



**Functional Series [500](#)
Management Services**

INTERIM UPDATE 08-01

SUBJECT: Clarification of OMB memo directing Agencies to issue new or revised policy on the use of business class air travel

NEW MATERIAL: This policy follows a new directive from the Deputy Director for Management at the Office of Management and Budget (OMB) that requires all Federal agencies to establish clearly defined internal control procedures regarding when and how the use of business class air travel is appropriate.

EFFECTIVE DATE: 03/31/2008

ATTACHMENTS: [USAID Policy on Business Class Air Travel](#)

POLICY

USAID/General Notice
M/CFO/FPS & M/AS/TT
03/21/2008

Subject: Clarification of OMB memo directing Agencies to issue new or revised policy on the use of business class air travel

This policy follows a new directive from the Deputy Director for Management at the Office of Management and Budget (OMB) that requires all Federal agencies to establish clearly defined internal control procedures regarding when and how the use of business class air travel is appropriate. Business class travel is defined as travel accommodations offered by airlines that are higher than coach class economy fares and lower than first class. (Federal Travel Regulations; FTR 301.10.121).

<http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8199&channelId=-16524&specialContentType=FTR&file=FTR/Chapter301p010.html#wp1088856>

This notice supersedes all previously issued Agency policy directives contained in the Automated Directives System (ADS), and all interim updates (originally issued as policy notices) contained in the ADS.

To comply with the OMB directive, all United States Agency for International Development (USAID) Bureaus, Independent Offices, and Missions must follow the procedures listed in this policy to improve and maintain effective internal control associated with the authorization, documentation, conduct, and reporting of business class air travel. Official travel is a key factor in the success of USAID's global operations, and with significant time and financial resources devoted to official travel each year, it is important for everyone involved to understand his/her responsibilities to properly authorize, document, conduct, and report all official travel. This is particularly true of business class air travel, which, in most cases is more expensive than economy class air travel and which, as a consequence, is governed by more stringent Federal Travel Regulations.

The General Services Administration (GSA) is in the process of revising the Federal Travel Regulations (FTR) in response to the findings in a recent Government Accountability Office (GAO) report. (GAO-07-1268, September 28, 2007).

In addition to any future government-wide regulation that will be included in the revised FTR, OMB has directed Federal agencies to implement business class air travel policies (See OMB's Memorandum 08-07).

To comply with OMB requirements and demonstrate more effective management of business class air travel, USAID requires that the following rules be met:

1. Authorization

Business class accommodations for temporary duty (TDY) travel over 14 hours can be authorized in lieu of a rest stop with a statement written in the travel authorization such as "Business class travel is authorized for temporary duty (TDY) travel over 14 hours in lieu of a rest stop." Blanket travel authorizations are not permissible for any business class air travel. Each request will be reviewed on a case-by-case basis as indicated by the approval process described in section 2 below.

2. Approval

Business class air travel, which meets the criteria outlined in item three (3) below, will be approved in the following manner:

USAID Missions

- Mission Directors must obtain approval for business class air travel from their respective Assistant Administrator (AA), in conjunction with obtaining approval from the respective AA to be absent from post.

- Deputy Mission Directors must obtain approval for business class air travel from their respective Mission Directors.
- All other Mission personnel must obtain approval for business class air travel from their respective Executive Officers (EXO).

USAID Washington

- All Washington travelers must obtain approval for business class air travel from their supervisors, with clearance from the Bureau for Management, Office of Administrative Services, Travel and Transportation Division (M/AS/TT).
- All Washington personnel at the AA level must obtain approval for business class air travel from the Deputy Administrator, the Administrator, or their designate at or above the AA level.
- The Designated Agency Ethics Official (DAEO) provides clearance for first class air travel and/or disability authorization for business class air travel.

3. BUSINESS CLASS AIR TRAVEL ACCOMMODATIONS ARE NOT PERMITTED FOR TEMPORARY DUTY (TDY) OR NON-TEMPORARY DUTY TRAVEL, UNLESS THE FOLLOWING THREE (3) CRITERIA ARE MET:

- The airline flight is in excess of fourteen (14) hours. Fourteen hours will be calculated from the point of departure to the destination point, to include scheduled stopovers.
- The traveler foregoes the available rest stop (see 14 FAM 584.4) or Time Zone Dislocation rest period (14 FAM 584.5).
- The traveler is required to report to work the day following arrival.

Any combination of business class air travel with other entitlement air travel, such as rest and relaxation (R&R) or home leave, is considered two separate trips, and, as such, does not automatically authorize the traveler to fly business class for any one leg of the trip. Under the rules for authorizing it, business class air travel (when otherwise authorized) may be permitted for travel from the point of departure to the point of destination first to conduct official Agency business. Onward entitlement travel is not authorized for business class air travel.

For TDY and non-TDY travel over 14 hours, a justification must be included in the travel authorization that indicates that business class air travel is authorized for the trip. This justification must also address the three criteria above.

4. BUSINESS CLASS TRAVEL IS NOT AUTHORIZED FOR THE FOLLOWING:

- Permanent change of station (PCS) travel exceeding 14 hours,
- R&R travel,
- Separate maintenance travel,
- Education travel,
- Emergency visitation travel,
- Travel of children of separated parents, and
- Medical evacuation travel.

Business class air travel for medical evacuation travel more than 14 hours that is not deemed medically necessary is not authorized unless The Department of State, Office of Medical Services (M/MED), in consultation with the Foreign Service Medical Provider, or in an emergency situation, authorizes business class air travel for medical reasons. Economy class air travel will be authorized, with a rest stop included. The (limited) exceptions to this rule are outlined in Section "E" of the attachment below.

5. BUSINESS-CLASS TRAVEL WITHIN THE UNITED STATES:

U.S. domestic flights do not usually offer separate and distinct business class seats. The U.S. Government, however, cannot directly book employees who are eligible for business class into first-class accommodations. When business class accommodations are authorized and the airline places the individual in first-class seating at no additional cost for the part of the routing within the United States via a connection, such seating would be considered business class accommodations for the purpose of this rule.

6. JUSTIFICATION FOR BUSINESS CLASS TRAVEL ACCOMMODATIONS FOR ANY TRAVEL OVER 14 HOURS, INCLUDING TDY

For air travel lasting more than fourteen (14) hours, the travel authorization should have the following statement, "For air travel lasting more than fourteen (14) hours including scheduled stopovers, business class travel accommodation may be authorized in lieu of a rest stop, if the traveler is scheduled to report to work the day after arriving at post." This language serves as the "rationale" for approving business class air travel referred to in paragraph D below. However, the decision maker is strongly encouraged that all travelers take full advantage of the allowable rest stop before opting for, and seeking approval for, business class air travel.

7. Medical Certification Waiver

Only under limited circumstances, such as medical certification, will business class air travel accommodation be approved for travel with flight times less than 14 hours, including delays at airports.

Point of Contact: Any questions concerning this Notice may be directed to: Diane Carter, M/AS/TT, (202) 712-0835, or Chris Johnson, M/CFO/FPS, (202) 712-5927.

Notice 0382

File Name	IU5_0801_032408
Notice Date	03/21/2008
Effective Date	03/21/2008
Editorial Revision Date	
ADS CD No.	N/A
Remarks	This IU will remain active for one year or until it is superseded.

IU5_0801_032408_w032508