NEW EMPLOYEE MOVING POLICY

Policy Statement

The university may pay reasonable expenses for a newly hired faculty or staff member to move his or her family from their former residence to their new residence.

Reason for Policy/Purpose

This policy is required for the effective communication of university policies regarding new employee moving.

Who Needs to Know This Policy

All members of The University of Southern Mississippi community.

Website Address for this Policy

www.usm.edu/institutional-policies/policy-adma-pur-004

Definitions

Policy/Procedures

The University may pay reasonable expenses for a newly hired faculty or staff member to move his or her family from their former residence to their new residence. Departments wishing to pay moving expenses for new employees may pay full or partial expenses, provided the funds are available in their budget. The allowable moving expense must be referenced in the offer letter to the employee as well as reference to any expenses that are not normally reimbursed. All moving reimbursements should be done within 90 days of the employee’s start date.
General Information

USM has established pricing agreements with Armstrong Relocation-United Van Lines (www.usmrelocation.com) which provide many benefits and substantial discounts to a new employee. The new employee is responsible for contracting for his or her own move. The move itself is solely the responsibility of the new employee. The contract for the move, along with any problems that may result from the move, is between the employee and the moving company. The moving company is only authorized to transport household goods in accordance with the provisions outlined in this policy. Services outside of these provisions and/or which are not pre-approved in writing are the personal financial responsibility of the relocating employee. Competitive quotes are not required but are recommended. Fiscal prudence and common sense should be used when determining a moving carrier.

Reimbursements are limited to actual costs incurred up to the amounts agreed to by the department and the employee within the limits outlined in this policy.

Expenses reimbursed under this policy

- One pre-move visit, including meals (up to standard per-diem for 2 individuals), lodging, airline ticket, and rental car (or mileage) not to exceed three calendar days.
- Transportation charges for one continuous move of household items and personal effects from the current domicile to the Hattiesburg or Gulf Coast area. Competitive quotes are not required, but are encouraged. Keep in mind, the University will only reimburse for up to the amount agreed upon in your offer letter.
- Container costs for household items, including book cartons, wardrobes, linen cartons, dish packs, mattress cartons, and corrugated cartons for mirrors and pictures.
- Packing charges for breakable items – such as dishes, glassware, lamps, mirrors and pictures, and for mattresses and box springs.
- For family members, reasonable and customary expenses for transportation to the new location, including lodging and meals (reimbursed up to standard per-diem for 2 individuals) not to exceed three calendar days.
- Shipping of one vehicle.

If payment is made to an individual (cannot be a family member) for assistance in loading or unloading, an invoice or a signed document showing recipients name, address, phone number and signature reflecting receipt of money must be provided for reimbursement. Employee must provide proof of payment (copy of front and back of check).

Mileage rate – Based on the approved mileage rate set by the Mississippi Department of Finance and Administration.

Expenses not reimbursed under this policy unless referenced in the offer letter

- Packing and unpacking of normal household goods - with the exception of breakable items, lamps, mattresses, and box springs.
• Expedited service – unless requested by the University.
• Temporary living expenses.
• Insurance
• Storage costs (Origination or Destination).
• Payment of charges for moving domestic and non-domestic animals, boarding of domestic and non-domestic animals, firewood, perishable food, building materials, yachts, boats, outdoor recreational vehicles, campers, lawn tractors, dog houses, assembled swing sets, or plants.
• Lodging after arriving at destination.
• Meals after arriving at destination.
• Expenses required to sell, lease, or rent an employee’s home; or those expenses required to settle or buy out an existing lease or rental agreement, including but not limited to: brokerage fees, attorney or escrow officer fees, title costs, mortgage discount points, the hiring of a firm to sell a home, fees to break a lease or rental agreement, cleaning fees, first or last month’s rent or lease fees, damage fees or deposits of any type.
• Installation or disassembly of items such as waterbeds, television antennae or satellite dishes, wall-to-wall carpeting, affixed wall mirrors, draperies, blinds, basketball goals, or chandeliers.
• The transportation of items not included in the original bid estimate.
• Third party services such as maid service, rug, carpet, or drapery cleaning, etc.
• Exclusive use of the moving van for the employee’s belongings.
• Retrieval of packing, crating, or storage materials.
• Additional expenses incurred to obtain stored items prior to destination delivery.

Reimbursement Process

• Complete Employee Moving Reimbursement Form available at https://www.usm.edu/procurement/files/apforms/ap_moving_form.xlsx (Also found on the Accounts Payable Forms and Instructions website at https://www.usm.edu/procurement-contract-services/accounts-payable-forms-and-instructions).
• Attach a copy of offer letter referencing the amount of moving expense approved by Department.
• Attach all original receipts obtained prior to the move and proof of payment.
• Send all of the above by campus mail to Accounts Payable 5104 or hand deliver to Bond Hall Room 214.
• If payment is being made to the Moving Company, complete a Remittance Voucher with payment to the Vendor and attach an original invoice along with a copy of the employee’s offer letter.

Tax Information

Since the IRS allows a deduction for the cost of moving your household goods and personal effects and the cost of traveling (including lodging) to your new home, reimbursement for these expenses will not be reported as taxable income. This is the case regardless of whether
the reimbursement is made to the employee or to a third party. It should be noted that only the primary one-way move to your new home is non-taxable.

The IRS considers reimbursement for other moving expenses as taxable income that are subject to income tax withholding, Social Security and Medicare. After all of your moving expenses are processed, you will receive a letter from the Tax Compliance Officer explaining which of the reimbursable expenses the IRS considers taxable income. The letter will then explain that these expenses will be included as income on your next paycheck and taxed accordingly.

The following is a list of some of the expenses that may be reimbursed but that are considered taxable income by the IRS. Please refer to IRS Publication 521 for a complete list of non-deductible/taxable moving expenses.

- Reimbursement for pre-move visits
- Reimbursement for house-hunting visits
- Reimbursement for food at any time during the move
- Any expenses related to the move that occur before or after the PRIMARY one-way move are taxable.
- The IRS sets a standard mileage rate for moving expenses. Any reimbursement for mileage above the standard rate set by the IRS is considered taxable income.

Please note that employees must work full time for at least 39 weeks in the first 12 months after moving to be able to deduct moving expenses. The entire reimbursement of moving expenses is taxable if you do not meet this 39-week requirement. In order to deduct moving expenses for tax purposes, the location of your new main job must be at least 50 miles farther from your former residence than your old main job location was.

### Review

The Director of Procurement and Contract Services is responsible for the review of this policy every four years (or whenever circumstances require immediate review).

### Forms/Instructions

Employee Moving Reimbursement Form available at [https://www.usm.edu/procurement/files/apforms/ap_moving_form.xlsx](https://www.usm.edu/procurement/files/apforms/ap_moving_form.xlsx) (Also found on the Accounts Payable Forms and Instructions website at [https://www.usm.edu/procurement-contract-services/accounts-payable-forms-and-instructions](https://www.usm.edu/procurement-contract-services/accounts-payable-forms-and-instructions))

### Appendices

N/A

### Related Information
Please see IRS Publication 521 for more information on Moving Expenses. This publication is available on the IRS website –http://www.irs.gov/.

**History**

11/01/11: Formatted for Institutional Policies website.
02/20/13: Formatted for template. Minor editing throughout.
**Amendments:** Month, Day, Year – summary of changes
Authorization

NEW EMPLOYEE MOVING POLICY
ADMA-PUR-000-004

As the Responsible Officer, I have reviewed this policy and believe it represents the current policy.

[Signature]

Responsible Officer

13 MAR 2013

Date