



EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

OFFICE OF THE PRESIDENT  
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October 2, 2009

**CHANCELLORS****Suspension of University Cell Phone Policy**

In response to the President Yudof's August 10, 2009 letter to Internal Revenue Commissioner Douglas Schulman, we have received permission from the IRS to suspend implementation of the University's current cell phone policy until January 31, 2010. The IRS has authorized the University to follow its former cell phone policy published in Business and Finance Bulletin G-46, Guidelines for the Purchase and Use of Cellular Phones and Other Portable Electronic Resources, effective with the implementation of this change. The policy may be found at the following address:  
<http://www.ucop.edu/ucophome/policies/bfb/g46.pdf>

Implementation of the prior policy will be effective with October earnings paid on October 28 and October 30, 2009 for biweekly and monthly-paid employees, respectively. Beginning with these pay dates, cell phone imputed income and cash allowances received by employees with University-provided cell phones and personal digital assistants that are cell phone-enabled should be cancelled.

The extension approved by the IRS is based on the assumption that legislation introduced this year that would modernize the tax treatment of employer-provided cell phones will be approved by Congress. If the legislation is not passed, the IRS has agreed to consider an additional extension for the University.

Any questions concerning this extension should be directed to Michael O'Neill.

A handwritten signature in blue ink, appearing to read "Peter J. Taylor", written over a printed name and title.

Peter J. Taylor  
Executive Vice President and  
Chief Financial Officer

cc: President Yudof  
Members, President's Cabinet  
Vice President Broome  
Vice Chancellors--Administration  
Assistant Vice President Plotts  
Controllers  
Manager O'Neill  
University Policy Office