**University of New Hampshire - Cellular Phone Policy**

**PROCEDURE:**

**ISSUED BY: UNH-Office of the Vice President for Finance & Administration**

**APPROVED BY:**

**DATE APPROVED:**

**A. Summary:**

The University of New Hampshire recognizes that the performance of certain job responsibilities may be enhanced by or may require the use of a cellular (cell) phone or a Smartphone. This policy applies to staff and faculty who are authorized to use a cell phone and/or associated wireless services for business related communication. Cell phones should not be selected as an alternative to other means of communication (e.g., land lines) when such alternatives would provide adequate but less costly service to University. Please also refer to USNH policy.

**B. Scope:**

This policy applies to University of New Hampshire. It covers cell phones and other wireless communication devices. The policy excludes the following:

-Pagers

-Two-way radios

-Modems, aircards

-Mobile devices owned by the departments and shared by department personnel

-Wireless devices under sponsored programs/grants

-Authorized users covered by collective bargaining agreement

**C. Eligibility/Business Need:**

Eligibility for cell phone allowance (taxable stipend) to cover business-related cell phone costs is based on the demonstrated and documented need for the employee to use such device frequently in the performance of their job.  The device/service plan may not exceed the employee’s job requirements and must be ordinary and necessary to enable the employee to:

* Remain in touch with others due to the nature of the job, such as frequent business-related travel or work outside the office setting.
* Be available for emergency contact, for instance: police/security, IT support, building and grounds maintenance, health and counseling services, etc.

Department heads are responsible for identifying employees who hold positions where there is a need for a cell phone and for indicating the service (Tier I, II, III as described in section D.1) appropriate to meet business needs. Departmental eligibility criteria can be more (but not less) restrictive than the university criteria stated in this policy.

The UNH List of Authorized Cell Phone Users must be approved by RC Unit Head annually by June 1 and will be based upon funds availability.

**D. GUIDELINES:**

**D.1. TAXABLE ALLOWANCE**

Department heads are responsible for determining the need for the service and the taxable allowance amount for the eligible employees. The allowance amount cannot exceed the limits stated in the policy. The allowance amount will be evaluated, and if appropriate adjusted, annually.

The allowance is not intended to fund the cost of the device and pay the full monthly bill since employees use their devices for both personal and business communications. Only one cell phone allowance will be provided per employee.

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| **Tier** | **Plan** | **Monthly Max Allowance** |
| Tier I | Data Plan Only | $30 |
| Tier II | Talk & Text Plan | $50 |
| Tier III | Talk/Text/Data Plan | $75 |

Eligible employees need to request an allowance using the UNH Cellphone Stipend Agreement form. Any new request may be made any time during the fiscal year. Employees listed on the UNH Authorized Cell Phone Users list need to submit new UNH Cellphone Stipend Agreement form annually, at least three weeks before the first paycheck of the new fiscal year for the continuity of the allowance in the following fiscal year. Target deadlines are June 1st for fiscal year appointments and August 1st for academic year appointments. The forms are required to be approved by the department head and submitted to the respective Business Service Center (BSC). Once processed by USNH Disbursement Services, the allowance amount will be reflected in the employee’s bi-weekly pay.

The allowance will be paid as a standard rate per pay period and will be considered taxable income to the employee. UNH will pay only the agreed upon amount, even if monthly cost exceeds the allowance. The allowance is neither permanent nor guaranteed, and will be reviewed annually. Department heads are responsible for the continuity of the allowance. For further information please refer to section E.2

If the amount of the allowance needs to be adjusted because of documented business purposes, the employee must obtain department head approval and submit a new approved form. The revised amount cannot exceed the maximum limits defined in the policy.

This allowance does not constitute an increase to base pay. It will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, bonuses, benefits based on a percentage of salary, etc.

Exception to Tier III plan, e.g., business related international plans, is subject to VP for Finance and Administration (or designee) approval.

**D.2. CONTRACT PROVIDED PHONES (subject to VP for Finance & Administration approval)**

The University will no longer issue cell phones for the use of the individual employees, except contract- provided phones as described in this section.

Units may engage in a contract with a cell-phone service provider in order to provide unit-owned cell phones to the eligible employees. Units will need approval from the VP for Finance and Administration (or designee) prior to contracting with a cell phone service provider. The units should justify the need for a contract and provide the list of the eligible employees. The monthly costs of the plans under the contract with the service provider should not exceed the maximum allowance limits defined in the policy.

Devices provided by and paid for by UNH must be necessary for UNH business on an ongoing, recurring basis with no more than minor or incidental personal use by the employee.

If a unit has an existing contract with a cell phone service provider, eligible employees have the opportunity to elect either a unit-provided cellular device or the ability to use their personal phone for business purposes and receive a taxable allowance.

Units or the Vice President for Finance and Administration office reserve the right to cancel this option.

**E. Rights & Responsibilities:**

**E.1 Employee Responsibilities**

The employee who receives a cell phone allowance is responsible for purchasing an appropriate cellphone with coverage in and around the employee normal workplace locations. The personal cellphone contract should be in the name of the employee, who is solely responsible for all payments to the service provider. The employee purchases cellphone service and equipment; determines plan choices, service levels, calling areas, service and phone features; and accepts termination clauses and payment terms.

The employee who receives a cell phone allowance must provide UNH with his/her cell phone number and must continue to maintain the cell phone while in receipt of the allowance.

Because the cell phone is owned personally by the employee and the allowance provided is taxable income, the employee may use the phone for both business and personal purposes, as needed. If there are problems with service, the staff member is expected to work directly with the carrier for resolution. Support from University Information Technology (IT) is limited to documentation provided for connecting a personally owned cellphone to University‐provided services, including email, calendar, and contacts. The employee is responsible for downloading and installing all updates and patches when they become available.

The employee receiving a cell phone allowance must be able to provide, if requested by his/her supervisor, a copy of the monthly access plan charges and business related use. If the employee terminates the wireless contract at any point, s/he must notify his/her supervisor within 5 business days to terminate the allowance. UNH does not accept any liability for claims, charges or disputes between the service provider and the employee.

A device with data capabilities must be secured based on current security standards including password protection and encryption. If a cell phone/device with data capabilities is stolen or missing, it must be reported to the employee’s supervisor, the wireless device service provider, and to UNH IT as soon as possible.

The employee receiving a UNH cell phone allowance must also comply with Federal, State, and University requirements, and assist the University in providing access to information about or contained on the cell phone covered by this policy in response to requests for such data or information by third parties as required by Federal and/or State law.

Devices covered by this policy are used in part to conduct UNH business and/or to create, receive, send, or store university data. As a result, information contained on devices covered by this policy are also subject to Federal and State data maintenance and protection laws (e.g., FERPA, records retention requirements), as well as all University policies, including those pertaining to data security, acceptable computing use, and email. 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 cell phone allowance. For further information please refer to http://www.usnh.edu/olpm/UNH/VI.Prop/F.htm

Employees must comply with applicable laws regarding the use of cell phones while driving and avoid cell phone use that may jeopardize the safety of the employee or others.

Employees receiving a UNH cell phone allowance must delete all University data from the cell phone when their employment with the University ends, except when required to maintain that data in compliance with litigation hold notice.

**E.2 Department Head/RC Unit Head Responsibilities**

The department head is responsible for overseeing employee cell phone needs and assessing each employee’s continued need of a cell phone for business purposes. Approval of the allowance must be reviewed annually to determine if current cell phone allowance should be continued, changed, or discontinued.

New UNH Cellphone Stipend Agreement forms are required to be approved and submitted to the BSCs each fiscal year, even if the amount of allowance does not change.

The *List of Authorized Users Form* must be approved by the RC Unit head by June 1st each year for all UNH units authorizing the continuity of the allowance for the following year.

Cell phone allowance costs are funded by the employee’s department.

If a unit has a current contract with a cell phone service provider, the RC Unit head is responsible for obtaining VP for Finance and Administration (or designee) approval for the renewal of the contract.

RC Unit Head needs to obtain VP for Finance and Administration (or designee) approval for any exceptions that haven’t been defined in the policy.

**E.3 BSC Responsibilities**

BSCs are responsible to process the approved UNH Cellphone Stipend Agreement. BSCs process EPAF for the request of allowance and submit the copy of the form to Human Resource/Payroll.

If current cell phone allowance needs to be changed or discontinued, BSCs are responsible to inform Human Resource/Payroll in a timely manner.

BSCs are responsible to confirm that the eligible employees are on the List of Authorized User Form during the annual review.

**G. Effect of Termination, Leaves or Change in Job Requirements:**

Any UNH cellphone stipend agreement will be immediately cancelled if an employee receiving a cell phone allowance terminates employment with the UNH.

Any such allowance will also be cancelled if an employee changes job positions, unless a new UNH Cellphone Stipend agreement is submitted to the Business Service Center (BSC) to establish the continued business need for a cell phone.

Cancellation of the allowance may also occur if the employee does not maintain their personal data plan or other such event occurs. Cancellation of the allowance may also occur in the event of an employee decision, employee misconduct or misuse of the phone. The employee will bear the cost of any fees associated with a change or cancellation.

If an employee goes a leave, the department head can choose to continue or terminate the cell phone allowance. If the department head chooses to cancel the cell phone allowance, he or she must contact the BSC to make arrangements to cancel the cell phone allowance payments.

**H. Effective Date:**

The new cell phone policy is effective upon the approval of this policy. UNH will no longer provide UNH owned cell phones after approval of this policy, except contract provided phones as described in section D.2.

Employees may change to an allowance method at any time after the approval of this policy until June 30, 2014. The conversion period is between approval date of the policy and June 30, 2014.

Eligible employees must get approval for the allowance before they renew their contract with the service provider during the conversion period. Employees are responsible to cover the costs above allowance after the renewal of contract.

Units that have existing contract with a cell phone service provider should get VP for Finance and Administration or designee approval before renewing the contract with the service provider.

**Frequently Asked Questions**

**Does everyone get an allowance for a personally owned cell phone?**

No.  Employees are eligible for allowance only if the position requires access to a cell phone, where other less expensive means of communication are not adequate, and then only at a tier necessary for the business purpose.

**Even if I don't receive an allowance, as a University faculty or staff member am I eligible for the individual discounts the cellular vendors offer?**

Yes! If you are a current University faculty or staff member you are invited to take advantage of any of the discounts offered by the cellular vendors under their individual liability pricing. Please refer to http://www.unh.edu/hr/employee-discounts.htm

**Currently, my cell phone expenses are paid by BSC. When can I switch to taxable allowance?**

Employees may switch at any time after the approval of policy. All conversions are planned to be completed no later than June 30, 2014.

**How can I change the amount of an allowance?**

You should submit a UNH Cellphone Stipend Agreement with appropriate approvals. The amount is dictated by the business need and the type of plan required fulfilling job responsibilities.

**When and how should I expect to see my allowance?**

You will see your allowance on your bi-weekly paycheck one the Cell Phone Stipend Agreement has been processed by USNH Disbursement Services.

**What should I do with my current university-issued cell phone?**

UNH Telecommunications will be transitioning out of the business of issuing cell phones to UNH employees (with the exception of those situations out of scope in Section B.). Employees will be able to keep the UNH-issued phones at no cost.

**Can I use my cell phone number after I switch to taxable allowance?**

Yes. UNH Telecommunications is in the process of releasing the cell phone numbers so when you are ready to switch over to a personal plan with a cell phone provider, you will be able to keep your phone number. Please contact your TAM to verify or request that your cell phone number be released.

**If I am purchasing a new cell phone plan for myself, does UNH have any preference on which provider I choose?**

No. You need to choose a provider and plan that best suits your business and personal service coverage.

**Can I use a cell phone for personal call while I am getting taxable allowance?**

Yes. Because you own the phone, you do not have to document personal calls.

**Can I use a my cell phone for personal calls when my unit provides me unit contracted phone (section D2)?**

If you have unit contracted cell phone as explained in Section D2, the cell phone should only be used for business needs with no more than minor or incidental personal use.

**Will I get allowance for the cost of the device?**

No. The allowance is not intended to fund the cost of the device since employees use their devices for both personal and business purposes.

**I have cell phone and an ipad data plan. Can I get taxable allowance for each?**

You can get only one taxable allowance. Department heads are responsible for determining the need for the service and the taxable allowance amount.

**Can the BSC gross up the allowance amount to offset the fact that the allowance is taxable?**

No. Under no circumstances can the allowance amount be grossed up.

**Why is my cell phone allowance taxable?**

The cash allowance permits you to use your cell phone for both business and personal purposes and you do not need to provide documentation to support the business use. Therefore, it is classified as nonaccountable plan as per IRS regulations and it is taxable compensation

**I have a university-issued cell phone through Telecommunications. What happens if I need to upgrade to a temporary international plan?**

Telecommunications will accommodate temporary upgrades to an international plan during FY14, the transition year. After 06/30/14, the upgrade depends and the length of time and the frequency of these upgrades during the year and other specifics of the situation.  There can be three options:

1. **If the upgrade is temporary (1-2 months)**, the employee can pay the costs associated with the upgrade and request a reimbursement through his/her Business Service Center.  This applies to all employees, whether or not they have been approved for authorized cell phone user.
2. **If the upgrade is temporary but for a longer period of time**, the taxable allowance can be increased for the time period of the upgrade. The user should provide documentation to support the business use.
3. **If the upgrade is more routine (i.e., for 50% or more of the year),** then the annual taxable allowance should be increased to cover the estimated cost. The user should provide documentation to support the business use.

**What happens if I have an issue with my current phone?**

Telecommunications will address each issue on a case-by-case basis for Telecom issued cell phones (not working, battery not holding charge, etc) until 06/30/14.

After June 30, 2014, Telecom will no longer address any issues with the current phones, unless the user has been granted an exception or falls within the exceptions noted in the policy.

**Does this policy apply to direct cell phone charges to grants?**

No. This policy excludes wireless devices under sponsored programs/grants. USNH Cell phone policy still applies and The UNH Office of Sponsored Research should be consulted for clarification on the allowability of these costs.

**If I have questions on the allowance once I receive it who should I talk to?**

You will need to discuss it with your department head or BSC.