Relocation Expenses

Policy Statement
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1.0 Eligibility
1.1 Written Letter of Offer

Payment and/or reimbursement of relocation and moving expenses is allowable when expenses are included as a formal and specific component of the original written offer of employment (Letter of Offer) made to the qualified applicant (the employee) and accepted by the employee in connection with employment at the University. To be eligible for relocation and moving expense reimbursement, the employee’s relocation must meet the following conditions:

- Availability of Qualified Applicants – The employing department must determine that the employee is the best qualified applicant available for the position.
- Full-time Position - The employee must be assigned to a full-time, salaried position and must have agreed to work on a full-time basis for at least one year. For faculty appointed on an academic year basis, one year is defined as two concurrent regular academic sessions of fall and spring or spring and fall semesters equal to nine months. For all other annual faculty and employees, one year is defined as twelve months.
- If the employee’s spouse or partner is a State employee and otherwise eligible for moving and relocation expenses through the University or other State of Georgia agency, reimbursements of any moving or relocation expenses will be paid only once to move the primary household to the new location.
- Relocation for current employees is allowable in situations where the employee is reassigned and the relocation is in the best interest of the institution. In such cases, approval of a Vice President is required, and the Office of Planning and Budget Relocation Policy should be used. A link to this policy is provided under Related Information.

1.2 Relocation and Moving Expense Agreement
To be reimbursed for moving and relocation expenses, the employee must accept the Letter of Offer and execute a Relocation and Moving Expense Agreement with the University prior to incurring any expenses. No University obligation exists, nor may any reimbursements be processed, until all parties execute the agreement. A link to the
Relocation and Moving Expense Agreement has been provided below under the Forms/Instructions section of this policy.

**The Relocation and Moving Expense Agreement will be signed by the employee, Department Head, and Dean or Vice President.** Departments may commit reasonable amounts for an employee's relocation and moving expenses in accordance with this policy and procedure. For relocation and moving expense budgets of $15,000 or more (per employee), approval from a Vice President is required and the Vice President must sign the Relocation and Moving Expense Agreement. Relocation and moving expense budgets include amounts reimbursed to employees and the direct payment by the University to third-party moving companies. The Relocation and Moving Expense Agreement will stipulate that:

- The employee must remain employed on a full-time basis for at least one year (twelve months), commencing on the date that the employee starts work at the University. For faculty appointed on an academic year basis, one year is defined as two (2) concurrent regular academic sessions of fall and spring or spring and fall semesters equal to nine (9) months of employment.
- If the employee fails to remain employed for the obligated one year of service, the hiring department is required to immediately notify the Payroll department so that agreed upon deductions can be processed in a timely manner against remaining payroll payments. If payroll deduction of these expenses cannot be achieved, the employee will refund to the University the gross amount of moving and relocation reimbursed directly to the employee as well as the gross amount of any payments made for the benefit of the employee to third parties. The hiring department is responsible for collecting any refund from the employee which cannot be deducted in payroll processing. Unsuccessful efforts to collect the refund after thirty (30) days from the employee will be referred to the University Accounts Receivable Department for further collection efforts including referral to an outside collection agency if needed. Refunds collected through payroll deduction or directly from the employee will be returned to the original funding sources, including University foundations. Failure to repay these expenses as agreed due to the breach of contract may result in legal action to recover money being taken against the employee. As part of this agreement, the employee agrees to pay all collection costs including attorney fees and other charges necessary for the collection of any amount still due to the University.
- Repayment of relocation and moving expenses by employees who do not remain employed for a full year may be pro-rated or waived if the University employment is terminated for reasons beyond the employee's control and found acceptable to the University. Any such waiver must be approved in writing by the employee’s Dean or Vice President and in the case of relocation and moving budgets of $15,000 or more, by the cognizant Vice President. Should the repayment be pro-rated, failure to repay the pro-rated amount may result in legal action to recover money being taken against the employee. As part of the agreement, the employee agrees to pay all the collection costs including attorney fees and other charges necessary for the collection of any amount still due to the University.

### 2.0 Payment/Reimbursement Rules and Guidelines

#### 2.1 Reimbursement Overview

In general, relocation and moving expenses will be paid on a reimbursement basis; however, sometimes the University may make payment directly to the third party commercial mover.

To be eligible for reimbursement, expenditures must be reasonable, necessary, and incurred after the employee executes a Relocation and Moving Expense Agreement. Expenses submitted for reimbursement will be considered taxable income. All relocation and moving expense documentation is open for public examination. University employees and management should take necessary steps to ensure that all reimbursements and payments are thoroughly documented and reviewed in each case.

#### 2.2 Documentation

The hiring department will be responsible for retaining all relocation documentation. Credit card statements or record of charge slips may be used as supporting documentation but may not serve as the primary document or receipt. A receipt is defined as a written acknowledgment that a specified remittance, article or delivery has been made. At a minimum, the name of the payee, date, details of the purchase and amount should appear on the receipt. Receipts should be submitted for all expenses with the exception of meals. Receipts for meals are not required; however, times of departure (for the day of departure) and return (for the day of return) should be noted on the employee travel expense statement to substantiate meals eligible for payment of per diem. See the Definitions section below for additional details regarding what constitutes “adequate documentation.”
2.3 Funding
In general, most sources of funding available to departments can be used to pay relocation expenses. There are certain notable restrictions which should be considered:

- When using UGA restricted accounts funded by the University Foundation, the underlying fund agreement must allow for payment of relocation expenses.
- Grant funding may be utilized only if allowed under the terms of the award or contract. Grants may include limitations on amounts for relocation expenses or may have limits on payment of certain types of relocation expenses. Any relocation expense charged to a grant account must meet the requirements of the grant and or the requirements of the funding agency or sponsor.
- Conference and Workshop accounts, agency accounts, and student activity fee or technology fee accounts should not be utilized to pay relocation expenses.
- Departmental Sales and Service accounts should only be utilized in those situations where the employee’s work is directly associated with the sales or service operation and when the expense can be supported by the budget of the operation.

2.4 Interview Expenses
Interview expenses, unlike house hunting costs, occur prior to an accepted offer and do not fall within the scope of this policy. Job applicant travel does not include pre-move or house-hunting trips once an employment offer has been extended to the candidate. If travel is provided to the candidate between the time an offer has been made and the time the offer has been officially accepted, those travel expenditures cannot be made from a University account; however, departments can request expenses be paid directly from a university affiliated foundation if funds are available and approved by the affiliate. Once the offer has been accepted by the candidate, payment for travel expenses that are not business related (i.e. pre-move or house hunting trips) must follow procedures as outlined in this policy. Please refer to the University of Georgia Travel Policy for more information. A link to this policy is provided below under Related Information.

2.5 Expenses for Moving Office and Lab Equipment
Expenses for moving office and lab equipment will be paid or reimbursed by the University of Georgia only if included in the Letter of Offer. These expenses also do not fall within the scope of this policy and are separate from the dollar amount offered to the employee to support moving the personal household. Please contact the Procurement Office at 542-2361 for more information on contracting for these services.

2.6 Employee Responsibilities
All expenses submitted for reimbursement must be actual, reasonable, necessary and within policy guidelines. Reimbursement can be requested by submitting an Employee Request for Reimbursement of Relocation Expenses to the funding department. Each employee eligible for moving and relocation reimbursement is responsible for:

- Assisting the department in completing the Relocation and Moving Expense Agreement for Employees;
- Obtaining and submitting receipts necessary to support all claims for reimbursement within sixty (60) days after paid or incurred;
- Submitting claims for expenses that were incurred at least after execution of the Relocation and Moving Expense Agreement but in no case later than twelve (12) months following the first date of employment at the University of Georgia, unless the employee can show that circumstances existed to prevent moving within that time period;
- Submitting claims for reimbursement on the Employee Request for Reimbursement of Relocation and Moving Expenses Form. (A link to this form can be found under the Forms/Instructions section.)
- Adhering to the stipulations outlined in the Relocation and Moving Expense Agreements

2.7 University Responsibilities
Hiring department:
Relocation and moving expenses and payment protocol, in accordance with this policy, must be discussed and finalized with the employee during the hiring process. Departments shall provide the employee with the written letter (which includes an amount for relocation expenses) will execute the Relocation and Moving Expense Agreement for Employees and determine the budget and funding sources for the expenses.

Reason for policy
The purpose of this policy is to provide guidelines in accordance with the University of Georgia policies, the State of Georgia code, Internal Revenue Code provisions and Internal Revenue Service (IRS) regulations for reimbursement to employees for relocation and moving expenses and payment of relocation related expenses directly to vendors. Reimbursements and direct payments should comply with state and federal regulations. Relocation and moving expenses for faculty and staff may be provided if funds are available in the department or school/college/unit budget. Payment or reimbursement of personal relocation and moving expenses for existing employees is allowable if the relocation creates an advantage for the University of Georgia and has been appropriately approved. In the case of existing employees, the policies outlined by the State of Georgia Office of Planning and Budget (OPB) should be followed. A link to these policies can be found under the Related Information section. Individuals receiving the benefit of relocation and moving expenses should be aware of any personal income tax implications and should consult a tax professional with personal tax questions.

Procedures
This section is designed to provide guidance for situations where a department has received approval(s) to pay relocation and moving expenses. The approvals are documented on Relocation and Moving Expense Agreement, and included with the Official Offer of Employment letter for a newly hired employee. Payments made to or on behalf of Foreign Nationals shall be in compliance with all applicable federal laws and all relevant visa restrictions and may require additional procedures. For further information regarding Foreign Nationals, please contact the International Tax Coordinator in the Payroll Office at 706-542-3431.
Payments made to reimburse the employee for relocation and moving expenses will be considered taxable income. This tax determination is made based solely on the Internal Revenue Code (IRC) regulations. Reimbursements will be included on the employee’s W-2.

The University cannot determine the specific impact of taxable payments/reimbursements on the employee’s tax liabilities. Employees should consult with their personal tax advisor as necessary.

Procedure Steps:
I. The hiring official(s) will execute a Letter of Offer and a Relocation and Moving Expense Agreement with the employee. Links to these forms may be found in the Forms/Instructions section below. The Relocation and Moving Expense Agreement will be signed by the employee, Department Head, and Dean or Vice President. For relocation and moving expense budgets of $15,000 or more, Vice President’s approval is required and the cognizant Vice President must sign the Relocation and Moving Expense Agreement. These documents will be retained on file by the department to ensure the employee does not exceed the offer and agreement amount.

II. The hiring official(s) should provide the employee with a copy of this policy as it outlines the tax implications of these expenses. The University cannot determine the specific impact of taxable payments/reimbursements on the employee’s tax liabilities. Employees should consult with their personal tax advisor as necessary.

III. Funding Sources:
   o Departmental funds must be approved by the department head with budgetary responsibility for the state account.
   o UGA Foundation funds must be approved by the appropriate dean or vice-president (or their delegate) as required by the respective fund agreement and then sent to the Development and Alumni Relations Office of Financial Services for approval.
   o UGA Research Foundation funds must be approved by the Office of the Vice President for Research Director of Fiscal Affairs.
   o Funds provided through the Office of the Vice President for Academic Affairs must be approved by the Provost.
   o Grant funds must be approved by the project’s principal investigator (PI), the department head, and the Sponsored Programs Post Award Accounting department.
Departments will work with the employee to complete moving arrangements.

2.8 Payments to Vendors for Moving Services:

There are currently two ways to make payments directly to moving services vendors: A) Utilizing a contract vendor, and B) Utilizing a non-contract vendor. These methods are detailed below:

A) Utilizing a contract vendor: The University has established a contract with Armstrong Relocation. When utilizing this contracted vendor, the University will make payment directly to the vendor regardless of dollar value.

I. The employee or hiring official should email Laura LaRue of Armstrong relocation at llarue@goarmstrong.com or call 502-491-2807 ext. 3326 so the moving services provider can arrange a time to meet with the employee to provide a quote.

II. Once the moving services vendor has provided the new employee with a quote, the employee should submit the quote to their hiring official for processing.

III. The hiring official will verify that sufficient funds remain on the Relocation Agreement and will authorize the vendor to perform the services as outlined in the approved quote and directly bill the University.

IV. Once services have been rendered by the moving services vendor, they will submit their invoice to the departmental billing contact, referencing the applicable reference number.

V. The departmental billing contact will then submit the invoice for payment utilizing the Electronic Check Request system.

B) Utilizing a non-contract vendor: While employees are encouraged to utilize one of the contracted vendors, they are permitted to utilize non-contract vendors for household goods moves. Employees may elect to have their moving companies submit their invoice directly to the University in cases where the moving company's total bill does not exceed $24,999.99. The moving company should submit the invoice to the employee's home department to be processed as described below. If Accounts Payable receives the invoice directly from the vendor, Accounts Payable will distribute the invoice to the department to be approved and processed as described below.

I. The original receipt or invoice and any other supporting documentation (for example quote and/or E-Verify Affidavits) should be attached in the Electronic Check Request system.

- For moves below $10,000 it is strongly recommended that the employee obtain a quote from the company prior to services being rendered.

- For moves $10,000 to $24,999.99 it is preferred that the employee obtain three (3) quotes from moving companies prior to the move and submit the quotes to the University as evidence that the company selected was providing services within a competitive cost range.

- Moves of $25,000 or greater cannot be directly paid to the moving services supplier unless contracted for through the Procurement Office. This often will require competitive bidding as the competitive bid threshold for the State of Georgia is $25,000. It is recommended that you contact the Procurement Office in this situation.

II. E-Verify Affidavits: A direct payment to a moving company that is $2,500.00 and over requires that the moving company complete an E-Verify Affidavits Form. This form is only needed for non-contract suppliers. The completed form should be sent to Accounts Payable before the move begins to confirm that it has been completed correctly. Relevant E-Verify information may be found in a link below under the Related Information heading. National moving companies have local agents. If a local agent is used to move the employee, the local agent must be registered with E-Verify and complete the form.

2.9 Reimbursement to the Employee:
Employees may pay the expenses directly and apply for reimbursement. All reimbursement requests will be processed through payroll.

- The employee should attach receipts and any other supporting documentation to a request for Reimbursement of Relocation and Moving Expenses Form and submit it to the funding department for approval.
- The funding department will review for completeness and determine if funding is available for the expenditure.
- The funding department should retain all backup documentation and ONLY the fully approved Employee Request for Reimbursement of Relocation Expenses form should be submitted via Manager Self Service in OneUSG Connect (Compensation and Stock > Request Supplemental pay) by the HR/Payroll deadline on the monthly or biweekly practitioner payroll processing calendar.

2.10 Year End Reporting

All moving expenses are taxable and will be reported on the employee’s W-2. All reimbursements paid through payroll will have taxes deducted and are reported on the W-2 on a calendar year basis consistent with all other payroll payments. For example, a payment paid on the November or December 2018 payroll will be reported on the 2018 W-2 because taxes have been withheld from the payment. Payments made directly to suppliers will be added to the employee’s W-2 as taxable Fringe. For these payments, taxes will be withheld.

### Forms/Instructions

- Relocation and Moving Expense Agreement
- Employee Request for Reimbursement of Relocation Form
- E-Verify Affidavits Form
- Monthly or Biweekly practitioner payroll processing calendar

### Responsibilities

**Responsible University Senior Administrator:** Vice President for Finance & Administration  
**Responsible University Administrator:** Associate Vice President & Controller  
**Policy Owner:** Payroll

**Policy Contact:** Julie Camp  
**Phone Number:** 706-542-6931

### Employee Responsibilities:

All expenses submitted for reimbursement must be actual, reasonable, necessary and within policy guidelines. Each employee eligible for moving and relocation reimbursement is responsible for:

- Assisting the department in completing the Relocation and Moving Expense Agreement for Employees;
- Obtaining and submitting original receipts necessary to support all claims for reimbursement within sixty (60) days after paid or incurred;
- Submitting claims for expenses that were incurred at least after execution of the Relocation and Moving Expense Agreement but in no case later than twelve (12) months following the first date of employment at the University of Georgia, unless the employee can show that circumstances existed to prevent moving within that time period;
- Submitting claims for reimbursement on the Employee Request for Reimbursement of Relocation and Moving Expenses Form
- Adhering to the stipulations outlined in the Relocation and Moving Expense Agreement

### University Responsibilities:

**Hiring department** – Relocation and moving expenses and payment protocol, in accordance with this policy, must be discussed and finalized with the employee during the hiring process. Departments shall provide the employee with the written offer letter (which includes an amount for relocation expenses), will execute the Relocation and Moving Expense Agreement for Employees, determine the budget and funding sources for the expenses, and report all payments correctly on the employee’s W-2 form.
### Record Retention

**Research Grant**  
**Records Number** 0472-09-006  
These records relate to funded research grant proposals and research activity associated with grant funded projects. Examples of records include: supporting statistics, demographic data, draft proposals, suggested revisions, final proposals, forms, protocols, applications, research/activity reports, progress reports, and summary reports. Retention: Final research report is permanent. All other records: 7 years after the end of the grant period.

### Accounting Records  
**Number 0472-03-001**  
This series includes bank statements, purchase requests, purchase orders, requisitions, financial reports, accounts payable and receivable records, write-off records, discrepancy, payment schedules, operating statements, year-end projections, reconciliation and expenditure reports, cancelled checks, check stubs, moving expense records, cost accounting reports, refund/disbursement request records, returned checks, deposit slips, travel records, credit voucher requisition records, cash balances and reconciliations, sales and cash reconciliation records, journal entries, outstanding obligations, refund/disbursement requests, receipts and invoices. Retention: Monthly and quarterly reports: 1 year. All other records: 5 years.

### Policy Dates

**Effective Date:** 01/01/2016  
**Date Last Updated:** 10/17/2019  
**Date of Last Review:** 10/17/2019  
**Date of Approval:**

**Previous Version of Policy:**