

Communication Technology Allowance and Reimbursement Procedures

(Revised 1/3/2012)

The university provides communication technology, such as cellular voice/text messaging, cellular ISP data service, as associated with devices such as smart phones, tablets, and PDAs, and cellular wireless modem service, as associated with devices such as laptop computers, tablets or other similar mobile computing devices, to **eligible** (See definition in Communication Technology Allowance Policy) employees by two methods described below. **Non-eligible** employees must be reimbursed in accordance with the paragraph at the end of this section.

1. University-owned communication devices and/or service plans purchased through one of the university's contracts -

o **When is this option the best choice?**

When an employee or department needs a significant number of minutes for business use, the most cost effective way to provide devices/services is through the university's special contract rates. University plans allow units to better manage their communication costs. Units can either assign devices to specific individuals or rotate devices among employees and can use this option for either intermittent/temporary use or long-term continuous use. Where employees are covered under a collective bargaining agreement the terms of the agreement must be followed.

This is the best option for employees who need a device assigned specifically to them, need a significant number of minutes, have the need for a device with special features due to business use, and use their devices almost exclusively for university business. Funding departments are encouraged to monitor their service plans to ensure minutes are appropriate for their required business use. Cell phones acquired through university contracts are not the appropriate choice for employees who intend to make/receive a significant volume of personal calls.

o **What is the process for obtaining university-owned communication?**

University negotiated contracts can be found on the Purchasing Contracts website:

<http://www.public.iastate.edu/~purchasing/contracts.htm>

Contact information for both Purchasing and the vendors is listed.

2. Monthly communication technology allowance for communication technology services

o **When is this option the best choice?**

This is the best option for an employee who wants to carry only one cell phone device and has a consistent and on-going need to make/receive a significant volume of personal calls. In addition to meeting eligibility requirements, business use on the employee's personal cell device must be ongoing and generally consistent from month to month, otherwise reimbursement might be a more cost effective option.

This option might also be a good choice for employees who want to carry cell phone devices with more features than needed for university business. Business use of services is monitored on a periodic basis to

ensure the monthly payroll allowance amount is appropriate; however, records are retained by the employee.

As an additional cost effective option to prevent requests for duplicate cellular data services, it is important to note that most smart phones not only have ISP data service capability but also have the capability to operate with a laptop as a cellular wireless modem.

o **What is the process for determining and obtaining an allowance for communication technology services?**

The supervisor must first determine whether an employee meets the university's eligibility requirements and, if so, determine an appropriate and reasonable allowance amount based on devices and services being used, managerial discretion, knowledge of the employee's duties as they relate to the policy eligibility criteria, and budget considerations. Supervisors are encouraged to review the employee's monthly cellular billing statement(s) as a guide for determining a reasonable allowance amount(s). A completed Communication Technology Allowance Request Form, should be submitted to the employing supervisor for review and approval. After the supervisor approves the form, it is submitted to the appropriate departmental or unit chair for review and approval.

Due to changes in IRS tax laws, as of 1/1/2012 communication technology allowances must be processed by the employing department using the employee reimbursement system to avoid tax withholding. To reduce the administrative burden that would be caused processing monthly allowance reimbursements, allowance requests may be processed for up to six (6) months at a time and may be prepaid. The approved Communication Technology Allowance Request Form should be attached as documentation for the payment, but no proof of payment by the employee is required. Departments are responsible for repayment of prepaid allowances due to termination of employment.

Allowances may not go back more than 90 days from the date the Communication Technology Allowance Request Form is finalized. Communication Technology Allowance Request Forms should be completed and approved at least annually by the funding department.

The following types of allowances and limits shall apply:

Communication Technology Allowance Type	Monthly Allowance Amounts
1. Cellular device voice/text messaging service	Up to \$50 for services
2. Cellular device ISP (internet service provider) data service associated with devices such as smart phones, tablets and PDA's and cellular wireless modem service associated with devices such as laptop computers and other similar mobile computing devices	Up to \$45 for service on each device, with a maximum of \$115 for all services in this category

These rates will be reviewed annually and adjusted based upon a review of typical plans used by university staff and guidelines of federal and state agencies.

In all cases, the employee assumes ownership and is responsible for all maintenance, damage/loss, or replacement of cellular or data devices in order to continue eligibility for a service allowance. Payment for devices is the sole responsibility of the employee. The employee agrees to notify his/her department **within 30 days** if he/she fails to meet eligibility requirements, fails to replace non-working, damaged or lost devices, or fails to maintain a service plan.

Employee Reimbursement for Communication Technology Costs:

For employees who do not meet Communication Technology Policy eligibility requirements, the university will reimburse employees for the actual cost of necessary business calls made on an infrequent basis on an employee's personal cellular device if:

- Each business call is identified and justified in writing, **AND**,
- The business cellular voice use causes the personal plan to incur additional costs due to
 - roaming charges and/or
 - minute overage charges if ISU business calls caused the contract voice minutes to be exceeded in a given billing cycle.
 - International or temporary access to other services when on temporary assignment or travel status (may be reimbursed based upon documentation and supervisory approval).

Departments, colleges and administrative offices have the right to review, question, limit, and refuse reimbursement requests of employees' cell phone bills. University employees are encouraged to obtain approval prior to using personal cellular voice services for university business purposes if the usage could result in costs to ISU.

Other Technology Costs:

Infrequent business use of text messaging and ISP data services:

The university will not reimburse for infrequent business use of text messaging and ISP data service unless there is documentation of the actual university business usage. With departmental approval, employees in extended travel status may request and receive reimbursement for data access when it is the most cost effective option for obtaining these services.

Home Internet reimbursement:

The university will not reimburse employees for incidental use of home Internet/data access as it is assumed employees already have internet access and are incurring no additional cost due to university business use.

There may be special circumstances where an employee's primary workspace is not located in university owned or rented space and where such costs may be considered allowable. Such workplace arrangements must be documented and approved by the employing unit prior to costs being incurred.

References:

Communication Technology Allowance Policy –
<http://policy.iastate.edu/policy/communicationtech.htm>
Communication Technology Allowance Request Form –
<http://www.controller.iastate.edu/controller.ctaform.pdf>

Communication Technology Allowance Policy Frequently Asked Questions and Answers –
<http://www.controller.iastate.edu/controller/ctaqa.pdf>

Contact: Controller's Department