

# University of Kansas Medical Center Moving Expense Policies

## General

Moving expenses for relocation can be paid for unclassified faculty and staff who move more than 50 miles to their new location. All expenses must be paid with private funds. No state funds can be used, and no exceptions are made. The funds will come from the KU Endowment Association (KUEA) fund. Authority to approve KUEA funded moving expenses continues to reside with the person having the funds, and the responsibility for those funds, on deposit at the KUEA.

Moving office or lab equipment that will be used in the employee's place of work should be paid separately and not included as part of the employee's moving expense.

## Policies

### *Written Agreement*

The first step in paying moving expenses is for the employee and department to complete the written agreement.

Moving expenses may be paid only after the employee agrees in writing (*Form DA-22*) to remain in University service for 12 months from the date of transfer or appointment, unless separated for reasons beyond the employee's control that are acceptable to the University. If the employee leaves before the 12-month period, the applicant will reimburse the University of Kansas Medical Center the full amount paid for moving expenses. In the event of an employee's early termination, the Department will be responsible for collecting all amounts reimbursed to the employee and contacting the Controller's Office. The authority to sign as the Designated Official on the *Form DA-22 "Agreement for Reimbursement of Moving Expenses"* will reside with the person having the funds, and the responsibility for those funds on deposit with KUEA..

### *Moving Expenses*

The second step is to determine what moving expenses are allowed. The third step is to decide which moving expenses are non-taxable and which moving expenses are taxable.

The Moving Expense Analysis Worksheet assists with this process. If the new work location is at least 50 miles further from the former residence than the former residence was to the former place of work, (See *Moving Expense Analysis Worksheet - Table A*) then the following items are considered to be non-taxable and can be reimbursed through requisition/purchase order and vouchering process:

### *Non-Taxable*

#### **- Cost of moving personal and household items**

*-Preferred Method*—the preferred method for paying a moving company is to have the University direct-billed rather than reimbursing the employee. These payments are submitted directly to KUEA rather than the

Controller's Office. This is much better because it gives the employee much greater flexibility. For example, three estimates are not required. Employees are not limited to moving only 12,000 pounds. There are other restrictions that do not apply when the University is direct-billed. Whenever possible, this method should be used.

*-Reimbursing the Employee*—if the moving company cannot direct-bill the University and the employee must be reimbursed for moving personal and household items, three firm rate bids must be obtained. The bid includes the cost of transportation, material and labor for packing and unpacking, delivery, and insurance. The employee must use the lowest responsible carrier. The employee can only be reimbursed for moving up to 12,000 pounds. If the carrier normally charges by cartons or cubic feet, the actual weight must still be obtained.

Costs associated with disassembling yard toys, patio equipment, window air conditioners, and shelving cannot be reimbursed.

Shipping pets, boats, and vehicles via carrier are not reimbursable expenses. Expenses related to have a vehicle towed are also not reimbursed.

#### **- Moving a Mobile Home**

-The employee may be reimbursed for either of the following:

1. An allowance of up to \$0.30 per mile for moving the home if transported by the employee
2. Commercial transportation of the trailer or dwelling including tolls, charges, and permit fees

#### **- Self-Moves**

Self-moves are allowed when deemed desirable by both the employee and the department provided the costs appear reasonable. While estimates are not required, the department may request estimates be provided.

Reimbursable expenses include the rental costs plus insurance of a moving van or trailer or private car mileage (one-way) at the current mileage rate. Fuel for the moving van is reimbursed at the actual amount with receipts or \$0.12 per mile without receipts. Repairs for the moving van are not allowed.

Packing material (boxes, tape, etc.) is reimbursable.

Paying others (friends and family) to help move is not a reimbursable expenses. This includes buying meals as "payment" for those helping.

#### **- Storage (30 days or less)**

Employees may be reimbursed storage of household goods (does not include automobiles) for a period of 30 days or less as tax exempt before being delivered to the new residence.

#### **- Airfare**

Only the employee can be reimbursed for airfare. Reimbursement of airfare for other family members is not allowed.

## **- Lodging**

Lodging is reimbursed at the state travel rates for employees. The reimbursement is for single occupancy only, even though the employee may be accompanied by his/her family. If incurred, lodging expenses the day before the employee leaves the old location and lodging expenses the day the employee arrives at the new location can be reimbursed.

## ***Taxable***

The following moving expenses may be reimbursed, but the reimbursement amount is taxable. It will be reimbursed by Payroll and submitted through the Controller's Office. The reimbursement will appear on the employee's W-2 Form.

The completed *Moving Expense Fringe Benefit Income* form must be included when the taxable moving expenses are submitted to the Controller's Office.

- **Meals**

Meals while en route to the new residence can be reimbursed. Alcoholic beverages are not reimbursed. Employees can choose to use per diem travel meal allowance rates. If per diem is used, the day and time the employee leaves the old residence and arrives at the new residence along with the number of quarters being reimbursed will need to be submitted with the moving expense paperwork.

- **Lodging**

Up to 30 days of lodging can be reimbursed as taxable while the employee is occupying temporary lodging and waiting to occupy the new residence. Lodging is reimbursed at the state travel rates for employees. Lodging is reimbursed for single occupancy only, even though the employee may be accompanied by his/her family.

- **Storage (Over 30 days)**

Storage of household goods over 30 days before they are delivered to the new residence is a taxable reimbursement.

- **Transportation for Employee and Family Exceeding Tax Exempt Rate**

Mileage for the employee and family members between the old and new residence is taxable when it exceeds \$0.12 per mile. Up to \$0.47 per mile can be reimbursed for FY 2008.

- **Multiple trips**

Reimbursement for multiple trips related to the move are taxable.

- **House Hunting**

All expenses associated with house hunting are taxable. Lodging, meals, and mileage reimbursement rates follow moving expense rates. Only the employee can be reimbursed for airfare. Reimbursement of airfare for other family members is not allowed.