

Cell Phone Procedures

The purpose of the update to this procedure is to simplify the ESD's cell phone and data service usage rules, which will result in all users having both freedom of choice and personal responsibility for their cell phone or device plan. It will also enable the ESD to comply with Internal Revenue Service (IRS) rules regarding the taxability of employee cell phones and devices.

Personal cell phones have become commonplace for many people and incidental use of a personal cell phone for ESD business is considered routine and will not be reimbursed by the ESD. In addition, the ESD will no longer own cell phones or data devices for the use of individual employees, with limited exceptions as defined in section (E). Instead, employees whose job duties include the frequent need of a cell phone or data device may receive extra compensation, in the form of a taxable allowance, to cover business-related costs.

A. Allowance Request

If a supervisor determines that an ESD employee's job duties include the frequent need of a cell phone or data device, the employee may be eligible for an allowance to cover associated expenses. To receive such an allowance, the employee must complete and submit a [Project Pay Authorization](#) form with approval by the supervisor and appropriate executive level director. Allowances will be paid monthly in the eligible employee's paycheck. The monthly allowance is taxable income to the employee and will be taxed in accordance with IRS regulations. The allowance does not constitute an increase to base pay and will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, or benefits based on a percentage of salary, etc. The monthly cost will be charged to the operating budget of the employee's department.

B. Allowance Approval Process

Supervisors and appropriate executive level staff must approve cell phone allowances. Allowances for voice plans will only be provided when business usage is more than fifty percent and when the use of the cell phone is necessary for the ESD and not simply for the convenience of the employee. The following criteria will be used to determine an employee's need for a cell phone or device and eligibility for the allowance:

- Safety requirements indicate having a cell phone or device is essential to fulfilling job responsibilities.
- The employee needs to be available and responsive on a regular basis outside normal work hours.
- The employee is required to be on call 24/7.
- Job requirements include critical ESD-wide decision making.

An approved [Project Pay Authorization](#) form should be submitted to the Director of Financial Services in the Business Office for review and processing.

Supervisors are responsible for an annual review of employee business-related cell phone and device use to determine if existing allowances should be continued, changed, or discontinued. The Business Office will send a reminder to supervisors at the end of each calendar year, requesting confirmation of continuance of the allowance for each employee.

C. Plan Allowance

Employees are responsible for choosing their own voice or data plan and carrier. Because employees are personally responsible for the account and the allowance provided is taxable income, they may use the account for both business and personal purposes. Employees may also, at their own expense, add extra services or equipment features as desired. The ESD does not accept any liability for claims, charges or disputes between the service provider and the employee. Recipients of this allowance must notify the ESD of the cell phone number and must continue to maintain the cell phone or device while in receipt of the allowance. Employees may be asked to submit phone bills to justify cell phone allowances.

Employees are also responsible for choosing their own equipment. There is no additional allowance for cell phones, since most carriers offer a number of phones free in connection with a new service plan. Because the employee is now personally responsible for the equipment, any replacement for loss or damage will be at the expense of the employee. Use of the phone or device in any manner contrary to local, state, or federal laws will constitute misuse, and will result in immediate termination of the allowance.

The ESD will pay only the approved allowance amount even if actual monthly costs exceed the allowance. Allowances limits are as follows:

Voice and data plan	Up to \$40/month
Voice plan only	Up to \$25/month

The actual monthly allowance is approved by the supervisor and executive level director within these limits.

D. Support for Cell Phones or Devices

Support for cell phones and devices will be provided by the carrier. The ESD technology department may provide consultation on the type of equipment to purchase, especially as it relates to devices that enable e-mail and calendar support.

E. Exceptions

The ESD will continue to provide cell phones and data devices in certain situations when specific equipment or technology is required to perform district functions. Such phones or devices are not used exclusively by one individual, but are shared by the department and never for personal use. These exceptions must be approved by the supervisor and appropriate Executive Director. The ESD reserves the right to cancel or transfer any of these department phones or devices to the employee allowance program if personal use is evident.

If an ESD decision results in the need to end or change the cell phone or device contract, the ESD will bear the cost of any fees associated with that change or cancellation. If prior to the end of the cell phone contract, employee misconduct/misuse of the phone results in the need to end or change the cell phone or device contract, the employee will bear the cost of any fees associated with that change or cancellation.

F. Reimbursement for Business Calls on Personal Cell Phones

Infrequent or moderate use of a personal cell phone for ESD business is considered normal and will not be reimbursed. If an employee is not eligible for an allowance or an ESD provided cell phone, she or he may request reimbursement only to the extent that additional expenses were incurred. The individual should make personal payment to the provider, and then submit a request for reimbursement. Business calls while in the proximity of ESD phones should be made from traditional land-line phones.