

**CALIFORNIA STATE UNIVERSITY, FRESNO FOUNDATION
POLICY AND PROCEDURES ON THE USE OF
ELECTRONIC COMMUNICATION DEVICES**

POLICY

I. Purpose

This document provides guidance regarding the provision of a monthly stipend or reimbursement to an employee when they incur communication device charges for Foundation business purposes. Some Foundation employees are required to be accessible at all times by electronic means, including communication devices. The policies and procedures contained herein are intended to conform to Internal Revenue Service regulations governing employer-provided communication devices for use by employees.

II. Responsibilities

Foundation Financial Services is responsible for ensuring compliance with the procedures set forth in this policy. Exceptions to this policy will be allowed subject to grantor requirements and if approved by the Authorized Account Signer and the Director of Foundation Financial Services.

POLICY

III. Communication Devices Service Options

For those employees who have been assigned to carry a communications device, the Foundation offers two (2) options. If an employee is not provided a monthly stipend and incurs charges related to Foundation business use of a personal communications device, the employee can be reimbursed under the provisions of Option 2.

Option 1: Foundation Stipend for Communication Device

The Foundation can provide a flat monthly stipend (\$1-80) towards a personal communication device service plan in lieu of reimbursement. The employee chooses the device and service plan and the arrangement is between the employee and the provider. The Foundation is not involved in the contract with the provider.

Requests for stipend amounts must be approved by the Authorized Account Signer. No further expense allowances or reimbursements will be made to the employee. Monthly stipend amounts higher than \$80.00 requires approval by the applicable University Vice President.

Option 2: Reimbursement to Employee for Business Use of Communication Device

If an employee did not select Option 1 above, an employee may request reimbursement for any Foundation business-related use of an employee-owned communication device by submitting copies of their monthly invoice with the business-related calls noted. Per minute business usage will be reimbursed at a rate of \$.20 per minute.

PROCEDURES

IV. Option 1: Foundation -Provided Stipend

A. Establishing the Stipend and Service:

- Complete the Cellular Telephone Service Stipend Authorization Form. (See Appendix C.)
- Stipends expire at the end of each fiscal year (i.e. June 30) and must be renewed annually.

B. Transitioning from Foundation Owned Phones to the Stipend Plan:

Employees that currently have cell phone services through the Foundation may retain their current cell phone and current phone number.

C. Tax Issues:

The employee's cellular telephone stipend is taxable income and will be reported on the employee's W-2. Other employee deductions such as retirement are not affected by the stipend.

D. Payment to the Employee:

Payment will be made per month on the end of the month payroll, as an addition to the employee's payroll check. The stipend does not constitute an increase in base pay, and will not be included in any percentage calculations for increase to base.

E. Personal Use:

The cell phone service is personally owned, and may therefore be used for both personal and business calls. The Foundation reserves to right, at anytime, to discontinue providing cellular telephone stipend.

F. Purchase of the Cellular Telephone Equipment:

It is assumed that the Employee is responsible for the purchase of cellular equipment. Any exceptions must be approved by the Director of Foundation Financial Services or the Executive Director.

V. Option 2: Reimbursement to Employee for Business Use

When authorized in writing by the employee's supervisor, the cost of using an employee-owned communication device for official business may be reimbursed to the employee. The method utilized to calculate a pro rata reimbursement is as follows:

- Attach a copy of the statement highlighting Foundation business-related calls.
- Multiply the approved minute charge (\$.20) by the number of business minutes.
- Document the business nature of each call.
- Show the calculation of how the reimbursement was determined.
- Submit reimbursement requests no less than every three months.

In no instance will the employee be reimbursed more than the monthly cost of the service plan. Employees who regularly submit requests for reimbursement for business use of a personal communication device and if those amounts are in excess of a reasonable monthly stipend amount, the employee's supervisor has the authority to switch the employee to a stipend.

Appendix A

**California State University, Fresno Foundation
Cellular Telephone Service Stipend Authorization Form**

Employee Name: _____ ID Number: _____

Department Name: _____

G/L Account No. _____ G/L Account Name _____

Communication device number (with area code): _____

Monthly Stipend Amount: \$ _____

Stipend Start Date: _____ End Date _____ Annual Renewal? Y / N

Employee Certification:

I certify that the above stipend will be used toward expenses that I incur for communication device service usage for business purposes.

I understand that this stipend will be included on my W-2 form as taxable income. I further understand that California State University, Fresno Foundation is not responsible for the tax consequences of the stipend or the business use of my personal communication devices.

Employee Signature **Date**

Authorized Account Signer **Date**

*By signing this document I certify that I have reviewed the service request and approve a stipend for the requested communication device service in accordance with the **California State University, Fresno Foundation Policy and Procedures on the Use of Electronic Communications Devices.***

Original to Payroll

Approved by Foundation Board of Governors June 4, 2009