



RELOCATION BONUS GUIDELINES

Effective December 6, 2021

Purpose: The purpose of this Guideline is to establish the processes and procedures for payment of Old Dominion University employee relocation expenses.

Guidelines:

I. Relocation Bonus

- A. Newly hired full-time faculty, administrative professional, and classified employees who relocate from their former residence to a new residence may be issued a one-time relocation bonus, if deemed appropriate by the University President, designee, or Vice President and Budget Unit Director. A Relocation Bonus Agreement will be included as part of the contract/hire package and should be executed at the time of employment.
- B. If the institution recruits and hires more than one person from the same family, only one relocation bonus is permitted.
- C. To be eligible to receive a relocation bonus and to comply with the current guidelines published by the Internal Revenue Service (IRS), the move must meet the minimum IRS distance test of 50 miles from the location of the former residence.
- D. The distance between the two points is the shortest of the more commonly traveled routes between them.
- E. The Relocation Bonus will be paid within the first 30 days of their start date unless the individual wants that payment spread out over a number of pay periods. In all cases, the relocation bonus will be paid within six months of their start date and will have taxes withheld. The net amount of the relocation bonus will be less than the gross amount stated in the offer letter.
- F. The employee may use these funds however they see fit. Additional payments for house hunting expenses, storage of personal goods, rental of temporary housing, moving vans, moving of labs, or other items related to relocation will not be made.
- G. Bonus amounts should generally be limited to 15% or less of the starting salary offered for faculty and classified employees.

II. Arranging for Moving and Payment

- A. The Relocation Bonus is paid directly to the employee, reported as taxable income, and is subject to all tax liability at the time of payment.
- B. The employee will make all arrangements for the move without involvement of the University.
- C. The employee does not submit moving expense receipts to the institution but is advised to keep them for personal tax return purposes.

III. Other Provisions

- A. The Relocation Bonus will be paid only after a Relocation Bonus Agreement is executed between the employee and the University.
- B. The University assumes no liability whatsoever for personal injuries, property damages, or other losses which may be sustained in connection with any moves undertaken pursuant to these guidelines.
- C. In consideration for the University paying a relocation bonus, the employee agrees to remain employed by the University for a period of at least one year. For faculty appointed on an academic basis, one year is defined as the length of their contract term. For administrative professionals and classified employees, one year is defined as twelve months. Should the employee voluntarily leave employment prior to completion of that year, the employee will be liable to the University for repayment of any relocation bonus which the University has paid (to or on behalf of the employee), together with all payroll taxes withheld by the University in connection with such bonus. If the employee is terminated for cause during the first year, the University may

seek repayment of any relocation bonus.