

# Financial Management

## Policy 31100: Wireless Communication Stipend

### 1.0 Purpose

This policy provides a framework to manage wireless communication devices, stay in compliance with IRS regulations, and manage telecommunications costs. The wireless communication stipend will alleviate the significant administrative burden, on both employees and the Business Office, of providing the extensive substantiation required to fulfill IRS reporting requirements. The intent of this policy is to promote the stipend by eliminating having to maintain the following for each and every call, under the current IRS regulations:

- Time and date of each call
- Business purpose of each call
- Explanation of business relationship with all participating parties on each call

### 2.0 Policy

Germanna Community College will offer a taxable stipend (allowance) for wireless communication devices including service and equipment to those employees whose duties require the need for a communication device. These employees will receive a monthly allowance to cover business-related costs. Germanna Community college will not purchase wireless communication devices or service plans for employees receiving the wireless stipend.

Wireless communication devices and service plans purchased with the monthly allowance may be used for both personal and business purposes. The allowance is intended to defray the cost of conducting GCC business with wireless communication devices and may at times not cover the total cost of a wireless communication plan or usage.

Any GCC purchased/owned wireless communication devices shall only be used for business purposes. That is, if the phone was purchased by the College, personal use of that phone is not permitted.

Employees are strongly encouraged to use Verizon Wireless as their provider because the free mobile to mobile discount given by Verizon Wireless will reduce the amount of minutes used when calling other employees.

#### Criteria

The wireless communication stipend is granted per the following criteria:

- The employee's job requires that they work regularly in the field and need to be immediately accessible.
- The employee's job requires that they need to be immediately accessible outside of normal business hours.
- The employee is responsible for critical business functions or the supporting infrastructure and needs to be immediately accessible at all times.
- The employee travels and needs to be accessible or have access to information technology systems while traveling.

- Access via voice and or access to information technology systems via a mobile communications device would, in the judgment of the supervisor, render the employee more productive and/or the service the employee provides more effective, and the cost of mobile communications service is therefore warranted and approved by the College President.
- The employee's department budget must have sufficient funds to pay for the allowance – monthly and periodic equipment purchase. (Over the first twelve months of the program budget will be moved from the central Telephone department budget to the department budgets of the approved users)

#### Guidelines

Any employee who receives an allowance will be required to have the pertinent contact information (i.e., phone number) published or distributed for GCC business purposes.

The wireless communication device acquired as provided by the criteria above is considered to be the personal property of the employee. Access granted to employees may be limited to voice communications or could also include access to information technology systems, such as e-mail, calendar, web, etc.

While each case needs to be evaluated on its own merit, following are some positions which may be eligible for participation in the wireless stipend policy: President, Vice President, Dean, Manager, Director, Supervisor, and essential personnel need for continuity of operations as well as safety and security.

#### Exceptions

With the approval of the college President (or designee), Administrative Services may purchase wireless communication devices with an appropriate phone/data plan in limited circumstances, such as phones/devices that rotate among departments, or devices for Presidents Council members. Personal use is not permitted on any GCC-owned wireless communication devices.

Employees using College-owned devices and their supervisors must review the calling activity each month to identify business and non-business items. Any non business calls placed on College-owned devices must be reimbursed to the Business Office. It is the responsibility of the device user and that person's supervisor to ensure that reimbursement is made. The person using/assigned the device must establish records noting the amount, date, place, and business purpose for each call. A notated copy of the bill can be used for this purpose. A copy of the bill will be provided the user and/or supervisor each month. These records shall be forwarded to the Vice President of Administrative Services Office where personnel shall review the records and maintain them for regulatory compliance.

#### Allowance

The wireless communication stipend will be provided as taxable income to the employee, but will not be considered part of the employee's base pay. This stipend does not constitute an increase to base pay and will not be included in the calculation of percentage increases to base pay due to annual raises, promotions, etc. An employee is prohibited from continuing to collect a monthly wireless communication stipend when his/her device is no longer active or needed for the performance of the employee's job responsibilities. Simple convenience is not a criterion for granting a wireless communication device stipend.

### Audits and Changes

The college President must review and re-approve the Wireless Communication Stipend Request/Authorization form prior to the start of each fiscal year to confirm the employee's eligibility for the cellular plan allowance or the department's eligibility for the shared cellular phone device.

Changes in allowance may be made on an annual basis or as needed based on the employee's job function.

### Termination or lay-offs

In the event an employee is terminated, laid-off, or retires, GCC will not pay to terminate the cellular contract entered into as part of stipend. In the event that an employee leaves Germanna they must bring the phone to the IT Department so that all Germanna email can be removed from the phone.

### Transitions

Employees that meet the criteria for a stipend need to make arrangements to have the wireless communication device and service prior to receiving the stipend.

Employees must provide new or changed cellular phone numbers to their supervisor and to Human Resources within five (5) days of the change.

## **3.0 Procedure**

### Stipend Approval

The President or his designee will review the criteria listed above, and make a determination on employee eligibility. If it is determined that the employee meets the criteria and is eligible for a wireless stipend, the employee shall be eligible for a monthly allowance up to \$60 (pre-tax) to be added to the employee's payroll.

On a biannual (every two years) basis, an equipment phone allowance of up to \$50 for devices with voice and text capabilities only or up to \$200 for devices with voice, text, and data capabilities. Employees are responsible for initiating this request with supervisor approval. A receipt for the purchase of a phone/PDA must be included with the submittal of the reimbursement form. This reimbursement is for newly purchased phones.

Eligible employees must complete the Wireless Communication Stipend Request form, which is available online on the policy page, and obtain necessary approvals. Approved forms should be sent to Human Resources for submission to payroll.

Phones or devices used for checking Germanna email must have a 4 digit encryption code on them. For IT Security purposes this code cannot be deactivated.

For IT security reasons, if a phone is lost or stolen it must be reported to IT within 24 hours so IT can initiate a remote wipe on the phone. Generally, it is the employee's responsibility to replace the phone.

## **4.0 Definitions**

*Presidents Council* – Senior level administrators within Germanna, including the President, Vice Presidents, Deans, and select senior management.

*Data Package* – wireless communication plans that typically include text messaging, multimedia messaging, Web browsing and email service.

*Phone/Data Equipment Allowance* – Stipend to cover replacement or renewal of older phone/data equipment. This allowance is allocated on a bi-annual basis.

*Text Messaging* - brief written messages for mobile phones over cellular networks.

*Wireless Communication Device* – Any of the following devices: internet, cellular phone, personal digital assistant (PDAs) including, but not limited to Palms, Blackberry, iPhone and Droid.

**5.0 References**

**6.0 Point of Contact**

Richard L. Brehm  
Vice President for Administrative Services

**7.0 Approval and Revision Dates**

11/9/2010