

**CLEVELAND PUBLIC LIBRARY**

**Board Meeting**

April 18, 2013

**RESOLUTION TO REVISE THE HUMAN RESOURCES MANUAL**

WHEREAS, The Cleveland Public Library seeks to hire the most qualified job applicants, and

WHEREAS, The applicants may incur relocation expenses in order to accept the new position with the Library; and

WHEREAS, The Cleveland Public Library seeks the ability to be competitive in its job offers; and

WHEREAS, In accordance with Section 121.2 of the Human Resources Manual which reads, “No changes may be made to the policies included in this Manual without the approval of the Board of Trustees”; and

WHEREAS The Library’s management recommends revision of the Library’s Human Resources Manual to include the policy as follows:

**Section 300 – Compensation Practices**  
**350 – The Salary Schedule**  
**351 – Salaries**  
**Add New 351.3 – Relocation Expenses**

Moving expenses for new full-time employees may be provided if the Human Resources Department has identified the employee as being eligible for reimbursement. The Human Resources Department will determine the maximum reimbursement amount and include it in either the employee’s offer letter or contract. The following policy guidelines, subject to the Internal Revenue Service (IRS) regulations, apply.

The Cleveland Public Library will only reimburse employees for those expenses that are considered “deductible” moving expenses per IRS regulations (specifically, IRS Publication 521), as detailed on the “Reimbursement for Moving Expenses” form.

Three (3) IRS requirements must be met in order for the reimbursement of expenses to be deductible:

## **EXHIBIT 8**

- Your move is closely related to the start of work
- You meet the distance test
- You meet the time test

The Library will reimburse employees those expenses that are reasonable for the circumstances of the move. For example, the cost of traveling from your former home to your new one should be by the shortest, most direct route available by conventional transportation.

The Library will only reimburse employees for deductible moving expenses under an accountable plan. Reimbursements under an accountable plan require the following:

1. The employee's expenses must have a business connection—that is, the employee must have paid or incurred *deductible* expenses while performing services as an employee of his or her employer. Two examples of this are the reasonable expenses of moving the employee's possessions from his or her former home to his or her new home, and traveling from his or her former home to his or her new home.
2. The employee must adequately account to the Library for these expenses within a reasonable period of time.
  - Adequate accounting requires that the employee give the Library documentation of those expenses, including receipts, canceled checks, and bills (using the "Reimbursement for Moving Expenses" form, described below)
  - The IRS defines a "reasonable period of time" as sixty (60) days after the expenses were paid or incurred (however, what constitutes a "reasonable period of time" depends on the facts and circumstances of the employee's situation. Sixty (60) days is a "safe harbor" applied by the IRS)

To receive reimbursement, employees must complete the "Reimbursement for Moving Expenses" form. Employees must indicate their expenses for each category and attach original receipts to the form. The form must be signed by the employee and approved by the department head and the Human Resources Department.

Reimbursement for moving expenses will be processed by the Financial Services Department in the form of a payroll reimbursement.

In addition, any employee granted reimbursement for moving expenses must agree in writing to refund a prorated portion of the reimbursement if he/she voluntarily terminates employment before completing one year of continuous service.

**EXHIBIT 8**

Any tax implications of this reimbursement are the sole responsibility of the employee, not the Cleveland Public Library.

Now therefore be it,

RESOLVED, That the Cleveland Public Library Board of Trustees hereby approves the proposed revision to the Human Resources Manual to add the new Relocation Expense policy, 351.3 as set forth in this Resolution, to become effective immediately.