Introduction and Purpose

This policy allows the University to meet Internal Revenue Service (IRS) regulations and its fiduciary responsibility to the taxpayers of the State of Wyoming by providing guidelines for the use of mobile communication devices for University business purposes. This policy covers the following types of mobile communication device arrangements:

- Personally owned device with taxable allowance paid to employee to cover business use
- Personally owned device with non-taxable reimbursement for business use
- UW owned device with employee reimbursing UW for personal calls

Definitions

**Mobile Communication Device:** A mobile communication device is a mobile telephone, email appliance, wireless personal digital assistant, or a device combining two or more of those functions. Mobile telephones are broadly construed here to include devices based on COMA, TOMA, GSM, and PCS digital technologies and follow-ons, as well as satellite telephones.

**Adequate Service:** A mobile communication device service is adequate when it is sufficiently fast, sufficiently convenient, and sufficiently secure to allow the user to conduct University business in an efficient manner that safeguards the integrity and security of sensitive University information.

**Essential personal calls:** These are defined as personal calls of minimal duration and frequency that are essential to allowing the employee to continue working and cannot be made at another time or from a different telephone. Examples of essential personal calls are calls related to a family emergency, to arrange for unscheduled or immediate care of a dependent, or to alert others of an unexpected delay due to a change in work or travel schedule.

**Personal calls:** Non-business phone calls that are made or received on UW owned devices that are of more than minimal duration and are non-essential.

**Temporary Loan:** University-owned mobile communication devices may be loaned to employees for temporary use. When traveling on University business, an employee may keep a University device in his or her possession full time, but must return it to the University department or IT promptly at the end of the travel period.

**UW Alert System:** A text messaging notification system designed to keep the students, faculty, and staff of UW informed during an emergency situation. The UW Alert system was created to provide an additional measure of safety and security for campus.
**Policy**

In general, the University will not own mobile communication devices or service plans for permanent assignment to individual employees. Employees whose job duties include the frequent need for a mobile communication device may receive extra compensation, in the form of a mobile communication device allowance, to cover business-related use of their personally owned device and service plan. No further reimbursement for mobile communication device costs is available to employees who receive such an allowance. All other employees may submit records of their expenses for reimbursement of infrequent, business-related use of their personal mobile communication devices.

UW may, in some cases, purchase and own mobile communication devices to be assigned to groups (departments, offices, laboratories, etc.) and which may be loaned temporarily to individual employees or be shared by groups of employees for specific business purposes. This may be done only if the personal use of those devices is strictly limited to essential personal calls (see definition above). Additionally, mobile communication devices that are required to conduct research projects and charged to sponsored program budgets may be obtained by departments.

Mobile communication devices should not be selected as an alternative to other means of communication -- e.g., land-lines, pagers, and radio devices -- when such alternatives would provide adequate but less costly service to the University. For example, if having a cell phone is sufficient for accomplishing official university business, then it is not permissible to use university funds to acquire a personal technology device that also features email and access to web pages.

All employees with mobile communication device allowances under this policy will register with the UW Alert System as a condition of receiving the monthly allowance. More information can be found at [http://www.uwyo.edu/askit/](http://www.uwyo.edu/askit/) click on the UW Alert Frequently Asked Questions.

**Transition:** The University will no longer purchase any new mobile communication devices or service contracts, except for devices to be assigned to groups; nor, with the same exception, will any existing mobile communication device contracts be renewed or extended. UW Telecommunications Services will work with department billing coordinators to convert university service contracts to personal contracts in an orderly fashion. Until that time, payment procedures for charges resulting from personal use of still-active University-owned mobile communication devices will conform to practices now in place for payments from employees to the University.

**Procedures**

1. Frequent Use of Mobile Communication Devices for Business Purposes
   a. Establishment and Payment of Allowance
      If a University employee’s job duties include the frequent need for a mobile communication device, the employee is eligible for an allowance to cover mobile communication device expenses. An allowance may be requested using the UW Mobile Communication Device Allowance Authorization Form. The request may be made any time during the year and must be updated annually by
January 15th of each year. The dollar amount requested is a monthly amount based on the reimbursement table found in Appendix A. A copy of the current personal service contract or the most recent billing statement must accompany the Allowance Form.

Mobile Communication Device Allowance Authorization Forms for newly qualified employees will go into effect within 30 days of receipt in the Payroll Office.

Once an allowance is established it will continue until the end of the calendar year or until a new allowance form is submitted, documenting a change or termination. The employee is required to notify his/her department head or director immediately when a decrease in business use occurs, and is required to submit a revised allowance form immediately.

This allowance does not constitute an increase to base pay, and will not be included in the calculation of retirement contributions or of percentage increases to base pay due to annual raises, job upgrades, etc.

Per Treas. Reg. 1.132-5(c) 1, allowances for mobile communication devices, as outlined in this policy, are treated as paid under a non-accountable plan and treated as taxable income even if the device is required for the employee’s job. Mobile communication devices are considered by the IRS to be “listed property” under IRC Sec. 280F(d)(4)(A)(iv).

b. Determination of Dollar Amount of Allowance
The dollar amount of the mobile communication device allowance selected should cover the employee’s projected business-related expenses only. In no case shall the amount exceed the cost of the employee’s monthly mobile communication service plan. Determination of the dollar amount of the allowance is made at the department level prior to submitting a request for a mobile communication device allowance. At the discretion of the department head or director, a one-time allowance amount may be approved to cover a pro-rata share of the purchase price of the device itself. A receipt for the purchase of the device must accompany the Allowance Form.

The department head or director is responsible for notifying the Payroll Office annually of all allowance amounts and changes in allowance amounts or eligibility. Allowances will expire in January if the Payroll Office does not receive a new form each year -- on or before January 15th.

c. Use of Device
The employee must retain an active mobile communication service contract as long as a mobile communication device allowance is in place. Because the employee owns the mobile communication device personally and the allowance provided is taxable income, the employee may use the device for both business and personal purposes, as needed. The employee may, at his or her own
expense, add extra services or equipment features, as desired.

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 mobile communication device allowance.

Employee is responsible for safeguarding any data on the mobile communication device and controlling its use.

d. Documentation and Review Requirements
   When services are initiated or renewed, a copy of the UW Mobile Communication Device Allowance Authorization Form, and of the employee’s related mobile communication device contract or most recent billing statement, must be submitted with the Allowance Form and a copy must be kept on file in the employee’s University department. Department files are subject to audit at any time by UW Internal Audit or external auditors engaged by the University, the state or the federal government.

   The department head or director is responsible for an annual review of employee business-related mobile device use, to determine if existing mobile communication device allowances should be continued as-is, changed, or discontinued. The UW Mobile Communication Device Allowance Authorization Form must be signed by the employee and the department head or director annually and must have attached evidence (a page from the most recent billing statement) to document that the employee still has the device and active service.

e. Fees for Contract Changes or Cancellations
   i. If for any reason unrelated to University business needs the mobile communication service contract is modified or terminated prior to the end of the contract period, the employee will bear the cost of any fees associated with that change or cancellation. For example, the employee quits and no longer wants to retain the current mobile communication service plan for personal purposes.
   ii. If, prior to the end of the mobile communication service contract period, a University decision makes it necessary or desirable for the employee to terminate or change the mobile communication service contract, the University will bear the cost of any fees associated with that change or cancellation. For example, the employee’s department head or director has changed the employee’s duties and the mobile communication device is no longer needed for University purposes. If the employee does not want to retain the current contract for personal use, the University will reimburse any change or cancellation fees.

2. Infrequent Use of Mobile Communication Devices for Business Purposes
   If a University employee’s job duties do not include the frequent need for a mobile communication device, then the employee is not eligible for an allowance to cover mobile communication device expenses. Such employees may request reimbursement for the actual extra expenses of business calls made using their own mobile
communication devices with the proviso that reimbursement for per-minute “air time” charges is limited to the total overage charge plus any roaming charges shown on the invoice, i.e., expenses for minutes included in the plan will not be reimbursed. The individual should make personal payment to the provider, and then should submit the appropriate UW form requesting reimbursement from the University. The form should list the individual as the payee. A copy of the billing statement must be attached to the form, with the separate business-use charges clearly marked. Please note to whom the call was made and the business purpose of the call.

Exceptions to the Allowance Method

While the University generally will not provide mobile communication devices to employees, there are some exceptions to this rule.

The University, through Telecommunications Services, will own and retain a certain number of mobile communication devices as departmental pool phones and for emergency use, or disaster response/recovery purposes.

In all cases when the University provides mobile communication devices for use by employees, the use of those devices is strictly limited to official UW business and essential personal calls, as defined above. All non-essential personal call usage will be reimbursed to the University on a pro rata basis, within 30 days of receipt of billing statement. Departments with University provided mobile communication devices will also be required to implement monthly review procedures to provide reasonable assurance that billing arrangements are cost-effective, and also to identify patterns of misuse or abuse, such as when the University pays for personal calls.

Requests for other exceptions to this policy may be made by submitting a written request to the Division of Administration, Associate VP for Fiscal Administration. All exception requests require the signature of the appropriate University vice president. The Division of Administration may require that the employee submit relevant auditable documents to substantiate any exception request, and may consult with other University administrative offices in determining the propriety of the exception.

Individual Responsibilities

When utilizing mobile communication devices for University business, employees have the following responsibilities:

- Avoid using the device under any circumstances where such use might create or appear to create a hazard, including use while operating a motor vehicle.
- Remember that mobile communication device technology is susceptible to being intercepted or overhead. Refrain from discussing business of a confidential or proprietary nature while using the device.
- Replacing lost or damaged equipment at the employee’s expense.