

The “Fly America Act” and what it means to your International Travel Plans:

<http://www.gsa.gov/portal/content/103191>

Federal regulations require the customary standard commercial airfare (coach or equivalent), or the lowest commercial discount airfare to be charged to a federal sponsored award.

The Fly America Act (49 U.S.C. 40118) is a federal regulation that states that any foreign air travel that is financed by federal funds must be booked on U.S. Flag Air Carriers, regardless of cost or convenience. This rule must be followed by all University of North Dakota personnel, students, trainees, consultants and collaborators who are reimbursed for foreign air travel with federal funds or federal pass-through funds. It is the Principal Investigator's (PI) or his/her designee's responsibility to ensure that all foreign travel charged to federally primed or federal pass through awards are in compliance with this regulation.

Grants and Contracts Administration (GCA) reviews air travel submitted via travel vouchers for compliance with this regulation and may disallow any foreign air travel that does not appear to be in compliance with this regulation.

Fly America Act requires the use of a U.S. air carrier for all travel supported by federal funds unless:

- A U.S. air carrier is not available
- The trip qualifies for an exception as applicable under the Fly America Act

Requires the use of a U.S. air carrier even if:

- A foreign air carrier service is less expensive, or
- A foreign air service is preferred by the traveler, or
- A foreign air service is more convenient.

Compliance with the Fly America Act is the responsibility of the traveler and department. Before making arrangements for international air travel related to a grant, contract or cooperative agreement, find out:

- how this international travel is being funded and, if federal prime or federal pass-through funds, then:
- confirm the booking is in accordance with the Fly America Act.

NOTE: Code-sharing agreements with foreign air carriers, whereby American carriers purchase or have the right to sell a block of tickets on a foreign carrier, comply with the Fly America Act Regulations. The ticket, or documentation for an electronic ticket, must identify the U.S. carrier's designator code and flight number.

Exceptions to the Fly America Act

Travel reimbursed from a federal grant or contract must be booked using a U.S. carrier except in the following circumstances:

- When the use of a U.S. carrier service would extend travel time (including delay at origin) by 24 hours or more.
- When a U.S. carrier does not offer nonstop or direct service between origin and destination.

A U.S. carrier must be used on every portion of the route where it provides service unless, when compared to using a foreign air carrier, such use would:

- Increase the number of aircraft changes outside the United States by two or more

- Extend travel time by at least six hours or more
- Require a connecting time of four hours or more at an overseas interchange point.

If you feel an exception is applicable to your situation, please contact GCA. Also refer to this Exception Request form for details.

What about “Open Skies”?

<http://www.state.gov/e/eb/tra/ata/index.htm>

When an agreement is in place between the United States (U.S.) government and the government of foreign country. Open Skies agreement(s) allow the use of a foreign carrier when that airline is a member state carrier, and transportation is between the U.S. and any point in the member state or between two points outside the U.S. *NOTE: Open Skies does not apply to travel supported by Department of Defense (DOD) funds, all travel on DOD funds MUST be on U.S. air carriers.*

“Open Skies” allows the use of non - U.S. air carriers for the following Member States when:

- Utilizing a European Union (EU) carrier
- Flying to Australia*
- Flying to Japan*
- Flying to Switzerland*
- Flying between two points outside the U.S.

OPEN SKIES RESTRICTION: If a City Pair contract is in place you are not allowed to travel on that country’s flag carrier. U.S. General Services Administration (GSA) City Pair Program: Defined as negotiated discount international fares available to U.S government employees (the restriction applies even though the program is not available to grantees). Please see the GSA City Pair Web Site: <http://www.gsa.gov/portal/category/27228>

* Restrictions Apply to Australia, Japan and Switzerland

FAQs

Can airfare be booked using a travel website such as Expedia, Travelocity, LowestFares.com, etc or a travel agent?

The best way to book the flight is to go directly through a U.S. Flag Air Carrier, and/or their website (e.g. united.com or delta.com), but if you have to use a travel website then you should verify that the flights you are purchasing are being issued by the U.S. Flag Air Carrier. Travel agencies are not aware of the source of funds you are using to pay for this travel and the need to fly on a U.S. Flag Air Carrier. Travel websites and travel agents typically try to find the lowest priced travel itinerary that meets your needs and this may not always be on a U.S. Flag Air Carrier. When booking travel, always make sure you let the travel agent know that you must fly on U.S. Flag Air Carriers, due to the Fly America Act.

Do trainees, students, consultants or other non-UND personnel have to follow the Fly America Act?

Yes, the Fly America Act must be utilized by all individuals that are seeking reimbursement for travel cost from a federally funded project. If trainees, students, consultants, collaborator or other non-UND personnel book travel on foreign air carriers, they will not be eligible for reimbursement from federal sources.

***International collaborators and consultants must also follow this regulation. Please make sure to work with international consultants prior to them making flight arrangements to ensure they are aware of this rule.

What is a Code Share flight?

The traveler is considered to be on a Code Share flight if he/she purchases a ticket from one carrier but flies on the aircraft carrier of another airline. This would be a ticket that is issued by a U.S. Air Carrier that states "U.S. Air Carrier flight XXXX operated by Foreign Air Carrier". There may be a list of code share partners on the U.S. Air Carrier website, however, not all flights on the partner airlines are operated under a code share agreement. Only flights booked properly through the code share are allowable.

Allowable: AA 1234 operated by QF 4321

Unallowable: QF 4321 operated by AA 1234

AA = American Airlines

QF = Qantas Airways

Where can I find the Airline designator codes?

A good website to go to for determining the country of origin for the Air Carrier is:

<http://www.iata.org/publications/Pages/code-search.aspx>

In researching available flights, it was discovered that booking a flight on a foreign air carrier was substantially less than booking a flight on a U.S. Air Carrier. We want to save the grant money for other research related purposes. Is this an allowable exception to the Fly America Act?

No, the Fly America Act specifically states that cost cannot be considered as a factor.

My PI has already purchased a ticket to a foreign destination. The receipt has portions of the flight that are U.S. Flag Air Carriers and portions that are Non-U.S. Flag Air Carriers. Can the portions booked on the U.S. Flag Air Carriers be charged to the grant?

It depends on who issued the ticket or if there is a flight specific code share in place. If a U.S. Flag Air Carrier issued the ticket (printed on U.S. Air Carrier ticket/boarding pass/receipt) then the expense will, in most cases, be eligible for reimbursement. If the ticket is issued by a foreign air carrier (printed on foreign ticket/boarding pass/receipt), the ticket is not eligible for reimbursement on a Federal award even if there are portions of the flight that have a U.S. Air Carrier flight designator code as these would have been booked the wrong way through the code share process.

My PI traveled to a foreign destination. The flights within the U.S. were on U.S. Air Carriers with tickets issued by the U.S. Air Carrier and the flights to and/or within the foreign countries were on foreign carriers with tickets issued by the foreign carrier. Can the domestic flights be charged to the grant?

Yes, the domestic portions issued on tickets from U.S. Air Carriers can be charged to the Federal grant, however, the tickets issued by the foreign carriers may not be charged unless there were no U.S. Flag Air Carriers available to that destination. Please note that U.S. Flag Air Carriers must be used to the furthest point possible and you can only switch to the foreign carrier for the portion where there is no U.S. Flag Air Carrier available.

My PI has a conference in Paris and then he/she has to travel to London for a collaborator meeting at a subgrantee institution. The flights between Paris and London were booked on British Airways. Can this be reimbursed from the federal grant?

No, even when the traveler is in a foreign country and is traveling from one foreign location to another, U.S. Air carriers would still need to be utilized if available.