

LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

Policy #5.032

Title: Mobile/Electronic Messaging Device Policy

Authority: Board Action

Original Adoption: March 7, 2012

Effective Date: March 7, 2012

Last Revision: Initial

In order to ensure more efficient services to the State of Louisiana, its residents, and the Louisiana Community and Technical College System, and to allow for more effective response times during states of emergencies, LCTCS has developed the following mobile phone/electronic messaging device policy.

Purpose:

This policy allows LCTCS entities to provide employees with non compensatory, non taxable reimbursement for use of a personal mobile device or, to issue a state mobile device for conduct of LCTCS business. The primary purpose is to allow efficient and rapid employee access and response for conducting LCTCS business.

Authorization:

The mobile device/electronic messaging device policy is pursuant to IR 2011-93, IRS Notice 2011-72 and IRS MEMORANDUM FOR ALL FIELD EXAMINATION OPERATIONS, all dated September 14, 2011, which state that mobile devices and reasonable reimbursements will not be taxable to an employee when used primarily for substantial business matters. These IRS guidelines eliminate the need to track and account for LCTCS calls versus personal calls, and provide guidance for employers.

Requirements for Non Taxable Reimbursement for use of Personal Mobile Devices or Issuance of a State Mobile Device

1. Each LCTCS Entity providing state issued mobile devices or reimbursements for use of personal mobile devices must develop a policy in accordance with this policy and with IRS guidelines. Each college or entity that develops such a policy must provide a copy to the Office of the LCTCS Senior Vice President for Finance and Administration, to be maintained on file.

Qualifications for Non Taxable Mobile/Electronic Messaging Device Reimbursements or issuance for Employees (voice and data):

1. Documented reasons for substantial business use for reimbursement of a personal mobile device or, issuance of a state-provided cell phone.
 - a. The employee must be available for emergency contact at all times on a 24/7 basis.
 - b. Some of the employee's work duties are away from the office and the employee must be available for contact by LCTCS, State and other related business entities.
 - c. The employee must be available to conduct LCTCS related business in other time zones or after normal business hours.
2. Reimbursements for personal mobile device plans by LCTCS entities cannot exceed \$100 per month or the amount of the employee's plan, whichever is lower.
3. The employee receiving reimbursement for a personal mobile device must maintain a plan that is reasonably related to the needs of the LCTCS entity's business requirements.

4. The reimbursement for the employee's personal mobile device plan must not exceed the expenses the LCTCS entity would reasonably incur in maintaining the mobile device.
5. The reimbursement for the personal mobile device plan must not exceed the requirements of the employee's duties, or the need for the mobile access outside of the office or business hours.
6. Reasons for reimbursement or issuance of a mobile device for an employee or groups of employees must be documented separately or, defined and included in the LCTCS entity's mobile device policy.
7. The reimbursement for a mobile device plan may not substitute for a portion of the employee's pay.
8. A copy of the employee's mobile device plan must be retained in the employee's reimbursement file.
9. LCTCS entities providing non taxable issuance or reimbursements for mobile devices must be prepared to be audited by System, State and IRS auditors.
10. Requirements of IRS MEMORANDUM FOR ALL FIELD EXAMINATION OPERATIONS, dated September 14, 2011, (as these requirements may be amended from time to time) must be met to allow exclusion of the value of the reimbursement from the employee's income.