

SOUTH DAKOTA BOARD OF REGENTS

Policy Manual

SUBJECT: Cell Phones

NUMBER: 5.23

A. PURPOSE

To provide guidance for the issuance and use of cellular devices for work purposes within the Regental system.

B. DEFINITIONS

1. **Stipend:** Monthly payment for reimbursement of expenses made through payroll or as a direct invoice to the employee.

C. POLICY

1. Rationale for Providing Cell Phones

Cell phones can only be provided considering appropriate business rationale and for non-compensatory reasons. Providing an employee with a business cell phone must be grounded on substantial reasons relating to the employee's work and university business. For example, the employer's need to contact the employee at all times for work-related emergencies, the employer's requirement that the employee be available to speak with clients at times when the employee is away from the office, and the employee's need to speak with clients outside of the employee's normal work day are possible substantial non-compensatory business reasons. A cell phone provided to promote the morale or good will of an employee, to attract a prospective employee, or as a means of furnishing additional compensation to an employee is not provided primarily for non-compensatory business purposes.

- 1.1. The purpose for providing a business cell phone must be for non-compensatory reasons. Cell phone stipends and state issued cell phones are considered a de Minimis fringe benefit and non-taxable.
- 1.2. The institutions will determine whether it is more efficient to provide a university owned cell phone or provide an appropriate stipend for business related calls or data needs.
- 1.3. Cellular devices deemed necessary in conjunction with research grants and contracts and paid by the same sources may be provided.
- 1.4. Whenever possible, the institutions should use check-out phones rather than individually issued phones.

2. Oversight

- 2.1. State issued cell phone use may be randomly monitored to confirm that the phones are being used for business purposes. Employees may be required to document any personal use. The university may cancel the assigned cell phone at any time.
- 2.2. Employees may be responsible for the repair/replacement cost of the phone if the phone is lost or damaged due to personal negligence.
- 2.3. A list of employees, their titles, along with the cost and fund source of cell phones or stipend amounts may be requested and reviewed by the Executive Director's Office.

FORMS/APPENDICES:

None

SOURCE:

BOR March/April 2010; BOR March 2012; BOR October 2017; October 2023 (Clerical).