

S T A T E O F M I C H I G A N

BOARD OF COMMISSIONERS OF THE COUNTY OF ALLEGAN

ADMINISTRATION - ADOPT EMPLOYEE CELLULAR DEVICE REIMBURSEMENT STIPEND

BE IT RESOLVED, that the Allegan County Board of Commissioners hereby approves the revised Employee Cellular Device Reimbursement Stipend Policy, as attached, to become effective on January 1, 2023; and

BE IT FURTHER RESOLVED, that Human Resources will take the necessary steps to post the policy online; and

BE IT FINALLY RESOLVED, that this action supersedes any previous Board Resolution.

Moved by Commissioner Thiele, seconded by Commissioner Dugan to approve the resolution as presented. Motion carried by roll call vote. Yeas: 7 votes. Nays: 0 votes.

ATTEST, A TRUE COPY



_____, Clerk-Register

APPROVED: October 27, 2022

cc: Admin. - Finance - Human Resources

ALLEGAN COUNTY POLICY AND PROCEDURE

CATEGORY: Employee
NUMBER: HR601
TITLE: Employee Cellular Device Reimbursement Stipend
EFFECTIVE DATE: January 1, 2023

PURPOSE:

The purpose of this policy is to be prudent in our expenditures and resources while providing resources to our employees that support the business of the organization with relation to cellular services. This policy provides general guidelines for the use of cellular devices for business purposes and how employees will be reimbursed.

1. DEFINITIONS:

- a. Cellular device is defined as a device with wireless voice and/or data capabilities provided to it through a cellular carrier company. (i.e. cell phone, datacard, Mifi, etc.)
- b. County refers to Allegan County government.
- c. Departmental cellular device is a *cellular device* that exists within a specific department for the purposes of being assigned to a staff person on a short term basis in accordance with the task they are currently being assigned. Departmental cellular devices are to be used for business purposes only.
- d. Personally owned cellular device is a *cellular device* that is owned by an individual and all costs for usage, device maintenance, repair and replacement are the responsibility of that individual.

2. APPLICATION:

This policy applies to all Allegan County employees who have been identified by their supervisor and authorized by the County to utilize a cellular device for business purposes. Reimbursements to the employee will only be considered for use of a personally owned cellular device for County business purposes and only if such usage is in accordance with this policy. This policy is supplemental to, and subject to the terms of, the County's Acceptable Use Policy (the terms of which are incorporated into this policy). This policy is also subject to, and will be administered consistently with, the County's interpretation of relevant federal, state, and local tax laws, rules and regulations, including, but not limited to Internal Revenue Service rules regarding Accountable Plans.

3. POLICY:

- a. Allegan County's Information Services department manages the County's cellular service plan. Every department must promote fiscal responsibility, and each department is strongly encouraged to review whether a wireless device is necessary, and to select alternative means of communication when such alternatives would provide adequate service and be less costly to the County.
- b. If the County requires an employee to carry a cellular device in order to perform their duties, the employee, with the approval of their immediate supervisor and appropriate senior administration officer or designee may:
 - i. obtain a personally owned cellular device and access/service plan; or

- ii. submit a request to borrow one from the Information Services Department (subject to the availability of a County cellular device).

4. GENERAL:

- a. All requests for cellular devices must be made to Information Services. Included in the request must be a permanent funding source (e.g. grant, fund/activity, etc.) for all fees (i.e. device acquisition, monthly service plan, etc.) associated with the device.

5. REIMBURSEMENT STIPEND RULES:

- a. All fees associated with a personally owned cellular device, including, but not limited to, device acquisition, device replacement, early termination, use overage charges, etc., are the sole responsibility of the employee.
- b. County employees whose job duties include the need for a cellular device and who use a personally owned cellular device for such purpose, may receive a stipend calculated to reimburse the employees for the business-related use of the employees' personally owned cellular device. An employee's supervisor or department head, or their designee, may authorize a wireless device stipend if at least one of the following criteria is met:
 - i. The job function of the employee requires considerable time outside of their assigned office or work area and it is important to the County that they are accessible during those times;
 - ii. The job function of the employee requires they be accessible outside of scheduled or normal working hours;
 - iii. The job function of the employee requires them to have wireless phone, data or internet access; and/or
 - iv. The employee is designated as a "first responder" to emergencies.
- c. The County, in its sole discretion, will determine the availability and amount of any stipend. The stipend amount should be reasonably designed to reimburse the employees for the business use of their personally owned cellular devices, and should not be designed to provide reimbursements in excess of the employees' anticipated business usage. The County may terminate or reduce a stipend for any reason or no reason, at any time, in its sole discretion.
- d. When a stipend plan has been approved, the employee must provide their cellular phone number to their supervisor and/or department head within 7 days of activation.
- e. The employee's supervisor will be held responsible for continually reviewing employee cellular device usage, and verifying and validating the level of service(s) of the stipend plan identified for the employee. The employee must cooperate with the supervisor by providing the supervisor with records sufficient to make such determination.
- f. Transferring cell phone.
 - i. A cell phone number registered to the County can, at the County's discretion, be transferred/ported to an individual seeking to acquire their own personal cellular device. The availability of a cellular phone number previously registered to the County will be governed by the cellular service provider's rules and guidelines.

- ii. A personally owned cellular device or cellular phone number will not be transferred/ported into the County's cellular plan.
 - iii. It will be the responsibility of the individual to transfer all personal information (contacts, data, etc.) from one phone to the next. The County will not be responsible for lost, deleted or corrupted cell phone data.
 - iv. The County issued cellular device is the property of the County and ownership will not be transferred over to the individual.
- g. The County will not be held responsible for damages to an employee's personal cellular device even if it is being used for business purposes.
 - h. The County will have sole discretion to determine whether any employee stipend is taxable. If the County determines that any stipend is taxable:
 - i. The County will be entitled to report such stipend as taxable and withhold appropriate payroll taxes;
 - ii. The employee will be responsible for paying all income taxes, FICA taxes and other taxes that are imposed on the employee with respect to the stipend; and
 - iii. The employee will reimburse, indemnify and hold harmless the County for all withholding taxes and all of the employee's share of FICA taxes due, or paid by the County, with respect to the stipend.
 - i. An employee who receives a cell phone stipend:
 - i. Retain cell phone invoices for at least three years after each year for which a stipend is provided;
 - ii. Promptly and completely respond to any inquiries from the County, and provide any information requested by the County, relating to the stipend or the employee's cell phone or cell phone usage; and
 - iii. Promptly notify the County of any job function change or other condition that materially reduces the employee's business need for the cell phone.

6. DEPARTMENTAL CELLULAR DEVICE

- a. If a situation exists such that an employee cannot acquire a personal cellular device, and their job duties satisfy the cellular device criteria identified above, a departmental cell phone may be assigned by the County, at the County's expense (except as otherwise provided in this policy), and in the County's sole discretion. Usage of such device will be restricted to business purposes only, and all non-business charges will be billed back to the employee. The employee's supervisor will be responsible for auditing the monthly bill for that phone and validating the personal and business related charges, and the employee will fully cooperate with such audit.
- b. The Executive Director of Operations may suspend or terminate, at any time, any County issued cellular device. The Executive Director of Operations will immediately follow up on situations of this nature with the employee's supervisor and the Executive Director of Human Resources.

- c. Cellular devices issued by the County will be assigned numbers in accordance with the rules and guidelines of the County's cellular service provider.
- d. The issuance and use of County cellular devices will be subject to the plans and agreements with the County's cellular service provider(s), and will be subject to all County policies and procedures.

7. STIPEND LEVELS FOR PERSONALLY-OWNED PHONES

- a. Appropriate stipend levels for personally-owned phones will be determined by the employee's supervisor and the Executive Director of Operations. The stipend amounts will be based on the relevant employees' anticipated and proven business usage of the cell phones. Once the stipend amount is determined, the supervisor will submit the appropriate paper work, as identified in ATTACHMENT A, to Human Resources and Finance to establish the stipend plan for the employee.
- b. Modifications to this plan after it has been established must be approved by the employee's supervisor, the Executive Director of Operations, the Executive Director of Human Resources and the Executive Director of Finance.
- c. Stipend amounts will be issued to the employee via payroll deposit and distributed in accordance with the County's payroll policies.
- d. The County will, in its sole discretion, determine the amounts of the stipends and amend such amounts from time to time. It is, however, the County's intent to use the stipend schedule as identified in ATTACHMENT A, until further notice.
- e. Employees may have to upgrade their phone or cellular plan in order to receive the voice minutes or data services listed above. All costs associated with such an upgrade will be at the employee's expense and not subject to reimbursement by the County.

8. SUPPORT

- a. Allegan County Information Services will not be obligated to provide technical support services for an employee's personally owned cellular device. The County, however, intends, in its sole discretion, to provide some support for cellular devices subject to the following conditions:
 - i. The County currently supports the Microsoft Office 365 email system. Employees that have gotten approval to acquire a cellular device may use it to connect to the County's enterprise email system; and
 - ii. The assistance will be limited to assisting with connectivity by providing the access location to authenticate the device to the email system.

9. SECURITY AND SAFETY

Employees will:

- a. Avoid using a cellular phone for work-related purposes while operating a motor vehicle, machinery or in other dangerous situations;
- b. Comply with all traffic safety laws and other laws while using, or in relation to, a cell phone;

- c. Comply with all Federal and State confidentiality, data maintenance, and information protection laws (e.g., HIPAA, FERPA, record retention requirements, etc.), as well as all County policies, including, but not limited to, those pertaining to data security, acceptable use, and email;
- d. Not store any HIPAA or other legally protected or confidential information on a personally-owned cell phone;
- e. Delete all County information or data from a cell phone when employment with the County is terminated or when the cell phone's use is terminated, except when required to maintain the data in compliance with a litigation hold notice; and
- f. Not allow any other individual to use or possess a cell phone that is covered by this policy.

- ATTACHMENT A -

CELLULAR DEVICE AUTHORIZATION FORM

Employee Name: _____

Department: _____

Date: _____

REQUEST TYPE

NEW stipend plan

Not transferring county number over to personal phone

Transfer county # over to personal phone.

- *Current county phone #* _____

- *Desired personal cell carrier* _____

MODIFY stipend plan – increase or decrease service levels

TERMINATE stipend plan – no need to fill out the rest of the form.

LEVEL OF SERVICE (check all that apply):

	DESCRIPTION	COST
VOICE – TEXTING - DATA SERVICES:		
<input type="checkbox"/>	Voice, texting and light data plan: - average data usage is less than 2 gigs per month - covers email communication and basic data needs - infrequent tethering - infrequent after hour needs/usage	\$25 /month
<input type="checkbox"/>	Voice, texting and full data plan: - average data usage is more than 2 gigs per month - field work requires large data transmissions - frequent tethering - frequent after hours needs/usage	\$50 /month
	Please describe the activities that will be performed as a result of deploying this service (i.e., work duties away from the office, on call, etc.).	
	Please describe the benefits to this selection (i.e. How does this increase services levels, increase efficiency, decrease cost, etc.):	

FINANCIALS:

<i>This monthly total will be reimbursed to the employee in one lump sum at the first payroll of each month, in accordance with the County's payroll schedule.</i>	TOTAL	
PRIMARY FUNDING SOURCE:	Line Item	
	Amount:	
SECONDARY FUNDING SOURCE (if only partially funded by primary source)	Line Item	
	Amount:	

SUPERVISOR:

I, _____, certify that, as this employee's supervisor, the employee requires the services listed above in accordance with their job duties and that I will be held responsible for validating that the employee maintains this level of service as part of their personal cellular plan.

Supervisor's signature: _____

Date: _____

EMPLOYEE:

I, _____, agree to abide by the language of this policy and agree to maintain a cellular service plan consistent with the stipend amount received from the County. I further agree that the County may increase, decrease or discontinue this stipend amount at any time and that the County will not be responsible for any costs incurred by my personal cellular plan. **I further agree that if I choose to synchronize my County email to my personal phone, the County may exercise, at its discretion, the security feature of Microsoft ActiveSync to completely wipe my personal device and all data residing on it in order to ensure the security and integrity of the County's information system.**

Employee's signature: _____

Date: _____

EXECUTIVE DIRECTOR SUPPORT:

I, Steve Sedore, certify that, as the Executive Director of Operations, I have reviewed this form with the employee's supervisor as it relates to the employee's job duties and responsibilities and hereby support the establishment of a stipend in the amount identified.

Signature: _____

Date: _____