



# UNIVERSITY OF NORTH FLORIDA

Policy Number	Subject	Effective Date	Revised Date
6.0030P	Cell Phone and Associated Services Policy	07/01/2007	
<b>Responsible Unit/Division: Administration and Finance</b>			
<input checked="" type="checkbox"/> New Policy Proposal <input type="checkbox"/> Major Revision of Existing Policy <input type="checkbox"/> Minor/Technical Revision of Existing Policy <input type="checkbox"/> Reaffirmation of Existing Policy			

## I. OBJECTIVE & PURPOSE

To establish a University policy concerning employee cell phone and the associated services used in conjunction with the cell phone, such as data service, for official University business. Vice-Presidents or their designee will be responsible for determining employees whose job duties include the frequent need for a cell phone thus qualifying for a cell phone and associated services allowance.

## II. AUTHORITY

A new policy approved by the President, John A. Delaney

## III. STATEMENT OF POLICY

This policy is being established in accordance with IRS cell phone guidelines. Cell phones are considered listed property and potentially taxable. As such, it requires detailed record keeping (IRS Section 274(d)(4), including (a) the amount of the expense, (b) the time and place of the call, and (c) the business purpose of the call.

The IRS can declare all undocumented use is personal and should be taxed as wages, even if the calls were mostly business call. Receiving a taxable

allowance for an individually owned cell phone removes this detailed documentation requirement. As a result of this IRS guideline, upon the effective date of this policy all existing and new cell phone and associated data services will no longer be treated as a business expense but will be replaced with an employee allowance.

- The allowance will be processed by Human Resources and Payroll and is taxable to the employee. The amount to be received is not a reimbursement of expenses, nor is it a per diem that would be automatically established at the maximum amount. Base salaries will not be adjusted to modify or supplement these allowance payments.

- Approval for the benefit, for faculty and staff rests with the appropriate department head and is subject to budget availability.

- A Divisional Vice-President or designee is responsible for determining that a cell phone and/or associated services device is required to perform the duties and responsibilities of a position and this must be documented. The Department head should determine the source of funds for paying the allowance for cell phone and/or associated services. The Department head should also assure that funds for a Sponsored Project are not used as a source to pay for cell phone and/or associated services allowance unless specifically authorized in the award document for a Sponsored Project. The departments must maintain and submit appropriate documentation for approvals and periodically assess each employee's need to continue using a cell phone and/or associated services for business purposes. The departments must process the allowance authorization form for the cell phone, associated services or equipment. Departments must evaluate the department's ability to continue to provide monthly cell phone and/or associated services to employees in the context of its overall budget during annual budget planning.

- All equipment is the responsibility of the employee. An additional allowance for associated services and the related equipment allowance may be approved as well.

- A Divisional Vice President must approve a department's ability to issue a University provided cell phone. Once a University cell phone is provided to an employee there shall be no personal use. The department is required to keep a record of each call and its business purpose. In the event a personal call is made it must be reimbursed in accordance with Controller's Office procedures.

- If it is determined that an employee needs to make business calls while on official University business, a University calling card can be used rather than seeking reimbursement from the University for use of a personal cell phone for which no cell phone allowance is being received.

- Information Technology Services is available to consult with departments in their selection of associated services equipment. When an allowance for associated services equipment is requested ITS should be consulted to ensure

compatibility with the available services. The Controller's office is available to consult with departments concerning the employee allowances.