



**POLICY: Employee Smart Phone/Cell Phone Reimbursement Policy**

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<i>Original Implementation Date:</i>		<i>Date Reviewed/ Revised:</i>	11.2015	<i>Area of Responsibility:</i>	Human Resources	<i>Version:</i>	2
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**PURPOSE:** In an organization whose primary purpose is to serve the residents of the Sun Health Senior Living Life Care Communities, certain positions within **Sun Health Senior Living** require a cell phone to fulfill job responsibilities such as being available off-hours, frequent travel, or other business purposes. The purpose of this policy is to define a reimbursement policy for employee cellular business expenses and reimbursements.

**POLICY:**

**Definitions:**

**Cell Phone** means a wireless, hand held electronic device used to make telephone calls across a wide geographic area by means of a network of stations that transmit and receive radio signals, allowing the user to be mobile. Some cell phones have text messaging capability.

**Smartphone** means a wireless, mobile electronic device that, in addition to cell phone capability, offers computing ability and connectivity via mobile broadband or Wi Fi access. Smartphone capabilities may include text messaging, e-mail and internet access, short range wireless communications, GPS navigation, media applications, and business applications. Examples of Smartphones include Blackberries, iPhones, and Droids. Smartphone service typically is provided by Smartphone providers by means of a data plan that provides computing and connectivity time for a fee.

**Eligibility for Reimbursement**

Employees whose job description and duties require a cell phone may receive extra compensation in the form of a reimbursement to cover business use of a cell phone or Smartphone.

A cell phone reimbursement can be provided for job duties where the employee is either: often away from the office and needs to be accessible on short notice, or in a position where he or she is expected to be “on call” outside of normal office hours.

Smartphone reimbursements will only be provided when: one of the cell phone reimbursement requirements is met and the supervisor has determined that email access outside of the office is also critical to fulfill job duties. These requirements should be documented in the official job description for the employee's position. The reimbursement may be requested using the Employee Expense Reimbursement Form and must be approved by the employee's supervisor and Executive Director.

**Payment and Taxability of Reimbursement**

Cell phone reimbursement will be paid via the Accounts Payable system. The individual employee is responsible for completing the required standard reimbursement form and providing the necessary back up documentation and submitting their form for approval to their direct supervisor. This reimbursement does not constitute an increase to base pay, and will not be included in the calculation of percentage increases to base pay due to annual raises, job upgrades, etc.

Also to note, the IRS has determined there is not a need for an individual that is provided cell phone reimbursement to track personal use for purposes of income reporting. The IRS has deemed that element as de minimus.

**Determination of Dollar Amount of Reimbursement**

The dollar amount of the cell phone reimbursement should cover the employee's projected necessary business-related expenses. The level of communication service required to perform the duties as described in the employee job description will be administered by the Office of Human Resources. The Information Technology (IT) Department will provide support to sync a Smartphone that supports the necessary protocol to **Sun Health Senior Living** email systems.

No incremental reimbursement will be provided for cell phone purchases because basic cell phones are typically provided at no cost to the user with a new service contract. The Smartphone reimbursement has been increased over the cost of average monthly business use to cover the cost of a Smartphone purchase.

Upgrades to basic equipment (special cosmetic or technical features, etc.) and cell phone use unrelated to business necessity will not be part of the reimbursement. However, an employee may choose to pay the difference in their respective reimbursement level and the cost of a more expensive device or service.

Requests for reimbursement for phone accessories are not covered and will be denied. If an employee with a reimbursement travels internationally, the specific cost of business calls overseas can be deducted on his or her expense report. International data charges will be reimbursed only with proper documentation demonstrating business use.

**Use of Phone**

The employee must retain an active cell phone contract as long as a cell phone reimbursement is in place. Because the cell phone is owned personally by the employee, the employee may use the phone for both business and personal purposes. The employee may, at his or her own expense, add extra services or equipment features as desired.

Due to their portability, cell phones and Smartphones are particularly susceptible to theft or loss. Use reasonable care to protect cell phones and Smartphones, and avoid accessing or storing confidential data on such devices. **Sun Health Senior Living** is not liable for equipment theft or loss. Employees who access **Sun Health Senior Living** data using cell phones or Smartphones must secure such devices with a password.

Use of the phone in any manner contrary to local, state, or federal laws constitutes misuse, and will result in immediate termination of the cell phone reimbursement. Please note that in the event of litigation, the rules of civil procedure may require the employee to save any data about potential litigation that is stored on a personal digital assistant, including all mobile devices, whether or not purchased with a **Sun Health Senior Living** reimbursement.

**Documentation and Review Requirements**

The employee's supervisor is responsible for an annual review of employee business-related cellphone use, to determine if existing cell phone reimbursements should be continued as-is, changed, or discontinued. It is the employee's supervisor's responsibility to contact the Office of Human Resources immediately when employees with reimbursements leave or change positions within the **Sun Health Senior Living**.

**Fees for Contract Changes or Cancellations**

Cell phone and Smartphone reimbursements will terminate upon an individual's separation of service with the **Sun Health Senior Living**. As the individual is the owner of the device and the voice and/or data plan associated with the device, the individual will remain personally responsible for all associated costs and charges previously covered by the reimbursement(s).

If, prior to the end of the cell phone contract, a departmental decision (unrelated to employee misconduct) results in the need to end or change the cell phone contract, the department will bear the cost of any fees associated with that change or cancellation. For example, the employee's supervisor has changed the employee's duties and the cell phone is no longer needed for business purposes. In that situation, if an employee does not want to retain the current contract, change or cancellation fees will be reimbursed by the department through an employee reimbursement request to Accounts Payable.