The following contains excerpts from the MSU Mobile Communications plan from the University’s Controller’s Office, with added information specific to MSU Extension personnel. The University’s policies/procedures cover Mobile Communications for Business Use Only and Mobile Communications for both Personal and Business (Mixed Use), as two separate procedures.

In order for Extension personnel to receive an allowance for mobile devices and/or service, the cell phone number will be used as a recognized number for contact with the employee (e.g. posted on contact lists, etc.).

This guide applies to all MSUE staff, including, but not limited to Extension Directors’ Office, Institute Directors, District Coordinators, administrative personnel, Educators, etc.

All employees should check for a Michigan State University discount with whichever service provider they utilize.

**GENERAL INFORMATION:**

*Mobile communications:* Includes cell phones (including non-contractual prepaid phones), smartphones, Blackberry devices, push to talk phones, mobile broadband devices and other wireless handheld/mobile devices which require a service contract for operation.

*Departmental mobile communications:* Mobile communications regularly used exclusively for business purposes.

*Regularly used exclusively for business purposes:* Regularly used only for business calls, business email/web access, etc. In some cases, devices used exclusively for business purposes do not leave campus and/or are turned in at the end of an employee’s shift. Infrequent personal uses are permitted, but all such use must be tracked, documented and on file in the department, and reimbursed to the University.

*Mixed-use:* Regularly used for both business and personal purposes. If mobile communications are frequently used for personal purposes, such communications are deemed mixed use.

As verification of business purpose and authorization, a Departmental Mobile Communications Agreement must be approved by an administrator and maintained on file in the MSUE Business Office.

MSU Extension staff must use the agreements that are specific to MSU Extension, whether for Mixed-Use or Business-Use-Only.

**MOBILE COMMUNICATIONS USED FOR BOTH BUSINESS AND PERSONAL PURPOSES (MIXED-USE)**

**Payment for Service**

All mobile communications service contracts are to be between the employee and the service provider. As such, if prior to the end of a service contract, the employee for any reason needs to change or end the service contract, the employee will bear the cost of any associated contract termination fees.

Additional Pay Allowance – It is not necessary to maintain detailed records to support both business and non-business usage of the service. This will save time and eliminate the extensive effort of documenting all calls and other uses. In this case, the mobile communications service contract is
personally owned by the employee and may therefore be used for both personal and business purposes.

The dollar amount of the allowance will approximate the employee’s anticipated business-related expenses only. It is not the intent of this allowance to pay employees for their personal use of the mobile communications.

The mobile communications allowance is included in the employee’s paycheck/direct deposit. The allowance shows as a separate line item on the employee’s pay stub. This allowance does not increase the employee's base salary and will not be included in the calculation of any University benefits.

This allowance is subject to all applicable taxes. Because the allowance is taxable, the actual amount that an employee receives may be less than the selected allowance amount.

Employees receiving an allowance are required to provide their mobile phone number to their supervisor and to maintain an active service contract for the life of the allowance.

Note that once an allowance is paid, it becomes income to the employee and MSU is not entitled to a "refund" in the event of termination or transfer to another University department.

The Additional Pay Allowance for monthly services will be paid from the individual’s operating budget, but may not be purchased in another manner and submitted as a separate expense against the operating account.

The MSUE Business Office will process the approved "special payment requests" as necessary for quarterly reimbursement of the cell phone allowance.

Payment for Equipment

The employee is responsible for the purchase of mobile communications equipment. Costs for cosmetic or technical mobile communications extras that have no business purpose are the responsibility of the employee.

An equipment allowance, when authorized, is processed through Payroll in the same manner in which a service allowance is processed.

Payment for mobile communications equipment that is required for business purposes (non-recurring equipment allowance) MUST be handled in the following manner:

MSU Extension allowance for the purchase of a device: The cost of any phone (plus accessories) up to $100 dollars once every year. This allowance will only be paid with the submission of the actual receipt of purchase. No retroactive allowance will be paid for device purchases. Once a request for allowance is submitted and paid, an allowance for future devices can only be submitted for approval after 12 months or more.

This is the only allowable method to pay for employee-owned equipment. A University Purchasing Card may not be used.

Pre-Paid Contracts

If an employee chooses to purchase a pre-paid contract that will be used for business purposes, he/she will receive a quarterly reimbursement for the related costs, based upon submitting the invoices to
his/her fiscal officer. The amount reimbursed will be no more than that which is provided for other types of cell phones nor more than the amount of the invoice itself.

**Tablet Devices**

If the purchase of a tablet-style device is made through the employee’s operating account, it is the property of MSU/MSUE. If the individual owns or prefers to purchase the device as a personal choice, it will be/remain their personal property. However, if they choose to also use their personal device for business purposes, they may select the data plan option and receive a $25/month allowance.

**MOBILE COMMUNICATIONS USED EXCLUSIVELY FOR BUSINESS PURPOSES**

Regularly used only for business calls, business email/web access, etc. This option is available only when mutually agreed upon by the employee and the appropriate department administrator (i.e., Institute Director, Associate Director or Director).

For every departmental mobile communications plan, the employee in conjunction with their department MUST maintain detailed substantiation records to support both business and non-business usage of the service.

Meaning, every monthly statement/bill must be kept in department files and all calls/usage minutes that are to/from non-campus numbers must be substantiated and documented (who was called and for what purpose) as to business or personal use. The department must maintain these records to support the exclusion of the departmental mobile communications use from the employee's wages.

Further, these detailed records are subject to internal and external audit, FOIA requests, and any subpoena, if applicable. To the extent there are personal calls/uses, the employee must reimburse the University on a pro-rated basis (including all taxes).

If the employee is terminated, resigns, transfers, or is no longer in need of departmental mobile communications, the employee's supervisor is responsible for notifying the appropriate unit administrator to discontinue the plan.

All service contracts are to be between the employer and the service provider. As such, if prior to the end of a service contract, the employer for any reason needs to change or end the service contract, the employer must agree to bear the cost of any associated contract change or termination fees.

For MSU Extension, individuals who choose to utilize the Business Purpose only plan should follow the University's policies/procedures concerning reimbursement for service and/or equipment.