

## Handbook of Operating Procedures

### MOVING EXPENSE POLICY

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#### A. Purpose

The University of Texas Rio Grande Valley (UTRGV) strives to recruit the best qualified individuals to serve in leadership, administration, and tenure/tenure-track faculty positions, and the reimbursement of moving expenses is one tool UTRGV employs to fulfill this objective. The purpose of this policy is to provide guidance on the reimbursement of moving expenses for new hires at UTRGV serving in these roles in accordance with applicable federal and state laws.

#### B. Persons Affected

This policy applies to all full-time faculty and employees.

#### C. Policy

1. Subject to the availability of funds, UTRGV may reimburse reasonable moving and relocation expenses for new employees hired into eligible positions if all of the following conditions are met:
  - a. Distance – The distance between the new employee’s current and future designated place of employment is at least fifty (50) miles.;
  - b. Expense Limit – The total amount for expenses reimbursed does not exceed 10% of the employee’s gross annual salary or actual cost, whichever is less, up to \$10,000;
  - c. Offer Letter – The new employee’s offer letter specifically outlines the terms of the reimbursement, and the employee agrees in the offer letter to reimburse UTRGV for the full amount of any reimbursements received if they leave UTRGV employment within 39 weeks (faculty) or twelve months (employees and School of Medicine faculty) of their official start date.
2. If the new employee’s spouse is also hired by UTRGV, reimbursements of any moving or relocation expenses will be paid only once to move the spouses’ primary household.
3. Any exceptions to this policy must be documented in writing and approved by the appropriate vice president (after consultation with Human Resources) before any offer letter is issued. Requests for consideration of reimbursement of expenses as a result of extraordinary circumstances must be submitted to the appropriate vice president for approval immediately following the incident giving rise to the request for consideration.

4. In accordance with the Tax Cuts and Jobs Act of 2017, effective January 1, 2018 through December 31, 2025, reimbursement of moving expenses issued to or paid on behalf of a new employee shall be treated as a taxable fringe benefit and subject to applicable federal income, Social Security, and Medicare tax withholdings and Form W-2 reporting. This policy is intended to comply with tax regulations and guidance set forth by the Internal Revenue Service (IRS). In the event that the IRS regulations change or there is a discrepancy between this policy and IRS regulations, any regulations set forth by the IRS that are more restrictive than this policy will prevail.

**D. Procedures**

1. It is the responsibility of the Cost Center or Project Manager to communicate this policy to new hires and to review moving expense requests to ensure reimbursements are allowable and do not exceed authorized limits.
  - a. Allowable expenses:
    - i. Transportation of household goods
    - ii. Temporary housing for up to six months (must provide lease agreement and/or hotel detailed statement)
    - iii. Storage of household goods for up to six months
    - iv. Pet shipment and lodging
    - v. Automobile transport
      - v.i Reimbursement available for mileage or gas receipts, not both
      - v.ii Automotive rental fees while personal vehicle(s) are in transit are reimbursable
    - vi. One house hunting trip (e.g., lodging, airfare, mileage, meals)
    - vii. Final trip expenses (e.g., lodging, airfare, mileage - see relevant IRS guidance), mileage or gas reimbursement will be based on shortest route from former residence to new residence
    - viii. Rental of moving truck
    - ix. Packing supplies (rental of dollies are reimbursable)
  - b. Unallowable expenses include, but are not limited to:
    - i. Apartment/house cleaning service
    - ii. Cleaning supplies
    - iii. Luggage purchases
    - iv. Dolly purchases
    - v. Utility bills
    - vi. Room service and/or other additional temporary housing charges
    - vii. Final trip meals
    - viii. Child care
    - ix. Home improvements
    - x. Losses of club memberships
    - xi. Maintenance and depreciation of vehicles
    - xii. Costs of selling or settling an unexpired lease

- xiii. Deposits (e.g., rental agreement deposits required or lost on current lease/rental)
  - xiv. Non-licensed lodging expenses (e.g., family residence, friend's residence, etc.)
  - xv. Payment for labor furnished by friends or family
  - xvi. Costs associated with selling a current residence
  - xvii. Costs associated with buying a new residence
  - xviii. Personal charges on hotel bills such as movies, dry cleaning, room service, and gym use, etc.
  - xix. Multiple house hunting trips
  - xx. Trips to and from former residence
  - xxi. Non-licensed moving companies
  - xxii. Lodging, airfare, mileage, and all other costs incurred outside of the shortest route from former residence to new residence on final trip
- c. Business expenses related to the hiring of a new employee are not considered moving expenses. Examples include expenses tied to interviewing of the candidate (e.g., transportation, hotel, food, and other related expenses).
2. Reimbursement Procedures

Employees must comply with the requirements of the UTRGV Expense Resource Guide: [https://www.utrgv.edu/financial-services-comptroller/files/documents/indexfiles/expense\\_resourceguide\\_utrgv.pdf](https://www.utrgv.edu/financial-services-comptroller/files/documents/indexfiles/expense_resourceguide_utrgv.pdf)

- a. Reimbursements are allowed for submission for up to one year from date of hire.
- b. Multiple submissions are allowed.
- c. Detailed receipts and proof of payment must be provided with all submissions.
- d. Reimbursements will not be initiated until after employee start date.
- e. All requests for reimbursements must be deemed reasonable and appropriate.

**E. Definitions**

- 1. Eligible position – a full-time administrative & professional position or a tenure/tenure-track faculty position.

**F. Related Statutes or Regulations, Rules, Policies, or Standards**

[IRS Publication 15-B Employers Tax Guide to Fringe Benefits](#)

[The State of Texas Prompt Payment Act, Texas Government Code Chapter 2251](#)

**G. Dates Reviewed or Amended**

November 12, 2019 – Reviewed and amended with non-significant changes.

February 6, 2020 – Reviewed and amended with non-significant changes.

September 15, 2020 - Reviewed and amended.

May 12, 2022 - Reviewed and amended (non-substantive: updated responsible executive)