

---

## **MOBILE COMMUNICATION ALLOWANCE POLICY FOR CELL PHONES AND HANDHELD DEVICES**

### **Policy Overview**

In general, the University of Portland does not purchase cell phones and wireless handheld devices (such as smart phones) for individual employees nor pay directly for employee service plans for cell phones or handheld devices. Employees may request reimbursement for business-related calls under the college's normal business expense reimbursement policy.

For employees whose job duties require the frequent use of these devices or services, the University may provide a taxable allowance. This allowance does not constitute an increase to base pay and will not be included as base compensation for future raises, salary adjustments, retirement contributions, and employee benefits.

As a taxable allowance, the University will not reimburse employees for any additional taxes as a result of receiving this allowance. Specifics of this policy are described below.

### **Taxable Allowance Policy Limits**

For qualified employees the University will provide an allowance subject to the following limits

- Monthly allowance for voice-only service is \$30
- Monthly allowance for combined voice and mobile data device service will be \$80\*

\* \$5.00 of the monthly allowance is to cover the cost of the handheld device

### **Qualification and Administration of Allowance**

Based on their knowledge of the job duties of a position, budget considerations, and good judgment, supervisors should submit requests for a cell phone or handheld device allowance for employees under their supervision to their divisional Vice President. If the Vice President approves a supervisor's request for an employee in his/her department to receive an allowance for a cell phone or handheld device, the Vice President should send an email to the payroll office ([payroll@up.edu](mailto:payroll@up.edu)), indicating the individual and level of allowance to be received.

Vice Presidents are responsible for an annual review of these allowances to determine whether they should be continued or adjusted. The payroll office should be notified promptly of any changes.

The University of Portland will not provide direct payments to a vendor for the purchase of equipment or monthly service charges for the equipment covered. Additionally, the University will not enter into contracts with vendors for employee use of these devices or services on behalf of employees. Since the employee is the direct holder of the contract, he or she will be responsible for lost, damaged or malfunctioning equipment.

The employee must retain an active service contract as long as this type of allowance is being paid and use these devices and services in a prudent manner at all times. Use of these devices or services in any manner contrary to local, state, or federal laws will constitute misuse and will result in immediate termination of the allowance and other actions, as appropriate.

### **Payroll Processing**

After the Payroll office receives and approves the request to pay an allowance, it will be added to the individual's payroll check. Appropriate payroll taxes on the allowance will be withheld from the paycheck, and the amount of the allowance will be included on the individual's year-end W-2 form.

### **Fees for Contract Changes or Cancellations**

The employee will be responsible for any fees associated with a change or termination of the contract caused by a personal decision by the employee, employee misconduct, involuntary termination, or misuse of the device or service.

If, prior to the end of the service contract, the decision is made to discontinue the allowance to the employee (for example, the employee's supervisor has changed the employee's duties and the device or services is no longer needed for University purposes), the employee may be eligible for reimbursement of all or a portion of the service contract cancellation fees. If the employee does not want to retain the current contract, a request for reimbursement of the cancellation fees should be submitted to the Vice President for Information Services within three weeks from the time of either the decision to discontinue the allowance or the employee's last date of employment. An invoice from the service provider indicating the service has been cancelled and the amount of the cancellation fees should accompany the request. The University will reimburse the employee for that portion of the fees that represents the university business use. The University will reimburse fees for the cancellation of contracts with no more than two years remaining. Fees will be prorated on contracts with greater than two years remaining.

### **Shared Phones**

On the rare occasion when a department may make a cell phone available for multiple individuals to use and a cell phone is not assigned to a specific individual and no personal calls are made on these phones, the phone may be used by employees without using the taxable allowance program. Such phones should be pre-approved in writing by Information Services.

### **Special Phones**

There may be situations in which departments, such as Physical Plant, Public Safety, and Events, determine that a cell phone or similar device provides a more reliable and cost effective solution than the two-way radios that would normally be provided by the University. In these situations the University will provide the cell phone with the understanding that it will be used mainly for university business. However, if the employee exceeds the limits provided (the University determines the limits), the employee will reimburse the University for any charges for extra usage.

### **Infrequent Reimbursements**

Faculty or staff may be reimbursed for out-of-pocket costs associated with personal cell phones or handheld devices when the following conditions are met:

- The personal cell phone or handheld device was used for university business
- The out-of-pocket costs are in excess of the regular monthly cost of his/her personal plan
- Reimbursement requests are documented in accordance with University of Portland's expense reimbursement policy
- Reimbursement requests are infrequent in nature. (Please note that if this is a regular, ongoing activity, the taxable monthly allowance should be used)

**Exceptions**

Exceptions to this policy should be pre-approved in writing by the Vice President for Information Services.

**Other College Policies**

When using personally owned devices that are connected to University of Portland networks, or when using University provided devices or resources, all individual are expected to comply with relevant Information Services policies.

**Responsibility for Approving and Maintaining this Policy**

The Vice President for Information Services is responsible for approving modifications to this policy. The Controller is responsible for coordinating an annual review of this policy.