

Section: Employee/Labor Relations

Section Number: 4.9.17

Subject: Cell Phone Usage and Reimbursement

Date of Present Issue: 4/17/07

Date of Previous Issues:

POLICY:

In the course of carrying out job responsibilities, there may be a need for work related communications while away from the office or primary work location. If there is sufficient business related rationale, expenditures for cell phone services are permitted.

As cell phones are becoming a preferred method for personal communications as well, it is becoming cumbersome to have separate cell phones for business use and for personal use. Therefore, Lake Superior State University will not purchase cell phones, or enter cell phone contracts, to be used by employees for business related purposes. The University will agree to pay a business related portion of a cell phone package purchased by an employee.

DEPARTMENTAL APPROVAL

Requests for cell phone reimbursement must be made on the [Employee Cell Phone Reimbursement Agreement form](#) (exhibit 4.9.19-A). All requests must be approved by the appropriate Vice President as defined within the LSSU organization chart.

REIMBURSEMENT STRUCTURE

When the University has agreed to pay an employee for business related cell phone usage, such payment will be made to the employee in the form of payroll stipend. One half of the agreed upon stipend will be added to the employee's compensation and will be paid in each of the established pay periods. This payment method will pay the employee an equivalent of thirteen months service in each calendar year. The added month's payment is intended to offset some of the added income tax implications of the increase of the employee's compensation.

To determine the level of reimbursement to an employee for business related cell phone usage, the employee must determine the average number of monthly cell phone minutes that will be necessary to perform normal job responsibilities while the employee is away from the primary work location.

Reimbursement Options:

<u>Monthly Stipend</u>	<u>Average Business Related Usage</u>
\$20	100 minutes per month
\$35	400 minutes per month
\$50	Unlimited Statewide minutes per month

Any other monthly reimbursement amount must be approved by the appropriate Vice President and accompanied by a statement of justification.

This stipend is intended to conveniently reimburse the employee for the business related portion of a cell phone package that is used by the employee for both personal and business purposes; and to eliminate the need to have separate phones for different usages.

VENDOR PREFERENCE

Because cell phone service is a contractual agreement between the cell phone service provider and the employee, the University does not recommend or prefer any particular vendor. The choice of service providers is strictly up to the individual employee. However, some vendors will offer discounts to individuals who inform the service provider of their affiliation with Lake Superior State University.

CANCELLATION

Any stipend agreement will be immediately cancelled, and payroll payments immediately terminated, whenever an employee receiving a cell phone stipend terminates employment with the University. Any such stipend will also be cancelled if an employee changes job positions. In such case of a change in job positions, a new Employee Cell Phone Reimbursement Agreement must be approved to establish the continued business need for a cell phone.