

Travel Reimbursement Policy

1. APPLICABILITY

This policy applies to all subcontracts requiring travel. For cost-reimbursement, time-and materials, and labor-hour subcontracts reimbursements may be applicable as described in this policy. It also applies to those fixed-price subcontracts that have travel as a separate pay line item, but its applicability in such cases is only to that line item. For fixed price subcontracts that do not call out travel as a separate line item, the foreign travel pre-approval and notification requirements still apply. The Company will only reimburse travel costs that are specifically allowed under this policy. To be reimbursable, the cost of travel must be: (a) allowable under the Federal Travel Regulation (FTR) and the provisions of this Agreement; (b) reasonable; and (c) allocable and necessary to the performance of this Agreement. Accordingly, Subcontractor will account for the following requirements when requesting reimbursement for its travel costs:

- (1) **Company Preapproval.** Before making any travel arrangements, Subcontractor will submit UCN-22351, Subcontract Request for Travel Preapproval to Company's Subcontract Technical Representative (STR) and Procurement Representative (PR) for review and approval.
- (2) **Allowable Cost and Payment.** If this Agreement provides for the reimbursement of costs under Federal Acquisition Regulation (FAR) Part 31, as supplemented by Department of Energy Acquisition Regulation (DEAR) Subpart 931.2, then the requirements of UCN-22427 supplement those of FAR Part 31. **Provided however, actual paid labor hours spent in route on Business Travel Status will only be compensated up to a daily maximum of 10 hours.**
- (3) **Indirect Cost Allocation.** Indirect costs will not be allocated to travel costs unless specifically allowable in accordance with the Subcontractor's usual accounting practices, which must be consistent with FAR Subpart 31.2.

In no event shall travel cost be burdened with fee/profit. The Company may provisionally approve costs for reimbursement under this policy. The Company also may issue whole or partial reimbursement subject to a reservation of rights to reclaim any payments discovered to have been made in error.

Note: This policy implements NNSA Policy Letter NAP 540.2 (11/22/16).

2. DEFINITIONS

- (a) **Business Travel Status.** Subcontractor employees assigned to work at either the Y-12 National Security Complex (Y-12) or at a location different than their normal duty station, for an expected period of 30 or fewer consecutive calendar days during any 365-day period.
- (b) **Extended Travel Duty ("ETD").** Subcontractor employees assigned to work at Y-12, or at a location different than their normal duty station, for a period expected to exceed 30 consecutive calendar days and fewer than 365 calendar days during any 365-day period. As further detailed in Section 4 below, ETD assignments must not exceed three years and Subcontractor employees receive a reduced per diem allowance for the length of the assignment to address costs associated with lodging, meals, and related incidental expenses. (See Section 5 below for assignments expected to exceed 365 calendar days.)
- (c) **Incidental Expenses.** Expenses for:
 - (1) fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses, and others on ships, and hotel servants in foreign countries; and
 - (2) transportation between places of lodging or business and places where meals are taken.
- (d) **Innovative Mobility Technology Company.** An organization, including a corporation, limited liability company, partnership, sole proprietorship, or any other entity, that applies technology to expand and enhance available transportation choices, better manages demand for transportation services, or provides alternatives to driving alone. Note: Certain jurisdictions may have limits or prohibit the operation or use of innovative mobility technology companies.

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Subcontractor is expected to follow all laws, including those related to innovative mobility technology companies.

(e) Lodging:

- (1) Expenses for overnight sleeping facilities, personal use of the room during daytime, telephone access fee, and service charges for fans, air conditioners, or heaters in rooms when such charges are not included in the standard room rate.
- (2) When renting lodging on a long-term basis, expenses for lodging include the expenses as detailed in paragraph 2(e)(1) above and:
 - (i) the rental cost of a furnished dwelling;
 - (ii) the rental cost of appropriate and necessary furniture and appliances (e.g., stove, refrigerator, washer/dryer, table and chairs, bed, sofa, TV, or vacuum cleaner) for an unfurnished dwelling;
 - (iii) connecting/disconnecting and using utilities;
 - (iv) reasonable maid fees and cleaning charges;
 - (v) monthly landline telephone use fees (excluding installation and long-distance calls);
 - (vi) internet and cable TV service (excluding adult entertainment channels, pay-per-view, and movie rentals); and
 - (vii) parking fees and utilities for an RV (even if owned rather than rented) when another dwelling is not obtained.
- (3) Lodging does not include accommodations on airplanes, trains, buses, or ships; such cost is included in the transportation cost and is not considered a Lodging expense.

(f) M&IE. The combination of Meals and Incidental Expenses.

(g) Meals. Expenses for breakfast, lunch, dinner and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).

(h) Maximum Lodging Amount ("MLA"). The maximum reimbursable amount for Lodging in effect at the time of travel for the business location set forth in:

- (1) Appendix A to Chapter 301 of the Federal Travel Regulation (FTR) for travel in the contiguous 48 states and the District of Columbia;
- (2) The Joint Travel Regulations (JTR), DoD Civilian Personnel, Appendix A, for travel in Alaska, Hawaii, Puerto Rico, and territories and possessions of the United States; or
- (3) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the U.S. Department of State, for travel in areas not covered above.

(i) Maximum M&IE Rate ("MMR"). The maximum reimbursable rate for M&IE in effect at the time of travel for the applicable location set forth in the same three sources in subsection 2(h) above for determining the MLA.

(j) Point of Contact (POC). Subcontractor must designate a single POC who will be responsible for reviewing all travel reimbursement requests for compliance with this policy before the costs are submitted to the Company's PR.

(k) Temporary Change of Station (TCS). The temporary relocation of Subcontractor employees to a new official duty station for a minimum of one year, but not to exceed three years, while performing a long-term assignment. Subcontractor employees will subsequently return to the previous duty station upon completion of the assignment. For the duration of the TCS assignment, Subcontractor employees are not in travel status.

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- (l) Transportation Network Company (TNC). A corporation, partnership, sole proprietorship, or other entity, that uses a digital network to connect riders to drivers affiliated with the entity in order for the driver to transport the rider using a vehicle owned, leased, or otherwise authorized for use by the driver to a point chosen by the rider; and does not include a shared-expense carpool or vanpool arrangement that is not intended to generate profit for the driver. Note: Certain jurisdictions may have limits or prohibit the operation or use of TNCs. Subcontractor employees are expected to follow all laws, including those related to TNCs.

3. EXPENSES IN DOMESTIC BUSINESS TRAVEL STATUS

- (a) General. The Company will pay Subcontractor's costs incurred under this subcontract for transportation, lodging, meals, and related incidental expenses in accordance with this Section 3. Subcontractor's POC must notify the STR and request pre-approval, utilizing UCN-22351, *Subcontract Request for Travel Pre-Approval*, at least 10 calendar days before an employee's Business Travel Status is scheduled to begin. The Company will not reimburse costs incurred before the date when such approval is granted.
- (b) Reimbursement for Lodging.
 - (1) Except as provided otherwise in this document, Subcontractor will be reimbursed for actual Lodging costs incurred in accordance with Subcontractor's established travel policy to the extent that such amount does not exceed the MLA.
 - (2) When lodging cannot be obtained within the ceiling in paragraph 3(b)(1) above, the STR may seek permission from Company Accounts Payable and approve reimbursement at a higher incurred cost upon Subcontractor's submission of appropriate written justification.
 - (3) Itemized receipts for Lodging are required as stated below.
- (c) Reimbursement for M&IE.
 - (1) Subcontractor will be reimbursed for M&IE in accordance with Subcontractor's established travel policy to the extent that such amount does not exceed the MMR.
 - (2) For the days travel begins and ends, the allowance will be 75 percent of the applicable MMR.
- (d) Airfare Costs. Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolonged travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. Travel other than coach-class is allowable when the conditions at 41 CFR § 301.10-125 are met. However, in order for airfare costs in excess of the lowest customary standard airfare to be allowable, the applicable condition(s) must be properly documented and justified. Transportation aboard personally-owned or privately-owned aircraft is not allowed, and the costs of such transportation are not reimbursable.
- (e) Motor Vehicle Costs.
 - (1) Personally-owned Motor Vehicle ("POV").
 - (i) If Subcontractor elects to allow its employee to travel by POV, Subcontractor will be reimbursed for the use of the vehicle in accordance with Subcontractor's established travel policy to the extent that such amount does not exceed the POV mileage reimbursement rate allowed by the applicable IRS Standard Mileage Rates based on the mileage between the authorized points of travel as calculated by a commercial online map provider. A variation of ten percent, if reasonable under the

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circumstances, is allowable, except when a longer route is necessitated by road or weather conditions. An employee approved to travel by POV may not unreasonably exceed time or expense requirements generally imposed by common carriers, regarding reimbursement for Lodging and M&IE for travel time.

- (ii) Reimbursement for parking the POV at a common carrier terminal or other parking area during Business Travel Status is limited to the lesser of:
 - A. The estimated cost for use of a taxi, TNC fare, or innovative mobility technology company to and from the Subcontractor employee's residence or normal duty station to the common carrier terminal and return; or
 - B. The least expensive parking offered by the common carrier terminal. The least expensive parking at the terminal is often referred to as Economy or Long-Term parking.
- (2) If Subcontractor requests reimbursement for parking the POV during Business Travel Status, then Subcontractor must provide a copy of its estimated costs on UCN-22351, *Subcontract Request for Travel Pre-Approval*. Note: Subcontractor may obtain a taxi estimate using the Taxi Fare Calculator at <https://www.taxifarefinder.com/>.
- (f) Rental Cars. Rental Car expenses are allowable if the nature of the travel or the location of the business is such that the use of public transportation is not cost effective or practical, considering the traveler's time. Rates for up to mid-size/intermediate size cars are allowable. Exception to the use of a mid-size/intermediate car may only be made when (i) more than three employees are traveling together; (ii) extra equipment is being transported by the traveler; or (iii) the traveler has a medical/health condition that prohibits the use of a car at the mid-size/intermediate rental rate. Refueling charges at the rental agency (pre-paid or at car return) are not allowable, unless justification is provided and approved by the Company.
- (g) Commuting. When the traveler's residence or regular place of business is within 50 miles of the place of performance of the subcontract work, the costs of commuting are not reimbursable, and no payments for Lodging or M&IE will be made.
- (h) Receipts. Subcontractor must submit with its invoice:
 - (1) itemized original receipts for Airfare Costs and associated baggage fees, Lodging, and rental car transportation regardless of cost; and
 - (2) itemized receipts for any authorized expenditure costing more than \$75.00.

4. EXPENSES ON EXTENDED TRAVEL DUTY (ETD)

- (a) Conditions. Subcontractor may be entitled to reimbursement for any employee under a Company subcontract if the employee is on ETD, which means, in addition to the requirements specified above in subsection 2(b), that the employee:
 - (1) Maintains a permanent residence:
 - (i) that is located more than 50 miles from the Y-12 site, as determined by standard mileage tables; and
 - (ii) for which the employee incurs monthly mortgage payments, rental expenses, or property taxes (if there is no mortgage).
 - (2) Does not commute daily to the Y-12 work location from the permanent residence.
- (b) Approval Necessary: Subcontractor's POC must notify the PR and request pre-approval **at least 10 calendar days** before an employee's ETD is scheduled to begin. The Company will not reimburse costs incurred before the date approval is granted. All reimbursements related to ETD will be limited to three years as detailed below in subsection 4(j). Eligibility will be

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calculated by using the employee's first day of reimbursement.

- (c) Reimbursement for Lodging: For the first 60 days of the ETD, the Company will reimburse costs associated with Lodging at the lesser of actual cost or 100% of the MLA. After the 60th day, reimbursement will be at the lesser of actual cost or 55% of the MLA. Receipts for Lodging are required.
- (d) Reimbursement for M&IE: For the first 30 days of the ETD, the Company will reimburse costs associated with M&IE at a rate not to exceed 100% of the MMR. After the 30th day, reimbursement will be at a reduced rate, not to exceed 55% of the MMR. No reimbursement for M&IE will be made for vacation, personal absence from work, or return trips home. Furthermore, reimbursement for M&IE will not be paid for days not worked due to illness of two or more consecutive workdays unless the absence is supported by a physician's written statement.
- (e) Reimbursements for Rental Cars:
 - (1) Rental Cars.
 - (i) Rental Car expenses while on ETD are allowable at the discretion of the PR, and must be supported in writing. Written justification for such use must be submitted to the PR and approved in advance. Reimbursement for a rental vehicle will be made up to the cost of mid-size/intermediate. Exceptions to the use of mid-size/intermediate car rates may only be made when:
 - A. more than three employees are traveling together;
 - B. extra equipment is being transported by the traveler; or
 - C. the traveler has a medical/health condition that prohibits the use of a mid-size/intermediate car.
 - (ii) Fuel for the rental car is not reimbursable since Subcontractor's employee would have incurred fuel cost at the home work location.
 - (2) Personally-Owned Vehicles (POV). The Company may authorize the shipment of one POV. Written justification for such shipment must be submitted to the PR and approved in advance. Rationale for shipping one POV, a cost estimate, and supporting documentation must be included in the written justification. In any case, the distance must be greater than 600 miles to ship a POV. Subcontractor's employee may be eligible for rental of a vehicle for a maximum of 14 days if POV is in transit or until POV arrives, whichever is sooner.
 - (i) Subcontractor employees who have shipped their POV to the Assignment Location, may be authorized a rental car at the home location, with prior approval from the PR.
- (f) Shipment of Personal Effects. The Company may pay shipping costs for personal effects up to 1,000 pounds to and from the Assigned Work Location or choose to substitute 10 home trips for the shipment of an additional 3,000 pounds of personal effects, upon prior written approval of the PR.
- (g) Travel to ETD Location.
 - (1) Company will reimburse Subcontractor employees for initial transportation costs from their permanent residence to the temporary residence at the ETD location and for the same trip for the final return to the permanent residence at the completion of the ETD, and
 - (2) Lodging and M&IE to include 100% per diem allowance while on travel not to exceed the MLA or MMR.
- (h) Business Travel While On ETD. Transportation, Lodging, and M&IE expenses incurred for business travel outside the Y-12 area required in the performance of the subcontract will be

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reimbursed in accordance with Section 3. In addition, on-going ETD expenses incurred to maintain a housing lease or discounted long-term hotel rate while on bona fide business travel from the assignment area are reimbursable under Section 4. M&IE will be reimbursed only under Section 3 for Business Travel Status and not under Section 4.

(i) Return Trips Home.

- (1) Company will reimburse the cost of one trip per month home to the permanent residences, not to exceed 10 trips home per rolling 12-month period, of Subcontractor employees (but not others in lieu of ETD employees) who are on ETD and who have not been relocated. Evidence of actual travel to the permanent residence must be verified by the Subcontractor before reimbursement is made by the Company to the Subcontractor. Subcontractor employees' return trips home should be scheduled for weekends and on the employee's own time. Up to a maximum of three days, unless additional time is approved by the PR, is authorized for home leave trip expenses to the extent expressly provided in subsection 4(i), unless Subcontractor employee left or returned on a holiday or left the evening before a holiday or CNS-scheduled non-work day adjacent to the weekend. Company will not reimburse Lodging, M&IE, rental car, or any other ETD allowances (other than as expressly stated in subsection 4(i)) for trips to the home location.
- (2) If a POV is used to return to the permanent residence, mileage (via most direct route) will be paid at the current IRS rates. The Subcontractor will be required to submit a cost comparison between a flight and a POV return trip to the permanent residence for any POV route exceeding 400 miles (one-way). Company will only be responsible to pay for the lesser cost of the round-trip flight or the round-trip mileage charges. Such allowance will be based on the mileage between the authorized points of travel as calculated by a commercial online map provider. A variation of ten percent, if reasonable under the circumstances, is allowable, except when a longer route is necessitated by road or weather conditions.
- (3) If airline transportation is used to return to the permanent residence, only coach airfare via the most direct route in accordance with FTR guidelines is allowed. Every effort must be made to obtain the lowest fares. Actual itemized receipts must document all airfare costs. Mileage to and from the airport to Subcontractor employees' permanent residence will be reimbursed at the current IRS rates. For Subcontractor employees that must commute to a nearby airport, a rental car may be reimbursed if the cost is equal to or less than mileage reimbursement. Subcontractor must provide a cost analysis to the PR comparing the cost of mileage to a rental car to determine the option most advantageous to the Company.

(j) Assignment Extensions.

- (1) If an assignment originally classified as Business Travel Status is extended such that the total assignment duration exceeds 30 calendar days, the assignment shall be reclassified as ETD with a deemed start date of the 31st day after the Subcontractor employee's first day of reimbursement for Business Travel Status.
- (2) For Subcontractor employees not initially proposed for an assignment period expected to exceed 365 consecutive calendar days but who are extended beyond 365 days, see subsection 5.b. below for providing cost estimates.

- (k) Breaks in ETD. As noted above in subsection 4(b), the Company will not reimburse costs associated with Lodging, M&IE, Airfare Costs, Motor Vehicle Costs, or any other costs that the Company may have agreed to reimburse, after an employee has been on ETD with the Company for three years. If an ETD has a break of less than 12 months, the Company will treat the ETD as continuous for purposes of the three-year cap. e.g., if a Subcontractor employee completes a two-year ETD and returns home for 12 months or more, a subsequent two-year ETD will restart a new three-year cap. But if a Subcontractor employee completes a

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two-year ETD and returns home for 8 months before a second ETD, the Company will treat the second such assignment as a continuation of the first so that only 4 months remain of reimbursable ETD.

- (l) Receipts. Subcontractor must submit with its invoice:
 - (1) Itemized original receipts for Airfare Costs and associated baggage fees, lodging, and rental car transportation regardless of cost, and
 - (2) Itemized receipts for any authorized expenditure costing more than \$75.00.

5. COMPARISON OF ETD, RELOCATION AND TEMPORARY CHANGE OF STATION

- (a) Initial Cost Estimate. Subcontractor employees initially proposed under a Company subcontract for an assignment period expected to exceed 365 consecutive calendar days may be expected to relocate to the work location area. Therefore, at the time of proposing an employee, Subcontractor must provide to the PR a cost estimate comparing:
 - (1) the expected total reimbursable costs under Section 4, ETD, to
 - (2) the expected reimbursable relocation costs computed in accordance with Subcontractor's standard corporate relocation policy, subject to the limitations contained in FAR 31.205-35, and to
 - (3) the expected reimbursable Temporary Change of Station (TCS) allowance as described in NNSA Policy Letter NAP 540.2, Attachment 2, "M&O Off-Site Extended Duty Assignment Allowances," Subsection 1.a., "TCS Allowances" (11/22/16).
- (b) Subsequent Cost Estimates. For Subcontractor employees not initially proposed for an assignment period expected to exceed 365 consecutive calendar days but who are extended beyond 365 days, Subcontractor must, within 30 days of the original extension and on the annual anniversaries of any extensions thereafter, provide to the PR a cost estimate comparing:
 - (1) the expected remaining total reimbursable costs under Section 4, ETD to
 - (2) the expected reimbursable relocation costs computed in accordance with Subcontractor's standard corporate relocation policy, subject to the limitations contained in FAR 31.205-35, and to
 - (3) the expected reimbursable TCS allowance as described in NNSA Policy Letter NAP 540.2, Attachment 2, "M&O Off-Site Extended Duty Assignment Allowances," Subsection 1.a., "TCS Allowances" (11/22/16).
- (c) Contents of Cost Estimates. All cost estimates must include any applicable tax allowance.
- (d) PR's Choice of Reimbursement Categories. Upon consideration of such cost estimates, the PR may choose to reimburse expenses in accordance with Section 4 above (as for an ETD), as a TCS, or as a permanent relocation. In cases where the PR chooses to reimburse expenses for Subcontractor's employee in accordance with Section 4, ETD, Subcontractor may invoice for an Extended Travel Duty Tax Reimbursement Allowance (ETTRA) as prescribed in 41 CFR 301-11.601-605 after the ETTRA amount is paid to such employee:
 - (1) one time after such employee has exceeded 365 days of ETD, and
 - (2) again, annually until tax calculations are finalized in the calendar year following the end of the assignment.

6. EXPENSES IN FOREIGN BUSINESS TRAVEL

General. Foreign Travel includes travel to or from the United States (including Alaska, Hawaii,

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Puerto Rico, the Northern Mariana Islands, and other U.S. territories and possessions, to foreign countries, as well as travel between foreign countries) while conducting work for the Company. The pre-approval and all the requirements in this section apply to fixed price subcontracts where reimbursement is not sought. Requirements and allowances for foreign travel are the same as Section 3 with the additional requirements:

- (a) Pre-Approval Form. The Subcontractor must complete the [UCN-22351, Subcontract Request for Travel, Pre-Approval](#) at least **45 days** prior to the expected travel date. This request must be submitted to the STR. The STR will sign the document, and route it to PR. The PR will sign the form and route the form to the Foreign Travel Office y12travelser@y12nsc.doe.gov to sign. Once the Foreign Travel Office signs the UCN-22351, the form will be sent back to the PR. Failure to complete the UCN-22351 form will prohibit reimbursement.

Note: If this is the Subcontractor's first time traveling internationally in support of a subcontract, proceed to (b). Otherwise, skip to (c).

- (b) (.gov) Email Address. The STR must email helpline@y12nsc.doe.gov to obtain a (.gov) email address, which is required for a profile in the Foreign Travel Management System (FTMS).

- (1) The HELPLINE will inform the STR of the information needed for the Subcontractor to be assigned a (.gov) email.

- (c) eFACT Training. The Subcontractor must complete the [Foreign Affairs Counter Threat eLearning \(eFACT\) CT420](#) with the Department of State (DOS) through the Foreign Service Institute (FSI) before final electronic Country Clearance (eCC) approval is granted.

- If already completed:
 - Confirm that the Certificate of Completion for eFACT CT420 is still valid. Email the certificate to y12travelser@y12nsc.doe.gov.
- If not completed:
 - Apply for admission to the eFACT CT420 training using the [How to Apply](#) link.

- (d) eFlow Foreign Travel Request. The STR will complete the Foreign Travel Request [eFlow](#) on the subcontractor's behalf.

- (e) Booking Travel. After all required signatures have been received in the FTR eFlow and the UCN-22351, the Subcontractor may book their travel.

- (1) Send the final travel itinerary to y12travelser@y12nsc.doe.gov for FTMS entry.

- (f) PNTR, TR and CCR in FTMS. The Company Travel POC will create or update traveler profiles in FTMS as needed. The Company Travel POC will submit the Pre-Notification Travel Request (PNTR), Travel Request (TR), and Country Clearance Request (CCR) in FTMS. Once the PNTR, TR, and CCR are approved by NNSA/HQ, NNSA/HQ will submit the CCR to the respective embassy for eCC review.

- (g) Final eCC Approval. Subcontractors **may not** travel until they receive notification from the STR confirming the approval email. Approvals will be entered into the eFlow at each step in the process so STR's can see the status. The eCC is the final approval for the country clearance request by the embassy. The final eCC approval will be sent by email notification to the address associated with the FTMS profile (from myServices).

- (h) Documentation. A copy of the final eCC approval email will be saved by Company PR for documentation.

7. FLOWDOWN

Subcontractor must include this Travel Reimbursement Policy document in each lower-tier subcontract that requires reimbursement of travel expenses.