The University of Tennessee Health Science Center

MOVING EXPENSES

Effective Date: 04/01/89
Revision (7) 11/14/11 Fiscal Procedure F450

University Fiscal Policy FI0450 *Moving Expenses** sets forth the procedures and guidelines to be followed by departments and offices with respect to payment of an approved allowance to cover moving expenses. This policy statement should be used as the official reference except for the items noted below as specific to the Health Science Center (HSC).

Moving Allowance

At the HSC prior approval for payment of moving expense allowance (household goods and/or personal belongings) is submitted to the Chief Business Officer by the respective department. The form to be completed for prior approval is located at Fiscal Procedure F450 Appendix.

The new hire will make all arrangements for moving company, travel and other costs. Purchasing will no longer get bids and process moving company purchase orders. Departments will no longer process travel expense forms related to the move.

Prior Approval for Allowance

The prior approval request (found at Fiscal Procedure F450 Moving Expense Form) must include the maximum amount of moving expense allowance requested along with the justification to explain why a moving allowance to a newly hired faculty or staff member is in the best interests of the University.

Maximum Allowance Amounts

1. The maximum amount payable for deans and vice chancellors is $21,500.

2. The maximum amount payable for all other faculty or staff is $13,500.

3. All amounts above represent maximum allowances; therefore, budgetary or other constraints could dictate that lesser amounts be paid.

Allowable Costs

1. Moving or storage of household goods. Household goods are defined as personal property belonging to the prospective employee and immediate family at the time of shipment. This includes household furnishings, appliances, clothing, cars, boats and similar personal property.

2. Travel costs to Memphis for the immediate family.

3. Temporary housing costs (hotel) after the start date and prior to the actual move.

4. Costs of house hunting trips.

Processing of Payment

1. The moving allowance is paid directly to the new hire via University of Tennessee Form T-5 “Moving Expense Allowance Request”.

2. The allowance is paid based on the actual costs incurred for approved moving expenses.

3. The departmental business manager or director must obtain receipts and process the T-5 payment at an amount that represents actual costs up to the maximum approved allowance.

4. The allowance can only be processed in one payment.

5. Once the “Gross Amount” of the allowance is entered on the T-5, the income tax withholding at 25% is automatically calculated, along with the FICA Tax at 4.2% and the Medicare Tax at 1.45%. The net amount will be paid to the employee.

6. A copy of the approved UTHSC “Household Moving Expense Request Form” must be attached to the completed T-5.

7. Detailed receipts are to be maintained in the departmental files, and not sent with the T-5.

8. All payments of moving expense allowance are paid on the next payroll, and the charge on the Departmental Ledger will be listed as G/L 258768. The payment will be reported on the IRS Form W-2 at the end of the year.

Moving of Professional Goods and Property Procedures

1. Professional goods are defined as research equipment, research supplies and materials and similar items needed by the new employee to fulfill responsibilities at the HSC. The University will pay full costs for approved shipments of professional goods transferred from the employee's prior institution to the HSC.

2. A list of items to be transferred to the HSC must be prepared by the new employee and approved by the Chief Financial Officer of the institution from which the items are received. This step must be completed prior to the movement of the goods. The list must then be approved by the respective chair, dean, and Campus Chief Business Officer.

3. The moving of professional goods and property are processed as normal university expenses and would be arranged through standard University Purchasing processes. The costs paid for professional goods and property are not considered part of the moving allowance.

4. Title of the professional goods will transfer to the HSC upon acceptance. Copies of the final acceptance will be sent to the institution from which the items are received as well as to Purchasing Services and Accounts Payable.

5. Equipment will be assigned an official University inventory tag number and added to the department's inventory.

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* Click here to access Fiscal Policy **FP 10450 Moving Expenses**

Click here to access **Fiscal Procedure F450 Moving Expense Form