



Employee Relocation Procedure

Effective Date: January 1, 2019

Last Revision Date: April 26, 2023

1. PURPOSE

The purpose of this policy is to provide guidance regarding the approval, authorization, and the reimbursement payment of relocation expenses. This is not for use as a sign on incentive for new employees who are not relocating more than 50 miles.

2. RESPONSIBLE CAMPUS DIRECTOR

Director of Human Resources

1. DEFINITIONS

Approving Authority: Chancellor, Vice-Chancellor or delegated division dean or director who approves expense reimbursements for relocation

Authorization Letter: a letter that specifically outlines and approves university funding for relocation expense types and amounts, including relocation stipends

Direct Costs of Relocation: costs associated with the relocation of household goods (i.e. shipping containers and supplies, rental truck costs, packing/unpacking costs)

Household Goods: personal effects of the employee and the immediate family of the employee, which are usual and necessary for the maintenance of a household

Relocation Stipend: lump-sum, tax-reportable payment an employee for relocation costs

2. POLICY

Taxable Reimbursement

In accordance with IRS regulations, effective January 1, 2018, reimbursement or payment of any relocation costs under this policy is considered taxable income and subject to applicable income and employment taxes.

Eligibility and Approval for Relocation Allowance

New employees, including Faculty, Academic Staff, and University Staff, may be paid for expenses associated with relocation for their employment. A relocation allowance will generally not be authorized for short term or temporary positions and any exception to authorize must be discussed with and approved by the division leader (Vice Chancellor). Approval for a relocation allowance must be obtained during the search process and prior to the final hire of a prospective employee.

All relocation allowances will only be offered as a relocation stipend.

Relocation stipends may be offered up to the maximum amounts allowed for the stipend, and the negotiated amounts must be defined by the employee's appointment letter and included in an authorization letter. Once the stipend is paid, it is expected that the employee will complete the move within the year (from payment) and no other relocation may be offered.

If employment is terminated prior to one year of service, the stipend already paid to the employee will be prorated due payable to the University.

Maximum Relocation Allowance

Hiring Managers may authorize payment of a relocation stipend up to the maximum amounts outlined below. Individual units may establish maximum amounts less than the amounts outlined below. Authorization to exceed the relocation allowance must be approved in writing by the appropriate division leader (Vice Chancellor).

1. Academic Staff and University Staff
 - a. Must be at least 50 miles from the University
 - b. Relocation stipend up to \$3,000
2. Positions titled Faculty, Director or above
 - a. Must be at least 50 miles from the University.
 - b. Relocation stipend up to \$8,000
3. Division leader positions (or those approved by the Chancellor above these limits) are negotiated stipends and subject to Chancellor approval

Reimbursement or Payment of Relocation Costs

Costs associated with an employee relocation will be paid as a relocation stipend. The relocation stipend is paid on the next available paycheck. There is no prepayment of

relocation stipend prior to employment as relocation reimbursement is considered taxable employee pay by the IRS.

University Responsibility

Proper approval of the stipend, per this procedure, is obtained by the appropriate divisional Vice Chancellor on the Position Justification form.

The negotiated amount is then recorded on the Human Resources Form 10 and confirmed via the signed Appointment Letter or Contract. The employee is provided a copy of the Appointment Letter or Contract stating the maximum amount the employee can be reimbursed for direct costs and the amount of the stipend the employee will receive.

Additionally, an Authorization Letter must be drafted by the Human Resources department and forwarded to the employee. The authorization letter is used to support the total relocation allowance paid as a relocation stipend.

Employee Responsibility

1. Obtain Authorization Letter for relocation allowance from Human Resources department. This letter is used as the source documentation for payment of relocation stipend.
2. Complete your move within the year.

3. PROCEDURES

A. Approval to Authorize Relocation Allowance

- a. Complete and submit to Human Resources the Position Request Form.
- b. Complete and submit Form 10 with confirmed details of negotiated relocation allowances
- c. Human Resources department to complete Authorization Letter

B. Approval to Reimburse or Pay Relocation Costs

- a. Complete and submit request for relocation stipend via e-Reimbursement module. Attach Authorization Letter to support payment, as appropriate.

4. REFERENCES and RELATED DOCUMENTS

[IRS Publication 521: Moving Expenses](#)

UW Stevens Point – Position Justification Form

[UW System Administrative Policy 240: Relocation \(Household Moves\) and Temporary or Indefinite Work Assignments](#)

5. POLICY HISTORY

Effective Date: 5/1/2023

Approved: 8/24/2022

Approved by: Vice Chancellor for Business Affairs

6. SCHEDULED REVIEW

July 2025