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To: [Clayton Matt](#); [Roger Noble](#); [Kenneth Pitt](#); [Teresa Wall McDonald](#); [Georgia Smies](#); shane.hendrickson@bia.gov
Subject: Cell Phone Comparison
Date: Monday, July 31, 2023 6:38:00 PM
Attachments: [image001.png](#)
[PR-DNRC-IT-02_Mobile-Device_2019-12-16.pdf](#)
[oledata.mso](#)
[image004.wmz](#)
[2023-07-31_OE_Cell_Phone_Comps.xlsx](#)
[image002.png](#)

Board Members,

At last Thursday's meeting you asked for a more thorough evaluation of cell phone reimbursements and the DNRC policy. DNRC policy is attached: look to app C for \$25/pp; \$50/mo designations. I did have a chance to look back at my DNRC records and see that I was receiving \$50/mo from the State for "bringing my own device" BYOD – the state did provide alternatives to using my cell that we do not have available at the OE, namely they had a fob that provided rotating password codes for certain logins vs a soft-token and state-owned and managed cell phones/ipads. I've pasted in the comp worksheet and also attached for your reference:

I did also find some interesting sites:

<https://www.zippia.com/advice/byod-statistics/>

83% of companies have a BYOD policies – 80% of companies consider cell phones essential to employee work - and BYOD employees tend to work more hours/week.

https://www.cisco.com/c/dam/global/ru_ua/assets/pdf/byod-economics_econ_analysis.pdf

On the US average BYOD participants are spending a little over \$2K on their phone + service each year. My above value was \$1,634 Verizon price for an OE owned phone, which is for the smaller screen and doesn't have fees/taxes yet applied *they add up! Plenty of companies have a required BYOD policy that include a stipend.

<https://www.compt.io/cell-phone-reimbursement-stipend>

According to Abacus' [How to Create a Cell Phone Reimbursement Policy](#), they suggest "\$50 for low business use and \$75 for high business use."

The Board meeting conversation was useful and prompting for dressing up the policy to namely: make BYOD mandatory for OE employees and ensuring only 24 PP/year have reimbursements, not 26.

Take home: Given the essential need for smart phones for staff, adopting the proposed BYOD policy will save the FRWMB budget approximately \$2,312/employee/year as compared to

providing phones. That estimate is absent employee separations during 36-month phone terms and equipment losses, both of which would create additional unexpected expenses to our budget, and both of which do not occur with a BYOD policy. Even if you disagree with my well-founded OE owned cell phone cost/service projections – and reduce my projected cost by **50%**!, the savings to our budget is still \$796/employee/year. External benefits of easy implementation and more hours spent on water rights vs managing mobile device policies are key considerations. At six people, the proposed BYOD will save the FRWMB an estimated \$13,872/year.

Please do chime in with additional considerations.

Sincerely,

Ethan Mace, Water Engineer

Office of the Water Engineer of the
Flathead Reservation Water Management Board
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OE Cell Phone Services Comps											OE Staff #		
Approx Annual Costs			Verizon Wireless Monthly			OE Monthly Expenses					Current	Total	
Case	Apple Care	Accessories	iPhone 14 250G	Insurance	Unlimited	Engineer Mgmt.	IT Mobile Mgmt.	Apps (\$30/year)	Staff Mgmt. 10 hrs/Year @ \$30/hr	AHC/ Payroll Fees	3	6	
	\$80 lifeproof	\$100 device insurance	\$50 cables blocks adapters	\$30 max = \$33 256G 4 caching	\$17	\$70 policy mgmt mgmt	\$15 Security Policy	\$3 OnX GE/365 Mapping	\$25 setup, apps contacts update/synch	\$4			
				monthly sub total	\$117			monthly sub total	\$117				
Yearly Sub Totals			\$230		\$1,404				\$1,398				
Total OE Owned Annual Expenses											\$3,032	\$9,096	\$18,192
			Monthly Stipend	AHC/ Payroll									
			BYOD Stipend Proposal	\$60	\$0					\$720	\$2,160	\$4,320	
								Savings BYOD vs OE Owned		\$2,312	\$6,936	\$13,872	
			DRNC Stipend	\$50	\$0					\$600	\$1,800	\$3,600	
								OE vs DNRC		\$120	\$360	\$720	
Note 1	Essential Need: the OE recognizes the necessity of employees having cell phones and prefers "Bring Your Own Device" (BYOD) policies												
Note 2	One-time Costs: in my experience, one-time costs for accessories are yearly												
Note 3	Multi-line Quote: the Verizon estimate I got are for multiple business lines												
Note 4	Security Requirements: OE owned cell phones fall under the same retention and security provisions as our computers, BYOD phones do not												
Note 5	Staff Time: estimates here are conservative; technical cell phone issues can take hours to resolve - stipends place that responsibility on the employee												
Note 6	Billing: estimates here are also conservative - I've spent hours resolving both personal and government cell phone billing issues in the past												
Note 7	DRNC vs OE: as compared to the DRNC, the OE does not have an IT staff to manage gov cell phones and will need to pay a premium if required to do so. An extra \$120/employee/year is a minor expense to encourage an absence of government owned cell phones												
Note 8	Risk of Terms: Verizon requires a 36mo commitment to get the rates above - paying outright drives usage fees higher. If an OE employee separates, the OE risks getting stuck with a contract for excess phones. The State just passes it to another employee, while the OE has less of such a pool of employees. Stipends, on the other hand, can be stopped immediately when an employee separates from the OE.												
Note 9	Past Engineer Experience: I have managed cell phones for staff, field crews, and myself in State and Federal positions: costs and utility of government owned phones has never been more affordable. Exceptional need is limited, such as when a public cell phone # is needed to give to public for emergencies. We don't have this need and our phone system can forward to our cell phones.												
Note 10	Risk of Misuse: Government phones are regulated, but there is always a higher risk of misuse with a phone as compared to a computer.												
Note 11	Stipend Model: IRS makes the monthly amount payable in pre-tax stipend so we should embrace a stipend model that is automatic/month vs needing filed												
Note 12	Required Model: During last Thursday's discussion, it was clear that OE Employees are required to have a personal cell phone and I'd like to state that reality in PD (along with required driver's license) to justify the premium stipend												
Note 13	Montana Law: MCA 39-2-701 and ARM 24.16.2519 seem to give some requirements under state law for indemnification of expenses incurred due to job requirements; also State Public Defender Position piece - links provided below https://leg.mt.gov/bills/mca/title_0390/chapter_0020/part_0070/section_0010/0390-0020-0070-0010.html https://rules.mt.gov/gateway/RuleNo.asp?RN=24%2E16%2E2519 https://publicdefender.mt.gov/docs/Policies/200-General-Operations/225-CellularDevices.pdf												