



**TOWN OF DEWEY-HUMBOLDT  
ADMINISTRATIVE REGULATION**

**AR No 08-01**

**Subject:** *Cell Phones*

**Effective Date:** **October 2, 2008**

**Town Manager:**

**Last Revision:** **November 30, 2022**

1. **Scope.** This policy applies to employees in all Town programs, agencies and authorities.
2. **Purpose.** To establish principles regarding the provision and usage of cell phones.
3. **Overview.** The Town recognizes that certain job functions require that an employee be accessible by phone when they are not in the immediate Town Hall area. The Town Manager has the option to provide a Town funded cellular telephone at all times or, alternatively, may opt to provide a monthly stipend to partially defer the cost of an employee's personal cell phone used for Town related activities. This policy outlines the specific requirements and restrictions related to Town-owned cellular telephones and it establishes eligibility criteria.
4. **Definitions.** For the purpose of this policy the following definitions apply:
  - 4.1. **Cell phone.** Any device capable of communication via a wireless telephone service provider and normally accessible within the operational area of the Town, and having the characteristics or capabilities determined by the Town Manager.
  - 4.2. **Eligible Employees.** As determined by the Town Manager, certain Town employees may be required to be accessible by cell phone or for other reasons use a cell phone for Town activities.
  - 4.3. **Stipend.** A stipend is defined as a fixed sum of money paid periodically for services or to defray expenses. The fact that remuneration is termed a "fee" or "stipend" rather than salary or wages is immaterial. Wages are generally subject to employment taxes and should be reported on Form W-2, Wage and Tax Statement. Refer to Publication 15, Circular E, Employer's Tax Guide, Section 5, Wages and Other Compensation, for rules on accountable and non-accountable plans for employee business expenses.
5. The Town may provide a cell phone or pay a stipend for business use to employees based on the Town Manager's approval. Employees who carry a cell phone for Town business purposes have two options:
  - 5.1. **Issuance of a Town-Owned Cell Phone.** Issuance of a Town cell phone is for business purposes only (no personal use). Employees are responsible to report any damaged or misplaced cellular equipment to their supervisor and finance within one business day of the damage or loss. A replacement phone will be issued as soon as possible. Employees may be responsible to pay for the replacement of damaged or lost equipment if it is determined that the loss or damage was due to the employee's negligence. Normal wear and tear is to be expected and will not be considered negligent use.
  - 5.2. **Cell Phone Stipend Program.** Employees will be paid a stipend for business use of their personal cell phone. The Town may provide the employee with a nominal monthly stipend to assist in offsetting the cost of using their personal cell phones to conduct Town business activities.
  - 5.3. The stipend is to partially offset the cost of an employee's personal cell phone used for Town business. This stipend will also help reduce the Town's direct and indirect cost to provide and maintain Town-owned cell phones.
  - 5.4. The stipend will be paid on a bi-monthly basis included in the employee's paycheck and is considered by IRS to be non-cash compensation.

- 5.5. The stipend is an alternative to the Town-issued phone. Under the Stipend option, the employee will be expected to purchase, maintain, and replace as needed his or her cellular phone. Employees are responsible for the security and care of their own personal property. Employees are responsible for purchase of new equipment or repairs to existing equipment.
- 5.6. If business reasons dictate that a specific carrier is preferable (e.g., a specific carrier for better coverage or for 2-way access), the employee will be required to contract with that provider. If no business requirement exists, the employee is free to contract with any cellular provider.
- 5.7. In order to receive the stipend, eligible employees are required to provide their own cell phone and maintain an active cellular telephone account for as long as they receive the stipend.
- 5.8. Any change to an employee's personal cell phone number is to be reported to their immediate supervisor and finance within 24 hours of the change.
- 5.9. The stipend amount will be determined annually by the Town Manager.
6. **Maintaining or Losing Program Eligibility.** Supervisors should notify the Finance Department if an employee is no longer eligible to be issued a Town-owned cell phone or for the stipend program. In the event that it is determined that an employee is no longer required to carry a Town issued cell phone, the employee will be notified by their supervisor of the change and the employee will be required to turn in the Town cell phone to their supervisor within three business days after notification. If the employee was receiving a stipend the department will notify the Finance Department within the next 24 hours that the stipend is to be cancelled. The stipend cancellation will take effect at the next pay period.
7. **Public Records.** Personnel receiving a Town cell phone or stipend acknowledge there is a potential loss of privacy associated with potential public records disclosure.
8. **Other.** Under this policy, an employee must consent to have the Town cell phone number or personal cell phone number distributed as necessary to staff and elected and appointed officials. The number may also be given out on occasion to the public.