

 HAWAII HEALTH SYSTEMS C O R P O R A T I O N "Touching Lives Everyday" Policies and Procedures	Department: Human Resources	Policy No.: HR 0005
	Issued by: VP & Dir. of Human Resources	Revision No.: 1
Subject: <i>Relocation Assistance Policy</i>	Approved by: HHSC Board of Directors By: Jean Odo Its: Secretary/Treasurer	Effective Date: January 25, 2007
		Supersedes Policy: April 11, 2000
		Page: 1 of 3

Policy/General Description: The intent of this policy is to define the relocation guidelines and parameters necessary to ensure fair and consistent handling of exempt, excluded management relocation expenses and moves within the Hawaii Health Systems Corporation (HHSC). Since significant relocation expenses are incurred in the hiring and transfer of employees, it is important that the new hire or employee's relocation needs are anticipated, identified, evaluated and approved in advance of any move and that the relocation process is managed so that the employee can be moved in the most cost-effective and mutually agreeable manner possible.

Eligibility:

This policy applies to exempt, excluded management employees who are transferred/relocated at the request and convenience of the Hawaii Health Systems Corporation. This policy does not cover the following:

- ❖ Temporary moves
- ❖ Moves made solely for the benefit of the employee or at the employee's request
- ❖ Non-management level employees

HHSC reserves the right to interpret, apply, amend or revoke this policy at any time.

Eligible Relocation Expenses:

The following is a list of eligible expenses covered under our relocation policy:

- ❖ Packing and transport/shipment of household goods up to \$10,000; total costs in excess of \$10,000 must be approved by the Regional Chief Executive Officer (RCEO) in advance;
- ❖ Local storage of household effects for a maximum of three (3) months;
- ❖ Shipment of one (1) automobile;
- ❖ One way airfare for employee, spouse, and dependent children;

- ❖ Rental car at new location for up to a maximum of ten (10) days while waiting for personal car to arrive;
- ❖ Temporary and reasonable housing for up to a maximum of ten (10) days; includes hotel or housing rental fees only OR one (1) month free lodging in available employee housing; meals and other incidentals are the employee's responsibility and expense.

The above expenses will be payable/reimbursed to the employee (or third party) within the authorized set limits. Any exceptions to the above, must be approved in advance by the RCEO.

In the event that the employee voluntarily leaves the Corporation within 12 months of the date of transfer/new hire date, full repayment must be made to the Corporation for the total cost of relocation expenses, including those paid to a third party.

Specific Procedures:

1. Upon identifying a qualified applicant/employee who is eligible for transfer or hire (new Hire) for transfer or hire (new hire), the Facility Administrator or Executive Manager will discuss the prospective move with the respective Regional Chief Executive Officer or HHSC President/Chief Executive Officer (as appropriate) and determine the relocation needs of the prospective transferee/new hire that is most practical and cost-effective.
2. The respective Regional Chief Executive Officer (RCEO), Executive Manager or HHSC President/CEO (as appropriate) shall review and evaluate the cost of the move to determine whether it is in the financial interests of both the Corporation and the employee/new hire to proceed and obtain necessary approval signatures. Refer to the previous section on "Eligible Relocation Expenses" and limitations.
3. Upon receiving all necessary transfer and relocation approvals, the Regional Human Resources department will confirm the job offer and approved relocation benefits with the employee/new hire. A written letter of understanding will be sent to the employee/new hire to sign and return to the Regional Director of Human Resources; the letter will include a listing of the authorized expenses and Relocation Expenses Repayment Agreement.
4. New hire/employee will coordinate own moves (via shipping and moving company, etc.) and obtain receipts for reimbursement. The respective Regional Chief Executive Officer or Executive may authorize, at their discretion, direct billing for the approved relocation expenses.
5. New hire/employee will complete the Relocation Expense Form (See Exhibit A) and attach all applicable receipts which are necessary to support the Relocation Expense Form for reimbursement and submit the form (with

receipts) to the Regional Director of Human Resources no later than thirty (30) days from the date of the move. Also, attach any receipts for direct billing authorization.

6. Regional Director of Human Resources upon review of the authorized expenses and receipt of the Relocation Expense Form, obtain the necessary approvals and forward the form to the Finance department. Reimbursements to employees and payments to third parties on behalf of the employees will be made by the Finance department.
7. The Finance and Payroll Office will summarize each employee's moving expenses (year-end) and make the necessary tax statements, applicable deductions and allowances as required. Copies of all supporting documentation should be provided to employees who request such documents for tax filing purposes.
8. In the event the employee voluntarily leaves the Corporation within 12 months of the date of transfer/new hire date, full repayment must be made to the Corporation for the total cost of relocation expenses, including those paid to a third party. Refer to the Relocation Expenses Repayment Agreement (Exhibit B).

Attachments:

1. Exhibit A, Relocation Expense Form
2. Exhibit B, Relocation Expenses Repayment Agreement

Relocation Expense Form

Employee Name: _____ Date: _____

New Position: _____ Effective Date: _____

Vendor/Company	Covered Expense	Cost	Reimbursement	Direct Billing
	TOTAL: \$			

Total to be reimbursed to employee: \$ _____ Payment to 3rd party: \$ _____

Employee Signature: _____

Approvals (as applicable):

PRESIDENT/CEO_____
REGIONAL CEO_____
FACILITY ADMINISTRATOR

Please attach all applicable receipts and invoices.



HAWAII HEALTH SYSTEMS
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EXHIBIT B

RELOCATION EXPENSES REPAYMENT AGREEMENT

Employee Name: _____

Position: _____

Location: _____

Social Security Number: _____

The Hawaii Health Systems Corporation agrees to reimburse or pay the authorized moving expenses to the island of _____ in the State of Hawaii for expenses that are deductible under applicable IRS Regulations after submission of appropriate and satisfactory documentation, subject to the following conditions:

- A. In the event the employee voluntarily terminates employment within one (1) year from the date of hire, the employee will be responsible for the full repayment to HHSC of the total relocation expenses, including those paid to a third party.
- B. The employee agrees that reimbursement or repayment to the Hawaii Health Systems Corporation (HHSC) will be by payroll deduction and hereby authorizes such deduction. If the final paycheck from the employee does not fully reimburse HHSC, the employee promises to pay the outstanding amount due to HHSC within thirty (30) days of the effective date of termination.

I understand that this agreement is not an employment contract and does not modify or amend the "at will" nature of my employment. I also understand that the Hawaii Health Systems Corporation is not responsible for any losses of any kind to the property or for personal injuries resulting from the relocation.

Accepted and agreed to the above:

Employee Signature

Date

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