

Policy on Mobile Communications Devices

Subject: Information Technology
Policy: Mobile Communications Devices
Revised: April 12, 2007
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Review date: August, 2009
Responsible Party: Chief Human Resource Officer

100 Introduction and Purpose:

This policy allows the University to meet IRS regulations and its fiduciary responsibility to the taxpayers of the State of Montana by providing guidelines for the use of mobile communications devices for University business purposes.

200 Definitions:

Mobile Communications Device . A mobile communications device is a mobile telephone, email appliance, wireless personal digital assistant, or a device combining two or more of those functions. Mobile telephones are broadly construed here to include devices based on CDMA, TDMA, GSM, and PCS digital technologies and follow-ons, as well as satellite telephones.

Adequate Service . A mobile communications device service is adequate when it is sufficiently fast, sufficiently convenient, and sufficiently secure to allow the user to conduct University business in an efficient manner that safeguards the integrity and security of sensitive University information.

Essential personal calls . These are defined as personal calls of minimal duration and frequency that are essential to allowing the employee to continue working and cannot be made at another time or from a different telephone. Examples of essential personal calls are calls to arrange for unscheduled or immediate care of a dependent or a family emergency, to alert others of an unexpected delay due to a change in work or travel schedule.

Supervisor . The head of the department in which the employee works, or that individual's designee. When this is ambiguous, the appropriate University vice-president is to be consulted for clarification.

Temporary Loan . University-owned mobile communications devices may be loaned to employees for temporary use. When traveling on University business, an employee may keep a University device in his or her possession full time but must return it to University property promptly at the end of the travel period.

300 Policy:

300.10 Description

In general, the University will not contract for mobile communications service plans for permanent assignment to individual employees. Employees whose job duties include the frequent need for a mobile communications device may be reimbursed for the initial cost of such a device, and may receive extra compensation, in the form of a mobile communications device allowance, to cover business-related use of a device and/or service plan. No further reimbursement for mobile communications device costs is available to employees who receive such an allowance. All other employees may submit records of their expenses for reimbursement of infrequent, business-related use of their personal mobile communications devices. (See section 400.20 below.)

MSU may, in some cases, purchase and own mobile communications devices to be assigned to groups (departments, offices, laboratories, etc.) and which may be loaned temporarily to individual employees or be shared by groups of employees for specific business purposes. This may be done if and only if the personal use of those devices is strictly limited to essential personal calls (see definition above).

Mobile communications devices should not be selected as an alternative to other means of communication -- e.g., land-lines, pagers, and radio devices -- when such alternatives would provide adequate but less costly service to the University.

300.20 Transition

Beginning immediately upon the approval of this policy, the University will no longer purchase any new mobile communications devices or service contracts, except for devices to be assigned to groups; nor, with the same exception, will any existing mobile communications device contracts be renewed or extended. In order to avoid cancellation fees and to allow for an orderly transition, anyone currently using a University-owned mobile communications device, acquired prior to the establishment of this policy, may continue to use that device until the expiration date of the contract in place on the effective date of this policy. Thereafter the user must modify his/her usage to comply with the provisions of this policy. Until that time, payment procedures for charges resulting from personal use of still-active University-owned mobile communications devices will conform to practices now in place for payments from employees to the University.

400 Procedures:

400.10 Frequent Use of Mobile Communications Devices for Business Purposes

A. Establishment and Payment of Allowance

If a University employee's job duties include the frequent need for a mobile communications device, then the employee is eligible for an allowance to

cover mobile communications device expenses. An allowance may be requested using the MSU Mobile Communications Device Allowance Request Form. The request may be made any time during the fiscal year. The dollar amount requested should cover the remainder of the fiscal year. Payments will be divided equally among the remaining pay periods. For example, a \$360 request might be made at the beginning of the fiscal year (July 1), for an employee who is paid monthly. If the request were approved, the employee would receive \$30 extra per month (gross) on his or her paycheck, for 12 months.

Once an allowance has been established it will continue until a new allowance form is submitted, documenting a change or termination. The employee is required to notify his/her supervisor immediately when any change to the employee's mobile communications device contract is made, and is required to submit a revised allowance form immediately.

This allowance does not constitute an increase to base pay, and will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, etc.

By U.S. Internal Revenue Service directive, allowances for mobile communications devices are treated as taxable income even if the device is required for the employee's job.

B. Determination of Dollar Amount of Allowance

The dollar amount of the mobile communications device allowance should cover the employee's projected business-related expenses only. In no case shall the amount exceed the cost of the employee's monthly mobile communications service plan. Determination of the dollar amount of the allowance is made at the department level prior to submitting a request for a mobile communications device allowance. At the discretion of the supervisor, the university allowance may pay for mobile communications services, a pro rata share of the purchase price of the device itself, and/or may be increased to reimburse also the cost of taxes the employee incurs from receipt of the allowance.

The MSU Business Office is responsible for notifying Personnel and Payroll Services of all allowance amounts and changes in allowance amounts or eligibility.

C. Use of Device

The employee must retain an active mobile communications service contract as long as a mobile communications device allowance is in place. Because the mobile communications device is owned personally by the employee and the allowance provided is taxable income, the employee may use the device for both business and personal purposes, as needed. The employee may, at his or her own expense, add extra services or equipment features, as desired.

Use of the device in any manner contrary to local, state, or federal laws will constitute misuse, and will result in immediate termination of the mobile communications device allowance.

D. Documentation and Review Requirements

A copy of the Allowance Request Form, and of the employee's related mobile communications device contract, must be kept on file in the employee's University department. Department files are subject to audit at any time by MSU Internal Audit or external auditors engaged by the state or federal government.

To accompany the Allowance Request Form, the employee is responsible for providing to his/her supervisor and the MSU Business Office evidence (a page from the most recent bill or credit card statement, for example) to document that the employee still has the device.

The dean, director, or department head is responsible for an annual review of employee business-related mobile-device use, to determine if existing mobile communications device allowances should be continued as-is, changed, or discontinued.

E. Fees for Contract Changes or Cancellations

1. If for any reason unrelated to University business needs the mobile communications service contract is modified or terminated prior to the end of the contract period, the employee will bear the cost of any fees associated with that change or cancellation. For example, the employee quits, and no longer wants to retain the current mobile communications service plan for personal purposes.
2. If, prior to the end of the mobile communications service contract period, a University decision makes it necessary or desirable for the employee to terminate or change the mobile communications service contract, the University will bear the cost of any fees associated with that change or cancellation. For example, the employee's supervisor has changed the employee's duties and the mobile communications device is no longer needed for University purposes. If the employee does not want to retain the current contract for personal use, any change or cancellation fees will be reimbursed by the University.

400.20 Infrequent Use of Mobile Communications Devices for Business Purposes

If a University employee's job duties do not include the frequent need for a mobile communications device, then the employee is not eligible for an allowance to cover mobile communications device expenses. Such employees may request reimbursement for the actual extra expenses of business calls made using their own mobile communications devices with the proviso that reimbursement for per-minute "air time" charges is limited to the total overage charge shown on the invoice, i.e., expenses for minutes included in the plan will not be reimbursed. The individual should make personal payment to the provider, and then should submit the appropriate MSU form requesting reimbursement from the University. The form should list the individual as the payee. A copy of the invoice should be attached to the form, with the separate business-use charges clearly marked.

Employees who occasionally require mobile communications devices for business purposes, but do not have personal devices they can use, may work with their university departments to rent devices from the ITC Telephone Services unit.

500 Exceptions to the Allowance Method

While the University generally will not pay monthly service plan fees directly, there are some exceptions to this rule.

The University, through its ITC Telephone Services unit (ITC-TS), will own and retain a certain number of mobile communications devices for short term rental, emergency use, or disaster response/recovery purposes. Additionally, mobile communications devices that are (1) assigned to groups or (2) required to conduct research projects and charged to contract/grant budgets may be obtained through ITC-TS.

In all cases when the University provides mobile communications devices and/or service plans for use by employees, the use of those devices is strictly limited to official MSU business and essential personal calls, as defined above.

Requests for other exceptions to this policy may be made by submitting a written request to University Business Services. All exception requests require the signature of the appropriate University vice-president. University Business Services may require that the employee submit relevant auditable documents to substantiate any exception request, and may consult with other University administrative offices in determining the propriety of the exception.

Additional information on the Mobile Communication Devices policy can be reviewed on the ITC-TS website located at <http://www.montana.edu/telephone/mobile.html>.

