

Weinberg College of Arts & Sciences: Mobile Communications Policy for Faculty & Staff

8/3/2015

Northwestern University has implemented new guidelines for mobile communications that comply with current IRS regulations. Adherence to these guidelines (or action to move to adherence) is required by the University on January 1, 2012.

Weinberg College will reimburse eligible employees for mobile communication expenses when their duties and responsibilities require mobile access to multi-functioning communication devices. The definition of Business Use now incorporates IRS guidance. Per the IRS, business use should be consistent with the following criteria:

- The employer's need to contact the employee at all times for work-related emergencies;
- The employer's requirement that the employee be available to conduct business when the employee is away from the office; or
- The employee's need to conduct business with individuals located in other time zones outside of the employee's normal work day.

For employee-owned devices that are being reimbursed, the allowance is nontaxable.

Faculty & Staff funded by WCAS funds:

Three IRS-compliant options are available to WCAS employees whose responsibilities require mobile access to telephone service, PDAs, email, text messaging, data access/downloads, and scheduling calendars. Eligible employees may select one option only:

(1) Device only: If discretionary funds are available they can be used to purchase the device only. A Mobile Allowance Additional Pay Request form may be submitted to the Dean's Office for this purchase. Proof of payment for the device must accompany the Mobile Allowance Add Pay Request. The University sales tax letter may not be provided in conjunction with this purchase. Under this option, reimbursement for mobile communication devices and service plans will be reported as nontaxable income on the employee's W-2 form. The individual can be reimbursed for device + insurance. A new device can be funded in this way no more than every 24 months.

(2) Monthly service expenses including the device: Monthly service expenses may be approved for payment against a discretionary account. The maximum nontaxable allowance per WCAS policy is \$64 per month (\$768 per year). A Mobile Allowance Additional Pay Request form may be submitted for the purchase of the device and service plan. Proof of payment for the device and a copy of the monthly service plan must accompany the Mobile Allowance Add Pay Request. Under this option, reimbursement for mobile communication devices and service plans will be reported as nontaxable income on the employee's W-2 form.

(3) Infrequent business expenses or regular expenses that exceed \$64 per month: If business expenses incurred by a personal device is either infrequent or regularly exceeds the allowance detailed in option (2), the employee may submit a request for reimbursement for business-related costs on the personal device. Generally, this could apply to use of a personal device while traveling on business out of the country. A copy of the service plan bill, detailing the business-related individual charges must accompany the reimbursement request. Expenses of this kind are nontaxable and should be submitted through the NUFInancials expense module.

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Purchasing Resources:

To assist you in the process to select a cell phone provider, NU Purchasing Resource Services has identified 3 preferred vendors (AT&T, US Cellular, T-Mobile) or you may select another vendor of your choice. Full details can be found at:

<http://www.univsvcs.northwestern.edu/Purchasing/index.html>

Click on Purchasing Resource Services, and then click on preferred vendors.

Submitting a Reimbursement Request:

Submit a Mobile Allowance Additional Pay Request Form along with Annual Mobile Communications Agreement for Employee-owned Devices and proof of payment for the device to Traci Pickerell in the Weinberg Dean's Office. She will apply school-level approval and submit to Payroll.

Mobile Allowance Additional Pay Request Form:

<http://www.northwestern.edu/hr/payroll/Mobile%20Allowance%20Additional%20Pay%20Request.pdf>.

Mobile Communications Agreement for Employee-owned Devices & Service Plans with a Nontaxable Allowance:

<http://www.northwestern.edu/financial-operations/policies-procedures/forms/MobileAgreeEmp.pdf>