

## **UAM OPERATING PROCEDURE 404.5**

### **MOVING EXPENSES FOR NEWLY HIRED EMPLOYEES**

Arkansas Code 19-4-522(5) (e) allows the payment of employee moving expenses from State funds by institutions of higher education. Due to the passage of the Tax Cuts & Jobs Act, reimbursement of moving expenses are now classified as taxable income. For this reason, a flat amount in the form of a stipend will now be paid through the Payroll Office and included in the employee's taxable income. Employees who qualify for the stipend will receive the net amount after the appropriate taxes have been withheld. A stipend for moving expenses should not be offered to all prospective new faculty and non-classified employees, but may be offered if necessary to hire a prospective faculty or non-classified staff, who resides more than 200 miles from the UAM campus, and the following conditions are satisfied:

- (1) funds are available in the department or unit budget to address the remaining fiscal year's regular, on-going expenditures,
- (2) the unit budget director recommends payment, and
- (3) the appropriate Executive Council member<sup>1</sup> approves payment.

Unless the appropriate Executive Council member in coordination with the Chancellor has granted prior approval for a greater amount, payment for moving expenses shall be subject to the following schedule:

Faculty and non-classified staff	\$1,500
Deans and department heads	\$2,500
Executive Council Member	TBD by Chancellor not to exceed 10% of annual salary

The terms of agreement for the payment of moving expenses should be included in the letter of appointment along with a copy of this policy.

Moving expenses will be charged to the moving expense stipend budget of the unit from which the employee is paid. When an employee has a split-appointment, the moving expenses will be distributed in the same proportions as the employee's salary.

*Revised: March 1, 2018*

*Revised: July 1, 2017*

*Revised: May 28, 2013*

*Revised: July 1, 2011*

*April 1, 2005*

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<sup>1</sup> For purpose of this policy, the "appropriate Executive Council member" is the senior administrator serving on the Executive Council for the department initiating the hiring decision. By way of example, the Vice-Chancellor for Academic Affairs is the appropriate Executive Council member for faculty hires.