



# VCU

## Wireless Communication Device Allowance

**Policy Type:** Administrative

**Responsible Office:** Vice President for Administration

**Initial Policy Approved:** 04/05/2012

**Current Revision Approved:** 12/11/2014

### Policy Statement and Purpose

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The University recognizes that the performance of certain job responsibilities may be enhanced by the use of wireless communication devices. "Wireless communication devices" may be, but are not limited to, cell phones, Blackberries, personal digital assistants (PDAs), wireless cards, or other wireless telecommunication devices that have voice and/or data capabilities with a monthly fee. It does not include pagers and mobile radios. The purpose of the policy is to provide procedures for the qualification, authorization, deployment, and use of wireless communication devices for which authorized employees receive a monetary allowance.

This policy will simplify the University wireless communication device program, and result in each user having the freedom of choice and personal responsibility for his/her wireless communication device. Employees whose duties and responsibilities require them to maintain significant wireless communication device contact with the University while away from the office or to be accessible after normal working hours may be eligible for compensation in the form of a semi-monthly wireless communication device allowance to pay for the business portion of their plan. The University will not provide University-owned wireless communication devices and related services for individual employees, unless approved by the appropriate vice president as an exception to this Policy.

Eligibility for a wireless communication device allowance is determined on a position by position basis by each division or department, and approved by the appropriate vice president. The dollar level of the allowance is according to the service level required by the position and paid according to the Wireless Communication Device Allowance - Department Head Worksheet and Employee Agreement (hereinafter refer to as the "Agreement") attached to this Policy. A review of the rates contained in the Agreement will be conducted annually by Human Resources in conjunction with Telecommunications Services.

All employees are reminded not to store institutional data, especially those containing personally identifiable information or tax identification numbers, on their wireless communication devices. And, any such information must be for legitimate University business reasons and must be temporary. Any device for which the University provides an allowance is subject to all University data access, management, and privacy policies and must be protected to the maximum extent when University data is involved. All devices that are used to connect to the University's network are bound by all applicable University network and computer policies. All employees must use a password on their device to protect University data in the event of loss or theft of the device. Any misuse of the device will result in

termination of the communication device allowance, disciplinary action, and possible termination of employment.

Wireless communication devices may be connected to University servers, therefore, information passed through the University systems, servers, etc. is considered University information and subject to the Virginia Freedom of Information Act (FOIA), University records retention requirements, and other policies and procedures. Employees are reminded to follow applicable University and State policies for wireless and other communication devices when using their personal devices to communicate through University servers or data.

The employee’s wireless communication device allowance is taxable income and will be included in the employee’s W-2. As taxable income, the allowance would be subject to garnishment deduction calculation; other payroll deductions and benefits (i.e., VRS or ORP) are not affected.

Noncompliance with this policy may result in disciplinary action up to and including termination. VCU supports an environment free from retaliation. Retaliation against any employee who brings forth a good faith concern, asks a clarifying question, or participates in an investigation is prohibited.

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## Who Should Know This Policy

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Any employee authorizing or using a communication device (for which the University provides a monetary allowance). All Faculty, Staff, and Students are responsible for knowing this policy and familiarizing themselves with its contents and provisions.

## Definitions

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None

## Contacts

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The Office of the Vice President for Administration officially interprets this policy and is responsible for obtaining approval for any revisions as required by the policy *Creating and Maintaining Policies and Procedures* through the appropriate governance structures. Please direct policy questions to the Office of the Vice President for Administration

## Procedures

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Procedures are mandatory actions to establish required actions and processes to comply with a policy, support compliance with applicable laws and regulations, and mitigate risk. The following procedure outline is provided for reference, but may be changed as appropriate to best communicate the required steps.

- 1. Wireless Communication Device Allowance:** Qualified employees whose job duties require the frequent need for wireless communication device services may receive supplemental compensation (in the form of a wireless communication device allowance) to cover the business-related use of an employee's personal wireless communication device. The policy assumes that for most employees, the device will be used for both business and personal use and it is therefore appropriate for the University and employee to share the overall costs. The amount of the allowance is not intended to cover the full cost of the employee's monthly service plan. The amount of the semi-monthly allowance cannot exceed the maximum rates for each approved service component for voice, text, data, etc. contained in the Agreement (attached). Employees may be eligible to receive a one-time payment up to \$150 to cover the cost of a required wireless communication device. This one-time payment is intended only for employees who either do not currently own a wireless communication device or who own a wireless communication device with insufficient functionality to meet the needs of their job. The one-time payment is available only for transitioning employees during the initial implementation of this policy (i.e., no later than October 1, 2012). After the initial implementation transition period, the one-time payment to cover the cost of the wireless device must be approved by the Vice President as an exception to this policy (using the Wireless Communication Device – Exception to Policy Approval Form).

  - Qualified employees are eligible for a semi-monthly allowance for voice, text and data as outlined in the Agreement.
  - The semi-monthly allowance includes a pro rata amount for periodic device upgrades and/or purchases.
  - The allowance may be increased, decreased, or eliminated should the nature of the employee's job change and a modification to the allowance is required.
- 2. Eligibility for a Wireless Communication Device Allowance:** It is the responsibility of the employee's department head to determine whether the employee's job duties and responsibilities require that an allowance should be granted. Note: departments should consider carefully the appropriateness of giving wage employees a wireless allowance as wage employment is intended to cover peak workloads and seasonal or short-term needs and these jobs are not intended to be a long-term substitute or replacement for

full-time salaried staff. It should be noted in this regard that wage employees who are given a wireless allowance will receive such allowance whether they work hours during a pay period or not, until either their job or the allowance is terminated. Therefore, the department should reserve wireless allowances for wage employees for whom there is likely to be an ongoing need for accessibility over their period of employment. In addition, as most wage employees are FLSA exempt, departments should consider the "hours worked" and "overtime" implications of including providing allowances and requiring accessibility.

The University defines the following business purposes as qualifying instances when an allowance may be granted:

- The employee must be available to be contacted and/or respond in the event of an emergency.
- Employees who are frequently "on call" officially or implicitly and/or need to be contacted in an immediate or timely manner (during or after regular business hours) to respond to situations pertinent to their assigned job responsibilities.
- Employees who typically work in the field or at job sites where access to landline telephones and/or data network is not readily available.
- Employees who frequently travel or are out of the office and need to be in contact with University personnel or affiliates in order to conduct University business.

- 3. Authorization for Wireless Communication Device Allowance:** The decision to incur a business expense for allowances must be carefully evaluated by the department head from a cost/benefit perspective. Departments must first consider all other viable options such as landline telephones, pagers, or other less expensive communication devices.

If the department head determines that the employee's job duties and responsibilities meet the qualifications for an allowance, the department head must complete the Wireless Communication Device Allowance Agreement. (the "Agreement") The Agreement must be completed objectively and should not result in a higher allowance to accommodate personal use. Department heads should determine a reasonable anticipated average usage of voice minutes and/or data service per month needed to conduct business and then select the lowest level to accommodate that need.

Authorization by the appropriate dean level employee and vice president must be obtained before the allowance will take effect. Allowances will be included in the next regular payroll process after receipt in Human Resources (on the 10<sup>th</sup> or 25<sup>th</sup> of the month) and NO allowances will be processed retroactively.

The employee is responsible for purchasing the communication device. Costs for cosmetic or technical extras that have no business purpose are the sole responsibility of the employee.

- 4. Controls and Safeguards:** Once it is determined that an allowance is approved, the employee receiving the allowance is required to purchase a device and obtain the required service plan within thirty (30) days (provided the employee doesn't already own the required device and have the required service plan). If the employee currently has a VCU-owned device and service, the device must be returned to their departmental fiscal administrator and the service plan cancelled within thirty (30) days after the allowance is approved. Department heads are responsible for ensuring employees with approved allowance Agreements perform the following tasks within thirty (30) days after the Agreement has been approved: purchase a device and service at the level required by the Agreement (provided the employee doesn't already own the required device and have the required service plan); return the VCU-owned device to their departmental fiscal administrator; cancel any device service paid by VCU for the employee.

The employee must maintain his/her device and service at the functionality level in the approved Agreement. Employees must immediately report any lost or stolen devices to their department head and communication device services provider. If the employee terminates the communication device services contract at any point, s/he must notify her/his department head immediately to terminate the allowance. If the employee transfers to another department, resigns or is terminated, the department must submit a timely ePAF to Human Resources. This will automatically terminate the allowance. If the employee transfers to another job within the same department and still qualifies for the allowance, the department must submit a new Department Head Worksheet to add the allowance to the new job. If the employee otherwise no longer qualifies for the allowance, the department must notify Human Resources by timely submission of a new Department Head Worksheet indicating discontinuation of the allowance in Section 4 to preclude allowances beyond the appropriate time.

- 5. Annual Review:** Department heads are required to review allowances on an annual basis and determine whether the employee's job requirements still justify continuing the allowance. Reports will be available in the personnel administrator and fiscal administrator folders in the Web Report Studio to facilitate the review. The following chart indicates the approval(s) required to adjust the allowance amount. All adjustments must be coordinated with Human Resources in a timely manner to properly adjust pay.

	<b>Department Head</b>	<b>Dean/AVP/Dir</b>	<b>Vice President</b>
Cancel Allowance	✓		
Decrease Allowance (Anticipated Usage)	✓		
Decrease Allowance (Agreement Rate Change)	✓		
Increase Allowance (Anticipated Usage)	✓	✓	✓
Increase Allowance (Agreement Rate Change)	✓	✓	✓

- 6. Wireless Communication Device/Services Contracts:** Negotiating, signing, and managing a personal wireless communication device/services contract will be the responsibility of the employee. The employee is personally responsible for complying with any contract entered into with a wireless communication service provider including payment of all expenses incurred (including additional minutes used, roaming, taxes, etc.). Employees are encouraged to take advantage of and utilize plans specifically price discounted for University employees.
- 7. Employee Reimbursement of Wireless Communication Device Calls:** If a University employee is not designated as qualified and eligible for the allowance, the employee may request reimbursements for the actual extra expenses of business calls; however, reimbursement for per-minute “air-time” charges is limited to the total overage charge shown on the statement and expenses for minutes included in the plan will not be reimbursed. The employee should make personal payment to the provider, and then should submit a request for reimbursement to Accounts Payable. It is recommended that employees who continually have reimbursable business calls that equal or exceed the monthly communication device allowance request the allowance from their department head and appropriate vice president.

## Forms

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1. Wireless Communication Device Allowance - Department Head Worksheet and Employee Agreement  
[www.hr.vcu.edu/media/hr/documents/WirelessWorksheet\\_and\\_Agreement.docx](http://www.hr.vcu.edu/media/hr/documents/WirelessWorksheet_and_Agreement.docx)
2. Wireless Communication Device Allowance - Exception to Policy Approval Form  
<http://www.hr.vcu.edu/media/hr/documents/WirelessExceptionForm.docx>

## Related Documents

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1. Reporting Suspected University-related Misconduct/ Noncompliance and Protection from Retaliation. <http://www.assurance.vcu.edu/reporting.html>
2. Virginia Department of Human Resource Management Policy 1.75 on Use of Electronic Communications and Social Media. <http://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol175useofinternet.pdf?sfvrsn=2>
3. Internal Revenue Service <http://www.irs.gov/pub/irs-pdf/p15.pdf>  
Allowance payments under this policy are under a non-accountable plan and therefore are taxable.
4. Internal Revenue Service <http://www.irs.gov/pub/irs-drop/n-11-72.pdf>  
IRS clarifies tax treatment of cell phones.
5. Federal Fair Labor Standards Act <http://www.dol.gov/whd/regs/statutes/FairLaborStandAct.pdf> and VCU Overtime Guidelines <http://www.hr.vcu.edu/media/hr/documents/OvertimeGuidelines.pdf>

## Revision History

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This policy supersedes the following archived policies:

Initial Approval Date: April 5, 2012	<i>Wireless Communication Device Allowance</i>
Revision Approved: December 11, 2014	<i>Wireless Communication Device</i>

## FAQs

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1. **How is this Policy beneficial to the University?**  
This Policy reduces the University's audit risk when University provided devices are used in violation of the University's Cell Phone Policy which expressly prohibits personal use. Additionally, cost savings should be achieved because device service prices in the consumer marketplace are more favorable as compared with mandatory state contracts.  
  
Migration from the University owning devices and maintaining responsibility for the devices to having employees responsible for the devices will relieve a record-keeping burden for departmental administrators.
2. **How is this Policy beneficial to University employees?**  
This Policy is designed to empower employees to make their own choices relative to their wireless communication needs. Employees who typically carry two wireless communication devices, one for personal and one for business, can now eliminate the second device and could save money on their personal plans.

3. **How do I determine an appropriate amount for a semi-monthly service allowance?**  
The amount of the semi-monthly allowance, as well as the need for the business use of a cell phone or other wireless device, must be reasonable and appropriately justified and documented. The department head may also want to consider the estimated usage and need based on the employee's position and job responsibilities. Department heads are required to review device allowances on an annual basis to ensure appropriateness and to make any necessary changes in a timely manner.
4. **Do we still have the option of providing faculty and staff with University provided cell phones or other wireless devices?**  
Yes, but only under limited specific circumstances such as group plans. This Policy does not eliminate this option, but it does require the appropriate VP to approve an exception to this Policy. Please contact Procurement Services and see attached exception approval form.
5. **When we convert to the allowance method, what do we do with the University provided devices?**  
The University provided devices must be returned to their departmental fiscal administrator within 30 days after the allowance has been approved or the allowance will be discontinued. With VP approval, the old University provided devices may be temporarily assigned to an employee for use with their personal plan. When the employee acquires his/her own personal device or terminates from their current position, the device must be returned to their departmental administrator.
6. **Has the University leveraged its buying power to allow employees to purchase equipment and service plans at the best available pricing?**  
Yes, please see the VCU HR website ([http://www.hr.vcu.edu/images/pdfs\\_docs/WL-DiscountBooklet.pdf](http://www.hr.vcu.edu/images/pdfs_docs/WL-DiscountBooklet.pdf)).
7. **Do we have to input the semi-monthly allowance onto the agreement form semi-monthly?**  
No, the semi-monthly allowance will only need to be entered one-time with no end date. Note that the employee will receive the allowance in her/his regular pay on the normal pay periods (twice per month).
8. **If my department provides allowances, can my department specify the provider and/or type of equipment that is to be acquired?**  
No. Departments may encourage a particular service provider, but are not permitted to require it. The selection of the service provider is solely the choice of the employee.
9. **How does the department address a situation where an employee traveling with a personal cell phone on University business wants reimbursement for minutes used conducting University business? The minutes used did not cause the employee to exceed their monthly minute plan.**  
The University can only reimburse the employee for additional documented costs incurred by the employee in making such calls. In such cases where the monthly minute plan is not exceeded; no reimbursement is due.

**10. What does the department do if the employee wants reimbursement for a percent of their personal bill?**

If an employee, who does not receive an allowance, has a monthly minute plan that has been exceeded due to business use resulting in an additional charge, the department can reimburse the additional cost associated with the business calls. The University can only reimburse the employee for additional documented costs incurred by the employee in making business calls that exceed the cost of their personal plan. In such cases where the monthly minute plan is not exceeded; no reimbursement is due.

**11. Does this Policy apply to contracts that have already been entered into before this Policy was released?**

Yes. There is no requirement that an employee enter in to a new plan if an existing plan will, or can be modified to, accommodate the required business use.

**12. Are allowances to be paid from "salary" dollars or "expense" dollars?**

Since allowances are paid using earnings codes, these would be paid from salary dollars. This is consistent because allowances will be included on the employees' W-2s. However, departments have the flexibility to convert "expense" budget dollars to "salary" budget dollars.

**13. Since the device will be my personal device, is any information subject to the Virginia Freedom of Information Act (FOIA)?**

Any information (e.g., emails, phone calls, etc.) that the employee sends to or through University servers or other equipment is subject to FOIA. Any information not sent to or through University servers or other equipment is not subject to FOIA. The device is the employee's personal device and is not subject to FOIA.

**14. What should I do if my actual VCU business use is exceeding the amount of minutes for which the approved allowance is providing?**

Employees should immediately present their actual documented VCU business use and the Agreement amount to their department head. This issue may need to be corrected through a revised Agreement and approved by the appropriate VP.

**15. What about iPads?**

The Policy covers only iPads (and other tablets) that have a cellular plan associated with them. Such devices that only use network wireless would not be included.

**16. Can I have multiple devices?**

Yes, but the total allowance for any individual should not exceed the allowance for heavy data and heavy voice use (i.e. \$90/month) or negotiated special use amount.

**17. Is it permissible for a department to approve an allowance that is less than the amount stated in the Agreement?**

Departments must only approve allowances consistent with the dollar amounts stated in the Agreement. This provides for consistency which mitigates possible claims of inequity or discrimination. It's also important to keep in mind that the allowance is taxable income, so employees do not receive the full allowance amount in their pay.

**18. Will a separate earnings code be used for the allowance?**

Current Banner functionality does not accommodate the use of separate account.

**19. Can grant funds be used to pay for the allowance?**

As a general rule, grant funds cannot be used to fund the allowance. Because of how Banner processes allowances, fiscal administrators will need to process PHARDEDS transactions regularly to correct the labor distribution to an appropriate funding source(s). Similar to personal computers, there may be instances where a grant specifically allows for this, such as when there is written agency approval and when there is the inclusion in the sponsor approved budget. Those special circumstances require the documentation to be sent to the Dean/VP for review prior to the approval of the Agreement.

**20. I don't want my personal cell number to be broadly available to other University employees. How can I limit its dissemination?**

Some online services, such as Google Voice, offer "virtual" phone numbers that can be used to direct and manage phone calls to your cell phone. You can publish your virtual phone number for VCU activities and then direct calls from the virtual number to your cell phone. If you decide to use a virtual number, you must carefully test the process to ensure that University-related calls are being redirected to your cell phone. For example, you should test the virtual number from VCU phones, other land line phones and other cell phones. You should also have individuals who normally call you on your cell phone regarding University business to test your virtual number as well. The following is a link to information about Google Voice: <https://www.google.com/voice> (Note: you must have a Gmail account to set up this service).

**21. I own a regular cell phone with basic phone features, rather than a smartphone. Therefore, I will need to purchase a smartphone with additional functionality because I will no longer have use of my university provided Blackberry device. Does the Policy allow me to be reimbursed for the smartphone device?**

Yes, the Policy permits approval of a one-time payment up to \$150. A copy of the original purchase receipt supporting the payment must be provided to Payroll Services. Any dollar amount noted as a rebate (e.g., manufacturer's rebate), but paid by the employee as part of the purchase price, will not be considered supporting documentation because the purchaser may choose to obtain the rebate from the rebate provider. For example, an employee purchases a wireless device that costs \$150 (including tax) with a manufacturer's rebate of \$50. Although the employee paid \$150, the maximum amount the employee could be paid is \$100 (\$150 less \$50 manufacturer's rebate). Employees must purchase the personal wireless device using their personal funds. The one-time payment is only for transitioning employees during the initial implementation of this policy (i.e., no later than October 1, 2012). After the initial implementation transition period, the one-time payment to cover the cost of the wireless device must be approved by the Vice President as an exception to this policy (using the Wireless Communication Device – Exception to Policy Approval Form).

**22. I recently purchased a smartphone and still have the purchase receipt. May I receive the one-time device payment (up to the maximum of \$150 with a receipt) once the Vice President approves the Agreement?**

No. The one-time device payment is only allowable for devices purchased after the Agreement has been approved by the Vice President. No device payments will be made for devices purchased prior to the Agreement being signed by the Vice President.

**23. Will employees receive the allowance while on leave?**

No, the allowance will be stopped for any salaried employee on paid or unpaid leave for more than 14 calendar days. Exceptions can be made on a case by case basis to continue the allowance for employees on leave. Note: wage employees will receive such allowance whether they work hours during a pay period or not, until either their job or the allowance are terminated.

**24. What are the implications of tracking time worked for non-exempt employees who have been approved for the wireless allowance?**

The wireless allowance does not substitute for overtime payments or affect reporting of hours worked in any way. FLSA rules for time worked continue to apply for non-exempt employees who are receiving an allowance, and all hours worked, even those spent using wireless equipment for work after regular work hours, must be reported. VCU's overtime guidelines address such issues as follows: "If an employee occasionally works seven additional minutes or less, the time will not be counted as additional hours worked. However, if an employee occasionally works more than seven minutes, but less than 15 minutes, this time will be rounded up to the next 15-minute increment and 15 minutes of additional work time will be counted."

**25. How will international phone and data service be handled?**

The payment for international phone and data service will be handled on a case by case basis, requiring approval by the appropriate vice president.

**26. Where do I find the policy on university issued wireless communication devices?**

Information is available in the Policy Library under Finance, Procurement & Payment, University Issued Wireless Communication Device Policy  
<http://www.assurance.vcu.edu/policylibrary.html>

**27. If I have a personal BlackBerry will I be able to integrate it with my VCU email account as I do today? Will I have to cover the cost of the \$100.00 initial set up and \$25.00/year maintenance through my allowance?**

With the migration of Lotus Notes to Google Apps the BlackBerry server will no longer be necessary for integration to your email account. Employees can connect a Blackberry and other smartphones to Google with more functionality and ease through Google Mobile Apps. Explore your options at <http://www.google.com/mobile/>>. Select "Google for Your Phone" from the horizontal menu bar for a drop down list of smartphones. For more information regarding the Google Apps email migration please visit <<http://wp.vcu.edu/google/>>.