715-001-A: WIRELESS DEVICES FOR BUSINESS USE POLICY

I. Introduction

With the passage of the Small Business Jobs Act of 2010, there is a change to the treatment of wireless devices such as cell phones. Previously, cell phones were considered “listed property” and required strict policies with stringent detailed recordkeeping requirements, particularly if there were components of both business and personal use. Cell phones and similar devices have now been removed from the listed property classification and employees’ personal use of business cell phones and similar devices will not need to be reported as income.

II. Policy

For employees who are required to carry a wireless device for business purposes, the University Corporation at Monterey Bay (the “Corporation”) will provide a bimonthly expense allowance towards usage fees. Corporation management will determine the usage fee allowance and make adjustments as necessary. No further expense allowances or reimbursements with regard to wireless devices for business use will be made.

The purchase of the wireless device and service is the responsibility of the employee. The employee is responsible for all costs related to the wireless device and service including but not limited to costs related to upgrading or replacing handsets, accessories, and changing phone plans and/or phone numbers.

III. Policy Guidelines

A. This policy applies to employees who are required by the University Corporation to carry a wireless device so as to be available (generally 24 hours a day, 7 days a week) while away from campus and/or to use a wireless device as an integral, non-optional tool in performing their assigned duties.

1. Appropriate department heads will determine if an employee is required to have a wireless device for business purposes.

2. Each department head will create and maintain a single comprehensive list of employees to receive this allowance. The department head’s signature on this list will indicate authorization for the allowance each calendar year. The list must be submitted to Corporation Payroll by December 1st annually. Any additions to the
list during the year will be promptly communicated to Corporation Payroll.

B. The expense allowance is non-taxable and will not be included in the employee’s W-2 as taxable income.

C. Department heads may not use this expense as a salary supplement.

D. Wireless devices include but are not limited to cell phones, smart phones, and personal digital assistants (PDAs).

E. Any exceptions to this policy must be approved by the Corporation Executive Director in writing.

IV. Adoption and Review

A. The Corporation’s Board of Directors has adopted this Wireless Devices for Business Use Policy, dated June 2011.

B. This policy shall be evaluated ten years from its adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the University Corporation or any change required by law or by other governing policy.

C. Any proposed amendments or variations of this policy would require a majority approval by the Corporation Board of Directors.

V. Related Documents

A. Corporation Employee Handbook