

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Human Resources
AREA: Recruitment and Employment

Number: 02.03.07

SUBJECT: Moving and Relocation Expenses
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I. PURPOSE AND SCOPE

This document outlines the processes to be followed for authorization, payment, and reimbursement of moving and relocation expenses for new University of Houston employees.

This document outlines the conditions under which payment of moving and relocation expenses of newly hired University of Houston faculty or staff members may be authorized from University funds. This document applies to authorization of payment of expenses for moving household and personal effects and related relocation expenses, as well as direct payment of lump sum amounts to applicable University faculty and staff. These directives comply with University of Houston [System Administrative Memorandum \(SAM\) 03.A.13](#) and with all state and federal laws and regulations.

Moving of equipment and other items for research laboratories and offices, or for temporary assignment of University of Houston employees to other locations, is not considered within these guidelines.

Payment of expenses for moving household goods and personal effects and related relocation expenses of new University of Houston employees in qualifying positions, including direct payments, may be authorized from University funds within the limitations and restrictions provided in this document. Any exception to these restrictions requires the approval of the responsible vice president.

II. DEFINITIONS

- A. Household goods: Furniture, household appliances, and other items used for furnishing and maintaining residence.
- B. Personal effects: Includes, but is not limited to, personal property that an employee owns and frequently uses (e.g. vehicles, clothing, books, and other items of a personal nature).
- C. Direct payment: Lump sum payment to employees for moving expenses with no requirement for an accounting of the expenses; this is a non-accountable plan and payments are taxable income.

III. AUTHORIZATION

- A. In every case, payment of moving and relocation expenses from University funds for a prospective University employee must be authorized by the appropriate dean, director, or vice president prior to making any offer or commitment.
- B. Payment for moving and relocation expenses may be authorized only for qualified faculty as defined in [SAM 03.A.13](#) and qualified exempt staff leadership positions at the discretion of the division Vice President, where the employee's commute to the new principal place of work is at least 50 miles farther than the employee's commute from their former residence. The employee must work in the new location for 39 weeks during the 12-month period following the move. Authorization of expenses for any individual not meeting this definition requires the prior approval of the appropriate vice president.

- C. Any authorization for payment of moving/relocation expenses must be included in offer letters and employment contracts and must clearly state: 1) the amount to be paid, 2) if the individual leaves the University's employment within 12 months after their start date for reasons within their control, then the entire amount of the moving/relocation expenses paid directly to or incurred on behalf of the employee must be reimbursed to the University, and 3) the individual expressly agrees that the University can deduct the moving/relocation expenses from their paycheck.
- D. Payment of moving/relocation expenses may be made from designated funds (fund 2XXX) or auxiliary funds (fund 3XXX) available to the hiring department or college. Gift funds (fund 4XXX) may be used only when its use is authorized by or consistent with donor intent. Payment of moving/relocation expenses from sponsored project cost centers requires the prior written approval of the sponsor. State-appropriated funds may not be used for payment of moving and relocation expenses.
- E. Regardless of fund source, the maximum total of University funds that may be authorized for moving and relocation expenses shall not exceed the greater of one-tenth of the individual's annual salary adjusted for an effective tax rate of 32%, or \$24,500, also adjusted for an effective tax rate of 32%. (Vice presidents and deans may choose to set lower limits based on the college budgeting policies.)

IV. PAYMENT & REIMBURSEMENT

- A. The [Authorization for Moving and relocation Expenses](#) (Addendum A) form (processed through DocuSign) shall be submitted with each moving/relocation payment document; a copy of the correspondence authorizing payment of moving expenses shall be attached to the Expense Report in the Concur Travel Management System. Expenses may be added as each payment document is processed, up to the maximum amount authorized. The college/division administrator shall certify this form, ensuring the monitoring of accumulated expenditures within the approved level.
- B. To ensure maximum cost effectiveness, the University of Houston will maintain or have access to contracts with national moving companies to transport household goods and personal effects. Depending on the most efficient and cost-effective options, these contracts may be available through the Educational and Institutional Cooperative Service, Inc. or may be contracted directly by the University [Pre-Approved Moving Companies](#)
- C. New employees for whom moving and relocation expenses have been authorized will be provided information regarding University moving contracts, along with a copy of MAPP [02.03.07](#).

Payment may be made directly to the moving company via PO voucher, and is taxable to the employee. Reimbursement for moving household goods and personal effects may be made to the employee up to the amount authorized for moving expenses. The reimbursement for moving and relocation expenses should be processed through the Concur Travel Management System. Moving and relocation expenses are not allowed on the department Travel Card or Procurement Card.

- D. Reimbursable moving expenses are the reasonable costs resulting from the moving of the faculty or staff member's household goods and personal effects. Allowable relocation expenses are restricted to the following:
 - 1. Cost of one trip of up to one week in length for the employee and members of their household to select new housing, referred to as house-hunting (taxable).

Note: All expenses incurred while house-hunting are taxable under account code 56122. **Expense type used in Concur is House Hunting All Expenses (Taxed).**

2. All other moving relocation expenses incurred while in transit from a previous home residence to the new job location. These are taxable to the employee (**various expense types used in Concur under New Employee Moving Expenses are coded with account code 56121**), and will be reported on the employee's paycheck as additional wages and on the employee's W-2 as taxable income.
- E. Employees receiving reimbursements may request to have the taxable fringe benefits applied in one or four consecutive monthly installments (rather than in a single application) in accordance with the [IRS reporting requirements](#). *Departmental personnel are responsible for understanding general rules about providing these types of benefits and timely reporting them to Payroll Services in order to maintain compliance with tax law.* Refer to the Office of Finance website for [Tax Info](#).

Note: Personal car mileage should be calculated by the current rate specified by the IRS. The IRS mileage rate can be found on the UH Tax Department website: [IRS Mileage Rates Schedule](#). Employees are only allowed to claim either mileage or gas receipts, not both. Only members of the same household are allowed to claim mileage reimbursement. **Expense reimbursements are allowed for one trip per household member.**

1. Cost of employee and household members living in temporary quarters for a 60 day maximum period of time when required by the University to move to a new location before permanent housing can be found is taxable to employee under account code 56121.
 2. Cost of storing personal effects (maximum of 30 days) during and after the move to a new location is taxable to employee under account code 56121.
- F. The following represents a sample of moving and relocation expenses that are NOT reimbursable. Other expenses may be disallowed, subject to independent evaluation.
1. Any part of the purchase price of the employee's new home
 2. Car tags
 3. Driver's License
 4. Expenses of buying or selling a home (including closing costs, mortgage fees, and points)
 5. Expenses of entering into or breaking a lease
 6. Home improvements to help sell employee's home
 7. Loss on the sale of employee's home
 8. Losses from disposing of membership in clubs
 9. Mortgage penalties
 10. Real estate taxes

11. Relifting of carpet and draperies
12. Return trips to the employee's former residence
13. Security deposits (including any given up due to the move)
14. Insurance for moving damages
15. Alcohol
16. Furniture and appliances for employee's new house

- G. A College/Division may decide to provide moving expenses via Direct Payments or via reimbursement of actual expenses. Direct payments to employees will be processed via Payroll as taxable income. If the Direct payment method is used, reimbursements are not allowed. Reimbursements will be processed through the Accounts Payable department.
- H. If an employee for whom moving/relocation expenses were paid by the University, directly or indirectly, leaves the University within 12 months after their start date for reasons within their control, the moving/relocation expenses will be deducted from the employee's final paycheck in accordance with their offer letter and/or contract. If the final paycheck is insufficient, the individual is required to reimburse the University for the amount of the moving/relocation expenses within 90 days of termination.

As a requirement of [2 CFR Part 200](#) – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Section 200.464(c) (Relocation costs of employees), where relocation costs related to recruitment of a new employee have been allowed as an allocable direct cost on a contract or grant, and the newly-hired employee resigns for reasons within their control within 12 months after their start date, the institution will be required to refund or credit the relocation costs to the granting federal agency.

V. UNIVERSITY CONTRACTS WITH MOVING COMPANIES

Purchasing will maintain information regarding the terms of preferential contracts available to University employees and will make this information available to the business administrators upon request.

VI. ARRANGEMENTS WITH AND PAYMENT TO MOVING COMPANIES

- A. Upon receipt of the letter of acceptance of employment from the new employee, the responsible departmental or college/division administrator shall provide to the employee a copy of this MAPP and specific information on University contracts with [Pre-Approved Moving Companies](#)
- B. The employee may contract directly with a self-service or full-service moving company or request the responsible University department pay a moving company directly with a PO voucher. The employee will be responsible for paying any amount that exceeds authorized moving expenses.

VII. PAYMENT OF TRAVEL COSTS

- A. Travel expenses incurred while house-hunting, and the cost of transporting the new employee and members of their household to a new home should be reimbursed through the Concur Travel Management System. The letter of acceptance of employment (offer letter) should be

uploaded to the [expense report](#) in Concur. [_ Authorization for Moving and relocation Expenses](#) (Addendum A), [Taxable Payments or Reimbursements to Employees Form](#) (Exhibit B), and itemized receipts with proof of payment must be uploaded to the Expense Report in Concur. Refer to the [Tax Info](#) website for more information on how to create the Travel Request and Expense Report in Concur.

- B. Employees must submit reimbursement for out-of-pocket moving expenses (with appropriate documentation) to the responsible department no more than 60 days after the expense has been incurred ([MAPP 04.01.03](#)).

VIII. MOVING AND RELOCATION ACCOUNTS

- 54806 Direct Payment to Moving Company Taxable
Payment made directly to a moving company for moving the household goods and personal effects of new employees when they relocate to the area. (Paid through Accounts Payable with PO voucher)
- 56121 Taxed Travel While Moving
Travel expenses of new employees (and members of household) while moving to a University assignment. Includes lodging, meals and transportation costs on first day of arrival to new job location and costs for temporary housing/lodging and temporary storage.
- 56122 House-hunting Travel - Taxable
Prospective and new employee travel expenses while house hunting. Must be coordinated with Payroll for taxation as fringe benefit. This refers to specifically to the travel costs associated with a new employee and household members looking for a house or apartment in the vicinity of the new place of employment. The house hunting reimbursement is limited to one trip of no more than seven days.
- 52811 Freight/Transportation
Freight in and out, delivery, air express, hot shot, armored car, drayage, towing, shipping, detention of a freight haul. Not moving expenses or travel. Should be used for moving labs, offices where allowed.

IX. REVIEW AND RESPONSIBILITY

Responsible Party: Senior Associate Vice President, Finance
Associate Vice President, Human Resources

Review: Every five years

X. APPROVAL

Approved: /Raymond Bartlett/
Senior Vice President for Administration and Finance

/Renu Khator/
President

Date: December 9, 2025

XI. REFERENCES

[2 CFR § 200.464](#) – Relocation costs of employees

[System Administrative Memorandum \(SAM\) 03.A.13 – Moving and Relocation Expenses](#)

[SAM 03.D.06 – Taxable Fringe Benefits](#)

[Manual of Administrative Policies and Procedures \(MAPP\) 04.01.03 - Vouchers](#)

[Authorization for Moving and relocation Expenses \(Addendum A\)](#)

[Taxable Payments or Reimbursements to Employees Form](#)

Tax information website: <https://www.uh.edu/office-of-finance/payroll-tax/tax-information/>

[OMB Circular A-21](#)

[IRS Mileage Rate Schedule](#)