Overview

The following procedure sets forth the rules for business use of Mobile Communication Devices (MCD) by permanent employees who are required to carry such a device to fulfill their job responsibilities. For the purpose of this procedure, the term ‘MCD’ includes cell phones and telecommunication devices. The procedure applies to two categories of MCD:

- **Employee-owned** MCD used for university business
- **University-owned** MCD used for university business

For employees who meet the eligibility criteria listed below, departments/units may provide an MCD allowance to subsidize the business use of the individual’s personal device, in lieu of assigning a university-owned device. Effective, January 1, 2014, all employees requesting or re-certifying an MCD allowance will be required to document their monthly cost to maintain the device. In addition, if the MCD allowance exceeds the employee’s monthly cost, the allowance must be reduced.

Eligibility for MCD Allowance

Only NC State University FLSA-exempt employees who are in full-time, twelve-month appointments can receive the allowance. FLSA-subject staff (those for whom hourly time records must be kept) as well as temporary, part-time, and student workers are not eligible. The determination and approval of the MCD decision will be the responsibility of the respective dean, director, or department head. Specific guidelines for the MCDs are determined as follows:

1. Eligible senior-level employees include the chancellor, executive officers, deans, and other JCAT 100-level positions designated by the Chancellor or appropriate Vice Chancellor.
2. Faculty and non-faculty professionals who must be available 24/7 or during non-business hours to meet service needs such as life/safety issues and/or critical system and operational support.
3. Faculty and non-faculty professionals who must be routinely accessible during business hours but are primarily in travel status or “in the field” a significant amount of the time due to the nature of job duties (job requirement to be away from a standard office). Review of the most efficient and cost effective means of communication should be considered before authorizing employees in this classification.

Requirements and Instructions

Both university-owned and employee-owned “allowanced” MCDs are subject to the following requirements:

- Initial approval (when started) and annual re-justification of the business need for the device is required and must be documented by **December 31** each year using the Mobile Communications Device Allowance Request Form (NCSU Allowance Request Form 01.01.2014 final.docx) and the Allowance Template (NCSU Allowance Template 01.01.2014 final.xls). For employee-owned “allowanced” MCDs, both forms must be completed and e-mailed to
cell_phone_forms@ncsu.edu as a part of the employee’s permanent record. For university-owned devices, only the Mobile Communications Device Allowance Request Form (NCSU Allowance Request Form 01.01.2014 final.docx) must be completed and e-mailed to cell_phone_forms@ncsu.edu as a part of the employee’s permanent record. For the first year, calendar year 2014, please e-mail the required form or forms by January 15, 2014 to cell_phone_forms@ncsu.edu.

- Employees receiving an MCD allowance must attach a copy of their annual contract or monthly billing statement to the MCD justification form. Only the relevant pages showing the cost need to scanned and e-mailed to cell_phone_forms@ncsu.edu along with the two required forms referenced above. The monthly billing statement should be current – within the last month or two. The monthly cost of the employee-owned device must be documented. The MCD allowance requested cannot exceed the employee’s monthly cost for the service on the device used for university business.
- The decision must be based solely on the business requirements of the university.
- Employees are responsible for the protection and retention of business data conducted on the device in accordance with the University Records and Retention regulation.
- Records of business use are subject to the Public Records Act (N.C. General Statute §132, et. seq.), as well as other subpoena powers of the federal and State judiciaries.
- Employees are required to have their device with them, charged and operational at all times, and respond timely to university-related communications.

1) ALLOWANCES for Employee-owned MCDs:

- Allowances apply only to employee-owned MCDs and must be less than the employee’s monthly cost to maintain the device.
- NC State University is only authorized to provide MCD allowances if the department’s cost of providing the allowance is less expensive than providing a university-owned MCD.
- The MCD allowance must be generated by the department through entry into the Financial System’s MCD allowance pages (rather than through the HR System using the MD1 earnings code); this allowance will be paid at month end on a monthly basis. For the 2014 calendar year, the Controller’s Office will make the entries into the Financial System. The department will only be required to e-mail the completed forms and bill or contract to cell_phone_forms@ncsu.edu.
- Federal grants and/or sponsored projects do not permit paying allowances for an MCD due to the inability to assign costs with accuracy and efficiency (OMB Circular A-21 Section D.1).
- These payments are not considered base pay and are not subject to retirement or benefits. This allowance has been designated by the Internal Revenue Service as a non-taxable if the required documentation and substantiation of business need is met.
- The University will not purchase, repair, or replace the equipment for employees receiving an allowance.
- Anyone receiving the allowance must notify their respective dean, director or department head when they discontinue mobile communication services. Failure to do so will result in immediate termination of the MCD allowance and may lead to disciplinary action.
The maximum MCD allowances are:

1. **Voice**: $20/month
2. **Data**: $20/month
3. **Both Voice and Data**: $40/month
4. **Adjusted Amount (less than the above rates)**

2) **University-owned MCD used for university business:**

- Departments may provide University-owned MCDs to eligible employees in lieu of the allowance; however, the director or department head must approve the purchase and contract of an MCD for business use.
- The department is responsible for contracting with the provider, selecting the initial plan, purchasing the MCD and accessories, and turning in all MCDs and accessories when the service(s) ends. **Departments are required to use statewide term contracts when devices and plans are cost effective and meet departmental needs.**
- MCDs purchased with university funds are the property of the university and ownership cannot be transferred to the employee.
- Use of the device for email and data should follow the [Computer Use Regulation](#).
- Only University-related business calls are allowed on a University-owned device.
- Departments are responsible for reviewing the need of a university-owned MCD at least annually and are responsible for terminating or making any changes to the service accordingly.

For assistance or questions on the procedures and forms, please contact Kim Kelley, Assistant Controller (919) 515-7132, kim_kelley@ncsu.edu or Terressa Yeakle Best, Small Purchases, Travel, & Training Manager (919) 515-7489, tryeakle@ncsu.edu.