



AUBURN UNIVERSITY

HUMAN RESOURCES

Auburn University Employee Transition Allowance Procedures

Corresponding Policy Title: [Auburn University Employee Transition Allowance](#)

Effective: *January 1, 2018*

Last Updated: April 9, 2018

Procedure Owner: Human Resources

Responsible University Department: Human Resources

Related Policies:

Procedure Contact: Associate Vice President, Human Resources

Forms:

I. Procedure Statement

Effective January 1, 2018, at the discretion of the Department Head, Dean, or appropriate Vice President, Auburn University may pay an incoming faculty or administrator (VP or Director level) an equitable transition allowance to cover their personal moving, relocation, and employment transition costs.

II. Procedures

1. An EPAF for Transition Allowance will not be necessary if:
 - The Transition Allowance is less than 10% of the employee's regular starting salary **AND** the offer letter which includes the Transition Allowance amount was signed off on by the appropriate Department Head, Dean or Vice President.
2. An EPAF for the Transition Allowance will be necessary if:
 - The Transition Allowance is less than 10% but the offer letter did not reference the Transition Allowance amount; OR

- The Transition Allowance is less than 10% and was referenced in the offer letter, but the offer letter was not signed off on by the appropriate Department Head, Dean or Vice President; OR
- The Transition Allowance is greater than 10% of the employee's regular starting salary.

Instructions to create the Transition Allowance EPAF (ALLWNC)

- To process EPAF ALLWNC
 1. Go to **Self-service Banner**
 2. Select **Employee Tab**
 3. Select **New EPAF**
 4. Enter **Banner ID** of employee
 5. For **Query Date**, date will be the start of the pay period for which pay will need to be paid
 6. For **Approval Category**, select **ALLWNC, Add an allowance to an employee**
 7. Click: **Go**
 8. Select the **Active Primary Job** to which the allowance applies
 9. Click: **Go**
 10. Change "**Effective Date**" of Regular Earnings to same effective date of Query Date as entered above
 11. Enter "**Effective Date**" of Allowance as same effective date of Query Date as entered above
 12. Select: **TMA, Transitional Moving Allowance** from drop down list
 13. For **Hours or Units Per Pay**: Enter **1.00**
 14. For **Special Rate**: enter the amount (gross, or pre-tax amount) of the allowance to be paid
 15. Enter **End Date** for Allowance, which must be the day after the pay period end date. For example, if allowance is paid on 04/30/2018 and the pay period ends 04/30/2018, the end date of the Allowance must be 05/01/2018.
 16. Click: **SAVE**, and if saved successfully, move to next steps. If not saved successfully, correct errors and resave.
 17. **Select Routing Queue**
 - If the allowance is less than 10% and the offer letter was not signed as indicated above, EPAF must route to the following for approval:
 - HR Liaison and
 - Either the Department Head, Dean or appropriate Vice President.

- If the allowance is greater than 10% of the employee's regular rate of pay, EPAF must route to the following for approval:
 - HR Liaison and
 - Either the Department Head, Dean or appropriate Vice President, and
 - Either the Provost, Vice President Business & Finance, Chief of Staff or Vice President Student Affairs.

18. Click: Save

19. Click: Submit

III. Definitions

- A. **Employee:** For purposes of this policy, an employee is anyone who receives a Form W-2 from the University.
- B. **Transition Allowance:** Payment made as a taxable benefit to an incoming faculty or administrator to cover their personal moving, relocation and employment transition costs. This payment includes moving company expenses, temporary storage or housing, travel, meals, or other personal or family relocation expenses.

IV. Sanctions

Violations of this procedure will be addressed through the appropriate disciplinary action.

V. Forms

VI. Related Information

VII. History

4/6/2018: The corresponding policy replaces Auburn University Travel Policy Section 4.2 Relocation Expenses. The recently enacted Tax Cuts and Jobs Act (TCJA) changed tax law related to the moving expense deduction. Section 11048 of the TCJA modifies Section 132(g) of the Internal Revenue Code to suspend the exclusion for reimbursed moving expenses. As such, moving expenses are now taxable to employees when reimbursed or paid on their behalf by Auburn University.