



## UNIVERSITY OF VIRGINIA MEDICAL CENTER MOVING AND RELOCATION REIMBURSEMENT GUIDELINES

The University of Virginia Medical Center may offer moving and relocation reimbursement in order to attract qualified employees. The relocation assistance offer is based upon the hiring department's operational budget, Medical Center guidelines and Commonwealth of Virginia policies, Internal Revenue Code provisions and Internal Revenue Services regulations. The total amount of relocation assistance for each new hire is capped at a specific approved amount as noted in the written offer confirmation from Human Resources, not to exceed \$15,000 in accordance with State policy.

### **I. Eligibility**

To be eligible for reimbursement, the employee's move and/or relocation must meet the following conditions:

- a. The employee must be assigned to a full-time or Flex Option Medical Center position.
- b. The new employee must satisfactorily maintain employment for at least one (1) full year, 12 consecutive months, in a full-time or Flex Option position. If the employee does not meet this obligation, the employee shall be liable to the Medical Center for all Moving and Relocation Expenses.
- c. The distance between the employee's new work location and the former primary residence must be at least fifty (50) miles greater than the distance between the employee's old work location and the former primary residence.
- d. Employees must have employee status activated in the payroll system prior to any reimbursement of Moving Expenses. Individuals having the status as applicant in the system may not receive reimbursements.

### **II. Requirements & Restrictions**

Each employee will be required to complete the appropriate Medical Center forms and abide by the following restrictions and the provisions of HR Policy 116 Moving and Relocation Reimbursement:

1. The employee must sign the **Moving/Relocation Expense Reimbursement and Employment Agreement (MERA)** form prior to the start of employment.
2. The employee must complete and sign **Section 1** of the **Moving & Relocation Expense Summary (MRES)** form and submit all related documentation to Medical Center Human Resources for processing, including original receipts

(make copies for your records). The Medical Center Chief Human Resources Officer's approval is required prior to the processing of any relocation expenses.

3. Relocation expenses are covered from the date the employee verbally accepts the offer of employment from the Medical Center Human Resources Recruiter. Any expenses incurred prior to the verbal acceptance are the responsibility of the employee.
4. Payments to a commercial third-party moving company will be paid up to the contract amount; reimbursements to an individual will be limited to the amount agreed upon in the MEREAs up to \$15,000.00 in accordance with State policy.
5. Reimbursement claims shall be submitted within thirty (30) days of moving into a permanent personal residence, but no later than twelve (12) months after date of hire. If circumstances prevent the employee from submitting reimbursement claims within the twelve (12) months, the employee may request an extension of the reporting period. The Medical Center Chief Human Resources Officer is authorized to approve an extension.
6. The Medical Center's Accounts Payable department shall determine if expenses are taxable or non-taxable based on the Internal Revenue Service's regulations. The Accounts Payable department issues reimbursement to the employee for non-taxable expenses and communicates all taxable expenses to the Medical Center's Payroll Department for appropriate processing.

### **III. Residence Search Expenses**

The UVA Medical Center recognizes that house hunting trips may occur prior to or after the employee's first day of work. The following is a list allowable and non-allowable reimbursement expenses while house hunting:

#### Allowable expenses for house hunting

- A maximum of three (3) trips for the employee and 3 trips for the spouse
- A maximum of 15 nights of lodging
- State mileage rate for personal car
- Car rental
- Meals per guidelines in Medical Center Policy #0015 Travel Reimbursement
- Tolls paid (receipt and name of facility required)
- Phone calls related to house hunting (must name party called)

#### Non-allowable expenses for house hunting

- Baby sitting
- Non-related phone calls
- Expenses in excess of allowed trips, meals and lodging

#### IV. Moving Expenses

##### 1. Moving Options

An employee may choose to self move, contract directly with a common carrier, or use one of the following UVA contracted common carriers who can direct bill the Medical Center for moving household goods:

UVA Moving Services Contracts	TELEPHONE	CONTACT
American of Virginia/Atlas Van Lines	800-625-6126	Barbara Chambers
Premier Transfer and Storage, Inc./Mayflower Transit	800-346-6918 x 301	Tom Graver
The Hilldrup Moving & Storage/United Van Lines	910-520-1797	Andrea Daniels
Young Moving & Storage/Allied Van Lines	877-764-9329	Frank Young

Unless utilizing a UVA contracted vendor, the employee should obtain three (3) quotes when the price exceeds the institution's noncompetitive purchase threshold. The lowest of the three (3) quotes, meeting the pick-up and delivery requirements of the employee, should be used for the moving of personal effects from the former residence. Copies of the quotes should be provided to the University prior to a formal commitment to utilize the common carrier.

When at all possible, the employee should utilize a common carrier based in Virginia. When outside of the Commonwealth of Virginia, employees should contact Virginia common carriers to inquire if they are able to match bids submitted by out-of-state firms.

The following steps are required for the reimbursement or direct bill options:

Reimbursement	Direct Bill
<ul style="list-style-type: none"> <li>• Original receipts for moving expenses of household goods</li> </ul>	<ul style="list-style-type: none"> <li>• Contact one of the common carriers listed below with a UVA contract and identify yourself as a new UVA Medical Center hire</li> </ul>
<ul style="list-style-type: none"> <li>• Complete MRES Form Section 1</li> </ul>	<ul style="list-style-type: none"> <li>• Moving company faxes relocation estimate to Medical Center Human Resources (fax # 434-982-1683)</li> </ul>
<ul style="list-style-type: none"> <li>• Use any common carrier or rental truck (e.g. U-Haul)</li> </ul>	<ul style="list-style-type: none"> <li>• Medical Center Human Resources provides moving company a</li> </ul>

	purchase order number and relocation limits
<ul style="list-style-type: none"> <li>Submit receipts &amp; MRES Form to Human Resources</li> </ul>	<ul style="list-style-type: none"> <li>Moving company submits bill directly to the UVA Medical Center</li> </ul>

Below is a list of allowable and non-allowable reimbursement expenses for household goods and family move. Any items not listed will be considered non-allowable expenses unless approved by the Medical Center’s Chief Human Resources Officer.

2. Allowable Moving Expenses for Household Goods and Family

Listed below are reimbursable expenses for the move of household goods and family:

**Allowable Expenses**

<b>Move of Household Goods</b>	<b>Move of Family</b>
<ul style="list-style-type: none"> <li>Boxes, cartons and packing paper, \$500 maximum</li> </ul>	<ul style="list-style-type: none"> <li>Mileage at State rate for personal car</li> </ul>
<ul style="list-style-type: none"> <li>Hand truck rental</li> </ul>	<ul style="list-style-type: none"> <li>Meals</li> </ul>
<ul style="list-style-type: none"> <li>Professional labor, \$500 maximum</li> </ul>	<ul style="list-style-type: none"> <li>Tolls (name facility &amp; receipts)</li> </ul>
<ul style="list-style-type: none"> <li>Temporary Storage, 30 days maximum</li> </ul>	<ul style="list-style-type: none"> <li>Lodging</li> </ul>
<ul style="list-style-type: none"> <li>Truck rental for self-move</li> </ul>	<ul style="list-style-type: none"> <li>Temporary living quarters for a maximum of 90 days from first day of work</li> </ul>
<ul style="list-style-type: none"> <li>Gas for rental truck, with original receipts, or mileage at State rate if personal or borrowed truck or car with a trailer in tow</li> </ul>	<ul style="list-style-type: none"> <li>Meals for first 30 days where kitchen facilities are not available in temporary quarters</li> </ul>
<ul style="list-style-type: none"> <li>Ball and towing lights rental</li> </ul>	
<ul style="list-style-type: none"> <li>Tolls (name facility &amp; receipts)</li> </ul>	
<ul style="list-style-type: none"> <li>Common carrier moving expenses</li> </ul>	

3. Non-Allowable Expenses for Household Goods and Family

**Non-Allowable Expenses**

<b>Move of Household Goods</b>	<b>Move of Family</b>
<ul style="list-style-type: none"> <li>Mileage for rental truck</li> </ul>	<ul style="list-style-type: none"> <li>Car rental</li> </ul>
<ul style="list-style-type: none"> <li>Gas for personal-owned or borrowed truck or car</li> </ul>	<ul style="list-style-type: none"> <li>Meals in excess of State guidelines</li> </ul>
<ul style="list-style-type: none"> <li>Car rental</li> </ul>	<ul style="list-style-type: none"> <li>Baby sitting</li> </ul>

<ul style="list-style-type: none"> <li>• Moving pets to new location</li> </ul>	<ul style="list-style-type: none"> <li>• Meals where temporary quarters have kitchen facilities</li> </ul>
<ul style="list-style-type: none"> <li>• Insurance on household &amp; personal items other than bulk rate insurance offered by common carrier</li> </ul>	
<ul style="list-style-type: none"> <li>• Purchase of vehicle, towing ball and/or lights, hand truck, etc to effect move</li> </ul>	
<ul style="list-style-type: none"> <li>• Costs to move recreational vehicles</li> </ul>	

## V. Home Sale

The following expenses relating to the sale of the principal residence are reimbursable:

- Actual expense of real estate commission;
- Attorney fees;
- Escrow fees;
- State or local transfer taxes;
- Pest inspections.

The following expenses are **not** reimbursable:

- Sales commissions and similar expenses if the employee acts as a selling agent (closing and legal costs are allowed);
- Advertising and “fix-up” costs;
- Loss sustained on sale of residence;
- Real estate and capital gains taxes;
- Payment and repayment of interest;
- Points or loan payment charges that are negotiable;
- “Carrying” costs (maintenance fees, utilities, principal, etc.);
- Mortgage penalties;
- Buyer’s closing costs, including Virginia fees.

Supporting documentation for this reimbursement includes the HUD Settlement Statement signed by buyer and seller at closing.

## VI. Purchase of Home

Expenses related to the purchase of a replacement home which is the employee’s primary residence are reimbursable for the specific items listed below. In order to qualify for this reimbursement, the relocated employee must have owned a primary residence at the prior

location, which due to relocation, has been sold. This reimbursement is not allowed for the purchase of a second residence, investment property, business property or resort/vacation property at the new work site. Supporting documentation for this reimbursement includes the HUD Settlement Statement signed by buyer and seller at closing. Reimbursements of expenses associated with the purchase of a home are taxable and appropriate taxes will be withheld.

The following expenses relating to a home purchase are reimbursable:

- VA funding fee;
- Loan origination fee, or lease processing fee;
- Mortgage survey;
- Appraisal fee;
- Credit report;
- Title search;
- Recording fee;
- Title insurance;
- Attorneys fee;
- Home inspection;
- Notary fees.

Costs related to the purchase of a primary residence not specifically listed above are not reimbursable. Examples of expenses that are **not** reimbursable are as follows:

- Utility deposits and/or connection fees;
- Real estate taxes, prepaid or otherwise;
- Capital gains taxes;
- Mortgage loan differential;
- Realtor fees relating to purchase;
- Remodeling or decoration expenses;
- Points, discount fees or loan payment charges;
- Repair and maintenance costs;
- Homeowner insurance;
- Homeowner warranty fees;
- Private mortgage insurance;
- Permit fees (e.g. building, sewer or zoning);
- Deposit for rent.

## **VII. Other Moving & Relocation Reimbursement Limits**

1. Temporary quarters is defined as reasonable lodging while searching for a permanent residence after beginning full-time employment. There is a 90 day maximum limit on temporary quarters, not to commence earlier than 30 days prior

- to the first day of work. Reasonable and necessary expenses for meals may be claimed for the first 30 days of residence in temporary quarters. A signed receipt must be submitted for reimbursement. Temporary quarters includes any type of lodging or housing, such as:
- Hotels
  - Motels
  - Apartments
  - Single family dwellings
2. Labor expense reimbursement is limited to a reasonable hourly rate with a maximum of \$500 total. Labor provided by the employee and immediate family members is not reimbursable. A signed receipt must be submitted for reimbursement.
  3. Reimbursable mileage for personally owned or borrowed moving vehicles is allowed at the mileage rate specified in the current Appropriation Act. Mileage for a car or truck with a trailer in tow will also be reimbursed. The number of miles must be documented on the MRES form. Reimbursement for mileage may not exceed the State mileage rate in effect at the time of travel.
  4. When employee's spouse is also hired by the Medical Center, only one employee will be eligible for reimbursement of any expenses to move the primary household to the new location.
  5. Cancellation of Lease The settlement of a lease in the former residence is reimbursable if the settlement is due to moving and relocation.
  6. Non-reimbursable items relating to a move are (this is not an exhaustive list):
    - Rent or utility deposits for new residence
    - Connection and disconnection fees for utilities (phones, electric, gas, water)
    - Connection and disconnection fees for household appliances
    - Repair and maintenance costs
    - Decorating expenses
    - Automobile rental, except for house hunting purposes
    - The "rental value" of a personally owned or borrowed vehicle
    - Purchase of moving equipment or supplies, other than boxes, cartons and packing paper
    - Costs incurred for moving pets
    - Laundry services

## **VII. Submission of Forms and Receipts for Relocation Reimbursement**



Required reimbursement forms and original receipts should be submitted to Medical Center Human Resources no later than 12 months after the employee's start date. Medical Center Human Resources will review the forms and receipts, and obtain the appropriate signatures for approval for processing the reimbursement expenses. (It is highly recommended that the employee make copies of original receipts for their records.)

Medical Center Human Resources will submit the receipts and MRES form to the appropriate departments for processing and payment. The reimbursement check for non-taxable expenses will be sent directly to the employee's new home address. Taxable expenses will be reimbursed through the Medical Center's Payroll Department.

New employees may expect reimbursement for moving expenses in 5 to 10 days from submission of a complete and accurate MRES form and receipts. Incomplete forms and/or lack of proper documentation will cause a delay in processing reimbursements.

Contact Medical Center Human Resources at (434) 982-0006 or (434) 982-0387 for questions regarding the relocation reimbursement program and status of payments.

## **VII. Federal Tax Implications**

Federal tax laws regarding moving and relocation are subject to change and these changes may have a significant impact on an individual's tax liability. Information regarding federal tax regulations is available from various sources such as, but not limited to, the Internal Revenue Service, certified public accountants, and accounting firms and other companies providing individual tax services. Employees should refer to IRS Publication 521 for detailed information concerning tax deductions based on moving expenses.