



Fiscal Policy – Rule 03-140-501

Communications Allowance

1. Summary

- 1.1. A Communications Allowance is provided to OSU faculty and staff who are required to conduct university business using their own personal cellular communication device. This allowance is associated with an employee's position and is paid monthly until a change in employment occurs or the department provides an early termination request.
- 1.2. The Communications Allowance program provides an efficient way for employees to defray a portion of the costs attributable to their business use of a personal communication device. It is not an entitlement related to an employee's position, does not increase the employee's base salary, is a non-taxable benefit to the employee and does not require substantiation of each individual call or data usage. Employees that require frequent or substantial use of a cellular communication device should consult with Telecom on other long-term options available to them.
- 1.3. All Budget Authorities, Managers, Supervisors and any employee required to conduct university business using their own personal cellular communication device should be informed and understand this rule.

2. Communications Allowance Program

2.1. Market Analysis

Communications Allowance rates are based on a market analysis of how much it may cost an individual to obtain a basic cellular phone plan. Basic plans analyzed do not include any discretionary options that may be present when an employee establishes a communication device for personal use. Discretionary options may include charges for increased minutes or data, equipment installment plans, accessories, or other items similar in nature.

Three different service providers are reviewed to ensure an average rate across the industry is used. The average cost is used as the basis for the Allowance Rate Tiers discussed below.

2.2. Rate Tiers

In order to provide a program that is flexible to meet business needs, yet standardized enough to minimize administrative burden on employees, three separate allowance rates are available. The appropriate rate should be determined based on the employee's position and the business need, and must be approved as described in section 3.1.2. The high, medium and low rates are described below and are listed on the Authorization of Communications Allowance form (*link located in section 4 of this policy*).

- 2.2.1. **High Rate:** This rate is available to employees that have a substantial business need to use a cellular communication device on a daily basis to carry out their work.

Employees requesting this rate may be called upon to further substantiate their business need.

- 2.2.2. **Medium Rate:** This is the recommended rate tier for employees that use a cellular communication device on a regular basis throughout the month.

- 2.2.3. **Low Rate:** This is the recommended rate for employees that may not use a cellular communication device on a frequent basis but may still need access multiple times a month.

2.3. Funding

- 2.3.1. **Approved funding sources:** All funds paid through OSU, other than Grants and Contracts, are acceptable Communications Allowance funding sources. Employee Communications Allowances cannot be paid directly by OSUF or ARF.

- 2.3.2. **Allowances paid from Grants and Contracts:** The communications allowance is not an allowable direct cost on a federal grant, federal contract or other federally funded sponsored project. This would include Federal pass-through funds and the Federal portion of any capacity fund expenditures. Any request for communications expense as an "unlike circumstance", such as remote location (field study) or emergency access, must be made to and approved in writing by the Office of Sponsored Research and Award Administration (OSRAA). In these situations, OSU-provided cell phones must be used in lieu of a personal communication device.

2.4. Allowance Duration

Communications Allowances are tied to an employee's position at the university. The allowance will remain in effect until the status of that position changes OR the employee's department turns in paperwork requesting an allowance be terminated.

The status of an employee's position may change over the course of the year. It is the employee's responsibility to submit new paperwork whenever their position changes.

Retroactive payments will not be made if an employee fails to turn in paperwork by the due date.

3. Responsibilities & Procedures

3.1. Authorization of Communications Allowance Form

- 3.1.1. **Due Date:** A completed form must be turned in to Central Accounts Payable by the 10th business day of the month in order to be processed for that month.
- 3.1.2. **Approval:** The employee receiving the allowance and their direct supervisor must approve/sign the form. An appropriate budget authority must also approve each form. In the event the allowance is split across multiple funding sources, multiple budget authority approvals may be required.
- 3.1.3. **Submit:** All completed forms must be submitted electronically to Central Accounts Payable at baff.accounting@oregonstate.edu.

3.2. Allowance Changes

Major changes to an employee's allowance require a new Authorization of Communications Allowance form. Common reasons an allowance might need to change are to adjust an employee's rate, their position changes, or a funding source changes.

3.3. Payment Processing

Allowance payments are processed by Central Accounts Payable and paid out the last working day of each month. Employees will receive either check or ACH payment depending on their AP payment preferences.

Checks are mailed to an employee's department mailing address.

4. Related Information

- 4.1. University Policy [03-100 Fiscal Policy Program Authority](#)
- 4.2. Please refer to all other fiscal rules that may be applicable, including but not limited to the following policies currently located in the OSU Fiscal Policy Manual:
- 4.3. [Authorization of Communications Allowance Form](#)
- 4.4. FIS 410-30 Communications: Internet Services and Other Mobile Devices [LINK]
- 4.5. [Fiscal Policy Program Definitions of Terminology](#)
- 4.6. [Fiscal Policy Program Frequently Asked Questions](#) (FAQs)

5. History

- 5.1. Original Issue Date: 01/2003 (FIS 410-02 Cell Phone Charges); 2/1982 (FIS 410-33 Communications Allowance)
- 5.2. Last Version: 11/2010 (FIS 410-02 Cell Phone Charges); 2/2017 (FIS 410-33 Communications Allowance)
- 5.3. Last Review Date: 12/2018
- 5.4. Next Scheduled Review Date: 12/2021

6. Contacts

- 6.1. Policy Steward: Senior Payment & Systems Manager, PCMM
- 6.2. Program: Fiscal Policy Officer, Financial Accounting & Analysis
- 6.3. Link to full list of [Fiscal Policy Program Contacts](#)