

NIH Policy Manual

1500-08 - Acceptance of Payment from a Nonfederal Source to Cover Travel Expenses (Sponsored Travel)

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Transmittal Notice

1. Explanation of Material Transmitted: The material transmitted contains amended language that reflects updated provisions in Federal Travel Regulation, Part 304 and the corresponding changes in HHS policy (HHS Travel Manual Chapter 7). The most important changes include, approval of payment for specific expenses after-the-fact as long as HHS-348 sponsored travel acceptance was initially authorized; the ability to accept payment from a nonfederal source that is a recipient of Federal grant or contract funds; the requirement that any upgrade in common carrier accommodations must be paid in full by the sponsor, in advance of the trip; and the more restrictive HHS policies inclusive of no annual leave in conjunction with a HHS-348 sponsored trip regardless of the location of the temporary duty site. In addition, corresponding Appendix 6, "Sponsored Travel Requirements/Procedures," has been updated to reflect new authorization/approval requirements for Senior Level sponsored travel and the procedures that are to be followed both off-line, and on-line in the automated travel system, when it comes to the preparation and vouchering of all HHS-348 documentation packages.

Partial Revision 10/22/13*, 02/13/19**

* **Partial revision on 10/22/13 to the following sections of NIH Manual 1500-08:**
1500-08-00 – Partially revised Sections A. Purpose and B. Policy to align with the HHS Travel Manual Chapter 7 as well as updating hyperlinks throughout.

** **Partial revision on 2/13/19 to Manual Chapter 1500-08-01, A, #3:** Acceptance of payment for premium class common carrier accommodations to align with HHS Travel Manual.

2. Filing Instructions:

Remove: NIH Manual 1500, Chapter 08, and Appendix 6, both dated 9/25/01, in entirety

Insert: NIH Manual 1500, Chapter 08, and Appendix 6, both dated 1/23/06, in entirety

PLEASE NOTE: For information on:

- Content of this chapter, contact the Office of Financial Management/Division of Policy on 301-496-4379 or 301-402-8831.
- Online information, enter this URL: [Manual Chapter 1500](#).
- To sign up for e-mail notification of future changes, please go to the [NIH Manual Chapters LISTSERV](#) Web page.

1500-08-00. Acceptance of Payment from a Nonfederal Source to Cover Travel Expenses (Sponsored Travel)

A. Purpose

This chapter sets forth Department and NIH policy with respect to acceptance of cash or services in-kind from a nonfederal source, the purpose of which is to defray in whole or in part the travel or related expenses of "**employees**" as defined in FTR 304-2.1 and the DHHS Travel Manual Chapter 7 (**includes Commissioned Officers**). It also establishes NIH procedures for the preparation and processing of the HHS-348, "Request for Approval to Accept Payment of Travel Expenses From a Nonfederal Source" in the automated travel system.

B. Policy

It is both HHS and NIH policy that sponsor travel accepted under Title 31 will be entirely in-kind unless:

1. The sponsor in their letter of intent states their internal operations cannot support in-kind travel arrangements, and
2. The in-cash offer is \$500 or greater, and
3. There are not any known issues of the sponsor failing to make timely cash reimbursement.

All in-cash sponsor offers require Ethic's review prior to submitting the request to NIH's Senior Travel Official (STO) for approval. Such requests are to be made via the STO Waiver Form, Appendix 11, and submitted via e-mail to OFM Travel. The STO Waiver Form can be accessed at: https://oma.od.nih.gov/Lists/DMSFormsList/Attachments/299/NH2926_1.pdf

A blanket waiver exists for in-cash sponsor funding provided by FASEB, Keystone and Gordon Research regardless of dollar amount. As such, the STO waiver is not required for these three sponsors.

The restriction for in-cash sponsor travel also applies to travel accepted under Title 5 and Title 42 although it is more relaxed. In-cash reimbursement without submission of the STO waiver form is permitted for per diem, taxis and other miscellaneous expenses, but not for airfare.

Employees may not, under any circumstances, accept an honorarium or retain cash in excess of actual expenses. Additionally, ICs shall not use the authorities set forth above to shift the cost of their normal travel programs to nonfederal sources. **NIH employees shall not solicit payment of travel expenses from a nonfederal source.**

NOTE: The travel policies and procedures contained in HHS Travel Manual Chapter 7 and this chapter regarding “Acceptance of Payment From A Nonfederal Source to Cover Travel Expenses” do not extend to "Non-FTE Persons". Instead, please consult NIH Manual 1500 Chapter 10-00 "Temporary Duty (TDY) Travel and Relocation of Non-FTE Persons".

Information and legislative background used in these guidelines, and which can be referenced in detail, is incorporated in the terms of the Government's Ethics Reform Act of 1989 (18 U.S.C. 202 et seq.); FTR 304; HHS Travel Manual Chapter 1-70; 5 U.S.C. 7342, 31 U.S.C. 1353, 42 U.S.C. 3506; and NIH Delegations of Authority, [Travel No.7](#). (For additional information, see 1500-08-01 below.)

C. Delegations of Authority

For the majority of NIH employees accepting non-Federal source funding, the authorizing official signature required on the HHS-348 *"Request for Approval to Accept Payment of Travel Expenses from a Nonfederal Source"* is the IC Director/Deputy Director/Executive Officer and the recommending official may be the IC Ethics Officer. Exceptions and special situations are:

1. **IC Directors.** In the cases of travel-related activities for IC Directors, the IC Executive Officer or equivalent level will serve as the **recommending official** and the Deputy Director for Management, NIH will serve as the **authorizing official**.

OD Senior Staff. Within OD, for travel-related activities of the OD Executive Officer, the Deputy Director, NIH will serve as the **recommending official** and the Deputy Director for Management, NIH will serve as the **authorizing official**. For travel-related activities of the Deputy Directors, Associate Directors, and Office Directors, the **recommending official** is the Deputy Director, NIH and the **authorizing official** is the OD Executive Officer.

NOTE: For additional information on Executive Level Sponsored Travel, including appropriate ethics review and corresponding requirements, see [NIH Manual 1500 Appendix 6](#), "Sponsored Travel Requirements/Procedures".

2. **Special sponsored travel allowances.** In line with 31 U.S.C. 1353 and FTR 304, authorization of, a) spousal travel; b) accommodations in excess of the FTR maximum per diem rates, i.e., lodgings-plus; c) higher modes of common carrier transportation services, e.g., business class; d) a potential conflict of interest situation; or e) sponsored travel after-the-fact, will be retained at the same delegation of authority levels as outlined above in "C" or "C (1)".

NOTE: When the sponsoring organization is offering "In Kind" or "In Cash" lodging accommodations at a rate higher than the maximum per diem rate, i.e., lodgings-plus, authorization or post-approval (when the applicable conditions are met) of a Conference Lodging Allowance or an Actual Expense Allowance (AEA) must be obtained from the Sponsored Travel delegated official. This includes authorization or post-approval of the AEA memorandum (See NIH Delegations of Authority, [Travel No.7](#)).

D. Definitions

1. **Advisory services.** Advisory services have certain characteristics, to include activities that, are longer in duration; convey a sense of urgency or immediacy about their purpose; entail providing advice and technical assistance or conducting technical or scientific training or research; or most typically for HHS, are sponsored by international organizations such as the United Nations, the World Health Organization (WHO), Pan American Health Organization (PAHO), Food and Agriculture Organization (FAO), and/or foreign governments. The above features distinguish this type of travel or service from a typical meeting, conference, or similar function.

The term "advisory services" is applied under the following circumstances:

1. The purpose is to provide information, expert advice, or professional judgment on a **specific** topic;
 2. At the request of an outside party;
 3. In a setting where attendance is limited to specifically selected individuals; and
 4. Benefits accrue more to the outside party than the employee.
2. **Cash.** "Cash" is currency, coin, checks, drafts, or other commercial paper that is convertible into currency or coin.
 3. **Conflicting non-Federal source.** Any person or entity other than the Government of the United States that has interests which may be substantially affected by the performance or nonperformance of the employee's duties. (See NIH Ethics Program at: <http://ethics.od.nih.gov/>.)
 4. **Employee.** An appointed officer or employee of an agency including an individual employed intermittently in the Government service as an expert or consultant in the Executive Branch (as defined in 31 U.S.C 1353) appointed under the authority of 5 U.S.C. 3109, or a Special Government Employee as defined under 18 U.S.C. 202 (See also 41 CFR Part 304-1.2). Individuals who are assigned to NIH under the Intergovernmental Personnel Act (IPA) (5 U.S.C. 3374 or 5 U.S.C. 3372) *by appointment* are considered "employees" for the purpose of this chapter.
 5. **Foreign government.** Every foreign government and any representative or entity thereof including, for example, a university, foundation or society, or a research facility owned or operated by the foreign government. (Contact the Division of International

Relations, John E. Fogarty International Center (301-496-4784) for assistance.)

6. **Lodgings-Plus per diem rates.** A method of computing per diem allowances by which the per diem allowance for each travel day is established on the basis of the actual amount the traveler pays for lodging, plus meals and incidental expenses (M&IE), the total of which does not exceed the applicable maximum per diem rate for a specific geographic location.
7. **Meeting or similar function.** A conference, seminar, speaking engagement, training course, or similar event that takes place away from the employee's official station. This term does not include events to carry out an agency's statutory and regulatory functions, such as investigations, inspections, audits, site visits, or performing advisory services, and does not include promotional vendor training or other meetings held for the primary purpose of marketing the nonfederal source's products or services.
8. **Nonfederal source.** Nonfederal source means any person or entity other than the Government of the United States. The term includes any individual, private or commercial entity, nonprofit organization or association, state, local, or foreign government, or international or multinational organization.
9. **Non-FTE Persons.** These are individuals who do not receive civil service appointments and are retained by NIH to: 1) conduct research under a training or other agreement; 2) are permitted to engage in scientific studies and investigations using NIH research facilities; or 3) provide research services, direct patient care, and other types of services for the NIH on a voluntary basis. Individuals who are assigned to NIH under the IPA *by detail* are considered non-FTE persons for the purpose of this chapter.
10. **Payment In Cash.** The acceptance of cash or similar instrument from nonfederal sources for costs incurred by the traveler for deposit to the Federal appropriation (reimbursable account) from which the traveler is paid.
11. **Payment in Cash for retention by the traveler.** Acceptance of cash reimbursements from nonfederal sources by the traveler for retention by the traveler. **Important:** For directions on how to process checks made payable to the traveler, see [NIH Manual 1500-08-02](#).
12. **Payment In Kind.** Payment "In Kind" means goods or services provided in lieu of funds paid to an agency by check or similar instrument for travel, subsistence, and related travel expenses.
13. **Travel, subsistence, and related expenses.** Transportation, meals, lodging, and other items related either to travel tickets or paid bills for such travel and related expenses. The term also includes expenses such as conference or training fees and includes other benefits which can not be paid under the applicable standard travel regulations and which are provided in kind and **made available by the sponsor to all attendees** incident to and for use at the meeting or similar function.

1500-08-01. Legislative Authorities

Acceptance of payment for travel, subsistence, and related expenses is authorized under the following statutes and corresponding regulations, and HHS policy:

A. FTR Travel Acceptance Authority, 31 U.S.C 1353

Provides authority for the Department or an employee on behalf of the Department, to accept payment from a nonfederal source for travel, subsistence, and related expenses in connection with attendance at meetings and similar functions relating to the official duties of the employee. Implementing regulations provide for acceptance of, 1) travel payments for an accompanying spouse; 2) travel payments in excess of maximum, i.e., lodgings-plus, per diem rates; 3) premium class common carrier accommodations; 4) acceptance of payment from a conflicting nonfederal source only when the entire program scope of an IC is considered and only after numerous criteria governing such acceptance are carefully examined; and 5) acceptance of payment for travel expenses after travel has commenced. This statutory authority **prohibits** employees and/or their accompanying spouse from directly accepting payments in cash/check or similar instrument made payable to either traveler from the nonfederal source.

1. **Acceptance of payment for an accompanying spouse.** In line with FTR 304-3.14, payment for an accompanying spouse can be accepted under very limited conditions. The spouse must travel pursuant to an official travel authorization (order) which clearly references the employee's travel authorization and the purpose of the trip. In addition, the following conditions must be thoroughly documented on the spouse's travel authorization:
 - a) The spouse will support the mission of the agency or substantially assist the employee in carrying out his/her official duties;
 - b) The spouse will participate in substantive programs related to the agency's programs or operations; or
 - c) The spouse will attend a ceremony at which the employee will receive an award or honorary degree.
2. **Acceptance of payment in excess of maximum per diem rates, i.e, lodgings-plus.** In line with FTR 304-3.11, payment in excess of the lodgings-plus per diem rates, may be authorized **only** when, 1) the nonfederal source pays the full amount of the expense; 2) the excess per diem allowance, e.g., actual expense, or other benefit furnished is comparable in value to that offered to, or purchased by, other similarly situated individuals attending the meeting or similar function; and 3) approval for acceptance of payment from the nonfederal source has been obtained in advance of the travel. The invitation letter to the agency from the nonfederal source must contain language to this effect when an organization offers to pay for expenses above the lodgings-plus per diem rate.
3. **Acceptance of payment for premium class common carrier accommodations (See FTR 304-5.5 and 5.6).**

a) First-class: There is no authority for the acceptance of sponsor first class travel. This prohibition extends to circumstances when a sponsor books the entire flight on premium class travel resulting in one leg of the trip placing the traveler in first class as only two classes of service are offered on that flight. This scenario usually involves a domestic leg taking the traveler to a gateway city before international travel on business class proceeds. Even though it is less expensive for the sponsor to book the entire flight as premium class travel rather than booking each leg separately, the sponsor must book the flight according to the Federal Travel Regulations. There is no deference to the cost burden or imposition this imposes on the sponsor by having to book the trip's legs separately rather than as one unit. Furthermore, there is no authority extended to the Agency head to modify or waive the restriction. This restriction also precludes a sponsor from providing a first-class ticket to the gateway city on a flight having only two classes of service for a traveler having an approved Appendix 7 allowing for premium class travel due to medical reasons. For these flights, NIH should only accept in-kind business class tickets from the gateway city to the final destination with NIH providing the ticket to the gateway city. Lastly, a sponsor provided in-kind domestic first-class ticket cannot be accepted for a flight having only two classes of service, coach and first class, even for a traveler having an approved Appendix 7. Thus, the cost of this travel becomes the responsibility of NIH.

b) Premium Other Than First-class common carrier accommodations, e.g., Business class:

1) The transportation meets at least one of the conditions provided in [FTR 301-10.123](#) (airlines), [301-10.162](#) (train), or [301-10.183](#) (ship). A detailed discussion of these conditions is found in [NIH Manual Chapter 1500-13-01\(D\)\(2\)](#);

2) In addition to the above, the following two FTR conditions regarding in-cash sponsorship for business class must also be met (see [FTR 304-5.5](#) and HHS Travel Manual Section 7.5.1.8: Common Carrier Accommodations Other than Coach Class – Business Class):

- a. The nonfederal source makes full payment in advance of the travel;
and
- b. The accommodations furnished are comparable in value to that offered to, or purchased by, other similarly situated individuals attending the meeting.

The above two conditions should be explicitly stated in the sponsor's invitational letter. If they are not, they need to be confirmed and documented by e-mail correspondence with the sponsor.

Please note in-cash acceptance from a sponsor requires prior approval from NIH's Senior Travel Official utilizing NIH Form 2926-1.

4. **Conflict of interest analysis (see FTR 304-5.3).** The appropriate official must certify that given the circumstances, a reasonable person with knowledge of all of the relevant facts would not question the integrity of the agency programs or operations and that the travel is in the Institute or Center's interest, the employee has been authorized to attend in an official capacity on behalf of the IC or NIH, and that the travel will advance the IC's mission, or may be in support of an NIH mission. An accompanying spouse must adhere to the same conflict of interest analysis as the employee. A traveler must have the sponsored portion of the travel approved by the appropriate IC official for conflict of interest, **prior** to commencement of the trip.
5. **Acceptance of payment after the travel has commenced (see FTR 304-3.13).** After-the-fact HHS-348 sponsored travel payments may be authorized only when the following conditions are met:
 - a) When there is an approved HHS-348 for some travel expenses prior to departing on travel; AND
 - b) The additional travel expenses paid for or provided in-kind are comparable in value to those offered to, or purchased by, similarly situated meeting attendees; AND
 - c) The IC did not decline to accept payment for those particular expenses in advance of the travel.

NOTE: For additional information, see HHS Travel Manual Chapter 1-70-30(A)(6).

NOTE: "Widely Attended Gatherings (WAG)". In line with 5 CFR 2635.204(g), when an employee accepts an offer of "free attendance" in connection with his/her attendance at a "widely attended gathering" sponsored by a nonfederal source, and there are no transportation or lodging expenses involved, a HHS-348 request may not be required. Free attendance may include waiver of a conference or registration fee, meals if taken in a group setting, light refreshments, entertainment, and instructional materials. An IC Ethics Official should review all such WAG requests.

B. HHS Travel Acceptance Authority, 42 U.S.C. 3506

Provides authority for an employee to accept on behalf of the Department, payment from a nonfederal source for travel, subsistence, and related expenses in connection with a travel assignment related to the provision of "**advisory services**" by the employee **as part of his or her official duties**. Travel in pursuit of joint or collaborative research activity, either foreign or domestic, might be considered advisory services. However, acceptance of payment for travel for employees who provide advisory services as officers, directors, or trustees of an outside organization, as part of their official duties, is prohibited unless the employee first obtains a waiver of financial conflict of interest under 18 U.S.C. 208 (b). For information on this prohibition, contact your IC Ethics Officer.

NOTE: Under this authority, the following activities are prohibited: 1) acceptance of payment for travel expenses from a conflicting nonfederal source; 2) acceptance of payment for an authorized per diem allowance in excess of the maximum rate, i.e., lodgings-plus; 3) acceptance of payment for travel by a spouse; and 4) acceptance of payment for travel

expenses after-the-fact.

The same guidelines for use of premium class common carrier accommodations contained in Section 1500-08-01(A)(3) are to be applied for this section, as well.

C. Foreign Gifts and Decorations Act, 5 U.S.C. 7342

Provides authority under which employees and members of an employee's family and household may accept gifts of travel expenses for travel taking place entirely outside the United States when the donor is a foreign government (including international and multi-national organizations such as: World Health Organization (WHO), Pan American Health Organization (PAHO), International Agency for Research on Cancer (IARC), and Food and Agricultural Organization (FAO). Acceptance under this authority must be consistent with the interests of the United States and **the travel must be approved by the appropriate delegated official even where the employee travels in his or her private capacity on non-official time (see NIH Manual 2300-735-4, Outside Work and Related Activities with Outside Organizations).**

The same guidelines for use of premium class common carrier accommodations contained in Section 1500-08-01(A)(3) are to be applied for this section, as well.

NOTE: In the case of all three of the above legislative authorities, the [Appendix 7](#) "Request for Premium Class Common Carrier Travel Accommodations for Employees with Medical Conditions"; or [Appendix 8](#) "Individual Trip Authorization, (Non-Medical) Authorization for Use of First Class or Premium other than First-Class Travel Accommodations", of Manual 1500, is to be properly completed and signed and recorded in the IC's official travel files. This action is to occur for both In Kind and In Cash transactions.

D. Annual Leave Rule

When conducting HHS-348 sponsored travel under any one of the above statutory authorities, it is HHS policy that employees shall not be permitted to take annual leave in line with any trip that is sponsored in whole or in part by a nonfederal source, whether for-profit or non-profit. This includes travel to domestic, non-foreign, and foreign sites.

E. Federal Grant and Contract Funds.

It is HHS policy that in limited circumstances, an IC may authorize acceptance of travel and related expenses from a nonfederal source receiving Federal grants or contracts. The employee must be performing authorized official duties consistent with the IC's mission and the nonfederal source must indicate in its Invitation Letter that it is using Federal grant or contract monies, not confined to HHS, to fund the particular travel and related expenses. Any acceptance of this nature must be thoroughly reviewed by the IC Ethics Official.

1500-08-02. Methods for Reimbursement of Travel Expenses by Nonfederal Sources

A. Reimbursement Options

When NIH employees travel for official purposes as representatives of the agency, the acceptance of cash or services in kind from nonfederal sources to defray travel or related expenses is permitted. Acceptance of payment by check or in-kind services for travel expenses from nonfederal sources **must be approved in advance** (see FTR 304-3.3 except as provided in FTR 304-3.13) by the appropriate IC official designated to approve such payment (see [NIH Manual Chapter 1500-08-00\(C\)](#)). There are three (3) methods under which such cash or in-kind reimbursement may be made.

1. **In Cash for deposit to the NIH appropriation.** Reimbursement by the sponsor to the employee's IC in cash for deposit to the Federal reimbursable appropriation from which the travel is paid. **This is the preferred method of reimbursement.**
2. **In Kind.** Goods or services provided to the traveler in lieu of funds paid to an agency by cash or similar instrument, for travel related expenses. This could include the provision of prepaid tickets, hotel accommodations, meals, etc. Under this type of reimbursement, **no cash transaction transpires between the traveler or NIH and the sponsoring organization.**
3. **In Cash for retention by the traveler.** This is reimbursement by the sponsor in the form of cash (currency), check, or similar instrument, made payable to the employee. This is **prohibited** for sponsored travel under 31 U.S.C. 1353, i.e., to "attend meetings or similar functions". Cash reimbursement may still be received and retained by the employee under the authority to provide advisory services (42 U.S.C. 3506) or under the Foreign Gifts and Decorations Act (5 U.S.C. 7342). However, in accordance with DHHS travel policies and procedures, this should only occur under very rare circumstances, i.e. when the sponsoring organization does not have the authority to make payments to a Federal agency, and when such acceptance is clearly in the best interest of the Government.

B. Conditions for Reimbursement

1. **No honorarium.** An employee may not accept an honorarium or fee for service for the performance of his/her official duties. Since "Sponsored Travel" is performed during normal work hours, **only travel-related expenses can be paid by the sponsor.**
2. Sponsoring organizations which elect to reimburse the Federal Government appropriation rather than provide "In Kind" services, should make reimbursement **checks payable to "DHHS/National Institutes of Health", not the individual traveler.**
3. **When reimbursement checks or "cash" are made payable to the individual traveler.** In cases where the traveler is performing official business under authority 42 U.S.C. 3506 or 5 U.S.C. 7342, a check may be made payable to the traveler as stated

above in [NIH Manual 1500 Chapter 08-02 \(A\)\(3\)](#). In accordance with NIH policy, the traveler must present the sponsor's check (**personal checks are not permitted to replace a sponsor's check**) along with a copy of the completed voucher and a copy of the HHS-348 to the OFM Travel, Fellowships, and Cashiers Section, Building 31, Room B1B23 for credit to the proper appropriation. Travelers endorse the check and write, "Payable to the DHHS/National Institutes of Health" below their signature.

Under no circumstances is the employee to have the sponsoring organization wire payment directly to the employee's financial/banking institution. For "cash" reimbursement, the traveler is to turn the cash (foreign currency or U.S. dollars) along with supportive documentation over to their respective administrative official immediately. That official or his or her designee is then responsible for hand carrying the cash and supportive documentation to the OFM Travel, Fellowships, and Cashiers Section for appropriate deposit. (A nominal fee for foreign currency conversion will be passed along to the respective IC). If the traveler is due money, he or she will be reimbursed by direct deposit method to his or her financial institution.

*Note: The sponsor's check should be obtained and submitted along with the traveler's voucher. In the event however, the voucher is processed **without** the sponsor's reimbursement check, and the check is submitted to OFM at a later date, include a copy of the HHS-348 and a copy of the Travel Voucher with the sponsor's check. In all cases, every effort should be made to collect the funds from the nonfederal source, otherwise, the monies not collected will be taken from the IC appropriation.*

4. **Cannot mix authorities.** Employees and authorizing officials are cautioned that they cannot "mix and match" provisions from the various acceptance authorities when offered travel related expenses from a nonfederal source. For example, an employee may not travel under Title 42 U.S.C. 3506 and an employee's spouse travel under 31 U.S.C. 1353. In addition, an employee may not travel under 42 U.S.C. 3506 for one leg of a trip and under 5 U.S.C. 7342 for a second leg of the same trip.
5. **Employee Conformance with Travel Regulations.** An NIH employee in travel status under the auspices of one of the above sponsored travel statutory authorities is always expected to conduct temporary duty travel in line with the regulatory provisions of the FTR Parts 304 and 301 accordingly, and the corresponding policy guidance established by the Department and the NIH. **NOTE: FTR 301-73.104** provides that NIH travelers must use the Travel Management Center (TMC) in place at NIH, to arrange for common carrier transportation, lodging, and rental car services (See [NIH Manual 1500 Chapter 02-01](#)). This should occur for all "In Cash" sponsored travel transactions. For "In Kind" sponsored travel transactions, a traveler may obtain services via the Sponsoring Organization but those services must be in compliance with the regulations provided in FTR 304, the policies and procedures contained in DHHS Travel Manual Chapter 1-70, and this chapter.
6. **Acceptance of Payment Stipulations for NIH Employees when sponsor does not fulfill its obligation.** If the nonfederal source offers to pay for higher than maximum per diem and/or transportation expenses otherwise allowable in the FTR, and subsequently does not pay the NIH in full, then NIH can only allow and pay expenses not to exceed those specified under the applicable regulations. In these circumstances,

the employee may be responsible for reimbursing the NIH for those expenses incurred that are beyond the amount authorized by the applicable travel regulations since they cannot be paid from NIH funds. Also, if a nonfederal source does not pay NIH in full for an accompanying spouse, the employee is also responsible for full reimbursement to the NIH for the amount in excess of the amount authorized by the applicable travel regulations.

1500-08-03. Procedures for Preparing Sponsored Travel HHS-348 Requests

A. Letter of Invitation

Once an employee has received the Letter of Invitation, email, or telephone call (documentation required) from the sponsor, he or she should notify their supervisor as well as their administrative staff immediately, in order to begin the automated travel system, HHS-348 process. Upon receipt of this letter by the administrative staff, it is very important to examine it closely to determine whom specifically, will be issuing the funds to cover the applicable travel. The letterhead may display the name of the sponsor but the actual source paying for the travel will be described in the text of the letter. This is extremely critical in order to ensure that the appropriate conflict of interest analysis is performed.

B. Travel Authorization

A Travel Authorization prepared in the automated travel system is required for all HHS-348 sponsored travel. In addition to providing the necessary documentation with respect to the proposed trip, the Travel Authorization places the employee in a temporary duty travel status while away from his/her assigned official duty station.

1. Preparing the Travel authorization with the HHS-348. Prepare a Travel Authorization using the automated travel system:

- a) Select a Trip Purpose of Sponsored Domestic or Sponsored Foreign on the Itinerary Screen;
- b) Enter all estimated travel costs, i.e., transportation, per diem, and miscellaneous expenses; and
- c) Designate those costs being paid by the sponsor with the appropriate payment method as indicated in the following table:

Payment Method	Description
GTA Reimbursable (R)	Sponsor reimbursing NIH for ticket and TMC fee. Ticket reimbursed to the TMC, not to the traveler.
GTA (G)	Ticket is reimbursed to the TMC, not to the traveler.
Sponsored Reimbursable (S)	Sponsor is reimbursing NIH for the expense. In turn, the cost is being reimbursed to the traveler.
Sponsored In-Kind (I)	Sponsor is paying directly for the expense.
Travel Card (T)	Government-issued , individual billed charge card.

	Cost reimbursed to the traveler.
Other (O)	Cash. Cost reimbursed to the traveler.

d) Select both an IC direct and reimbursable CAN (Project) on the Account Code Screen; check the reimbursable CAN and allocate expenses accordingly. (NOTE: The system allows for only one reimbursable CAN per Travel Authorization.)

e) Select the sponsoring organization on the Sponsor Screen and indicate the appropriate address. Select the applicable statutory authority (see 1500-08-01 above). Multiple sponsors may be added to this screen.

The information entered on the Travel Authorization generates an electronic HHS-348 form with expense details and a Certification Checklist (see Section 1500-08-03 (B)(2) below), that must be properly completed and signed.

The HHS-348 form serves two purposes:

- **Documentation.** It documents, justifies, and requests the approval of the appropriate IC delegated official for the acceptance of payment in cash or in-kind from a nonfederal source for travel and related expenses for official business purposes (IC delegated official must either hard copy sign or electronically certify the Travel Authorization); and

- **Certification of acceptance of payment.** It displays the conditions under which the money is being considered for acceptance e.g., applicable statutory authority. It reports/certifies to the Recommending and Authorizing Officials and the Office of Financial Management the actual receipts in cash for deposit to the appropriation, or in-kind, when so authorized, upon completion of the travel.

2. **Completion of the NIH Certification Checklist.** Once the Sponsored Travel Authorization is entered, a NIH Certification Checklist is also electronically generated and routes with the Authorization and HHS-348 form, to the traveler. The NIH Certification Checklist is a document that serves as a check-and-balance for any potential conflict of interest and must be properly completed and signed/certified by the traveler.

C. Submission of the HHS-348 Request Package

1. **Time frame and procedures for HHS-348 Request Package.** The HHS-348 Request Package should be submitted to the appropriate authorizing official at least **15 calendar days prior to the departure date (30 calendar days for foreign travel)**. **NOTE:** ICs may impose stricter requirements. An original and one copy (if copy is to be sent to OD) of the package are required. Assemble the package in the following order:

1. Automated travel system Travel Authorization, HHS-348, and completed and signed/certified NIH Certification Checklist;
 2. A copy of the applicable Notification of Foreign Travel (NFT) submitted via OGHA's automated system and cleared through the NIH/Fogarty International Center;
 3. Original Inviting Document;
 4. Late HHS-348 justification – ed at least 15 calendar days prior to the trip start date, a brief justification is to be included in the "Remarks" block of the Travel Authorization.
2. **Amendments.** Amend the Travel Authorization if there are changes to the sponsor's name and/or address, purpose of the trip, or the statutory authority cited. Changes to cost estimates or to the method of payment should be recorded in the "Comments" block of the Travel Voucher upon completion of the trip.

D. Submission of the HHS-348 Voucher Package

A Travel Voucher and all related receipts and documents for the sponsored trip must be submitted within five (5) working days of the traveler's return. **The Travel Voucher should include all appropriate signatures and is required for both "In-Kind" and "In-Cash" reimbursement.** The following is required in order to finalize and/or initiate reimbursement for sponsored travel:

1. **Preparing the Travel Voucher Package.** Show documentation of all expenses whether In Cash for Deposit to the NIH Appropriation, In-Kind as provided by the sponsor, or reimbursed to the traveler from the IC Appropriation. Submit the following items to the IC Administrative Office:
 - Original completed Voucher, hard copy signed or electronically certified in the automated system;
 - All necessary receipts;
 - HHS-348 with traveler's signature at bottom;
 - Certification Checklist;
 - Check from sponsor made payable to the DHHS/National Institutes of Health, if applicable; and
 - Invitational Letter, Copy of NFT, if applicable (Foreign Travel ONLY)
2. **Official file instructions and report requirements.**
 - The IC Administrative Office or designated Program Office is responsible for keeping all original vouchers and HHS-348 packages.
 - The sponsor's original reimbursement check along with a copy of the HHS-348 and a copy of the Travel Voucher must be submitted to the Office of Financial Management (OFM), Travel, Fellowships, and Cashiers Section, Building 31, B1B23. The check should be annotated with "Sponsored Travel" and the Travel

Authorization Number.

- Be sure sponsor's reimbursement checks are clearly recognizable by attaching them to the front of the voucher. Do not mix checks among the other receipts.
- The Center for Information Technology will continue to generate the Semi-Annual Sponsored Travel Report that is required by the Office of Government Ethics via the Assistant Secretary for Administration and Management/OS.
- Sponsored Travel records should be maintained in accordance with [NIH Manual 1743](#), Section 1500 "Travel and Transportation"

NOTE: For additional information on Sponsored Travel Requirements and Procedures you can reference [NIH Manual 1500 Appendix 6](#).

1500-08-04. Acceptance of Payment from a Non-Federal Source to Cover Travel Expenses - CRADAs

A. Definition - CRADA (Cooperative Research and Development Agreement)

Under 15 U.S.C. 3710a (b) (3) (A), a government-operated Federal laboratory may accept, retain, and use funds from a collaborating party pursuant to a CRADA agreement. A CRADA is identified by a unique project number and the acceptance of payment from a CRADA Collaborator is transacted similarly to that of an IC direct appropriation account.

B. Policy

1. Travel under a CRADA in support of the collaborative effort is considered "*advisory travel*". Accordingly, the provision of "advisory services" under a CRADA by Federal employees as part of their official duties is authorized under Title 42 U.S.C. 3506 sponsored travel authority. Under this authority NIH may not authorize, 1) spousal travel, 2) benefits in excess of the FTR limitations, 3) acceptance of payment from a conflicting non-Federal source, or 4) acceptance of payment for travel and related expenses after the travel has commenced.
2. Travel relative to a CRADA to attend "meetings or similar functions" may be authorized under 31 U.S.C. 1353 and 5 U.S.C. 7342 in accordance with the policies and procedures set forth in HHS Travel Manual Chapter 1-70 and [NIH Manual 1500 Chapter 08-01\(A\)](#) and [\(C\)](#).

C. Procedures

1. **Travel using funds from a CRADA Project Number.**
 - a) In a case where an active CRADA exists and the provision of travel funds is referenced in the "Contributions" appendix of the agreement, the policies and procedures provided in [NIH Manual 1500 Chapter 01-02](#) are applicable. Travel is

simply performed citing the appropriate CRADA Project Number on the Travel Order.

b) In a case where an active CRADA exists and either: (1) the CRADA does not document the provision of travel funds; or (2) CRADA funds become exhausted; an amendment to the CRADA authorizing the use of CRADA funds for travel or providing additional funds *prior* to travel being initiated, should be properly executed. Travel is performed as in **C(1)(a)** above. **NOTE:** Should an emergency travel situation arise, and there is insufficient time to amend the agreement, the HHS-348 mechanism as outlined in **C(3)** below may be applied.

2. Travel with direct support documentation.

a) In a case where an active CRADA exists and language permitting direct support by the Collaborator for CRADA related travel is included in the "Contributions" appendix of the agreement, the HHS-348 mechanism may be applied. Either an "In Kind" or "In Cash" transaction may be authorized. All requests of this nature must be processed through the automated travel system using the appropriate IC reimbursable Project Number and must be in compliance with all of the aforementioned HHS-348 sponsored travel regulations and policies and procedures.

b) In a case where an active CRADA exists and there is no language permitting direct support for travel in the "Contributions" appendix of the agreement, an amendment should be effected to add the appropriate provision to the agreement. Following this amendment, the HHS-348 mechanism may be applied as outlined in **2(a)** above. **NOTE:** Should a travel emergency arise, and there is insufficient time to amend the agreement, the HHS- 348 mechanism as outlined in **C(3)** below may be applied.

NOTE: The following is an example of "direct support" language: "In order to further the research efforts under this CRADA, the participation of NIH staff will likely be required at selected scientific or development meetings. As part of this CRADA, it is agreed that the Collaborator may provide direct support, under the HHS-348 travel mechanism, for the travel and related costs for attendance of NIH staff in such activities. Acceptance of Collaborator's support will be contingent upon appropriate IC approval."

3. **CRADA emergency travel circumstances.** In a case where an active CRADA exists, there is no language permitting direct support or any provision for travel, and an emergency travel situation arises, the HHS-348 mechanism may be applied. However, the traveler may only be authorized for "In Kind" payment. No "In Cash" reimbursement is to be authorized. The same procedures outlined in [NIH Manual 1500 Chapter 08-02](#) will apply. **NOTE:** The emergency travel must be considered urgent, not reasonably anticipated by the CRADA Principal Investigator, and critical to the performance of the CRADA research. (Example: A meeting required with regard to concerns over adverse events in a clinical trial)

NOTE 1: For the above procedures that incorporate use of the HHS-348 mechanism, a complete and thorough conflict of interest analysis must be conducted and all travel costs will

be authorized in accordance with all of the applicable FTR, Department, and NIH policies and procedures.

NOTE 2: For internal control and auditing purposes, IC's should establish a recording process that will identify all HHS-348 sponsored travel transactions that reflect an IC reimbursable Project Number in connection with CRADA related travel activities. Further, in the above scenarios, under no circumstances are appropriated funds to be used to cover travel expenses of an employee of the CRADA partner who is working at an NIH facility in support of the CRADA project. For additional information, contact your IC Technology Development Coordinator via the following web site: http://ott.od.nih.gov/nih_staff/tdc.html.

D. Payment Acceptance

Under 42 U.S.C. 3506, an employee is permitted to accept cash, check, or similar instrument directly from the Collaborator. However, direct acceptance of reimbursement by the employee is the least favored method of reimbursement. If the Collaborator issues payment directly to the traveler in the form of a cash, check, or similar instrument, the same guidelines outlined in [1500-08-02 \(B\)\(3\)](#) are applicable.

NOTE: FTR 301-73.104 provides that NIH travelers **must** use the travel management system in place at NIH, i.e., a TMC, to arrange for common carrier transportation, lodging, and rental car services (see [NIH Manual 1500 Chapter 02-01](#)). Employees working under a CRADA should comply with this regulation for all "In Cash" sponsored travel transactions. For "In Kind" sponsored travel transactions, employees working under a CRADA may obtain services via the CRADA Collaborator, but those services should be in compliance with the regulations provided in FTR 304 and the policies and procedures contained in HHS Travel Manual Chapter 1-70 and this chapter.

E. Guidance

For additional information with regard to Title 42 U.S.C. 3506 sponsored travel authority, see Section [NIH Manual 1500 Chapter 08-01 \(B\)](#) above.