MEMORANDUM

Date: November 24, 2008

To: NCCU Vice Chancellors / Division Heads

From: Charlie Nelms  
Chancellor

Subject: Mobile Communication Device (MCD) Allowance Program/Policy

Effective January 1, 2009, North Carolina Central University will implement a mobile communication device (MCD) allowance plan to compensate employees for business use of their personal cell phone and/or personal digital assistant (PDA) device. The MCD allowance is a "best business practice" recommended by the UNC PACE report and it allows the University to be in compliance with IRS regulations. This policy governs Mobile Communications Devices acquired via any funding source awarded in North Carolina Central University’s name.

This plan has been adopted by several agencies of the State of North Carolina and other UNC institutions in order to reduce MCD expenditures and to ensure compliance with state regulations. The initiative provides an effective way to compensate employees for the business use of their personal cell phone and/or PDA device that benefits both employees and NCCU by:

1. Eliminating the chance that an employee might accidentally make a personal call on a business cell phone and violate State regulations,
2. Ensuring compliance with IRS Regulations,
3. Eliminating the need for an employee to carry multiple mobile communication devices,
4. Streamlining the payment processing to a single payroll transaction monthly, and
5. Affording employees both vendor and device choice in meeting their electronic MCD needs. (Please note that University employees receive discounts from AT&T (15%), Alltel (15%), Sprint (10%), and Verizon (20%).)

An allowance will be provided to designated employees at NCCU who are required to carry a mobile communication device (Cell phone / PDA) to fulfill their job responsibilities. The determination of the MCD allowance will be the responsibility of the Vice Chancellor/Unit Head. NOTE: a MCD allowance plan must be approved by Office of State Budget & Management (OSBM) once the justification is approved here on campus.

Please use the MCD allowance justification form to request a Mobile Communication Device allowance plan. All MCD justifications must be approved by your Supervisor and the Division Head /Vice Chancellor.
Program Instructions:

1. The MCD allowance justification forms must be turned in to your Vice Chancellor/Unit Head by end of day, Friday, December 12, 2008.

2. Employees requesting an allowance will be notified when a decision is made and for now, should hold on to their university-provided device until further notice. If approved for an allowance program, employees will be given instructions on how to make the transition from their University device to a personal device.

3. For employees who are not planning to apply for an allowance, University provided devices must be turned into ITS, 3rd Floor, H. M. Michaux, Jr. School of Education Building, by December 31, 2008.

MCD allowances for FY 2008-2009:

1. Cell phones: $39.00 per month
2. PDAs (Voice and Data plans): $59.00 per month

NCCU’s MCD allowances will be paid through payroll in your monthly check as an unaccountable taxable fringe benefit according to the IRS (no documentation of business use is required). Since the allowance includes equipment depreciation, the University will not purchase nor replace cell phone or PDA equipment for employees receiving an allowance.

Employees receiving allowances will be required to have their cell phones and/or PDA device with them, charged and operational at all times. The allowance and records of associated business use will be subject to the Public Records Act (N.C.Gen.Stat. §132, et. seq.), as well as other subpoena powers of the Federal and State judiciaries.

Additional information regarding the Mobile Communication Device program can be found on the web at the following location: http://www.nccu.edu/facultyandstaff/its/mcd.cfm

A. NCCU Mobile Communication Device Policy
B. Mobile Communication Device FAQ (Frequently Asked Questions)
C. Mobile Communications Device (MCD) Allowance/University Requested Device Justification Form
D. Links to AT&T, Verizon and Sprint

The new NCCU Mobile Communication Device Policy will become effective January 1, 2009.