

## 25.99.09 Communication Allowances

Revised [June 1, 2017](#)  
Next Scheduled Review: June 1, 2022  
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### Regulation Statement

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The Texas A&M University System (system) recognizes the performance of certain job responsibilities is supported and enhanced by the provision of communication devices and/or internet services.

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### Reason for Regulation

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This regulation establishes the method for members to make communication devices, communication services and internet services available to employees. Member chief executive officers (CEOs) or designees are responsible for establishing formal guidelines for managing communication allowances and approving the reimbursement of internet services at their respective member.

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### Definitions

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Click to view [Definitions](#).

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### Procedures and Responsibilities

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#### 1. BUSINESS NEED

The provision of a communication device, communication service, internet service or allowance to an employee must be based upon business need as determined by member management. Examples of business need include, but are not limited to:

- (a) the employee frequently engages in work-related travel;
- (b) the employee is frequently out of the office on member business;
- (c) the employee's duties require being "on call" for essential services;
- (d) the employee is key personnel needed in the event of an emergency; or
- (e) the employee's work location is at home for a certain percentage of time.

#### 2. ACQUISITION OF COMMUNICATION DEVICES

## 2.1 Member-owned Devices

A member may elect to acquire and provide a communication device to an employee whose job duties, in the opinion of management, necessitate the provision of such a device. A device acquired by a member and provided to an employee is considered to be member property. Incidental personal use would fall to the de minimus rules. See System Policy 33.04, *Use of System Resources*, for additional guidance.

An employee who is furnished a member-owned device has no expectation of privacy in the individual's use of the device, including information contained on the device. A member-owned device, and all information contained on the device, may be subject to examination by authorized member employees without notice.

## 2.2 Employee-owned Devices

A member may elect to monetarily contribute to the employee's purchase and operation of a communication device and/or service when such employee's job duties, in the opinion of management, necessitate the provision of such a device and/or service. In such case, the monetary contribution may be provided in one or both of the following forms:

- (a) Communication Device Allowance – provides a monetary contribution toward the employee's personal acquisition of a communication device. A device allowance may be paid once every two years. This allowance is intended to cover part of the cost for the device, taxes and any peripheral equipment purchased during the period. An employee receiving a communication device allowance may not be reimbursed for peripheral equipment outside of the allowance process.
- (b) Monthly Communication Service Allowance – provides a monthly salary supplement for the operation of a communication device and/or service. The supplement is provided to the employee for as long as the member determines that the employee qualifies under this regulation.

2.3 A communication device purchased or leased by an employee is considered to be the personal property of the employee and accordingly may be used as the employee deems appropriate. Any service contract the employee enters into for the operation of their personally-owned communication device is personal to the employee. The member will not have any obligation or make any guarantee with respect to such service contracts.

2.4 If an employee currently has a member-owned communication device and the member elects to change the employee to a monthly communication service allowance, the device may be transferred from the member to the employee. Member guidelines need to be established to address the process for handling these transfers.

## 3. MEMBER RESPONSIBILITIES FOR DEVICES

3.1 The CEO or designee is responsible for the following:

- (a) Determining whether the employee's position requires a communication device based upon his or her job duties, responsibilities and job location;
- (b) Determining which of the allowed acquisition methods is most appropriate for an employee requiring a communication device or service;
- (c) Determining the source of funds to pay for a communication device or service; and
- (d) Ensuring the employee is made aware of the provisions of this regulation and any applicable member guidelines.

3.2 If the communication device is owned by the member, the CEO or designee is additionally responsible for the following:

- (a) Ensuring there is a business need;
- (b) Verifying periodically the business vs. personal use of the phone;
- (c) Obtaining reimbursement and/or removing access to a member-owned device as contemplated by this regulation if documentation of phone activity shows more than incidental personal use; and
- (d) Informing an employee who is furnished a member-owned device that the employee has no expectation of privacy in the individual's use of the device, including information contained on the device.

3.3 If the communication device is owned by the employee, the CEO or designee is additionally responsible for the following:

- (a) Determining the appropriate monthly communication service allowance for the employee within the amounts authorized by this regulation;
- (b) Completing the necessary member forms to document approvals for reimbursing the employee for a communication allowance. Approved forms must be retained by the member in accordance with the system records retention schedule; and
- (c) Biennially reviewing the allowance amount to ensure that both remain appropriate for the employee's job duties.

3.4 Member payroll offices will process the communication service and/or internet service allowances in accordance with the approved communication allowance forms.

#### 4. EMPLOYEE RESPONSIBILITIES FOR DEVICES

##### 4.1 Member-owned Devices

Employees are responsible for the following:

- (a) Understanding the device will be used for business purposes;
- (b) Ensuring the physical protection of the device from damage and unauthorized use;
- (c) Ensuring that the device is returned to the member when it is no longer needed or the employee terminates employment with the member; and
- (d) Ensuring that the device is not used for any purpose in violation of local, state or federal law.

## 4.2 Employee-owned Devices

Employees are responsible for the following:

- (a) Paying all amounts due as agreed between the employee and communication device/service provider;
- (b) Providing the member with the current access number of the communication device within five working days of activation if the employees is seeking a communication allowance; and
- (c) Notifying the member within five working days of de-activation of the device or service. An employee is prohibited from continuing to collect a monthly communication service allowance when the device or service is no longer active or no longer needed for the performance of the employee's job responsibilities.

## 5. DEVICE, COMMUNICATION AND INTERNET SERVICE ALLOWANCES

- 5.1 Allowances paid to the employee are taxable compensation and accordingly are subject to required tax withholdings. Payment of such taxes incurred is the responsibility of the employee and shall not be reimbursed to the employee by the member. A communication and/or an internet allowance is not considered an entitlement, is not part of an employee's base salary and may be changed and/or withdrawn by the member at any time. Allowance payments are not subject to retirement deductions.
- 5.2 Members will periodically review the allowance rate for the communication monthly service plans and home internet services. Such amounts are not intended to fully reimburse the employee for the total out-of-pocket costs, given that the device and service are expected to be owned by the employee and used for both personal and business use.
- 5.3 If an employee work location is defined as their home for a percentage of time and the member's CEO or designee agrees to pay for these costs, an allowance for home internet services can be requested.
- 5.4 The allowances paid by members are subject to the limits below. Internet services can be adjusted based upon the percentage of time the employee works from home.

<b>Device/Equipment and Service Allowances</b>	<b>Maximum Amount</b>
Device/Equipment – often includes taxes or accessories as devices are added to plans more often than purchased upfront	\$100 every 2 years
Monthly Communication Services – often includes payments for the device, select amounts based upon percentage use for business purposes	Voice/Data- \$30/month Voice/Data - \$60/month Voice/Data - \$90/month Voice/Data \$120/month
Monthly Home Internet Services, based upon percentage use for business purposes	\$50/month, if an employee's work location is defined as his/her house for a percentage of time and the member's CFO or designee approves this allowance

Members may authorize exceptions to the service allowance for an amount up to 50% above the maximum amounts for employees in travel status exceeding 100 days per fiscal year. Any other exceptions to the maximum allowances must be approved by the member CEO or designee.

- 5.5 All approved communication and internet allowances will be provided to employees as salary supplements and processed through member payroll offices.
- 5.6 An employee receiving a communication or internet allowance from one member may not receive an allowance for the same or similar device or service from another member.
- 5.7 A monthly communication and internet service allowance may be established at any time during a fiscal year and may be changed or withdrawn at any time for any reason by the member.
- 5.8 State funds may be used for communication and internet service allowances. Restricted funds that specifically prohibit such allowances may not be used.

## 6. REIMBURSEMENT FOR BUSINESS CALLS

- 6.1 An employee receiving a communication allowance may not be reimbursed for related expenses outside of the allowance process, except for expenses related to international business communication.
- 6.2 An employee who does not receive a communication allowance may be reimbursed for business calls made using a personal device. Member guidelines must be established for the reimbursement process.

## 7. IMPLEMENTATION OF THIS REGULATION

The requirements contained in this regulation apply to all new communication allowances approved after the effective date of the regulation.

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## Related Statutes, Policies, or Requirements

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[IRS Publication 15-B](#)

[Internal Revenue Manual \(IRM\), Part 4, Examining Process](#)

[System Policy 33.04, Use of System Resources](#)

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## Member Rule Requirements

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A rule is not required to supplement this regulation.

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## **Contact Office**

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