

MEMORANDUM

To: Deans, Directors and Department Heads

From: Charles D. Leffler, Vice Chancellor for Finance and Business

Subject: Mobile Communication Device Allowances for University Business

Date: May 25, 2011

As a cost saving measure, effective June 1, 2011, NC State University will implement the attached procedures for the use of mobile communication devices (MCDs) in order to convert from department-provided cell phones and Personal Data Assistants (PDAs) to an allowance program for authorized employees.

This new **procedure introduces an “allowance plan” for the business use of an employee’s personal cell phone or telecommunication device** (other than pagers and two-way radios). This allowance may be provided when the total allowance requested is projected to be less than the cost of providing a university-owned MCD.

The allowance compensates employees for business use of their personal cell phone or telecommunication device in ways that are mutually beneficial to the individual and the university, eliminating the need for an employee to carry multiple MCDs, eliminating the risk that an employee might utilize a university-owned MCD for personal calls or texts (and inadvertently violate State prohibitions), and allowing employees their choice of device and vendor.

Allowances may be provided to employees who are required to carry mobile communication devices to fulfill their job responsibilities. Only NC State University employees who are in FLSA-exempt, full-time, twelve-month appointments may receive such an allowance. FLSA-subject staff, temps, part-time employees, and student workers are not eligible for an allowance (but due to job responsibilities may be assigned a university-owned MCD).

The individual’s dean, director, or department head must formally document approval at least annually for each employee who receives either a university-owned MCD or an allowance using the attached MCD Justification Form. The allowance (\$35 for voice-only or data-only plan, \$70 for voice and data plan) must be entered into the HR System by the department and will be included in the employee’s paycheck and reported on the employee’s W2 form. The allowance is subject to all regular payroll taxes, but is not included in the employee’s State retirement computation.

MCD users should be aware that all University policies related to storing and transferring secure data via an MCD must be followed [1]. MCDs used to conduct University business are subject to public information requests.

Each department is strongly encouraged to review the necessity of wireless devices. An annual review will be conducted to assess cost savings from the MCD stipend procedure.

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The procedures, form and FAQ (frequently asked questions) are on the University Controller's Website at <http://www.fis.ncsu.edu/controller/mcd/default.asp> . See section 8 "Mobile Communication Devices (MCDs)" in the "Travel Requirements for University Employees." For assistance or questions on the procedures, form and FAQ, please contact Kim Kelley, Assistant Controller (919) 515-7132, kim_kelley@ncsu.edu; for payroll and tax specific questions contact Robin Nowlin, Payroll Tax Manager, (919) 515-2062, robin_nowlin@ncsu.edu.

URLS:

[1] Data Management Procedures

<http://www.ncsu.edu/policies/informationtechnology/REG08.00.3.php>

Computer Use Regulation

<http://www.ncsu.edu/policies/informationtechnology/REG08.00.2.php>

University Record Retention and Disposition Regulation

http://www.ncsu.edu/policies/governance_admin/gov_gen/REG01.25.12.php