

ADMINISTRATIVE DIVISION	FINA Administration and Finance
POLICY NUMBER	FINA 2.30
POLICY TITLE	Wireless Communication Stipends
SCOPE OF POLICY	USC System
DATE OF REVISION	April 14, 2025
RESPONSIBLE OFFICER	Executive Vice President for Administration and Chief Financial Officer
ADMINISTRATIVE OFFICE	University Finance – Controller’s Office

PURPOSE

This policy addresses the payment of wireless communication fees incurred by University employees while conducting University business and to establish consistent standards to be applied to all units.

DEFINITIONS AND ACRONYMS

Stipend: A fixed sum paid periodically to an employee to defray personal communication device expenses when such devices are used, in part, to fulfill work-related activities.

POLICY STATEMENT

The University may provide a stipend to an employee who has an official business need for a wireless communication device and receives appropriate approval for such a stipend. The respective unit/department is responsible for documenting appropriate justification.

A. Eligibility

To qualify for a wireless communication stipend, the employee must have a business need. Examples of a qualifying business need may include:

- The job function requires the employee to work regularly in the field and be immediately accessible.
- The job function requires the employee to be immediately accessible outside of normal business hours.
- The employee is responsible for critical infrastructure and needs to be immediately accessible at all times.
- The employee travels regularly and needs to be accessible and have access to information technology systems while traveling.
- Access to a wireless communication device would, in the judgement of the supervisor and department head, render the employee more productive and effective.

B. Requirements and Restrictions

Stipends are funded by the unit/department through an appropriate funding source. Sponsored awards may not be used to pay for wireless communication stipends unless

specifically authorized by the sponsor. Misuse or fraudulent receipt of a wireless communication stipend may result in administrative and/or disciplinary action.

The wireless communication stipend is intended to reimburse the employee for the business use of the device. It is not intended to fund the cost of the device or pay for the entirety of the monthly bill. The assumption is that most employees also use their wireless communication devices for personal calls. The employee is not required to maintain a log for business and personal usage when receiving a stipend.

Cell phones and other wireless devices should not be selected as an alternative to other means of communication (e.g., landlines) when those methods would provide adequate but less costly service to the University. An employee ceases to be eligible for the stipend when their job duties change and no longer support a business need for a wireless communications device or when the employee terminates employment with the University.

The wireless communication stipend does not constitute an increase to base pay and is not included in the calculation of percentage increases to base pay due to raises, job upgrades, retirement, or other compensation increases. Wireless communication stipends are not subject to tax withholding. When employees are required to use their personal cell phones for business purposes (non-compensatory business use), the stipend is considered non-taxable.

C. Employee Responsibilities

When a wireless communication stipend has been approved and provided to an employee for the conduct of official business, the employee is responsible for the following:

- Providing the phone number associated with the device and being available for calls during those times specified by the supervisor or department head,
- Selecting a wireless carrier whose services meet the requirements of the job responsibilities,
- Informing the University when eligibility criteria are no longer met or the wireless service has been cancelled,
- Complying with all laws regarding use of devices while driving (the University will not be liable for noncompliance),
- Providing copies of the associated phone bill upon request,
- Using discretion in relaying confidential information over wireless devices, and
- Obtaining technical support from the vendor providing the phone.

D. Security

The University reserves the right to require any mobile device accessing the University's infrastructure to be subject to the University's data and security requirements, standards, and guidelines. Security policies may include device requirements for mobile anti-virus/spyware, mobile firewall, secure communications, encrypted file folders, strong passwords, two-factor

authentication, and/or destruction and disability in the event of a lost or stolen device or termination.

E. University-Issued Wireless Communication Device

While the issuance of stipends for business use of personal devices is the preferred approach, an employee may be issued a wireless communication device by the University in rare instances. Issuance of a University cell phone requires appropriate justification and approval.

Existing state term contracts must be used to purchase wireless communication devices. Regardless of funding source, devices purchased through the University are the property of the University and must be accounted for as required by State law and turned in when an employee transfers or terminates. Service plans should be reviewed on at least an annual basis to ensure the level of service is still justified.

Personal use of University-issued devices is strongly discouraged. Calls and communications on University devices should be kept brief to ensure efficient use of University resources. It is the responsibility of the department head to monitor usage to ensure abuse does not occur. University-owned devices may be revoked if there is evidence of abuse or misuse. The employee will be responsible for reimbursing the University a portion of the cost if unnecessary or excessive personal use occurs. Devices should be kept secure to prevent unauthorized use. When loss or theft occurs, a police report must be filed to account for the loss of state property and the University Controller and the University Information Security Office must be notified promptly.

F. Freedom of Information Act

Regardless of whether a stipend is provided, the personal devices of University employees are subject to disclosure under the Freedom of Information Act if such devices are used for business purposes (e.g., sending and receiving messages involving University business).

PROCEDURES

The accompanying procedure provides additional details on the administration and management of this policy. The procedure can be found here: [Policies and Procedures - Office of the Controller](#)

RELATED UNIVERSITY, STATE, AND FEDERAL POLICIES

[FINA 1.00 Chart of Accounts](#)

[FINA 2.12 Accounts Payable](#)

[FINA 2.14 Acquisition and Payment of Goods and Services](#)

[FINA 2.82 Asset Management](#)

[FINA 3.00 Sponsored Awards](#)

[HR 1.39 Disciplinary Action and Termination for Cause](#)

[IT 1.00 Information Technology Procurement](#)

[IT 3.00 Information Security](#)

[LESA 5.10 Enterprise Risk Management](#)

[UNIV 1.51 Data and Information Governance](#)

[UNIV 1.52 Responsible Use of Data, Technology, and User Credentials](#)
[UNIV 1.60 HIPAA Compliance](#)
[UNIV 2.00 Freedom of Information](#)

HISTORY OF REVISIONS

DATE OF REVISION	REASON FOR REVISION
April 14, 2025	New Policy Approval.