



# TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

## Operating Policy and Procedure

### **HSCEP OP: 55.05, Employee Allowance for Electronic Communication Resources**

**PURPOSE:** The purpose of this Texas Tech University Health Sciences Center El Paso Operating Policy/Procedure (HSCEP OP) is to establish procedures for the payment of an employee allowance for business use of personally- owned Electronic Communication Resources.

**REVIEW:** This HSCEP OP will be reviewed on May 1 of every even-numbered year (ENY) by the Chief Information Officer (CIO) for TTU System and the CIO for TTUHSCEP or designees, with recommendations for revision submitted to the Chief Financial Officer or designee by May 15.

### **POLICY/PROCEDURE:**

#### **1. General**

a. For the purpose of this HSCEP OP, Electronic Communication Resources refer to a telecommunications device that allows for two-way communication. These include:

1. Cell Phones
2. Personal Digital Assistants (PDAs)
3. Smart Phones (combination of cell phones and PDAs)
4. Tablets
5. Wireless Cards, Tethering, Or Equivalent Service

Any use of an Electronic Communication Resource not listed above will be considered on a case- by-case basis and will be processed as a taxable reimbursement through Payroll Services.

b. If it is determined that there is a business need for an employee to have an Electronic Communication Resource, a department may provide eligible employees with a Telecommunication Allowance to supplement the cost of Electronic Communication Resources that the employee personally purchases. Eligible employees must complete and submit the "Telecommunication Allowance Request" form (Attachment A) located at <http://www.texastech.edu/it/commSvs/forms/> .

c. There are two types of Telecommunication Allowances:

1. Telecommunication Service Allowance to supplement the cost of service for the Electronic Communication Resource. This will be a predetermined amount added to the eligible employee's monthly wages.
2. Telecommunication Equipment Allowance to supplement the cost of a purchase or upgrade of an Electronic Communication Resource. This will be a predetermined amount added to the eligible employee's wages biennially.

The Telecommunication Allowance will be recorded as additional compensation separate

from an employee's base compensation to be included in the employee's gross income and treated as wages for payroll tax purposes.

- d. Since the Telecommunication Allowance is treated as wages, employees and/or departments do not have to maintain any records regarding usage of the electronic communication resource.
- e. The Telecommunication Allowance is intended to reimburse the employee for the business use of their personal Electronic Communication Resources. The intent is not to pay the entire bill, as most may also use such resource for personal needs. The Telecommunication Allowance is not an entitlement; the amount may be changed or withdrawn at any time.

## 2. **Telecommunication Allowance**

### a. Eligibility

- 1. A department may provide a Telecommunication Allowance to an employee for use of Electronic Communication Resources if either of the following criteria is met:
  - i. The job requires considerable time outside the office and it is important to the university that the employee be immediately accessible to receive and/or make frequent business communications during those times;
  - ii. The job requires the employee to be immediately accessible to receive and/or make frequent business communications outside of normal working hours.

Eligibility will be reviewed by the department on an annual basis.

- 2. The Telecommunication Allowance must be charged to funds specified by the employee's immediate supervisor, who must ensure availability of funding. See paragraph 4. below for additional grant funds restrictions. Departmental eligibility criteria can be more (but not less) restrictive than the criteria stated above.

### b. Amount

- 1. The amount of the Telecommunication Service Allowance is as follows:
  - i. \$35 per month for voice plans ii. \$40 per month for data plans
  - iii. \$55 per month for wireless cards or Tablet data plan

An employee may be eligible for more than one Telecommunication Services Allowance. For example, an employee may receive the voice plan and data plan service allowances if both are required for the job.

- 2. The amount of the Telecommunication Equipment Allowance for equipment purchase (initial or biennial upgrade) is as follows:
  - i. \$50 for cell phones
  - ii. \$150 for smart phones/PDAs

The Telecommunication Equipment Allowance may be provided to an employee

once every two years. The equipment will be owned by the employee. As such, the university will not pay for activation fees or related charges.

Advanced devices, such as tablets (i.e. Apple iPad, Samsung Galaxy, etc.), which have wireless communications capabilities through an outside vendor's network, may be purchased by the department. However, if the employee wishes to utilize the vendor's voice and/or data networks, the Telecommunication Service Allowances outlined above will apply.

3. The Telecommunication Allowance may not exceed the maximum without submitting an approved *Telecommunication Allowance Exception Form* (<http://www.texastech.edu/it/commsvs/>). Documentation for the requested amount (such as previous bills) and the necessity (as opposed to convenience) of the greater usage should be submitted in order to demonstrate the need for a higher allowance.

c. Procedure and Responsibilities

1. The Telecommunication Allowance must be approved through normal processing approval channels established for each department for salaries and supplements.
2. The employee may select any wireless carrier whose service meets the requirements of the job responsibilities.
3. The employee is responsible for all charges, including early termination fees and international calls. If the employee leaves the position or no longer requires the service, the employee continues to be responsible for the contractual obligations of his/her service plan.
4. The department is required to discontinue the Telecommunication Allowance when any of the following occur:
  - i. The eligibility criteria listed in paragraph 2(a) above are no longer met,
  - ii. The service is cancelled, or
  - iii. The employee leaves the position or no longer requires the service.
5. Wireless transmissions are inherently not secure and employees should use discretion in relaying confidential information over wireless devices. For more information, refer to the TTUHSCEP IT Mobile Computing Policy. When either the Telecommunication Allowance terminates, or the employee-owned Electronic Communication Resource are replaced or no longer used for university business purposes, the employee must erase all university information stored in memory.
6. It is the employee's responsibility to comply with state and municipal laws regarding the use of cell phones, smart phones, and PDA devices while driving.

**3. Exceptions -- University-Provided Electronic Communication Resources**

- a. The university may continue to purchase and provide Electronic Communication Resource and service plans for certain employees or groups of employees where it would be impractical for the employees to receive an allowance or due to security needs or other operational considerations. Exceptions to this HSC OP will require approval by the Fund Manager, Department Head, appropriate Dean or Vice President, and the Director of Communication Services.

Such exceptions might include the following:

1. Emergency workers, including police, fire, environmental health and safety, and medical center workers;
2. Facilities personnel who share cell phone equipment while on duty and other arrangements involving shared equipment use. In such cases, cell phone equipment should not be assigned to a specific individual or taken home on a regular basis;
3. Research personnel who use portable devices as data collection devices or for similar research purposes; or
4. Athletics (to meet NCAA requirements).

All approved exceptions must utilize the Texas Tech contracted vendor (currently AT&T).

b. Requests for an exception must be submitted as outlined in HSC OP 55.04, Cellular Telephones and Data Devices.

c. Where an exception has been approved, employees with a university-provided Electronic Communication Resource must document the business and personal use of the device in accordance with the Internal Revenue Code (IRC) Sec. 274(d)(4), 280F and related Treasury Regulation substantiation rules. Records documenting the business and personal use of the equipment must be maintained by the department and made available for internal or external audit, upon request.

1. The required documentation for each business call would include:

- i. The name of the individual called;
- ii. The individual's association with the university; and
- iii. The business purpose of the call.

2. No personal usage is allowed on university-provided Electronic Communication Resources.

- i. The Electronic Communication Resource holder and fund managers should review the monthly bills of university-provided Electronic Communication Resource to ensure that there was no personal usage. A written certification is required stating the monthly bill has been reviewed to identify business and personal use.
- ii. Inadvertent or emergency personal calls, including international calls, texting (SMS/MMS), long distance, roaming, and overage charges must be reimbursed on a prorated allocation of the monthly bill in accordance with TTUHSCEP OP 55.04.
- iii. The use of university-provided Electronic Communication Resources for private commercial or consulting purposes is not allowed.
- iv. Abusing the use of university-provided Electronic Communication Resources will result in the suspension of privileges.

- d. Communications Services will keep *University-Provided Wireless Device Forms* on file and available for internal or external audit.

#### 4. **Sponsored Projects**

Only direct expenses may be charged to sponsored projects. In general, monthly stipends for cell phone use and equipment should not be charged to externally-sponsored projects, including federal grants. Charging of monthly stipends or equipment to an externally funded project must receive prior approval by the Office of Sponsored Programs. Depending on the funding source, the Office of Sponsored Programs may determine that it will be necessary to obtain the written approval of the sponsor prior to incurring this expense.