

University of Rhode Island
Office of Controller
Stipend for Cell Phone Procedures
(Excluding URI Athletic Department)
Effective: July 1, 2009

An option is available for full time state employees to be paid a stipend instead of being issued a URI cell phone or electronic communication device. A stipend will be issued to those employees in positions authorized for URI cell phone usage. Positions authorized for URI cell phone usage are determined by the following criteria:

- Safety requirements indicate having cell phone is an integral part of performing duties of job description
- More than 50% of work is conducted in the field
- Required to be contacted on a regular basis
- Required to be on-call (24/7)
- Critical decision maker
- Other business requirement

The following positions are eligible for the cell phone stipend:

1. President, Provost and Vice President
2. Other designated staff as authorized by the President, Provost or Vice President

The following positions are **not** eligible for the cell phone stipend:

1. Employees that utilize “departmental” cell phone or push to talk
2. Employees whose URI provided cell phone minutes are included in a “pooled” cell phone plan
3. Employees who do not meet the above criteria

The following guidelines must be followed:

- URI Department is required to budget the annual cell phone stipend for employees.
- Cell phone, accessories, service plans or other fees will **not** be purchased, licensed or directly billed to URI for those individuals that elect the stipend.
- Employee is responsible for the purchase of cell phone equipment to be used for cell service indicated by approved stipend level (most basic cell service plans provide free phones). Costs for cosmetic or technical extras that have no business purpose are the responsibility of the employee.
- URI will **not** pay any plan cancellation fee or penalties for early termination incurred by employee.
- The cell phone service is personally owned by the employee and may therefore be used for both personal and business calls. An employee who receives a cell phone stipend must maintain an active cell phone contract for the duration of the stipend which corresponds to the stipend level approved.
- A copy of the front page (proof of service) of the employee's cell phone bill must be submitted to the Department's Business office with the approved annual “Cell Phone Stipend Request”.
- Cell Phone Stipend **cannot** be charged to a Grant (Fund 500).

Reimbursement Stipend Levels

- 1st Level: Employee who has light to moderate usage of the cell phone for business purposes, 450 minutes or less with unlimited text messages.
- 2nd Level: Employee who has moderate to heavy usage of the cell phone for business purposes, 450 – 900 minutes with unlimited text messages.
- 3rd Level: Employee who has very heavy usage of the cell phone for business purposes, over 900 minutes, unlimited text messages and data services for PDA/Blackberry, such as email and calendar.
- 4th Level: If extra ordinary circumstances require additional or expanded cell or data service not included in Level 1 to 3, then an exception may be granted and annual rate or temporary rate will be calculated

Taxation: The cell phone stipend is taxable income to the employee; therefore the individual will be taxed according to the IRS and State regulations. Employee will receive a separate payroll check/direct deposit from URI PeopleSoft Internal Payroll. The stipend will be reported to IRS on form W-2.

Rates: Rates for each level will be reviewed and established by the URI Controller's Office annually and effective starting at the first pay period of each fiscal year. The stipend amount will be based on a cell company which offers a State of RI employee discount. Currently, Verizon Wireless offers a 15% discount to State of RI employees.

Transition Process for Employees with URI cell phone electing stipend:

- Existing URI cell phone service commitments must expire before transitioning to a cell phone stipend or be able to cancel without any termination fee chargeable to URI. Changes to existing URI purchase orders must be modified when transitioning to a cell phone stipend.
- All costs related to the purchase and usage of the employee's personal cell phone will be the responsibility of the employee, including any cancellation/termination fees or penalties incurred.
- If employee wants to retain their current URI cell phone number, they need to contact the cell phone provider for assistance. (Verizon transfer of billing responsibilities form must be completed)
- If employee wants to retain the URI cell phone equipment, and it is less than 2 years old, the employee may pay URI the original cost of the phone, less depreciation costs. Contact the Controller's Office for this option.
- Employees currently issued URI cell phones will be required to submit the "[Cell Phone Stipend Request](#)" form to the Department's Business office and follow the "New Request and Renewals" procedures listed below.

New Requests and Renewals

- "[Cell Phone Stipend Request](#)" form must be completed by employee and forwarded to Department's Business Office to determine stipend level and to acquire approval from the appropriate authorized signatory (President, Provost or Vice President). A copy of the front page (proof of service) of the employee's cell phone bill must be submitted to the Department's Business office annually with the stipend request form or the stipend will be cancelled.
- Department must have funds budgeted for the annual cell phone stipend cost in account 5203
- After acquired approvals, the original approved "Cell Phone Stipend Request Form" must be sent to URI Human Resource and copies to Controller's Office and Payroll Office, Department [with proof of service] and employee should retain a copy.
- The Department's Business Office will enter the approved biweekly stipend into the URI biweekly payroll system for active employees. See [Cell Phone Stipend Procedures for PS](#).
- Annual renewals need to be completed prior to the 1st pay period of every year.

Changes or Discontinuing Stipend

The Employee's supervisor is responsible for an annual review of the business need for a cell phone stipend to determine if the stipend should be changed or discontinued. If a University decision is made which results in changing or discontinuing the cell phone stipend during the year or if the employee is terminated, the employee is responsible for the cost of the cell phone plan, including cancellation/termination fees.