



Angelo State University
Operating Policy and Procedure

OP 24.04: Employee Electronic Communication Resources Policy (i.e., Cell Phones, PDAs)

ORIGIN

DATE: November 3, 2009

LAST

REVIEW: December 6, 2011

PURPOSE: In accordance with Internal Revenue Code, ([*Internal Revenue Code \(IRC\) Sec. 274\(d\)\(4\), 280F*](#)), the purpose of this Operating Policy and Procedure (OP) is to establish a university policy regarding 1) the authorization and payroll payment of employee allowances for business use of personally owned electronic communication resources or 2) the authorization, procurement, and monitoring of university-provided cell phones for business use.

REVIEW: This OP will be reviewed in May of each year by the associate vice president for finance and administration in consultation with the chief information officer with recommended revisions forwarded through the vice presidents to the president by July 31.

POLICY/PROCEDURE

1. General

a. For the purpose of this OP, Electronic Communication Resources (ECR) refers to a telecommunications device that allows for two-way communication. These ECR include:

- (1) Cell Phones
- (2) Personal Digital Assistants (PDAs)
- (3) Smart Phones (combination of cell phones and PDAs)
- (4) Wireless Cards, Tethering, or Equivalent Service

Any use of ECR not listed above will be considered on a case-by-case basis and will be processed as a taxable reimbursement through Payroll Services.

In order to effectively manage the university's resources, Information Technology (IT) support will only be provided for pre-approved ECR listed at http://www.angelo.edu/services/technology/support/mobile_technology.html.

- b. Angelo State University recognizes that the performance of certain job functions may be enhanced by the provision of ECR. However, as of September 1, 2009, Angelo State no longer provides any ECR to employees, unless specifically required and approved. Please refer to the *University-Provided Telecommunications Resource Request Form*, Attachment A.

2. Telecommunication Allowances

If it is determined that there is a business need for the employee to have ECR, a department, within their discretion, may provide eligible employees with telecommunication allowances to supplement the cost of ECR that the employee personally purchases.

a. Eligibility

- (1) A department may provide telecommunication allowances to an employee for use of ECR if either of the following criteria is met:

- (a) The job requires considerable time outside the office and it is important to the university that the employee be immediately accessible to receive and/or make frequent business communications during those times; or
- (b) The job requires the employee to be immediately accessible to receive and/or make frequent business communications outside of normal working hours.

The employee's eligibility will be reviewed by the department and the appropriate vice president or president on an annual basis.

- (2) The telecommunication allowances will be charged to an organization specified by the employee's immediate supervisor, who must ensure that departmental funds are available. See section 5 below for additional grant funds restrictions. Departmental eligibility criteria can be more, but not less, restrictive than the criteria stated above.

b. There are two types of telecommunication allowances:

- (1) A telecommunication service allowance – to be used to supplement the cost of service for ECR. This service allowance will be an amount added to the eligible employee's monthly wages upon the supervisor's approval. [See section 2.f.(1)]
- (2) A telecommunication equipment allowance – to be used to supplement the cost of the purchase or upgrade of ECR. This equipment allowance will be an amount added to the eligible employee's wages every biennium upon the supervisor's approval. [See section 2.f.(2)]

c. The telecommunication allowances will be recorded as additional compensation separate from an employee's base compensation to be included in the employee's gross income and treated as wages for payroll tax purposes.

d. Since the telecommunication allowances are treated as wages, employees and/or departments do not have to maintain any records regarding usage of ECR.

e. The telecommunication allowances are intended to reimburse the employee for the business use of their personal ECR. The intent is not to pay the entire bill under the assumption that most employees will also use such service and/or equipment for personal use. The telecommunication allowances are not entitlements; the amount may be changed or withdrawn at any time.

f. Amounts of allowances

(1) The amount of the telecommunication service allowance is as follows:

- (a) \$35 per month for voice plans
- (b) \$40 per month for data plans
- (c) \$55 per month for wireless cards

An employee may be eligible for more than one telecommunication service allowance. For example, an employee may receive the voice plan and data plan service allowances if both are required for the job.

(2) The amount of the telecommunication equipment allowance for equipment purchase (initial or biennial upgrade) is as follows:

- (a) \$50 for cell phones
- (b) \$150 for smart phones/PDAs

The telecommunication equipment allowance may be provided to an employee once every biennium. The equipment will be owned by the employee. As such, the university will not pay for activation fees or related charges.

3. Procedures and Responsibilities

- a. The telecommunication allowances must be approved through normal processing approval channels by completing an Electronic Personnel Action form (ePAF).
- b. The employee may select any wireless carrier whose service meets the requirements of the responsibilities of the job.
- c. The employee is responsible for all charges, including early termination fees and international calls. If the employee leaves the position or no longer requires the service, the employee continues to be responsible for the contractual obligations of his/her service plan.
- d. The department is required to discontinue the telecommunication allowances when any of the following occur:
 - (1) The eligibility criteria listed in paragraph 2.a. above are no longer met,
 - (2) The service is cancelled, or

- (3) The employee leaves the position or no longer requires the service.
- e. Wireless transmissions are inherently not secure and employees should use discretion in relaying confidential information over wireless devices. For more information, refer to the Angelo State University OP 44.00 Information Technology Operating and Security Policy/Procedures, section 11. When either the telecommunication service allowance terminates, or the employee-owned ECR are replaced or no longer used for university business purposes, the employee must erase all university information stored in memory.
- f. It is the employee's responsibility to comply with state and municipal laws regarding the use of cell phones, smart phones, and PDA devices while driving.

4. Exceptions -- University-Provided Electronic Communication Resources (ECR)

- a. The university may continue to purchase and provide ECR and service plan(s) for certain employees or groups of employees where it would be impractical for the employees to receive an allowance or due to security needs, or other operational considerations. Exceptions to this OP will require approval by the appropriate department head/dean, appropriate vice president, and the vice president for finance and administration.

Such exceptions might include the following:

- (1) Emergency workers, including police, fire, environmental health and safety, and medical center workers;
 - (2) Facilities personnel who share cell phone equipment while on duty and other arrangements involving shared equipment use. In such cases, the cell phone equipment is to be assigned to the department and not to a specific individual or taken home on a regular basis;
 - (3) Research personnel who use portable devices as data collection devices or for similar research purposes; or
 - (4) Athletics Department (To meet NCAA requirements, the department on a *University-Provided Telecommunications Resource Request Form*, Attachment A, must submit a request for an exception.)
- b. Where an exception has been approved, employees with university-provided ECR must document the business and personal use of the device in accordance with the [Internal Revenue Code \(IRC\) Sec. 274\(d\)\(4\), 280F](#). Records documenting the business and personal use of the equipment must be maintained by the department and made available to the auditor during an internal or external audit, upon request.

(1) The required documentation for each business call would include:

- (a) The name of the individual called,
- (b) The individual's association with the university, and
- (c) The business purpose of the call.

- (2) No personal usage is allowed on university-provided ECR.
 - (a) ECR holders and fund managers should review the monthly bills of university-provided ECR to ensure that there are no personal usages.
 - (b) Inadvertent or emergency personal calls, including international calls, texting (SMS/MMS), long distance, roaming, and overage charges must be reimbursed at either the actual cost or a prorated allocation of the monthly bill. Each account manager will be responsible for ensuring that the individual submits a personal check payable to Angelo State University to the Accounts Payable Office for that portion of the bill.
 - (c) The use of university-provided ECR for private commercial or consulting purposes is not allowed.
 - (d) Abusing the use of university-provided ECR will result in the suspension of privileges.
- c. The IT Department will keep the *University-Provided Telecommunications Resource Request Form*, Attachment A, on file and available to the auditor during an internal or external audit, upon request.

5. Special Rules for Grant Funds

Typically, only “direct costs” can be charged to grant funds. As such, the telecommunication allowances usually cannot be charged to grant funds. The options in such cases are to:

- a. Charge the telecommunication allowances to a non-grant fund, or
- b. Charge a university-provided cell phone service plan to the grant fund (see section 4 above for requirements); provided, however, that only calls directly related to that specific grant (and no other business or personal calls) are allowed.

In rare cases, the telecommunications allowance may be charged to a grant fund, provided that the following criteria are met:

- a. The project qualifies as a “major project” as defined by OMB Circular A-21,
- b. The individual receiving the allowance also receives 100% of his/her salary from grant funds and meets all of the eligibility criteria listed in section 2 of this policy, and
- c. The telecommunications allowance was specifically provided for in the accepted project proposal, agreement, or other official written communication from the sponsor.

Attachment A: [University-Provided Telecommunication Resource Request Form](#)