DISCRETIONARY RELOCATION SUPPORT PROGRAM

We understand that moving to a new location can take time, effort, and money. The University of Delaware is committed to providing monetary relocation support to new employees to ease the financial burden associated with a move to the Delaware area, allowing them to focus on their new roles.

Personal Expenses:
The University of Delaware provides either full or partial reimbursement of moving expenses for newly hired faculty and professional staff in the form of a lump sum moving allowance. This benefit may be extended to post-doctoral researchers at the discretion of the College Dean. This allowance will facilitate paying an employee for expenses associated with a move to the University including packing and transporting of items, house-hunting, and transportation and lodging. Eligible employees must have a written offer of employment from the University and reside at least 50 miles from the position's primary office location, at the time of the offer, to qualify for relocation support.

2018 Federal Tax Reform Related to Moving Expenses:
Effective January 1, 2018, all personal moving expenses paid to the employee are taxable. Furthermore, these payments are taxable without regard to whether receipts and/or appropriate documentation are provided.

Lump Sum Moving Allowance:
The lump sum moving allowance is a one-time payment that will be included with an employee's first paycheck, or as soon as reasonably possible. While the amount is at the discretion of the department, it should align with the relocation distance and anticipated costs for the move. The amount offered is determined for each prospective employee on a case-by-case basis. This allowance is intended to be used for all expenses associated with the new employee's relocation, and employees should not expect additional payments or reimbursements related to their move. Furthermore, the lump sum moving allowance should not be considered a signing bonus. Since this is an “allowance,” taxes will be withheld when the payment is made. The payment and withholding will be reported on the employee's W-2 Form. Individuals should consult their tax adviser to determine whether any deductions may be available to them. The University will not provide any personal tax advice regarding this payment.

Repayment of Moving Allowance:
If an employee receiving the allowance voluntarily leaves the University within 12 months of hire, the employee is responsible for reimbursing the University a prorated amount based on months worked. If an employee works through the 15th of the month, that month is considered as a full month worked. Each full month worked will reduce the amount to be repaid by one-twelfth (1/12) of the net reimbursement. Repayment may be waived if employment is terminated for reasons beyond the employee's control and acceptable to the University.

Authorizing the Allowance:
A College Dean, Vice Provost or Vice President may authorize relocation support of up to $10,000, less applicable taxes. Requests to offer relocation support in excess of $10,000 must be approved by the Vice President for Human Resources for staff hires, or the Vice Provost for Faculty Affairs for faculty hires. Requests must include a detailed rationale for the exception.

Procedure:
The employee must arrange and pay for their moving expenses. Upon hire, the employee's department will process an S-Contract for the approved lump sum allowance amount. The instructions related to the allowance payment can be found here: Reimbursement S-Contract Process.
Payment will occur in the employee's first paycheck, or as soon as reasonably possible.

Language for offer letter:
“You will also receive a one-time relocation allowance of $________, less applicable taxes, to assist with your transition to the area. This payment will be treated as taxable income. If you voluntarily resign during the 12 months of your date of hire, you will be responsible for reimbursing the University of Delaware a prorated net amount of the relocation allowance.”

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