

COMAL COUNTY CELL PHONE ALLOWANCE POLICY

PURPOSE

Comal County currently provides cellular phones to those employees whose job description requires a cell phone to provide effective and efficient service in carrying out their official duties. The IRS requires that business and personal use of County owned cell phones be documented in a very detailed manner. Although the County now requires employees to reimburse the County for all costs incurred for any personal use of County owned cell phones, the documenting and substantiating requirements of the IRS are considered excessive and burdensome. In addition, this has recently emerged as an audit issue for both businesses and government institutions. Accordingly, Comal County has decided to implement a policy of paying a taxable allowance to those individuals whose job descriptions may require a cell phone.

POLICY

- The County requires the employee to obtain the cell phone service in the employee's name at the employee's home mailing address and the County will pay a taxable allowance that is included with the employee's regular payroll. A prepaid cellular phone does not qualify for this allowance.
- The intent of the cell phone allowance is not to pay for the entire phone plan cost, but to offset the extra expense of any County business communicated on the employee's personal cell phone. The employee may, at his or her own expense, add extra services or equipment features, as desired.
- The amount of the allowance is determined by assessing the service level required by the County for the individual employee based on their job description
- The allowance is not part of base pay. It is a taxable reimbursement.
- The cell phone contract will be in the name of the employee who will be solely responsible for all payments to the service provider.
- The County does not accept any liability for claims, charges or disputes between the service provider and the employee.
- Recipients of a cell phone allowance must notify the County of their cell phone number and must maintain the cell phone contract while in receipt of the allowance.
- Recipients of a cell phone allowance consent to unlimited business use of their cell phone number while employed by the County.
- The County reserves the right to request proof of cell phone service from any employee receiving an allowance.
- Employees understand and accept if receiving the allowance that cell phone records may be subject to disclosure pursuant to the Public Information Act.
- Employees shall be responsible for providing and maintaining equipment necessary for cell phone service.
- Employees receiving a cell phone allowance will not be required to provide any documentation or substantiation of the amount of personal calls or any form of reimbursement to the County.
- Employees are subject to after-hours availability requirements established by each department. Non-exempt employees may not use their phone for business purposes during non-working hours.

Non-exempt employee's responses to business calls, text, or e-mails during non-working hours must be approved in writing by the department head. Responses to calls, texts, or e-mails without proper approval may result in disciplinary action up to and including termination.

PROCEDURES:

1. New and existing employees who are entitled or request/accept the allowance will be required to submit a completed Cell Phone Allowance Authorization Form. The Department Head will check the correct level and bi-weekly allowance amount, and complete a signed PCN (Payroll Change Notice). The Department Head will identify the need for a non-exempt employee receiving this allowance (LE, Fire Marshal are exceptions).
2. If an increase or an additional cell phone allowance is being requested, then it must be approved in CCT. This will include the completed Cell Phone Allowance Authorization Form, completed PCN (Payroll Change Notice), and a copy of the agenda item that was approved in CCT. The forms will be forwarded to the Treasurer's office for processing.
3. If the allowance is approved during the annual budget process, the Department Head should complete the Cell Phone Allowance Authorization Form and complete a signed PCN (Payroll Change Notice). The forms will need to be completed prior to year end (before the start of the new budget year). The completed forms will be forwarded to the Treasurer's office for processing by the requesting Department.

Two levels of allowance for cell phones have been established. The Department Head is responsible for approving the level of allowance that employees will receive based on their job description. All allowances will be subject to Commissioners Court approval.

Level 1: \$540 per year or \$20.77 per paycheck. This allowance will correspond with employees who are determined to need a cell phone without Smart Phone compatibility.

Level 2: \$960 per year or \$36.92 per paycheck. This allowance will correspond with employees who are determined to need a cell phone with Smart Phone compatibility.

Commissioners Court will review allowance rates annually during the budget cycle and adjusted as deemed necessary by the County. A memo will be distributed to all departments when the allowance rates are adjusted.

PRORATED FIRST AND LAST MONTH OF EMPLOYMENT:

Allowances for new employees will be prorated the first month based on date of hire. Allowances for terminated employees will be prorated the last month based on termination date. Prorating of allowances is irrespective of how the cell phone company may bill for service or remaining term on employee's contract with their phone provider.

CELL PHONE USAGE:

1. Employees are urged to use the most economic communication means available in their daily activities and to use cell phones only when other communication vehicles are not practical.
2. Always follow the County's current policy and procedures regarding cell phones and the usage of electronic devices while operating a vehicle.
3. Vehicles should be parked, when safe to do so, to make or receive calls.
4. If cell phones must be used while operating vehicles, care should be taken to maintain safe driving.
5. Even though employees are providing their own individual service, outgoing and incoming personal calls are discouraged during work hours, as is any other personal business, except in the case of emergency or other extenuating circumstances.
6. The use of any cell phone in violation of any federal, state or local laws is prohibited. Non-exempt employees will not use their phone to perform/access County work after normal duty hours unless specifically requested and authorized by their Department Head (Law Enforcement, Fire Marshal, Emergency Management are the exception). All non-exempt personnel will be required to track their time after normal business hours to ensure compliance with the Fair Labor Standards Act with regards to overtime.

EQUIPMENT UPGRADE AND REPLACEMENT:

Any upgrades or replacement of equipment shall be the responsibility of the employee.

CELL PHONES ASSIGNED TO VEHICLES OR WORK STATIONS INVOLVING MULTIPLE EMPLOYEES AND SHARED CELL PHONE SERVICE:

Certain work situations may dictate the need to assign cell phones directly to vehicles or workstation. Department Head approval is required in this limited circumstances and each case shall be reviewed on a case-by-case basis. These phones and equipment shall remain the property of the County and no personal use shall be permitted on these phones. Documentation of business calls shall be required.

**EMPLOYEE ACKNOWLEDGEMENT OF RECEIPT OF
COMAL COUNTY CELL PHONE POLICY**

I have received and read the Cell Phone Policy as adopted by Commissioners Court. I understand that my business uses of cell phone devices provided by the County are to be in accordance with this policy.

- I am eligible, but am declining reimbursement under the County Cell Phone Policy.
- I am requesting reimbursement under the County Cell Phone Policy (Type Phone, Cell Number provided below).

Device: _____ Cell Phone Number: _____

Printed Name: _____

Signature: _____

Date: _____

Please Return to the Treasurer's Office for Processing with the Completed Payroll Change Notice.