Policy Title: Relocation Expenses
Policy Number: 2.1.26

Category: Financial
Policy applicable for: Faculty/Staff
Effective Date: 12/01/2019
Prior Effective Dates: 03/11/2011; 04/05/2010
Enabling Act(s): University Rule 10-05-04
Policy Owner: Sr. VP for Administration and Finance
Responsible Office(s): Accounts Payable, Payroll, Treasury

Background

Since the University of Cincinnati recruits for talented faculty and staff positions nationally and internationally, employment offers may result in relocation for a new hire. This policy describes options available to assist in business-related relocation (moving) expenses. In the event an employee’s individual employment contract conflicts with the terms of this policy, the employment contract terms will control to the extent permitted by law.

Policy

Organizational units may provide funding for relocation expenses to newly hired faculty and staff or to current employees when relocation is business-related. While the total amount provided is not specifically limited, an organizational unit should base such an amount on budgetary and market considerations. The organizational unit is encouraged to document the agreed upon amount or expenses to be provided.

Organizational unit funding for relocation expenses will occur in the form of a lump-sum Relocation Allowance.

Relocation Allowances: Guidelines and Procedures

Organizational units may provide a relocation allowance in the form of a direct payment (check or direct deposit) to employees eligible for relocation benefits. A relocation allowance is intended to cover applicable expenses, including any tax consequences that the employee will incur, subject to budgetary discretion of the organizational unit. The university will not separately reimburse any relocation expenses presented by the employee. By establishing an agreed-upon allowance prior to the relocation, an organizational unit maintains budget controls and provides funding to the employee in advance.

A relocation allowance has no restrictions placed on its use. The full amount provided is taxable income to the employee.

The relocation allowance is disbursed as a single lump-sum to the incoming employee. Tax withholding is later applied against the first regular paycheck after the employee’s hire date.
To obtain a relocation allowance, the requesting organizational unit completes the applicable online form and submits the form along with an A114 to the Accounts Payable Office. (See Related Links for form.)

**Recovery of Relocation Allowance Payments**

Employees who separate or terminate their employment with the university within 1 year of their employment date will be required to repay all or a portion of the relocation allowance paid by the university. Recovery will be based on a monthly amortization of the relocation allowance.

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<tr>
<th>Recommended UC Flex GL Accounts</th>
<th>532700 Moving Expenses</th>
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Organizational units may institute policies more, but not less, restrictive than this policy (2.1.26) if desired.

**Related links:**

- Request for Prepayment of Relocation Expenses Form
- Payroll Operations Schedule
- Variant Expense Rate Table

**Phone Contacts:**

- Accounts Payable 556-6772
- Payroll Operations 556-2451