



RELOCATION INCENTIVES

Scope: All campuses served by Louisiana State University (LSU) Finance and Administration

Effective: February 1, 2021; Updated April 30, 2023. This FASOP supersedes and replaces all prior versions of the relocation incentive policy and replaces FASOP AS-01. Reimbursements to third party vendors for moving expenses will no longer be processed through LSU. The employee will receive a one-time relocation incentive payment through LSU for which they may use to pay for moving related expenses directly. Individuals offered or hired with a relocation incentive or reimbursement agreement prior to February 1, 2021, shall be grandfathered under the provisions of their offer.

Purpose: To establish a procedure for the disbursement of employee relocation incentives.

Definition: Relocation incentives offer a one-time lump sum payment to an employee when it is in the university's interest to provide an incentive to a current or prospective employee to move from one geographic location to another. Relocation incentives will typically be disbursed with the employee's first paycheck following their appointment. Per Internal Revenue Service regulations, all payments are taxable compensation subject to withholding and other appropriate deductions and reported on the W-2 form as part of the employee's total compensation.

Provisions:

I. Eligibility: Offers to permanent, full-time employees (75% effort or more) are eligible to be considered for relocation incentives.

II. Amount: Funds for relocation incentives are the responsibility of the hiring department. The Dean or Department Head may approve relocation incentives up to 10% of the employee's base hiring salary or \$10,000, whichever is greater, for employees earning greater than or equal to \$60,000 per year with the concurrence of HRM. The Dean or Department Head may approve relocation incentives for employees earning less than \$60,000 per year according to the following mileage rubric with the concurrence of HRM.

Mileage relocation from their original domicile to LSU	Percentage of Relocation
<= 250 miles	2.5%
251-750 miles	5%
751-1250 miles	8%
>1251 miles	10%

Incentives greater than the established thresholds shall also be approved by the Executive Vice President for Finance & Administration and CFO.

III. Agreement: Any employee who receives a relocation incentive must sign a Relocation Agreement, which stipulates that part, or all the payment will be returned if the employee does not continue employment with the hiring department for at least two years, unless advanced administrative approvals are obtained. See Appendix A.

IV. Repayments: In the event that an employee who received a relocation incentive does not continue employment with the hiring department at Louisiana State University for at least two years, the employee will be responsible for reimbursing the hiring department based on the following formula:

Fiscal Year Appointment: Repayment Amount = (24 Months- Number of Full Months Worked) x (Gross Amount of Relocation Incentive/24 Months)

Academic Year Appointment: Repayment Amount = (18 Months- Number of Full Months Worked) x (Gross Amount of Relocation Incentive/18 Months)

Repayments may be waived only in justifiable circumstances with the approval of the Executive Vice President for Finance & Administration & CAO or his/her designee.

Appendix A

RELOCATION INCENTIVE AGREEMENT

Name: _____ LSU ID Number: _____

Department: _____ Title: _____

Position Number: _____ Account Number: _____

Start Date: _____ Relocation Incentive Amount: \$ _____

Relocation from: _____ to _____

In accepting this relocation incentive payment, I, _____, agree to
Employee Name

repay the relocation incentive if I do not continue employment with the hiring department at Louisiana State University for at least two years. Additionally, I authorize LSU to deduct the repayment amount from my pay. The repayment amount for reimbursing the department is based on the following formula:

Repayment Amount = (24 Months- Number of Full Months Worked) x (Gross Amount of Relocation Incentive/24 Months)

LSU A&M employees must establish their direct deposit information in Workday. The [Manage Payment Elections \(Direct Deposit\) Job Aid](#) provides detailed instructions on adding banking information. Employees of all other LSU institutions must complete the [Direct Deposit Form](#) in order to receive payment. Direct Deposit updates and changes can be sent to payroll@lsu.edu using a secure FilesToGeaux link (see [Job Aid](#) for instructions) through myLSU or hand delivered to 204 Thomas Boyd Hall.

Relocation incentive payments are considered taxable income and are subject to federal, state, and Medicare tax withholding.

Employee Signature: _____	Date: _____
Department Head: _____	Date: _____
Dean: _____	Date: _____
HRM: _____	Date: _____
Executive Vice President & CAO <i>[if required]</i> : _____	Date: _____