



## **PROCEDURE**

Departmental Responsibility: VP Finance and Operations

Topic: Personal Communication Stipends

Procedure: Personal Communication Services Procedures

Revised Date: October 22, 2018

Effective Date: January 1, 2019

---

### Background

On October 15, 2009, Clemson University issued its original Personal Communication Services Policy to provide guidance regarding compliance issues. At the time, cell phones, smartphones and other related services were considered "listed property." Consequently, detailed recordkeeping was required, and the personal use of listed property by employees constituted a taxable benefit.

On September 19, 2011, the Internal Revenue Service issued Notice 2011-72, which offered new guidance on the taxability of employer-provided cell phones. In brief, "noncompensatory" employer-provided cell phones would no longer be listed as property, and their incidental personal use by employees would no longer be subject to taxation.

Regardless of the tax implications, establishing and documenting valid justification for communication equipment and services was the emphasis in previous policy and remains the emphasis in current policy. No University resources should be approved unless there is a valid justification to do so. An employee's personal convenience is not valid justification.

### Request and Approval of Stipend

Employees who meet one of the communication criteria as outlined on the Personal Communication Services Application are eligible for a communication stipend. A communication stipend can be requested using the Personal Communication Services Application. An application must receive the approvals of the direct supervisor, the supervisor's supervisor and the appropriate dean, vice president or designee. The Personal Communication Services Application is electronic, and requests for approvals are submitted automatically once the employee completes the application.

### Determination of Stipend Amount

A single stipend amount of \$35 reflects the portion of personal wireless expense that the University is willing to support. No exceptions are granted.

The employee is responsible for the purchase or lease of the cell phone to be used for the personal communication stipend. Costs for cosmetic or technical extras that have no business purpose are the responsibility of the employee. The stipend established by this policy will be reviewed periodically by Procurement and Business Services.

Note: The personal communication stipend is not intended to cover the actual cost of the cell phone that is selected and owned by the employee. Employees are thereby free to choose services and equipment that exceed their business needs (i.e., upgrade for personal reasons).

#### Establishing the Personal Communication Stipend

- Complete the [Personal Communication Services Application](#).
  - The Personal Communication Services Application is electronic, and requests for approvals are submitted automatically once the employee completes the application.

#### Payment

The personal communication stipend is paid through the Payroll Office and is included in the employee's 2<sup>nd</sup> paycheck/direct deposit monthly. The stipend appears as a separate line item on the employee's pay stub. The stipend does not increase the employee's base salary and will not be included in the calculation of any University benefits. This stipend is subject to all applicable taxes. Retroactive stipend payments will not be processed.

#### Maintaining Use of Personal Communication Services

The employee owns the cell phone and can use the cell phone for personal and business use. An employee with a personal communication stipend must maintain an active cell phone contract for the life of the stipend. If service is discontinued, it is a requirement of the employee to notify the Payroll Office ([payroll@clermson.edu](mailto:payroll@clermson.edu)). Note that an employee's misuse (using communication services in ways inconsistent with University policy or with local, state or federal law) will result in an immediate cancellation of the employee's personal communication stipend.

#### Documentation and Review Requirements

The Payroll Department will prompt an annual review of employees receiving personal communication stipends by budget center. Utilizing this report, business officers will be responsible for managing an audit of those receiving stipends to verify that there is still a valid justification for the stipend (this audit is similar to the annual security audit for PSFT access). The employee's supervisor will determine if a stipend should be discontinued.

If an employee separates from the University, transfers or is no longer eligible for a communication stipend, the employee's supervisor must notify the Payroll Office ([payroll@clermson.edu](mailto:payroll@clermson.edu)), instructing payroll of when to discontinue the stipend.

#### Considerations for Nonexempt Employees Receiving Stipend

Nonexempt employees who are allowed a personal communication stipend must also adhere to guidelines addressed in the [Nonexempt Employee Timekeeping Policy](#). Nonexempt employees should be mindful to record all hours worked using their assigned timekeeping system. Recorded time must accurately reflect all regular and overtime hours worked. Additionally, nonexempt employees are prohibited from working from home or otherwise performing work while away from the regular workplace and may not work outside their scheduled hours unless they have written pre-authorization from their supervisor.

### Service Contract Changes or Cancellations

- The employee will bear the cost of any associated cell phone service contract termination fees in the event that misconduct, misuse or a change in the justification of the personal communication stipend results in a reversal of the stipend approval prior to the end of the cell phone service contract.
- Departments should consider temporarily discontinuing the stipend of an employee who is on an extended leave of absence by notifying the Payroll Office (payroll@clermson.edu).
- Nine-month faculty will receive the stipend during the summer months if the stipend is not temporarily discontinued.

### Transition to New Personal Communication Stipends

**All current personal communication stipends will expire on December 31, 2018.** In order to continue uninterrupted payment of stipends, employees are responsible for obtaining new approvals for personal communication stipends prior to December 1, 2018, to ensure processing can be complete in time for the first new stipend to be in their January 31<sup>st</sup> pay.

### Transition to Cell Phone Service Contracts

Employees receiving a personal communication stipend are responsible for working with their personal cell phone service provider to negotiate new contracts.

### Exclusions

Federal grants and/or sponsored projects cannot be used to pay the stipend for a wireless device unless specifically allowed by the granting agency. Any such personal communication stipend requests must be approved by the Office of Grants and Contracts Administration prior to submitting the form to the Payroll Office.

### Departmental Cell Phones or University-Owned Devices

The University can purchase/provide University-owned cell phones or other non-cell phone wireless communication equipment (such as wireless compatible laptops, tablets, wireless cards, etc.) to employees who are required, because of the nature of their employment duties (e.g. public safety, life safety, emergency response, on-call), to have device access 24/7 or during their work day. An employee who is issued a University-owned device must return the device to his or her employing department or unit upon separation from employment or change of duty status. If a University-owned device is lost or stolen, the employee to whom the device is issued must notify the departmental business manager immediately. All department-owned or University-owned devices must be reported and tracked in the Departmental Asset Tracking system.

In the event that a department has departmental cell phones and/or multiple other devices requiring wireless service, the department can choose to contract with a service provider for their group of devices rather than pay an employee a stipend for the device. Justification for this decision must be documented.

- Example of justified situation:
  - Department is currently paying \$200/month for departmental cell phones.

- It is fiscally responsible to add one University-owned tablet to the existing plan at a cost of \$15/month rather than to pay an employee a stipend for the device at a cost of \$35/month.

When the University is providing the communication equipment/service, the lowest cost option available to accommodate the particular business need must be utilized. Bills for service with University-owned devices are paid directly by the University. The management of these devices should be coordinated at a department level or higher with a service provider offering the best possible rate plan for the specific usage of these devices.

#### Protection of University Resources

- Access to Clemson University resources with an employee's personal communication device is subject to Clemson University policies and procedures, as well as all applicable state and federal laws.
- Access to and distribution of sensitive and protected information belonging to Clemson University is only authorized if it is within the scope of the employee's job duties.
- Upon an employee's separation from the University, all sensitive or protected data retained on the employee's personal communication device must be returned to Clemson University and be permanently removed from the device. CCIT can assist with this process.

#### Special Consideration

- The University does not reimburse employees for home internet service, with the exception of employees who perform 90 percent of their job duties in non-University space (e.g., works from home 90 percent of the time).

Related Documents:

[Personal Communication Services Application](#)

[Personal Communication Services Policy](#)