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May 8, 1992

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ILR 92-F

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Department of Administrative Services
5000 State Office Building
Salt Lake City, Utah 84114

Subject: **Survey of Cellular Phone Use Within State
Government**

Dear Craig,

In response to concerns expressed to us, our office has conducted a survey of the growing use of cellular phones within the state. Our objectives were to determine if departments have adequate justification for purchasing cellular phones, and if they have policies and controls requiring reimbursement for personal calls made on cellular phones. A test of cellular phone use at three departments shows them having good criteria for acquiring the phones, but in some instances we found it difficult to measure how cost-effective they really are. We also found these departments do have policies requiring reimbursement for personal phone calls, although in at least one department it is not clearly understood by staff. We make some recommendations in this letter where improvement is needed. Beyond implementing the recommendations, however, we believe there is no need for further review of cellular phone use at this time.

We examined three of the twenty-five state departments which own cellular phones. One department is a relatively high cellular phone user (Tax Commission), one is a somewhat below average user (Department of Commerce), and one is a relatively low user (Department of Human Services). This approach gave us a varied sample from which we identified different justifications for purchasing cellular phones. We interviewed each department head and individual cellular phones users to understand how the phones are being used. In addition, we spent time in the field with some investigators from the Division of Occupational and Professional Licensing (Commerce) to witness how the phones are used.

For the three departments we examined, acceptable justification for cellular phone purchases are categorized into the following four areas:

Cost Advantage: Individuals who spend a lot of time out of the office and place or receive numerous calls can increase their productivity with a cellular phone. In these cases, the increase in efficiency should outweigh the cost of the phones. However, we found this difficult to measure because of a lack of comparable and objective data.

Safety Concerns: Individuals whose work puts them in confrontive and hostile situations use cellular phones to place immediate calls to police agencies. This may ultimately protect them or others from physical injury and diffuse a potentially violent encounter.

Surveillance: Sometimes an individual under investigation or a vehicle to be seized as an asset may be under surveillance. In these instances, the investigator can coordinate over his/her cellular phone with law enforcement officials, etc. while keeping watch over the situation.

Emergency Situations: Certain state officials have been assigned cellular phones to coordinate relief efforts in an emergency situation. This applies to those individuals who are a part of the emergency preparedness team in the department of Human Services.

We interviewed 13 staff who have all been assigned cellular phones. The justification for these individuals having phones falls into at least one of the four categories outlined above. As mentioned before, however, we found it difficult to quantify the cost-effectiveness of the phones in some cases because of a lack of objective data. Nevertheless, one department documented that cellular phone use has increased productivity in the field, allowing them to reduce telephone lines and consolidate office space.

We are concerned about the necessity of cellular phones for two individuals in one department whose use is among the lowest in the state. These individuals explained that their phones, for various reasons, have not been an essential part of their work. We believe the reasons these individuals have phones are not as clearly defined as with others in the department, and therefore recommend that the department reevaluate the need for at least these two phones.

We also found that all three departments have a policy requiring reimbursement for personal calls made on cellular phones. While all departments expect personal calls to be reimbursed, certain departments have better controls insuring that this policy is actually met. For instance, one department requires that each individual go through his/her monthly bill, mark any personal calls, sign a statement certifying the accuracy of the amount, and reimburse the department accordingly. In another department, however, we received a mixed response in our interviews as to which phone calls are to actually be reimbursed. We therefore recommended to the division director that cellular phone users understand that full reimbursement is required for all non-business related calls.

Recommendations:

1. We recommend that the Division of Information Technology Services use the four criteria we discovered in our field work as a base in determining the legitimacy of cellular phone requests.
2. We recommend that in compliance with division policy # 06-01.05, all departments be required to supply the Division of Information Technology Services with documentation which supports their justification for a cellular phone(s). This would help improve accountability over the phones and provide some assurance that they are being bought for

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necessary purposes.

3. We recommend that all departments with cellular phones adopt a clear policy requiring reimbursement for all non-business related phone calls. We additionally recommend that each department develop some sort of control procedures (such as the statement of certification mentioned earlier) to see that all personal calls are accurately identified and reimbursed by each employee. This will require some interpretation of which calls are not business-related, but will also help control indiscriminate use of the phone.
4. We recommend that departments with low individual users try to consolidate phones where possible as a way of increasing their cost-effectiveness.

We hope this letter has provided the information you need on this issue. If you have any questions or need additional information, please contact us.

Sincerely,

Wayne L. Welsh, CPA
Auditor General

WLW:ME/lm