

_____ : The purpose of this policy is to provide a streamlined method and efficient process for providing reimbursement of business-related cellular phone expenses to eligible LSU employees, while remaining compliant with IRS rules and regulations. The allowance policy is a practical method that will eliminate the need for an individual log of the time, amount, and business-purpose of each business-related cellular phone call made on a personal cell phone with intent to be reimbursed.

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The employee will receive a cellular phone allowance to be paid monthly by the Accounts Payable department. This allowance does not constitute an increase to base pay and will not be included in the calculation of percentage increases to base pay due to annual raises, promotions, etc. This allowance must be approved by the employee's Dean or Vice President, based on the aforementioned criteria. In order to obtain this allowance, the employee must complete an allowance request form and return the completed form to the Controller's office.

The employee is prohibited from collecting a monthly cellular phone allowance or bi-annual equipment allowance when one's cellular phone device is no longer active or needed for the performance of the employee's job responsibilities. If there are any changes in employee status that necessitates a change in the allowance amount or cancellation of the allowance, the Controller's Office is required to be notified, by email or in writing, and a new allowance form may be required based on these changes.

The cellular phone equipment allowance includes all related accessories such as batteries, ca 0 1 72.021B/F1 11.0

Per IRS memos released in September of 2011, cell phone reimbursement is no longer a taxable, fringe benefit. Some regulations and exclusions apply. See FAQ #8 for links to these documents.

While we have allowed for reimbursement of cellular phone expenses through expense reports in the past, our allowance method will eliminate the need for monthly expense reports, significantly reduce the paperwork necessary for reimbursement, and provide the employee with a more efficient means of receiving "reimbursement" for business use of his/her personal cellular phone.

3. Your Dean or VP

Please contact Natarkia Williams at 951-785-2904 or by emailing nwilliam@lasierra.edu or gwillis@lasierra.edu with any questions.

Here are several links below that are related to cellular phone taxation:

<http://www.irs.gov/newsroom/article/0,,id=245741,00.html>