

Carnegie Mellon University

Communication Allowance Guidelines

Effective Date: July 1, 2009

Purpose

Carnegie Mellon recognizes the dedication and commitment of our faculty and staff and their need to interact with students, peers, and staff. The purpose of these guidelines is to recognize and support the job-related communication needs and expenses of these individuals to conduct University-related business while complying with IRS regulations for listed property and our accountable plan.

Guideline

Effective with the date of these guidelines, employees who have a regular or more frequent job need for remote communication devices/services may receive extra compensation, in the form of a communication allowance paid monthly, to cover business-related costs. Employees whose job function requires remote communication devices/services on an infrequent basis may submit business-related communication expenses for individual reimbursement as outlined in Section II of the procedures within this guideline entitled “*Infrequent Use of Communication Devices/Services for Business Purposes.*”

Please note that cell phones should not be selected as an alternative to other means of communication -- e.g., land-lines, pagers, and two-way radio phones -- when such alternatives would provide adequate but less costly service to Carnegie Mellon.

Effective with the date of these guidelines, Carnegie Mellon will no longer purchase any new individual communication devices, nor will any existing individual communication contracts be renewed or extended. In order to allow for an orderly transition, anyone currently using a Carnegie Mellon-owned communication device that was acquired prior to the establishment of these guidelines has two (2) months to comply with these changes from the effective date. All individual communication devices or service contracts must be transitioned to the employee's name. The employee will be responsible for this transition. Carnegie Mellon will no longer make direct payments to communication providers (cell phone, internet services) or allow direct charging of these expenses to the Carnegie Mellon purchasing card for individual services, except in the case of the pre-approved Departmental Communication Device as described in Section III.

Any previous practices of reimbursement to the employee of these types of communication devices/services are replaced by these guidelines.

Procedures

I. Regular Use of Communication Devices/Services for Business Purposes

If an employee's job duties include the regular or frequent need for use of communication devices/services, then the employee may be eligible for an allowance to cover business expenses. The employee must retain an active contract as long as an allowance is in place. Because the communication device is personally owned by the employee, and the allowance paid is taxable income, the employee may use the device/service for both business and personal purposes, as needed. The employee may, at his or her own expense, add extra services or equipment features, as desired. Use of the communication device/service in any manner contrary to local, state, or federal laws will constitute misuse, and will result in immediate termination of the communication allowance.

This allowance does **not** constitute an increase to base pay. As such this allowance will not be used to calculate any benefit payments, and will **not** be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, etc.

A. Application and Establishment of Allowance

To apply for a communication allowance, the employee must:

- Complete and sign the Communication Allowance Request Form
- Attach a copy of the current bill and/or documentation from the service provider that includes the employee's name, plan, and cost of plan
- Complete an Assumption of Liability Agreement form if transitioning from a Carnegie Mellon owned device/service to an individual owned device/service
- Forward the Communication Allowance Request Form and documentation to the direct supervisor for review/signature
- Forward the Communication Allowance Request Form and documentation to the Administrative Leadership Group (ALG) member for review/signature.

These forms are available on the Procurement Services website:

<http://www.cmu.edu/procurementservices/Forms/forms.htm>

B. Allowance Categories

The University has established the allowance categories below to be used as a guide for determining the appropriate allowance for an employee. Only one allowance is available per employee regardless of the number of contracted devices/services. Employees are strongly encouraged to utilize the existing service agreements established by Procurement Services with various communications providers to take advantage of University discounts.

Category	A	B	C	D
Business Case	regular use of single service/device	regular use of multiple services/devices	frequent use with some travel services/devices	frequent use with frequent travel services/devices
Allowance	\$20, \$40 or \$50 per month	\$80 or \$100 per month	\$150 per month	\$200 per month
<p>Notes:</p> <ol style="list-style-type: none"> 1) All categories include an allowance for periodic equipment replacement; no additional reimbursement for communication device purchases will be processed. 2) All equipment will be purchased and owned by the employee; all service contracts will be personal contracts between the employee and the service provider. 3) Consideration of category level includes time spent during work hours outside of the assigned office or work area and/or the frequent need to be reached at all times with regard to campus issues. Convenience is not a qualifying reason for an allowance. 				

C. Continuation of Allowance

Regardless of when the allowance is established, all allowances will be re-evaluated annually and will only be renewed with approval of the applicable ALG member.

D. Extraordinary Costs

If legitimate business expenses for communication services are expected to exceed the monthly allowance amount, the university strongly recommends the use of a department phone.

To request a reimbursement exceeding the monthly allowance, the employee must:

- Make a personal payment to the provider
- Submit an expense report for the extra cost incurred as a result of the business call(s), and attach a copy of the invoice that includes the following documentation:
 - Date of call
 - Time of call
 - Names of all individuals participating in the phone call
 - Detailed business purpose of the call
 - Detailed explanation of business relationship with all participating parties on each call
- Note on the expense report that the employee is requesting reimbursement in excess of the provided monthly allowance.

E. Termination Fees

1. If, prior to the end of the contract period, whether due to a personal decision by the employee, employee misconduct, or misuse of the phone that results in the need to end or change the communications service contract, the employee will bear the cost of any fees associated with that change or cancellation. For example, if the employee resigns and no longer wants to retain the current communication service contract for personal purposes, he/she must pay for any charges related to the termination of that agreement.
2. If, prior to the end of the contract period, a Carnegie Mellon decision (unrelated to employee misconduct) results in the need to end or change the contract, Carnegie Mellon will bear the cost of any termination fees associated with that change or cancellation. For example, if an employee's supervisor has changed the employee's duties and the communication service is no longer needed for Carnegie Mellon business purposes, then Carnegie Mellon will bear any termination fees. If the employee wants to retain the current contract, the allowance will be discontinued and all financial responsibility for the communications service will be borne by the employee. The employee must complete the Communication Allowance Request Form noting that it is a termination and attach supporting documentation. This form must be authorized by the individual's supervisor and applicable ALG member.

II. Infrequent Use of Communications Devices/Services for Business Purposes

If a Carnegie Mellon employee's job duties do not include the frequent need for a communication device/service, then the employee is not eligible for a monthly allowance to cover business expenses. Such employees may request reimbursement for the actual extra expenses of business calls made using their own personal communication device. *Reimbursement for per-minute "air time" charges is limited to the total overage charge shown on the invoice, i.e., expenses for minutes included in the plan will not be reimbursed.*

To request a reimbursement, the employee should:

- Make personal payment to the provider
- Submit an expense report for the extra cost incurred as a result of the business call(s), and attach a copy of the invoice that includes the following documentation:
 - Date of call
 - Time of call
 - Names of all individuals participating in the phone call
 - Detailed business purpose of the call
 - Detailed explanation of business relationship with all participating parties on each call
- Note on the expense report that the employee is not eligible for a monthly allowance

III. Departmental Communication Devices

A. Allowable Departmental Communication Devices

In select circumstances, departmental communication devices will be authorized for University related business purposes. These devices must be authorized in advance by an authorized department approver and the department must demonstrate established internal control procedures to monitor and manage their usage. The “Departmental Device Annual Inventory Form” must be completed with the appropriate approval signatures.

B. Billing Procedures for Departmental Communication Devices

The departments may be directly billed for the departmental communication devices. It is the department’s authorized approver’s responsibility to determine that the calls are reviewed by all the users of that phone on a monthly basis and to provide evidence of this review. Personal calls are prohibited unless they are an approved University travel expense. Carnegie Mellon has the right to review, question and limit usage for any departmental telecommunication devices beyond any business-related purposes.

IV. Exceptions

The following individuals have the authority to approve exceptions to provisions of these guidelines:

- President
- Provost
- Vice President and Chief Financial Officer
- Associate Vice President for Finance and Controller

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Approved exceptions must be explicitly justified as beneficial to both the University and the individual and generally require the recommendation of the individual's supervisor and respective ALG member.