



Accounting and Administrative Manual

Section 100: Accounting and Finance

Mobile Communication Devices
No.: E-02

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Purpose

These rules and procedures address the use of mobile communication devices for business purposes and methods for making such devices available to employees. Mobile communication devices are devices with mobile access plans for connection, such as cell phones and personal digital assistants (PDA's), or smartphones.

The rules were designed to be in compliance with the Alaska Executive Branch Ethics Act which prohibits use of state resources to benefit a personal or financial interest as well as Internal Revenue Service (IRS) regulations that classify cell phones as listed property. Under the IRS rules, there are burdensome requirements to substantiate the personal and business use portion of employer-owned cell phones. For the ease of administration, the university wishes to provide a taxable allowance to approved individuals to help defray the cost of the business use of their personal cell phones. By adopting this method, substantiation of personal and business use is not required. In addition, this document intends to provide consistent and clear guidance on the approval process for the allowance.

Scope

University of Alaska System

Rules

There are two categories where the university will provide for the cost of mobile communication devices when used for business purposes:

- the university provides a taxable allowance to approved employees for employee-owned devices
- the university issues employer-owned devices to certain employees or groups that are required to have access for a defined business period

A. Allowance Method for Employee-owned Devices

It may be necessary for some employees to use mobile devices to conduct university business on a regular basis. Under this method, the university provides a taxable, cash allowance to approved employees to help defray the cost of the business use of employee-owned devices. The chief financial officer at each major administrative



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unit determines when an allowance is appropriate and approves all allowances. This authority may be delegated, but not below the dean or director level.

The Mobile Communication Device Allowance form must be completed and approved. Taxes incurred are the responsibility of the employee and will not be reimbursed.

The President will set the allowance amount.

B. Employer-owned Devices

The university will issue a mobile communication device for a designated business period when required for business purposes. The business period is the time that the employee must be available by the institution. The period must have an end date that coincides with the completion of a shift, event or specific business undertaking. The employee will return the device to the university at the end of the business period.

This section applies to:

1. Employees that are designated as “on call” for a business period. On call means there is an established business process that identifies individuals on a rotating basis to be available for immediate contact. Examples include human resources and information technology personnel that provide system support.
2. Employees who need a communication device but do not have access to a landline or other communication device when engaged in a shift, event or specific business undertaking. Examples include a land management forester or researcher who do their work while in the field.

Each department is responsible for acquiring, tracking and distributing mobile devices in accordance with these rules. Departments are required to maintain adequate records that track custody of the device, such as name of employee, time out and time returned. The mobile device is university property and is intended for university business use only. Any personal use should be limited to incidental or emergency situations. Personal use is presumed incidental if it does not exceed the greater of 30 minutes or five percent of the allowance minutes under the applicable plan per month. In the case of shared devices, these limits should be allocated according to the time assigned the device.