

Cell Phone Stipend Policy

I. Policy Statement

Hampshire College is committed to providing essential, business-related tools for faculty and staff in a manner that promotes the proper stewardship of College funds; complies with IRS and other regulatory requirements; and establishes a framework for consistent decision-making. The College recognizes the need for employees to utilize cell phones in the course of their job requirements. As a result, Hampshire College offers a taxable allowance for cell phone service to employees whose duties and responsibilities require them to carry such.

II. Purpose

This policy provides general guidelines for the appropriate and reasonable expenditure of Hampshire College funds for the use of cell phones for College related business purposes.

III. To Whom This Policy Applies

Any employee that is requesting or requires College support towards use of a cell phone for College related business purposes including supervisors, administrators, and management.

IV. Responsibility

The Division Head, or dean/Director where delegated by a Division Head, is responsible for assuring that within their administrative units or schools:

1. Budgeted funds are available to meet all business related commitments.
2. Proper authorization for cell phone allowances are obtained for any commitments made.
3. All expenditures follow appropriate Hampshire College policies regardless of the source of funds.

V. Overview

This policy is established as guidance to employees and supervisors, who by the nature of their work, are required to be accessible by telephone regardless of the time of day, day of the week, or geographical location.

The appropriate Division Head, or dean/Director where delegated by a Division Head, must authorize any request for a cell phone allowance for eligible employees.

The IRS considers cell phones to be “listed property”. As such, the IRS requires detailed record keeping requiring business purpose substantiation of every call made on a cellular phone. All undocumented calls are declared personal use and must be taxed as wages. In order to avoid this onerous and burdensome record keeping requirement Hampshire College will provide a taxable

allowance to employees for an individually owned cell phone with an approved and documented need.

Decisions made by the Division Head or dean/Director where delegated by a Division Head are final.

VI. Guidelines

The appropriate Division Head, or dean/Director where delegated by a Division Head, may authorize a cell phone allowance for employees who are eligible and/or required to frequently use their personal cell phone for College business. If authorized, employees will receive compensation in the form of a taxable allowance as described below. Simple convenience is not a criterion to receive a cell phone allowance. An allowance may be authorized if the employee meets at least one of the following criteria and there are adequate funds in the Division/department budget to fund the stipend:

1. Travel – Employees who frequently travel and need to be available to communicate with College associates or constituents at any and all times while traveling on College business.
2. Work Location – Employees who typically work in the field or who have multiple job-site locations where access to standard communication devices is not available during normal business hours.
3. Other – Employees whose job responsibilities require them to be accessible regularly during both business hours and non-business hours. This might include employees whose job responsibilities require them to provide technical and/or remote support to College systems.

Allowance Request Form and Approval

Employees whose duties and responsibilities require them to carry a cell phone are eligible to receive a monthly cell phone allowance. A cell phone allowance must be requested by the eligible employee using the College's Cell Phone Allowance Request Form. The allowance must be approved by the appropriate Division Head, or dean/Director where delegated by a Division Head.

Monthly Allowance Amount

Employees are responsible for contracting with a cellular phone service provider, for paying any initial plan charges, purchase of the phone itself, and for the plan's monthly bill.

Hampshire College will pay a flat-rate monthly allowance, independent of the cell phone provider and plan selected by the employee. No compensation or payments shall be provided for lost, damaged or replaced equipment.

Stipend: If approved, the monthly stipend shall be \$40.

Note: Under no circumstances should the approved monthly allowance amount exceed the actual cell phone charges incurred by the employee.

Payment

The cell phone allowance is paid through Payroll and is included in the employee's check/direct deposit. This allowance does not increase the employee's base salary and will not be included in the calculation of any College benefits. This allowance is subject to all applicable taxes.

Using the Cell Phone Service

The cell phone service is personally owned by the employee and may therefore be used for both personal and business calls. An employee with a cell phone allowance must maintain an active cell phone contract for the life of the allowance.

Business and Review Requirements

The budget authority is responsible for an annual review of the business need for a cell phone allowance to determine if allowances should be continued or discontinued. The budgeting authority should also perform an audit, at least once a year, requiring any employee receiving a cell phone allowance to provide a copy of their most recent cell phone statement documenting their monthly allowance does not exceed their monthly plan amount.

If an employee is terminated, resigns, transfers or is otherwise no longer eligible for a cell phone allowance, the employee's supervisor should submit a revised Cell Phone Allowance Request Form noting "Discontinue allowance as of XX/XX/XX" on the form.

Contract Changes or Cancellations

If, prior to the end of a cell phone contract, a personal decision, employee misconduct, or misuse of the phone results in the need to change or end the cell phone contract, the employee will bear the cost of any associated contract termination fees.

Adopted Sept, 2015

Implemented Oct, 2015