

**UNIVERSITY of NORTH DAKOTA  
FINANCE & OPERATIONS POLICY LIBRARY**

**MOVING EXPENSE REIMBURSEMENT**

Section 2, Finance  
Policy 2.14, Moving Expense Reimbursement  
Responsible Executive: VP Finance & Operations  
Responsible Office: Accounting Services  
Issued: January 13, 2001  
Latest Review / Revision: April 27, 2012



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### POLICY STATEMENT

Moving expenses may be reimbursed when staff are initially hired from outside the university system. Permanent staff, employed for one year or more, may be eligible for reimbursement when, at the direction of the employer, are transferred to a new work location within the university system. However, prior approval is required before offering payment of moving expenses.

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### REASON FOR POLICY

This policy provides specific guidelines for reimbursements relating to employee relocation costs. The reimbursement of moving expenses is governed by NDCC 44-08-04.3, North Dakota OMB Policy 521, and North Dakota SBHE Policy 806.3. Tax implications are determined by IRS regulations.

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### SCOPE OF POLICY

This policy applies to all members of the University community and should be read by:

- |                                       |                 |
|---------------------------------------|-----------------|
| ✓ President                           | ✓ Faculty       |
| ✓ Vice Presidents                     | ✓ All Employees |
| ✓ Deans, Directors & Department Heads | Students        |
| ✓ Area Managers & Supervisors         | Others _____    |

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### WEB SITE REFERENCES

This Policy: <http://und.edu/finance-operations/files/docs/2-14-moving-expense-reimbursement.pdf>  
Policy Office: <http://und.edu/finance-operations/policy-who-we-are.cfm>  
Vice President for Finance & Operations: <http://und.edu/finance-operations/>

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## RELATED INFORMATION

<b>NDCC 44-08-04.3</b>	<a href="http://www.legis.nd.gov/cencode/t44c08.pdf">http://www.legis.nd.gov/cencode/t44c08.pdf</a>
<b>OMB Policy 521</b>	<a href="http://www.nd.gov/fiscal/docs/fiscaladmin2009.pdf">http://www.nd.gov/fiscal/docs/fiscaladmin2009.pdf</a>
<b>SBHE Policy 806.3</b>	<a href="http://ndus.edu/makers/procedures/sbhe/default.asp?PID=29&amp;SID=9">http://ndus.edu/makers/procedures/sbhe/default.asp?PID=29&amp;SID=9</a>
<b>UND Accounting Services</b>	<a href="http://www.und.edu/dept/accounts/">http://www.und.edu/dept/accounts/</a>

## CONTACTS

General questions about this policy can be answered by your department's administrative office. Specific questions should be directed to the following:

<b>Subject</b>	<b>Contact</b>	<b>Telephone</b>	<b>Office or Department E-Mail / Web Address</b>
Policy Clarification	Accounting Services	(701) 777-2771	<a href="http://www.und.edu/dept/accounts/">http://www.und.edu/dept/accounts/</a>
Policy Content/Format	Accounting Services	(701) 777-2771	<a href="http://www.und.edu/dept/accounts/">http://www.und.edu/dept/accounts/</a>
W-4 Changes	Payroll Services	(701) 777-4226	<a href="http://und.edu/finance-operations/payroll/">http://und.edu/finance-operations/payroll/</a>
Moving and Cost Saving Options	Purchasing	(701) 777-2681	<a href="mailto:und.purchasing@email.und.edu">und.purchasing@email.und.edu</a> <a href="http://und.edu/finance-operations/purchasing/">http://und.edu/finance-operations/purchasing/</a>
Use of Grants and Contracts	Grants and Contracts	(701) 777-4151	<a href="http://und.edu/research/research-economic-development/grants-contracts/">http://und.edu/research/research-economic-development/grants-contracts/</a>
Moving Expense and Taxability Table	Accounting Services	(701) 777-2771	<a href="http://www.und.edu/dept/accounts/">http://www.und.edu/dept/accounts/</a>

## DEFINITIONS

<b>IRS</b>	Internal Revenue Service
<b>Moving Expense</b>	An expense incurred in connection with the transportation of one's household goods and personal items when changing one's residence.
<b>NDCC</b>	North Dakota Century Code
<b>OMB</b>	Office of Management and Budget
<b>Personal Goods</b>	Personal property belonging to an individual or his/her immediate family and including, but not limited to, appliances, books, clothing, furnishings, and furniture.
<b>SBHE</b>	State Board of Higher Education

## PRINCIPLES

**OVERVIEW** – Moving expenses may be reimbursed when staff are initially hired from outside the university system. Permanent staff, employed for one year or more, may be eligible for reimbursement when, at the direction of the employer, are transferred to a new work location within the university system. However, prior approval is required before offering payment of moving expenses.

This policy provides specific guidelines for reimbursements relating to employee relocation costs. The reimbursement of moving expenses is governed by NDCC 44-08-04.3, North Dakota OMB Policy 521, North Dakota SBHE Policy 806.3, and the IRS.

Reimbursement for allowable moving expenses to the employee, both taxable (Account 521055) and non-taxable (Account 521050), are required to be reported to the IRS and are included on the employee's W-2. IRS regulations require the university to withhold income tax, social security tax and Medicare tax from reimbursements and allowances for nondeductible moving expenses.

The total reimbursement limit for permanent employees transferred within the system is \$5,000, not to exceed 11,000 lbs.

## PROCEDURES

Approval is required prior to offering the reimbursement of moving expenses as a part of the employment contract. Departments should complete the Authorization for Moving Expenses Reimbursement Form and obtain prior written approval from their respective Vice President (or designee). Departments reporting directly to the President should obtain prior written approval from the President (or designee).

Eligible expenses and their taxability are listed on the Moving Expense and Taxability Table (Appendix 1). Taxes are withheld from a paycheck issued after receiving reimbursement for moving expenses. It is in the employee's responsibility to contact the Payroll Office to discuss options available for W-4 changes, which determine the taxable rate used to calculate the withholding.

Only those expenses listed on the Moving Expense and Taxability Table are allowable. The original of the completed Authorization for Moving Expenses Reimbursement Form, Moving Expenses Worksheets, and a copy of the Employment Contract should be attached to either the Voucher or Purchase Requisition.

## RESPONSIBILITIES

<b>Department</b>	<ul style="list-style-type: none"> <li>▪ Complete Authorization for Moving Expense Reimbursement Form</li> <li>▪ Obtain written approval from respective VP or the President prior to offering moving expense reimbursement.</li> </ul>
<b>Vice Presidents</b>	<ul style="list-style-type: none"> <li>▪ Provide written approval to department authorizing reimbursement of moving expenses.</li> </ul>
<b>President</b>	<ul style="list-style-type: none"> <li>▪ Provide written approval to Vice President(s) authorizing reimbursement of moving expenses.</li> </ul>
<b>Employee Moving to New Location</b>	<ul style="list-style-type: none"> <li>▪ Contact Payroll to review changes to W-4.</li> <li>▪ Retain receipts and documentation necessary for reimbursement.</li> <li>▪ Submit documentation and worksheets for reimbursement as necessary.</li> </ul>

## FORMS

<b>Authorization for Moving Expenses Reimbursement Form</b>	<a href="http://www.und.edu/dept/accounts/forms.html">http://www.und.edu/dept/accounts/forms.html</a>
<b>Moving Expense Worksheets:</b> <ul style="list-style-type: none"> <li>▪ Pre-Move/House Hunting Expense Worksheet</li> <li>▪ Moving Personal Goods Expense, Moving Expense, and/or Personal Travel Expense Worksheet</li> <li>▪ Temporary Living Quarters Expense Worksheet</li> </ul>	<a href="http://www.und.edu/dept/accounts/forms.html">http://www.und.edu/dept/accounts/forms.html</a>
<b>Purchase Requisition</b>	<a href="http://und.edu/finance-operations/purchasing/_files/docs/purchase-requisition.pdf">http://und.edu/finance-operations/purchasing/_files/docs/purchase-requisition.pdf</a>
<b>Purchase Requisition – Example</b>	<a href="http://und.edu/finance-operations/purchasing/_files/docs/p-req-example.pdf">http://und.edu/finance-operations/purchasing/_files/docs/p-req-example.pdf</a>
<b>Voucher</b>	<a href="http://www.und.edu/dept/accounts/forms.html">http://www.und.edu/dept/accounts/forms.html</a>
<b>Voucher - Example</b>	<a href="http://www.und.edu/dept/accounts/forms.html">http://www.und.edu/dept/accounts/forms.html</a>

## APPENDICES

<b>Appendix 1 – Moving Expense and Taxability Table</b>	Contact Accounting Services
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## REVISION RECORD

<b>01.13.2001 – Policy Implementation</b>	
<b>10.03.2008 – Revision</b>	<ul style="list-style-type: none"> <li>▪ Update mileage rate</li> </ul>
<b>08.01.2009 – Revision</b>	<ul style="list-style-type: none"> <li>▪ Update mileage rate</li> </ul>
<b>02.02.2010 – Revision</b>	<ul style="list-style-type: none"> <li>▪ Update mileage rate</li> </ul>
<b>03.07.2011 – Revision</b>	<ul style="list-style-type: none"> <li>▪ Apply F&amp;O policy format</li> <li>▪ Update mileage rate</li> </ul>
<b>04.27.2012 – Revision</b>	<ul style="list-style-type: none"> <li>▪ Update web links</li> </ul>

## Moving Expenses and Taxability Table

PURPOSE/TYPE OF EXPENSE	TAXABILITY		RESTRICTIONS	OTHER INFO
	Taxable 521055	Non-Taxable 521050		
<b>Pre-move/House Hunting</b>				
AIRLINE	X		Limited to 1 round-trip for employee & spouse	Original passenger coupon or paid invoice required
LODGING	X		Limited to 3 nights lodging for employee & spouse	Original, itemized, paid lodging receipt required. Room and room tax only
MEALS	X		Limited to 3 days per diem for employee & spouse	No receipts required. Use current GSA rate for previous night's lodging location
PERSONAL VEHICLE MILEAGE	X		Limited to 1 round trip to new work location	No receipts required. Document miles from prior residence to new work location. Reimbursement payable up to current IRS mileage rate
MISCELLANEOUS Taxi, parking, car rental	X		Limited to 3 days	Original, paid receipts required
<b>Moving Personal Good/Furnishings</b>				
MOVING VAN LINE		X	Limited to invoice cost <sup>3</sup> *Insurance on moving van is NOT allowable	Original, paid receipt for Voucher or original invoice for Receiving Report required <sup>1</sup>
RENTAL VAN		X	Limited to invoice cost <sup>3</sup> *Insurance on moving van is NOT allowable	Original, paid receipts for rental of van and actual gas expenses required
MISCELLANEOUS Boxes, strapping tape		X	Limited to invoice cost	Original, paid receipts required
<b>Moving Expenses/Personal Travel</b>				
LODGING		X	Limited to actual expenses incurred by employee and immediate family <u>en route</u> to new work location <sup>2</sup>	Original, itemized, paid lodging receipt required. Room and room tax only
PERSONAL VEHICLE MILEAGE	Amount exceeding \$.235mile	First \$.235mile	In-state travel limited to IRS rate and out-of-state travel limited to \$.18/mile <sup>4</sup>	No receipts required. Document highway miles from prior residence to new work location <sup>4</sup>
MEALS	X		Limited to employee and immediate family <u>en route</u> to new work location <sup>2</sup>	No receipts required. Use current GSA rate for previous night's lodging location
AIRLINE		X	Limited to one-way trip for employee and immediate family	Original passenger coupon or paid invoice required
MISCELLANEOUS Taxi, parking, etc.		X	Limited to actual expenses incurred by employee and immediate family while <u>en route</u> to new work location <sup>2</sup>	Original, paid receipts required
<b>Temporary Living Quarters</b>				
LODGING	X		Limited to employee in-state rates incurred by employee and immediate family at new work location <sup>2</sup>	Original, itemized, paid lodging receipt required. Room and room tax only. Limited to 90% of ND GSA rate, plus applicable taxes
MEALS	X		Limited to employee per diem rate for both the employee and immediate family <sup>2</sup>	No receipts required. Use current employee per diem rate for previous night's lodging location
MISCELLANEOUS Taxi, parking, etc.	X		Limited to actual expenses incurred by employee and immediate family <sup>2</sup> Rental car not allowed	Original, paid receipts required

<sup>1</sup> Contact Purchasing Office for available contracts and potential cost savings for moving expenses.

<sup>2</sup> Maximum number of days for both travel time and temporary living quarters is **10 days**.

<sup>3</sup> If moving within the system, and a combination of moving van(s) is used, total is **NOT** to exceed 11,000 lbs.

<sup>4</sup> From 1/1/2011 to 6/30/11 rate was \$.19/mile

Revised July 12, 2011