Date: September 27, 2021

To: All Administrators

From: Clint Rucker, CBO

Re: Employee Request for Cell Phone/Smart Phone

**Summary**

According to the Internal Revenue Service (IRS), mobile communication devices are easily used for both business and personal reasons, special tax concerns are raised when an employer either provides mobile communication devices or provides employees a regular allowance for the required use of the employee's personally owned mobile communication device.

The District has implemented a process in which the Administrator of a site/department completes and submits a *Cell Phone Request Form* for an employee to procure a mobile communication device or receive a monthly stipend for both District and non-District cellular use.

It is the internal policy of Pajaro Valley Unified School District to consider the issuance of a cell phone stipend when the responsibilities of an employee fall one of the 2 following categories.

**Full Stipend**:

* to be reachable immediately and available during emergency situations during work hours and
* are required by Cabinet to be reachable outside of normal work hours

**Half Stipend**:

* to be reachable immediately and available during emergency situations during work hours and
* does not have an assigned work location for a specific length of time

All District management positions are preapproved.

Requests for additional site/department cell phone stipends must be submitted by a Director or higher level manager with justification. These will be reviewed and approved/denied by the Cabinet. Charter School stipends will be paid by Charter School Funds.

**Process for Requesting Cell Phone Stipend**

Administrator completes and submits a Cell Phone Stipend Request Form to the Finance department. Director of Fiscal Services reviews the form and makes a recommendation to Cabinet based on above criteria. Once approved or denied, the employee and manager will be notified.

All approved employees will be required to sign and agree to the Cell Phone Stipend Request form to receive the appropriate monthly stipend.

If the employee is approved to use his/her personally owned cell phone & service plan for District business, the District will provide the employee a monthly stipend and the phone number will be published for District business and distributed to appropriate staff.

* + - Employee may purchase any equipment with any service plan and is responsible for all costs incurred.
    - A current cell phone bill and/or a copy of the Cell Phone contract must be attached with the Cell Phone Stipend Request Form when submitting to the Finance department for an employee to receive the stipend. The cell phone bill will be used as proof that the employee has a working cell phone for District use.
    - The monthly stipend amount will be included in the employee’s W-2 and taxed as regular income (taxable benefit).
    - For cell phone stipends the employee must maintain a data plan. The bill or contract submitted with the cell phone stipend request must show that they have an active data plan that provides Internet access.

**Annual Renewal Required**

Cell Phone/Smart Phone Stipends will renew annually after the initial setup by the following processes:

-Staff Accountants will furnish a cell phone site listing to the site/department administrator for review by May.

-That listing must be reviewed and verified annually for stipends to be renewed.

-A text will be sent to verify the cell number and a response will be necessary. If a response is not received, the administrator will be notified to follow up and the cell phone stipend may be suspended.

-Every August a random selection audit will be performed. The employee chosen will be asked to furnish a current cell phone bill to verify compliance.

-If federally funded by a grant, it may be required of the employee to furnish a bill annually.

**Employee Leaving Current Position**

Any changes by employee or Administrator must be submitted immediately in writing to Finance. Finance will notify Human Resources or Payroll of the requested change. Any overpayment of the stipend will be reimbursed to the district by the employee.

**District Employee Responsibilities**

The employee is responsible to ensure the monthly cell phone bill is paid in a timely manner in order to prevent the possibility of the employee not being available during regular business hours because the phone is not in service. Additionally, the employee is responsible for replacing their cell phone in the event it is lost, stolen, or damaged.

If an issue arises, employees are responsible for contacting their cellular provider for a resolution within a timely manner and must immediately notify their supervisor of the issue and provide an alternate method for communication.

The District assumes no liability for loss or damage to employees’ personal cell phones or smart phones. Employees assume the risk of loss or damage to personal cell phones or smart phones.

Employees are expected to follow all state and federal laws and safety guidelines regarding cell phone usage while driving. The Pajaro Valley Unified School District prohibits texting and the use of cell phones while driving without a hands-free device.

Employees are expected to use their cell phone during work hours primarily for business purposes. Personal calls should be kept to a minimum. Any abuse of personal calls during work hours shall be subject to disciplinary actions.

The cell phone associated with the employee’s stipend will have an appropriate business greeting and will identify the employee by name.

The employee is responsible to notify the district if he/she discontinues their cell phone service or leaves their position with the district. If the employee has been overpaid, the employee will repay the district for any overpayment by cash or payroll deduction.

Employees utilizing their personal cell phone will need to work with their service provider to gain technical support for their personal device.

For technical support on District provided cell phones, a help ticket can be submitted into the District Tech system. Upgrade requests to a district issued cell phone, must be in writing to the administrator with justification. If the administrator agrees, the written request is then forwarded to the Finance department for review and approval/denial.

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| **Monthly Stipend**  **Cell Phone:**   1. Responsible for purchasing your own cell phone and plan; or 2. Use your existing personal cell phone 3. You may use any service provider of your choice   **Cell Phone Number:**   1. Get a new number 2. Use your existing number   **Monthly Bills:**   1. You are responsible for paying your monthly bills. 2. Maintaining monthly bill and cell phone is contingent on receiving monthly stipend.   **Taxable Income:**   1. $50/$100 per month added to your W-2 (calendar year). |