UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice FI-3075

For: FSA Employees

FSA Relocation Policy

Approved by: Associate Administrator for Operations and Management

1 FY 2012 Relocation Policy

A Background

FSA's final 2012 budget contained reductions that will cause continuing budgetary shortfalls across FSA. As a result, there have been Voluntary Early Retirement Authority (VERA) "early-out" and Voluntary Separation Incentive Payments (VSIP) "buyout" offers that caused staff reductions and may force some employee moves. Therefore, FSA is taking a proactive approach to minimize the impact on the workforce by offering paid relocation expenses to the extent possible with a reduced budget. All eligible involuntary directed reassignments will be offered relocation reimbursement as explained in this notice.

Managers may include relocation reimbursement in vacancy announcements and voluntary reassignments **only** with written **preapproval** from their respective Deputy Administrator. All requests for approval **must** be submitted to the Deputy Administrator in writing, no exceptions, before release of the vacancy announcement.

For State and County Office vacancies, SED's will submit their requests to DAFO.

All relocation reimbursements will be paid from a National Office reserve and States can request reimbursement through the monthly budget models.

If a manager elects to pay a relocation bonus, funding for the relocation bonus would occur through that State's salaries and expense (S&E) budget, and would **not** be subject to reimbursement from the National Office.

B Purpose

This notice informs affected FSA employees of the relocation reimbursements they may be eligible for, and reiterates the information found in Notice FI-3065 that addressed the updated Federal Travel Regulation relocation policy in final rule 76 FR 18326 that was effective August 1, 2011.

Note: 118-FI will be amended to reflect the changes.

Disposal Date	Distribution
July 1, 2012	All FSA employees; State Offices relay to County Offices

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C Time Requirement

The maximum timeframe allowed to complete relocations is 1-year.

D Effective Rates

The mileage, standard continental U.S. (CONUS), and locality rates, and meals and incidental expenses are paid based on the rate in effect when the item was incurred. So, if the rates change, FSA will pay the rate in effect on the date the expense was incurred.

E 50-Mile Rule

Employees will **not** be reimbursed for moves that are less than 50 miles.

The following are 50-mile rule distance examples, from the IRS web site.

Example 1: Distance from former residence to former duty station = 3 miles.
Distance from former residence to new duty station = 58 miles.

The employee qualifies for reimbursement or home sale, as applicable, because his/her new duty station is 55 miles (58 miles - 3 miles) farther from the former residence than the old duty station location.

Example 2: Distance from former residence to former duty station = 3 miles.
Distance from former residence to new duty station = 52 miles.

The employee does **not** qualify for reimbursement or home sale because his/her new duty station is only 49 miles (52 miles - 3 miles) farther from the former residence than the old duty station location.

Step	Distance Test Worksheet	Result
1	Enter number of miles from departure home to the new duty station.	59
2	Enter the number of miles from the departure home to the old duty station.	3
3	Subtract line 2 from line 1.	56
4	If line 3 is at **least** 50 miles then the employee meets the 50-mile rule.	

F House-Hunting Trips

For relocations of 150 miles or more, 3 workday's administrative leave will be authorized for a house-hunting trip.

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G Transportation and Per Diem of Employee and Immediate Family Members

The transferring employee and immediate family, whether traveling together or separately, may be reimbursed **1-way** transportation expenses between the residence at the old duty station and the new residence. Transportation expenses include per diem, a mileage allowance for privately owned vehicles, and/or common carrier tickets. These allowances are payable from the actual time of departure to the time of arrival, based on the most direct route and uninterrupted travel time. **Per diem will not be authorized when the entire 1-way trip is 12 hours or less.**

Employee immediate family means members of the employee's household at the time the employee reports for duty at the new permanent duty station. This includes the following:

- spouse/domestic partner
- dependent children or dependent brothers and sisters of the employee or spouse who are unmarried and under 21 years of age or who, regardless of age, are physically or mentally incapable of self-support (medical certificate **must** be provided)
- dependent parents of employee or spouse.

H Miscellaneous Expenses

The miscellaneous expense allowance is a flat rate as follows:

- $650 for single employees
- $1,300 for employee with family members.

Actual expense amount **cannot** exceed 1 week's salary for single employee and 2 week's salary for an employee with family.

I Shipping Household Goods (HHG's)

When shipping HHG's, gross weight is determined as follows:

Shipment and Packing Material - HHG's (18,000 lbs HHG + 2,000 lbs of packing material) = 20,000 lbs Gross Weight.

Note: 60 calendar days temporary storage can be authorized.

J Transporting Mobile Homes

The cost to transport a mobile home may **not** exceed the cost of HHG (18,000 lbs HHG + 2,000 lbs of packing materials = 20,000 lbs gross weight) and 60 calendar days of temporary storage.

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K Temporary Quarters Subsistence

Temporary quarter's subsistence will be limited to no more than 30 calendar days.

The temporary quarters subsistence expenses (TQSE's) may be reimbursed by the lump-sum or actual expense method.

If lump-sum method is accepted by the employee, it will be calculated on the locality per diem rate at the old or new official station, or combination thereof, wherever temporary quarters will be occupied. This is based on the date payment is made/voucher date.

If TQSE is reimbursed under the **Fixed Rate/Lump Sum Expense Method**, dollar limitations are as follows.

Person	Calendar Days 1-30
Employee or unaccompanied spouse.	.75 times the applicable **locality per diem rate**. **Example:** Dallas, Texas (Dallas County) $184 ($113 lodging and $71 meals) **x** .75 = $138 per day **x** 30 calendar days = $4,140.
Accompanying spouse/ family members over 12 years of age.	.25 times the applicable **locality per diem rate**. **Example:** Dallas, Texas (Dallas County) $184 ($113 lodging and $71 meals) **x** .25 = $46 per day **x** 30 calendar days = $1,380 **x** 3 people = $4,140 (spouse plus 2 children). **Total for family of 4 = $8,280 before taxes.**

If TQSE is reimbursed under the **Actual Expense Method**, dollar limitations, per day for TQSE's, are as follows.

Person	Calendar Days 1-30
Employee or unaccompanied spouse.	FY standard CONUS rate/day (applicable per diem rate).
Accompanying spouse/family members over 12 years of age.	FY standard CONUS rate /day (.75 times the applicable per diem rate).
Family members under 12 years of age.	FY standard CONUS rate /day (.5 times the applicable per diem rate).

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L Sale and Purchase of Residences and Lease Terminations

Sale and purchase of residences and lease termination policy is as follows:

- **Sale and purchase of residence**: the total amount of expenses that may be reimbursed in connection with the sale of the residence at the old duty station shall **not** exceed 10 percent of the actual sales price. For purchase of a residence at the new duty station, reimbursement is limited to 5 percent of the actual purchase price.

  Note: An employee who chooses to construct a home at the new duty station will be permitted to recover real estate expenses to the same extent as an employee who purchased an existing home.

- **Lease termination:** an employee who rents a home or apartment may be reimbursed expenses incurred with settling a lease, including month-to-month rentals.

  Notes: Reimbursement includes broker's fees for obtaining a sublease or charges for advertising an unexpired lease if **all the following are true**:

  - applicable laws or terms of the lease provide for the payment of settlement expenses
  - the expenses **cannot** be avoided by sublease or other arrangements
  - the employee has **not** contributed to the expenses by failing to give proper lease termination notice promptly after notification of transfer
  - broker's fees or advertising charges are customary for the area.

  If the unexpired lease is in the names of anyone other than the employee or immediate family members, **only** pro rata shares of the expenses incurred to settle the lease are reimbursable.

- **Time limitation:** the settlement dates for the sale, lease termination, and purchase **must** be completed within 1 year from when the employee reported for duty at the new official duty station.

- **Reimbursement:** for lease termination, the employee **must** submit a copy of the executed lease and paid receipts, a written statement from the landlord indicating the fee being charged to terminate the lease, and proof of payment (such as a canceled check or written receipt) for termination fees.

  Note: No advance of funds is authorized in connection with real estate transactions.

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M Relocation Income Tax Allowance (RITA)

Moving expenses reimbursed, and certain services provided to employees, are considered taxable income. RITA is an allowance to reimburse transferred employees for the additional income taxes incurred because of this additional income. RITA covers moving expenses for both of the following:

- actually paid or incurred
- **not** allowable as a moving expense deduction for tax purposes.

N Taxable and Non-Taxable Moving Expenses

Taxable moving expenses are limited to the following:

- M&IE portion of per diem for enroute travel
- real estate expenses, including lease termination
- temporary quarters
- house-hunting trip
- temporary HHG and personal effects storage over 30 calendar days.

Non-taxable moving expenses are limited to the following:

- mileage for enroute travel
- lodging portion of enroute per diem
- common carrier tickets
- shipment and 30 calendar day's temporary storage of HHG's and personal effects.

Note: RITA is initiated by NFC. All questions should be directed to 504-426-5412.

O Contacts

If there are questions about this notice, contact the appropriate office as follows.

Issues	Office	Contact
Personnel Requests, Approval, and Decisions	State Office HRD	Administrative Officer/Executive Officer
State Office Requests, Approvals and Decisions	DAFO	Patrick Spalding by e-mail to either of the following: • **patrick.spalding@wdc.usda.gov** • telephone at 202-720-3513.

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O Contacts (Continued)

Issues	Office	Contact
Budget	BUD	For: • Federal employees (Fund 84), Christine Pyles by telephone at 202-720-8511 • non-Federal county employees (Fund 87), Evelyn Clarke by telephone at 202-471-2349.
Travel	County Offices	State Office Administrative Officer
	State Offices	

	State Office Administrative Officer	FMD, Travel Policy Staff telephone at either of the following:
		• William Willer, Office Chief, by either of the following:
		  • e-mail to **william.willer@wdc.usda.gov**
		  • telephone at 202-772-6042
		• Rhonda Robinson by either of the following:
		  • e-mail to **rhonda.robinson@wdc.usda.gov**
		  • telephone at 202-772-6030.

P State Office Action

For employee directed reassignments, State Offices shall notify DAFO of authorized relocation expenses by forwarding a copy of the approved AD-202R to the DAFO contact. State funding requests for reimbursement of actual relocation expenses from the National Office reserve shall be requested through the monthly Budget and Performance Management System (BPMS) model process.

For approved vacancy announcements, to ensure the maximum availability of funding from the National Reserve, State Offices shall send DAFO a copy of the approved AD-202R after a selection has been made and funds obligated.

If State Offices determine that using preapproved funds was **not** needed, send an e-mail to DAFO to modify the request so that funding can be returned to the National Reserve.

Funding for actual obligations shall be requested using the monthly BPMS model process.