Process to calculate technology allowance payments to reimburse staff for the business use of their personally owned device or services:

In general, supervisors and departments are responsible for determining and approving the appropriate compensation amount for an employee based on the responsibilities of the employee’s position. Whatever process the department chooses to use, it needs to be consistent in using that method for all employees for which reimbursement is made.

Example:
1) Identify business need and frequency of occurrence

2) Project monthly business use to the best of your ability
Average monthly usage may be determined based upon past monthly usage reports for University owned equipment previously assigned to the employee or based upon actual personal documentation submitted by the employee.

When projecting, include the appropriate number of plan minutes, long distance calling options, data plans, and other plan features that are required for the performance of the employee’s job responsibilities.

Note: If the employee provides actual documentation, all personal information should be marked out to ensure privacy.

3) Estimate technology allowance
Estimate the monthly and annual allowance for projected monthly business use, using allowance rates provided by IT Telecommunications at http://www.purdue.edu/telephone/policy.

4) Determine equipment need
Most cell phone contracts provide a basic device at no cost to the individual. If the employee’s job duties require advanced device and service capabilities, the employee’s Department may include an amount in the allowance calculation for new equipment purchase with an itemized original receipt. If an individual desires to purchase a device with advance features NOT required for business need, the Department may approve a partial reimbursement of actual cost.

Note: In general, Departments should only pay for new or improved equipment every 24 months. As an alternative during implementation of the policy, the Department may transfer ownership of an existing University device to the employee. Equipment costs will vary with rebates and promotional offers.

5) Complete Technology Allowance Agreement
Insert the description of electronic device and service, the estimated annual allowance and one time equipment reimbursement into the Electronic Device and Service Technology Allowance Agreement for Department Head approval.

Note: Employees are reimbursed for the actual cost of equipment purchases less vendor rebate with their receipt, subject to Department approval of the device and cost.

Since taxes will be withheld from allowance payments, the OnePurdue payroll process will gross up the allowance amounts based upon the employee’s actual tax withholding (federal, state and social security taxes).