




DATE: February 4, 2011

TO: University Employees with Cell Phone Plans Provided via the Allowance Program

FROM: Jeffrey J. West, Associate Vice President for Financial & Business Services 
Larry N. Dew, Assistant Vice President for Health Sciences - Finance 
Kevin B. Taylor, Director of Planning & Policy – UIT 

SUBJECT: Cell Phone Reimbursement Plan - update

You should have received a reimbursement amount in your 1/22/2011 paycheck that equated to 70% of the grossed-up amount received previously under the old “allowance” plan. The 70% figure in most cases comes close to the net amount (after taxes) you received under the old plan. This reimbursement amount will continue to come to you as part of the 22nd paycheck each month, until the new rules kick in and you and your supervisor have had a discussion on what the reimbursable amount should be – going forward.

First, Policy 4-005 *Use and Security of Property* has been revised and is under review by various campus committees and stakeholders. A related document titled *Reimbursing Employee Mobile Communication Costs* has also been written and is being reviewed. This document will become a Rule associated with Policy 4-005. The guidance set forth in these two documents will manifest itself in the form and instructions included in this communication (see links below).

- The [Cell Phone Reimbursement – Form Instructions](#) provide step-by-step instructions for estimating what a reasonable reimbursement amount might be based on business usage of the phone. This form offers two methods of determining the amount – via a simplified, high-level look at your phone bill, OR a fairly-detailed look at your phone bill. Either method is acceptable as a tool for having the conversation between employee and supervisor in determining the reimbursement amount.
- The [Employee Cellular Services Agreement](#) is the end product of the conversation mentioned above and will be sent to the Payroll Office for data entry into the system. You will be required to enter not only the reimbursement amount but to identify such things as the phone carrier, the chargeable chartfield, and a justification for why the University should be reimbursing a portion of your cell phone bill. There is also a provision for providing a reimbursement to offset your purchase of cell phone equipment as a one-time expense. This agreement should be kept in the department with the backup

documentation and a copy of the original agreement sent along to Payroll. You will also notice that this agreement comes with an expiration date. Payroll will be checking to ensure that this agreement does not go beyond a 12-15 month period. The intent here is for you (and your supervisor) to review this reimbursement every year to ensure that the amount is still needed and is reasonable based on the documentation. If new agreements are not submitted each year the University will assume that a reimbursement is no longer required and will discontinue the reimbursement.

- Even though the Policy and Rule referred to above will take some time to go through the formal approval process, you could get started on completing and submitting these forms to Payroll. You have approximately three months (until 4/30/2011) to have the conversation with your supervisor and determine what the reimbursement amount will be for this next 12-15 month period. If a new agreement is not submitted by April 30, 2011 your current reimbursement will cease until such time as a properly approved agreement can be completed and entered into the system.

Please feel free to contact one of us should you have any questions or concerns. Thank you.