

# **Policy on Electronic Communication Devices**

**Effective Date of Policy:** March 31, 2009

## **Overview**

The University recognizes a business need for identified positions to use a cell phone, PDA or electronic communication device in the course of carrying out their job responsibilities. To ensure the university is in compliance with IRS requirements [see IRS sections 274(d)(4) and 280F(d)(4)] and to eliminate the need for employees to carry two devices, a stipend program for electronic communication devices has been established. The IRS is auditing higher education institutions specifically for cell phone substantiation and many universities across the nation have already implemented or are in the process of implementing a similar stipend program.

## **Purpose**

The Stipend policy is intended to compensate employees for the business use portion of personal cell phone, PDA or electronic communication device service plans. The stipend program is designed to relieve employees and departments of significant administrative burden required to fulfill IRS reporting requirements.

## **Policy Detail**

The University has established pre-determined stipend amounts based on estimated usage and need. The stipend amount will be paid through Payroll semi-monthly and appear on employees' paycheck and included in their annual W2 as taxable income.

Exceptions to the stipend policy will be approved by the President or Executive Staff Member as appropriate. Any exception will be subject to modified IRS reporting requirements.

## **Approvals**

This policy is issued by the Finance Department and approved by the President, March 16, 2009.

## **Revision**

0. Allyson Moerman, Assistant Vice President for Finance & Controller, March 11, 2009
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