

<b>Policy Title:</b>	<b>Applies to:</b>	<b>Reference #</b>
RELOCATION ALLOWANCE	All Employees	130-HR-08
<b>Approved by:</b>	<b>Dates:</b>	<b>Total # of Pages</b>
Manager, Client Services & Labour Relations	<b>Effective:</b>	01-OCT-2008
	<b>Last Review:</b>	06-JUN-2016
	<b>Next Review:</b>	01-Jan-2021 (every 5 years)
<b>Authority:</b>		4
People and Organizational Culture		

**1.0 Purpose**

To provide guidelines for hiring managers offering employment to external hires who require monetary assistance to relocate to the City of Regina.

**2.0 Scope**

Applies to any permanent position where an external candidate requires monetary assistance to relocate. This policy may be applied to term hires, however the circumstances of the appointment must meet specific criteria (see Eligibility).

**3.0 Definitions**

***External Hire***

An external candidate hired to the organization and appointed to a permanent full-time position with the City of Regina.

**4.0 Policy**

The City of Regina may assist with the relocation of external hires by providing monetary assistance for relocation expenses upon commencement of their employment. This policy is not intended to provide advance payment of relocation expenses.

***Eligibility***

An external hire may be eligible for a relocation allowance if:

- The position is a permanent full-time position;
- The candidate currently resides in a geographic location at least 200 km from the City of Regina; and
- Relocation Assistance is required to enhance an offer of employment in order to secure the candidate for the position to be filled.

**NOTE:** An external hire appointed a term position may be offered a relocation allowance if the additional conditions are met:

- The term position is of strategic significance to the operating area and there were no qualified local candidates;
- Approval is granted from the Executive Director of the operating area and the Manager, Transition, Compensation & Benefits.

### **Relocation Allowance – Recommended Amounts**

The following guidelines are intended to provide hiring managers with the appropriate flexibility to make competitive offers of employment while maintaining appropriate financial controls. Each candidates' circumstance will vary and it is important to use appropriate judgement when determining the amount to offer a candidate. The amounts in the schedule below will be payable by lump sum payment upon commencement of hire.

<b>Distance</b>	<b>Relocation Allowance</b>
Moves of < 2,000 km	Up to \$10,000
Moves of > 2,000 km	\$10,000 - \$15,000

The final amount may differ from the schedule above when approved by the Executive Director of the operating area and the Manager, Transition, Compensation & Benefits. Relocation allowances in excess of \$15,000 should be reserved for exceptionally complex hiring circumstances and are subject to the above noted approvals.

### **Payment Methods**

The majority of relocation allowances will be processed through the "Payroll Lump Sum" method. If approval is granted for a relocation allowance of greater than \$15,000, it will be processed through the "Reimbursement by Receipts" method. Both methods are described below.

#### **Payroll Lump Sum**

Most relocation allowances will be paid through payroll. Since receipts are not required, these monies are subject to applicable deductions. As such, amounts paid as a lump-sum through payroll will have CPP and EI deducted. Income tax will not be deducted unless the employee makes a request to have tax deducted. Please see Appendix A - Relocation Allowance Paid as a Lump Sum – Information for Employees.

#### **Reimbursement by Receipts**

Allowances of more than \$15,000 will be reimbursed through submission of receipts, up to the approved amount of the relocation allowance. The employee is responsible for ensuring that each receipt meets the CRA Guidelines for an eligible moving expense ([Eligible Expenses](#)). The operating area will be responsible for completing a Direct Payment Form and submitting the receipts through Budget & Financial Services for reimbursement. Reimbursements will be made in accordance with the normal process for paying expenses. Please see Appendix B - Relocation Allowance Reimbursements by Receipt – Information for Employees.

### **Service Commitment**

The external hire will be required to commit to a repayment of service, as outlined in the offer of employment. This service commitment may vary, but will default to a two year period.

Repayment will be prorated per the formula:

$$RA / MO = PR$$

Where: RA= Relocation Allowance (amount received by employee)  
MO= Months outlined in the service commitment (eg. 24 months)  
PR= Prorated repayment rate

Eg.  $\$5,000 / 24\text{mo} = \$208.33/\text{mo}$

Repayment of relocation assistance is required prior to the external hire leaving the employ of the City of Regina if the service commitment is not fulfilled. Employees not fulfilling their service commitment will be contacted by the Payroll department to arrange for repayment of any remaining monies.

## **5.0 Roles & Responsibilities**

### ***People and Organizational Culture***

- Review and revise the policy as required;
- Apply applicable deductions to payments (NOTE: Relocation payments made through payroll are subject to withholdings of CPP and EI. Income Tax will not be deducted unless requested by the external hire; and
- Manage the service commitment and arranging repayment of monies (if required).

### ***Hiring Manager***

- Seek guidance from People and Organizational Culture (P&OC) in applying the policy before making offers of employment to eligible hires;
- Ensure appropriate funding is available in your operating budget; and
- Seek appropriate approvals (if required).

### ***External Hire***

- Relocate within six (6) months of accepting employment or apply for an extension of time. Such extension shall be given at the discretion of the Executive Director of the operating area;
- Commit to a repayment of service, as specified in the employment contract; and
- Familiarize themselves with the CRA Guidelines for Moving Expenses ([CRA Guidelines - Moving Expenses](#)) and seek independent advice as required.

## **6.0 PROCEDURES**

### ***Process***

1. Hiring manager consults with P&OC to determine appropriateness of offering a relocation allowance and a maximum suitable amount;
2. Hiring manager consults with Finance to ensure the appropriate funding is available in their operating budget;

3. Hiring Manager confirms with P&OC the maximum amount they wish to offer and seeks any necessary approvals;
4. Hiring Manager discusses relocation circumstances with external hire and confirms actual amount to be offered (not to exceed maximum amount);
5. The relocation allowance and service commitment requirements are added to the written offer of employment;
6. Upon acceptance of the offer of employment, P&OC creates a memo authorizing the payment (or reimbursement via receipts), upon the commencement of employment; and
7. P&OC (Payroll, Analytics & Employee Administration) tracks service commitment in the HRMS system.

## 7.0 Reference Material

### Relocation Allowance Paid as a Lump Sum – Information for Employees

#### [Relocation Allowance Paid as a Lump Sum](#)

### Relocation Allowance Reimbursements by Receipt – Information for Employees

#### [Relocation Allowance Reimbursements by Receipt](#)

## 8.0 Revision History

Date	Description of Change	(Re)-Approval Required (y/n)
06-JUN-2016	Policy Update	Y
14-JUN-2018	Changed Policy Number 124-HR-15 to <b>130-HR-08</b>	N