



<b>SECTION: HUMAN RESOURCES</b>	<b>REFERENCE NUMBER: A28</b>
<b>SUBJECT: RECOVERABLE EXPENSES FOR CITY ISSUED DEVICES</b>	<b>EFFECTIVE DATE: 6/26/2023</b>
<b>FROM: CRYSTAL CALDERA, CITY MANAGER</b>	<b>LAST REVISION DATE: N/A</b>

A. **PURPOSE**

The Recoverable Expense Policy is specifically designed to establish a solution for dealing with costs associated with the loss or unusual damages to city-issued devices assigned to Exempt Employees in order to conduct work-related business. Employees are expected to protect these devices to avoid undue budgetary expenses, and in such cases, the city may recover costs associated with the loss or damages from the employee.

B. **DEFINITIONS**

**City Issued Device** – Cellular phone, laptop, or tablet.

**Exempt Employees** – Director, Executive, Administrative, and Professional employees that are defined and/or assigned a position Exempt under the provisions of FLSA.

**Recoverable Expenses** – Costs associated with replacing a lost or damaged city-issued device shall be recovered by the city from the employee either in the form of reimbursement, salary reduction, or by an agreed installment plan approved by the City Manager. The authorized recoverable costs by the city are to replace a device of the same or similar model:

- a. First report – Recoverable Costs: \$0.00
- b. Second report – Recoverable Costs: 50% of cost to replace.
- c. Third and Subsequent reports – Recoverable Costs: 100% of cost to replace.

**Unusual Damages** – Damages caused by negligence or lack of preventive care of the device that is not normally caused by the age or wear and tear of the device.

C. **RESPONSIBILITIES**

- 1. FLSA Exempt Employees are responsible for:
  - a. Protecting city-issued devices they are assigned and held liable for costs associated with replacing the device due to loss or unusual damage.
  - b. Reporting the lost or damaged device to the Human Resources Department.

2. The Human Resources Director is responsible for:
  - a. Reviewing employee records for prior incidences of lost or damaged devices by employee.
  - b. Report any lost or damaged city-issued devices to the IT Director and City Manager and noting any findings of prior similar incidences using the Recoverable Expense Form "Attachment A".
3. The IT Director is responsible for:
  - a. Replacing the lost or damaged device of the reporting employee, ensuring connectivity and accessibility of the device.
  - b. Report the cost associated with replacing the lost or damaged device to the City Manager on form Attachment A.
4. The City Manager is responsible for:
  - a. Reviewing the Form to determine actions, if any, associated with the replacement of the city-issued device.
  - b. Discussing methods to recover expenses with Exempt Employee and completing form Attachment A to finalize actions discussed with the employee.
  - c. Returning Form to Human Resources to process accordingly.

D. **PROCEDURE**

1. The authority is hereby delegated to the City Manager to review and determine a method to recover expenses for costs associated with causes under this policy as agreed between the City Manager and FLSA Exempt Employee.
2. If the employee terminates employment with the city, the employee still remains responsible for any money owed and due to the city for cause under this policy. Failure to pay this debt will affect the employee's eligibility for rehire, the city may take legal actions to recover the debt, and/or may deduct the amount owed from the employee's final paycheck.

E. **ATTACHMENTS**

A - Recoverable Expense Form



RECOVERABLE EXPENSE FORM

Employee Name: \_\_\_\_\_

Title / Department: \_\_\_\_\_

City Issued Device: \_\_\_\_\_

[HR Director] Select One:

- First report – Recoverable Costs: \$0.00
- Second report – Recoverable Costs: 50% of cost.
- Third & Subsequent reports – Recoverable Costs: 100% of cost.

[IT Director] Make/Model: \_\_\_\_\_

Original or Similar Cost: \$ \_\_\_\_\_

Recoverable Percentage: \_\_\_\_\_ %

Cost x Percentage: \$ \_\_\_\_\_ Due to City

[City Manager] The method for recovering costs from the employee, as agreed to, will be by:

Employee Reimbursement by/before Date: \_\_\_\_\_

Salary Reduction from the following Pay Date: \_\_\_\_\_

Installment Plan – Terms: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

HR Director: \_\_\_\_\_ Date: \_\_\_\_\_

IT Director: \_\_\_\_\_ Date: \_\_\_\_\_

City Manager: \_\_\_\_\_ Date: \_\_\_\_\_

I understand and agree with the city’s recoverable expense policy, to recoup costs associated with the replacement of a lost or damaged city issued device

Employee: \_\_\_\_\_ Date: \_\_\_\_\_