

## Finance & Operations Policy FO-50

### 1. Cellular Communication Service

#### 1.1 Purpose

- 1.1.1 This document establishes policy concerning the use, availability, and acquisition of wireless cellular communication devices and services by SHSU employees for business purposes.
  - 1.1.1.1 This policy will be consistent with Federal Internal Revenue Service guidelines pertinent to the University. Individual employee's tax implications are solely their responsibility.
  - 1.1.1.2 This policy is governed by the Texas State University System Rules and Regulations, particularly Chapter III section 6. (19) "Wireless Communications Services and Equipment."
  - 1.1.1.3 SHSU recognizes that in certain cases, the use of cellular devices and the services they provide, considerably enhances an employee's ability to assist in achieving the University mission.
  - 1.1.1.4 The SHSU information Resources division is designated as the campus authority for cellular communication services.
  - 1.1.1.5 This policy is not intended to be applicable for incidental SHSU business related phone use.
  - 1.1.1.6 Applications of this policy are intended only for individuals where the use of their personal cellular device, for required work related purpose, has created a considerable economic impact on the monthly service bill or with respect to the cellular device selected.

#### 1.2 Definitions

- 1.2.1 Wireless cellular communications are defined to be any form of radio frequency-based communication services, typically used for the transmission of voice and/or data communication services to a portable communications device.
  - 1.2.1.1 This policy is not applicable to the University wireless local area network (LAN).
  - 1.2.1.2 This policy is not related to the use of traditional cordless phones.
  - 1.2.1.3 This policy is not applicable to two-way radios.
- 1.2.2 Wireless cellular communication devices include all forms of cellular instruments.
  - 1.2.2.1 Examples include but are not limited to personal digital assistants (PDA's), smart phones, telephones, data modems, mobile broadband devices and pagers.
- 1.2.3 Wireless cellular communication services include any contracted or pay-by-use plan related to a cellular device.

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- 1.2.3.1 Examples include but are not limited to mobile device data plans, voice plans, and short message service (SMS) text messaging.
- 1.2.3.2 Employee may be construed to be a currently enrolled SHSU student, if that student is determined to be representing the University in an official capacity.
  - 1.2.3.2.1 A student employee will only be eligible for a one-time allowance.

## **2. Cellular Allowance**

- 2.1.1. SHSU authorizes in certain cases that an employee may be eligible to receive a monetary allowance for the use of a personally-owned cellular device which is used for the benefit of SHSU.
  - 2.1.1.1. This allowance is not intended to cover all associated costs with the cellular service.
  - 2.1.1.2. This allowance may be recurring or one-time.
- 2.1.2. SHSU may take disciplinary action against an employee who fails to notify their supervisor of a decrease in service or cancellation of any plan(s) associated with the device for which he/she is receiving an SHSU cellular allowance.
- 2.1.3. SHSU provides no guarantee to the employee for the continuance of the SHSU cellular allowance.
- 2.1.4. SHSU will not provide cellular devices, or assist with negotiating contracts for services related to this allowance program.

### **2.2. SHSU Administrator Responsibility & Authority**

- 2.2.1. Administrators are authorized to identify employees whose positions are such that the SHSU business purposes could be enhanced by them having the use, availability, and acquisition of a wireless cellular communication device and service. All employees are eligible for consideration under this program.
- 2.2.2. Administrators may recommend a recurring monetary allowance to be provided to selected employees for compensation for cell phone use for business purposes. This recommendation will be accomplished by completion of the SHSU Cellular Allowance Request form and submission to the Vice President/Provost for approval. To ensure compliance with applicable TSUS policies and IRS regulations, final approval is granted by the Vice President for Finance and Operations. Upon final approval the Cellular allowance worksheet must be sent to the Controller's office for monthly processing.
- 2.2.3. Administrators are responsible for notifying the Office of the Vice President for Finance and Operations immediately, upon notification, or determination that the employee is no longer eligible for the SHSU Cellular Allowance, or if the service level has changed.
  - 2.2.3.1. SHSU may take disciplinary action against an administrator who fails to provide official notification, at the time that the SHSU Cellular Allowance for one of their staff is no longer applicable.
- 2.2.4. Administrators are responsible for maintaining and documenting current justifications for all staff in their area who are receiving a cellular allowance.

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- 2.2.4.1. Administrators are responsible for presenting this information upon request of administration.

### **2.3. Employee Responsibility**

- 2.3.1. Employee agrees to utilize his/her personal cellular services, to assist with University business when asked or needed.
- 2.3.2. To ensure the device is available for work-related purposes, an employee who is recommended and/or approved for the SHSU Cellular Allowance must agree to provide his/her supervisor all related cellular device contact information.
- 2.3.3. Employees are personally and solely responsible to the cellular vendor for all charges due for these services.
- 2.3.4. Employees are personally and solely liable and responsible for any federal tax liability incurred as a result of the receipt of the SHSU Cellular Allowance and/or taxes billed by the cellular vendor.
- 2.3.5. Employees must immediately notify their supervisors upon any decrease in service or cancellation of plans associated with the device for which they are receiving the SHSU Cellular Allowance.
- 2.3.6. Employees must immediately notify their supervisors if the SHSU Cellular Allowance exceeds the employee's cost for the service.
- 2.3.7. Employees must immediately notify their supervisors if their University duties no longer require the use of cellular service.
- 2.3.8. Upon request of their supervisor, the employee must provide a copy of the most recent bill and contract for a device for which an allowance is received, within five business days of the request.
- 2.3.9. Upon request of their supervisor, the employee must provide official documentation that confirms the employee is currently covered under a contract with a cellular provider and that vendor provides services consistent with the intent of the services for which they are receiving the SHSU Cellular Allowance.

### **2.4. Cancellation of the SHSU Cellular Allowance**

- 2.4.1. SHSU and the employees individually reserve the right to cancel the SHSU Cellular Allowance at any time, with or without cause and with or without statement of reason.
- 2.4.2. Upon termination of the SHSU Cellular Allowance, SHSU reserves the right to determine the amount of the final allowance payment.
- 2.4.3. Each calendar year, each Vice President will initiate a review of their employees receiving the SHSU Cellular Allowance, in order to ensure the agreement is still applicable and commensurate with the benefit which SHSU is still receiving.
  - 2.4.3.1. Each Vice President will provide the Vice President for Finance and Operations with updated SHSU Cellular Allowance Request forms for each employee in their division who is being recommended for the SHSU Cellular Allowance. (form located below)

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- 2.4.3.1.1. This review will be completed by the end of December. Review on a calendar year Basis coincides with the timing for applicable tax implications (W-2).

**3. Purchase and Use of SHSU owned Cellular Telephones**

- 3.1. All purchases of cellular telephones must be made by purchase order through the Purchasing Department of SHSU.
- 3.2. SHSU is exempt from taxes on cellular telephones. Please be sure to contact the Accounts Payable Department if you see taxes on the bills. The taxes will be removed from the bill and should not be paid.
- 3.3. It is not possible to prevent another party from placing a personal call to your telephone.
- 3.4. All charges non- SHSU in nature will be charged as taxable compensation each year based upon the details submitted in Section 3.8 below.
- 3.5. All telephones being charged to SHSU will include in the services contract a provision for a detailed monthly phone billing.
- 3.6. Departmental cellular phones may be purchased for on call use, via a purchase order, upon approval by the applicable Vice President/Provost or Dean. Department must maintain records related to any personal use during "on call" assignment.
- 3.7. Departmental data modem devices used for internet access may be purchased via a purchase order upon approval by the applicable Vice President/Provost. These devices must be purchased in the name of the Vice President/Provost, Associate/Assistant Vice President or Dean's office, with the distribution of the devices at the discretion of the Vice President/Provost, Associate/Assistant Vice President or Dean's office.
- 3.8. Purchases of cellular telephones by SHSU will only be considered for employees in the positions of President, Vice President/Provost, Associate/Assistant Vice President, Dean and University Police Chief.
- 3.9. All individuals with a SHSU provided cellular phone must submit a cellular worksheet showing total cost, amount business and personal use to the Payroll Office by January 7 for determination of any federal withholding tax consequences. Ninety days worth of detailed statements must be attached to support business and personal use. This documentation must be approved by applicable Vice President/Provost and the Vice President for Finance and Operations.

Reviewed by: Dr. Dana L. Gibson- President  
9/1/2010

Next Review: 9/1/2011

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**Cellular Communications Service  
Allowance Worksheet**

**Recipient Name:** \_\_\_\_\_

1) Describe business purpose and benefit to SHSU for employee cellular allowance and need for any allowance level greater than basic.

2) Check Type of Device.

Cellular Device Type	Description	Check one
<b>A</b>	Standard cell phone	
<b>B</b>	Enhanced feature device (i.e. PDA, Blackberry, I-phone, etc.)	
<b>C</b>	Cellular data modem	

**Specify recipient device information:**

Brand: \_\_\_\_\_ Model: \_\_\_\_\_

3) Select employee usage level and provide requested allowance amount. Please attach one month's cellular bill to the form. At no time may the allowance exceed 75% of the monthly bill applicable to this specific cell phone number.

Level	Plan Level 1	Plan Level II	Plan Level III
<b>Amount</b>	\$_____ <input type="checkbox"/>	\$_____ <input type="checkbox"/>	\$_____ <input type="checkbox"/>

**Explanation of Plan Levels:**

Service Plan Level	Description- Usage is defined as voice, data, features, etc. regardless of instrument type
I	Minimal amount of usage anticipated – voice only
II	Moderate amount of usage anticipated – voice and/or texting
III	Power use, much anticipated use – usage is vital to daily responsibilities – voice, text , email

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- 4) This form authorizes the specified employee (*recipient*) a monetary allowance for the use of their personal cell phone plan for direct benefit of the University.

<b>Recipient Information</b>	
<b>Name/SAMID</b>	
<b>Department</b>	
<b>Account funding allowance</b>	
<b>Account Number</b>	
<b>Allowance Amount</b>	\$
<b>Allowance Period</b>	Indefinite    or    Specified    (Circle one)
<b>Date for specified period</b>	Beg Date:                      End Date:

- 5) Approvals

I certify I have read the SHSU Cellular Communication Allowance policy and understand the associated employee responsibilities. In addition, I understand that these allowances are considered taxable compensation subject to required tax withholdings and are NOT part of my base salary.

\_\_\_\_\_

**Recipient Signature** \_\_\_\_\_  
**Date**

I certify I have read the SHSU Cellular Communication Allowance policy and that I have reviewed the recipient's official duties, and determined that the use of his/her personal cellular device will provide the University direct business related benefit in excess of the allowance amount requested.

\_\_\_\_\_

**Account manager Signature** \_\_\_\_\_  
**Date**

\_\_\_\_\_

**Provost/Vice President Signature** \_\_\_\_\_  
**Date**

\_\_\_\_\_

**Vice President for Finance and Operations** \_\_\_\_\_  
**Date**

\*\* Submit Cellular Allowance worksheet to the Controller's office for monthly processing

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