



Angelo State University
Operating Policy and Procedure

OP 52.37: Moving Expenses

DATE: April 18, 2012

PURPOSE: The purpose of this Operating Policy/Procedure (OP) is to outline the conditions under which payment of household and personal expenses related to moving and relocation of newly hired faculty and administrative/professional staff employees may be authorized from university funds.

REVIEW: This OP will be reviewed in April of even-number years by the director of human resources with recommended revisions forwarded through the vice president of finance and administration to the president by May 15 of the same year.

POLICY/PROCEDURE

1. Authority

This operating policy establishes guidelines for payment of moving expenses for certain newly hired employees. The provisions stated herein are based, in part, on the IRS Publication 521.

2. Policy

The university may authorize the payment of actual moving expenses for household and personal effects for eligible and newly hired faculty and staff employees that are required to relocate to San Angelo as a result of an employment offer and subsequent acceptance of that offer.

3. Payment authorization

a. Vice President's Approval and President's Office Confirmation

Authorization for payment of moving expenses for an eligible candidate for employment must be requested in writing by the hiring administrative head or department chair and approved for payment by the appropriate vice president prior to making the job offer or commitment, regardless of the source of funds. Availability of funds must be confirmed by the President's Office prior to making the offer.

b. Additional Approvals from Other Funds

Payment of moving expenses from special contributions that are available to the hiring department must also be approved by the vice president for finance and administration prior to making an offer of employment or commitment to a candidate for employment. Payment from special project funds may be used only when authorized by or consistent with the

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donor's intent and coordinated with the Controller's Office to assure that funds are available prior to making an offer of employment or commitment to a candidate for employment.

4. Eligible Job Classifications and Payment Amount Limits

Authorization for payment of eligible expenses will apply only to newly hired full-time faculty and staff employees in the following job classifications. **Moving expense offers are subject to available funds.** Regardless of the source of funds used, the maximum total of university funds that can be offered may be less than, but cannot exceed, the amounts stated below:

- a. Vice presidents – \$7,000 per individual
- b. Deans and associate vice presidents – \$5,000 per individual
- c. Executive directors and academic department chairs – \$2,500 per individual
- d. Tenure-track faculty – \$1,000 per individual
- e. Athletic head and assistant coaches – \$1,000 per individual
- f. Administrative directors – \$1,000 per individual

Requests for exceptions to the above maximum amounts must be made in writing and include documentation of extenuating circumstances. All exceptions must be approved by the president.

5. Provisions

- a. Payment for moving expenses may be authorized only for full-time benefits eligible faculty and staff candidates for employment who would be moving 200 miles or more from their current residence to San Angelo, Texas.
- b. The expense of moving equipment and other items for research laboratories and offices, or for relocation or temporary assignment of current university employees to other locations, is not considered within this policy.
- c. The newly hired employee's department chair or administrative head is responsible for ensuring that university procedures are followed and that appropriate forms, original receipts and related paperwork are submitted for payment.
- d. Authorization and approval for payment of moving expenses and subsequent job offers are subject to the university's hiring and non-discrimination policies and procedures.

6. Authorized moving expenses

Moving expenses are defined as reasonable costs resulting from the moving of a faculty or staff member's goods and personal possessions. The cost of traveling from the employee's former residence to the employee's new residence should be by the shortest, most direct route available by conventional transportation. Allowable moving expenses may include one or more of the following:

a. Household goods and personal effects.

The cost of packing, crating, and transporting the household goods and personal effects and those of the members of the employee's household from the former residence to the new residence, including gas receipts for a truck rental, will be covered.

b. Storage expenses

The cost of storing and insuring goods and personal effects for up to 30 consecutive days after the day the employee's belongings are moved from the former residence and before they are delivered to the new residence will be covered.

c. Travel expenses

(1) Lodging for the employee and their household members while traveling from the former residence to the new residence, including the lodging expenses for the day of arrival, will be covered.

(2) Lodging expenses in the area of the employee's former residence within one day after the employee could no longer live in the former residence because the furniture had been moved will be covered.

(3) The expenses for one trip to the new residence for the employee and their household members will be covered.

(4) Meals will not be covered.

d. Travel by car

The cost of expenses for use of a personal car to take the employee, members of their household, or personal effects to the new residence, either by using

(1) the actual expenses, such as gas and oil, or

(2) the standard mileage rate (check the current IRS Publication 521 for the applicable standard mileage rate), and

(3) parking fees and tolls that were paid during the move; will be covered.

7. Procedure for Payment

Upon acceptance of an offer of employment, the employee has two options to facilitate and request payment:

a. Reimbursement of Expenses

The employee may pay for the moving expenses from personal resources and then request reimbursement. The *Employee Moving Expense Form*, along with original receipts, must be completed and submitted by the employee to the hiring department for processing.

b. Direct Payment to Third Party Vendors

If the employee chooses to make direct payment to the vendor, the employee must contact the Purchasing Office prior to making any arrangements. The Purchasing Office will provide instructions and guidance in obtaining cost estimates from third party vendors. The employee must allow sufficient advance time to obtain pre-estimates and coordinate the selection of the third party vendor. The Purchasing Office will be responsible for completing and sending the purchase requisition order, and processing the paperwork for payment to the third party vendor. The employee will be responsible for the payment of any moving expenses over the amount approved by the university.

c. Reimbursement Time Limit

If the newly hired employee selects to be reimbursed for moving expenses, he/she is to submit original receipts and documentation to the department chair for reimbursement of those expenses, as soon as possible, after incurring the costs in order to eliminate any confusion that might occur due to unavailable funds and/or reporting periods. Requisitions for reimbursement of moving expenses should be submitted no later than 60 days after the expenses were incurred.

Due to IRS regulations and the Safe Harbor rules, requisitions for moving expenses reimbursements submitted 60-90 days after the expenses were incurred require an attached explanation as to the reason(s) for the lateness. A late reimbursement request will also require additional levels of approval and may even be disallowed entirely or reported as taxable income to the payee.

Requisitions for reimbursement submitted later than 90 days after the expenses were incurred will not be processed.

8. Tax Treatment of Payment of Moving Expenses

Tax treatment of moving expenses under this policy will follow the IRS regulations and guidelines as described in IRS Publication 521 – Moving Expenses. In addition, the employee is solely responsible for following IRS income tax requirements related to the reporting of employer payment and reimbursement of moving expenses. Employees are advised to review IRS regulations or consult with a tax advisor for guidance relating to the tax treatment of payment of moving expenses.

9. Forms and Procedures

All related forms and procedures are available on the Office of Human Resources website at: http://www.angelo.edu/dept/human_resources/