

SHIPPENSBURG UNIVERSITY WIRELESS DEVICE POLICY

FREQUENTLY ASKED QUESTIONS

1. What prompted the new Wireless Communication Device (WCD) Policy?

- a. For nearly a year, Shippensburg University has been evaluating the revision of policies surrounding the business use of cellular phones and other wireless communication devices (WCD) by its employees. Recently, the system office has provided guidelines for these policy changes. These devices include but are not limited to cellular phones, pagers, wireless internet services, and wireless data devices.

When a government employer provides its employees with devices or services of this type, tax issues are raised because these devices lend themselves easily to personal use. When the employee owns the cell phone, whether it is used for business purposes or not, these tax issues do not apply.

2. Why is a WCD any different than the phone at my desk?

- a. Because a cell phone is portable, Congress established the detailed business substantiation rules applicable to this equipment and similar devices. The business use rules that apply to your office phone are less restrictive.

3. Are there options available in how the university handles WCDs?

- a. Based on the guidelines provided by PASSHE, each University may approach a policy for the business use of a WCD differently. Briefly summarizing these options –
 1. A PASSHE/ University Owned Cell Phone or WCD may be restricted to Business Use Only. The policy would be written to prohibit the personal use of these devices. Employees would keep detailed records supporting evidence of the business purpose of each call/activity, and the employer would routinely audit billings to confirm no personal calls/activities were made.
 2. A PASSHE/University Owned Cell Phone or WCD allowing Personal Use of the WCD. The policy is written to allow personal use, requiring employees to keep detailed records and supporting evidence of the business purpose of each call/activity. Employers would maintain

records supporting the exclusion of the value of the business use from the employee's taxable wages. All personal calls/activity are clearly identified and the cost attributable to non-business related use is included in the employee's taxable wages. Typically, the pro rata share of the monthly service charge without reference to limits and the actual costs.

3. An Employee Owned Cell Phone or WCD – Employee Receives a Monthly Allowance. Payments to the employee are taxable income for Federal Income, FICA, Medicare and Pennsylvania Unemployment Compensation tax purposes. The employee is not required to substantiate the expenses with receipts or documentation for each call, is not required to return any amount in excess of substantiated business expenses, and receives the stipend or allowance without regard to anticipated or incurred business expenses.

4. Which method has Shippensburg University chosen to utilize in its WCD Policy?

- a. An Employee Owned Cell Phone or WCD – Employee Receives a Monthly Allowance. In this manner, Shippensburg University has developed a policy that establishes baseline allowances determined by employee position, appropriate departmental and management approvals and other policy guidelines. The policy allows for the authorization of increased allowances with supporting justification. In addition, the university will be able to review the demands of a particular employee allowance annually to determine if a reauthorization, increase, or reduction in monthly allowance is appropriate. Routine monthly documentation will not be necessary to support the approved allowance. However, occasionally, information may be requested to support annual renewal of approved stipends, for auditing purposes.

5. Does everyone get a taxable allowance for a personally-owned cell phone or WCD?

- a. No. Only approved employees will receive the allowance. A number of criteria are available under the policy to allow for such approval. The allocation guidelines require one or more of the following criteria be met –
 1. The duties of the position may lead to potentially dangerous scenarios and situations with no other acceptable or reliable means of alternative communications.
 2. The duties of the position require that the employee work regularly in the field and need to be immediately accessible.

3. The duties of the position are such that immediate emergency response is critical (police or emergency responder) or the employee is responsible for critical infrastructure or operational support and needs to be immediately accessible at all times.
4. The duties of the position require a significant amount of travel during regular work hours, or outside normal hours but related to official university business and access to information technology systems, in the judgment of the university, render the employee more productive and/or the service the employee provides more effective.
5. The duties of the position require response and decision making to life-threatening or public safety issues and situations.
6. The duties of the position make it necessary that the employee be accessible to communicate with senior management at any time.
7. The President of the University deems it necessary to ensure the flow of information and critical support of the university mission.

6. *May I use my WCD for personal calls? Am I required to maintain documentation on a regular basis?*

- a. Because you own the phone, personal use is permitted. While you are not required to maintain a log or documentation of each call, as would be required under some of the other options, it may be prudent for users to maintain some current call history to offer supporting justification for on-going renewal of allowances. Since these stipends will be funded by the departmental budget requesting these services, the annual review of stipend approvals may require current information to support the request. Evidence of actual incurred costs may also be requested to support increasing or changing the approved allowance.

7. *May I purchase plans that exceed the allowances established for my stipend?*

- a. This is your personal phone and your personal plan. The allowance established for your stipend does not preclude you from purchasing higher value plans or additional services. You are responsible for maintaining a plan that is at least equal to the minutes and services for which your allowance was established.

8. *What are the procedures for changing from a university owned cell phone or WCD to a personal cell phone or WCD and stipend?*

- a. Individuals that are currently covered under a Shippensburg University purchase order for wireless services will receive a packet of information including the SU Wireless Communications Policy and authorization forms. Users should carefully read the WCD policy to become familiar with information and to clear up any questions they may have before proceeding. Included in that packet will be a Transfer of Billing Responsibility

Form, WCD Justification and Acknowledgement Request Form, and A Wireless Communications Stipend Status Form. In the initial transition, a separate check sheet will be attached to help define the action you are taking with the current university owned wireless communications device.

Review the check list and be sure to include this (with the appropriate action marked) with the completed forms. This will help others in taking the necessary steps to process your specific requests.

Complete the WCD Justification Form.

1. Check those items in Section A which most accurately describe the Justification of Business Need.
2. Obtain the appropriate signature, date, department and fund center which will support the stipend. The approving authority will determine the stipend plan which is being allocated for you.
3. Print your name, sign and date the bottom of Section B.
4. Deliver the completed Check List, WCD Justification and Acknowledgement Form, completed Sections A & B to the Division for approval.
5. These forms will be delivered to the VP for Administration and Finance for Approval and returned to the Computer Technologies Center and Telecommunications Office for review.
6. Reviewed and approved forms will be forwarded to Human Resources.

9. Do we receive equipment allowances as part of the stipend?

- a. In most cases, a stipend for equipment will not be provided. However, if circumstances exist that require a specific carrier/technology be used, the respective Vice President (in consultation with the department head and the Director of Telecommunications) may approve a stipend to off-set the additional cost of this specific equipment.

10. What about early termination fees?

- a. If you currently use a university owned WCD, the university will help you proceed in such a manner that early termination fees, as a result of the transition, should not be a concern. Please follow all of the procedures listed and coordinate the change with the Office of Telecommunications. Obviously, if you make a personal decision to change carriers after the transition, you will be responsible for any early termination charges. These may be avoided by making the most appropriate decisions the first time. If you incur an early termination fee or penalty associated as a result of resigning your position, the termination of a previously approved stipend or involuntary separation, the department may be permitted to provide you with a one-time allowance to reimburse you for these costs.