

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Finance and Accounting
AREA: Finance and Accounting - General

Number: 05.04.07

SUBJECT: Monthly Cell Phone Allowance

I. PURPOSE AND SCOPE

This policy provides guidelines for the administration of a Monthly Cell Phone Allowance.

II. POLICY STATEMENT

The University of Houston provides a Monthly Cell Phone Allowance to eligible employees.

III. MONTHLY CELL PHONE ALLOWANCE PROCEDURES

- A. A department may elect to monetarily contribute to an employee's operation of a personally-owned cell phone when such employee's job duties, in the opinion of the department head, require a cell phone to respond to university emergencies during non-business hours or when an employee is required to use their personal cell phone to conduct university business on a regular basis.
- B. The university will provide a Monthly Cell Phone Allowance to the employee for as long as the employee qualifies under this policy.
- C. Monthly Cell Phone Allowances paid to the employee are considered taxable compensation paid through the payroll system and, as such, are subject to required tax withholdings (see [SAM 03.D.06, Taxable Fringe Benefits](#)). Payment of such taxes incurred is the responsibility of the employee and shall not be reimbursed to the employee by the university. The Monthly Cell Phone Allowance is not considered an entitlement, is not part of an employee's base salary, and may be changed or withdrawn by the university at any time.
- D. Cell phones subsidized by the university through a monthly allowance are considered to be the personal property of the employee and may be used in any way the employee deems appropriate. Any service contract the employee enters into regarding the acquisition or operation of a cell phone is personal to the employee. The university shall have no obligation or make any guarantees with respect to such contract to the employee or service provider. However, in the event of a public records request, Internal Audit investigation, or other civil or criminal investigation, the calling records of cell phones that are subsidized by the university must be provided by the employee.
- E. Employees must use the [Cell Phone Allowance Verification Form](#) to request a cell phone allowance, which must be approved by the employee's manager and department head and uploaded as backup to an ePAR for the employee's Monthly Cell Phone Allowance in the Human Resources System. The Cell Phone Allowance Verification Form is located on the Human Resources website: <https://uh.edu/human-resources/forms/cell-phone.pdf>

- F. Managers and department heads are responsible for the following:
1. Determining whether the employee's position requires a cell phone based on the employee's job duties and responsibilities.
 2. Determining the appropriate Monthly Cell Phone Allowance for the employee within the limits approved and published by the university, and the expiration date of the allowance. The expiration date may be no later than the end of the current fiscal year. Therefore, allowances must be re-evaluated and reauthorized at least once a year.

Note: The Monthly Cell Phone Allowance will be charged to the same cost center as the employee's regular salary.

- G. Employees are responsible for the following:
1. Paying all amounts due as agreed between the employee and provider of cell phone services.
 2. Providing the department with their cell phone number for which the employee receives an allowance in a timely manner.
 3. Notifying the manager and department head within five working days of inactivation of cell phone services that is supported by a cell phone allowance. An employee is prohibited from continuing to collect a Monthly Cell Phone Allowance when the service is no longer active or needed for the performance of the employee's job responsibilities.
 4. Ensuring additional allowances for the same or similar service are not requested or received from another university department or another university of the University of Houston System.

- H. Annually, the Purchasing Department will publish the maximum Monthly Cell Phone Allowance on the Office of Finance's References web site at <https://uh.edu/office-of-finance/purchasing/faculty-staff-resources/guidelines-procedures/fy2024-2025-cell-phone-allowance.pdf>. This allowance is not intended to fully reimburse the employee for their total out-of-pocket costs given that the device is expected to be used by the employee for both business and personal use.

IV. REVIEW AND RESPONSIBILITIES:

Responsible Party: Associate Vice President for Finance

Review: Every five years

V. APPROVAL

/Raymond Bartlett/

Senior Vice President for Administration and Finance

/Renu Khator/

President

Date of President's Approval: January 26, 2023

VI. REFERENCES

[UH System Administrative Memorandum \(SAM\) 03.A.19 - Monthly Cell Phone Allowance](#)

[SAM 03.D.06 – Taxable Fringe Benefits](#)

[Cell Phone Allowance Verification Form](#)