



TEXAS SOUTHERN UNIVERSITY
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Human Resources
AREA: Benefits

Number: 02.03.06

SUBJECT: Moving and Relocation Expenses

I. PURPOSE AND SCOPE

This document outlines the processes to be followed for authorization, payment, and reimbursement of moving and relocation expenses for new Texas Southern University employees.

This document outlines the conditions under which payment of household and personal expenses related to moving and relocation of newly hired Texas Southern University faculty or staff members may be authorized from university funds. This document applies to authorization of payment of expenses for moving household and personal effects and related relocation expenses for all applicable university faculty and staff, regardless of the source of funds from which the employee is paid.

Moving of equipment and other items for research laboratories and offices, or for temporary assignment of Texas Southern University employees to other locations, is not considered within these guidelines.

Payment of expenses for transportation of household goods and personal effects of new Texas Southern University faculty and exempt staff may be authorized from university funds within the limitations and restrictions provided in this document. Any exception to these restrictions requires the approval of the responsible vice president.

II. DEFINITIONS

- A. Household goods: Furniture, household appliances, and other items used for furnishing and maintaining residence.
- B. Personal effects: Clothing, books, and other items of a personal nature.

III. AUTHORIZATION

- A. In every case, payment of moving and relocation expenses from university funds for a prospective university employee must be authorized by the appropriate dean, director, or vice president prior to making any offer or commitment.
- B. Normally, payment for moving and relocation expenses may be authorized only for full-time faculty and administrative and professional staff employees at the director level and above who are moving from a distance in excess of 100 miles from Texas Southern University. Authorization of expenses for any individual not meeting this definition requires the prior approval of the appropriate vice president.
- C. Payment of moving/relocation expenses may be made from designated funds or auxiliary funds available to the hiring department or college. Gift funds may be used only when its use is authorized by or consistent with donor intent. Payment of moving/relocation expenses from sponsored project cost centers requires the prior written approval of the sponsor. State appropriated funds may not be used for payment of moving and relocation expenses.
- D. The commitment, level of expenses authorized, and responsibility of the employee to reimburse the university if the employee leaves shall be specified in the offer letter to the prospective employee.
- E. The Authorization for Moving and Relocation Expenses form (Addendum A) shall be submitted with each moving/relocation payment document; a copy of the correspondence authorizing payment of moving expenses shall be attached. Expenses may be added as each payment document is processed, up to the maximum amount authorized. The college/division administrator shall certify this form, ensuring the monitoring of accumulated expenditures within the approved level.
- F. Regardless of fund source, the maximum total of university funds that may be authorized for moving and relocation expenses shall not exceed an amount equal to one-tenth of the individual's annual salary, or \$10,000, whichever is greater. (Vice Presidents and Deans may choose to set lower limits based on the college budgeting policies.)
- G. To ensure maximum cost effectiveness, Texas Southern University will maintain or have access to contracts with national moving companies to transport household effects. Depending upon the most efficient and cost-effective options, these contracts may be contracted directly by the university.

- H. New employees for whom moving and relocation expenses have been authorized will be provided information regarding university moving contracts, along with payment/reimbursement procedures.

Payment may be made directly to the moving company or reimbursement for moving household goods and personal effects may be made to the employee up to the amount authorized for moving expenses.

- I. Authorized moving expenses include the reasonable costs resulting from the moving of the faculty or staff member's household goods and personal possessions. Allowable moving and relocation expenses are restricted to the following:

1. Cost of one trip of up to one week in length for the employee and spouse to select new housing, referred to as house-hunting (taxable)
2. Transportation costs associated with moving the employee and all of the members of the employee's household as follows:
 - Lodging (non-taxable)
 - Public transportation, such as airplane, train, bus, or rental car (non-taxable)
 - Personal car mileage up to \$0.20 per mile (non-taxable)
 - Personal car mileage over \$0.20 per mile and up to \$0.55 per mile (taxable)
 - Rental car gasoline (non-taxable)
 - Meals (taxable)
3. Expenses for packing and moving of household goods and personal effects by an approved moving company (non-taxable)
4. Cost of employee and household members living in temporary quarters for a short period of time when required by the university to move to a new location before permanent housing can be found (taxable)
5. Cost of storing personal effects during the move to a new location (storage costs for the first 30 consecutive days following their removal from the former home are not taxable; storage costs beyond that period are taxable)

- J. The following represents a sample of moving and relocation expenses that are not allowable. Other expenses may be disallowed, subject to independent evaluation.

1. Costs for shipping a boat
2. Costs of more than one moving trip

3. Costs associated with breaking a lease, selling a house, or purchasing a new house
 4. Baby-sitting, house-sitting, or pet-sitting costs while on househunting trip to Houston
 5. Purchases of household items in lieu of moving possessions from former residence
 6. Expenses for any extraordinary insurance beyond the limits of that included under the moving vendor's contract
- K. Certain expenses authorized for moving and relocation from university funds may be taxable. Those expenses will be reported and will appear on the employee's W-2 form as taxable income.
- L. If an employee for whom moving/relocation expenses were paid by the university leaves the university within 12 months of appointment date for reasons within their control, the individual is required to reimburse the university for the amount of the relocation expenses within 90 days of termination. Expenses not reimbursed may be reported as taxable income.

As a requirement of OMB Circular A-21, where relocation costs related to recruitment of a new employee have been allowed either as an allocable direct or indirect cost on a contract or grant, and the newly hired employee resigns for reasons within their control within 12 months after hire, the institution will be required to refund or credit the relocation costs to the granting federal agency.

IV. UNIVERSITY CONTRACTS WITH MOVING COMPANIES

Purchasing will maintain information regarding the terms of preferential contracts available to the university employees and will make this information available to the business administrators upon request.

V. ARRANGEMENTS WITH AND PAYMENT OF MOVING COMPANIES

- A. Upon receipt of the letter of acceptance of employment from the new employee, the responsible departmental or college/division administrator shall provide to the employee a copy of this MAPP and specific information on university contracts with moving companies.
- B. The employee may contract directly with a self-service or full-service moving company or request the responsible university department pay a moving company

directly with a voucher or purchase order. The employee will be responsible for paying any amount that exceeds authorized moving expenses.

- C. If the new employee seeks reimbursement for out-of-pocket moving expenses, receipts must be provided to the responsible department. Requests for reimbursement, with appropriate documentation, should be made no more than 60 days after the expense has been incurred.

VI. PAYMENT OF TRAVEL COSTS

- A. Travel-related moving expenses for househunting, temporary quarters and storage, and the cost of transporting the new employee and members of their household to a new home should be reimbursed on a voucher. Original receipts, cancelled checks, credit card statements, odometer readings, or other documents that substantiate the expenses being reimbursed must be attached to the voucher, along with a completed and approved Addendum A.
- B. Requests for reimbursement, with appropriate documentation, should be submitted no more than 60 days after the expense has been incurred.

VII. REVIEW AND RESPONSIBILITY

Responsible Party: Executive Director of Human Resources 6/17/09
Review: Every three years, on or before June 1

VIII. APPROVAL

Jim McShan
Vice President for Finance

John M. Rudley
President

Effective Date: 06/24/09

Addendum A

Authorization for Moving and Relocation Expenses

Date _____

Department and College/Division _____

Name of new Employee _____

Moving from _____ Mileage Involved _____

Date of Acceptance of TSU Employment _____

TSU Employment Start Date _____

Annual Salary _____ Relocation Allowance _____
(Attach copy of offer letter)

Cost Centers to be charged _____

Relocation Expenses Claimed (Attach copies of current documentation):

- Moving company _____ \$ _____
 - House-hunting travel expenses _____ \$ _____
 - Other cost associated with travel while moving _____ \$ _____
- TOTAL: _____ \$ _____
- Allowable Balance: _____ \$ _____

Certification and Approvals:

Employee: _____ Date _____

College/Division Administrator _____ Date _____