

University of Nebraska – Lincoln
Cell Phone Plan Rates as of June 30, 2017
(Rates Adjusted Annually)

The amounts shown below are cell phone plans, including all taxes, for the purpose of determining stipends under Option 1 of the University cell phone policy. Guidelines are general amounts that may not precisely match actual cell phone plans.

CALLING PLANS	
MONTHLY STIPEND RATES	
Rates Assume 100% Business Use	
Unlimited Minutes & Texts	\$20
Data Per GB	\$12

Stipends should be set as a percentage of the amounts above taking into consideration the amount of business usage, the benefit to the employee of personal usage, the benefit to the employee of not having to perform detailed record keeping, and the benefit to the employee of having control over the phone and the plan selected. In addition, *common sense must be applied such that computed stipends do not exceed the actual cost of the plan.*

Example 1

A supervisor notes that his employee's job duties, which include recruiting students from around the country, dictate that she have a cell phone. Because the plan has unlimited minutes and texting, there is no basis to interpolate the stipend. Therefore the stipend is \$20 per month. The employee will be taxed on the stipend.

Example 2

Same as above, but the employee is estimated to use her phone 75% for work and requires a data plan. The data demand requires a 2 GB (gigabit) plan. The stipend for each GB is \$12, or \$24 for 2 GB. The estimated business use of 75% is applied to the stipend of \$24 yielding \$18. This is added to the \$20 from above for a total monthly stipend of \$38. The employee will be taxed on the stipend.

Example 3

An employee approaches his supervisor requesting a cell phone stipend. The supervisor learns that the employee already has a cell phone with unlimited minutes and texting. The employee makes and receives calls occasionally when away from his desk or when having left urgent messages for others at work to contact him. The calls average about an hour per month.

The supervisor decides not to provide a stipend. Her reasoning is two-fold. First, there is not a business need for this employee to have a cell phone to perform his duties. Second, the estimated usage will have no impact on the employee's unlimited calling plan. The circumstances do not warrant a stipend.

Example 4

An employee's responsibilities require that she be away from her office frequently but remain in contact with others. She has a University-provided smart phone that enables access to her e-mail.

Her supervisor approves of a stipend in the amount of \$92 per month to cover unlimited minutes and texting (\$20), and 6 GB of data/month ($6 \times \$12 = \72). The percentage of business use is 100% since it is a requirement for the job. The employee will be taxed on the stipend.

Example 5

Same as above, but the data requirement is estimated to be 10 GB per month.

Her supervisor computes a stipend in the amount of \$140 per month to cover unlimited minutes and texting (\$20), and 10 GB of data/month ($10 \times \$12 = \120). However, the actual rate for the employee's plan is \$100. The stipend is limited to the actual cost of the plan, \$100, rather than a computed amount in excess of actual cost. The employee will be taxed on the stipend.