

 <p>Category: Financial</p> <p>Policy applicable for: Faculty/Staff</p>	<p><i>Policy Title:</i></p> <p>Temporary Overseas Assignment</p> <p>Effective Date: 09/13/2016</p> <p>Prior Effective Date: mm/dd/yyyy</p> <p>Enabling Acts:</p>	<p><i>Policy Number:</i></p> <p>2.1.34</p> <p>Policy Owner: Sr. VP for Administration and Finance Sr. VP for Academic Affairs and Provost</p> <p>Responsible Office(s): Treasurer's Office Human Resources Provost's Office</p>
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Background

One of the University of Cincinnati's goals is to ensure students and faculty have the skills and knowledge to succeed within and influence the ever-evolving modern world. In order to realize that goal, the university is actively pursuing a number of global engagement strategies and objectives, which include but are not limited to:

- Creating faculty/staff advisory groups for the seven world regions
- Identifying optimal international university partners which are programmatically similar and equally motivated for global engagement, and offer opportunities for engagement at all levels of the university
- Expanding education abroad with exchanges, short-term programs, joint degree programs and institutes, and assisting international institutions in benchmarking their curricula
- Incentivizing faculty-led study abroad through development and mentoring grants
- Increasing international student enrollment by using international recruitment agents in strategic markets
- Encouraging international research collaborations between faculty international partnerships
- Creating opportunities for global lectures through conference calls or video conferences

As we strive to achieve these objectives, it is natural that there will be increased international travel as well as short-term overseas assignments for faculty and staff. To that end, the university has developed this Temporary Overseas Assignment (TOA) Policy to help all parties understand the benefits, allowances, and conditions of employment that apply in preparing for and carrying out these TOAs.

Definition of Terms

Assignee An employee who has accepted an offer of a short-term Temporary Overseas Assignment (TOA) as defined in the policy.

Home Country The country considered as the base origination location of the assignee, i.e., the United States.

Host Country The country in which the assignee works; always different from the home country.

Memorandum Of Understanding The document which together with the Temporary Overseas Assignment Policy sets out the terms and conditions for the assignment.

Policy This Temporary Overseas Assignment Policy document.

Repatriation The process of return and readjustment to personal and professional life in the home country following a Temporary Overseas Assignment.

Reimbursement Amount the university will reimburse to the assignee upon provision of receipts or other required documentation.

Temporary Overseas Assignment (TOA) Policy Refers to the most current version of the policy in effect when an expense is incurred.

Temporary Overseas Assignment (TOA) An assignment outside the home country with a duration of greater than three (3) months and up to twelve (12) months consecutively in one host country location.

University Refers to the University of Cincinnati.

1.0 Introduction

This policy applies to all short-term university-initiated TOAs for active status employment faculty or staff which last greater than three (3) months and up to twelve (12) months consecutively in one host country location. The policy does not apply to sabbaticals and does not apply to study abroad. Assignments of less than three (3) months are considered business travel and are covered by the university's Travel Expense Policy. Assignments of greater than twelve (12) months fall outside of the scope of this policy.

The assignee will be a visible representative of the university in the host country. As a result, the assignee will need to be familiar with and adhere to applicable country laws and the university's Code of Conduct.

The contents of this policy shall not be construed as constituting or creating an employment agreement or contract of any kind with the employee.

The various allowances and reimbursements described throughout this policy are intended to address specific areas where the assignee might experience additional costs as a result of the assignment. In keeping with the spirit of the TOA program, assignees are expected to work with the university to minimize the costs as much as possible.

The assignee will not be entitled to claim double benefits should there be any benefits that the assignee might have received that were applicable under another university policy that are also offered under this policy (unless stated otherwise). Assignees are not eligible for "In lieu of" payments under this policy.

2.0 Pre-Assignment Preparation

The TOA is contingent on the university's and the assignee's success in obtaining permission for the assignee to live and work at the host country location. As a result, proper host country work authorization, if required, must be granted before the assignee departs for the host country.

Passport costs are the responsibility of the assignee. The university will pay or reimburse the costs associated with obtaining the visa, work permit, and/or residency permit for the assignee. The university will not pay or reimburse the costs for applying for working status other than that required for the assignment.

Prior to departure from the home country, the assignee is responsible for:

- 1) Reviewing with their supervisor the specific requirements of the posting
- 2) Reviewing and understanding this policy
- 3) Obtaining applicable visas, work permits, etc. required by the host country
- 4) Reviewing the international health care plan, as applicable
- 5) Understanding the expense reimbursement procedures
- 6) Completing either an in-person or online overview of potential personal tax consequences
- 7) Arranging individual travel plans
- 8) Addressing other assignment issues as needed

Once the assignee has accepted the terms and conditions of the assignment, the assignee should work with the department to obtain instructions as to the information and documentation required for work permit/visa applications according to requirements in the host country. A Memorandum of Understanding specifying duties and responsibilities should be executed by the department head, the assignee, the dean, and General Counsel's office, and submitted for contract approval via an A910.

It is the assignee's responsibility to ensure that he/she is in possession of a machine-readable or biometric passport (per requirements of the host country) valid for at least six (6) months from the date of travel. It is also the assignee's responsibility to observe the effective dates and expiration dates for passports, visas, and permits, and to make appropriate arrangements to obtain and notify their department supervisor when extensions or renewals are required.

Prior to departure to the host country, it is recommended that the assignee undergo a medical examination (an examination is not mandatory under this policy but may be a requirement of the host country). The examination should include any vaccinations and inoculations required for overseas travel and residence. The examination will facilitate planning for potential health issues in the host country location.

Some host country locations require an assignee to pass a medical examination prior to obtaining a work and/or residency permit. Included in this medical examination may be back or chest x-rays and/or blood tests.

Details of the host country requirements are available at the Centers for Disease Control (CDC) website (see *Related Links*).

The university will reimburse the actual reasonable costs associated with the examination if not covered under the university's medical plan. Out-of-pocket expenses for any necessary immunizations during the course of the assignment not covered by the university's medical plan will also be reimbursed by the university but only after reimbursements have been applied for through the medical plan claims process.

3.0 Travel Expenses and Shipment of Personal Goods

The university will pay or reimburse the cost of transportation from the home country point of origin to the host country location via the most direct route, per the university's Travel Expense Policy.

All reasonable expenses incidental to travel, including ground transportation, hotel and meals, will be reimbursed by the university, **only once**, and in conformance with the university Travel Expense Policy.

The university will pay air-shipping costs for personal goods (e.g., clothing, books, linens), up to a maximum of one "D" container (58"x42"x45"), for travel to and from the host country location. This includes the cost of local import fees, if any. The department will provide the assignee with the contact information for the university's moving vendor; the assignee should not make any arrangements with an international mover unless instructed to do so by their department.

In lieu of an air shipment, the university will reimburse extra baggage fees (not to exceed 4 extra bags). The university will not pay for any sea or surface shipment of household or other goods either to or from the host country location.

The university will not reimburse/pay nor be responsible for the shipment, vaccination, or quarantine of any pets to or from the host country location.

3.1 Export Controls

International travel with University of Cincinnati owned equipment to include but not limited to laptop computers, mobile devices, or lab items (GPS, or any device that

contains encrypted software, etc.) may require a license or license exception certification prior to travel. The hand-carry or shipment of items may be prohibited or restricted by U.S. export control laws and the import control laws of the destination country. International assignees proposing to take such university-owned devices abroad must comply with all U.S. Export Control and destination country regulations and with the university's Export Control Program. In advance of travel, please reference the University of Cincinnati Export Controls website for guidance and completion of training on export control requirements. For additional assistance, contact the Office of Export Controls at (513) 556-1426 or via email (see *Related Links*).

4.0 Mobile Communications

The university will reimburse the assignee for use of a host country mobile phone for local, host country calls. Skype and other free or low cost internet-based communications providers should be used for calls, text or email to/from locations outside of the host country.

5.0 Lodging, Compensation and Benefits

The benefits listed below are the maximum amounts allowable under this policy. Individual departments may adjust the benefits downward based on local conditions.

5.1 Lodging

The university will provide furnished accommodations in the host country location whenever possible. If furnished accommodations are not available, the university will at its option either (A) provide furnished lodging, (B) provide unfurnished accommodations and an appropriate volume of rental furniture and other household necessities (including utility related costs) or (C) provide a lodging allowance of up to one-half of the maximum daily lodging rate as published by the U.S. Department of State for the duration of the assignment, whichever is less. The housing arrangements will be coordinated through and approved by the assignee's department.

The allowance is calculated based on the number of days the assignee is in the host country location. The assignee will receive authorized allowances on a monthly basis in the home location. The first lodging allowance payment will be included in the assignee's payroll in the form of an advance. The advance will be collected from the assignee's pay over the two subsequent monthly payroll periods. Subsequent to the first payment of the lodging allowance, the assignee is required to submit travel information supporting additional payments, which will be made through Accounts Payable. If it is not possible to pay the allowance in the home location, it will be paid in the host country. In order to attain favorable tax treatment of the lodging allowance, the assignee must submit supporting travel reports to the university each month.

Failure to submit travel reports as required may result in delayed future payment of the lodging allowance and increased personal income taxes for the assignee, for which the assignee will be responsible.

The university will not provide special housing in the host country location for the expressed purpose of accommodating a pet.

5.2 Compensation

While on TOA, the assignee will continue to participate in the home country base compensation plan, as well as home country bonus and incentive plans, if applicable. Salary increases will be applied according to home country practices, policies or agreements applicable to the assignee. The base salary will not be adjusted solely as a result of the assignment.

The university will reimburse the fees for one monthly international wire transfer.

5.3 Living Allowance

The assignee will receive a living allowance (the Living Allowance), in an amount specific to the host country location and subject to adjustment for other local factors by their department. The amount must be approved by the department head and dean or vice president, and can range on a daily prorata basis from 0% (zero) up to 50% of the M&IE (meals and incidental expense) amount stipulated by the U.S. Department of State website (see *Related Links*) for the host country location (the “Benchmark”). In certain unusual and unique cases the Benchmark may be modified upon the approval of the university’s Director of Tax Compliance.

This allowance is expected to be used for the following while in the host country location. It is not payable during periods of business travel.

- Food at home (groceries) and food away from home
- Personal care and laundry
- Recreation, excluding durable goods
- Public transportation (e.g., taxi, bus, subway, train/tram) excluding airfare
- Other expenses

The purpose of the allowance is to alleviate the need for the assignee to obtain receipts for reimbursement at a later date. ***Expenses covered by the allowance are not permitted to be paid for with a university purchasing card.***

The allowance is calculated based on the number of days the assignee is in transit to/from, and in the host country location. The assignee will receive authorized allowances on a monthly basis in the home location. The first living allowance payment will be included in the assignee’s payroll in the form of an advance. The advance will be collected from the assignee’s pay over the two subsequent monthly payroll periods. Subsequent to the first payment of the living allowance, the assignee is required to submit travel information supporting additional payments, which will be made through Accounts Payable. If it is not possible to pay the allowance in the home location, it will be paid in the host country. In order to attain favorable tax treatment of the living allowance, the assignee must submit supporting travel reports to the university each month. ***Failure to***

submit travel reports as required may result in delayed future payment of the living allowance and increased personal income taxes for the assignee, for which the assignee will be responsible.

5.4 Temporary Assignment Allowance

For assignments greater than three (3) months but less than or equal to six (6) months, the assignee will receive a temporary assignment allowance of one half-month's base salary, up to US\$500 or local equivalent. For assignments greater than six (6) months, the assignee will receive an allowance of one month's base salary, up to US\$1,000 or local equivalent.

The allowance is designed to cover incidental, non-reimbursable expenses, including but not limited to:

- Expenses for the home country residence (e.g., property management, storage of personal or household goods, lease break fees)
- Incidental travel or immigration expenses for the assignee or visiting family

The allowance is paid as a one-time lump sum at the beginning of an assignment and will be grossed up for applicable taxes. Payment will be made within thirty (30) days of the start date of the assignment.

Exceptions require documented approval by the respective senior vice president, vice president and dean.

5.5 Benefits

Short-term benefits already elected by the assignee, such as life insurance and disability protection, will be provided whenever possible through the home country.

Long-term benefits (particularly retirement) will be provided whenever possible through the home country. Where home country retirement plan participation cannot be continued during the assignment, the accrued benefits of that plan will be adjusted based on changes in home country base salary and funded at the end of the assignment. The university's objective is to maintain the assignee in the home country funded retirement plans throughout the assignee's length of service.

6.0 Health Care

UC faculty and staff are responsible for their own health and accident insurance while traveling abroad. Prior to travel, it is the employee's responsibility to check with his or her insurance company to verify overseas coverage.

Faculty and staff (and their eligible dependents) covered under UC's medical plan prior to the travel date will be covered under the Anthem BlueCard Worldwide program while

traveling abroad. Individuals should contact Anthem's BlueCard Worldwide Service Centre at 800-810-BLUE (2583) for coverage details before leaving the U.S. Individuals can also locate network providers by accessing their website (see *Related Links*). If you need additional assistance, please contact Human Resources.

7.0 Tax and Social Security Type Benefits

The design of the TOA sets the foundation for its tax effectiveness. The university's nominated tax consultant, in conjunction with the university Tax department, will inform the assignee of the home and host country tax rules and how to remain compliant with any existing tax treaties or regulations.

During a TOA, the university will continue to withhold normal home country tax and other required benefit obligations. The assignee will be required to comply with all host and home country laws regarding personal income tax.

7.1 Tax Support

The university intends that overall tax liability related to costs associated with TOAs will be tax-neutral for assignees, and strongly recommends that assignees utilize the services provided by the university's nominated tax consultant (see the university's variant table for contact information). Assignees electing to use the university's nominated tax consultant for consultation and tax preparation will be tax equalized while on assignment. Further, the assignee will not be responsible for the costs of additional host country or home country tax-related interest, penalties or fees resulting from the assignment. The assignee will, however, be responsible for personal tax related liabilities (including interest, penalties or fees) incurred as a direct result of the assignee's failure to comply with written directions from the university Tax department or the university's nominated tax consultant.

The university will pay the reasonable costs of the following for the assignee's use of the university's nominated tax consultant:

- Prior to departing for the assignment, an exit meeting (in person or via phone) to explain the potential impact of the assignment on the assignee's home country tax return
- While on assignment, assistance with the completion of home and host country tax returns, if necessary, to ensure full and efficient compliance with the relevant tax jurisdiction
- Any annual or periodic host country tax reconciliation, if necessary

It is emphasized that the assignee is expected to cooperate with the university and the nominated tax consultant to ensure that taxes paid are the legal minimum in the given circumstances. The assignee is responsible for responding in a timely manner to all requests from the tax consultant for information and documentation and to meet all deadlines for submission of travel calendars, electronic organizers, and income tax

returns for all countries affected by current and former TOAs. Any penalties, fees or interest incurred as a result of neglect to do so will be the assignee's responsibility.

Assignees choosing to use a personal accountant or tax professional rather than the university's nominated tax consultant will do so at their own expense and own risk and any tax assessments to the assignee by the host or home country are the responsibility of the assignee. Such tax assessments may be reimbursed by the university following review of appropriate documentation by the university's nominated tax consultant.

Information provided by the assignee to the university's nominated tax consultant will be kept confidential.

7.2 Social Security and Social Security Type Benefits

During a TOA, the university will continue to withhold normal home country tax obligations and benefit contributions, including Social Security taxes as applicable. The university will maintain assignees on their home country Social Security type benefits programs where legally permissible. The university will coordinate available Social Security agreements (totalization agreements) between the home and host countries to avoid paying duplicate Social Security type taxes. In the absence of such an agreement, the university will apply, where legally permissible, to exempt the assignee from host country Social Security type benefits or, at least, that portion of it that is related to retirement benefits. The university will reimburse the assignee for the relevant contributions when host country Social Security type taxes must be paid when the assignee will derive no benefit from part or all of the Social Security type benefit. Where participation in home country Social Security is available, the assignee will be responsible for normal contributions.

8.0 Transportation in the Host Country Location

The university will provide transportation appropriate for the host country location depending on local conditions and the adequacy of public transportation available. This may be a rental or leased automobile, a university automobile, a transportation allowance, or an additional allowance amount for public transportation for personal use.

Travel outside the host country location for business purposes will be per the Travel Policy.

9.0 Accompaniment by Family Members and Home Leave

Family Members: While it may be possible for assignees to be accompanied by family members at the assignee's own expense (including travel, food, lodging, health care costs and educational expenses) on some assignments, both the university and the assignee must agree to the terms and conditions of family accompanied travel prior to assignment.

Home Leave: While on assignment for more than one continuous home country semester, at the end of each home country semester the university will pay for or

reimburse the assignee for one trip to the home location under the university Travel Policy to maintain home country ties. Home leave trips by the assignee between segments of a TOA are not taxable to the assignee, but must still be reported in an approved Travel Expense Report (A113). Home leave is not in addition to vacation. Vacation, as available and applicable under university policy, is used for the home leave, unless a portion of the leave is spent doing business at the home location. The time spent on business will not be deducted from vacation time.

In lieu of a home leave trip for the assignee to the home location, at the end of each home country semester the university will pay for one round-trip coach class airfare for one person designated by the assignee (a "Travel Designated Person") to travel to the host country location. Such costs paid by the university are taxable to the assignee, and the initiating department is responsible for generating a PCR to include that amount in the assignee's taxable income. The assignee will be responsible for any income or other taxes, fees, or additional travel-related costs associated with the travel designated person's travel.

10.0 Vacation Entitlement and Holidays

The assignee will continue to participate in the home country vacation plan and will observe the host country holiday schedule.

11.0 Emergency Leave and Evacuation

Per the home country benefits policy, in case of a personal emergency caused by the assignee's own illness, injury or exposure to contagious disease which could be communicated to others, or because of illness, injury, or death in the assignee's immediate family, the assignee will be entitled to time off with pay according to home country practices, policies, or agreements applicable to the assignee. The assignee shall be reimbursed for actual travel expenses incurred during emergency leave. Reimbursement shall include round-trip transportation from the host country location to the emergency location (travel will be per the university Travel Policy).

For the purposes of emergency leave, immediate family is defined consistent with university policy or applicable bargaining agreements.

11.1 Evacuation

The assignee will have access to services provided by International SOS, who provide emergency evacuation and medical emergency assistance. Information regarding these services will be provided prior to the assignment.

Should an unsafe or unstable environment arise, the university will pay travel and living expenses for the transfer of the assignee to a secure location pending reassignment or repatriation to the home country.

12.0 End of Assignment

The university will cover costs associated with repatriation, as described below. It is the assignee's responsibility to follow instructions from the home country HR department and to complete any forms required to meet payroll or other deadlines.

Pre-Departure

Some countries have specific requirements for vacating rental housing. The assignee must consult with the local representatives and/or their landlord to obtain the necessary requirements in order to vacate appropriately. If necessary, the assignee may use the services of a local vendor to help with the "leaving" process (e.g., notifying the landlord and utility companies, drafting notices in the local language, notifying immigration authorities, etc.). It is the assignee's responsibility to give the required notice per the rental contract or other documented requirements before vacating the host country residence.

Any costs for damages to the host country residence are the assignee's responsibility. Security or damage deposits which were initially paid to the landlord by the university must be returned to the university in full.

If the assignee receives claim funds from university-provided housing insurance, he/she must return the funds to their department.

Return Transportation

The university will pay or reimburse the cost of transportation from the host country point of origin to the home country location per section 3 of this policy.

Personal Goods Shipment

Upon completion of the assignment, the university will pay to ship the assignee's personal goods in the same manner and volume as they were shipped to the host country location and per section 3 of this policy. The assignee should not make any arrangements with an international mover until instructed to do so by their department.

The laws of some countries in which the university does business may require notice of termination, severance or similar payments upon termination of an assignee or transfer to another university location. These benefits may often duplicate pension, Social Security and other benefits provided to the assignee by the university. Unless prohibited by local law, the amount of the payments will be offset against reimbursement of expenses and employment benefits or other payments due the assignee.

13.0 Termination

Voluntary Resignation

If an assignee voluntarily resigns before the completion of the TOA, the university will assist in returning the assignee and household goods to the home location, in the most

economical manner possible, within thirty (30) days. Upon resignation, however, all allowances and other university assistance will cease.

Involuntary Termination

If the employment of the assignee terminates at the request of the university for reasons other than cause while the assignee is in the host country, the university will pay for the assignee's relocation to the home country in accordance with the provisions set forth for "Voluntary Resignation" above.

If the employment of the assignee terminates for cause while the assignee is in the host country at the request of the university, no relocation allowances or reimbursements will be provided.

TERMINATION AND TERMINATION PROCEDURES ARE SUBJECT TO UNIVERSITY POLICY OR, IF ANY, THE APPLICABLE COLLECTIVE BARGAINING AGREEMENT.

14.0 Policy Exceptions

Any exceptions to this policy must be approved as appropriate, by the Provost or the Senior Vice President for Administration and Finance.

Related Links:

[Centers for Disease Control](#)
[Office of Export Controls](#)
[U.S. Department of State](#)
[Anthem BlueCard Worldwide](#)

Phone Contacts:

Office of the Treasurer	556-4510
Human Resources	556-6381
Office of the Provost	556-2588