Use of U.S.-Flag Air Carriers

Fly America Act and Open Skies Agreements

Generally, if a traveler is traveling on funds provided by the federal government, he/she must* use a U.S. flag carrier (an airline owned by an American company), regardless of cost or convenience.

If you are scheduling international travel that is federally funded, you must ensure that all flights, where possible, are scheduled on U.S. flag carriers or on foreign air carriers that code share with a U.S. flag carrier. Code sharing occurs when two or more airlines "code" the same flight as if it was their own. In other words, a U.S. airline may sell a seat on the plane of a foreign air carrier; this seat is considered the same as one on a plane operated by a U.S. flag carrier. Compliance with the Fly America Act is satisfied when the U.S. flag air carrier's designator code is present in the area next to the flight numbers on the airline ticket, boarding pass, or on the documentation for an electronic ticket (passenger receipt).

For example, Delta (DL) has a code share agreement with Alitalia (AZ) to Rome, Italy. If the boarding pass (flight coupon) or e-ticket identifies a flight as DL ##, the requirements of the Federal Travel Regulations would be met, even if the flight was on an Alitalia airplane. If however, the boarding pass (flight coupon) or e-ticket identifies the flight as an AZ ##, then the requirements of the Federal Travel Regulations would not be met.

It is highly recommended that you book your international travel, when federally funded, through Egencia which is UD’s Travel Agency. If you are unsure if your international flight is compliant, for a small additional fee you can speak directly with Egencia agents that are well versed in the Fly America Act to ensure your travel is compliant. Please be sure to advise them that your trip is federally funded.

*Exceptions to the Fly America Act

The biggest exception to the Fly America Act is the Open Skies Agreement. On October 6, 2010, the United States and European Union (EU) "Open Skies" Air Transport Agreement was published by the U.S. General Services Administration providing full explanation of the multilateral agreement in place so that qualifying travelers, whose travel is supported by federal funds, may travel on European Union airlines as well as U.S. Flag Air Carriers. A list of current member countries of the European Union is available at the Europa web site. There are also Open Skies agreement with Australia, Switzerland and Japan (coming in October 2011).

What do these Open Skies Agreements mean to you?

• European Union:
  o When traveling to a destination serviced by a European Union airline, travelers flying on a Federal grant can fly on either a US carrier or a EU (European Union) carrier.

• Australia:
  o Travelers using federal dollars can use an Australian airline only if a point of origin/destination is either the US or Australia.

• Switzerland
  o Travelers using federal dollars can use an Swiss airline only if a point of origin/destination is either the US or Switzerland

• Japan
  o Travelers using federal dollars can use a Japanese airline only if a point of origin/destination is either the US or Japan.

There are other exceptions to the Fly America Act which may be appropriate as well. A list of exception criteria may be found in the Federal Travel Regulation Guidelines – FTR sections 301-10.135-138. Please note that lower cost and personal convenience are not acceptable criteria for justifying the non-utilization of a U.S carrier (or an EU, Australian, Swiss or Japanese carrier depending on your destination).

Please note: Travelers using Department of Defense (DOD) are not permitted to take advantage of Open Sky Agreements. Travelers using DOD funds must use an American carrier, unless they qualify for an exemption as noted in FTR 301-10.135, sections (a), (d), (e), (f), and (g).
Fly America Act and Open Skies Agreements

Flying from the USA to a foreign country on federal funds?

Yes

Are you traveling to a foreign country funded by the Secretary of Defense (DOD) or Secretary of a military department such as the Air Force, Army or Navy?

Yes

You are not permitted to take advantage of the Open Sky Agreements. You must fly on a U.S. flag airline unless you qualify for an exemption as noted in the Fly America Act.

No

Are you traveling to a European Union country?

Yes

Open Skies Agreement - You may fly on a U.S. flag airline or European Union (EU) airline. For the list of EU Countries, check here: http://europa.eu/about-eu/countries/index_en.htm

No

Are you traveling to Australia?

Yes

Open Skies Agreement - You may fly a U.S. flag airline or Australian airline.

No

Are you traveling to Switzerland?

Yes

Open Skies Agreement - You may fly a U.S. flag airline, Swiss Airline or EU airline.

No

Are you traveling to Japan?

Yes

Open Skies Agreement - You may fly a U.S. flag airline or Japan airline.

No

Traveling to other foreign countries?

Yes

You must fly on a U.S. flag airline unless you qualify for an exemption as noted in the Fly America Act.

No

Updated information on the Open Skies Agreements can be found at:
http://www.gsa.gov/graphics/ogp/Australian_Open_Skies_Agreement.pdf
http://www.gsa.gov/graphics/ogp/Switzerland_Transport_Agreement.pdf
http://www.state.gov/e/eb/rls/othr/ata/j/ja/133510.htm

Questions? Please contact your Contracts and Grants Specialist, Sponsored Research Accountant, or Procurement at ext. 2165.

University of Delaware Research Office
April 14, 2014
For Domestic Travel and Travel to Canada the following airlines are considered a U.S. flag carrier:

- Airtran Airways (FL)
- Alaska Airlines (AS)
- America West Airlines (HP)
- American Airlines (AA)
- American Trans Air (TZ)
- Delta Airlines (DL)
- Frontier Airlines (F9)
- Hawaiian Airlines (HA)
- Jet Blue (B6)
- Midwest Express (YX)
- Southwest Airlines (WN)
- Spirit Airlines (NK)
- United Airlines (UA)
- US Airways (US)
- Virgin America (VX)

**Note:** *Air Canada is NOT a U.S. flag air carrier*. UD recognizes travel to Canada as foreign and must comply with the Fly America Act.

**Documentation of Compliance**

To satisfy regulatory requirements for charges to a federally sponsored project, a U.S. flag carrier designator code, or Open Skies eligible carrier code, must be present on documentation for a flight; for example, **UA1776** for United Flight 1776 or **AA1787** for American Flight 1787. *If you believe that you were on a code share flight, but there is no documentation showing the carrier code and flight number, you cannot charge the flight to a federally sponsored project.*

A paper ticket or documentation for an e-ticket normally provides this proof. However, in some code sharing situations, we have found that only the boarding pass showed the U.S. flag carrier code. In this case, the boarding pass should be retained for documentation.

If you are claiming an exception under the Act, detail the certification requirements for federal audit purposes. For a flight that does not comply, you must document the reason for the exception by including a Fly America Act Waiver Checklist.