



Employee Cell Phone for Business Use Policy

I. **Introduction**

EBAYC's primary purpose is to serve students, and certain positions within EBAYC requires a cell phone to fulfill job responsibilities such as being available during after school hour and other business purposes. The purpose of this policy is to define payment rules for employee cellular business expenses, through a supplemental compensation allowance.

II. **Definitions**

A. Cell phone means a wireless, hand held electronic device used to make telephone calls across a wide geographic area by means of a network of stations that transmit and receive radio signals, allowing the user to be mobile. Some cell phones have text messaging capability.

B. Smartphone means a wireless, mobile electronic device that, in addition to cell phone capability, offers computing ability and connectivity via mobile broadband or Wi-Fi access. Smartphone capabilities may include text messaging, e-mail and internet access, short range wireless communications, GPS navigation, media applications, and business applications. Examples of Smartphones include Blackberries, iPhones and Androids. Smartphone service typically is provided by Smartphone providers by means of data plan that provides computing and connectivity time for a fee.

III. **Policy**

A. Eligibility for Allowance

Employees whose job description and duties require a cell phone may receive extra compensation in the form of an allowance to cover business use of a cell phone or Smartphone.

A cell phone allowance can be provided for job duties where the employee is either: often away from the office and needs to be accessible on short notice, or in a position where he or she is expected to be "on call" outside or normal office hours. Smartphone allowances will only be provided when: one of the cell phone allowance requirements is met and the supervisors has determined that email access outside of the office is also critical to fulfill job duties. These requirements should be documented in the official job description for the employee's position. The allowance may be requested using the Allowance Request Form and must be approved by the employee's supervisor and the Executive Director. The request may be made any time during the fiscal year.

B. Payment and Taxability of Allowance

The allowance can be paid via the payroll system or accounts payable reimbursement. This 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, etc.

Allowance provided for personal cell phones primarily for non-compensatory business purposes for substantial reasons relating to the EBAYC's business, is excludable from the employee's income if the allowance is calculated in a manner consistent with **IRS Notice 2011-72**.



C. Determination of Dollar Amount of Allowance

EBAYC proposes \$20 per month / \$60 per quarter allowance to cover the employee's projected necessary business-related expenses.

No incremental allowance will be provided for cell phone purchases because basic cell phones are typically provided at no cost to the user with a new service contract. The Smartphone allowance has been increased over the cost of average monthly business use to cover the cost of a Smartphone purchase.

Upgrades to basic equipment (special cosmetic or technical features, etc.) and cell phone use unrelated to business necessity will not be part of the allowance. Requests for reimbursement for phone accessories are not covered and will be denied.

D. Use of Phone

The employee must retain an active cell phone contract as long as a cell phone allowance is in place. Because the cell phone is owned personally by the employee, the employee may use the phone for both business and personal purposes. The employee may, at his or her own expense, add extra services or equipment features as desired.

Due to their portability, cell phones and Smartphones are particularly susceptible to theft or loss. Use reasonable care to protect cell phones and Smartphones, and secure devices with a password. Use of the phone in any manner contrary to local, state, or federal laws constitutes misuse, and will result in immediate termination of the cell phone allowance.

Employees may not use their cell phone to receive or place calls, text messages, check phone messages, or receive or respond to email while driving if they are in any way doing activities that are related to employment.

E. Documentation and Review Requirements

The Allowance Request Form and a copy of the employee's most recent cell phone invoice must be submitted to the Administration Team to initiate an allowance.

The employee's supervisor is responsible for an annual review of employee business-related cellphone use, to determine if existing cell phone allowance should be continued as-is, changed, or discontinued. It is the employee's supervisor's responsibility to contact Administration Team immediately when employees with allowances leave or change positions.

F. Fees for Contract Changes or Cancellations

Cell phone and Smartphone allowances will terminate upon an individual's separation of service with EBAYC. As the individual is the owner of the device and the voice and/or data plan associated with the device, the individual will remain personally responsible for all associated costs and charges previously covered by the allowance(s).



Where young people grow, thrive and lead!

Cell Phone Allowance Request Form

*** This form should be used in compliance with the cell phone policy and a copy of your most recent cell phone bill must be attached.**

Employee Name

() _____
Cell Phone Number

Job Title

Department/Location

Allowance Start Date: _____

Allowance End Date: _____

Allowance Amount: \$ _____

A cell phone allowance is justified for these reasons: (mark all that apply)

- This employee must be readily accessible in the event of an emergency*
- This employee is frequently away from access to traditional land-based phone services*
- This employee needs to be accessible during after school hours*
- This employee's job duties are critical to the operation of the program, and immediate response is needed*
- Other:* _____

Employee Certification:

I have read and understand the EBAYC cell phone policy. I certify that the above allowance will be used to cover EBAYC business related costs associated with owning the device.

Employee Signature

____ / ____ / ____
Date

Supervisor Signature

____ / ____ / ____
Date

Executive Director Signature

____ / ____ / ____
Date