

ADMINISTRATIVE POLICY NO. 14-04

CBS Employee Cell Phone Allowance Policy

I. POLICY ISSUANCE

City and Borough (CBS) Employees whose job duties include the frequent need for a cell phone may receive extra compensation, in the form of a cell phone allowance, to cover business-related costs on their personal cell phone. No further reimbursement for cell phone costs is available to employees who receive such an allowance.

II. PURPOSE

On occasion, CBS employees may have need to utilize personally-owned cellular telephones to perform official CBS business. This policy recognizes the possibility of such usage and serves to reimburse employees on a recurring basis for such usage.

III. POLICY REQUIREMENTS

Cell Phone Allowance

Eligibility:

Employees eligible for a \$25.00 per month cell phone allowance include CBS staff whose job duties regularly include emergency call back, irregular work hours, other job related factors that require the employee to routinely utilize a cell phone (including the need to download and transmit data and where lack of timely communication with or from the employee has the potential to result in financial and/or operational harm to the CBS), and where a use of a cell phone routinely enhances their ability to perform the work of the CBS during normal work hours. These include staff whose job responsibilities require them to be away from an office land line on a daily basis yet also require them to routinely have phone contact when they are away from the office.

With the approval of the Municipal Administrator, *a monthly allowance of more than \$25.00 per month may be provided to any employee whose necessary city business use of a cell phone justifies the need for a greater number of plan minutes or cellular data usage.* No further reimbursement for cell phone costs is available to employees who receive an allowance.

- a. *(Note: As of August 1, 2014, if you currently have a CBS owned phone you will be allowed to keep it, provided you switch to a personal account that will work with that phone. Otherwise, the phone must be returned to the IT*

department. This is a one-time transfer of the phone. Any future purchases of cell phones or smart devices will be the at employee's expense.)

Allowance Payment: The approved cell phone allowance will be paid monthly as part of the employee's paycheck and will be subject to all applicable payroll taxes. 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 salary increases, promotions, etc.

IV. POLICY GUIDELINES

Employee Responsibilities: Employees receiving a cell phone allowance must either maintain an active cell phone contract or a pay-as-you-go cell phone. The employee must provide their department head and the CBS IT Department with their current cell phone number and immediately notify both parties if the number changes.

Employees may choose the cellular service provider and plan design of their choice. (see note above) If available from the CBS contracted cellular service provider, employees may be able to take advantage of discounts for their personal service plans if they utilize the same provider as the City.

Because the employee owns the cell phone, and the allowance provided is taxable income, the employee may use the phone for both business and personal purposes, as needed. Use of the phone in any manner contrary to local, state, or federal laws will constitute misuse, and will result in immediate termination of the cell phone allowance.

If, prior to the end of the cell phone contract, a decision by the employee, or employee misconduct, or misuse of the phone, results in the cell phone allowance being discontinued or the need to end or change the cell phone contract, the employee will bear the cost of any fees associated with that change or cancellation. For example, if an employee resigns, and no longer wants to retain the current cell phone contract for personal purposes, any cancellation charges will be the employee's responsibility.

Department Assigned Cell Phones: CBS owned cell phones assigned to departments shall be used by multiple employees on an as-needed basis during the work day and are intended solely for city business use. Personal use of such phones for anything other than a personal emergency shall subject the employee to disciplinary action and require appropriate reimbursement to the City. Such phones will not be assigned to an individual and shall not be taken home by employees except periodically when an employee is assigned by the department to be "on call" after normal work hours.

CBS Smart Phones: Employees who have a demonstrated need to download and transmit significant amounts of time sensitive, critical, work related data while away from their office computers may be provided a CBS smart phone. The Administrator

shall approve these requests. Any employee provided a CBS smart phone shall be expected to carry the phone with them at all times.

V. GENERAL PROVISIONS

- A. Scope: this policy applies to all departments and employees of the City and Borough of Sitka, Alaska under the general direction of the Municipal Administrator.
- B. Authority to promulgate policy: The Municipal Administrator of the City and Borough of Sitka, Alaska maintains the authority granted by the Sitka Home Rule Charter and Sitka General Code to order policy and the guidelines and implementation.
- C. Effective Date: This policy will take effect as of the signing date.

Dated at Sitka, Alaska, this August 25 day of _____, 2014.



Mark Gorman
Municipal Administrator