

<b>System-wide Policy: FI0450 - Moving Stipend</b>	
<b>Version: 10</b>	<b>Effective Date: 03/27/2018</b>

## FI0450 – Moving Stipend

### Topics:

<a href="#">General Policy</a>	<a href="#">Procedures</a>
<a href="#">Forms</a>	<a href="#">Contacts</a>

### Objective:

To provide guidelines on the payment of a moving stipend for newly hired faculty and staff members.

### Policy:

#### General Policy

1. The university may provide a moving stipend for a newly hired faculty or staff member to move from their former residence to their new residence. To be eligible for a stipend, a person must be moving at least 50 miles from the location of their former residence to start a new job with the university, Departments are responsible for determining if a stipend will be offered and the amount; and the stipend must be approved by their Vice Chancellor/Vice President or their designee. The amount of the stipend should be consistent and reasonable with the employee's position and distance moved. The amount of the stipend must be specified in the employee offer letter or other written agreement with the employee.
2. Since the university does not require substantiation of an employee's moving expenses with IRS regulations, or the return of any excess amount, the amount of the stipend will be reported as taxable income and included on the employee's W-2 statement. The IRS requires applicable taxes to be withheld and reported. To ensure that these payments are reported in the proper tax year, stipends will

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only be processed in the same calendar year as the employee's start date or later. Prior to processing a moving stipend, a [Form T-5 - Moving Stipend Request Form](#) must be completed. The form will assist departments in calculating the net moving stipend that will be paid to the employee after applicable taxes are withheld. Questions regarding these guidelines should be directed to the System Finance Office.

3. The amount of the stipend should be specified in the employee's offer letter or other written agreement. This document indicating the amount of the stipend and acceptance by the employee must be attached to the T-5 (This is typically the employment offer letter.) Both of these documents must be attached to the IRIS transaction (ZAP\_Entry) and will be routed in IRIS to the chancellor/vice president or their designee for approval. The stipend will not be processed more than 60 days prior to the employee's start date and must also be in the same calendar year or later. The moving stipend cannot exceed the amount in the written agreement with the employee that is attached to the T-5. Departments should not process more than one moving stipend per employee and all relocation costs should be included in the moving stipend. Relocation expenses include the costs associated with house hunting trips, moving of household items and any temporary housing. These expenses should not be processed separately through travel reimbursement or accounts payable. Failure to properly process these expenses with the moving stipend request will result in delays in processing the request and may result in the improper tax treatment of these expenses.
4. Stipends exceeding \$35,000 require advanced approval from the University's Chief Financial Officer.
5. Exceptions to this policy require the approval of the campus/institute business officer or designee and the chief financial officer or designee.

**FORMS:**

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- [T-5 Moving Stipend Form \(PDF\) - To be used with ZAP ENTRY](#)

#### PROCEDURES:

Chattanooga:	<a href="http://www.utc.edu/business-financial-affairs/fiscalpolicies.php">http://www.utc.edu/business-financial-affairs/fiscalpolicies.php</a>
Knoxville:	<a href="http://budget.utk.edu/fiscal-policy/">budget.utk.edu/fiscal-policy/</a>
Health Science Center:	<a href="https://uthsc.policymedical.net/policymed/home/index?ID=de47aa28-16aa-408b-9c96-cb04f232964f&amp;">https://uthsc.policymedical.net/policymed/home/index?ID=de47aa28-16aa-408b-9c96-cb04f232964f&amp;</a>
Institute of Agriculture:	<a href="http://ag.tennessee.edu/Pages/UTIApolicies.aspx">ag.tennessee.edu/Pages/UTIApolicies.aspx</a>
Martin:	<a href="http://utm.edu/departments/finadmin/procedures.php">utm.edu/departments/finadmin/procedures.php</a>

#### FOR MORE INFORMATION:

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