

Applies to FT Faculty with start date before 10/01/2019



Welcome to the Johns Hopkins University (JHU) Carey Business School! This document sets forth policies and procedures to facilitate the household relocation of new JHU Carey faculty, and includes the following:

- Relocation and Expense Reimbursement Guidelines
- JHU's Moving Expense Policies and Procedures (Appendix A)
- JHU Moving Vendors Resource List (Appendix B)
- Helpful Links and Resources Information
- Relocation Reimbursement Template: Used for reimbursement of all moving expenses, including house-hunting and final move (Excel spreadsheet)

RELOCATION AND EXPENSE REIMBURSEMENT GUIDELINES

Terms: Relocation agreement and spending limit amount must be included in the employment contract and will be subject to the following terms:

- Total reimbursement for house-hunting and relocation costs shall not exceed spending limit amount stipulated in the employment contract letter.
- Relocating by a distance of more than 50 miles due to the new employee's appointment with JHU Carey Business School.
- Relocation must take place within one year of employment start date.
- Expenses of reasonable relocation expenses should be properly documented (with proof of payment) and submitted to the **Office of Faculty & Research (OFR)**.
- Reimbursement of house-hunting and moving expenses are considered taxable income by the IRS; and will be processed via Payroll following the new employee's start date; tax will be deducted from the employee's paycheck. IRS Publication 521 "Moving Expenses" should be referred to for additional information. This publication and additional information/documents can be obtained through <http://www.irs.gov>.

House-Hunting

JHU Carey will reimburse reasonable expenses incurred for one trip for house-hunting (maximum 7 day, 6 night stay) in the Baltimore/Washington, D.C. area. The OFR will cover the cost of airfare, lodging, meals, and ground transportation for the employee and spouse or domestic partner.

Request for reimbursement of house-hunting expenses must include:

- Itemized receipts and proof of payment for all expenses, including meals (no alcohol).
 1. Option to claim per diem for meals (link to rates can be found on the travel template)
 2. Adhere to meal limits per person: Breakfast \$25 / Lunch \$35 / Dinner \$75
- Lodging bill / folio, indicating proof of payment (please refer to the **Required Documentation** tab of the reimbursement template)
- Full airline or train itinerary, indicating itemization and proof of payment.

Completed travel reimbursement template, original receipts, and supporting documents (organized by date) should be submitted to the OFR as soon as possible after the new employee's start date.

Estimates by Moving Companies

JHU Carey will pay for reasonable moving costs for the new employee's relocation to the Baltimore/Washington, D.C. area, if greater than 50 miles. The new employee must obtain and submit to the OFR quotes from three separate vendors for the moving of household and personal items. Commonly, the lowest bid is approved by the OFR. However, if a vendor with a higher quote is preferred, please provide justification in the email when sending the quotes. The OFR will take the employee's preference into consideration when determining the moving vendor.

**The University provides a list of moving vendors as a courtesy (Appendix B). Some of these vendors (e.g., The Talbot Group or The MIGroup) will obtain three bids for the new employee. If these vendors are unable to meet the new employee's needs, then other moving providers may be utilized.

Once a moving vendor is approved by the OFR, the new employee will be informed via email. Below are the three payment options and processes, in order of preference:

- **Self-pay:** After obtaining three bids and receiving approval from the OFR, the new employee secures the selected mover and pays for the moving expenses out-of-pocket. JHU Carey will reimburse the new employee for moving expenses (please see below for additional details) via travel reimbursement/Payroll. NOTE: JHU is tax-exempt in most states; please obtain the tax-exempt form from the OFR—DO NOT PAY TAX; JHU Carey will not reimburse the tax if JHU is tax-exempt in that state.
- **Invoice:** JHU Carey will process this payment, providing a copy to Payroll (this is considered taxable income; tax will be deducted from the employee's paycheck). Vendors already set up in the University's finance system (JHU vendor list) should receive payment within 7-10 days after processing. Vendors that need to be added to the University's finance system should receive payment within 6-8 weeks.
- **Purchase Order:** Some moving companies may require a Purchase Order. JHU Carey will process this payment, providing a copy to Payroll (this is considered taxable income; tax will be deducted from the employee's paycheck). Vendors already set up in the University's finance system (JHU vendor list) should receive payment 2-4 weeks after processing. Vendors that need to be added to the University's finance system should receive payment within 6-8 weeks.

Moving Expenses

Completed travel reimbursement template, original receipts, and supporting documentation (organized by date) should be submitted to the OFR after the new employee's start date.

Examples of reimbursable expenses:

- Packing, crating, and shipping furniture and other household items.
- Shipping automobiles and pets.
- Storing and insuring items for a **30-day period** after moving out of the former home and before delivery to the new residence. Employee will be responsible for payment beyond 30 days (not reimbursable).
- Transportation costs and lodging for the new employee, spouse or domestic partner, and dependent children while traveling to the new location (final trip only).

- Meals (no alcohol)
 1. Option to claim per diem for meals (link to rates can be found on the travel template)
 2. Adhere to meal limits per person: Breakfast \$25 / Lunch \$35 / Dinner \$75

JHU Carey guidelines for the actual moving trip for household members are specific to one trip (one-way) per new employee and family (spouse or domestic partner and dependent children). The trip must be taken in the most direct route to qualify for reimbursement. One-way air coach transportation for the new employee, spouse or domestic partner, and dependent children will be reimbursed. If air travel includes a personal component, reimbursement is based on the most direct route from the former home to new residence; or the actual airfare purchased, whichever is less. Comparable travel itineraries (obtained at the same time as final booking) must be submitted.

When traveling long-distance travel by car, JHU Carey will consider details of the reimbursement on a case-by-case basis.

Helpful Hints:

- Receipts are always necessary to substantiate moving expenses claims.
- Employees should submit all itemized receipts.
- Receipts for meals should include the names of all in attendance.
- Alcohol, tax on alcohol, and the percentage of the tip for the alcohol are not reimbursed.
- JHU is tax-exempt in most states and will not reimburse for tax on items other than meals or lodging (e.g., Packaging materials, moving companies). Obtain the appropriate state's tax-exempt form from the OFR.
- The current mileage rate for move-related expenses can be found at: <http://www.controller.jhu.edu/depts/tax/mileage.html>

General Non-Reimbursable Expenses Considerations:

- Expenses associated with breaking a lease, preparing a home for sale, real estate commissions or closing costs are not reimbursable.
- Expenses for obtaining Maryland or Washington, D.C. drivers' licenses, registering vehicles, and emissions test fees, etc. are personal expenses and are not reimbursable.
- The University will not reimburse any employee for purchasing a vehicle to be used for moving, even though this might cost less than renting a similar vehicle for the move.
- The University does not reimburse employees for household goods purchased to replace goods left behind because the employee elected not to move them.
- Temporary living expenses are not reimbursed (i.e., hotel for one or more nights after move to area to await home readiness).

Please contact the OFR carey.faculty@jhu.edu or the Finance team at JHU Carey carey.finance@jhu.edu if the employee have any questions.

Appendix A: JHU Moving Expense Policy



Moving Expense

Version 3.0

Policy: TAX005
Responsible Executive: Controller
Responsible Office: Tax Office
Approved by:
Effective: 05/24/2011
Last Revised: 05/02/2018

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General

Introduction

Guidelines for Relocation of New Employees & Relocation of Current Employees Overseas

Effective January 1, 2018 reimbursement of moving (relocation) expenses paid to, or on behalf of, an employee are taxable compensation to the employee. The guidelines are based on the Internal Revenue Code.

Taxable moving expenses should be paid as pay supplements and are subject to FICA, federal, and state taxes. These moving expenses are taxable income for the employee and are included on IRS Form W-2.

Policy

Moving Expenses for Relocation of New Employees

Effective January 1, 2018 reimbursement of moving (relocation) expenses paid to, or on behalf of, an employee are taxable compensation to the employee.

Payments made directly to the employee for personal moving expenses should be paid as a salary supplement using Wage Type 3035-Moving Taxable and SAP General Ledger 652501.

Payments made directly to the vendor (e.g. moving company) should also be paid as a salary supplement but should use Wage Type 3038-NC Moving and SAP General Ledger 652501.

Moving Expenses for Relocation of Current Employees Overseas

Effective January 1, 2018 reimbursement of moving (relocation) expenses paid to, or on behalf of, an employee are taxable compensation to the employee.

Payments made directly to the employee for personal moving expenses should be paid as a salary supplement using Wage Type 3035-Moving Taxable and SAP General Ledger 652501.

Payments made directly to the vendor (e.g. moving company) should also be paid as a salary supplement but should use Wage Type 3038-NC Moving and SAP General Ledger 652501.

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Appendix B: JHU Moving Vendors Resource List

Hopkins Preferred Vendors (Movers)	Vendor #	Address	Contact	Telephone #
Advance Relocation Systems (ATLAS) Domestic & Intl Movers	1000262	11500 CROSSROAD CIRCLE, STE A Baltimore, MD 21220	DEBBIE BOWLING DBOWLING@ADVANCERELO.COM Michelle Green mgreen@advancerelo.com	800-296-8950 x22 410-574-8406 Fax 410-241-4868
Hoffberger Moving Services LLC MidAtlantic ONLY (MD, W, Va, DE, PA, VA)	1015009	1406 Shoemaker RD Baltimore, MD 21209	SEAN QUINN SQUINN@HMSMOVERS.COM	410-825-3344 443-829-6132 Cell
TheMIGroup Domestic & Intl Movers	1007133	106 Lukens Drive New Castle, DE 19720-272	Scott Sheldon Scott.sheldon@migroup.com	800-734-6925 302-778-0916 Fax
The Talbot Group, Inc. Domestic and International Movers	1010633	PO Box 117 Granby, CT 06035	Ernie Coshonis info@thetalbotgroup.com	800-654-6877 x22 866-404-0234 x22
United Van Lines Domestic; International	1010997	6465 Frankford Ave. Baltimore, MD 21206	Any independent agent can service you	877-740-3036
Whalen's Moving & Storage Co, LLC Domestic & Intl Movers	2021428	PO BOX 667 Crofton Falls, NY 10519	sales@lieffeyvan.com	800-759-4253 212-410-3500
ALLIED VAN LINE Household; Long Distance; Cross Country; Interstate	2068055 / 1000503	4761 Solutions Center #774781 Chicago, IL 60677-4007	For Domestic & International Quotes Dial:	800-267-9515
North American Van Lines, LLC	2014704 / 1007584	4761 Solutions Center #774781 Chicago, IL 60677-4007	For Domestic & International Quotes Dial:	844-458-3729 800-223-2300
Higher Educational Relocation Specialist (HERS) Collins Brothers Moving	1018553	620 Fifth Avenue Larchmont, NY 10538	Linda Foley (CS Coordinator) lfoley@collinsbros.com	914-833-4726

Helpful Links and Resources

Below are links to information resources the employee may find useful for the employee's relocation to the area:

JHU- new employee
relocation/ moving expenses

<http://finance.jhu.edu/depts/tax/policies.html>

Relocation information from
JHU

<http://hopkinsworklife.org/worklife/relocation.html>

A comprehensive website
about the neighborhoods of
Baltimore City

<http://livebaltimore.com/>

Living in Washington, DC

<http://living-in-washingtondc.com/>

JHU incentive program to live
near work

<http://web.jhu.edu/lnyw/neighborhoods.html>

Registering the employee's
vehicle in Maryland

<http://www.mva.maryland.gov/Vehicle-Services/REG/NewtoMd.htm>

Registering the employee's
vehicle in DC

<http://dmv.dc.gov/service/dmv-vehicle-services>

Maryland public schools

<http://marylandpublicschools.org>