

Travel -- Use of U.S. Flag Carrier on International Travel Charged to Federal Awards

Rice Travel Policy 806-99, Appendix A.3. "Use of U. S.-flag carriers is required for all international travel chargeable to a federal award unless special conditions are met, including guidelines for code-sharing tickets. Contact the Research Accounting Office or the Office of Sponsored Research **before** (emphasis added) making travel arrangements which involve a non-U.S. carrier to ensure such special conditions are satisfied."

If charging airfare to a federal award, a U.S. carrier must be used not only for travel between the U.S. and a foreign city, but also between two foreign cities, unless the flight meets one of the exceptions. If a U.S. carrier does not serve the destination city, then a U.S. carrier must be used to the nearest city that does. Many U.S. carriers have expanded their foreign markets and now fly to more than one or two cities on a continent. The guidelines are re-printed below.

Guidelines on Use Of U.S.-Flag Air Carriers

a. The Comptroller General of the United States, by Decision B138942 of June 17, 1975, as amended March 31, 1981, provided guidelines for implementation of Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974.

b. Any air transportation to, from, between, or within a country other than the U.S., of persons or property, the expense of which will be assisted by this award, must be performed on a U.S.-flag air carrier if service provided by such carrier is "available."

c. The following rules apply unless the result would be use of a foreign air carrier ("foreign carrier") for the first or last leg of travel from or to the U.S.:

(1) A U.S.-flag air carrier ("U.S. carrier") shall be used to destination or, in the absence of through service, to farthest interchange point.

(2) If a U.S. carrier does not serve an origin or interchange point, a foreign carrier shall be used to the nearest interchange point to connect with a U.S. carrier.

(3) If a U.S. carrier involuntarily reroutes the traveler via a foreign carrier, the foreign carrier may be used.

d. Exceptions. In the following situations, use of a foreign carrier is permissible:

(1) Travel to and from the U.S. Use of a foreign carrier is permissible if:

(a) The airport abroad is the origin or destination airport, and use of a U.S. carrier would extend the total travel time 24 hours or more than would travel by foreign carrier; or (b) The airport abroad is an interchange point, and use of a U.S. carrier would require the traveler to wait six (6) hours or more to make connection or would extend the total travel time six (6) hours or more than would travel by foreign carrier.

(2) Travel Between Points Outside the U.S. Use of a foreign carrier is permissible if:

(a) Travel by foreign carrier would eliminate two (2) or more aircraft changes en route; or (b) Travel by U.S. carrier would extend the total travel time six (6) hours or more than would travel by foreign carrier.

(3) Short Distance Travel. For all short distance travel, regardless of origin and destination, use of a foreign carrier is permissible if the elapsed travel time on a scheduled flight from origin to destination airport by foreign carrier is three (3) hours or less and service by U.S. carrier would double the travel time.

NOTE ON CODE SHARING: If a U.S. carrier has a code sharing arrangement with a foreign carrier, the U.S. carrier code and flight number must appear on the ticket in order to charge international airfare to a Federal award. Example: NW code shares with KLM from Houston to Paris. If the ticket shows NW#8662 the airfare is allowable on a Federal award; if the ticket shows KL#662 the airfare is unallowable. U.S. carrier codes include: CO, DL, UA, NW. Foreign carrier codes include: LH, AF, BA, KL.

Useful web site for helping to determine if a U.S. carrier serves a foreign city: <http://www.amadeus.net/home/>