

**UNIVERSITY OF RHODE ISLAND
OFFICE OF THE CONTROLLER
TELECOMMUNICATION DEVICE/SERVICE USAGE**

State of RI - Policy/Procedures Number A-54

Effective Date: 3-21-07

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Purpose:

The following policies and procedures regulate employees' use of University owned telecommunication devices, as well as the use of personal cell phones and electronic communication devices during work hours according to State of Rhode Island Policy A-54.

1. PERSONAL USAGE OF URI TELECOMMUNICATION DEVICES

University Telephone systems

The use of the University's land-based telephone system, cell phone, Personal Digital Assistant (PDA), pager or electronic communication devices used for personal calls displace business calls. When excessive time is spent on personal calls, the University's business goals and purposes are compromised. These policies and procedures apply to employees' use of any of the University provided telecommunication devices, and regulate employees' use as well as the use of personal cell phones and electronic communication devices during work hours. Employees are expected to take care of their personal business during non-working hours. Accordingly, personal phone calls that are not of an emergency nature must be held to a minimum and must not interfere with the University's business. Employees are required to reimburse the University for the full cost of calls of a personal nature that are made using University provided telephone, cell phone or other telecommunication devices; such as long distance, toll calls, directory assistance (411), text messages, etc.

Personal cell phone, PDA, pager or electronic communication devices

The using of personal cell phones PDA, or electronic communication devices during work hours may adversely affect your job performance and the University's business goals and purposes. Therefore, University employees are permitted to use personal cell phones, pagers or electronic communication devices while at work on a limited basis to avoid interference with the performance of his or her job functions.

2. CELL PHONES, PDA, OR ELECTRONIC COMMUNICATION DEVICES

Certain University employees may be provided a University-owned telecommunication device or receive a stipend for cell phone, PDA, pager or electronic communication device which are needed in order to carry out their job responsibilities and for the benefit of the University. Positions authorized for URI cell phone or electronic communication device usage is determined by the following criteria and must be approved by supervisor or department head:

- 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 requirements

2.1 Employee Responsibilities

1. If the wireless communication device that has data capabilities is stolen or missing it must be reported to the employee's supervisor, campus police, wireless device service provider and to University Computing Systems as soon as possible.
2. Wireless communication devices covered by this policy are used in part to conduct University business and/or to create, receive, send or store University data and/or education records of students. As a result, information contained on wireless communication devices covered by this policy are also subject to Federal and State data maintenance and protection laws (e.g., FERPA, records retention requirements), as well as the RI Freedom of Information Act (FOIA). An employee receiving a University wireless device stipend must comply with Federal and State requirements, and assist the University in providing access to information about or contained on the wireless communications devices covered by this policy in response to requests for such data or information by third parties as required by Federal and/or State law.
3. Employees are expected to delete all University data from the personal wireless communication device when their employment with the University is severed, except when required to maintain that data in compliance with a litigation hold notice.

2.2 Additional Regulations

1. Additional oversight/reporting responsibilities may be required if an employee's job responsibilities are subject to formal governing body by-laws and regulations (i.e. NCAA regulations)

3. UNIVERSITY POLICIES AND PROCEDURES FOR BUSINESS RELATED CELL PHONE, PDA AND ELECTRONIC COMMUNICATION DEVICES

The following options are available for Business related cell phone, PDA and electronic communication devices

1. University owned cell phone, PDA or electronic communication device may be assigned to an employee or departmental device.
2. Employee cell phone stipend paid through payroll.
3. Employee reimbursement for personal communication device used for business purposes paid through accounts payable.

3.1 University-Owned Cell Phones, PDA, pager or electronic communications device

Employees who are issued University-owned cell phone, PDA, pager or electronic communication device are required to keep the units turned on and the batteries charged, and must carry them at all times when on duty or on call. Employees must reimburse the University for all non-business usage. On a monthly basis, the University will provide each employee who has been issued a University-owned cell phone, PDA, pager or electronic communication device a copy of his/her individual

detailed bill. Each month the employee will be required to identify all non-business usage and must reimburse the University for the total cost of all non-business phone calls, text messages and directory assistance, etc. See 5.1 Reimbursement Procedures from employees. Monthly and annual reporting forms are required to be completed on a timely basis. Forms are available on-line at [URI Controller Policies](#) website.

Departments are responsible for establishing procedures to ensure that University provided cell phones, PDAs, pagers or electronic communication devices are used in compliance with this policy.

Employees must return any University-owned cell phone, PDA, pager or electronic communication device at the request of their supervisor or when their employment is terminated. If the device is not returned, the department needs to have the service agreement terminated immediately and notify URI Payroll the cost of the device in order to report the income on the employee's W-2.

3.2 Cell Phone, PDA, pager or electronic communications device stipend

An option is available for full time state employees to be paid a stipend instead of being issued a URI cell phone or communication device. A stipend will be issued to those employees in positions authorized for URI cell phone usage. See [URI Controller Policies](#) website for more information. "Stipend for Cell Phone Procedures" or for Athletic Departments "Athletic Cell Phone Stipend Procedures".

3.3 Personal Cell Phone, PDA, pager or electronic communications device

If an employee uses a personal communication device in the performance of his or her job function, they may seek reimbursement for such usage from the University. To request reimbursement, an Invoice Voucher must be completed (minimum cumulative dollar amount \$25) and approved by URI Department Head or Supervisor with documentation attached identifying the business calls and purpose. The rates of reimbursement are calculated as in paragraph 5.2.

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5. REIMBURSEMENT PROCEDURES

5.1 From Employees

No later than fifteen days after the end of each telecommunications billing cycle, the employee must review the bill(s) for each type of telecommunication device or service used by him/her during the billing cycle and mark his/her personal calls or other usage.

Any personal calls made during a billing period will be reimbursed based on number of minutes multiplied by URI established flat rate. Any downloads on a cell phone must be 100% reimbursed by the employee. Any information 411 calls must be 100% reimbursed by employee or business purpose must be documented. Cost of personal text messaging must be reimbursed.

Every month, the employee **must** complete the [monthly reimbursement report](#) and issue a check or money order, payable to "University of Rhode Island" for the sum total of personal calls and/or usage appearing on the telecommunications bill(s). The Department's business office shall deposit all reimbursements as expenditure credits against the chartfield that originally incurred the charges. The original "monthly telecommunications reimbursement report" must be attached to the telecommunication bill which is sent to accounting to process vendor payments.

5.2 To Employees

The employee shall review the bill(s) for personal telecommunication devices and mark his/her business calls. The employee shall attach certification and/or explanation of business purpose for each call. The department's business office needs to prepare the [URI Invoice Voucher Form](#) (cumulative minimum amount \$25) and submit it to the Accounting Office for payment. Any business calls made during a billing period will be reimbursed to the employee by dividing the total used minutes (business and personal) into the total amount billed for the billing period irrespective of the fact that business usage minutes caused the allotted minutes to be exceeded. The basis for this policy is the following presumptions: One, use of a personal cell phone for business calls is voluntary by the employee. Two, that such voluntary usage will be de minimis.

6. TAXATION

6.1 University provided telecommunication device

The value of employer-provided telecommunication devices/services used by University employees for personal use are taxable fringe benefits and must be included in gross pay for income tax and social security tax purposes. However, when the employee pays the employer the fair market value for all personal use of such, there are no income results to the employee. Partial payment reduces the employee's income by the amount of the payment. The amount added to wages is not considered salary for the purposes of computing retirement or other employee benefits. The business use of University paid telecommunication devices/services is not taxable to the employee.

Each employee that is assigned a University telecommunication device or service must complete the [Annual Statement of Personal Usage for University Provided Telecommunication Devices \(A-54\)](#) form. This form is used by the State Payroll Office to report on taxable value of telecommunication services as an employee fringe benefit on IRS form W-2.

Department Responsibility: Provide form A-54 to all employees who are assigned a University-owned cell telecommunication devices or services. This form must be completed and submitted by each active employee to whom telecommunication services/devices is provided. The employee to whom the service/device is provided must complete, sign and date each form. This form is due annually and should be submitted to the URI Payroll Office no later than November 15th. The taxable fringe benefit amount (telecommunication services), as reported on the completed Annual A-54 form will be reported as taxable "fringe benefit"

Federal Tax Liability: Under IRS regulations, the value of personal use of an employer-provided telecommunication device/service must be included in the employee's gross pay and is taxable for income and social security purposes. Employees are required to keep records substantiating the personal use and the business use of the service/device. If the employee does not maintain substantiation for personal usage, then all usage is to be considered personal and the full value of the University paid telecommunication device/service is taxable to the employee. A monthly A-54 log worksheet is available on the URI Controller's website.

Even if an individual is exempt under University policy from the University reimbursement requirement, the amount of benefit that is added to an employee's gross pay is still considered a taxable fringe benefit for IRS purposes. However, the reimbursement to the University can reduce the value of personal use of the employer-provided telecommunication device/service by the amount of reimbursement.

6.2 Cell Phone Stipend 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. The stipend amount is not considered salary for the purposes of computing retirement or other employee benefits. See Stipend for Cell Phone Procedures for more details.

7. ENFORCEMENT

Any employee who violates this policy related to the use and/or reimbursement of University-provided telecommunication devices may be subject to disciplinary action. Repeated or continued violation of this policy may lead to termination of employment.

Forms, policy and procedures are available from the URI Controller's website: [URI Controller Policies](#).