



EMPLOYEE RELOCATION EXPENSE POLICY

Area:	Campus Policy	Number:	FS-AS-4102.1
Subject:	Employee Relocation Expense	Issued:	April 1, 2013
Applies To:	Faculty and Staff	Revised:	
Sources:	Financial and Business Services	Updated:	April 25, 2017
Responsible Party:	Vice President for Business and Finance	Page(s):	1 of 4

Purpose

In order to minimize the inconvenience and hardship for new faculty, staff, and their families, the University may pay employee's relocation and related expenses provided funds are available in the departmental office or college operating budgets. The policy applies only to individuals who are newly employed by Georgia Southern **and** are required to relocate to the Statesboro area from their residence in other geographical areas.

The Employee Relocation Expense Policy sets forth policy and procedure guidelines for relocation expense regulations and requirements for approval. The University may reimburse for the actual relocation expenses in accordance with [USG Business Procedures Manual](#), [Georgia Procurement Manual](#), Georgia Southern University policy and [Internal Revenue Service \(IRS\) regulations](#). Georgia Southern University meets the IRS requirements for an acceptable reimbursement plan per Publication 521.

Policy

Eligibility

To meet the eligibility requirements for relocation reimbursement, the employee must be a faculty or staff employee of the University in a regular benefitted, full-time position. Relocation expenses of a specific amount must be included in the original written offer of employment and accepted by the new employee and cannot be renegotiated. Relocation expense payments cannot be issued without a written offer of employment; otherwise, the payments would constitute a gratuity under Georgia Law.

The following conditions must be met by University employees to become eligible for relocation reimbursement:

1. The University has determined the employee to be qualified for employment under usual and customary employment process of the University.
2. The distance between the employee's new work location and former residence must be at least fifty (50) miles greater than the distance between the employee's former work location and former residence.
3. The employee must meet reasonable expectations to work on a regular, full-time basis for the University for at least 39 weeks from the date of employment.

Note: Relocation expenses are paid to move only one (1) primary household where the employee moves from a former home to a new place of residence by the shortest and most direct route available by conventional transportation. To be eligible for reimbursement, expenditures must be reasonable, necessary and incurred after the employee has signed the written offer of employment.

Employment Relocation Expense Reimbursement Request

To receive reimbursement for relocation expenses, an employee must execute an Employment Relocation Expense Reimbursement Request for the relocation expenses up to the agreed upon amount in the original written offer of employment. Georgia Southern reimburses only actual incurred relocation/moving expenses as outlined in this policy.

The following conditions must be met by University employees in order to receive relocation expense reimbursement:

1. Employee must remain employed on a regular, full-time basis for the University for at least 39 weeks.
2. If the employee voluntarily ceases University employment before the obligatory 39 weeks of service, the employee must repay the entire amount of the actual relocation expense reimbursement paid to them. The refund amount may be made by personal payment or may be deducted from the employee's final earnings payment.

Reimbursement Guidelines

The University policy contains provisions for reimbursement of Qualified (Non-Taxable) and Nonqualified (Taxable) expenses.

Qualified Expenses (not subject to tax withholding)

Reimbursement of Qualified Relocation Expenses may be issued to a University employee up to the amount provided for in the original written offer of employment, and are considered by the IRS as excludable from gross income. Original paid receipts are required for all reimbursable items, and mileage is reimbursed at the IRS standard rate included in the most recent *Publication 521 Moving Expenses*. This may mean using the prior year rates instead of waiting for the current year rates to be published.

IRS qualified reimbursable expenses to include the following:

1. Commercial moving company*
2. Charges for packing, crating, mailing and/or shipping household goods owned at the time of shipment, and other miscellaneous packing supplies. Reimbursement is limited to a reasonable hourly wage with a maximum of \$500. Labor provided by the employee or employee's immediate family member(s) is not reimbursable. A receipt from the business employed to provide labor, with signatures and a tax identification number, and amount paid must be attached to the reimbursement request. The receipt must be original and show that it is paid.
3. Optional insurance on items such as furniture, clothing, and utensils
4. Rental truck and fuel
5. In-transit storage for up to thirty (30) consecutive days
6. Shipment of car(s), if not used in the move
7. Travel and lodging costs for one (1) trip for employee and family from the former primary residence to the new place of residence may include the following:
 - Mileage at the [IRS rate](#) for personal cars
 - Lodging in transit and one night at destination
 - Airfare
 - Rental car and fuel expenses incurred in transit and one night at destination
 - Tolls, taxi, or parking
 - Pet shipping charges

* If amount to be reimbursed is over the stated amount in the [Georgia Procurement Manual](#) (See 2.4. Step 3) then the employee must obtain three (3) quotes from available moving companies. Georgia Southern University will reimburse the lowest quote. As of July 2012, the manual requires three bids if the expense is \$25,000 or more. If three vendors are not available, a letter stating that fact must be submitted by the employee with reimbursement request.

Nonqualified Expenses (reported on W-2 and subject to tax withholding)

Reimbursement of Nonqualified Relocation Expenses are included in gross income and will be paid as reimbursements to the individual employee up to the amount provided for in the original written offer of employment. Original paid receipts are required for all reimbursable items.

Nonqualified reimbursable expenses include the following:

1. Pre-Move (House hunting) expenses - One trip occurring after signing of the original written offer of employment to include transportation and lodging.
2. Temporary housing – Housing expense for up to 30 days after you leave your former primary residence.
3. Mileage in excess of the current IRS rate per mile up to the rates imposed by the [State of Georgia Travel Policy](#).

Relocation expenses not reimbursed by the University include but not limited to the following:

1. Travel and lodging costs incurred during additional trips from former residence to new residence (with the exception of **one** pre-move trip)
2. Cost of meals during the relocation process
3. Storage (excluding thirty (30) days in-transit)
4. Meals and travel costs incurred by laborers
5. Expenses incurred by persons not considered to be dependents for tax purposes
6. Costs related to immigration
7. Utility and telephone installation charges
8. Loss of security deposits
9. Real estate expenses
10. Postage costs for realty and mortgage documents
11. Personal telephone calls, tips, movies, or entertainment
12. Bank fee for cashier’s check
13. Extraordinary items requiring special handling (e.g. boats)

University Funding Approval Limits

Payments for reimbursable relocation expenses must be funded from the operating budgets of the University’s departmental office or college responsible for hiring the employee. Subject to funding availability, the appropriate Vice President or Dean/Director may approve reimbursable expenses up to the amount stated in the original written offer of employment as follows:

- Dean/Director (reporting directly to a Vice President).....up to \$5,000
- Provost..... \$5,000 to \$10,000
- President..... \$10,000 or more

Note: Faculty reimbursements are required to have the signatures of the Dean and the Provost.

Procedure

Relocation expenses must be negotiated with the new faculty or staff member during the hiring process. The Employment Offer Letter must specify the maximum amount of relocation expenses the University may pay the employee and cannot be changed. A copy of the Employee Relocation Expense Policy and Employment Offer Letter should be provided to the new faculty or staff member for their records. New faculty teaching part time during the summer semester prior to beginning their new contract in the fall may be reimbursed under this policy during the summer session they are teaching.

Should you have any questions, please contact the following University Department for further clarification or assistance:

Office of Financial Accounting
Phone Number: (912) 478-0417

Reimbursement Process

- I. Responsibilities of Employee:
 - a. Complete and sign the [Employment Relocation Expense Reimbursement Request Form](#).
 - b. Submit original itemized paid receipts to the employing departmental office or college. All original receipts will be returned to the employee for tax filing purposes; however, it is strongly recommended that the employee retain copies of the receipts for their personal records.
- II. Responsibilities of Employing Departmental Office or College:
 - a. Confirm funding and provide complete Payment/Budget Data on Relocation Expense Reimbursement Request Form.
 - b. Verify employee appointment has been updated in Human Resources and Provost's Office MFE System.
 - c. Review relocation documentation for appropriate signature, funding, and compliance with University policy.
 - d. Submit the Employment Offer Letter, the completed Employment Relocation Expense Reimbursement Request, and original itemized paid receipts to the Office of Financial Accounting in a timely manner. Employees are required to account for the relocation expense within sixty (60) days after they were incurred or paid. Only one request for reimbursement will be paid. If you relocate after the initial twelve (12) months of employment, a written explanation stating the reason for the delay must accompany the reimbursement request.
- III. Responsibilities of the Office of Financial Accounting:
 - a. Review relocation documentation for appropriate signatures and compliance with University policy.
 - b. Remit and receive signatures of the Budget Officer and the Financial Accounting Officer.
 - c. Remit to Payroll so reimbursement payment will be included in the employee's next payroll.
 - d. Return the original itemized receipts to the employee.
 - e. Retain documentation for audit purposes.
- IV. Responsibilities of Budget Office:
 - a. Verify Payment/Budget Data section of request form
 - b. Amend departmental budget as directed on request form