1.0 PURPOSE

The purpose of this document is to describe the Laboratory’s relocation procedure for regular appointments.
2.0 AUTHORITY AND APPLICABILITY

2.1 Authority

This document is issued under the authority of the Laboratory Director to direct the management and operation of the Laboratory, as delegated to the LANL CFO as provided in the Prime Contract specifically Appendix A, Section XIV – Travel and Relocation. This document derives from the Laboratory Governing Policies, particularly the section on Asset Management.

- Issuing Authority (IA): Chief Financial Officer (CFO)
- Responsible Manager (RM): Chief Financial Officer (CFO)
- Responsible Office (RO): Chief Financial Officer (CFO)

2.2 Applicability

This document applies to all new LANL regular hires.

3.0 PROCEDURE DESCRIPTION

Laboratory employees may be entitled to relocation expenses if the costs are authorized in the employment offer letter and the move is incidental to a change in workplace where the distance from the old residence to the new workplace is at least 50 miles greater than from the old residence to the old workplace.

Reimbursement of relocation expenses must begin within six months from the effective date of transfer/hire. Claims for reimbursement of relocation expenses must be submitted within six months of the date expenses were incurred.

The maximum time allowed to complete the relocation process is two years from the effective date of the employee’s hire/transfer to the new assignment location.

Employees relocating from foreign countries may be eligible for reimbursement of expenses based upon the domestic allowances with the following exceptions:

- No shipment of personal vehicle from a foreign location
- Household goods are limited to 1,000 lbs. by air and the balance of 8,000 lbs. shipped by sea.

Charges for travel and relocation will be consistent with LANL charging practices.

The effective date of employment for newly hired employees will be the day the employee reports to work. No salary will be paid to new hires during en route travel.

Employees transferring from Parent Companies may have an effective hire date (at which time they are automatically covered by LANL insurance) and a later report date based on actual authorized travel days. In that instance, the transferring employee’s time card is coded as regular work time (no overtime charges allowed) and salary is paid during en route travel for actual travel days excluding weekends.

The following sections detail the types of relocation expenses that may be reimbursed.
3.1 Employee Tax Implications

Certain relocation expenses are considered taxable income to the employee. LANL is required to include relocation reimbursements in the employee’s taxable income reported to the tax authorities. Employees are responsible for filing their own tax returns and are advised to consult with their own tax advisors on these matters. Laboratory employees are not authorized to give tax advice.

LANL will provide employees tax assistance to offset tax liability. Assistance will be based upon standard tax liability rate(s) and, therefore, may not be an exact match of tax liability. For information regarding how relocation reimbursement taxes are calculated, see [Relocation Gross Up Calculations](#).

3.2 Payback Provision

Employees who resign for reasons within their control, are transferred at their own request, or are terminated for cause within twelve months of their payroll start date, or the date of their permanent transfer for which relocation benefits were awarded, will be required to repay LANS the full amount for relocation including 3rd party payments and relocation gross up tax assistance.

Reimbursement of relocation expenses will cease upon termination of employment.

3.3 House Hunting

Costs of finding a new residence, such as an advance trip by a newly recruited employee and spouse or registered domestic partner, to locate living quarters is reimbursable as detailed below.

One house hunting trip for employee and spouse not to exceed 10 days in duration including travel time is authorized. Reimbursement for economy class airfare, lodging, meals, and incidental expenses is authorized (see Regular Hire Allowance Table for per diem percentage). Auto rental expenses are reimbursed; however, mileage and gasoline are not reimbursed. Per diem lodging and meals and incidental expenses (M&IE) will be based on assignment location maximum per diem rates.

A round trip performed by the employee for this purpose must be accomplished before reporting to the new assignment location. A round trip by the spouse or registered domestic partner may be accomplished at any time before relocation of the family to the new location but not after 2 years from the effective date of the employee’s hire/transfer.

3.4 En Route Expenses

Travel via Common Carrier: Travelers are required to use commercial airlines. Flights are to be booked by the most direct route and reimbursement will be limited to the lowest available fare. Lowest available fare is defined as the least expensive non-refundable fare with a maximum of one stop, based on the business location.

Travel via Privately Owned Vehicle: Private vehicle mileage will be calculated at the approved IRS moving rate per mile. Travel time is calculated at an average of 400 miles/day. Mileage determinations are based on mileage between the authorized points of travel as listed in the Rand-McNally standard distance charts. Reimbursement of toll charges is allowed over and above the mileage allowances.

If two privately owned vehicles are driven, mileage will be reimbursed at the IRS approved moving mileage rate. If one vehicle is shipped and the other driven, costs for the shipped vehicle will be in accordance with Shipment of Autos Section and the vehicle driven will be reimbursed at the IRS approved moving mileage rate.
Reimbursement for En Route lodging, meals and incidental expenses will be in accordance with the published GSA rate for each overnight location based on the actual number of days used to complete the trip, not to exceed the number of days computed on the basis of the 400 mile minimum driving distance per day.

### Table 1. Regular Hire Lodging and M&IE Allowances

<table>
<thead>
<tr>
<th>Family Members</th>
<th>House Hunting</th>
<th>En Route Expenses</th>
<th>60 Days of Settling In</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Spouse/Registered Domestic Partner</td>
<td>75%</td>
<td>75%</td>
<td>75%</td>
</tr>
<tr>
<td>Spouse/Registered Domestic Partner Traveling without Employee</td>
<td>100%</td>
<td>100%</td>
<td>N/A</td>
</tr>
<tr>
<td>Family Member 12 Years or Older</td>
<td>N/A</td>
<td>75%</td>
<td>75%</td>
</tr>
<tr>
<td>Family Member Younger than 12 Years</td>
<td>N/A</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

1. Lodging reimbursement is limited to the employee. Additional family members are reimbursed for M&IE only. The lodging rate is based upon quantity of rooms needed. Additional number of family members does not increase lodging rate unless there is a need for more than one room.

2. House hunting trip expenses reimbursed for employee and spouse or registered domestic partner only.

3. Lodging is reimbursed at the actual not to exceed GSA rate or reduced % of GSA rate after 60 days. M&IE is reimbursed at the GSA rate or applicable % of GSA rate. If longer-term lodging is obtained or household goods are delivered at any point during the settling-in period, the settling-in allowance stops.

### 3.5 Residence Relocation Allowance

The Residence Relocation Allowance is intended to cover miscellaneous expenses associated with discontinuing the pre-departure residence and establishing a residence at the new location. Reimbursement is for a flat amount of $5,000. The following is an extensive, but not all-inclusive, listing of items the Residence Relocation Allowance is intended to cover.

- Connecting/Disconnecting Household Appliances
- Vehicle Registration
- Driver’s License and use taxes
- Cutting and fitting rugs, draperies, and curtains
- Forfeited Utility Fees
- Utility Deposits, installations, and hook-up fees
- Deposits, installation and/or hook-up fees for items such as cable television and high speed internet
- Purchase of insurance against damage to or loss of personal property while in transit
- Forfeited Cleaning Deposits
- Maintenance of building and grounds during settling-in period
- Cleaning of residence, including carpet and draperies
- Costs for newspaper advertisements for sale or lease of property
- Re-keying of locks
- Pest control fees
- Use of rental vehicle or local moving company to move household goods from temporary housing to permanent residence
- Post Office Box rental
- Tax Counseling
- Loss on sale of vehicle
- Shipment of house pets
- Purchase of items at new location not allowed to be shipped from pre-departure location
- Telephone calls to real estate agents/brokers
- Forfeiture losses on medical and/or dental contracts
- Forfeiture on contracts for private institutional care
- Forfeiture for losses on contracts for cell phones, athletic clubs, etc.
- Use of rental car at pre-departure location due to shipment of privately owned vehicle.

3.6 Settling-In

Settling-in is defined as the period of time between arrival at the permanent duty station and occupancy of a permanent residence. Occupancy occurs upon delivery of household goods.

Up to 3 pre-departure days may be used at the location from which an employee departs. Settling-in will be reduced by the number of days used for pre-departure.

Reimbursement for settling-in lodging, meals and incidentals will be in accordance with the published GSA rate for the overnight location.

Temporary lodging during settling-in is limited to 60 consecutive days less house hunting, pre-departure days and deferred pack and load. The period of consecutive days may be interrupted for the time that is allowed for travel between the old and new locations for circumstances attributable to official necessity such as an intervening short-term assignment, a business trip, or other reasons beyond the employee’s control and acceptable to LANL.

When computing the length of time allowed for settling-in, the time period will begin for the employee and all members of the immediate family when either the employee or any member of the immediate family begins the period of use of such quarters for which a claim for reimbursement is made. The time period shall run concurrently for the employee and all members of the immediate family. The period of eligibility shall terminate when the employee or any member of the immediate family occupies long-term residence quarters, when household effects are delivered to a residence, or when the authorized period of time expires, whichever occurs first.

3.7 Rental Car at Assignment Location

Actual and reasonable automobile rental costs may be reimbursed, not to extend beyond the arrival of the first privately owned vehicle (either shipped or driven) or four weeks, whichever occurs first. Mileage, gasoline and insurance are not reimbursed.
3.8 Deferred Pack and Load

The employee may request deferred pack and load when household effects could not be shipped prior to date of hire. Deferred pack and load consisting of a return trip to the point of origin is paid in lieu of 3 pre-departure days.

- With Associate Director approval, an employee may be reimbursed for a deferred trip home to take care of relocation items such as the packing and loading of their goods. The following limitations shall apply:
  - Reimbursement will be based on standard travel reimbursement procedures.
  - The trip shall not exceed three days at point of origin.
  - Settling-in will be reduced by the number of days used for deferred pack and load.

3.9 Sale of Principal Residence

A principal residence is the residence owned by the current or newly recruited employee at the time they are officially notified of the transfer or hire.

No advancement of funds is authorized in connection with the sale of a residence.

The following costs for the sale of principal residence may be reimbursed subject to a cap of 14% of the sales price less duplicate homeowner expense (see section 3.12):

- Brokerage Fees/Commissions
- Legal/Attorney/Notary Fees
- Settlement/Closing Fee
- Document Preparation/Review Fees
- Recording Fees
- Survey Fees
- VA Discount Points
- Appraisal Fees
- Mortgage Pre-Payment Penalty
- Title Abstract Fees (search and examination)
- FedEx/Fax/Courier/Postage Charges
- Inspection Fees (structural, pest, asbestos, radon, gas, etc. – if local custom dictates that the seller pay)
- Transfer Tax/Fee imposed on the seller by law and/or common practice in the state of sale
- FHA Discount Points (subject to a separate cap of 6% of the sale price, also to be included in the pool of costs subject to the 14% limit)

The following costs are not reimbursed:

- Closing fees paid on behalf of the buyer
- Loss on Sale
- Mortgage Principal
• Property Management Fees (rental agency)
• Property Repair or Improvement Expenses
• Home Warranty

The settlement dates for the sale and purchase transactions for which reimbursement is requested must occur no later than 2 years after the effective date of the employee’s transfer/hire to the new assignment location.

3.10 Incentive for Home Sale by Owner
As an alternative to Sale of Principal Residence reimbursement, an Incentive for Home Sale by owner may be elected. Use of the incentive eliminates Sale of Principal Residence Reimbursement and forfeits Duplicate Homeowner’s Reimbursement.

Reimbursement is equal to 5.0% of Sale Price. Itemized HUD or Title Transfer documents are required. Home Sale Incentives are not eligible for tax assistance (see section 3.1).

3.11 Purchase of a New Residence
LANL will reimburse costs associated with purchasing a home in the new location for newly recruited employees who are homeowners of their current principal residence.

Costs for the sale of principal residence may be reimbursed subject to a cap of 14% of the sales price less duplicate homeowner expense. See section on Sale of Principal Residence for a list of costs.

The new work assignment is at least fifty miles farther from prior principal residence than was the prior work assignment.

The prior principal residence does not have to be for sale.

No advancement of funds is authorized in connection with the sale or purchase of a residence.

The settlement dates for the sale and purchase transactions for which reimbursement is requested must occur no later than 2 years after the effective date of the employee’s transfer/hire to the new assignment location.

The following costs may be reimbursed, subject to a cap of 5% of the purchase price of the new residence. Immediate prior home ownership is a prerequisite:

• Loan Origination/Funding Fees
• Credit Report Fees
• Settlement/Closing Fee
• Document Preparation/Review Fees
• Recording Fees
• Survey Fees
• Title Abstract Fees (search and examination)
• FedEx/Fax/Courier/Postage Charges
• Tax Service fees/Flood Certification Fee/Loan Processing Fee
- Underwriting Fees/Plan Review Fee
- Title Insurance (Lender's Mortgage Coverage)
- Appraisal Fees
- Tax Stamps
- Impact Fees
- Legal/Attorney/Notary Fees (not including any cost of litigation)
- Inspection Fees (structural, pest, asbestos, radon, gas, etc. – if local custom dictates that the buyer pay)
- Title Insurance (owner's coverage – only if carried by the employee on the old residence)
- Transfer Tax/Fee imposed on the buyer by law and/or common practice in the state of purchase

The following costs are not reimbursed:

- Title Insurance (owner's coverage – if not carried by the employee on the old residence)
- Loan Discount Points/Discount Fees/Buy-Down Fees
- VA Discount Points
- FHA Discount Points
- Litigation Costs
- Property/Mortgage Insurance Costs
- Taxes
- Real estate brokers fees and commissions
- Home Warranty

### 3.12 Duplicate Homeowner Expense

Reimbursement of duplicate homeowner expenses is intended to offset the continuing costs of ownership of the vacant former principal residence being sold and is allowable for a period of up to six months.

Costs for the sale of principal residence may be reimbursed subject to a cap of 14% of the sales price less duplicate homeowner expense. See section on Sale of Principal Residence for a list of costs.

Reimbursement of expenses will begin at completion of settling-in period. Expenses include but are not limited to:

- Maintenance of Buildings and Grounds
- Utilities
- Property Taxes
- Property Insurance
- Mortgage Interest
3.13 **Shipment/Temporary Storage of Household Effects**

A maximum limit of 18,000 lbs. of household goods may be transported and stored for 90 days. Household goods may be moved from more than one location as long as the cost of moving separate shipments does not exceed the cost of one shipment from the authorized location.

Costs incurred for loading/shipment/unloading of unusually bulky items will not be authorized. Unusually bulky items for shipment include but are not limited to the following: boats, airplanes, large satellite dishes, farming vehicles, camper trailers, live animals, cordwood, building materials, and perishable articles including frozen foods.

Snowmobiles and vehicles such as golf carts, motorcycles, riding lawnmowers and mopeds may be shipped as household goods; however, any extra charges assessed by the movers for these items will be the responsibility of the employee.

Insurance: Household goods shipped and stored in the US will be insured for full replacement value up to a set maximum amount of $10 per pound. Insurance coverage above this value will be the responsibility of the employee.

Technical Resources: Items such as professional and/or technical books or tools required for job assignments do not have to be included in the shipment of personal and household effects. These items may be sent to the new long-term assignment location separately from household goods.

3.14 **Shipment of Autos**

All necessary and customary expenses directly related to the shipment of two privately owned vehicles will be reimbursed for both vehicles with the following limitations:

- Vehicle must be a passenger automobile, motorcycle or similar vehicle that will be used primarily for personal transportation.
- Vehicles must be in operating condition. (Additional cost for the shipment of antique/classic automobiles is not authorized regardless of operating condition).
- Assignment location must be more than 500 miles from point-of-departure.
- No reimbursement will be made for storage charges at point of origin or destination.

3.15 **Shipment of Mobile Homes**

Costs for the shipment of a mobile home, moved by the employee or commercial carrier and used as the principal residence, will be reimbursed. Shipment of household goods may also be included in this allowance, but the combination of mobile home transportation cost and household goods may not exceed the cost of shipment of the maximum lbs. of household goods allowance as described in section Shipment/Temporary Storage of Household Effects. The employee is responsible for the cost of insurance for valuation of the mobile home above the carrier’s maximum liability, or charges designated in the tariffs as “Special Service.” Costs for preparing the mobile home for movement and resettling it at the destination location will also be authorized.

3.16 **Lease Breakage Fees**

Expenses for breaking a lease agreement for a residence occupied by the newly recruited employee can be reimbursed. These expenses may include fees associated with subletting. Expenses are reimbursable when:

- Terms of the lease provide for payment of these expenses;
• Such expenses cannot be avoided by sublease or other arrangement; and
• The employee has not contributed to the expense by failing to give appropriate notice.

Loss of deposit due to failure to maintain property is not reimbursable.

Itemization of these expenses is required. Documentation showing that the expense was in fact incurred and paid by the employee must support each item.

3.17 Spousal Employment Allowance
LANL will reimburse actual expenses to a maximum of $1,000 for job search and certification expenses for spouse or registered domestic partner. Only expenses incurred for initial employment in the new location are eligible for reimbursement. Employee must submit expenses along with the original receipts for reimbursement of expenses. Reimbursable items include: employment agency fees, certification fees, testing fees, resume preparation, printing and mailing.

4.0 RESPONSIBILITIES

4.1 Employees
• Comply with this procedure

4.2 Managers
• Comply with this procedure

5.0 TRAINING
There are no training requirements needed to implement this document.

6.0 EXCEPTION OR VARIANCE
LANS Director or designee and the appropriate partner company representative may approve or disapprove reimbursement in excess of these relocation procedure allowances.

Exceptions granted to this LANS Relocation Procedure that have not been previously authorized by the Contracting Officer will be a LANS non-reimbursable cost.

To obtain an exception or variance to this procedure, contact the CFO Procedure Coordinator at cfo_pc@lanl.gov who will coordinate with the CFO Executive Committee.

7.0 DEFINITIONS AND ACRONYMS

7.1 Definitions
See LANL Definition of Terms.

7.2 Acronyms
See LANL Acronym Master List.
8.0 HISTORY

<table>
<thead>
<tr>
<th>Revision History</th>
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<tbody>
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<td>1/28/14</td>
</tr>
</tbody>
</table>

9.0 REFERENCES

Prime Contract: Appendix A Section XC, Travel and Relocation

PD810, Financial Management

P815, Allowable Costs

CFO Functional Series Document TR9001, Domestic and General Travel

Domestic GSA Per Diem Rates

Rand McNally Standard Highway Mileage Guide

10.0 FORMS

There are no forms associated with this document.

11.0 ATTACHMENTS

There are no attachments associated with this document.

12.0 CONTACT

Chief Financial Officer Disbursements Group (CFO-DISB)
Telephone: (505) 667-4314
Location: TA-3, Bldg 261, Room 100
E-mail: relocation@lanl.gov
Website: http://int.lanl.gov/finance/travel/index.shtml