



Policy and Procedure # 723

Personal Cell Phone Reimbursement

Approval: _____ Effective Date: 5/10/24

POLICY:

This policy aims to provide a simplified method and efficient process for reimbursing business-related cellular phone expenses to eligible EFI employees while remaining compliant with IRS rules and regulations. The allowance policy is a practical method that will eliminate the need for an individual log of the time, amount, and business purpose of each business-related cellular phone call made on a personal cell phone with the intent to be reimbursed.

Monthly total phone reimbursement for EFI employees: **\$40**

PROCEDURE:

1. EFI will offer a non-taxable allowance for business-related cellular phone expenses monthly to its employees that meet one or more of the following criteria:
 - a. The employee must be responsible for making critical decisions directly related to the Business (i.e., financial, administrative, or corrective action).
 - b. The employee must be able to be reached beyond regular business hours or on weekends regularly (i.e., on-call).
 - c. The employee must have job responsibilities that require them to be out of the office more than 50% of their typical working day, thus requiring a cellular phone to be contacted. (Simple convenience is not a criterion for granting a monthly cellular phone allowance.)
2. The monthly reimbursement will be paid out on a bi-weekly basis (**\$20.00**) and will be added to each paycheck. This allowance does not constitute an increase to base pay and will not be included in calculating percentage increases to base pay due to annual raises, promotions, etc. This allowance must be approved by the Executive Director based on the criteria.
3. To obtain this allowance, the employee must sign a cell phone reimbursement agreement and return the completed form to their department director. Once these documents are received and processed through finance, you will continue to receive this reimbursement until finance is notified that the reimbursement is no longer needed or your employment with EFI ends.
4. The employee is prohibited from collecting a monthly cellular phone allowance when one's cellular phone device is no longer active or needed to perform the employee's job responsibilities.
5. The cellular phone reimbursement covers data plans, email, text messaging, and phone capabilities.