

ALEXANDER COUNTY CELLULAR TELEPHONE ALLOWANCE POLICY

Adopted July 12, 2010

Revised November 18, 2013

I. PURPOSE

This policy establishes guidelines to ensure that cellular service is used in Alexander County to improve customer service and to enhance the efficiency of operations. The purpose of this policy is to ensure cellular telephones used by Alexander County employees support County business functions. This policy advises employees and department heads of their responsibilities and provides guidance in managing the distribution and usage of cellular services for employees whose job duties require a cell phone.

II. COUNTY-OWNED CELL PHONES

Department heads must request approval from the County Manager for each employee they recommend for a County cell phone. See attached *County-Owned Cell Phone Form* to document approval by the County Manager.

Cell Phone Usage

County-provided cell phones are not intended to replace an employee's personal cell phone or home land line phone.

Internal Revenue Service (IRS): Tax Treatment of Employer-Provided Cell Phones

The Small Business Jobs Act of 2010 removed cell phones from the definition of listed property, allowing employer-provided cell phones as an excludible fringe benefit. Employees with County-owned cell phones are provided a cell phone primarily for noncompensatory business reasons. The use of the cell phone will be nontaxable to the employee with no requirement to keep records of business calls.

County-Owned Cell Phone Procedures

1. Department heads are responsible for determining when an employee is in need of a cell phone to conduct their job.
2. A *County-Owned Cell Phone Form* (see form attached) will be kept on file for each employee with a County-owned cell phone.
3. Department heads will choose the cellular service provider for the entire department, subject to approval by the County Manager or his designee.

III. CELL PHONE ALLOWANCES FOR EMPLOYEE-OWNED PHONES

The Small Business Jobs Act of 2010 removed cell phones from the definition of listed property and as a result, the IRS provides for treatment of cell phone allowances as nontaxable. Employees who are required to use their personal cell phones for business purposes may receive nontaxable cell phone allowances. The County will provide a nontaxable cell phone allowance to eligible employees (see attached *Cell Phone Allowance Form*), as recommended by the department head and approved by the County Manager. There is no requirement to keep records of business calls.

Department heads will identify the employees who should use cellular telephones in the performance of their job duties. A *Cell Phone Allowance Form* must be completed for each employee and submitted to the County Manager for approval. Upon approval, those employees will open personal accounts with any cell phone provider as determined by the department head.

Cell Phone Allowance Procedures

1. Department heads are responsible for determining when an employee is in need of a cell phone to conduct their job.
2. A *Cell Phone Allowance Form* (see form attached) will be kept on file for each employee receiving the cell phone allowance.
3. The cell phone and service plan will be placed in the employee name. Payment for the phone/service invoice will be the responsibility of the employee and not the County.
4. Employees approved for the cell phone allowance must submit a complete copy of their most recent cell phone bill to be attached to the approved *Cell Phone Allowance Form* as documentation of the personal cell phone account.
5. Periodically, employees will be asked to submit a complete copy of their cell phone bill. This is necessary to document the existence of the personal cell phone account for which the monthly allowance is being paid.
6. The employee will receive the cell phone allowance until the Finance Department receives written notification the employee has separated employment or is no longer eligible for the allowance.
7. Upon separation of employment, the cell phone and service remain with the employee. The County is not responsible for any service term contract signed by an employee. No department has authority to take over a cell phone service plan and/or cell phone from any employee and place it in the County's name.
8. Employees receiving the cell phone allowance will be required to maintain cellular service and provide their cell phone number to supervisors, co-workers, and other Alexander County officials as determined appropriate by the department head and/or County Management.

9. Eligible employees will receive a \$35 monthly cell phone allowance.
10. If an eligible employee incurs an excessive phone bill due to County business, the employee should present the detailed bill to their department head for consideration of an additional reimbursement. The department head will present the request for an additional reimbursement to the County Manager for approval.

See the following forms attached:
County-Owned Cell Phone Form
Cell Phone Allowance Form

COUNTY-OWNED CELL PHONE FORM

Authority: Alexander County Cellular Telephone Allowance Policy revised November 18, 2013

Employee Name:	MUNIS Employee Number:
Department Name:	Telephone Expense Line Item:

SECTION ONE: TO BE COMPLETED BY DEPARTMENT HEAD

I have determined the employee referenced above requires cellular phone service in order to adequately perform his or her Alexander County job functions and hereby request the employee receive a County-owned cell phone.

JUSTIFICATION: (include a brief statement)

By my signature below, I hereby recommend the above employee to receive a County-owned cell phone according to the County Cellular Telephone Allowance Policy.

Date: Department Head:

SECTION TWO: TO BE COMPLETED BY COUNTY MANAGER

I hereby authorize the above employee to receive a County-owned cell phone as recommended by the Department Head.

Date: County Manager:

SECTION THREE: TERMINATION OF COUNTY-OWNED CELL PHONE BY DEPARTMENT HEAD

I request the above-referenced County-owned cell phone be terminated for the following reason:

____ Employment with Alexander County is or will be terminated.

____ Employee no longer requires the continuous use of cellular service in order to perform job functions.

Date Service to be discontinued:

Date: Department Head:

CELL PHONE ALLOWANCE FORM (for employee-owned phones)

Authority: Alexander County Cellular Telephone Allowance Policy revised November 18, 2013

Employee Name: _____ MUNIS Employee Number: _____

Department Name: _____

This allowance will become effective on the cell phone allowance payment date after this form is received by the Finance Department.

SECTION ONE: TO BE COMPLETED BY DEPARTMENT HEAD

I have determined the employee referenced above requires cellular phone service in order to adequately perform his or her Alexander County job functions and hereby request the employee receive a monthly cell phone allowance of \$35.

JUSTIFICATION: (include a brief statement)

By my signature below, I hereby recommend the above employee to receive the monthly cell phone allowance according to the County Cellular Telephone Allowance Policy.

Date: _____ Department Head: _____

SECTION TWO: TO BE COMPLETED BY COUNTY MANAGER

I hereby authorize the above employee to receive the monthly cell phone allowance as recommended by the Department Head.

Date: _____ County Manager: _____

SECTION THREE: TERMINATION OF CELL PHONE ALLOWANCE BY DEPARTMENT HEAD

I request the above-referenced cellular service allowance be terminated for the following reason:

____ Employment with Alexander County is or will be terminated.

____ Employee no longer requires the continuous use of cellular service in order to perform job functions.

Date Service to be discontinued: _____

Date: _____ Department Head: _____