I. PURPOSE

This operating procedure establishes the process for reimbursement to regular full-time salaried employees of the Department of Corrections for those expenses incurred in the moving and relocation to a new work location.

II. COMPLIANCE

This operating procedure applies to all units operated by the Department of Corrections (DOC). Practices and procedures shall comply with applicable State and Federal laws and regulations, Board of Corrections policies and regulations, ACA standards, PREA standards, and DOC directives and operating procedures.

III. DEFINITIONS

Agency Fiscal Officer - The Business Manager at major institutions (including assigned field units), Support Services Manager at regional offices (including field units not assigned to major institutions), Business Manager at VCE, Operations Manager at the Academy for Staff Development and the Chief Financial Officer for Central Office organizational units; the Director of Financial Services serves as the Community Corrections fiscal officer.

Storage Expense - Amounts paid a vendor for the storage of household goods and personal effects for a maximum of 30 days temporary (in-transit) storage

Temporary Quarters - Lodging or housing in which the employee lives at a reasonable cost, until a permanent residence is secured, or up to a maximum of 90 calendar days; temporary quarters could consist of any type of lodging or housing, such as hotels/motels, apartments, or single family dwellings.

Tenure Agreement - An agreement to remain in the employment of the Department of Corrections from the first day in the new position until twenty-four months thereafter; this agreement must be signed prior to incurring expenses.

See CAPP Manual, Volume 1, Topic 20345 (Moving and Relocation), for other definitions.

IV. PROCEDURE

A. Eligibility for Reimbursement

1. Reasonable and necessary moving and relocation expenses may be reimbursed when all of the following conditions are met:
   a. The DOC shall ascertain that the new employee is the best qualified applicant available to fill the newly created or vacant position, as determined or confirmed by the Director. In the case of DOC reorganization, availability of qualified applicants or employees shall be determined in accordance with equitable criteria established by the Director.
   b. Relocation shall be at the request of the Director and for the good of State service, i.e., an employee is transferred to another location, at the sole discretion of the DOC.
   c. The distance between the employee's new work location and the former residence shall be at least fifty miles greater than the distance between the employee's old work location and the former
residence. Actual commuting distance to the new work location from the former residence shall increase by at least fifty miles one way.

d. An estimate of total moving and relocation expenses shall be submitted by the employee and approved in advance by the Director.
   i. The employee is responsible for consulting with the employing agency’s procurement department to determine the required number of bids in accordance with current Virginia Public Procurement regulations.
   ii. Copies of the required bids should be provided to the agency prior to a formal commitment to utilize the common carrier.
   iii. The bid(s) should be attached to the Employee Moving and Relocation Expense Summary 240_F9 when the invoice is submitted to the Business Office for payment.
   iv. When at all possible, the employee should utilize a common carrier based in Virginia. When outside of the Commonwealth of Virginia, employees should contact Virginia common carriers to inquire if they are able to match bids submitted by out-of-state firms.

e. Completion of the Tenure Agreement 240_F10 (see below) with approval by the Chief of Corrections Operations or Deputy Director of Administration and approval by the Director.

2. Moving and relocation expenses shall not be reimbursed by the DOC when:
   a. Employees change locations within the DOC as a result of disciplinary action.
   b. Employees transfer to temporary or part-time positions.
   c. Employees relocate as a result of DHRM Policy 1.30, Layoff and Operating Procedure 175.2, Layoffs and Reduction in Workforce.
   d. The move is at the request of, or for the convenience of, the employee.

B. Tenure Agreement

1. Any employee to be compensated for moving and relocation expenses must execute a Tenure Agreement 240_F10 with the DOC before any expenses are incurred which the employee subsequently intends to request State funded reimbursement or payment and before any state resources (state vehicles/equipment) are utilized for moving and relocation.

2. After review by the Human Resource and Payroll offices and approval by the Chief of Corrections Operations or Deputy Director of Administration, the Director shall approve the offer of a Tenure Agreement in advance of such an agreement being made to an employee or future employee.

3. A condition of reimbursement is that the employee must satisfactorily maintain employment on a regular full-time basis in DOC service for at least two years, commencing on the date that the employee starts work on a regular basis at the new location.
   a. If this condition is not met, the employee must reimburse DOC the full cost of moving and relocation expense paid by the DOC.
   b. The reimbursement may be prorated or waived if state employment is terminated or the employee is moved to a part-time position in the DOC for reasons beyond the employee's control and acceptable to the DOC.
   c. The Director is authorized to approve waivers of reimbursements when justified by circumstances.

4. Three copies of the Tenure Agreement 240_F10 shall be signed by the employee, Chief of Corrections Operations or Deputy Director of Administration and the Director. One signed copy shall be filed with the Human Resources Office prior to or at the time of making the commitment for employment in the new location, and two copies shall be given to the employee.

5. The employee shall submit one signed copy of the Tenure Agreement to the Payroll Unit when making a claim for reimbursement. The Payroll Unit shall keep a copy on file as the authority for reimbursement, and the basis for claiming repayment if the terms of the agreement are not fulfilled.

6. A new Tenure Agreement shall be completed each time the employee moves or relocates at DOC.
expense. Any remaining period of employment obligation on the old tenure agreement will carry forward and be served at the new work location.

a. Multiple tenure agreements with the same individual for overlapping time periods may be in force at the same time.

Example: An employee may be transferred to a new work location November 1, 2008. He signs a tenure agreement for two years. On April 1, 2010, he is transferred to another job and signs a second tenure agreement. The employee's obligation on the first agreement would carry forward to the new location and involve overlapping time for seven months (4/1/10 - 10/31/10).

b. All tenure agreements end 24 months after the agreement date. Under the example above, the second tenure agreement will have ended March 31, 2012 and the employee will have been under tenure agreement for a total of 41 months.

c. The Director may approve an additional twelve months for submission of allowable expenses if circumstances justify and the employee was required by the DOC to transfer.

7. The Regional Administrator or the Organizational Unit Head at Headquarters is responsible to ensure that the following steps are completed for those employees in their area who are eligible for moving and relocation reimbursement:

a. Submit a Tenure Agreement 240_F10 to the Chief of Corrections Operations or Deputy Director of Administration and then the Director for signature before or at the time the offer of employment or transfer is made.

b. Have the employee sign a Tenure Agreement before any expenses are incurred.

c. Make sure that the employee receives copies of this procedure and CAPP Manual Topic 20345 (Moving and Relocation) at the time that the Tenure Agreement is signed.

C. Use of DOC Moving Equipment, Vehicles, and Supplies

1. Current DOC employees may use DOC truck, trailer, hand truck, or other appropriate moving equipment and supplies for moves within the Commonwealth of Virginia under the following conditions:

a. In accordance with a written agreement executed as an addendum or modification to the Tenure Agreement

b. With the written approval of the Director or designee if the employee is moving due to a DOC directed transfer outside the recruitment and selection process

2. All requirements for use of State vehicles apply, including but not limited to:

a. All drivers must have proper license for the class of vehicle

b. Obey all traffic laws

c. Not exceed load limits or capacities of the vehicle

d. Proper reporting of any accidents

e. Return vehicle and equipment to the pickup point clean and in good condition

3. Only DOC employees may ride in a state vehicle used for this purpose.

4. Fuel for state vehicles may be obtained from State facilities and/or using State fuel cards.

5. No offenders or on-duty personnel may be used to provide labor for moving.

6. The employee will be responsible for any damages to personal possessions. The employee shall be responsible to reimburse the DOC for any damages to DOC vehicles or equipment caused by negligence of the employee or others assisting in the move.

D. Temporary Quarters

1. DOC employees may be eligible for reimbursement for temporary quarters under the following conditions:
a. In accordance with a written agreement executed as an addendum or modification to the Tenure Agreement

b. With the written approval of the Director if the employee is moving due to a DOC directed transfer outside the recruitment and selection process

2. Reimbursement for reasonable lodging or rent may be claimed for a period of 90 days from the first day of work at the new location.

3. Reasonable residential parking fees will be reimbursed during the 90 days of temporary quarters.

4. Expenses for meals may be claimed for the first 30 days of residence in temporary quarters.

5. All such expenses must be reasonable, necessary, and in accordance with CAPP Topic No. 20335, State Travel Regulations.

E. Other Relocations

1. Provided the criteria for reimbursement as stated in this operating procedure are met, reasonable and necessary moving and relocation expenses of employees may, at the option of the Director, be reimbursed in accordance with the State Comptroller's moving and relocation regulations and DOC operating procedures when such reimbursement is a condition of or a commitment for employment. Exceptions for higher dollar amounts than allowed by the State Comptroller require the Director to obtain Cabinet Secretariat level approval.

2. Special consideration may be given by the State Comptroller for relocations which require the employee to establish a new residence in a specific geographical location when commuting distance is not increased by fifty miles.

F. Reimbursement Procedures

1. Moving and Relocation Expenses, (Attachment 1) outlines specific expenses to be reimbursed and the related tax status, as well as a listing of those expenses which are not considered as valid moving and relocation expenses and shall not be reimbursed. See CAPP Manual, Volume 1, Topic 20345 (Moving and Relocation) for complete information on reimbursable expenses and limitations.

2. Reimbursement to employees for moving and relocation expenses are supplemental wage payments and shall be handled by Payroll except for payments to common carriers.

   a. Reimbursements made directly to the employee shall be made through the special payroll process. Details of this procedure are found in the CAPP Manual, Volume 1, Topics 20345 and 50515. Except for common carrier, reimbursements through other than CIPPS Payroll procedures, i.e. Petty Cash, are not allowed.

   b. Reimbursements for lodging, meals, and mileage shall be in accordance with the State Travel Regulations. The following must be submitted to the Payroll Unit for processing:

      i. A Travel Expense Reimbursement Voucher 240_F6 must be used to itemize expenses and submitted as supporting documentation

      ii. Receipts and other supporting documentation

      iii. Form DA-02-182, Employee Moving and Relocation Expense Summary 240_F9 shall be completed by the employee (see Instructions, Attachment 2) and submitted to payroll for review. Payroll will submit the Summary to the Director for signature.

3. Third Party Payments - Payments to common carriers will be processed by Agency Fiscal Officers, as follows:

   a. Form DA-20-250, Accounting Voucher, may be used only for third party payments to common carriers for the transportation of the employee's household goods and personal effects from the former residence to the residence at the new location and/or temporary storage of household goods and personal effects up to thirty days if an employee cannot otherwise move into the new residence.

   b. A copy of form DA-02-182, Employee Moving and Relocation Expense Summary 240_F9, shall be properly completed and attached, along with required invoices, to the back of each voucher being
submitted and a copy sent to the Payroll Unit.

c. No other third party payments can be made for moving and relocation expenses.

4. The total dollar limit of $11,000 for reimbursement for all expenses other than for transportation and storage of household goods has been established. This amount includes necessary employer payroll taxes. See CAPP Manual, Volume 1, Topic 20345, for more information.

5. The employee is responsible to notify the DOC if the employee's spouse is a State employee and otherwise eligible for moving and relocation expenses, reimbursement of any such expenses will be paid to only one employee and only to move the primary household to the new location. See CAPP Manual, Volume 1, Topic 20345, for more information.

6. Pre-employment expenses are not considered moving and relocation expenses as discussed in this procedure. See CAPP Manual, Volume 1, Topic 20345, for more information.

G. Accounting

1. Approved moving and relocation expenditures shall be paid out of funds appropriated for maintenance and operation of the employing unit.

2. All current Internal Revenue Service (IRS) regulations shall be followed.

3. The Payroll Unit shall take steps necessary to account for moving and relocation expense reimbursements and payments to meet both employer withholding and employee reporting of gross income and applicable payroll taxes as defined by the Internal Revenue Service, through compliance with these and State procedures.

4. The DOC Payroll Manager shall review each claim for reimbursement for moving and relocation expenses prior to processing to the State Comptroller to ensure that it is in accordance with the State Comptroller's moving and relocation regulations. Improperly executed and/or approved claims shall be returned to the employee for proper execution.

H. Reimbursement Responsibilities

1. Refer to the CAPP Manual Volume 1, Topic 20345 (Moving and Relocation), for DOC responsibilities.

2. Minimum actions applicable to the employee are as follows:
   a. Each employee eligible for moving and relocation expense reimbursement shall be responsible for obtaining original receipts and other documents that are necessary to support all claims for reimbursement.
      i. Each designated category of reimbursement expenses should be itemized and submitted for payment within thirty days after the last expenditure is made or the last invoice is received for expenses in a given category.
      ii. All claims for payment should be submitted within thirty days after the employee moves into the new permanent residence, but in no case later than twelve months after beginning employment at the new location, unless an extension is granted.
   b. All expenses submitted for reimbursement shall be within the guidelines of these regulations.
   c. If the employee does not fulfill the twenty-four month employment term specified by the Tenure Agreement, the total gross amount of reimbursements received by the employee and paid to third parties on behalf of the employee, plus all taxes deducted that relate to those reimbursements, shall be refunded. Under these circumstances, the employee's gross income for tax purposes shall be adjusted by the DOC for the total amount refunded to the DOC.

V. REFERENCES

Current IRS Regulations

Commonwealth Accounting Policies and Procedures (CAPP) Manual:
Volume 1, Section 20335 - State Travel Regulations
VI. FORM CITATIONS

- *Travel Expense Reimbursement Voucher* 240_F6
- *Employee Moving and Relocation Expense Summary* 240_F9
- *Tenure Agreement* 240_F10

VII. REVIEW DATE

The office of primary responsibility shall review this operating procedure annually and re-write it no later than three years after the effective date.

The office of primary responsibility reviewed this operating procedure in October 2017 and no changes are needed at this time.

*Signature Copy on File* 8/31/16

N. H. Scott, Deputy Director for Administration  Date