

| | |
|---|--------------------------------------|
| SUBJECT: Current or Recalled Employee Relocation | NUMBER: 40.055.10 |
| DIVISION: Chief Human Resources Office | EFFECTIVE DATE: July 10, 2014 |

APPROVED: Signature on file with the Chief Human Resources Office

POLICY STATEMENT: The agency director or designee may provide relocation allowances to employees for the benefit of an agency.

AUTHORITY: ORS 240.145(3); 240.250; 240.306; IRS Title 26, Section 217; IRS Publication 521

APPLICABILITY: Classified unrepresented, management service, unclassified executive service employees, and classified represented where not in conflict with the collective bargaining agreement

ATTACHMENTS:

- Guide for Determining Reimbursable Miscellaneous Relocation Expenses
- Sample Relocation Agreement Form – Current or Recalled Employees

DEFINITIONS: See State HR Policy 10.000.01, Definitions; and OAR 105-010-0000

POLICY:

- (1) An agency director must administer this policy as the agency's policy for current employee's relocation.
- (2) **Relocation by the Agency**
 - (a) **Moving Logistics**
 - (A) When the agency relocates an employee to a new official work site, the agency will reimburse the employee for reasonable moving expenses.
 - (B) The new work site must be at least 50 miles farther from the employee's former residence than the old work site was from the same residence. For example, if the old work site was three miles from the former residence, the new work site must be at least 53 miles from the former residence. This provision for relocation 50 or more miles from the previous work site does not apply if the employee is required to move into state-owned housing.
 - (C) Employees must provide receipts for all moving expenses and be reimbursed directly through the payroll system. The agency must process all moving expense reimbursements and pay the employee either within the same tax year in which the move occurred or within the first quarter of the following tax year.
 - (D) Employees may request and receive a moving expense advance from the agency's payroll system similar to a travel advance.

- (E) If an employee does not move his or her residence within six months from the date an employee reports to the new official work site, the employee is not eligible for moving expense reimbursement.
 - (i) The employee may submit a written request to extend the period up to an additional six months for good cause. The agency must receive the request for extension at least 30 days prior to the end of the initial six months.
 - (ii) The agency has authority to grant an extension.
- (b) **Tax Issues.** The agency must notify employees that all or part of the reimbursement may be considered taxable income by the Internal Revenue Service. The agency will report the reimbursements on the employee's Form W-2. Employees are encouraged to seek professional tax advice on their own tax liabilities and allowable tax deductions.
- (c) **Paid Time.** Agencies may allow up to ten days of paid leave to effect the move, including searching for temporary living quarters, house hunting, and the transporting of personal belongings.
- (d) **Relocation Notice**
 - (A) The agency must give the employee a minimum of 45-days notice of relocation.
 - (B) If the agency rescinds an employee's written relocation notice, the agency must compensate the employee for all moving expenses incurred which are reimbursable under this policy. Employees must provide the agency with the required receipts for the moving expenses claimed.
- (e) **Temporary Living Quarters**
 - (A) If the agency requires the employee to begin work at the new work site within the 45-day notice period and the employee finds temporary living quarters, the agency will reimburse the employee at in-state travel reimbursement allowances for meals and lodging.
 - (B) If both the employee and the employee's family members move to the temporary living quarters, the agency must reimburse the employee at one and one-half times the in-state travel allowances for meals and lodging.
 - (C) Employees who provide their own lodging must receive reimbursement according to the state reimbursement allowance for non-commercial lodging accommodations. The reimbursement for employees with accompanying household members is one and one-half the allowance for non-commercial lodging accommodations.
 - (D) The allowances will continue until the employee has moved his or her belongings, but will not extend beyond the 45-day notice period. On a case-by-case basis, the agency authority or designee may consider requests to extend the allowances up to a maximum of 60 days.
- (f) **Relocation of Manufactured Homes.** The agency must pay for the relocation of mobile homes including breakdown and setup. The agency will also pay the cost of rented moving trailers and freight charges for transportation of appliances or other large household equipment.
- (g) **House Hunting**
 - (A) The agency will reimburse employees for house hunting expenses incurred in finding a new place of residence when relocated by the agency. House hunting expenses are expenses incurred when the

employee travels to the new location in order to seek a new residence. The following provisions apply to house hunting:

- (i) The agency will reimburse at instate travel reimbursement allowances for meals and lodging. Employees with accompanying household members are allowed twice the state meal allowances and one and one-half times the state lodging allowance.
- (ii) Employees who provide their own lodging will be reimbursed at the state reimbursement allowance for non-commercial lodging accommodations. The reimbursement for employees with accompanying household members is one and one-half the allowance for non-commercial lodging accommodations.
- (iii) Private vehicle mileage is reimbursable for up to two round trips made by the employee, at the state reimbursement rate for private vehicle mileage. Reimbursement will be made at the full GSA [rate](http://www.irs.gov/newsroom/standard-mileage-rates-for-2018-up-from-rates-for-2017) in effect at the time of travel. <http://www.irs.gov/newsroom/standard-mileage-rates-for-2018-up-from-rates-for-2017>. The agency must reimburse private vehicle mileage for house hunting travel at the destination, up to a maximum of 200 miles.
- (iv) The agency may not reimburse employees for house hunting expenses while the employee receives temporary living expenses.

(h) **Personal Household Belongings**

- (A) The agency must pay or reimburse for the moving of the personal household belongings up to a maximum of 20,000 pounds. If the movers estimate that personal belongings exceed the maximum limitation, the agency must submit a request for additional payment to the DAS Director for consideration, based on reasonable need.
 - (B) If the employee shows an actual and reasonable need to have the personal household belongings stored before delivery to the new residence, the agency director or designee may authorize storage. The agency must pay for such storage and incidental handling charges within the authorized weight for a period of up to 90 days. The employee must pay any charges for storage in excess of 90 days. Regardless of the length of storage, the agency must pay to move the household belongings from such storage to the employee's new residence.
- (i) **Packing, Crating and Unpacking.** The agency must pay or reimburse for packing, crating, and unpacking for the moving of the personal household belongings up to \$1,500 per move. A request for reimbursements that exceed the limit shall be submitted by the agency to the DAS Director for consideration.
 - (j) **Additional Moving Expenses.** The agency must pay for full value insurance, appliance blocking charges, and extra handling charges for items such as pianos. The agency director or designee must approve all additional moving charges to be reimbursed up to \$2,000. The agency may submit a request to the DAS Director for consideration of additional moving expenses that exceed the limit.
 - (k) **Vehicles.** In addition to mileage reimbursement provided in (2)(g), the agency must pay one-way private vehicle mileage from the old to the new residence for a maximum of two private vehicles. The state's moving mileage rate mirrors the federal rate; the state will update that rate to match any future change in the federal rate. The current moving mileage (not the business rate) is available at <http://www.irs.gov/2014-Standard-Mileage-Rates-for-Business,-Medical-and-Moving-Announced>. (To calculate the one-way mileage, use an Internet mapping program (e.g., www.mapblast.com, or a similar program) or an atlas. You may also use a general mileage chart that shows the distance between the two cities involved. Retain a copy of the website results or a copy of the atlas/map mileage chart to document the mileage to be

reimbursed. An employees who lacks computer access should contact his or her supervisor for assistance in obtaining mileage information.

- (l) **Miscellaneous Expenses.** Employees may be eligible for reimbursement of miscellaneous relocation expenses up to \$5,000. The DAS Director may consider requests for additional miscellaneous expenses in excess of \$5,000. Employees must submit receipts for all miscellaneous expenses with the expense claim, including those described in the attached "Guide for Determining Reimbursable Miscellaneous Relocation Expenses."
 - (3) **Voluntary Relocation at Request of Employee.** When voluntarily relocating to a new official work site with the same agency or another state agency, the employee may request relocation reimbursement for items listed in section (2) of this policy from the receiving agency. The agency director or designee of the receiving agency may approve full or partial reasonable moving expenses and related expenses.
 - (4) **Recalled Employee.** When an agency recalls a laid-off employee from an agency layoff list (not a secondary recall or statewide reemployment layoff list), and sends that employee to a different geographic location as described in Section (2)(a), the agency may reimburse the recalled employee for items listed in Section (2)(c) through (l) of this policy.
-
-

Guide for Determining Reimbursable Miscellaneous Relocation Expenses

This guide describes examples of the types of expenditures that an agency may approve for the “miscellaneous relocation expense” category. Other types of miscellaneous expenses may be submitted for consideration. All expenses require documentation for reimbursement. The agency director or designee determines final approval of miscellaneous expenses. NOTE: This is not an all-inclusive list.

| Category of Expense | Sample Expenses |
|--|---|
| Lodging and meals while in transit to new location | <ul style="list-style-type: none"> • The agency must reimburse for meals (employee only) at the state per diem rate • The agency must reimburse for lodging at the state per diem rate |
| Service Charges & Materials | <ul style="list-style-type: none"> • Non-refundable utility disconnect and connection charges (i.e. telephone, water, cable, natural gas, electricity, sanitary service, television antenna, etc.) • Additional Manufactured Home set up materials including skirting, if required • School (if transferred during school year) • Equipment to complete utilities hookup • Non-refundable cleaning deposits • Telecommunication change service fees |
| Temporary Expenses | <ul style="list-style-type: none"> • Laundry (before washer and dryer are hooked up) • Boarding of pets while affecting the move |