

.100 Policy Statement

To establish policies and procedures for the usage of mobile communications devices for University business purposes.

.110 Policy Rationale & Authority

Campus Department: Accounts Payable

This policy allows the University to meet IRS regulations and its fiduciary responsibility to the taxpayers of the State of Oregon.

- IRS Notice 2011-72 (IR-2011-93; 9/14/11) – By U.S. Internal Revenue Service directive, reimbursement to employees for expenses of personal mobile communications devices are treated as nontaxable if the usage is required by the employer for noncompensatory business purposes.

.120 Policy Description

In general, Eastern Oregon University does not provide mobile communication devices to employees. However, there may be instances where it is necessary for an employee to use a personal mobile communication device to conduct EOU business on a regular or irregular basis. All requests for mobile communication allowances will be approved through the Department Head and the VP of Finance & Administration prior to any payment being processed.

.130 Definitions

Mobile Communications Device:

A mobile communications device is a mobile telephone, email appliance, wireless personal digital assistant, or a device combining two or more of those functions (examples are smart phones and tablets). Mobile telephones are broadly construed here to include devices based on CDMA, TDMA, GSM, and PCS digital technologies and follow-ons, as well as satellite telephones.

Equipment Purchase:

An employee's departmental budget can pay for equipment purchases related to a University owned mobile communication device. These equipment purchases must be pre-approved through the EOU Information Technology Department, and be reasonable for the nature of work being performed. Equipment purchases for personal devices will not be reimbursed for employees who are receiving monthly allowances under section .140 Regular Business Use on a Personal Mobile Device.

Essential personal calls:

These are defined as personal calls of minimal duration and frequency that are essential to allowing the employee to continue working and cannot be made at another time or from a different telephone. Examples of essential personal calls are calls to arrange for unscheduled or immediate care of a dependent or a family emergency, to alert others of an unexpected delay due to a change in work or travel schedule.

.140 Regular Business Use on a Personal Mobile Device

If a University employee's job duties include the frequent need for a mobile communications device when other University provided communication is not available, then the employee is eligible for an allowance to cover business related expenses for one personal mobile communications device. An allowance may be requested using the EOU Mobile Communications Device Allowance Agreement (*EOU Mobile Communications Allowance Agreement*). This request must have approval from both the Department Head and the VP of Finance & Administration before submission to the Accounts Payable Office.

Due to the nature of this reimbursement being a recurring transaction, any employee receiving a monthly allowance for a mobile communications device is required to sign-up for direct deposit with Accounts Payable. The amount of the monthly allowance is based on the following structure:

Tier	EOU Business Usage	Monthly Allowance *
Tier 1	Occasional Use	\$20/month
Tier 2	Routine Use	\$45/month
Tier 3	Frequent Use **	\$70/month

** The monthly allowance cannot exceed 90% of the employee's base plan costs for their mobile device.*

*** Denotes frequent use on an advanced mobile device. Tier 3 recipients may be required by their supervisor to be accessible via EOU email or other forms of EOU communication, remotely on their advanced mobile device.*

The employee will be required to submit a copy of their most recent mobile communications bill each fiscal year to the Accounts Payable office in order to renew

their agreement. These copies will be submitted in the fall of each year (prior to October 31st). Accounts Payable will send out a reminder each year to all employees currently receiving an allowance.

The employee is also required to attach a copy of his/her most recent mobile communications bill(s) to the *EOU Mobile Communications Allowance Agreement* in order to justify the reimbursement. If the monthly allowance under the tier selected by the employee is more than 90% of their base plan costs, then the allowance will be automatically reduced to the appropriate tier.

This allowance does not constitute an increase to base pay, and will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, etc.

.150 University Owned Mobile Communication Devices

EOU may, in some cases, purchase and own mobile communications devices to be assigned to groups (departments, offices, laboratories, etc.) and which may be loaned temporarily to individual employees or be shared by groups of employees for specific business purposes. This may be done if and only if the personal use of those devices is strictly limited to essential personal calls (see definition in section .130).

Any personal usage of a University owned mobile communications device that is beyond the definition of an essential personal call, will need to be reimbursed by the employee. Subject to the following conditions:

1. The reimbursement rate shall be \$0.20 per minute for personal use, or the actual cost to the Department, whichever is greater.
2. The reimbursement shall occur within thirty days after the Department receives the communication invoice.
3. The individual entering the invoice into Banner is responsible for making the deposit at the EOU Cashier's Office (unless that individual is the one reimbursing for personal cell phone use, in this case the deposit should be processed through Accounts Payable). The deposit should be made with the same index and account code used to pay the communications invoice. The reimbursement information should be noted on the communications invoice with the following documentation;
 - a. Itemize the calls being reimbursed
 - b. Highlight the amount received
 - c. Signature of the person receiving the reimbursement
 - d. The date of the reimbursement

Mobile communications devices should not be selected as an alternative to other means of communication -- e.g., land-lines -- when such alternatives would provide adequate but less costly service to the University.

In order for EOU's Information Technology (IT) department to support a cell phone for business purposes (smart phones, data phones, etc.), the employee must consult with EOU IT for recommendations on phone, software, etc. Any purchase of a department mobile communications device must be made through the Information Technology ordering process with pre-approval from the VP of Finance & Administration.

.160 Employees required to be available outside regular business hours

In the event that an employee's position requires them to be available during off hours, or the employee's monthly business usage on a personal device is more than 90% of their base plan costs, the employee may choose one of the following methods of reimbursement for their incurred business expense:

1. Employees who already have a personal mobile communication device and are comfortable providing that number for appropriate business use;
 - a. Reimbursement of up to 90% of base plan costs for regular business use on a personal mobile device as described in section .140.
2. Employees who would not otherwise have a personal mobile communication device, if their position did not require it;
 - a. Employee will be issued a University owned mobile communications device and will reimburse for personal usage under section .150, **OR**
 - b. Reimbursement of up to 90% of base plan costs for regular business use on a personal mobile device as described in section .140.

.170 Exceptions/Additions to the Monthly Allowance Amount

Requests for additions to the monthly mobile communications allowance should be made by submitting the *Request for Exceptions/Additions form* to the Accounts Payable Office. Each exception will be reviewed on a case-by-case basis, and either be approved or denied by the VP of Finance & Administration.

The amount of every exception/addition will be approved at a flat dollar amount (\$5.00; \$15.00; \$20.00; etc). This reimbursement will happen on a recurring monthly basis through Accounts Payable. The employee will have the option for adjustment each fall (prior to October 31st) when they submit an updated mobile communications bill.

.180 Transition

Beginning immediately upon the approval of this policy, the University will allow current employees 30 days to complete a new Wireless Communication Allowance Agreement and submit to Accounts Payable with appropriate approval and documentation as indicated on the agreement.

In an attempt to keep the monthly allowance timing consistent with past practice, Accounts Payable will be processing payments on the 25th of each month, or the next

open business day. Please keep in mind, direct deposit could take 2-3 business days to hit your account after the 25th.

The final employee mobile communications allowance to be paid via the old process (through the Payroll Office) will be for the month of December 2015. Payments for the new agreements will start to process through Accounts Payable on January 25, 2016.

.190 Procedures

A. Determination and Approval of Monthly Allowance

The dollar amount of the mobile communications device allowance is only intended to reimburse the employee for the actual costs incurred for business related calls. In no case shall the reimbursement amount for usage on a personal device exceed 90% of the cost of the employee's monthly mobile communications service plan. Amounts charged for data or minutes will be pro-rated based on the number of lines for employees who are claiming reimbursement on a shared plan. Determination of the monthly allowance Tier will be made between the employee and the Department Head. The employee and Dean and/or VP must supply sufficient justification for the selected Tier on the EOU Mobile Communications Device Allowance Agreement. The VP of Finance & Administration will have final approval on all new/updated monthly allowance agreements.

B. Documentation and Processing of Monthly Allowance

A copy of the Mobile Communications Device Allowance Agreement and appropriate documentation will be kept on file in the Accounts Payable Office. Accounts Payable will request information from all employees that are not currently signed up for direct deposit. Automatic payments for the monthly allowance will be processed through Accounts Payable office on the 25th of each month, and will take around 2-3 business days to show up in the employee's account.

If you are expecting any other reimbursements through Accounts Payable around the 25th of each month (Business Expense, Travel, Moving, etc.) it may be combined with your monthly mobile allowance. Please read the "Confirmation of Direct Deposit" email received for the reimbursement details.

Please direct all questions regarding mobile communication reimbursements to the EOU Accounts Payable Office.

C. Annual Renewal of a Mobile Communications Allowance

The employee will be required to submit an updated copy of their most recent mobile communications bill to the Accounts Payable office each year in order to renew their monthly allowance.

Accounts Payable will email all employees around the beginning of the fiscal year as a reminder. If the employee fails to submit an updated communications bill to Accounts Payable by October 31st each year, the automatic allowance will be turned off prior to the December payment.

D. Changes to a Mobile Communications Agreement

Once an allowance has been established, it will continue until a new Mobile Communications Device Allowance Agreement is submitted, documenting a change or termination. No further reimbursement for mobile communications device costs is available to employees who receive such an allowance.

The employee is required to notify his/her Department Head immediately when any reduction are made to the employee's mobile communications device contract. Any reduction in service or monthly plan amount requires the employee to submit a revised Mobile Communications Device Allowance Agreement or Exceptions/Addition Agreement immediately.

E. Fees for Contract Changes or Cancellations

If for any reason unrelated to University business needs a personal or University mobile communications service contract is modified or terminated prior to the end of the contract period, the employee will bear the cost of any fees associated with that change or cancellation. For example, the employee quits, and no longer wants to retain the current mobile communications service plan for personal purposes.

.200 Forms & Reference Material

EOU Mobile Communications Allowance Agreement
Request for Exceptions/Additions

.210 Approval History

Approved by Eastern Oregon University Finance & Administration on 12/8/15.

Approved by Eastern Oregon University President's Office on 12/11/15.