

# DRAFT

## Policy on University Payment for Employee Home Internet Connections

Office of the CIO  
The Ohio State University

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### General Statement

University community members and the university itself increasingly rely on access to Internet communications and network-based electronic information resources to carry out the basic functions needed to support the university's teaching, research, and outreach missions. This access is needed in the classroom, the lecture hall, the laboratory, the office, and often at home. University employees, whether faculty, staff, or students, can make significant contributions to university business and the university's mission outside normal business hours and from home. These contributions are dependent on reliable, and often high-speed, Internet access at university community members' homes.

There are a number of home Internet access options for university employees. The university's OSUWEB.net [<web link to OSUWEB.net web site>](#) dialup service is available at low cost with reliable service at all hours. There are also a number of commercial dial-up Internet service providers available at similar and higher cost. Finally, high-speed cable modem and DSL Internet connection services are available at the highest cost.

The university may provide for payment of university employees' home Internet service connection costs when appropriate to support university business and where funding is available in the employing unit or sponsored research project. The appropriate level of Internet service must be decided in the unit based on university needs and employee duties [<web link to FAQ examples – included as page 4 of this draft>](#).

Federal tax regulations require detailed documentation of business use for payment of employee business expenses not otherwise allowable as non-taxable benefits. Internet service providers, for example those providing dedicated high-speed cable modem Internet connections, do not provide records to segregate business and personal use. In addition, Internet connection services are not an allowable non-taxable employee benefit. To avoid burdensome individual record keeping for university employees and to simplify administration for the university, approved employee Internet connection costs will be paid as an Internet connection allowance. This allowance will be treated as taxable compensation and the Internet connection may be used for both business and personal purposes with no requirement for records of use.

## **Applicability**

This policy applies to university employees requesting payment for home Internet connection service charges where the home Internet connection is used at least partially for university business purposes. The policy also applies to university academic and administrative units and sponsored research projects approving payment of employee expenses for home Internet connection services.

## **Policy**

University payment for employee home Internet connection expenses will depend on an appropriate business need and justification and on the availability of funding. The responsibility for determining business need and justification and for supplying funding will rest with the employing unit or sponsored research project. Internet connection allowances may be granted subject to the following:

- An Internet connection allowance may be provided for an employee whose duties and responsibilities require Internet access outside normal business hours and locations or from home. Examples of appropriate employee duties and responsibilities are included in the FAQ to this policy [\*<web link to FAQ examples – included as page 4 of this draft>\*](#).
- Internet connection allowances must be approved by the university unit or sponsored research project where the funding originates. The specific allowance amount is at the discretion of the approving unit, but is limited to actual startup and installation charges and a maximum of \$60.00 per month for actual ongoing connection service charges. The approving unit or project must provide full funding for the approved amount.
- Employees who receive Internet connection allowances to obtain external service must subscribe directly with their Internet service providers and pay the providers directly.
- Departments or units providing employee allowances for connections through OSUWeb.Net may pay for the service through internal university mechanisms.
- Allowances will be treated as taxable compensation and processed through the university payroll system. If the allowance is to be paid directly to the employee, the employing unit should use the payroll system's TXR earnings code. If the allowance is to be paid to an internal university unit rather than the employee, the employing unit must use the payroll system's TGI earnings code. Both earnings codes are available on the drop down menu within the Additional

Pay panels. These codes will ensure that tax is accurately withheld and reported on the employee's W-2 form and that retirement is not withheld.

- The employing unit must maintain records of Internet connection allowances using the Request for Payment of Internet Connection Allowance form [<web link to form>](#). The unit should review continuing allowances annually to verify the allowance amount, continuing need, and availability of funding. Employing units must provide a summary report of all approved continuing allowances by provider to the Office of the CIO when requested to aggregate total usage in support of university volume pricing arrangements.
- While no additional records or documentation are required for tax purposes or by the university, the approving or employing unit or the units through which it reports may require additional records or documentation at their own discretion.
- In general the use of a home Internet connection provided through a university Internet connection allowance is subject to the Policy on Responsible Use of Computing Resources [<web link to Policy on Responsible Use of Computing Resources>](#) where appropriate. However, the Responsible Use policy's limits on personal use do not apply.

# DRAFT

## FAQ for the Policy on University Payment for Employee Home Internet Connections

### What service levels are appropriate for employee home Internet access?

There are a number of circumstances under which allowances for various levels of home Internet connection services may be appropriate for university faculty and staff members if the employing unit or sponsored research project has available funding.

An allowance for high-speed service is appropriate for:

- Faculty, staff, or student employees involved in research dealing with large amounts of data requiring use of high speeds or high quality-of-service, especially where a sponsored research project provides funds to support access.
- Employees whose out-of-normal-hours duties require heavy use of multimedia resources, computer aided design, medical imaging, or scientific visualization tools.
- Computer support professionals who are on-call at home and need high-speed access to fulfill job responsibilities.
- Faculty members who often work from home and rely heavily on web resources and tools for course development, course delivery, and instructional support

If the need is only for reliable out-of-normal-hours access without intensive data transfers or multimedia resource use, an allowance for lower speed and lower cost dial-up access such as OSUWEB.net is the most appropriate choice. Allowances for OSUWEB.net can be paid by internal fund transfer and are the most economical for the university.

If an employee travels often and needs to connect regularly for extended periods, an allowance for a commercial provider with no-cost toll-free service or with local numbers in many cities may be the most appropriate choice. Some providers, for example AT&T Global, have wide international coverage.