

Standards: Determining Relocation Compensation and House Hunting Allowances

STN-U5410.08A

Effective: March 10, 2017
Revised: May 20, 2021
Approved by: Chyerl Wolfe-Lee, Assistant Vice President of Human Resources

Authority

[POL-U5410.08](#) Providing Relocation Compensation

See Also

[TSK-U5410.08A](#) Processing Relocation Compensation Payments and House Hunting Allowances
[FAQs](#) Relocation Compensation

Compliance Owner and Responsible Department

Compliance Owner: Chyerl Wolf-Lee, Assistant Vice President of Human Resources
Responsible Department: Human Resources

Purpose of Standards

To ensure the appropriate use of state funds and consistency in providing relocation compensation to new hires.

Required Standards

1. The position must meet the eligibility criteria. See Section 2 of the [Providing Relocation Compensation policy](#) for eligibility criteria.
2. A hiring authority may offer an eligible finalist relocation compensation which can include additional funds for a house hunting allowance. Departments are not required to provide such compensation but should always consider equity issues in making that determination.
3. The amount of the compensation and/or allowance must be included in the official offer of employment.
4. The relocation compensation is only provided in a lump sum one-time payment paid through payroll using a *Personnel Action Form*.
5. The payment will be paid no sooner than the first payroll following the new hire's start date.
6. The hiring authority must ensure decisions are always based on responsible stewardship of University funds regardless of the source.

7. The dollar amount offered for relocation compensation:
 - a) Must not exceed relocating 16,000 lbs. of household goods, and
 - b) Is within the Financial Manager's **current** available funds.
8. The instructions on page 2 must be used to identify the estimated amount of a 16,000 lbs household move to ensure the maximum is not exceeded. The instructions on page 3 must be followed to estimate a house hunting allowance. One or both may be given.
9. No additional payments may be given for relocation compensation. Any changes to the offer of employment must be approved by Human Resources.
10. HR will ensure required template language is used in the letter of offers when relocation compensation is included.

Moving Cost Estimator

1. **Open** the Relocator Information website
<http://tools.gmsrelo.com/ToolsGMS/relocation.asp>
2. **Click** "Moving Cost Estimate"
 - **Moving Cost Estimate**
Use this tool to estimate interstate moving costs in the United States.
 - **Mortgage Calculator**
This calculator will compute the monthly principal and interest payment on a mortgage.
3. **Select** the 'to/from' states.
4. **Select** the 'to/from' cities and **enter** the following information to get an estimate for 16,000 pounds:

Home Type	3 Bedroom House
Square Footage	2000

You must enter as shown above: "3-bedroom House" and "2,000 square feet" to get an estimate for 16,000 pounds which is the **maximum** amount of household goods that can be compensated.

4. **Click** the calculate button to get the estimated cost range.
5. The relocation compensation amount is not to exceed the top end of the range provided by the estimator. See example on page 3.

Example Estimate:

In this example below, a department’s relocation compensation cannot exceed \$21,744.

Moving from Alabaster, Alabama to Bellingham, Washington	
Estimated Distance:	2,538 miles
Estimated Weight:	16,000 pounds
Estimated Cost:	\$20,304 - \$21,744

6. **Save a copy of** the estimate from the website to attach to the Personnel Action Form when submitting the payment request. Your e-sign form will not be approved by Payroll unless the calculated estimate is attached.

7. In PageUp *Offer Details*, **select** “Lump Sum Payment” when completing the Offer Details.

Moving Option:

8. **Use** the relocation compensation template language provided by Human Resources for the letter of offer.

a. Request proof of relocation when:

- i. Their current residence (as listed on their application) will be between 50-100 miles from the official work location, or
- ii. They begin work remotely and intend to later relocate.

See Exception (b) in Section 2 of the policy. The requirement for proof of relocation is to be stipulated in the letter of offer. Departments are not to provide payment until proof of relocation is received.

9. **Follow** the *Processing Relocation Compensation Payments and House Hunting Allowances Task (TSK-U5410.08A)* after the offer is accepted.

House Hunting Allowance

A house hunting allowance may also be included in the offer but is not required. The allowance is limited to economy airfare and per diem for meals and lodging for the new hire only. A new hire will need to cover airfare, meal, and lodging expenses for anyone else that may be accompanying them or Chart 2 funds can be used.

Instructions for Providing House Hunting Allowances:

1. **Use** the [House Hunting Allowance Estimator](#) to determine an amount.
2. **Save** a copy of the estimate to attach to the *Personnel Action Form*.
3. If moving assistance is also being provided, **add** the house hunting allowance and the moving assistance for a total lump sum to submit via the *Personnel Action Form*.

Questions? Contact your [Division HR Consultant](#)