

IDEA Public Schools

RELOCATION AND HOUSING ALLOWANCE POLICY



**IDEA PUBLIC SCHOOLS BOARD POLICY
RELOCATION AND HOUSING ALLOWANCE POLICY**

Sec. 1. PURPOSE.

Through this policy, the Board of Directors (hereafter, the “Board”) of IDEA Public Schools (hereafter, “IDEA”) shall provide an allowance to cover certain expenses incurred when an employee is temporarily or permanently transferred from one location to another for the benefit and at the request of IDEA. Consistent with the Internal Revenue Code and Treasury Regulations, this policy aims to maximize employee performance and minimize inconvenience during any such relocation.

Sec. 2. AUTHORITY OVER FISCAL MATTERS.

- (a) In accordance with state law, the Board has primary and ultimate authority over fiscal matters. If a matter or decision-making process is not addressed in this or other duly adopted policies of the Board, authority rests with the Board. In the event of a conflict between this policy and any other Board policy, such conflict shall be brought to the Board for resolution. Refer to the Board’s Authority Over Fiscal Matters Policy (the “Controlling Policy”) for requirements applicable to this policy.
- (b) The Delegates (as defined in Sec. 3(b) of the Controlling Policy) shall report to the Board any business arrangement or transaction with an individual that is an officer, as defined in Sec. 5 of the Controlling Policy, and any conflicted,¹ interested² or related³ party, as defined in other Board policy or applicable law. IDEA (and its officers) may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 3. POLICY FOR PERMANENT TRANSFER (MORE THAN 12 MONTHS).

- (a) An employee is eligible for a relocation allowance if the employee is assigned to a new position within IDEA which requires such employee to relocate more than 50 miles from the employee’s current residence.
- (b) Prior to any allowance being made under this policy, employees must sign a Promissory Note, attached to this policy as Exhibit A. If the employee’s position with IDEA is terminated for cause, as determined by IDEA, within 12 months of having been transferred, the employee will be required to reimburse IDEA for any and all relocation allowance paid by IDEA under this policy.
- (c) Nothing under this policy may be construed as a contract for employment for any period of time or altering the at-will status of the employee. IDEA retains the right to terminate the employee for any or no reason, at any time.

¹ Tex. Ed. Code § 12.1054; 19 TAC §§ 100.1131 through 100.1135

² 19 TAC § 100.1047(f)

³ Tex. Ed. Code § 12.1166

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Sec. 4. RELOCATION ALLOWANCE.

- (a) In order to address the financial concerns employees may have regarding an employment conditioned relocation, IDEA offers its employees the following relocation allowance which⁴ is based on the distance of the employee's relocation from their current residence, in accordance with the following schedule:

MILES	STAFF MEMBER ONLY	STAFF MEMBER + 1 or more family members
50-300	\$2,000	\$3,000
301-500	\$3,000	\$4,000
501+700	\$4,000	\$5,000
701+	\$5,000	\$6,000

- (b) This amount is intended to help the employee cover (in whole or in part) expenses incurred by the employee during the process of relocating, such as the cost of meals, lodging and travel or coach air transportation, movement/shipment of household goods, packing/unpacking, shipment of personal vehicle, insurance for moving, storage, costs related to sales of residence, etc.
- (c) The lump-sum payment to the employee will be provided after final approval by IDEA officers for the relocation has been received. There are no other reimbursements for moving or relocation expenses authorized for permanent relocations (12 months or greater).

Sec. 5. INCOME TAX ADJUSTMENT.

In accordance with the Internal Revenue Code and Treasury Regulations, the allowance provided pursuant to Sec. 3.1 is taxable income to the employee (*See* Internal Revenue Code § 132(g)). Accordingly, the allowance will be reported on the employee's Form W-2 as wages. If an eligible employee is relocated from a state with no income tax to a state with an income tax, then they are responsible for any income tax imposed by a state after the permanent transfer has occurred.

Sec. 6. TEMPORARY RELOCATION HOUSING ALLOWANCE (LESS THAN 12 MONTHS).

IDEA recognizes that in some instances, employees may be relocated more than 50 miles from their current residence for periods of time encompassing less than the requisite 12-month period considered under section 2 of this policy. Extended periods of relocation may, nonetheless, result in additional expenses to such employees. Therefore, in accordance with Internal Revenue Code § 162(a)(2), employees relocated on a temporary basis will be allotted a *per diem* housing allowance, determined by IDEA Administration, not to exceed the then-current IRS rates for lodging and meal expenses. Such allowance will be excludible from the employee's gross income. Employees receiving temporary relocation *per diem* housing allowances are required to submit adequate documentation regarding the time, place, and business purpose of all incurred expenses.

⁴ Such amounts are inclusive of tax gross-up (*See* "Income Tax Adjustment" section, below).

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Employees shall be made aware, prior to their relocation, of the realistic expectation of the duration of such relocation. If a temporary relocation later is determined by IDEA Administration to be a permanent relocation, the participating employee will receive notice of the permanent status of their relocation, cease to receive any *per diem* housing allowance, and become eligible for the benefits under Sec. 3.1 of this policy.

Sec. 7. TRAINING AND UPDATES.

The Delegates or designee shall properly train or ensure training is provided to IDEA officers and employees on the requirements of this policy and any administrative procedures adopted to implement this policy. Additionally, the Delegates or designee shall keep IDEA officers and employees informed of any changes to this policy and related requirements.

Sec. 8. ADMINISTRATIVE PROCEDURES.⁵

The Delegates shall formally adopt administrative procedures as reasonably necessary to properly administer this policy and to adhere to applicable law and rule. In doing so, the Delegates shall not adopt, and are prohibited from adopting, an administrative procedure that conflicts with applicable law or this policy. Accordingly, the Delegates shall confer with the Board or legal counsel before deviating from the requirements set forth in this policy. In the event that a deviation from this policy becomes necessary, the Delegates shall either recommend an amendment to this policy or the Board's approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

Sec. 9. DATE ADOPTED AND EFFECTIVE.

As set forth in the pertinent minutes to the meeting of the Board, the Board amended this policy on July 17, 2020, and it became effective on July 17, 2020.

Sec. 10. RETENTION.⁶

This policy shall be retained until superseded, expired, or discontinued and for five (5) years thereafter in accordance with state law.

Sec. 11. CERTIFICATION.

The Undersigned, being the Secretary of the Corporation, hereby certifies that the foregoing represents a true copy of the Board Policy relating to Relocation and Housing Allowance, as originally adopted by the Board on May 1, 2020, and as subsequently amended by the Board on

⁵ Consistent with 19 TAC § 100.1033(b)(14)(C)(iv), the Board has the final authority to adopt policies governing charter school operations, including authorizing the Delegates or designee to adopt an administrative procedure to implement this policy. Moreover, as set forth in IDEA's Articles of Incorporation and Bylaws and in accordance with Tex. Bus. Org. Code §§ 3.101 and 22.201, the Board is IDEA's governing authority and, as such, manages and directs IDEA's business and affairs through Board actions, resolutions and policy.

⁶ Tex. Ed. Code §12.1052; 19 TAC §100.1203; See Record Number GR1000-38 and GR1025-25 in Local Schedule GR: Records Common to All Local Governments, Revised 5th Edition (Effective April 17, 2016) adopted by the Texas State Library and Archives Commission at Texas Administrative Code, Title 13, §7.125(a)(1).

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June 12, 2020, and July 17, 2020, which Policy, as amended, is in full force and effect and has not been revoked or amended.

DocuSigned by:


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Ryan Vaughan, Secretary

7/22/2020

Date Certified

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Sec. 12. EXHIBIT A: PROMISSORY NOTE.

In consideration of the allowance disbursed to me by IDEA Public Schools in connection with expenses incurred for my relocation from _____ to _____, I, _____, hereby promise to return to IDEA Public Schools any such funds provided to me in the event that my employment with IDEA Public Schools is voluntarily (e.g., resign) or involuntarily (e.g., dismissed for cause) terminate within twelve (12) months from the date of this promissory note.

As permitted under applicable law, I authorize IDEA Public Schools to deduct the full amount thereof from my final salary or wages earned.

Employee Name

Employee Signature

Date