



Policy & Title	GEN004 – Cell phone policy
Effective date	1 February 2005
Objective	<p>This policy has been introduced to:</p> <ul style="list-style-type: none">clearly define who is entitled to a UCT cell phone and how the costs of purchasing the asset plus ancillary equipment, and the rental and call costs will be met;streamline statement administration and payment, and the reimbursement of the costs of business calls; andensure that University policy complies with the requirements of tax legislation and practice.
Scope	<p>This policy covers the usage of a cell phone by permanent UCT staff where the regular use of a cell phone is necessary or useful to meet the requirements of the job.</p> <p>This includes all new cell phone contracts and renewals of existing cell phone contracts entered into by the University.</p> <p>This policy does not apply to UCT staff members who occasionally use a cell phone for business purposes and require reimbursement.</p>
Applicable to	<ul style="list-style-type: none">The Vice ChancellorThe Senior Leadership GroupHeads of academic and non-academic departmentsMembers of staff nominated by any of the above staff membersResearch staff
Additional information	<p>In order to comply with tax practice and streamline administration, UCT pays a cell phone allowance to staff members who regularly use a cell phone to meet the requirements of the job. The amount of the allowance is determined by assessing an individual's need, and is fully taxable.</p> <p>Related policies:-</p> <ul style="list-style-type: none">Funds deposited at or held by UCT [GEN001]Reimbursements [PAY005]
Policy	<ul style="list-style-type: none">UCT will pay a taxable allowance, which may be amended from time to time, towards the UCT related cell phone costs incurred by the individual. This will be paid monthly via the payroll from a nominated fund.The amount of the allowance will be based on an assessment of the needs of the individual and set so that the AFTER TAX amount will cover the cost to the individual of all UCT related costs.Payment of the monthly cell phone statement is the responsibility of the cell phone owner;The cell phone contract will be in the name of the staff member who will be solely responsible for all payments to the service provider;UCT will only support one cell phone allowance per staff member;UCT reserves the right to remove a participant from this scheme if there is insufficient budget in the nominated fund to meet the cost of monthly allowances;UCT does not accept any liability for claims, charges or disputes between the service provider and the staff member;Recipients of a cell phone allowance must notify their HOD of the cell phone number and must continue to maintain the cell phone rental or air-time/pay-as-you-go contract while in receipt of the allowance;Any allowance in excess of the stipulated maximum must be approved by Executive Director: Finance, following a full motivation.



- Categories**
- Group A: (i) Members of the Senior Leadership Group and (ii) other senior staff of the University, as approved by a relevant member of the SLG.
 - Group B: Members of UCT permanent staff where use of a cell phone is beneficial to UCT or useful to meet the requirements of the job
 - Group C: Academic or research staff where use of a cell phone would be beneficial to their research, and the cost of the allowance can be met from research funds



Note

- Cell phone allowances outlined for Groups A and B are planned and budgeted for as part of the operations of a unit or department and the assessment of the need is done within that context, as for any other activity.
- Cell phone allowances for Group C are allowed in terms of the conditions of the research funds to which the costs are to be charged.

Exceptions

The Executive Director: Finance must authorise all exceptions on the motivation of the head of the relevant department.

It is recognised that, in certain instances, staff require a cell phone in order to perform their duties, and for various reasons, it best that these phones be contract phones in the name of the University. These phones will be issued either on an ad hoc or permanent basis.

- Ad hoc phones
These are necessary where an activity requires that an individual be contactable on a call-out basis. This will be accommodated by the use of phones held by the department which are allocated to the individual on call-out.
- Permanent phones
These will be issued where it is required that the person performing an activity is contactable and needs to contact others, both within and external to the University, in order to satisfy the requirements of the job, e.g. maintenance workers.

In these cases, line management must, on a regular basis, scrutinise the itemised billing to identify personal usage. The finance manager must ensure that this information is communicated to HR quarterly, where it will be added to the individual's taxable earnings, and tax deducted.

For these two exceptions only, the purchasing officer will enter into agreements with a cell phone service provider and supplier of cell phones and ancillary equipment on favourable terms. If possible, the agreement should include an insurance contract. Summaries of these agreements can be obtained from the Purchasing Officer.

Allowances

The allowances paid by the University in respect of the individual categories will be:

- Group A – An allowance of up R1,000 per month as determined by the Dean/Exec Director/HOD/fund holder towards rentals and calls and paid monthly via the Payroll.
- Group B – An allowance, not exceeding R500 per month, as determined by the HOD/fund holder towards rentals and calls and paid monthly via the Payroll from a nominated fund and for an amount agreed by the nominator from Group A.
- Group C – An allowance of up to R1,000 per month as determined by the fund holder towards rentals and calls and paid monthly via the payroll from a nominated fund. The conditions must allow for the payment of such an allowance, in addition to approval by the HOD (or where applicable, one signatory up from the position of the applicant).

In all instances where an allowance in excess of the stipulated maximum is deemed to be necessary, this must be fully motivated by the HOD (or where applicable, one signatory up from the position of the applicant), and approved by Executive Director: Finance.



- Procedure**
- The participant completes form [HR109](#) and, after receiving the required approval, forwards it to the Human Resources (HR) Department for payment of the monthly (taxed) allowance via the payroll. The relevant fund (that will pay for the costs) and cost center must be entered on the form.
 - The HR Department, Payroll section ensures that the monthly allowance is accumulated during a tax year for IRP5 purposes and declared under SARS Code 3712 (Telephone/Cell phone allowance).
 - The participant pays the monthly rental and call statements directly to the service provider.
 - For the exceptions, where a UCT administered cell phone is required, complete form [FM041](#), with a motivation request, and forward to the Executive Director: Finance

 **Note**

Participants must inform the HR department of any cancellation arising from theft, sale, termination of contract, etc. as soon as possible and not later than the 3rd day of the month following the month in which this event occurred.

You will be contacted by your finance manager on an annual basis and required to confirm that you are still using the cell phone for business purposes and that you are maintaining the cell phone rental or air-time/pay-as-you-go contract.

Occasional use of personal cell phones for business reasons

This policy does not apply to staff members who occasionally require the cost of business usage of a personal cell phone to be reimbursed. In these instances, the cell phone statement must be itemised as to the business usage, or a signed statement included as to the nature of the pre-paid airtime being reimbursed. Reimbursements will not be permitted for anyone who has a cell phone allowance.

Use of ADSL/3G connectivity

This policy does not cover the use of ADSL/3G connectivity, as required for business purposes. These costs can be claimed as a reimbursement, supported by the appropriate documentation, up to a maximum of R400 per month.

Implementation responsibility

- The Dean or PASS department head
- The principal researcher or fund holder for allowances under Group C

Contact

Finance helpdesk
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Policy Section	General
Policy Owner	The Executive Director of Finance
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