


Subject: Wireless Devices Policy	Department Name: Business & Finance	Effective Date: July 1, 2007 Issue Date: July 1, 2007
	Rev: 9/30/10. 11/1/11	Approved: 

CALIFORNIA STATE UNIVERSITY, STANISLAUS POLICY REGARDING THE WIRELESS DEVICES FOR BUSINESS USE

Purpose The policy applies to all employees who have been required by the University to carry a wireless device (i.e., cell phone/PDA, not iPad or other tablet device) so as to be available to the University while away from campus and/or to use a wireless device as an integral, non-optional tool in performing their assigned duties during regular business hours or outside of normal working hours.

The determination of whether an employee is required to be available (on call) while away from campus or to use a wireless device while performing assigned duties resides with the Vice President of the division in which the employee works. The Vice President and employee are required to complete a mandatory authorization form (*California State University, Stanislaus Wireless Devices Authorization Form*) that provides specific information concerning the required device type and usage.

The policy recognizes that in today's world the majority of employees carry cell phones and other wireless devices to conduct personal business. The policy does **not** apply to employees who may occasionally use personal wireless devices for work-related uses (e.g., use of personal cell phone for a work related call).

B. Compliance with Tax Law

The United States Congress has removed cell phones from the Internal Revenue Service (IRS) definition of "listed property." In Notice 2011-72 the IRS stated that as long as the employer issues the wireless device to the employee "primarily for non-compensatory business reasons," the employee's business use of the device will be excluded from his/her gross income as a working condition fringe benefit, and any personal use will be excluded as a de minimis fringe benefit. Also, the employee is not required to substantiate business use of the device. These favorable tax benefits only apply if the employer's provision of the device meets the IRS "facts-and-circumstances test":

1. The employer needs to contact the employee at all times for work-related emergencies;
2. The employer imposes a requirement that the employee be available to speak with clients at times when the employee is away from the office; and
3. The employee needs to speak with clients located in other time zones at times outside of the employee's normal work day.

The IRS Notice also sets forth the guidelines for wireless device reimbursement situations:

1. The same "substantial non-compensatory business reasons" test as stated for the provision of a wireless device;
2. The employee must maintain a type of wireless device coverage that is reasonably related to the needs of the employer's business;
3. The reimbursement must be reasonably calculated so as to not exceed the employee's actual expenses; and
4. The reimbursement must not be a substitute for a portion of the employee's real wages.

C. Policy

For those employees who by the nature of their position or work duties are required to be available by wireless device during or outside of normal business hours, the university allows two options. The decision regarding which option to use will be determined by the employee and his/her Vice President. The Vice President and employee will indicate which option is chosen by annually completing the *California State University Wireless Device Authorization Form*. However, if an agreement cannot be reached, the default option will be the University-owned device (Option One).

Option One: University-Owned Device

- The University has or will establish contracts with the service provider(s), or use an existing University contract, for each device type.

- The device (phone/PDA) will be ordered and delivered by Technology Services (Office of Information Technology) and may or may not be pre-owned. Released phones will be returned to Technology Services for reassignment at a later date.

Option Two: Personally-Owned Device

- The University will provide expense allowances for/toward service fees only. The amount of the allowance varies and is determined by the Vice President, based on level of the employee and nature of wireless service warranted (e.g., phone or phone/PDA) to perform their function.

<u>Employee Level/Work Need</u>	<u>Level of Service Expected</u>	<u>Allowance Per Year</u>
Deans, Vice Presidents	Full phone and data service	\$1,200 or campus phone
Middle Management, Directors	Phone service – Frequent on-call	\$ 600 or campus phone
Middle Management, Directors, Others	Limited on-call, occasional use	\$ 360 or campus phone

The Vice President may not use this expense allowance as a salary supplement for employees. If the employee disagrees with the amount, the Vice President will requisition a university-owned device, as detailed in Option One.

- As long as the provider’s plan supports and is compatible with the business-related use by the university, the employee may choose the service plan he/she wishes to use. The arrangement is between the employee and the provider; the university is not involved in the contract with the provider. Cost of changes in phones or phone numbers are the employee’s responsibility, unless required by action of the University.
- The employee will submit on an annual basis (with their Wireless Device Authorization Form) one actual monthly cell phone service invoice reflecting their base rate (and cost of the data plan for the wireless device if also used for business purposes). The employee will attach to the sample invoice a certification to the effect that it is representative of what they will be paying in the succeeding 11 months. If the employee modifies, drops, or changes their plan, they must notify the appropriate Vice President.
- If an employee separates before the end of the year for which payment was received, the employee will return the unused portion of the stipend.
- Exceptions: A Vice President may request an exception to the above limits, if an exception is necessary to support unusual usage. These requests must be supported by plan and cost documentation and approved by the University CFO (or designee).

D. Responsibilities

- Vice President: determine whether an employee is required to be available (on call) while away from campus or to use a wireless device while performing assigned duties resides, determine which wireless device option will be utilized, and complete the *Wireless Device Authorization Form* for submittal to Financial Services.
- Office of Information Technology: order and support university-owned wireless devices.
- Financial Services: perform the financial functions pertaining to university-owned devices and paying employee expense allowances as approved by the delegated authorities.

E. Procedure

1. The employee and the appropriate Vice President complete the *Wireless Device Authorization Form* (located at <http://www.csustan.edu/FinancialServices/Documents.html>) selecting either Option One or Option Two.
2. Submit the *Wireless Device Authorization Form* to University Procurement.
3. If using Option One, provide OIT Technology Services the information on the device to be ordered.
4. If using Option Two, the *Wireless Device Authorization Form* must be submitted annually.

F. Laws, State Codes, Regulations, and Mandates:

Internal Revenue Service Notice 2011-72
 CSU Chancellor’s Office
 CSU Financial Officer’s Association