



Oakland University

Administrative Policies and Procedures

SUBJECT: CELL PHONES

NUMBER: 206

AUTHORIZING BODY: PRESIDENT'S CABINET

RESPONSIBLE OFFICE: CONTROLLER'S OFFICE

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RATIONALE: Oakland University offers a taxable allowance for cell phone service to employees whose duties and responsibilities require them to carry cell phones. This policy allows the University to meet IRS regulations regarding business versus personal use of cell phones.

POLICY: The appropriate Executive Officer, or designee, may authorize a cell phone allowance for employees who carry a cell phone for University business. If authorized, employees required to carry a cell phone for University business will receive compensation in the form of a cell phone allowance. Simple convenience is not a criterion for a cell phone allowance. An allowance may be authorized if at least one of the following two criteria is met:

1. The job function of the employee requires considerable time outside of their assigned office or work area and it is important to the University that they are accessible during those times.
2. The job function of the employee requires them to be accessible outside of scheduled or normal working hours.

University Departmental Cell Phones are excluded from this policy.

SCOPE AND APPLICABILITY: This policy is applicable to all faculty and staff of Oakland University as referenced in the specific procedures and guidelines outlined below.

DEFINITIONS:

Departmental Cell Phones: A Departmental Cell Phone is a shared phone that does not leave

the campus and is turned in by each employee at the end of his/her shift. Departmental Cell Phones are to be used for business purposes only. Phone bills for Departmental Cell Phones should be reviewed monthly by department heads to verify business use.

PROCEDURES:

Approval of Allowance

Employees whose duties and responsibilities require them to carry a cell phone are eligible for a cell phone allowance. A cell phone allowance may be requested using the [Cell Phone Allowance Request Form](#). The form must be approved by the appropriate Executive Officer, or designee, and forwarded to University Human Resources.

Determination of Allowance Amount

The dollar amount of the cell phone allowance should approximate the employees anticipated business related expenses only. Management should use the following schedule to determine the appropriate allowance:

- Tier 1 - \$45/month: This allowance is for the employee who has light usage of the cell phone for business purposes (450 minutes or less).
- Tier 2 - \$65/month: This allowance is for the employee who has medium usage of the cell phone for business purposes (450 to 900 minutes).
- Tier 3 - \$90/month: This allowance is for the employee who has heavy usage of the cell phone for business purposes (over 900 minutes).
- Tier 4 - Other/month: This allowance is for the employee who has heavy cell phone usage plus extra phone services such as email and calendar integration for their job. The amount should be determined by the employee's supervisor.

The employee is responsible for the purchase of the cell phone equipment to be used for basic cell service (most basic cell service plans provide free phones). Costs for cosmetic or technical extras that have no business purpose are the responsibility of the employee. In those circumstances where advanced features such as email, calendar integration, or push-to-talk capabilities are required, approval by the Executive Officer, or designee, may be obtained to provide all or part of the funding of this advanced equipment. Cell phones and related equipment purchased by the University are University property.

Establishing the allowance

Use the [Cell Phone Allowance Request Form](#) which is page 4 of this policy. Fill out the form completely, obtain the appropriate signatures and forward to University Human Resources (UHR) for further processing.

Payment

The cell phone allowance is paid through Payroll and is included in the employee's check/direct deposit. The allowance shows as a separate line item on the employee's pay stub.

This allowance does not increase the employee's base salary and will not be included in the calculation of any University benefits. This allowance is subject to all applicable taxes.

Using the cell phone service

The cell phone service is personally owned by the employee and may therefore be used for both personal and business calls. An employee with a cell phone allowance must maintain an active cell phone contract for the life of the allowance.

Note that misuse of the phone – using it in ways inconsistent with University policy or with local, state or federal laws – will result in immediate cancellation of the cell phone allowance.

Documentation and Review Requirements

A copy of the completed [Cell Phone Allowance Request Form](#) must be kept on file in the employee's department.

The employee's supervisor is responsible for an annual review of the business need for a cell phone allowance to determine if allowances should be changed or discontinued.

If an employee is terminated, resigns, transfers or is no longer eligible for a cell phone allowance, the employee's supervisor should submit a revised [Cell Phone Allowance Request Form](#) to UHR noting "Discontinue allowance as of XX/XX/XX" in the business justification section of the Form.

Contract Changes or Cancellations

If, prior to the end of a cell phone contract, a personal decision, employee misconduct, or misuse of the phone results in the need to change or end the cell phone contract, the employee will bear the cost of any associated contract termination fees.

If, prior to the end of the cell phone contract period, a University decision is made (unrelated to employee misconduct) which results in the need to change or end the cell phone contract, the University will bear the cost of any associated contract termination fees.

RELATED POLICIES AND FORMS:

[Cell Phone Allowance Request Form](#)

APPENDIX:



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