account the University will issue a check.

Travel advance requests will be accepted in the Accounts Payable Shared Services Travel Unit any time prior to a business trip but no later than two weeks before the start of the trip. However, payment of a travel advance will be made no earlier than 10 business days prior to the beginning date of travel and will not be issued without a signed Travel Advance Recovery form (B-38). **NOTE: If the corresponding Travel and Business Expense Reimbursement Report is created prior to requesting the travel advance, the advance cannot be disbursed. Advances must be requested and disbursed before creating the Travel Expense report.**

Travel advances are charged to a University accounts receivable (an asset on the balance sheet) general ledger account. Advances are not encumbered on the monthly expenditure statement and there are no charges posted to the cost center or internal order until the Travel and Business Reimbursement Expense Report is processed.

Travel advances are to be accounted for after the trip by submitting a Travel and Business Expense Reimbursement Report and should be processed as soon as possible, but must be completed (submitted, approved and paid) within 90 days of the last day of travel. It is the traveler's responsibility to make a full accounting of the use of the travel advance and timely reimbursement of any excess amount.
Repaying Outstanding Advances
The traveler must repay travel advances immediately if the trip is canceled. If the traveler does not use the entire advance for the assigned trip, the Travel and Business Expense Reimbursement Report must be completed and the balance returned. If a Travel and Business Expense Reimbursement Report is not processed within 90 days from the end of the trip, it will be assumed that all funds are unused.

The traveler has 90 days from the end of the trip to repay any unused funds before a payroll deduction will be initiated by Accounts Payable for the outstanding advance.

Unused funds should be sent directly to the Travel Unit using the "Travel Advance Funds Due JHU Form". A personal check payable to "JHU" can be sent to:

JHU @ Keswick
Accounts Payable Dept.
3910 Keswick Road, Ste. N4300
Baltimore, MD 21211

Consistent failure to not account for travel advances will result in suspension of travel advance privileges by the University Controller's Office.

Reimbursements Prior to Travel

General
Travelers who pay travel costs with a personal check, a personal charge card or a JP Morgan Chase Corporate Card can be reimbursed before the trip through the SAP TRIP system using the Travel and Business Expense Reimbursement Report. Reimbursement of charges for airline or train tickets, registration or conference fees, etc., made in advance of the trip can be submitted on a Travel and Business Expense Reimbursement Report electronically.

The documentation for electronic tickets must be issued by the airline, railway or travel agency and include the name of the traveler, the airline or railway confirmation number, method of payment and amount paid.

If you completed a Travel Request form, then you will go to the TRIP transaction and select the corresponding trip. The menu will show "Create Expense Report" for that particular trip under subsequent activities and when selected, the trip number will appear on the next screen with the dates, times, cost allocation, advances, comments, etc. also filled in on the report.

If you did not submit a Travel Request form, then you will go directly into the Travel and Business Expense Reimbursement Report to enter your paid expenses. The information that you enter on your Travel and Business Expense Reimbursement Report form will remain in the system throughout the final accounting of your trip.

(After your trip, enter any additional expenses that you incur related to the trip on the same travel expense report. Note: do not delete or change expenses that have already been paid or reimbursed. SAP tracks which expenses have already been paid and will only pay unpaid expenses.)

In order to submit a report, you must have the role of TBERR see SAP roles in the General section. If you do not have that role, you can submit your expenses and documentation to someone in your business area/department that has the role of TBERA. You can contact your Department Administrator or Divisional Business Office to obtain the names of the individuals within your business area/department that have that role.
**Conference Registration**

Payment of conference registration may be made in advance of travel and may be paid using the P-Card or by submitting an online payment request (SAP document FV60 & Parking a Non Purchase Order Related Invoice) and requesting the payment to be paid directly to the vendor. Documentation for the conference registration should be scanned and attached to the electronic payment request form or faxed (443-287-9357) to Accounts Payable Shared Services. The University procurement card may be used to pay for conference registration. These costs should be charged to the general ledger account 647001 (Training, Development and Conference). *The expenses paid directly to the vendor (P-Card or online payment request) should be included in the SAP TRIP records as prepaid.*

**Hotel Accommodations**

Payment of hotel accommodation or deposits may be paid in advance of travel and directly to the vendor by submitting an online payment request (SAP document FV60 & Parking a Non Purchase Order Related Invoice) and requesting the payment to be paid directly to the vendor. Hotel accommodations or deposit should be charged to the general ledger account 652001 (Travel Domestic) or 652101 (Travel Foreign). Advance payments to hotels made by an on-line payment request must include supporting documentation from the hotel and should be scanned and attached to the electronic payment request form or faxed to Accounts Payable Shared Services. *The expenses paid directly to a vendor should be included in the SAP TRIP records as prepaid.*

**Transportation Costs**

Plane or train tickets may be paid in advance of travel and directly to the vendor by submitting an online payment request (SAP document FV60 & Parking a Non Purchase Order Related Invoice) and requesting the payment to be paid directly to the vendor. Invoices for tickets should be scanned and attached to the electronic payment request form or faxed to Accounts Payable Shared Services. Transportation costs should be charged to the appropriate travel general ledger account 652001 (Travel Domestic) or 652101 (Travel Foreign). *The expenses paid directly to a vendor should be included in the SAP TRIP records as prepaid.*

**Reimbursements after Travel**

**General**

The University reimburses faculty, staff and students for approved, necessary and reasonable travel and business expenses incurred while conducting business for the University. Individuals who request reimbursement are responsible for getting approval for their trip prior to departure and must make a full accounting to the University. The traveler should use the Travel and Business Expense Reimbursement Report, which is an electronic form in SAP TRIP, to submit all travel expenses for reimbursement. One TRIP report should be created for the all travel expenses for a trip; expenses can be recorded and reimbursed prior to travel and then expenses during the trip can be added after the trip is completed. All expenses must be submitted into SAP within 90 days from the end of the trip.

**Travel and Business Expense Reimbursement Report**

Travel and business expenses should be submitted on an electronic Travel and Business Expense Reimbursement Report in SAP TRIP. In order to submit a report, you must have the role of TBERR; see SAP roles in the General section. If you do not have that role, you can submit your expenses and documentation to someone in your business area/department that has the role of TBERA. You can contact your Department Administrator or Divisional Business Office to obtain the names of the individuals within your business area/department that have that role.

All travel and business expenses should be processed as soon as possible, but always within 90 business days of the last day of travel (business areas/departments may have deadlines so that the reimbursement is submitted into SAP in 90 days - see IRS rules in policy section). If you received pre-approval for your trip, then the information that you entered (dates, times, cost allocation, advances, comments, etc.) on your Travel Request form will automatically be carried forward to the corresponding

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The expense report will allow you to select from a drop down menu either international or domestic. It will be up to the travel and business expense approvers (TBEA role) to reject the expense report for any international travel that has not received prior approval (see Travel Request section). Any paid expenses that have been checked off as "prepaid" in the SAP TRIP system will not be included in the reimbursement amount. If there are any pending issues regarding the travel expense report the Accounts Payable Shared Services Travel Unit will contact the requester by e-mail or telephone.

**Coordination with Reimbursements for Expenses Paid Prior to Travel**
In those instances when the traveler pays for travel related expenses in advance of the trip, Accounts Payable Shared Services will reimburse any approved expenses submitted on the Travel and Business Expense Reimbursement Report if the traveler wishes to submit them prior to the trip. Any additional cost incurred during the trip can be entered on the same TRIP form when the trip is completed. Note: do not delete or change expenses that have already been paid or reimbursed on the TRIP form.

**Approvals**
Once a Travel and Expense Reimbursement Report is submitted with all scanned receipts attached (see document retention below), it will be routed through workflow based upon the cost center or internal order being charged, to the business area/department travel and business expense approver. Travelers may not approve their own Travel and Business Expense Reimbursement Reports. After the business area/department approves the SAP TRIP, it is then routed by workflow to the Accounts Payable Shared Services Travel Unit for review and payment.

In the event that your department cannot attach scanned receipts, the receipts will need to be manually forwarded to the approver. Upon business area/department approval of the SAP TRIP, the receipts are then faxed to Accounts Payable Shared Services Travel Unit at 410-502-7959 using the required fax coversheet [link]. For those using JP Morgan travel cards, use 410-502-8020.

Any expense report total that is less than $75 is processed without review by the Travel Unit. For reports of $75 or more, if the Travel Unit reviews an expense report and verifies that all line items are less than $75, the expense reimbursement is approved for processing without further review. All other expense reimbursement reports will not be processed until the receipts are received in the Accounts Payable Shared Services Travel Unit.

Travelers and the business area/department approver are responsible for reviewing the Travel and Business Expense Reimbursement Report for:

- Compliance with the University travel policy
- Funding availability
- Compliance with funding agency regulations
- Reasonableness and accuracy of travel expenses
- Completeness and accuracy of the SAP TRIP
- Document retention (Original receipts can be maintained by Divisions/departments electronically (on a server that is regularly backed up so the documents can be recovered at any time) but the hard copy originals should be retained until reimbursements are paid. If the travel or business expense is supported by a federal contract or grant, the original receipts may also be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy originals must be kept after they are scanned for at least one year.)
Documentation Requirements for Expenses

The University needs the following documentation to substantiate business expenses. Original receipts are required for expenses of $75 or more:

- Business expenses for meals and entertainment must follow the documentation rules for each activity: Date and amount
  - Name of everyone present (first and last name)
  - Business relationship of each person (position title and company) Location of the activity and
  - Business purpose - a description of the University business conducted
- Air/Rail - air or rail ticket (itinerary or electronic tickets showing the invoice has been paid or charged to a credit card, copy of the air or rail ticket with copy of the credit card statement).
- Hotel - itemized hotel bill showing proof of payment.
- Car Rental - car rental agreement receipt showing proof of payment
- Personal Car Usage - mileage as shown in paper or electronic standard highway mileage guides (e.g. map quest)
- Receipts for tolls and parking
- Meals/Entertainment - credit card receipt or cash register receipt of $75 or more.
- On-line transactions - request for reimbursement for on-line transactions must clearly show proof of payments. Missing Receipts/Receipt Photocopies are accepted only with a Missing Receipt Affidavit Form (MRA) which requires the payees signature (if available) and authorized signer or two authorized signatures with a complete explanation of the expense if a copy of the receipt is unobtainable. The Missing Receipt Affidavit is not to be used in lieu of waiting for the appropriate receipt or not wanting to submit the original receipt.
- Copies of cancelled checks may be used to support reimbursement of expenses paid from a personal checking account.

NOTE: ALL original receipts(s) and any necessary documentation including the Missing Receipt Affidavit can be scanned and maintained by Divisions/departments electronically (on a server that is regularly backed up so the documents can be recovered at any time). The hard copy originals should be retained until the reimbursement has been paid. If the travel or business expense is supported by a federal contract or grant, the original receipts may also be scanned and maintained electronically (on a server that is regularly backed up so the documents can be recovered at any time), but the hard copy originals must be kept after they are scanned for at least one year.

Expense reimbursements submitted more than 90 days after the end of the trip or more than 90 days from the date incurred for non-travel business expenses (date on the receipt) may be submitted with an explanation to request an exception. Requests will be reviewed by Accounts Payable Shared Services and the Tax Office. Repeated requests will not be accepted. If the exception is not approved, then at the discretion of the business area/department and with appropriate documentation and approval, the employee could be provided a pay supplement for the expenses not submitted into SAP within the 90 days. See Taxable Payments; section AP-TRV-PR-07.

Payment of the Travel Reimbursement

The Travel and Business Expense Reimbursement is reviewed and approved by the Accounts Payable Shared Services Travel Unit. Accounts Payable Shared Services will process the reimbursement if the University owes money to the traveler. NOTE: All payments will be by electronic funds transfer and will be deposited into the traveler's designated bank account; the bank account used for payroll direct deposit is the default bank account. It is the traveler's responsibility to verify banking information with HR/Payroll Shared Services. If the traveler does not have a checking account a check will be issued.

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Local Travel (in US)
SAP TRIP must be used to reimburse faculty, staff or students for mileage and parking expenses when they are the only expenses incurred on trips for which a personal automobile is used; these are trips that take place in and around the general metropolitan area where you work. For those who frequently travel locally, a TRIP document should be submitted at least once each month, but not daily. Multiple trips can be included in one TRIP document so one document can be used for the month.

The Domestic Trip Schema should be used when requesting reimbursement for local travel. Parking and mileage costs should be listed chronologically including origin and destination (“to and from”) information for each trip on a Travel and Business Expense Reimbursement Report and submitted for reimbursement. Local travel will be charged automatically to the general ledger account 652001 (Travel Domestic).

Adequate documentation supporting the expenses and their business purpose must be included in SAP TRIP document and be submitted into SAP within 90 days from the end of the first trip included in the report.

Petty cash vouchers should generally not be used for reimbursement of local travel of $25 or more.

Taxable Payments
Certain expenses are taxable if paid to (or on behalf of) the employee:

• Expense reimbursements submitted more than 90 days after the end of the trip or more than 90 days from the date incurred for non-travel business expenses (date on the receipt)
• Spousal/family travel expenses and/or meals
• Non-business expense paid on an Executive Card that has not been reimbursed within 30 days from the date of the notification

At the discretion of the business area/department and with appropriate documentation and approval:

• The employee could be provided a pay supplement for the expenses not submitted into SAP within the 90 days.
• The employee may not have to repay the full travel advance. The amount of expenses up to the amount of the advance could be accounted for in SAP TRIP, and then adjusted in the employee's pay using a non-cash adjustment, see below.

Taxable payments must be reported as taxable income included on IRS Form W-2. There are 2 methods for handling:

• Pay directly through payroll as a supplement using an ISR and wage type 3117, Expense Reimb Taxable.
  • This would be done for travel/business expenses submitted more than 90 days after the end of the trip, only if the business area/department approves the reimbursement.
  • For travel expenses submitted after 90 days from the end of the trip, expenses are not entered in SAP TRIP unless there is a travel advance.
• Report through Payroll, but not paid - "non-cash" adjustment using an ISR and wage type 3120, NC-other (NC means non-cash). This would be done for personal expenses paid on the Executive Card or paid directly to a vendor. These payments are considered as being made on behalf of the employee. This would also be done for a travel advance that was not submitted into SAP within 90 days of the end of the trip.
• If a travel advance was issued, (1) the expenses up to the amount of the travel advance must be entered into SAP TRIP and (2) into payroll as a non-cash adjustment. (Expenses paid prior to the travel are not impacted.) - See example 1 below.

• If a travel advance was issued and the expenses are less than the advance, (1) the actual expenses must be entered into SAP TRIP, (2) the employee repays the excess advance, and (3) the total amount of the expenses is into payroll as a non-cash adjustment. (Expenses paid prior to the travel are not impacted.) - See example 2 below.

Examples:

1. Business expenses are more than the travel advance  
   Employee receives a $2,000 travel advance. The business expenses to be reimbursed for the trip are $3,000. The employee does not submit the expenses within 90 days from the end of the trip.
   1. Business expenses up to the amount of the advance are entered into SAP TRIP ($2,000)
   2. An ISR is created to record a non-cash adjustment for the amount of the advance ($2,000)
   3. If the business area/department approves, an ISR is created to provide a pay supplement equal to the business expenses in excess of the travel advance ($1,000)

2. Business expenses less than the travel advance  
   Employee receives a $2,000 travel advance. The business expenses to be reimbursed for the trip are $1,500. The employee does not submit the expenses within 90 days from the end of the trip.
   1. Business expenses are entered into SAP TRIP ($1,500)
   2. The employee repays the excess advance ($500)
   3. An ISR is created to record a non-cash adjustment for the amount of the advance used for business expenses ($1,500)

Note: A non-cash adjustment in payroll adds the amount to the employee's taxable income, but the amount is not paid.

The adjustment increases the amount of taxes withheld so that the person's net pay is less.

Contact HR/Payroll Shared Services for information about non-cash adjustments and/or processing an ISR.