



## Memorandum

**Date:** May 21

**From:** Lois Voigt, VP for Finance

**Re:** New Cell Phone Policy  
AT&T and Verizon Wireless representatives on-campus June 1<sup>st</sup> and 2<sup>nd</sup>

Effective July 1, 2009, Messiah College will no longer directly pay for individually assigned cell or smartphone equipment or monthly service charges. The College first started paying for cell phone service for a small number of individuals who traveled frequently or had other unique job requirements during a time when the use of personal cell phones was relatively rare. Today, most individuals have a personal cell phone when they come to work here, while similar to pricing for telephone land-lines, the best institutional pricing the College can obtain for cell phones often equals or even exceeds the price of personal plans. In addition, IRS regulations require tedious documentation of the business reason for individual phone calls and text messages to maintain the use of the service as a non-taxable benefit, and they have increased enforcement of those regulations in recent years.

Therefore, the new cell phone policy and guidelines establish the situations in which an employee may receive a monthly, taxable stipend to compensate for business use of maintaining their own cell phone service and equipment at one of 4 tiers (\$35, \$60, \$85, or \$110) as authorized by their area Vice President, with the latter two tiers primarily designed for those whose job requires them to travel frequently. The dollar amounts include funds to cover the use of a cell phone for business purposes plus the income and FICA tax effect of the stipend, but will not necessarily pay the full cost of both business and personal use. The stipend amount will be included on each paycheck (so if you are an administrative employee authorized at the tier 2 level, for instance, you will receive a \$30 stipend twice per month). It is expected that most, though not necessarily all employees who currently have an institutionally provided phone will receive a stipend under the new policy.

The College will maintain a small number of phones for use by employees while working their on-campus shift (only) or on-call, and ITS will maintain phones for short-term use for special travel occasions such as Mission Trips and Cross-Culturals. In addition, to aid with this transition the College will allow employees to retain any cell phone equipment purchased with institutional funds prior to April 1<sup>st</sup> of this year, and if executed agreement forms are returned to Payroll on or before May 27<sup>th</sup>, the employee will receive their first stipend payment in the last payroll of June. If you currently have cell phone service paid in part or in whole by the College, and you have not already been informed of this new policy, please contact your supervisor immediately.

ITS has arranged for representatives from *AT&T and Verizon to be available in the ECC Commons on Monday, June 1<sup>st</sup> from 10am to 2 pm, and Tuesday June 2<sup>nd</sup> from noon to 4 pm*

to aid with the transition. Both of these carriers offer service discounts to Messiah College employees, and the College is installing equipment this summer to boost their signals in several campus buildings (Boyer Hall, ECC, Jordan and Klein).

Relevant documents about the policy and their web locations include:

*Available on the Business Office MC Square channel:*

- Cell Phone Policy
- Cell Phone Stipend Agreement
- Departmental Cell Phone Employee Form
- Cell Phone Guidance for Supervisors
- Cell Phone Q & A

*Available on the ITS/Telecommunications website at*

[http://www.messiah.edu/offices/its/telecommunications/cell\\_phone/index.html](http://www.messiah.edu/offices/its/telecommunications/cell_phone/index.html) :

- Guidance on purchasing a cell phone
- Cell phone vendor discount programs

If you have any questions about the new policy after meeting with your supervisor and reviewing the policy and the transition documents, please feel free to contact me.