

EASTERN MICHIGAN UNIVERSITY

Administrative Cell Phone Policy

Effective January 1, 2008

RATIONALE

Eastern Michigan 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

For purposes of this policy the term cell phone will include; cell phones, smart phones, two way communication devices with cell phone capabilities, blackberries, internet data services, etc.

Employees required to carry a cell phone for University business will receive compensation in the form of an allowance. The cell phone allowance must be authorized by a Dean or Vice President.

The cell phone allowance will be paid through payroll and is subject to all employment taxes. Cell phone allowances can not be charged to Grant funds per OMB circular A-21.

PROCEDURES

Cell phone allowances can be issued to help alleviate the cost of the monthly plan and the purchase price of the cell phone. The amount of the allowance will be determined by the department with the approval of their Dean or Vice President. In accordance with the University's fiduciary responsibility the monthly allowance should not exceed \$200; any exception to this limit would need to be approved in advance by the Vice President for Business and Finance.

A cell phone allowance may be requested by completing a Cell Phone Allowance Form located on the University website at <http://www.emich.edu/controller/> This form must be approved by the appropriate Dean or Vice President and forwarded to the Human Resources Dept. The form will be used to provide the employee with an allowance for the purchase of the phone, if applicable, and an allowance to support the cost to the employee for the monthly phone usage charge. The allowance will be charged to the department budget each pay as expensed.

The employee is personally responsible for the purchase of the cell phone equipment and the monthly plan including all taxes for the phone used for University business.

The cell phone allowance is paid through payroll and will be included in the employee's check/direct deposit each pay period. The allowance for the equipment, if applicable, will appear in the employee's check/direct deposit for one pay period. The allowance(s) will be reflected as a separate line item on the employee's 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.

USE

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The cell phone and 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.

Misuse of the phone – using the phone in ways that are 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.

If a Cell Phone Allowance is being provided to an employee who is covered under one of the university's staff collective bargaining agreements and includes requirements for "after hours communications" or "on-call/call-in" responsibilities, there is also an obligation to document the departmental protocol and provide such to the Director of Employee Relations for review prior to implementation. The Director of Employee Relations will determine what, if any, additional steps may need to be taken with regard to union contract compliance issues.

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 Form to Human Resources noting "Discontinue allowance as of MM/DD/YY" on the Form.

The department is NOT required to retain records of business use of personal cellular communication services under this plan. The employee is not required to provide service detail on monthly bills. However, the department may request information regarding the frequency and purpose of business related services to verify the need for the allowance.

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.