

**Goodhue County Education District #6051**

***WIRELESS DEVICES:***

***ACCEPTABLE USE  
AND GUIDELINES***

***Procedures Manual***

***Updated January 2016***

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## OVERVIEW

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The purpose of the Goodhue County Education District #6051 (GCED 6051) Wireless Devices Procedures is to establish consistent guidelines for employees throughout the District, ensure compliance with IRS regulations, and reduce the administrative burden associated with processing the expenses related to the use of cellular devices for District business.

The Internal Revenue Service (IRS) considers employer-provided cell phones and personal digital assistants (PDAs) to be “listed property” for the purposes of tax liability. A significant amount of record keeping, including documenting the amount of the expense, the time and place of the call, and the business purpose of the call, to qualify the use of a cell phone or cellular PDA for business purposes. This detailed record keeping is onerous for both the employee and the employer.

As a result of these requirements, effective July 1, 2012, GCED 6051 will no longer own cellular phones or PDAs or contract with cellular providers for monthly service for cellular devices (except in special situations as described below), or reimburse employees for ongoing business expenses related to cellular devices. Instead, District employees who meet eligibility requirements will be provided with monthly taxable supplemental compensation to defray some of the costs of either a cell phone or cellular PDA. Principals/Administrators will determine if an employee meets the requirements for supplemental compensation.

The implementation of the Wireless Devices Policy requires that District credit cards not be used to pay for cell phone or cellular PDA charges.

NO policy or procedure is to be established that differs from the District’s Wireless Devices Policy or this Procedures Manual.

## DEFINITIONS

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### **Wireless Devices**

Those communication devices that are mobile in nature (e.g., cell phones, pagers, cellular PDAs).

### **Cellular Devices**

Those telecommunication devices that are mobile in nature (e.g., cell phones and cellular PDAs).

PDAs without cellular capabilities are not covered by the Wireless Devices Policy or these procedures.

## **GENERAL GUIDELINES**

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### **To Use a District Wireless Device or Obtain Supplemental Compensation**

All employees with a business-related need for a wireless device must carefully read this Manual to ensure understanding of and compliance with the outlined procedures, and complete and sign a Wireless Devices Option Form. The Director must indicate approval by signing the Wireless Devices Option Form.

All requests will be processed through the Business Manager, 651-388-4441.

### **Monthly Supplemental Compensation**

Eligible employees will receive either \$30 for Basic cell phone or \$50 for Smart Phones in monthly supplemental compensation for cell phones, or \$70 for cell phones with HOTSPOT capabilities in monthly supplemental compensation for PDAs with cellular capacity. These payments will be spread across pay periods.

The monthly supplemental compensation is taxable income. Appropriate payroll taxes will be withheld from the supplemental amount and the amount of the compensation will be included on the employee's year-end W-2. The compensation does not constitute an increase to an employee's base pay, and would not be included in a calculation of percentage increase in base pay due to a raise, job upgrade, etc.

Employees who receive the monthly supplemental compensation will not receive any additional reimbursement for cell phone or cellular PDA expenses even if the monthly charges to the employee exceed the supplemental amount.

### **District Wireless Devices**

**The District reserves the right to change or terminate the policy and procedures governing supplemental compensation at any time.**

## **ELIGIBILITY REQUIREMENTS**

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The guiding principle for eligibility for supplemental compensation is that the use of a cell phone or cellular PDA by an employee is for the primary benefit of the District, rather than for the convenience of the employee.

Employees are eligible to receive supplemental compensation if they meet the following criteria:

1. The employee's job requires him or her to be readily accessible for frequent contact with the public and/or with District faculty, staff, or students; and
2. The employee's job limits his or her access to regular land-line telephones that would otherwise satisfy the required business communication needs.

Recipients of monthly supplemental compensation must notify the District of their cellular phone number and must continue to maintain and use a cellular device while receiving the supplemental compensation.

## **SUPPLEMENTAL COMPENSATION AMOUNT**

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If an employee is eligible for supplemental compensation, the monthly amount that he or she receives will be determined by the amount of time that particular employee uses the cellular device to conduct District business. . The Director determines the level of compensation based on the employees job duties.

## **ESTABLISHING THE SUPPLEMENT**

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When an employee qualifies for supplemental compensation, the following procedures apply:

- A. The Director must approve the supplement.
- B. The employee and Director must complete and sign the Wireless Devices Option Form (attached) with the following information:
  1. Employee Name, Building Name, and Supervisor Signature.
  - 2.
  3. The appropriate account code to which to charge the supplemental compensation as specified by the Principal/Administrator.

- C. Documentation to support the decision to grant supplemental compensation must also be included on the Form.
- D. Supplemental compensation will be set up within the payroll system to expire on June 30 of each year.
- E. Director must conduct an annual review and document the continued business need for the supplement in addition to documenting their approval.
- F. The cost of the supplements should be included in the department's budget.

The Director is to implement these procedures and process changes immediately. The Director must work with the applicable employees to transition existing cell phone contracts to the individual no later than July 1, 2012. The major cell service providers do not charge a fee for this transfer, but may require establishing a new contract. No renewals or extensions of existing arrangements are allowed.

If there is a change in an employee's responsibilities that would disqualify him or her from continuing to receive supplemental compensation, the Director must contact the Business Manager immediately to cease the supplement, effective with the date the employee's responsibilities changed.

# **CELLULAR SERVICE CONTRACTS AND EQUIPMENT**

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## **Cellular Service Contracts**

Cellular service contracts entered into by employees will be personal contracts that will be the responsibility of the employee, not the District. All contracts for service must be taken out in the name of the employee receiving the supplemental compensation and not in the name of the District.

## **Cellular Devices and Equipment**

District employees who receive supplemental compensation will be responsible for acquiring their own cellular devices and equipment. In all cases, the employee assumes ownership and all maintenance responsibility for the devices and equipment.

## **Support for Cellular Devices and Equipment**

All support for cellular phones and PDAs must be provided by the cellular service company chosen by the employee. The District cannot offer any support for individually-owned cellular devices. The District will provide support for any District-provided software that is used on cellular devices to synchronize them with District email accounts, calendars, or other District systems and services.

## **Payment**

The District will not provide direct payments to a vendor for the purchase of equipment or cellular devices for an individual employee. Additionally, the District will not enter into contracts with vendors for individual employee use of cellular services.

Individuals eligible for supplemental compensation should understand that they are personally liable for monthly charges or termination fees, regardless of employment status or any change in this reimbursement policy.

The District does not accept any responsibility for claims, charges or disputes between the service provider and the individual employee.

## USE OF CELLULAR DEVICES

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Because the cellular device will be owned by the employee, and the supplemental compensation is taxable, the phone or PDA may be used for both personal and business calls. The employee may use the supplemental compensation amount as he or she sees fit to pay for cellular service, and may purchase an individual or “family” plan.

Use of the cellular device in any manner contrary to local, state or federal laws or rules will constitute misuse, and will result in immediate termination of the supplemental compensation.

**Phones must not be used while driving a vehicle.** If necessary, the employee should let someone else talk on the phone or pull over to the side of the road.

## SPECIAL SITUATIONS

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Certain programs may have special needs that justify District-ownership of cell phones or PDAs with cellular capability. Cell phones located within vans used for student transportation are an example in which cellular devices may be assigned.



### Wireless Devices Option Form

As an employee of GCED 6051, you are required to have a cell phone and/or pager to conduct District business and fulfill your job responsibilities.

In order to ensure compliance with applicable state and federal laws, the District is giving employees who are required to have a cell phone and/or pager a monthly supplemental compensation.

#### Monthly Supplemental Compensation

When an employee purchases his or her own cellular device and provides the cell number to the District, the employee has the option for supplemental compensation. The employee waives any and all additional communications expense reimbursement. This allowance is taxable and paid monthly through payroll.

Please return this form, completed and signed, to Accounts Payable, Business Office.

Name: \_\_\_\_\_ Basic - \$30 \_\_\_\_\_

Cell Number: \_\_\_\_\_ Smart Phone - \$50 \_\_\_\_\_

Service: \_\_\_\_\_ HOTSPOT - \$70 \_\_\_\_\_

I understand that if I choose to accept or make personal calls using a cellular device Employees receiving wireless device compensation are subject to periodic internal audits for compliance. I certify that I have reviewed the District's procedures on Wireless Devices in their entirety.

Signed \_\_\_\_\_  
Employee Signature Date

Signed \_\_\_\_\_  
Principal/Administrator Signature Date

Account Codes to be completed by Principal/Administrator

Account Code: \_\_\_\_\_