



# South Texas College **Cellular Telephone Stipends Guidelines**

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## Table of Contents

A. Purpose .....	3
B. Eligibility Criteria and Approval .....	3
C. Request of Monthly Cellular Telephone Stipend.....	4
D. Cellular Telephone Stipend Amount.....	4
E. Access to Employee Cellular Telephone Statements and Call Records.....	5
F. Use of Cellular Telephones While Driving .....	5
G. Employee Becomes Ineligible to Receive a Stipend .....	5
H. Source of Funds.....	6
I. Electronic Security and Confidentiality .....	6
J. Responsibilities .....	6
K. Forms.....	7



## **South Texas College Guidelines for Cellular Telephone Stipends**

### **A. Purpose**

The purpose of this document is to provide uniform guidelines to South Texas College (the College) employees regarding the payment of cellular telephone stipends. Cellular telephone stipends are provided to eligible employees to reduce the cost of maintaining a personal cellular phone that is being used for business related activity such as making or receiving wireless calls. These devices may also be used for other business purposes such as email, calendaring, and internet connectivity. College provided tablets or laptops are not covered by these guidelines nor are push-to-talk devices, walkie-talkies, or any other device that does not have cellular phone capability.

*The stipend is not intended to cover 100% of the service charges incurred under an employee plan given that the device is expected to be owned by the employee and used for both personal and business use.*

### **B. Eligibility Criteria and Approval**

An exempt full-time benefit eligible employee may receive a stipend. The supervisor, financial manager, and the division vice president must approve the payment of a stipend to an employee. The supervisor and financial manager will determine if an employee holds a position which requires them to be regularly available to respond to business-related communication via phone, email, text, etc. An employee deemed to be eligible to receive a stipend is required to carry a cellular telephone to perform his/her assigned duties and must have a College business need that meet any of the following criteria:

- ❖ The employee has authority and responsibility for critical decision making impacting the operations of the department and College.
- ❖ The job duties of the employee require them to be accessible outside of scheduled or normal working hours on a reoccurring basis.
- ❖ The job duties of the employee require considerable time outside of their assigned office or work area, and it is important to the College that the employee is accessible during those times (e.g. during travel or the employee is required to be mobile throughout college campuses).

Non-exempt employees are not eligible to receive a cellular telephone stipend unless the employee's job duties require the frequent need for a cellular telephone and the employee meets any of the eligibility criteria. A justification statement must be attached to the Cellular Telephone Stipend Form and the request must be approved by the immediate supervisor, financial manager, and division vice president. Wage and hour laws must be adhered to when non-exempt employees are expected to answer the cellular telephone outside working hours.



### **C. Request of Monthly Cellular Telephone Stipend**

Employees must request a cellular telephone stipend by completing a Cellular Telephone Stipend Request Form. If initial approval is granted, the supervisor must complete a Notice of Employment Form and a justification statement if the stipend is for a non-exempt employee. These forms may be requested from the Office of Human Resources. These forms must be properly completed and approvals must be properly obtained. The approved forms must be forwarded to Office of Human Resources by the 10<sup>th</sup> of the current month. No partial month allowance will be made.

The request may be made any time during the fiscal year; however, stipends will cease by August 31, end of the fiscal year. A new Cellular Telephone Stipend Request Form and a Notice of Employment Form must be sent to the Office of Human Resources by the 10th of September to renew the stipend for the new fiscal year.

If the Cellular Telephone Stipend Request Form is approved, payment will be included on the employee's monthly payroll check and reported on their W-2 form. The stipend is taxable income and subject to withholding taxes. The stipend does not constitute an increase in base pay and will not be included in any percentage calculations for an increase in base pay or for retirement calculation purposes.

An employee can only qualify to receive one Cellular Telephone Stipend and cannot request or receive an additional stipend from another department.

The College reserves the right to request copies of employee statements for wireless services covered by the cellular telephone stipend. A copy of the employee's current personal cellular telephone bill must be attached to the Stipend Request Form and Notice of Employment Form. The bill must clearly display the employee's telephone number. The employee must notify his or her supervisor if the cellular telephone number is changed at any time.

### **D. Cellular Telephone Stipend Amount**

The College may provide a taxable, monthly stipend of \$40.00 to employees who meet established criteria as an offset for the business use of their personally-owned mobile device. The monthly allowance is not intended to cover additional costs such as additional users, activation fees, and surcharges under the service plan. In addition, the monthly allowance is not intended to cover costs associated with the purchase, repair, or replacement of a cellular telephone.

The employee is responsible for paying their monthly bill directly to their service provider and must maintain an active contract for the life of the stipend. The College does not endorse a certain service provider or plan. The employee is responsible for identifying a service provider and plan and is responsible for contracting with the service provider directly.

The employee's immediate supervisor is responsible for conducting an annual review at the beginning of each fiscal year to determine the business need for a cellular telephone stipend and discontinue any stipends due to new duties which do not support the need for a wireless



communication allowance. The financial manager must notify the Office of Human Resources in the event that the employee transfers departments. A Termination of Cellular Telephone Stipend, a Cellular Telephone Stipend Request Form, and a Notice of Employment Form must be completed and submitted to the Office of Human Resources by the 10th of the month.

Current market rates of cellular plans and services will be reviewed by the Purchasing Office on an annual basis to determine if changes to the stipend amount should be recommended.

### **E. Access to Employee Cellular Telephone Statements and Call Records**

The employee will receive the cellular telephone statements and detail call records directly from their service provider. In the event of an official investigation, Texas Public Information Act request, Freedom of Information Act request, or a subpoena an employee may be required to provide their cellular telephone statements and detail call records to law enforcement and/or others as required.

### **F. Use of Cellular Telephones While Driving**

Employees are required to comply with state laws regarding cellular telephone use while driving. Employees who spend time in vehicles are not expected to answer calls immediately. Employees should make necessary calls before getting on the road. Messages may be checked and calls may be returned at rest stops or other off-road areas. Hands-free cellular telephones require the same safety measures as the hand-held telephones.

### **G. Employee Becomes Ineligible to Receive a Stipend**

A stipend must be cancelled or suspended under the following circumstances:

- ❖ Termination of employment.
- ❖ Extended absence from the College (e.g. FMLA, or military service, educational or sabbatical leave). The stipend will be suspended or prorated to correspond with time worked.
- ❖ When an employee's wireless service or device is no longer active or needed for the performance of their job responsibilities.

The employee must notify their supervisor and financial manager when their wireless service is no longer active. An employee who allows their wireless service to lapse while receiving a stipend will no longer be eligible to receive a Cellular Telephone Stipend and amounts received after the service lapse time will be recovered through a payroll deduction.

Departments are responsible for notifying the Office of Human Resources when the monthly cellular telephone stipend should be terminated during the budget year by completing a Termination of Cellular Telephone Stipend Form.

Requests must be received by the Office of Human Resources by the 10<sup>th</sup> of the month in which the termination is to be effective. A copy of the completed Termination of Cellular Telephone



Stipend Form must be retained in the employee's departmental personnel file.

## **H. Source of Funds**

The financial manager is responsible for determining the funding source which will be used to pay for each cellular telephone stipend. Unrestricted, auxiliary, and restricted funds may be used for the payment of cellular telephone stipends. However, grants and contracts funds that specifically prohibit payments of this nature may not be used for this purpose. The stipends will be funded from the employee's organization unit. Salary funds will be transferred from the stipend pool into the eligible employee's salary expense budget. During annual budget planning, financial managers should evaluate their department's ability to continue providing monthly cellular telephone stipends as part of its overall budget.

## **I. Electronic Security and Confidentiality**

Employees who use a personal mobile device to conduct College business must abide by all policies and procedures that apply, such as Policy 4711 – Confidentiality of Records and Business Matters, Policy 4712 – Information Resources Security Electronic Communications, and Information Resources Security Guidelines, and the College's internal Guidelines for the Acceptable Use of Information Resources. Employees must comply with information security controls and institutional policies to prevent unauthorized or accidental disclosure, modification, or destruction of information as required by TACC §202.72(3).

## **J. Responsibilities**

### **Responsibilities of Supervisor/Financial Managers**

- Review and approve the Cellular Telephone Stipend Request Form.
- Complete an NOE form and a justification statement if the stipend is for a non-exempt employee.
- Review the monthly Payroll Distribution Report (PDR) sent by the Office of Human Resources.
- Conduct an annual review at the beginning of each fiscal year to determine the business need for a cellular telephone stipend and discontinue any stipends due to new duties which do not support the need for a wireless communication allowance.
- Notify the Office of Human Resources when the monthly cellular telephone stipend should be terminated during the budget year.

### **Responsibilities of Vice President**

- Review and approve the Cellular Telephone Stipend Request Form, Notice of Employment, and justification statement.

### **Responsibilities of Employee**

- Sign and submit a Cellular Telephone Stipend Form to the appropriate supervisor and financial manager.
- Retain an active cellular telephone as long as a stipend is in place. Provide their cellular telephone number to his or her supervisor.



- Notify his or her supervisor each time their cellular telephone number is changed.
- Refrain from using their cellular telephone while driving.
- The employee is responsible for paying their monthly bill directly to their service provider and must maintain active service for the life of the stipend.
- The employee is responsible for identifying a service provider and plan and is responsible for contracting with the service provider directly.
- The employee is responsible for the purchase, loss, damage, insurance, and/or replacement of their cellular phone.

#### **Responsibilities of Human Resources**

- Create a stipend assignment as requested by the employee's supervisor and financial manager on the request form and Notice of Employment (NOE) Form.
- End stipend assignments as requested.
- Ensure stipend is appropriately taxed.
- Create and issue to the supervisor, financial manager, and division vice president on a monthly basis a report itemizing the stipends paid to each employee.

#### **Responsibilities of Purchasing Office**

- Review stipend amounts annually and make recommendations based on current market values.

#### **K. Forms**

- Cellular Telephone Stipend Request Form
- Termination of Cellular Telephone Stipend
- Notice of Employment

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