

**Business and Finance Bulletin G-46**  
**Frequently Asked Questions**  
**October 19, 2009**

**DRAFT**

The answers to the frequently asked questions (FAQs) listed below supplement the information included in this Business and Finance Bulletin G-46, *Guidelines for the Purchase and Use of Cellular Phones and Other Portable Electronic Resources*.

**General Questions**

**1. Why is the University changing its cell policy again?**

The IRS has approved a suspension of the University's cell phone imputed/income cash allowance policy in anticipation that Congress will take action to approve proposed legislation that would modernize the tax treatment of cell phones, personal digital assistants (PDAs), and similar equipment. As a result of this suspension, the University's cell phone policy published in G-46 prior to June 1, 2009 will be in effect.

**2. I have a University-provided cell phone. Do I need to take any action?**

No. Your department will take action to cancel the imputed income that was added to your taxable earnings. You will also no longer receive the cash allowance reimbursing you for the payroll withholding taxes associated with the imputed income.

**Reimbursement Questions**

**3. What happens if I exceed the number of minutes available under my University service plan? What about excess data charges for e-mail and document downloads, etc?**

Most of the University's cell phone carriers provide plans with pooled minutes (and rollover minutes) to absorb excess minutes due to temporary spikes in phone usage. If your plan does not include pooled minutes or if the pool can not absorb the minutes, your department will ask you to review the cell phone bill and note the business purpose for each call exceeding your plan minutes. Any minutes for personal calls must be reimbursed at the excess minute rate. If there will be an ongoing increase in your business usage, you should ask your department to increase the number of minutes under your plan. Excess data charges would be handled in the same manner if your plan does not provide for unlimited data usage.

**4. What if I use my personal cell phone for University business, can I still get reimbursed for those calls?**

You may be reimbursed for your business calls but only if you exceed your plan minutes for the month. Your reimbursement will be calculated at the excess minute rate, up to the number of minutes exceeding your plan limit for the month. You will need to provide your department with a copy of your cell phone statement noting the person called and the business purpose for each call. If you regularly exceed your plan minutes because of business-related calls, you should ask your department to purchase a cell phone for your business use.

**5. How will the reimbursement of my business calls be calculated?**

You are eligible only for reimbursement of your business calls if you incur additional expenses by exceeding your plan minutes for the month. For example, assume you have 50 minutes of business calls but you exceed your plan minutes by only 30 minutes and incurred overage charges of 40 cents per minute or \$12.00 (30 x 40 cents). Your reimbursement would be limited to \$12.00 since you incurred only 30 excess minutes. You may not be reimbursed for the additional business calls made within your package minutes or for a percentage of total calls made.

**6. If I have to travel to another country for business, will I be reimbursed for the cost to upgrade my phone?**

Yes. If you need to purchase additional coverage for a business trip overseas, you may be reimbursed for this expense when you submit your travel expense voucher for payment.

**7. Can I add a business phone to an existing family plan if it is cheaper than receiving a new phone and getting a new number under a University cell phone contract?**

No. Employees will not be reimbursed for the purchase of individually-owned cell phones. Under the policy, employees may only receive phones purchased by the University. However, employees may be reimbursed for Internet, fax, text messaging, data, or similar services, but *not* a cell phone calling service, when it would not be practical or cost-effective for the University to purchase this resource.

**8. Can I add personal options such as an additional family plan or text messaging to my University-provided phone if I reimburse my department for these expenses?**

No. Only cell phone services required for official business purpose may be purchased by the University even if the services are reimbursed by an employee.

### **Departmental Questions**

- 9. I am a supervisor, how do I know which is the appropriate plan for an employee?**

The plan selected must reflect the number of minutes needed by the employee for *business* purposes. Once a plan has been purchased, departments must also review the monthly cell phone statements to confirm that the business use of the phone is appropriate for the number of minutes included under the plan.