Relocation Expense Overview

OVERVIEW

University administrators have several options for paying relocation and moving expenses for eligible new or transferring employees. This section provides a relocation overview and includes cross references to other sections dealing with relocation and moving.

Some relocation expenses are taxable to the employee and some are not. Refer to BPPM 70.62 and Table 1.

OFFICES

The following three University departments deal with moving and relocation issues:

- Purchasing Services processes moves of household goods.
- Travel Services processes travel expenses related to a relocation, e.g., transportation, meals, lodging.
- Payroll Services manages tax issues regarding reimbursement for relocation expenses.

ELIGIBILITY

New Employees

The University may pay relocation expenses for employees hired for the following types of positions:

- Permanent executive, professional, or administrative personnel in supervisory positions. (SAAM 60.10.30)
- Permanent faculty. (SAAM 60.10.30)
- Temporary faculty if the position is supported by sponsored funds and the sponsor agrees to pay relocation expenses.

When there is an inability to fill a critical lower level position, the University may pay moving expenses. In such a case, the employing department is responsible for preparing and retaining justification. Contact Purchasing for specific requirements. (SAAM 60.10.30)

Transferred Employees

The University may pay relocation expenses for current employees who are transferred at the University's request. (SAAM 60.10.20)

OPTIONS

Depending upon circumstances, an employing administrator and department may select from the following options for reimbursing and/or processing a move. One or more options may be selected. The responsible processing office is indicated in italics.

- Directly pay for relocation expenses and coordinate the move through Purchasing Services and the state using state contracts (BPPM 70.61). (Processed through Purchasing Services.)
- Reimburse the employee for a professional move when the employee arranges the move and pays the professional mover (BPPM 70.61). (Processed through Purchasing Services.)
Relocation Expense

OPTIONS (cont.)

- Reimburse the employee for the rental cost of a truck or trailer used to move (BPPM 70.61). (*Processed through Purchasing Services.*)

- Reimburse an employee for transit insurance (BPPM 70.61). (*Processed through Purchasing Services.*)

- Pay to move a mobile home subject to state requirements and limits (BPPM 70.61). (*Processed through Purchasing Services.*)

- Pay to move professional equipment, e.g., laboratory equipment, professional books, which are not part of the employee’s household goods (BPPM 70.61). (*Processed through Purchasing Services.*)

- Pay storage charges (BPPM 70.61 and 70.62). (*Processed through Purchasing Services.*)

- Pay costs of transportation and lodging incurred during the move to the new home (BPPM 70.61). (*Processed through Travel Services.*)

- Reimburse the employee for meal expenses incurred while moving and after arrival (BPPM 70.62). (*Processed through Travel Services.*)

- Reimburse the employee for travel expenses for house hunting trips prior to the move (BPPM 70.62). (*Processed through Travel Services.*)

- Pay costs for maintaining a temporary residence in the area of the new job (BPPM 70.62). (*Processed through Travel Services.*)

- Provide the employee with a relocation allowance that is in addition to or in lieu of expenses related to the relocation of household goods (BPPM 70.62). (*Processed through Travel Services.*)

- Pay relocation expenses that exceed the maximums allowable from state funds by using money from discretionary accounts (BPPM 70.33). (*Processed through Purchasing Services and/or Travel Services.*)

- Approve a lump sum payment to recruit a qualified applicant who must relocate to accept the position (BPPM 55.62). (*Processed through Payroll Services.*)

**TAXABLE AND NONTAXABLE EXPENSES**

Table 1 identifies taxable and nontaxable relocation expenses that may be paid or reimbursed from University accounts.
# Relocation Expense Overview

<table>
<thead>
<tr>
<th>Expense Category</th>
<th>Taxable Relocation Expenses (see also 70.62)</th>
<th>Nontaxable Relocation Expenses (see also 70.61)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals</td>
<td>All meal expenses incurred while moving from the old residence to the new residence.</td>
<td>None</td>
</tr>
<tr>
<td>Travel</td>
<td>House hunting trips prior to move: Travel expenses, e.g., transportation including airfare, auto rental, mileage, meals, and lodging for the new hire.</td>
<td>Travel for the new hire including transportation and lodging incurred during the move to the new home, including the day of arrival. Lodging expenses for one night in the area of the former home if the furniture has been moved. Parking fees and tolls.</td>
</tr>
<tr>
<td>Mileage</td>
<td>Standard mileage for that portion of mileage costs that exceed $0.17 per mile for up to two vehicles.</td>
<td>Standard mileage on personal use of motor vehicles at $0.17 per mile for up to two vehicles.</td>
</tr>
<tr>
<td>Shipping Costs</td>
<td></td>
<td>Costs of shipping household goods and personal effects (including personal vehicle) reimbursed to the employee or paid directly by the University. Parking, crating, and transporting goods.</td>
</tr>
<tr>
<td>Transit Insurance</td>
<td></td>
<td>Cost of transit insurance.</td>
</tr>
<tr>
<td>Mobile Home Moves</td>
<td></td>
<td>Cost of moving a mobile home.</td>
</tr>
<tr>
<td>Professional Equipment</td>
<td></td>
<td>Cost of moving professional equipment/books which are not part of the employee's personal household goods.</td>
</tr>
<tr>
<td>Temporary Residence</td>
<td>Costs for maintaining a temporary residence in the area of the new job. Includes lodging at the new location except for the first night.</td>
<td></td>
</tr>
<tr>
<td>Storage</td>
<td>Storage charges accruing after 30 days of storage except for those incurred in-transit and for foreign moves.</td>
<td>Storage charges for 30 days or less, in-transit storage, and for foreign moves.</td>
</tr>
<tr>
<td>Relocation Allowance</td>
<td>Relocation allowance provided in addition to or in lieu of expenses related to the relocation of household goods.</td>
<td></td>
</tr>
</tbody>
</table>