



VCU Procurement Services

Moving and Relocation Reimbursable Expenses

Employee Overview/Allowable Expenses – by Category

Use this information as a reference for allowable expenses. Reimbursement categories A - I are *excerpts* from the [Moving and Relocation Policy](#). Always refer to the policy for complete information. Reimbursement is limited to the following expense categories:

- A. House-hunting
- B. Temporary quarters
- C. Cancellation of lease
- D. Home sale
- E. Purchase of home
- F. Final Move (Meals and Taxable Mileage)
- G. Final Move (Lodging and Non-Taxable Mileage)
- H. Self-Move
- I. Common Carrier Move

Amount Limitations:

- Reimbursement is limited to \$15,000, excluding Common Carrier expenses and up to thirty (30) days of temporary (in-transit) storage.
- A maximum amount is not placed on Common Carrier and temporary storage expenses.

Moving and Relocation related travel is eligible for reimbursement for the following purposes:

- Trips for actual house hunting
- The initial trip (employee's move to new residence) after employment
- The trip to bring the family to the new residence (temporary or permanent)

Moving and Relocation related travel is NOT eligible for reimbursement for the following purposes:

- Pre-employment travel such as interviewing, testing, and related activities incurred by or for a prospective employee before the applicant has accepted employment. These are termed pre-employment expenses.

A - House-hunting (Taxable, Included in \$15,000 limitation)

House-hunting expenses apply to both employee and spouse but not children or family members. They may be incurred while traveling to and from the new job location and while looking for new living accommodations. House-hunting trips may occur both prior to and after the employee's first day of work. The employee may be reimbursed for these expenses only if the travel begins after a Moving Agreement is executed and the travel is primarily for the purpose of finding a place to live.

Reimbursable house-hunting expenses include the following for employee and spouse: Cost of transportation (including car rental), meals and lodging. Supporting documentation is required.

The cost of transportation includes parking fees and tolls, plus mileage for the use of a personal car. The number of trips for house-hunting that are reimbursable is limited to three (3) for the employee and three (3) for the spouse. The maximum number of nights or reimbursable lodging is fifteen (15). A night of combined lodging for both the employee and spouse counts as one night.

All reimbursements associated with house-hunting are deemed taxable expenses and taxes will be withheld as appropriate.

Limits on lodging and meals rates imposed by State Travel Regulations are applicable to hotel and meals expenses incurred during house-hunting trips. (see <http://www.gsa.gov/portal/content/104877>)

B - Temporary Quarters (Taxable, Included in \$15,000 limitation)

Reimbursement for reasonable lodging or rent may be claimed for a period of ninety (90) days, not to commence earlier than thirty (30) days prior to the first day of work. Reasonable residential parking fees will be reimbursed during the ninety (90) days of temporary quarters. Meal per diem may be claimed for the first thirty (30) days of residence in temporary quarters. Meal per diem is set by GSA rates and is based upon the location of lodging. Such expenses must be reasonable and necessary. Reimbursements for temporary quarters are taxable and appropriate taxes will be withheld. Supporting documentation is required.

C – Cancellation of Lease (Taxable, Included in \$15,000 limitation)

The settlement of a lease in the former residence is reimbursable if the settlement is due to moving and relocation. A copy of the signed lease pages showing the Early Termination terms are required as supporting documentation, as well as proof of payment.

D – Home Sale (Taxable, Included in \$15,000 limitation)

A copy of the signed closing statement must be included as supporting documentation.

- The following expenses related to the sale of the principle residence due to moving and relocation 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, principle, etc.)
 - Mortgage penalties
 - Buyer’s closing costs, including Virginia fees

E – Home Purchase (Taxable, Included in \$15,000 limitation)

Expenses related to the purchase of a replacement home which is the employee's primary residence are reimbursable for the specific items listed below and are subject to the \$15,000.00 limitation. 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 are reimbursable (expenses not specifically listed below are not reimbursable):
 - VA funding fee
 - Loan origination fee, or lease processing fee
 - Mortgage survey
 - Appraisal fee
 - Credit report
 - Title search
 - Recording fee
 - Title insurance
 - Attorney fee
 - Home inspection (limit 1)
 - Notary fees

F & G – Final Move (Non-Taxable with exceptions, Included in \$15,000 limitation)

Travel relating to moving and relocation is eligible for reimbursement under three circumstances: (1) the initial trip after employment to the new location; (2) house hunting trips; (3) the trip to bring the family to the new residence, or the "Final Move".

When the employee and family are traveling to the new home, expenses for in-transit meals (taxable) and lodging (non-taxable) are reimbursable. Transportation expenses also include parking, tolls, plus mileage for the use of the personal car (non-taxable). A portion of the mileage rate reimbursement is taxable, a portion is non-taxable.

Limits on lodging rates imposed by State Travel Regulations are applicable to hotel expenses during travel. (see <http://www.procurement.virginia.edu/main/>)

(Note: Per diem rates may not be used for moving and relocation in lieu of a receipt.)

H – Self Move (Non-Taxable, Included in \$15,000 limitation with exceptions)

If the employee chooses to move himself/herself, the amount of the actual cost allowed will be included in the \$15,000.00.00 limitation. The following actual costs are reimbursable, within the \$15,000.00 total limitation, with appropriate documentation:

- **Moving vehicle rental** - Moving van, truck, hand truck, or other appropriate moving equipment and gas used by the rental truck during the move are reimbursable items. Purchase of such a vehicle or equipment is not reimbursable.

- **Packing Supplies** - Reimbursement for the purchase of moving supplies, such as packing paper, boxes or cartons must not exceed \$500.
- **Labor used during move** - Reimbursement is limited to a reasonable hourly wage with the maximum total of \$500.00. Labor provided by the employee or the employee's immediate family member(s) is not reimbursable. A receipt from the individual employed, with signature and amount paid must be attached to the reimbursement request.
- **Mileage** - If a personally-owned or borrowed moving vehicle is used in the move, reimbursement is allowed at the mileage rate specified in the current Appropriation Act. Reimbursement will not be allowed to cover the "rental value" of the personally-owned vehicle. A car or truck with a trailer in tow will also be reimbursed at the mileage rate specified in the current Appropriation Act.
- **Tolls** - Tolls paid during the move are reimbursable provided the name of the facility (road, bridge, tunnel, etc.) is documented.
- **Storage** - The expense of temporary (in-transit) storing household goods and personal effects for a maximum of thirty (30) days is reimbursable if the employee is unable to move directly into the new residence. **This amount is not includable in the \$15,000.00 limitation.**

I – Common Carrier Move (Excluded in \$15,000 limitation)

Cost to transport the employee's household goods and personal effects from the former principle residence to the residence at the new work location.

- If using a contracted vendor, a single quote is required.
- If using a non-contracted vendor and expenses are \$10,000 and over, three (3) quotes are required. The lowest quote shall be used.
- For expenses less than \$10,000, only a single quote is required.

Non- Reimbursable Expenses – Expenses not specifically allowed in the Moving and Relocation Policy are not reimbursable. The following is an example of expenses that are not reimbursable (this list is not all inclusive):

- Homeowner's insurance
- Cost to move a pet
- Laundry or dry cleaning while in temporary quarters
- Cost to transport recreation vehicles
- Insurance in excess of bulk rate coverage provided by the Common Carrier
- Rent deposits
- Air fare above Coach/ Economy class