

Welcome to Andrews University!

We are happy that you made the decision to join our Andrews family.

We recognize that moving can be very stressful, especially when relocating to a completely different community as well as starting a new job, and we want to help make that transition as painless as possible. Because your employee status allows for moving benefits, Andrews University will pay/reimburse up to \$25,000 per family* for the expenses outlined below. This benefit provision is limited to a five-year period from the date of hire. Additionally, 25% tax assistance on the reimbursed expenses will be provided. Both the moving expenses covered and the tax assistance are considered taxable benefits.

There are few things that we would like you to keep in mind:

- Although you may receive reimbursement checks as receipts are presented to HR, all your moving expenses may be accumulated and processed through payroll together in **one pay period** together with the tax assistance.
- Taxes withheld on the pay period that your moving expenses are processed may or may not sufficiently cover all the tax liability of these benefits.
- **Please consult with your tax advisor and then the payroll office on the details of how you would like to handle the tax withholding amount on the first and on any subsequent paychecks.**

You will be notified prior to the payroll period that moving expenses are processed so that you can have an opportunity to submit new tax withholding certificate(s) as necessary.

Tax withholdings can be a few hundred or thousand dollars depending on what the actual expenses of your move are, your individual tax bracket, and information from your federal and state withholding certificate (form W4). The current withholding rates are:

Federal Taxes	Variable
Michigan	4.25%
Social Security	6.20%
Medicare	1.45%

Please review the full moving benefits policy that can be found here:

https://www.andrews.edu/services/hr/current_employees/benefits/overview/moving.html

If you have any questions, please feel free to contact us. We hope and pray that you have a smooth transition!

** If both spouses are hired by Andrews University, irrespective of whether this happens at the same time or not, the family is limited to the established cap.*

I have read and understand the moving benefits policy and that I will incur tax liability for the moving expenses Andrews University will pay on my behalf and will address the applicable tax withholding through payroll as necessary.

Signature

AU ID#

Date

Eligible moving expenses

- House hunting trip for you and your spouse, including transportation, lodging and food
- The initial relocation of your belongings (mover's invoice or self-move) & subsequent local move
- Flight tickets or mileage to move you and your family (lodging, food, per diem)
- Storage of your belongings for up to 6 months if necessary
- Relocation of your belongings from a storage unit to your permanent residence
- One vehicle at 100 percent of the regular mileage allowance
- Temporary housing (hotel, apartment, or campus housing): 2 weeks (100%) + 6 weeks (50%)
- \$1500 cash allowance for incidental costs associated with your move
- Vehicle registration

Ineligible moving expenses (will NOT be covered/reimbursed)

- Travel/trip insurance
- Car insurance

Duplicate Housing

In addition to the moving expense reimbursements, the university also provides duplicate housing assistance (taxable benefit). When an employee relocates, he/she may be legally required to continue his/her lease or fail to sell or rent his/her home, and is required to pay housing expenses at both his/her former location and his/her new location. This duplicate housing assistance is available to cover the time when payments are being made at both locations and both homes are habitable. This assistance and/or its amendments does not apply for rental or income properties.

There are three options to choose from:

1. **Monthly reimbursement:** reimbursement of the monthly cost* of maintaining the house from which the employee has moved, provided it is placed on the market. *Note: if the house is rented while on the market, the rental income is used to reduce the duplicate housing assistance.*
 - a. First three months—house is priced at its appraised value.
 - b. Next three months—a certified appraisal must be submitted; house is advertised for another three months at this appraised price.
 - c. After six months—house must be marketed at 95% of the appraised price; this is subject to Compensation Committee approval. Additional time may be approved by the action of the Compensation Committee.
2. **Shared loss:** consideration of the shared loss provision must be discussed with and approved by HR up to the first 30 days of employment. The university's share of the loss will be 50% or six months of the monthly reimbursement amount, whichever is lower.
3. **Cash-out:** a cash-out provision with calculation as follows: 83% of the estimated cost of the monthly allowable duplicate housing benefit for the average period of time a house stays on the market in the given area. Any settlement must be approved by the Compensation Committee and is limited to a maximum of \$40,000.

**The monthly allowance for duplicate housing is based upon the actual costs of principal, interest, taxes, insurance, utilities, and reasonable property maintenance costs*

Please work with the payroll office on any request for special tax withholding arrangement. Note: while reported as taxable income, taxes may not have been withheld at all or sufficiently on the reimbursement paid to ordained ministers who are treated as self-employed.

I have read and understand my duplicate housing options as stated above. I choose to select option # _____

Please check here if you do not require any duplicate housing benefit (no options above selected).

Signature

AU ID#

Date

Amortization Agreement

The total moving expenses paid to/for you shall be amortized over four (4) years from the date of hire. In the event that you leave employment at Andrews University prior to the completion of the four-year amortization period, you agree to reimburse the unamortized portion of the amount to Andrews University according to the following schedule:

- Employed less than 2 years*: 100% repayment
- Employed 2 years or more but less than 3 years: 50% repayment
- Employed 3 years or more but less than 4 years: 25% repayment

*includes if moving expenses have been paid to/for you prior to your hire date and you withdraw your offer acceptance or abandon your hire/employment

Repayments of unamortized expenses:

- If moving to another denominational employer, in accordance with NAD Working Policy E 45 71 (Amortization of Moving Expenses), Andrews University will invoice the corresponding unamortized expenses to the new denominational employer for repayment
- If not moving to another denominational employer, an invoice for the unamortized expenses will be issued to you and any tax effect resulting from repayments must be worked through with your tax advisor

Moving expenses that may be paid out/reimbursed are:

- House hunting trip for you and your spouse, including transportation, lodging and food
- The initial relocation of your belongings (mover’s invoice or self-move receipt)
- Subsequent local move to a purchased home (up to \$2,500 with receipts)
- Flight tickets or mileage to move you and your family (lodging, food, per diem)
- Storage of belongings for up to 6 months, if necessary
- Relocation of belongings from a storage unit to a permanent residence
- One vehicle at 100 percent of the regular mileage allowance
- Temporary housing (hotel, apartment, or campus housing): 2 weeks (100%) + 6 weeks (50%)
- \$1500 cash allowance for incidental costs associated with your move
- Vehicle registration

I, _____ have read and fully understand the above Andrews University Amortization Agreement and agree to comply with the amortization period and repayment of the unamortized portion of the amount.

Signature AU ID# Date