POLICY

I. Purpose

This document provides guidance as to the appropriate circumstances for the California State University, Fresno, Association, Inc. (“Association”) provision of cellular phones, personal digital assistants (PDAs), pagers, and similar electronic communication devices (hereinafter referred to as communication devices) for the use by its employees for business purposes. In addition, this document establishes the procedures for documenting the use of Association provided communication devices and reimbursement to the Association for the personal use of such devices.

In the event that a communication device is not provided, this document provides guidance regarding the provision of a stipend or reimbursement to an employee when they incur communication device charges for Association business purposes.

II. Policy

Some Association units require that an employee be accessible at all times by electronic means, including communication devices. Communication devices provided by the Association shall be used for business-related purposes and any personal use of such devices must satisfy the conditions set forth in Section VI.B. The policies and procedures contained herein are intended to conform to Internal Revenue Service regulations governing employer-provided communication devices for use by employees.

III. Authority

Association Unit Directors have the authority to approve the purchase of communication devices, and the accompanying services under which the Association is the official “customer” to be billed, or the approval of Association issued stipends.

IV. Responsibilities

The Executive Director of Auxiliary Services is responsible for establishing and updating this policy and procedures.

Unit Directors: Are responsible for ensuring that any purchase of communication devices for use by an employee conforms to the requirements of this policy, and that claims submitted for payment or reimbursement include the appropriate supporting documentation. The Director is also responsible for monitoring the personal and business-related use of electronic communication devices and obtaining reimbursement for any personal use.

Association Accounting Office: Is responsible for ensuring that payment or reimbursement requests for expenditures related to the purchase and use of communication devices are made in accordance with the procedures set forth in this policy.

- An employee assigned an Association-owned communication device is responsible for safeguarding the device and controlling its use.
- The employee is required to reimburse the Association for any personal use of the device that incurs an expense to the Association.
- The employee should immediately report the theft or loss of the device to their department and to the service carrier, if applicable.
- Upon separation from Association employment, the employee is required to promptly return the device to the Association.
- The employee is expected to avoid using the communication device under any circumstances where such use might create or appear to create a hazard.
- Usage of a communications device in a motor vehicle must be in compliance with current state laws.
POLICY

V. Communication Devices Service Options

For those employees who have been assigned to carry a communications device, the Association offers three options. In the event that an employee is not assigned to carry a communications device, but has incurred charges related to business use of a communications device on the behalf of the Association, the employee can be reimbursed under the provisions of Option 3.

Option 1: Association Provided Communication Device
The Association may provide employees with communication devices and service through an Association authorized provider, for use in conducting official Association business when there is a business-related reason for doing so. (See Appendix B for authorization form.) The communication device and service level option will be based upon the judgment of the supervisor, based upon the expected business usage.

Option 2: Association Stipend for Communication Device
The Association can provide a flat monthly stipend toward personal communication device service fees in lieu of reimbursement. The employee may choose the device and service plan they wish to use. The arrangement is between the employee and the provider; and the Association is not involved in the contract with the provider.

Requests for stipend amounts must be supported by the plan and cost documentation and approved by both the Unit Director and the Executive Director of Auxiliary Services. Because this arrangement eliminates the need to justify usage between business vs. personal use, no further expense allowances or reimbursements will be made.

Option 3: Reimbursement to Employee for Business Use of Communication Device
When not participating in Option 1 or 2 above, an employee may request reimbursement for any Association business-related use of an employee-owned communication device or service by submitting copies of their invoice with the business-related expenses noted.

PROCEDURES

VI. Option 1 - Association Provided Communication Device

A. Criteria for Purchasing

The approving supervisor should consult the following criteria in evaluating the business-related reason for purchasing communication devices and services for employees whose jobs entail the following responsibilities:

- **Travel** – Employees who frequently travel or are out of the office and need to be in contact with staff, clients, managers, or other University business associates.
- **Work Location** – Employees who typically work in the field or at job sites where access to communication devices are not readily available.
- **Emergency Response** – Employees who need to be contacted and/or respond in the event of an emergency or are required to be available during non-business hours.
- **Other** – Employees who are required by their department to be accessible at all times by electronic means.

When purchasing communication devices and services, contact Management Information Systems to ensure that products selected are cost effective and coordinated across the Association, where feasible.
B. Incidental Personal Use and Inappropriate Use

Personal use of communication devices, or any other inappropriate use, such as excessive or inappropriate text messaging, must not adversely affect the performance of an employee’s official duties or the functions of an employee’s department. Any abuse of these policies may result in revocation of the device, notification to their department head or supervisor, and possibly disciplinary action.

An employee who is to be provided communication devices must, prior to receipt of such device, sign a usage agreement acknowledging that use of the device will be limited to Association business and only incidental personal use. The Employee Agreement Concerning the Use of Electronic Communications Devices in Appendix A is to be used for this purpose.

C. Documentation

An employee is required to keep a strict accounting of all business and personal uses of an employer provided item of “listed Property” as defined by Section 274(d) of the Internal Revenue Code.

D. Reimbursement to Association for Personal Use

With respect to communication devices, it is the responsibility of the employee to reimburse the Association for personal usage based upon the pro rata use method on statements billed to the Association.

The procedure utilized to calculate a pro rata reimbursement for personal use of Association provided communication devices is as follows:

- The employee will be provided a copy of the statements on a monthly basis.
- The employee will highlight all personal use.
- Divide the total monthly bill, less all long distance, roaming, text messaging, picture messaging and web access fees charges, by the total number of minutes used that month to derive a minute charge.
- Multiply the minute charge by the number of personal use minutes.
- If applicable and ascertainable, add any specific roaming, long distance, text messaging, picture messaging and web access fees, or other charges directly attributable to personal use.
- Show the calculation of how the requested reimbursement was determined somewhere within the documentation.

Reimbursement should occur monthly, and shall be made by cash or check. If timely reimbursement has not occurred, the continued use of the Association provided communication device will be reconsidered.

VII. Option 2: Association Provided Stipend

A. Establishing the Stipend and Service:

- Use the Cellular Telephone Service Stipend Authorization Form. (See Appendix C.)
- The employee should complete the form with consultation with their supervisor, sign and forward the form for approval.
- Stipends expire at the end of each fiscal year (i.e. June 30) and must be renewed annually.

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

Employees that currently have cell phone services through the Association may retain their cell phone and current phone number with prior approval from the Executive Director of Auxiliary Services.
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 Association reserves to right, at anytime, to discontinue providing cellular telephone stipends.

F. Department Responsibilities and Documentation Requirements:

It is the Unit Director’s responsibility to review cell phone needs in their department on at least an annual basis, to determine if stipends should be changed, continued, discontinued, or if new stipends are needed.

G. Ending a Cell Phone Contract:

Contract changes or cancellations (and associated fees):

a. As the result of the employee’s decision, misconduct, or misuse of the phone:
   
   If, prior to the end of the cell phone contract, a personal decision, or employee misconduct, or misuse of the phone, results in the need to end or change the cell phone contract, the employee will bear the cost of any fees associated. (For example: The employee quits, and no longer wants to retain the current cell phone contract for personal purposes.)

b. As the result of an Association decision (unrelated to employee misconduct):
   
   If, prior to the end of the cell phone contract period, an Association decision (unrelated to employee misconduct) results in the need to end or change the cell phone contract, the Association will bear the cost of any fees associated. (For example: The employee’s supervisor has changed the employee’s duties, and the stipend is no longer needed. The employee does not want to retain the current cell phone contract for personal purposes.)

I. Purchase of the Cellular Telephone Equipment:

It is assumed that the Employee is responsible for the purchase of base communication devices, unless provided by the Association. If the stipend option is utilized the Association will not pay for the communication device.

VIII. Option 3: Reimbursement to Employee for Business Use

When authorized in writing by the employee’s department head or supervisor, the cost of using an employee-owned communication device for official business may be reimbursed to the employee. Any reimbursement will be for the pro rata share of their business use. The method utilized to calculate a pro rata reimbursement is as follows:

- Attach a copy of the statement highlighting Association business use.
- Divide the total monthly bill, less all long distance, roaming, text messaging, picture messaging and web access fees charges, by the total number of minutes used that month to derive at a minute charge.
- Multiply the minute charge by the number of Association business minutes.
• If applicable and ascertainable, add any specific roaming, long distance, text messaging, picture messaging and web access fees, or other charges directly attributable to Association business use.
• Document the business nature.
• Show the calculation of how the requested reimbursement was determined somewhere within the documentation.
• Attach to the Association’s Authorization for payment form.
• Submit reimbursement requests no less than every three months.

In no instance will the employee be reimbursed more than the monthly cost to the employee. Employees who regularly submit requests for reimbursement for business use of a personal communication device, and/or whose reimbursement requests exceed the amount that would be incurred for an Association-issued device and plan, may be required by the department head or supervisor to switch over to an Association-issued device, or a stipend rather than continuing to submit reimbursement requests.
Appendix A

To: (Employee)

Re: Employee Agreement Concerning the Use Electronic Communication Devices

I hereby certify that I am the recipient of the following Association-provided electronic communications devices (and/or services):

_______________________________________________________________________.

I agree that this device is to be used primarily for official Association business, and that any personal use of the device will be only incidental in nature. Any abuse of these policies may result in revocation of the device. I agree to reimburse my department for any personal use of this device in accordance with the procedures set forth in the Policy and Procedures on the Use of Electronic Communications Devices (attached).

I understand that I am responsible for safeguarding the device, including any data on the equipment, and controlling its use. I will immediately report the theft or loss of the device to my department and to the service carrier, if applicable.

If the Association determines that there is no longer a business need for me to possess such device, I will return the device. Likewise, if I separate from Association employment, I will promptly return the device to my department. I understand that the phone number that is assigned to me will remain the Association’s property.

In the interest of safety, I will exercise appropriate care and caution while using this device.

I certify that I will be in compliance with current state laws while using a communications device in a motor vehicle.

Name: ______________________ Title: _____________________________

Signature____________________ Date: _____________________________

Original to personnel file
Appendix B

California State University, Fresno Association, Inc.
Cellular Phones, Personal Digital Assistants (PDAs), Pagers, and Similar Electronic Communication Devices Authorization Form

| DATE: __________________________ |
| Employee Name: _____________________________________________________________ |
| Department Name: ___________________________________________________________ |
| G/L Account No. ___________________ G/L Account Name _________________________ |
| Vendor that will be used for service: __________________________________________ |
| Plan to be activated: __________________________ Monthly Cost $___________________ |
| Activation Fee: $ _______ Phone Model/Serial#: _________________ Cost $ ___________ |
| Accessories: _______________________________________________ Cost $____________ |
| Additional Services: |
| (Email, text messaging, etc) __________________________ Monthly Cost $ ____________ |
| Employee Signature: _______________________________________ Date: ______________ |
| Supervisor Name: (please print):______________________________ Date: ______________ |
| Supervisor Signature: ___________________________________________________________ |
| Director Signature: ______________________________ Executive Director’s Approval (Initial) ____________ |

By signing this document I certify the I have reviewed the service request and approve activation of the requested communication device service in accordance with the California State University, Fresno Association, Inc. Policy and Procedures on the Use of Electronic Communications Devices. The service chosen is the most economical service plan that meets individual business needs.

Original to MIS
Appendix C

California State University, Fresno Association, Inc. 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 Association, Inc. is not responsible for the tax consequences of the stipend or the business use of my personal communication devices.

______________________________________ _________________________
Employee Signature      Date

______________________________________ _________________________
Unit Director Signature     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 Association, Inc. Policy and Procedures on the Use of Electronic Communications Devices.

Original to Payroll