

POLICY/ADMINISTRATIVE PROCEDURE/ADMINISTRATIVE DIRECTIVE

SECTION: HUMAN RESOURCES	REFERENCE NUMBER: 106.11
SUBJECT: WAGE AND SALARY PLAN	INITIAL EFFECTIVE DATE: 04/01/10
TITLE: CELLULAR PHONE ALLOWANCE	LAST REVISION DATE: 02/05/16

ADMINISTRATIVE DIRECTIVE

The City of Denton offers a taxable allowance for cellular phone equipment and services to those employees whose duties require the frequent use of cellular phone devices. These employees are provided an allowance to defray City of Denton business-related phone calls. Any compensation for cell phones for Police and Fire Civil Service personnel will be administered in compliance with Chapter 143 of the Texas Local Government Code.

The City does not typically purchase cellular phone devices or cellular service plans for employees conducting City business. An exception may be granted for departmental shared cellular phone devices as detailed below. Cellular phone devices and service plans purchased with the allowance may be used for both personal and business purposes. The allowance is intended to defray the cost of conducting City business with cellular phone devices and may, at times, not cover the total cost of a cellular phone plan or usage. Departmental shared cellular phone devices shall only be used for business purposes; personal use is not permitted.

City issued credit cards (i.e., P-Cards) may not be used to pay for any cellular phone device, service, accessories, or associated voice or data plans. An exception may be granted for departmental shared cellular phone devices as detailed below.

I. Criteria

The allowance is granted per the following criteria:

1. Job function requires extended time (i.e. greater than 2 consecutive hours) outside of assigned office or work area, and it is essential to the City that the employee be accessible during those times; and/or
2. Job function requires continuous accessibility beyond scheduled or normal working hours (i.e., on-call responsibilities for critical City services); and/or
3. Job function requires access to e-mail outside of the office or beyond normal scheduled working hours, and it is essential for the City that the employee has the ability to receive and send e-mail during those times.

A cellular phone device acquired as provided by the criteria above is considered to be the personal property of the employee. No City department or supervisor shall force employees to use a specific cellular phone device, carrier or plan. However, some City services (i.e. email, calendar, contacts synchronization, paging) may not be compatible with all devices, carriers, or plans. The employee is responsible for ensuring compatibility.

II. Exceptions

A departmental shared cellular phone device for use by multiple individuals within the department may be

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purchased under the following conditions:

1. The departmental shared cellular phone device will be used to fulfill functions related to special events, on-call duty, or maintenance, particularly to address emergency or after-hours related issues that require calling capabilities that cannot be addressed with a pager; and
2. Multiple employees will be using the departmental shared cellular phone device to fulfill functions as noted above, making individual allowances financially imprudent.

The departmental shared cellular phone device will be purchased by the department, but will be assigned to one individual within the department to manage and maintain control of the device, including phone assignment and ensuring that the equipment is only used for business purposes. This entails reviewing and maintaining records which establish the amount, date, place, and business purpose for each business call. An annotated copy of the cell phone bill is an example of such a record. The record can be audited or reviewed periodically for compliance.

III. Cost reduction measures

Cellular phones and data plans are not intended to replace other available less expensive means of communication such as landline (or desktop) phones. In an effort to reduce costs, employees should:

1. Use conventional communication methods (e.g., landline phones) when available and cost effective;
2. Minimize forwarding landline calls to cellular phones; and
3. Use landlines instead of cellular phones while in the office.

If an employee does not use his/her landline phone due to the amount of time spent out of his/her office, the supervisor should evaluate elimination of the landline phone.

IV. Allowance

The allowance will be provided as taxable income to the employee. An employee is prohibited from continuing to collect a monthly cell phone allowance when his/her cellular phone device is no longer active or needed for the performance of the employee's job responsibilities. Simple convenience is not a criterion for granting a cell phone allowance. Please see "Cellular Phone Allowance Procedures" (Appendix A) for the allowance amount.

V. Responsibility

Any employee receiving an allowance is expected to maintain cell phone service, notify the City of the cell phone number, agree to publication of the number as needed, and be reachable for City of Denton business purposes. Failure to perform these requirements while receiving a cell phone allowance is subject to disciplinary measures up to and including termination. Any business related calls or data on the cell phone is subject to the Texas Public Information Act (formerly known as the Open Records Act) under chapter 552 of the Texas Government Code.

**APPENDIX A
CELLULAR PHONE ALLOWANCE PROCEDURES**

This procedure describes the process to request and approve an allowance from the City of Denton for the use of cellular phone devices in order to conduct City business.

Any employee who receives an allowance will be required to maintain cell phone service, notify the City of the cell phone number, agree to have his/her number distributed to appropriate staff members or published to the public, if needed, and be reachable for City business purposes.

Process

Upon determination that the necessary criteria are met as stipulated in the “Cellular Phone Allowance” directive, the employee and authorized approver will follow the process outlined below:

1. Select the most reasonable allowance option, based on the intended usage of the device, from the options below:

Plan Option Allowance	Pay Period Amount	Annualized Amount	Comments
Voice only - low usage	\$13.85	\$360	120 – 450 minutes expected usage monthly
Voice only – high usage	\$23.08	\$600	More than 450 minutes expected usage monthly
Voice/Data plan – low usage	\$18.47	\$480	120 – 450 minutes plus email usage monthly
Voice/Data plan – high usage	\$27.70	\$720	More than 450 minutes plus email usage monthly
No allowance calls	N/A	N/A	Submit reimbursement expense form*

**Employees not receiving a cell phone allowance who use their personal cell phone to conduct City business and exceed their personal cell phone plan voice minutes may seek reimbursement for the voice minute overages by submitting an expense reimbursement form with appropriate documentation.*

2. Complete the *Employee Cellular Phone Allowance Agreement* form, which is available at the City of Denton SharePoint webpage in the Budget and Finance section, and obtain necessary approvals. This form shall be completed for new, discontinued, and changed levels of the allowance.
3. The approved form is sent to the Budget office for review then forwarded to Payroll personnel to enter into the payroll system.
4. The division manager shall review who has a cellular plan allowance each fiscal year during the budget process to confirm the employee’s eligibility for the cellular plan allowance or the department’s eligibility for the shared cellular phone device.

Changes in allowance may be made with appropriate approvals.

Departmental Shared Cellular Phone Devices

For departments fulfilling functions related to special events, on-call duty, or maintenance, particularly addressing on-call or after-hours related issues requiring calling capabilities that cannot be addressed with a pager, a departmental shared cellular phone device may be approved as an exception. Requests must be

submitted to Technology Services using the *Purchase Exception Request* form, which is available on the Technology Service SharePoint page.

The departmental shared cellular phone device will be assigned to one individual within the department to manage and maintain control of the device, including phone assignment and ensuring that the equipment is only used for business purposes. This entails a monthly review and maintenance of records which establish the amount, date, place, and business purpose for each business call. An annotated copy of the monthly cell phone bill is an example of such a record.

Departmental shared cellular phone devices shall only be used for business purposes; personal use is not permitted. Any employee in violation of this directive must reimburse the City for the personal phone call, may lose use of the departmental shared cellular phone device, and may be subject to disciplinary action up to and including termination.

International Calls on Cellular Devices

For employees who occasionally travel overseas and make or receive calls or send or receive email on their cellular phone devices for City of Denton business, the cost of their cellular phone calls or data/email access may be reimbursed.

Exceptions

A departmental shared cellular phone device used to fulfill functions as outlined above and in the “Cellular Phone Allowance” directive is an exception and must be authorized by the Assistant City Manager. Approved exceptions entitle the department to purchase the device.

Transition

Effective immediately upon approval of this directive, the City of Denton will no longer purchase any cellular phone devices or services, nor will any existing cellular phone device contracts be renewed or extended, unless an exception is authorized for a departmental shared cellular phone device.

If employees are transferring from a City cellular phone to a personal cellular phone, they are encouraged to retain their existing City cellular phone number. If an employee changes his/her cellular phone number, he/she must notify the department within one (1) business day of the change. For those departments that have an existing contract with a cellular phone vendor, if the transfer will result in a cancellation fee, the existing account shall be transferred to the employee immediately following the expiration of the cancellation provision.

Employees using City owned equipment and converting to personally owned contracts may continue to use the existing cellular phone devices while employed by the City. In the event the employee leaves City employment, the cellular phone device must be returned to the department with any other City owned property. Employees may choose to either stay with the current cellular plan or adopt a new cellular phone plan of their choice. Departments cannot force employees to use a specific cellular carrier or plan. Some City services (i.e. email, calendar, contacts synchronization, paging) may not be compatible with all devices, carriers, or plans. The employee is responsible for ensuring compatibility.



PURCHASE EXCEPTION REQUEST

SECTION 1: Departmental Information	
Requesting Department:	HBU#:
Assignee of Departmental Shared Cellular Phone Device:	Office Phone #:
Supervisor of Assignee:	Supervisor Office Phone #:
<p>SECTION 2: Justification</p> <p>A departmental shared cellular phone device can only be purchased to fulfill functions related to special events, on-call duty, or maintenance, particularly to address emergency or after-hours related issues that require calling capabilities that cannot be addressed with a pager, and multiple employees will be using the departmental shared cellular phone device to fulfill functions as noted above, making individual allowances financially imprudent.</p> <p><i>Please describe how this phone will be used, including the names of the employees who will be assigned to use this phone:</i></p> 	
SECTION 3: Plan Type Needed	
<i>Please provide a description of the plan type needed (e.g., voice only, voice and data, low or high usage, seasonal usage).</i>	
SECTION 4: Approval	
<p>I hereby certify that all information is true and that I have read and understand the City's "Cellular Phone Allowance" directive. I further certify that I have provided a copy of this directive to any employee who will be required to use the departmental shared cellular phone and have ensured these same employees understand that personal use will not be allowed.</p> <p>Supervisor Approval: _____</p> <p>Date: _____</p>	
<p>ACM Approval: _____ Date: _____</p>	

Please make a copy for departmental records then forward original to Technology Services.