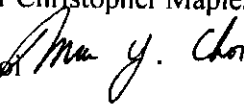


TO: Chancellor Alexander Cartwright
Chancellor Thomas George
Chancellor C. Mauli Agrawal
Interim Chancellor Christopher Maples

FROM: President Mun Choi 

DATE: Monday July 16, 2018

RE: Amended Executive Order No. 15 (CRR 360.111 *Moving Allowance*)

As previously discussed during our General Officers meeting on May 23, 2018, today I am issuing Amended Executive Order No. 15, Collected Rules and Regulations section 360.111 *Moving Allowance*.

This amendment was prompted by recent changes to federal tax law. Beginning with the 2018 tax year, most taxpayers no longer are able to deduct moving expenses. This change rendered the University's existing policy authorizing reimbursement for actual moving expenses obsolete. To bring our policy in line with the new tax law, Amended Executive Order No. 15 replaces moving expense reimbursements with a flat moving allowance. This change also will streamline our processes by doing away with the need for receipts and avoiding duplication and overpayments.

Moving allowances are not an entitlement and will not be authorized in all circumstances. A moving allowance must be authorized by the President, Vice President, Chancellor, Hospital Chief Executive or designee, and will not exceed 5 percent of the employee's annual salary or \$10,000, whichever is lesser, absent special circumstances and authorization by the President, Vice President, Chancellor, or Hospital Chief Executive. Departments may limit moving allowances to less than the maximum allowed by policy. Approved moving allowance will be paid after the employee's effective date of hire with the University of Missouri, or if the employee is a current University employee, after the employee begins regular employment at the new campus or location.

As a condition of receiving the moving allowance, the employee must sign an agreement requiring repayment of the allowance contingent upon continuing employment with the University for two years. The moving allowance agreement is located at: <https://www.umsystem.edu/ums/fa/management/records/forms/human/>.

The changes to Executive Order No. 15 were vetted through the Human Resources Policy Group, Human Resources Operations Group, Office of Finance, and General Counsel's Office.

A complete version of Amended Executive Order No. 15 (CRR 360.111) is attached to this email. Please share this information with the Provosts, Human Resources officers, and other individuals on your campuses.



Collected Rules and Regulations

Personnel

Chapter 360: Compensation

360.111 Moving Expenses

Amends 25.110 per Bd. Min. 4-22-65, p. 29,094; Executive Order No. 15, 9-4-74; Amended 1-1-82; amended 5-26-04; amended 07-16-18 with an effective date of 8-1-18;

SUMMARY

University departments may offer moving allowances for new employees when in the best interest of the University. For current employees, a moving allowance may be authorized when it is in the best interest of the University to move a current employee from one campus or location to another.

- A. **Policy** -- Moving allowances are not to exceed five percent (5%) of the employee's annual salary, or \$10,000, whichever is less. In special circumstances the President, Vice President, Chancellor, or Hospital Chief Executive Officer may authorize an allowance in excess of 5% or \$10,000.
- B. **Authorizations** -- Moving allowances are not an entitlement and will not be authorized in all circumstances. Departments may also limit moving allowances to less than the maximum amount allowed by policy.

Prior to making an offer of a moving allowance to a new or current employee, the allowance must be authorized by the President, Vice President, Chancellor, Hospital Chief Executive Officer, or a designee.

- C. **Repayment Agreement** -- As a condition of receiving a moving allowance, new and current employees must sign an agreement requiring repayment of the allowance contingent upon continuing employment with the University for a two year period. Repayment of the allowance shall be in accordance with the following schedule:

- Less than six (6) full months worked – return 100 percent;

- At least six (6) full months worked, but less than 12 full months – return 75 percent;
- At least 12 full months worked, but less than 18 full months – return 50 percent; and
- At least 18 full months worked, but less than 24 full months – return 25 percent.

D. Payment Distribution– Approved moving allowance will be paid after the employee’s effective date of hire with the University of Missouri, or if the employee is a current University employee, after the employee begins regular employment at the new campus or location.