



CITY OF SAN RAFAEL POLICIES AND PROCEDURES

Subject:	Computer Loan Program
Resolution No.	
Issue Date:	February 1, 2000
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Revised By:	Nadine Hade, Finance Director
Approved By:	Jim Schutz, City Manager

COMPUTER LOAN PROGRAM

PURPOSE:

The goal of this program is to improve organizational productivity by encouraging employees to purchase and use home computers by providing them with a modest financial incentive to do so.

RESPONSIBILITY:

Any City employee participating in the loan program.

DEFINITIONS:

None

POLICY:

The effective use of technology is one of the key strategies available to us in achieving our goals of delivering quality services to our customers and improving productivity. In order for technology to realize this promise, it is critical that employees be well-trained in its use.

While the City is committed to an ongoing program of formal training, the reality is that skill development will be much faster, and will occur in greater depth, if employees have computers at home with the same software that the City uses. This allows employees (on a voluntary basis) to use these applications more frequently, explore their features in greater detail, and to do so at their own leisure and pace in a comfortable environment. By providing an incentive for employees to have a computer at home with applications similar to the one at work, the City will benefit significantly in making more effective use of information technology resources.

PROCEDURES:

In striking a reasonable balance between the benefits to the City and the employee, the loan program places the primary financial obligation on the employee for the purchase price of the computer hardware and software, with financial assistance from the City in the form of a no interest loan repaid through automatic payroll deductions.

PROGRAM FEATURES

- ◆ **Maximum loan amount.** The City will loan employees up to \$1,500 for the purchase of computer hardware.

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- ◆ **Eligibility.** Only permanent full time and part time employees who have successfully passed their probationary period as new employees, and have no garnishments for credit or tax purposes, or similar liens in place at the time of application, are eligible to participate in this program. Contract and hourly employees are not eligible to participate in this program.
- ◆ **Usage.** The predominate use of any computer equipment purchased under this program is restricted to employees. Any items so purchased will not be sold or otherwise transferred for the use of others until such time as the City's loan is repaid in full.
- ◆ **Frequency.** Employees are eligible to request a loan under this program after 36 months have lapsed since the end of their previous loan.
- ◆ **Interest.** No interest will be charged by the City on loans under this program.
- ◆ **Loan repayment.** Repayment will be made through equal semi-monthly payroll deductions over a period of 12 months.
- ◆ **Payment upon termination.** Any remaining loan balance is due and payable upon termination, and will be deducted from the employee's final check.

HARDWARE AND SOFTWARE REQUIREMENTS - REFER TO "MINIMUM REQUIREMENTS" ATTACHED

- ◆ **Hardware.** Eligible purchases include new desktop or laptop computers. Related taxes and shipping charges and extended warranty agreements offered at the time of purchase may also be included. The equipment purchased under this program must be capable of running the City's standard office applications (Microsoft Office Suite) and desktop operating systems. Smart phones, iPads, tablets or other mobile equipment devices or peripheral equipment such as printers are not eligible under this program.
- ◆ **Software.** No software purchases are eligible under this program; however, participating employees must comply with all software licensing requirements for their use in any hardware purchased under this program.
- ◆ **Non-eligible purchases.** Cost related to installation, training, repairs, telephone lines, on-line services, furnishing, or any other initial or ongoing costs are not eligible for funding under this program, and are the sole responsibility of the employee. The City has no responsibility for support and maintenance for any purchases funded under this program.

PURCHASE AND LOAN PROCEDURES

- ◆ **Reimbursement of costs.** Upon directly purchasing a qualified item, the employee may submit a request for reimbursement. Requests must be accompanied by an original, itemized and dated receipt that identifies the product. Cost reimbursement is limited to 120 days from date of purchase and reimbursements will only be made payable to the employee.

Employees are solely responsible for installing, maintaining and supporting items funded under this program. Further, resolving vendor or delivery problems with the hardware or software purchased under this program is the sole responsibility of the employee.

INSURANCE

For their own protection, employees should provide adequate insurance coverage to protect their purchases against damages due to theft, fire, flood and lightning. The City does not assume any liability for damage or theft of items purchased under this program. All agreed-upon payroll deductions will

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continue through final payment even if the items funded from this program are not available for the employee's use for any reason whatsoever.

TAX IMPLICATIONS

Questions regarding tax consequences of participation in this program should be directed to a reputable tax advisor.

LOAN AGREEMENT

Employees will enter into a Participation and Loan Agreement (see attached) that fully sets forth:

- ◆ Amount and term of the loan, and the resulting amount of payroll deductions.
- ◆ Employee's authorization for the payroll deduction to occur.
- ◆ Equipment funded under the loan.
- ◆ Employee's understanding and agreement with all of the terms of the City's Employee Computer Loan Program.
- ◆ Approval of the loan agreement by the Finance Director or designee.

PROGRAM ADMINISTRATION

The Finance Department is responsible for administering this program. The Finance Department is authorized to make minor administrative changes to the program which will make it run more efficiently or reflect changes in policies and procedures in other areas of the City's operations, provided that any such changes do not affect program objectives.

ATTACHMENTS:

- A. Participation and Loan Agreement

APPROVED BY:



Jim Schutz, City Manager

12-3-18

Date