Operating Policy and Procedure

OP 48.05: Employee Allowance for Electronic Communication Resources

DATE: September 29, 2014

PURPOSE: The purpose of this Operating Policy/Procedure (OP) is to establish procedures for the payment of an employee allowance for business use of personally owned electronic communication resources.

REVIEW: This OP will be reviewed in May of each year by the managing director of Budget Resource Planning & Management and the managing director of Human Resources with substantive revisions forwarded through administrative channels to the department head of Communication Services, the TTU chief information officer, and the TTUS chief information officer.

POLICY/PROCEDURE

1. General

   a. For the purpose of this 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 located at http://www.texastech.edu/it/commSvs/forms/.

   c. There are two types of telecommunication allowances:
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.

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 his/her personal electronic communication resources. The intent is not to pay the entire bill, since most employees may also use the 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:

(a) 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;

(b) 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 section 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:

(a) $35 per month for voice plans

(b) $40 per month for data plans

(c) $55 per month for wireless cards or tablet data plans
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:

(a) $50 for cell phones

(b) $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 (e.g., 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 completing the “Justification for an allowance in excess of the amounts stated above” portion of the Telecommunication Allowance Request form. 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:

(a) The eligibility criteria listed in section 2(a) above are no longer met;

(b) The service is cancelled; or

(c) 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 Texas Tech University IT Mobile Computing policy. When either the telecommunication allowance terminates or the employee-owned electronic communication resource is 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 because of security needs or other operational considerations. Exceptions to this OP will require approval by the vice president for administration and finance and chief financial officer and the department head 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 mobile 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 OP 48.04, Cellular Telephones and Data Devices.

4. Special Rules for Grant Funds

Only “direct costs” can be charged to grants and contracts. As such, the telecommunication allowance cannot be charged to grant funds. The options in such a case are:

a. Charge the telecommunication allowance to a non-grant fund; or

b. Charge a university-provided cell phone service plan to the grant fund (see section 3. “Exceptions” above for requirements); provided, however, that only calls directly related to that specific grant (and no other business or personal calls) are allowed. This option must be approved by Research Accounting and, under no circumstances, may equipment purchases be charged to grant funds.