

Finance and Operations Policy FO 29

Moving Expenses

1. Moving/Relocation Expense Policy Purpose

All reimbursements made to an employee or paid to a vendor on behalf of an individual for moving/relocation expenses are taxable to the individual. A department may determine that it is reasonable and necessary to pay these expenses for an employee as detailed below. The appropriate Vice President must approve the total amount of expense reimbursement offered to an individual designating funds available with the fund organization, account, and program (FOAP) designated to be charged, in writing and in advance of the offer, please contact HR for assistance on appropriate language.

2. Allowable Moving/Relocation Expenses

The amount of moving/relocation expenses shall be determined with consideration of the lesser of ten percent (10%) of the employee's salary and the distance of the move. Specifically, so long as the figures below are not higher than ten percent (10%) of an employee's salary, and

- a) employee moving from a distance of 350 miles or less shall not receive a reimbursement exceeding \$8,000.00;
- b) employee moving from a distance of 350 to 1500 miles shall not receive a reimbursement exceeding \$12,000.00; or
- c) employee moving from a distance that exceeds 1500 miles shall not receive a reimbursement exceeding \$15,000.00.

Miles are measured from the individual's residence at the time of employment application to the employee's assigned work site. Exceptions to the limits noted require division recommendation and president's approval.

3. Funding Moving/Relocation Expenses

The reimbursement of relocation expenses may not be paid with State appropriated funds (reference Texas Government Code § 2113.204). A department may use local (non-state appropriated) institutional funds

4. Reimbursement Procedures

The department must establish written documentation stating the agreed amount of reimbursable moving expenses with approval provided by the appropriate Vice President in advance of incurrence of the moving expense. Documentation can be in the form of a memo or an email. For repayment purposes, the department must obtain the employee's agreement via signature in advance of any payment of moving expenses.

*Any moving/relocation allowance **must** be paid through the payroll process and may be paid at any date after the employee start date. Faculty moving allowances may be paid prior to the official semester contract dates.*

The department may exercise discretion to request evidence of actual cost (receipts or attestation) and further limit reimbursement to costs incurred. When no documentation is requested by the department, payment processing proceeds based upon submission of the [Relocation \(Moving\) Expense Reimbursement Form](#). At the hiring department's discretion and cost, taxes owed by the employee on third party payments may be reimbursed. Reimbursement of taxes owed is also known as "grossing up." Contact the Payroll department for assistance with the calculation of the gross up amount.

Sam Houston State University assumes no responsibility for the household goods, personal effects, or property of the employee. In the event a dispute arises between a

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moving company and the employee, responsibility for resolving the matter rests with the employee.

5. Repayment Clause

Relocation allowances may be subject to repayment if a recipient voluntarily separates from employment within twenty-four (24) months of the employee's start date. Amounts subject to repayment are as follows:

Separation from Employment	Amount of Repayment
Six months	100% of Relocation Allowance
Twelve months	75% of Relocation Allowance
Eighteen months	50% of Relocation Allowance
Twenty four months	25% of Relocation Allowance

The hiring department is responsible for contacting the recipient of the relocation allowance to arrange for repayment. The hiring department will notify Payroll Services of the amount to be re-paid so an attempt can be made to deduct the relocation allowance from final wages and/or eligible leave payouts.

Reviewed by: Rhonda Beassie - Associate Vice President Human Resources
J. Carlos Hernandez-Vice President for Finance & Operations

Approved by: President's Cabinet November 2021