

## ***General Policy - Communication Equipment & Services***

### **Objective:**

NDCC Section 54-06-26 restricts use of state telephones by employees to business use and only such personal use that is for “essential personal purposes to the extent that use does not interfere with the functions of the officials’ or employee’s agency, department or institution.”

Under Internal Revenue Service (IRS) regulations, cellular phones are considered “listed property”. The cost of communication equipment and services used by employees, either off-premises or at home, is excludable from the employee’s gross income to the extent that its use is substantiated as business related. To the extent that the use is personal, the cost is includable in the employee’s gross income (and therefore subject to tax).

This policy has been constructed to comply with all state and federal regulations to protect the College and its employees and to minimize the administrative burden on the College and the employees.

### **Policy:**

For any employee a department identifies as having an ongoing business need for mobile communication equipment/services (See “Business Need” later in this policy for guidance in making these determinations.), the department may choose between three options. Please note that the department is not required to choose the same option for all departmental employees. ***The employee has no authority in this election.***

#### **Option 1: Employee-Provided Equipment/Service**

Departments may provide a stipend that will cover the business use of communication equipment and services. The stipend will be in the form of continuous payments. It is understood that the employee’s stipend is sufficient to cover the business use of the equipment/service. There is no additional reimbursement for business use (e.g., occasional roaming charges). This arrangement allows for personal use of the equipment/service. The equipment remains the property of the employee. Departments may provide only the rate plan appropriate for the business use associated

with the employee's college function. Employees wanting to enhance the rate plan for personal use may do so at their own expense. Technical support will be provided only for PDAs approved by the Information Technology Solutions and Services (ITSS) department (see "Exclusions and Other Arrangements")

### **Option 2: College-Provided Equipment/Service, Individually Assigned**

The College acquires the communication equipment/service and assigns it to a specific *individual* who may use it for business use only. The employee must submit a record of business and personal use. Any personal use will be reimbursable by the employee to the College (see "Reimbursement of Personal Use"). The equipment remains the property of the College. At the request of the supervisor or at employee's separation, the employee must return the equipment (this is also the case when changing from this option to Option 1). (Examples: custodial staff, residence supervisors, mail services staff)

When the College is providing the communication equipment/service, ***the lowest cost option available to accommodate the particular business need shall be utilized***. College-paid calling plans must provide call detail to enable monitoring of business use.

### **Option 3: College-Provided Equipment/Service, Departmentally Assigned**

The College acquires the communication equipment/service and assigns it to a specific *department* who may use it for business use only. Shared devices present special challenges since they are not continuously controlled by one person. These are typically assigned to a group of persons on a rotating or shift basis, or to individuals for a specific period of time (e.g., travel or off-campus events). In this case, a supervisor must review all bills and complete a certification of business-only use. If personal use is discovered, employee must reimburse the college ("see "Reimbursement of Personal Use" below). (Examples: CE, ITSS, Health Sciences, Athletics)

When the College is providing the communication equipment/service, ***the lowest cost option available to accommodate the particular business need shall be utilized***. College-paid calling plans must provide call detail to enable monitoring of business use.

## **Business Need:**

Cell phones or PDAs should not be selected as an alternative to other means of communication -- e.g., land-lines, pagers, radio phones, laptops -- when such alternatives would provide adequate but less costly service to the college.

To qualify for the technology allowance or university-owned mobile device, the employee must have a documented business need included in the position description identified by the supervisor that includes at least one of the following:

- 1. A requirement to travel frequently to do business, across a geographic area away from the home office, and great amounts of time are spent in transit.
- 2. A requirement for communication about College business when the employee is away from his/her office or worksite during the day or after hours.
- 3. A requirement for communication regarding College business when the employee's job responsibilities require him/her to be away from a land-line during the day.
- 4. A requirement for frequent, immediate or emergency communications throughout the day or after hours regarding critical programs, services or systems.
- 5. A requirement to respond to emergencies related to students throughout the day or after hours regarding critical needs.

Use of College-provided communication equipment/service in any manner that is contrary to local, state, or federal laws constitutes misuse and may result in disciplinary action, up to and including confiscation of communication equipment/service, and termination of employment.

## **Plan Rates for Stipends (Option 1):**

If the business need for the mobile device is either 1, 2, 3 or 4 above; it is strongly encouraged for the employee to use their person mobile device and receive a stipend. The rates for mobile communication device stipends are produced by Finance & Operations on an annual basis.

The stipend is not intended to cover the actual cost of the service selected, by the employee. Employees are thereby free to choose services and equipment that exceed their business needs (i.e., upgrade for personal reasons). Only one technology allowance is permitted per employee during any given pay period. Technology allowances are not allowed during any month when the employee is ineligible or is not earning pay.

To obtain a technology allowance, the employee must complete Communication Equip – Service Agreement\_ Stipend and submit it to the supervisor for review and approval. The Supervisor must complete the Payroll change order form- Include earnings code H92 and justification.

Upon approval of the technology allowance, the supervisor routes the Communication Equip – Service Agreement\_ Stipend form to accounting services and the payroll change order form to Payroll Services. The technology allowance will be charged as salary, not as an operating expense. The standard approval process for budget reallocation would apply should reallocation be necessary.

The request for an allowance must be submitted or renewed annually prior to the beginning of each fiscal year. This annual submission of paperwork gives departments an opportunity to review the mobile device needs of each employee although ongoing departmental monitoring is advisable.

Because technology allowances are based on a specific position, a new authorization and approval by the supervisor is required when an employee changes position.

### **Reimbursement of Personal Use (Option 2 and 3):**

If the business need for the mobile device is 5 from above; it is strongly encouraged for the employee to use a College provided device. Employee use of a state or institution cellular phone or device is subject to applicable state law restrictions, including prohibition of use for political purposes as stated in NDCC section 16.1-10-02. Use of a state or institution cellular phone or device generally must be limited to business use, subject to limited use for essential personal purposes as permitted by NDCC section 54-06-26. In addition to one personal phone call each day authorized by section 54-06-26 when an employee is traveling away from the employee's residence for official business, reasonable and appropriate personal use of a state phone or device authorized under section 54-06-26 includes use at any time in connection with an emergency requiring immediate communication, incidental or unsolicited incoming calls or texts, and occasional communication with family members or others when use of a personal phone or other personal device is impractical. Reasonable and appropriate personal use of a state phone or device must be limited in time and scope, not interfere with NDUS operations, and not interfere with an employee's job duties and responsibilities.

To obtain a university-owned mobile device, the requester must complete the Communication Equip – Service Agreement\_ Individual or Department Form and submit it to the supervisor for review and approval. If approved the supervisor routes the Communication Equip-Services Agreement Individual or Department Form to Accounting Services. Accounting Services will work with the department, employee, and mobile carrier to identify an appropriate mobile device and wireless plan.

When an employee is required to reimburse the College under Option 2 or 3 due to unallowable personal use, the amount is calculated by dividing the minutes used for personal calls by the total minutes used, then multiplying the result by the total service charges. Any additional costs incurred for personal use, such as roaming charges, should be added to the amount computed.

If under Option 2, the employee does not report personal use by the deadline below, the entire cost of the service/equipment for those three months will be treated as a reimbursement from the employee to the College via payroll deduction.

Under Option 3, the supervisor must review activity and complete a report on a quarterly basis to assure business-only use and to assure reimbursement is made for any personal use.

The quarterly reporting deadlines and their related period of activity are shown below. The activity is included in the bills received during the months listed.

April 30 (January-March)  
July 31 (April-June)  
October 31 (July-September)  
January 31 (October-December)

The supervisor must review and approve the reports submitted. Monthly reporting is encouraged in the place of required quarterly reporting. Exceptions to the quarterly reporting requirement must be approved by the Vice President for Operations/Chief Financial Officer.

### **Department Responsibilities:**

Department heads are ultimately responsible for the use of communication equipment/services, including:

- Making the initial recommendation on whether a stipend is paid, or equipment is provided to an employee and on what basis.
- Selecting appropriate services based on business use.
- Monitoring usage on a regular basis for policy compliance, continued business need, and appropriate use by reference to the documentation necessary to prove the business use of the equipment/service.
- Annually reviewing existing equipment/services to ensure they are needed and represent the best options (most economical) given the business use.
- Reviewing and approving reports for personal use of business equipment/service.

At the request of a supervisor or upon the employee's separation, all BSC-owned equipment (including chargers, extra batteries, hands-free devices, etc.) is returned to the department or purchasing agent and service is cancelled.

**Applicability:**

This policy applies to all BSC faculty, staff, and student employees who require use of a mobile communication device to perform their job responsibilities.

**References:**

NDCC 54-06-26  
NDCC 16.1-10-02

**History of This Policy:**

First policy drafted on October 30, 2009, reviewed by the Operations Council on November 9, 2009 and approved by the Executive Council on December 3, 2009.

Revisions – January 5, 2012; July 30, 2013, October 18, 2016; September 24, 2019; reviewed by the Operations Council on March 11, 2020 and approved by the Executive Council on April 6, 2020.

**Bismarck State College**  
**Agreement for Individual Use of College-Provided Communication Equipment/Service**

In accordance with the Bismarck State College Communication Equipment & Services Policy, I am being provided communication equipment and/or service by the College under "Option 2." Under this option the College is paying for the communication equipment and/or service being provided to me. My supervisor has determined that I require the communication equipment and/or service to perform my job responsibilities.

Also as provided by the Policy, I hereby confirm my agreement to provide summaries of my personal use of the communication equipment and/or service by completing the "Personal Use of College-Provided Communication Service" form. I understand that personal use under Option 2 is discouraged. The quarterly reporting deadlines and their related period of activity are shown below.

April 30	January-March bills
July 31	April-June bills
October 31	July-September bills
January 31	October-December bills

I understand and agree that the entire cost of communication equipment and/or service will be deducted from my pay for any quarterly period for which I have not submitted a *Individual Use of College-Provided Communication Service Certification of Use* form by the reporting deadline. I further acknowledge that my supervisor must review and approve my reports. This agreement is valid for the duration of my use of the College-provided communication equipment and/or service. When I no longer require communication equipment and/or service (due for example to change in responsibilities or termination of employment) I must return any equipment to the College.

Description of Business Need:

Description of Equipment (HEX number on back of phone under the battery):

Description of Service:

\_\_\_\_\_  
Print Department Name

\_\_\_\_\_  
Cell Phone #

\_\_\_\_\_  
Department Head Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Next Level Supervisor Signature

\_\_\_\_\_  
Date

**RETURN COMPLETED FORM TO TAUNIA WELCH IN ACCOUNTING SERVICES**

**Bismarck State College**  
**Agreement for Department Use of College-Provided Communication Equipment/Service**

In accordance with the Bismarck State College Communication Equipment & Services Policy, my department is being provided communication equipment and/or service by the College under "Option 3." Under this option the College is paying for the communication equipment and/or service being provided to my department. As supervisor, I have determined that we require the communication equipment and/or service to perform the functions of the department.

Also as provided by the Policy, I hereby confirm my agreement to review usage bills and certify business-use only of the device by completing the *Department Use of College-Provided Communication Service Certification of Use* form. If any personal use of the communication equipment and/or service is discovered, I will require the employee(s) to complete the *Individual Use of College-Provided Communication Service Certification of Use* form. I understand that personal use under "Option 3" is discouraged and will communicate such to the users of the department-assigned device. The quarterly reporting deadlines and their related activity are:

April 30	January-March bills
July 31	April-June bills
October 31	July-September bills
January 31	October-December bills

I understand and agree that if I fail to submit a *Department Use of College-Provided Communication Service Certification of Use* form by the reporting deadline, I may be required to return the device to the College. This agreement is valid for the duration of my departments' use of the College-provided communication equipment and/or service. When my department no longer requires communication equipment and/or service I must return any equipment to the College.

Description of Business Need:

Description of Equipment (HEX number on back of phone under the battery):

Description of Service:

\_\_\_\_\_  
Print Department Name

\_\_\_\_\_  
Cell Phone #

\_\_\_\_\_  
Department Head Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Next Level Supervisor Signature

\_\_\_\_\_  
Date

**RETURN COMPLETED FORM TO TAUNIA WELCH IN ACCOUNTING SERVICES**

**Bismarck State College**

**Agreement to Receive a Stipend for use of Personal Mobile Device to conduct BSC Business**

In accordance with the Bismarck State College Communication Equipment & Services Policy, Option 1 I am requesting the College provide a stipend for the business use of my personal cell phone and/PDA service. Under this option the College is paying me to use my personal cell phone for business use. My supervisor and I have determined that my position requires me to need a cell phone to perform the functions of the position.

Examples of business needs for mobile equipment/service include:

1. A requirement to travel frequently to do business, across a geographic area away from the home office, and great amounts of time are spent in transit.
2. A requirement for communication about College business when the employee is away from his/her office or worksite during the day or after hours.
3. A requirement for communication regarding College business when the employee's job responsibilities require him/her to be away from a land-line during the day.
4. A requirement for frequent, immediate or emergency communications throughout the day or after hours regarding critical programs, services or systems.

I understand this stipend is taxable to me and is intended to cover the business use of my personal equipment/service. I also understand that when I no longer require business use of my personal equipment/service (due to change in responsibilities, termination of employment, etc.), I will no longer be eligible for the stipend.

The Stipend for Cell phones is \$25 a month (\$12.5 a pay period)

Description of Business Need:

\_\_\_\_\_  
Print Department Name

\_\_\_\_\_  
Cell Phone #

\_\_\_\_\_  
Department Head Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Next Level Supervisor Signature

\_\_\_\_\_  
Date

Supervisor has filled out Payroll Change order form and submitted to Payroll.

**RETURN COMPLETED FORM TO TAUNIA WELCH IN ACCOUNTING SERVICES**