

INTERVIEW AND RELOCATION	POLICY	
	Document Number:	AS-HR-PR-3865
	Version Number:	01

1.0 Purpose:

To provide guidelines for the payment of interview and relocation expenses for certain job candidates and newly hired VTA employees.

2.0 Scope:

This policy applies to all departments of VTA.

3.0 Policy:

3.1 Eligibility for Interview and Relocation Expense Reimbursement

3.1.1 Interview Eligibility: Any out-of-area candidate (see section 4.2) for a position that has been designated as a critical vacancy (see section 4.1) is eligible for reimbursement of interview expenses as defined in this policy. Out-of-area candidates for positions not designated as critical vacancies may be eligible for reimbursement of interview expenses upon the approval of the Chief Administrative Officer (CAO) or designee.

3.1.2 Relocation Eligibility: Any out-of-area newly hired regular employee of VTA (see section 4.8) whose position has been designated as a critical vacancy is eligible for relocation expense reimbursement as defined in this policy provided the employee is not eligible to receive relocation expense reimbursement from any other source (See Addendum 1). Any out-of-area newly hired regular employee whose position is not designated as a critical vacancy may be eligible for reimbursement of relocation expenses upon the approval of the CAO or designee.

3.2 Interview and Relocation Expenses for the same employee - Approval of a candidate's interview expenses does not automatically result in approval of the same individual's relocation expenses. Interview expenses are not counted toward the maximum reimbursement for relocation.

3.3 Prior Approval – The approved categories and appropriate reimbursement for relocation are subject to prior approval and must be addressed in the offer letter to a relocating job candidate. Expenditures otherwise eligible under the terms of this policy, but made without prior approval, will be reimbursed only on an exception basis (see section 3.11 below).

3.4 Allowable Expenses – VTA's duty to reimburse for interview and/or relocation expenses is limited to actual expenses, up to a specified cap (see section 3.8) incurred in the following categories:

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- a) Travel
- b) Lodging
- c) Meals
- d) Temporary Living Expenses
- e) House-Hunting Expenses
- f) Moving Expenses
- g) Storage

Interview expense reimbursements are limited to actual expenditures in categories approved by the CAO or designee. Relocation expense reimbursements are limited to actual expenditures in categories approved by the CAO or designee, not to exceed the specified cap. It is not expected that all categories of expenditure will be approved for all interviews and/or relocations.

3.5 Means of Payment – Payment of interview and relocation expenses shall be either through the reimbursement of the employee or candidate upon presentation of acceptable documentation of actual expenditures, or through direct payments by VTA to the moving company, hotel, or other vendor. The CAO or designee shall determine in advance which means of payment will be used for each category of expenditure covered in a particular interview process or relocation. For purposes of administration of this policy, “reimbursement” of expenses to a candidate or new employee shall be interpreted as including any direct payments made to vendors.

3.6 Categories of Allowable Expenses

3.6.1 Travel – Eligible employees or candidates will be reimbursed for their actual expenses when traveling by coach or economy rate by airline, railroad, or bus; relocating employees should be encouraged to make a reasonable effort to secure any discounted rates available. Business class and first class fares generally will not be approved.

Private automobile mileage for interviews will be reimbursed at VTA’s mileage reimbursement rate, as established by the Chief Financial Officer (CFO). Mileage related to relocation is reimbursed at a lower rate per IRS regulations (see Addendum 2). Parking and toll charges will be reimbursed when receipts are supplied. (See the VTA Travel & Expense Reimbursement Policy #FRS-PL-340, for rates and details).

Reimbursement for travel by taxi will generally be made only when public transportation is not available or practical. Receipts are recommended for all such fares and are mandatory for expenses in excess of \$10.

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Rental car expenses may be reimbursed with prior approval of the CAO or designee. Only subcompact, compact, or economy car rental rates will be reimbursed. Deposits or fees for insurance, fuel, or excess mileage will not be reimbursed. VTA is not liable for damage to the rental car.

3.6.2 Lodging – Hotel or rental housing expenses during the interview and/or relocation process will be reimbursable subject to the following limits:

3.6.2.1 The daily rate (or equivalent, for weekly or monthly rental housing) must be no higher than the average government lodging rate for the area per the U. S. General Services Administration (GSA) guidelines (see Addendum 3).

3.6.2.2 Additional charges for internet, television, entertainment, or other services will not be reimbursed. Charges for hotel laundry or valet services will not be reimbursed.

3.6.2.3 Telephone expenses will not be reimbursed.

3.6.3 Meals for Interviews and Relocations

Meal allowance may be provided to approved candidates. For each full day of such activities, these individuals may receive the approved per diem meal allowance established by the CFO. For each partial day, payment of a per diem allowance will be subject to approval by the CAO or designee. In no instance will reimbursement be made for the cost of any alcoholic beverages.

3.6.3.1 Candidates who are housed in approved lodging with cooking facilities during house-hunting trips or during the actual relocation move may apply per diem meal allowance to the purchase of groceries, excluding alcohol.

3.6.4 Temporary Living Expenses

Temporary living expenses may include lodging and certain travel expenditures for the newly hired employee and/or his or her family during the first three months of employment with VTA.

3.6.4.1 Lodging: The length of time for the reimbursement of temporary living expenses is subject to discretion of the CAO or designee, but in any event may not exceed 90 calendar days. The hotel or temporary housing must offer a government rate or charge a daily rate no higher than the average government lodging rate in the

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area as determined by the GSA guidelines. Once the newly hired employee finds permanent lodging (*e.g.*, by moving into a purchased or rented home), the VTA's duty to reimburse for temporary living expenses ceases, even if the number of days agreed upon for temporary living expenses has not yet been exhausted.

3.6.4.2 Broker's Fee: Broker's fees for temporary or permanent lodging are not reimbursable.

3.6.4.3 Meals during Temporary Living - A new employee eligible for temporary living expenses will not receive a meal allowance.

3.6.4.4 Home Visits – An employee in approved temporary lodging prior to his or her permanent relocation may be reimbursed for one round-trip return visit home (within the continental United States) subject to the limitations outlined in this policy.

3.6.4.5 Telephone – No telephone expenses will be reimbursed.

3.6.4.6 Laundry, Dry Cleaning, Hotel Valet Services – Expenses for laundry, dry cleaning, or hotel valet services will not be reimbursed.

3.6.4.7 Commuting – No expenses for commuting during the period of lodging in temporary quarters will be reimbursed.

3.6.4.8 Internet or Entertainment – No internet or entertainment expenses will be reimbursed.

3.6.5 House-Hunting Expenses

Before the employee begins his or her new position, house-hunting trips may be taken by the employee. The employee may be reimbursed for the lodging, meals and travel expenses for up to two (2) house-hunting trips, not to exceed a total of five (5) calendar days. Such reimbursements are subject to the limitations outlined in this policy.

Spousal expenses will not be reimbursed.

The expense days used for house-hunting will not be counted toward the days allocated for temporary living.

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Car rental expenses incurred for house-hunting may be reimbursed at economy class or other generally prevailing discounted rates.

3.6.6 Moving Expenses

A relocating employee may be reimbursed for the shipment of household goods via a commercial van line or through a self-move (see section 3.6.7 below). Travel and lodging expenses for the employee and his or her immediate family during the period of the movement of household goods are also eligible for reimbursement by VTA.

It is the responsibility of the employee to provide VTA with at least three written estimates from commercial van line agents or three estimates from rental companies if a self-move is selected. The CAO or designee will select the van line or rental company to be used.

Unless storage is required (see section 3.6.8), shipment of household goods by a commercial van line will be limited to the move from the employee's former primary residence to his or her new residence.

The following items are reimbursable during the move via commercial van line:

- a) Line-haul charges
- b) Insurance premiums (up to a maximum of \$250 in declared value premiums)
- c) Containers and equipment for packing
- d) Charges for packaging and unpacking

The following are not reimbursable during a move via commercial van line:

- e) Extra pickup or delivery
- f) Shipment of automobiles or boats
- g) Shipment of firewood, lumber, or plants
- h) Shipment of alcoholic beverages, frozen food, or other perishable items
- i) Shipment of pets

3.6.6.1 Reimbursement for the cost of shipping unusual, cumbersome, and/or dangerous items will not be approved.

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3.6.6.2 Reimbursement for the travel, lodging and actual meal expenses of the newly hired employee and his or her dependents during the move is permitted, subject to the limitations outlined in this policy.

3.6.6.3 The employee and his or her dependents must travel directly and in reasonable, timely, and cost-effective manner from their place of former residence to their new residence in order for their transportation costs to be reimbursed. If a government lodging rate is not available, reasonable and cost-effective lodging costs will be reimbursable for each day of the move.

3.6.7 Self-Move

A relocating employee may be reimbursed for the shipment of household goods via a self-move.

3.6.7.1 It is the responsibility of the employee to provide VTA with at least three estimates from rental companies if a self-move is selected. The CAO or designee will select the rental company to be used.

3.6.7.2 An employee who selects a self-move may be reimbursed for the cost of the following items:

- a) The rental of a vehicle and/or trailer
- b) Containers and equipment for packing
- c) Insurance coverage
- d) Rental of tow bar
- e) Tolls and gas used during the self-move

3.6.7.3 In no event will an employee be reimbursed for any labor involved during the course of a self-move.

3.6.7.4 The restrictions on the employee's and dependents' lodging and travel outlined in section 3.6.6 above, also apply to a self-move.

3.6.8 Storage Charges

Storage charges, including pickup, delivery, warehouse, handling, and insurance charges will only be covered for no more than 90 days and only with the prior written approval of the CAO or designee.

3.7 Policy Interpretation and Relocation Counseling

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The CAO or designee shall enclose a copy of this policy with the offer letter to the newly hired employee to whom relocation expenses are being offered.

The CAO or designee, in consultation with the Office of the General Counsel, shall be responsible for interpretation of this policy and for providing counseling to prospective and newly hired employees to determine whether there are special problems or circumstances that might interfere with the candidate's relocation. Such counseling should be scheduled as part of the interview process for prospective employees.

3.8 Cap on Relocation Expenses

The CAO or designee shall be responsible for establishing a relocation expense cap, not to exceed \$9,000.00, and communicating the cap to the employee in the offer letter.

3.9 Documentation, Tax Implications, & Liability

3.9.1 Documentation – The candidate or newly hired employee shall be reimbursed only after submitting to the CAO or designee a detailed expense statement with accompanying receipts for all claims within 45 calendar days from the date the expenses were incurred. Payments to vendors in response to approved direct billings will be made only upon presentation of complete and detailed invoices.

3.9.2 Time Limit – All relocation expense claims must be submitted to the CAO or designee within six (6) months following the date of hire. Relocation expense claims submitted more than six (6) months following the date of hire will not be reimbursed.

3.9.3 Liability – The VTA shall not, as a result of its reimbursement policy or selection of appropriate commercial van line or rental organization, be held to be an insurer or guarantor for damage, loss, theft or other acts within the control of the employee, his or her dependents, the moving company or rental agency.

3.9.4 Individual Tax Liability – Payments for relocation expenses may result in taxable income liability for federal, state, and city income tax purposes. It is the responsibility of the employee to realize and assume any such liability incurred through application of the policy. This condition will be explicitly stated in the offer of employment.

3.10 Recovery of Payments for Relocation

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The VTA shall be entitled to recover all relocation expenses and all costs incurred in collection of such expenses, from any employee who has received such reimbursement and/or on whose behalf direct payments were made to vendors, and who voluntarily terminates employment with the VTA within twelve (12) months from the date of hire. This recovery right shall be explicitly stated in the offer of the employment tendered by the agency to the prospective employee. The VTA also reserves the right to recover all relocation expenses and all costs incurred in collection of such expenses, if employee's employment is terminated for any reason within twelve (12) months from the date of hire.

A regular employee who voluntarily terminated his or her service and then returns to the VTA within one year will be considered to be in continuous service. However, if the employee had received and subsequently upon departure, refunded the Interview and/or Relocation expenses received from VTA, the employee will not be eligible for Interview and/or Relocation expenses upon rehire. Additionally, the employee will not be entitled to recover any repaid funds.

This provision, or any other provision of this policy, shall in no way be interpreted as altering the individual's status as an at will employee.

3.11 Exceptions

Exceptions that would result in an employee exceeding the time limits established in this policy, or the reimbursement for any expenditures in categories not outlined above, or expenses incurred in eligible categories without prior approval, must be approved by the CAO or designee.

4.0 Definitions:

- 4.1 **Critical Vacancy:** A key or highly technical position for which no suitable candidates have been found within VTA or within the San Francisco Bay Area may be designated a "Critical Vacancy" by the General Manager or by the CAO. A position may be designated as a critical vacancy prior to local recruitment if the Manager of Human Resources certifies to the CAO that the position will be difficult to fill through internal recruiting or from within the San Francisco Bay Area.
- 4.2 **Out-of-Area:** Interview and/or relocation expenses will only be paid for candidates or new employees who reside beyond a 250 mile radius from the VTA River Oaks campus in San Jose, CA.

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- 4.3 **Date of Hire:** The date on which a regular employee begins service with the VTA.
- 4.4 **Government Rate:** A discounted rate for lodging and/or other hotel services as established for the area per the U. S. General Services Administration (GSA) guidelines.
- 4.5 **Hiring Authority:** A member of VTA's management team who has power of appointment for a particular hire.
- 4.6 **Interview:** A pre-scheduled meeting between a job candidate and a representative of the VTA authorized by the Hiring Authority to participate in the process of selection of a candidate for a particular vacant position.
- 4.7 **Offer of Employment:** A letter addressed to a job candidate and signed by the General Manager, Chief Administrative Officer, or by the appropriate designee, containing a statement of the prospective employee's job title, the name of his or her department and supervisor, and outlining the position's salary, benefits, and other terms and conditions of employment.
- 4.7.1 If an employee is offered relocation expenses, the following must be included in the offer letter:
- Statements of the categories to be reimbursed,
 - The relocation cap,
 - The potential tax consequences of relocation, and
 - A statement that VTA is entitled to recover relocation expenses and all costs incurred in collection of such expenses from any employee who voluntarily terminates employment with the VTA within twelve (12) months from the date of hire, and that the VTA reserves the right to recover all relocation expenses and all costs incurred in collection of such expenses if employee's employment is terminated for any reason within twelve (12) months from the date of hire.

A copy of this policy and related addendums, the Travel & Expense Reimbursement Policy #FRS-PL-340, and the government lodging rate per the GSA guidelines, must be enclosed with the offer letter.

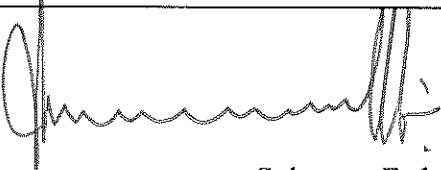


- 4.8 **Regular Employee:** Any full-time employee of the VTA.
- 4.9 **Separation:** The voluntary or involuntary final termination of a regular employee from employment with the VTA.

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5.0 Summary of Changes:

Initial release of this Policy.

6.0 Approval Information:

<i>Prepared by</i>	<i>Reviewed by</i>	<i>Approved by</i>
 Sylvester Fadal Human Resources Manager	 Bill Lopez Chief of Administrative Services	 Nuria I. Fernandez General Manager

April 8, 2014
Date Signed