



Metropolitan Government of Nashville and Davidson County - Finance Dept. Policy: Relocation Stipends

Effective Date: July 2025

Revision Date: September 15, 2025

Policy Number: 7.1

Sponsor: Departments of Finance and Human Resources

Purpose

This policy has been developed to provide guidance to Metro departments and agencies regarding relocation stipends to offset moving expenses incurred as a result of a new employee's employment agreement.

Definitions

Internal Revenue Service Code: The Federal tax law enacted by Congress which sets forth the tax rules and regulations.

General Policies

Payment of relocation stipends must be approved by the Director of Finance and the Director of Human Resources prior to an offer of a stipend being made to a potential employee of the government. Potential employees shall be advised in advance that relocation stipends will be treated as income for calendar year-end tax purposes as required by the Internal Revenue Service Code and the relocation stipend payment shall be processed through the Metro Finance Payroll Office to ensure proper tax reporting. Generally, stipends shall be limited to moves of more than 100 miles from the Nashville Metropolitan Statistical Area (MSA). Approvals for shorter distances may be allowed in rare circumstances with justification provided to the Directors of the Departments of Human Resources and the Finance Department.

The Director of Finance shall set the maximum amount for relocation stipends annually. Such amounts shall be communicated to appointing authorities by July 31 of each year.

Authorization

Relocation stipends are normally limited to newly hired department directors, positions equivalent to department director level, or highly specialized / skilled positions. The hiring authority for the department should prepare a memorandum requesting authorization of a relocation stipend. The memorandum should clearly state any other relevant circumstances and clearly outline the origination and destination sites.

The hiring authority for the department shall forward the memorandum to the Director of the Department of Human Resources and the Director of Finance for final approval. The hiring authority shall not provide approval of relocation stipend to the employee until the final approval is received.

Other Provisions

If two or more members of an immediate family qualify for a stipend under this policy, only one member shall be eligible for a stipend.

Employees who leave their employment with Metro, on their own accord, prior to the completion of two years of service will be responsible for reimbursing Metro all or a portion of funds provided. If the employee leaves Metro within the first year of employment, the employee shall be responsible for reimbursing Metro for the entire gross stipend provided. If the employee leaves Metro service within two years of employment, 50% of the gross stipend shall be reimbursed to Metro. It is the employee's responsibility to understand their personal tax implications of



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these transactions.

Payment of the approved stipend shall not occur until after the employee's effective start date. All recipients will be required to sign a document acknowledging receipt of the funds and the associated refund conditions at the time of payment.

Exceptions to this Policy

The Metro Director of Finance shall have the authority to grant exceptions to any part of this policy.

Applicable Local, State or Federal Regulations

Metro. Charter art. 8, § 8.103: The director of finance shall be responsible to the mayor for the administration of the financial affairs of the metropolitan government.

Metro. Charter art. 8, § 8.104: The budget officer, with the advice and assistance of the chief accountant, shall write, revise and maintain a proper standard procedure instruction manual to be followed by all officers, departments, boards and other agencies of the government to ensure uniform accounting and budgetary procedures.

Metro. Charter art. 8, § 8.105: The chief accountant shall maintain a general accounting system and such cost accounting records as shall be required by the director of finance.

Metro. Charter art. 12 § 12.04: There shall be a director of personnel, who shall be appointed by the commission, subject to the civil service provisions of this Charter, and who shall have had training and experience in personnel administration.

Internal Revenue Service Code – Title 26, Section 217

Internal Revenue Service Publication – Publication 17

Associated Policies

None.

Effective Date

This Policy Statement shall become effective upon issuance and shall be applied to all Metro departments and agencies.

Approvals

Approval of the Director of Finance

I hereby approve this Policy Statement of the Department of Finance and as such agree with and authorize the actions necessary to implement its requirements.

Jenneen Reed

Director of Finance

Date: September 16, 2025



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Approval of the Director of Human Resources

I hereby approve this Policy Statement and as such agree with and authorize the actions necessary to implement its requirements.

Shannon Hall

Director of Human Resources

Date: September 16, 2025