

# **Personal Use of University Property Policy**

## **1. General principles**

The University provides a wide variety of resources, including computers, networks, software, printers, office telephones, cellular phones, personal digital assistants (PDAs), and office facilities, for use by faculty and staff. Property, facilities, and other resources may be acquired only to support the educational, research, and service missions of the University. The University recognizes, however, that the productive use of person's time sometimes requires the minor use of University resources for use for personal activities. The reasonable and incidental personal use of University resources is permitted if all of the following criteria are satisfied:

- The University incurs no additional cost from that use other than the minimal cost incurred from ordinary wear and tear;
- The use does not inappropriately interfere with or reduce the hours worked by the employee;
- The use does not preclude others with work-related needs from using the resources; and
- The use does not violate any applicable laws, regulations, or other University policies.

While occasional and appropriate use is acceptable, excessive or abusive use that interferes with job-related functions is prohibited.

Examples of unallowable uses of University resources include, but are not limited to, the following:

- Any personal use that could reasonably be expected to cause congestion on or disruption of electronic communications resources or violates the acceptable use standards for computing and information technology resources (see <http://blog.case.edu/its-news>);
- Use for private income-producing activities or for other commercial purposes (e.g., consulting services or sales of goods or services);
- Using University systems and services for personal purchases (e.g., charging a personal computer to a departmental account and then reimbursing the account for the cost);
- Uses that are unlawful, such as improperly copying licensed or copyrighted software materials;
- Using University funds, copiers, computers, telephones, fax machines, or other equipment or supplies on behalf of or against any candidate for public office, political party, or political action committee; and
- Uses that violate other University policies or guidelines.

## **2. Personal fiduciary responsibility**

Because of IRS regulations, special rules apply to University property in the custody of an employee.

Normally, only very minor personal use incidental to business purposes is allowed. Abuse of computing and information technology resources is clearly defined in the acceptable use standards for computing and information technology resources (see <http://blog.case.edu/itsnews>).

In the case of occasional personal use that results in additional cost to the University, such as copying, employees must reimburse the University for additional costs incurred beyond a nominal amount. Employees and supervisors are responsible for keeping the incidental personal use of University resources to a minimum. Supervisors are expected to monitor activities periodically for abuses. Violations may result in disciplinary action.

## **3. Exceptions**

Exceptions to this policy may only be granted by the chief financial officer or senior vice president for administration. The employee must provide a written justification when requesting the exception. If the request is approved, the employee or student must track the amount of personal use and report it to the Department of Human Resources (see <http://blog.case.edu/human-resources>) so that the value may be added to the individual's W-2 form as a taxable fringe benefit.

## **Supplemental Information Regarding Annual Statement of Personal Use of University Property**

### **Special Accounting Period**

In accordance with IRS regulations, the University has elected to adopt a special accounting period for purposes of calculating the amount, which will be added to income for personal use of university property. All reporting will be based on a year that begins November 1 and ends October 31. Income for this period will be added to the employee's W-2 in December of the year in which the reporting period ends.

### **Tax Treatment**

The amount to be added to the income of each employee or student will be determined as described in the attached form. The University has elected not to withhold federal income tax on this income; therefore, the employee or student is responsible for ensuring that his/her withholding and estimated tax payments are adequate to avoid penalties and interest for underpayments. On the final paycheck of each calendar year, FICA, state and other taxes will be deducted as applicable.

### **Personal Use of University Automobiles**

Special IRS regulations apply to the personal use of university automobiles. Therefore, for all automobiles and other vehicles owned by, leased by, or rented in the name of the University, the following rules will be observed:

1. Personal use of university automobiles is a taxable fringe benefit and an appropriate amount will be included in the gross income of each employee or student receiving this benefit.
2. The university's motor vehicle policy and procedures will govern the acquisition, operation and maintenance of the automobile.
3. Personal use of a university owned/leased automobile must be approved in writing by the Chief Financial Officer.
4. Employees eligible for personal use of automobiles are required to complete the attached form and return it to the Office of Benefits Administration by December 14, 2010.

## Annual Statement of Personal Use of University Property

By December 14, 2010 employees and students must report their personal use of university property using this Statement. The reporting period covers November 1, 2009 through October 31, 2010. For full text of the Business Policy, please see <https://www.case.edu/bizpolicies/personal/personal.pdf>. Please submit the completed form to the Office of Benefits Administration, Crawford Hall, Room 224.

### Property other than automobiles

1. Description of property used for personal purposes: \_\_\_\_\_  
\_\_\_\_\_
2. Explain the method used to track and determine the amount of personal use: \_\_\_\_\_  
\_\_\_\_\_
3. The percentage of personal use (see note): \_\_\_\_\_%

### Automobiles

The University has adopted the Fair Market Value method for determining the amount to be added to the individual's income.

1. Description of the automobile used: \_\_\_\_\_
2. To be completed by the Vehicle Maintenance Supervisor, Plant Services.

Annual Lease	\$	_____
Annual Maintenance Cost	\$	_____
(not including gas)	\$	_____
Annual Insurance	\$	_____
Annual Gas	\$	_____
3. To be completed by the individual using the vehicle

Total Use for the Report Year	_____	miles
Business Use	_____	miles
Personal Use	_____	miles

**Note:** Considering that there is a significant number of personal properties used by the University, there is no one standard method that can be applied to determine the personal use value of all these properties. Thus, you should use your judgment to best estimate the percentage of your personal use. The percentage of personal use is calculated only once for property that has been purchased, so the percentage in these cases does not change each year. However, the percentage of personal use can change each year for leased property. Please call the Office of Benefits Administration at 368-6781 for assistance.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Printed name