

City of Los Alamitos

Administrative Regulation

Regulation:	7.3	
Title:	Employee Computer Loan Program	
Authority:	CC Resolution 1640A and 1670	
Date:	February 10, 1997	
Revised:	December 22, 1997, July 2017	Bret M. Plumlee, City Manager

1. Purpose: The goal of this program is to improve organizational productivity by encouraging employees to purchase and use home computers by providing a modest financial incentive to do so. The loan program places 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. The effective use of technology is a key tool in helping the City deliver quality service to our customers and improve employee productivity. In order for technology to realize this promise, it is critical that employees be proficient in its use.

2. Application: This regulation applies to all full-time and part-time employees and Council Members of the City of Los Alamitos (collectively referred to herein as “City employees”).

3. Regulation:

A. Program Benefits to the City

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 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 work, the City will benefit through better use of its information technology.

B. Program Features – Full-Time Employees

Maximum Loan Amount: The City will loan full-time employees a minimum of \$500 and a maximum of \$2,500 for the purchase of select computer hardware and software. Regardless of the loan balance, employees may not have more than one loan outstanding at any time.

Loan Repayment: Repayment will be made through equal bi-weekly payroll deductions over a maximum period of two (2) years or fifty-two (52) pay periods. Repayment in full will be accepted at any time without penalty to the employee.

Interest: No interest will be charged by the City on loans under this program.

Payment upon Separation: Any remaining loan balance is due and payable upon separation from the City and will be deducted from the employee's final paycheck.

C. Program Features – Part-Time Employees

Maximum Loan Amount: The City will loan qualified part-time employees a minimum of \$500 and a maximum of \$1,250 for the purchase of select computer hardware and software. Regardless of the loan balance, employees may not have more than one loan outstanding at any time.

Loan Repayment: Repayment shall be made through equal, bi-weekly payroll deductions over a maximum of one (1) year or twenty-six (26) pay periods.

Interest: No interest will be charged by the City on loans under this program

Payment upon Separation: Any remaining loan balance is due and payable upon separation from the City and will be deducted from the employee's final paycheck.

Additional Requirements for Part-Time Employees: Part-time employees must have worked continuously for the City for at least twelve (12) months; work at least twenty (20) hours per week, and have the approval of their Department Director.

D. Computer System Requirements

Hardware: The employee's home computer must be capable of running the City's standard office applications and desktop operating systems. Eligible hardware purchases include desktop and notebook computers, printers, related taxes, shipping charges, and extended warranty agreement offered. Computer loan program specifications are:

Processor: Core i5 or better
RAM: 4 Gigabytes (GB) or More
Hard Drive: Minimum of 100 Gigabytes (GB)
Monitor: Min. 17 in. Max. 24 in. (applies to desktop systems only)

Software: Employee must purchase, or show ownership of, the City's standard office application: Microsoft Office. Applications at home must be compatible with applications at work if this program is to achieve its goals. No other software purchases (except software that ships with the system) are eligible under this program. All participating employees must comply with all software-licensing requirements for their use of any software purchased under this program.

E. Eligible Upgrades

The following upgrades are eligible for purchase under this program: CPU/memory upgrades, motherboard upgrades, printers (laser and inkjet), scanners, hard drives (internal or external), optical drives (internal or external), sound cards, computer monitors up to 24", and video graphics cards.

F. Non-Eligible Purchases

Costs related to installation, training, repairs, internet access, furnishings, digital cameras, televisions, camcorders, computer monitors over 24", computer servers, print servers, networking hubs/routers/switches, photo printers, bags, cases, headphones, MP3 players, commercial equipment, and any other initial or ongoing costs are not eligible for funding under this program, and are sole responsibility of the employee. The City has no responsibility for support and maintenance for any purchases funded under this program.

G. Insurance

Employees should provide adequate insurance coverage to protect their purchases against damages due to theft, fire, flood, and power surges. The City does not assume any liability for damage or theft of items purchased under this program. Payroll deductions will continue through final payment even if the items funded from this program are not available for the employee's use for any reason whatsoever.

H. Tax Implications

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

I. Purchase and Loan Procedures

Step 1: Submit an Employee Computer Loan Application (Exhibit B) to the Administrative Services Department. Please attach copies of your price quote(s) to the application. Wait for loan approval before completing your purchase.

Requests for loans shall be reviewed on a "first come, first served" basis. The City will make loans to eligible employees as long as funds are available. Once funds are exhausted, applicants will be placed on a waiting list and notified when funds are available.

Step 2: Upon approval of your Loan Application, you may purchase your computer.

Step 3: Submit the following to the Administrative Services Department: completed Employee Computer Loan Agreement (Exhibit C), copies of your receipts detailing the approved purchase, and a copy of the approved Loan Application.

Employees will enter into a loan agreement that fully sets forth the following:

- Amount and term of the loan, and the amount of the payroll deduction.
- Employee's authorization for the payroll deduction to occur.
- Equipment funded under the loan.
- Employee's understanding and agreement with all terms and conditions of the City's Employee Computer Loan Program
- Approval of the loan agreement by the City Manager or his/her designee.

J. Program Administration

The Administrative Services Department administers this program. Please refer questions regarding this program to the Administrative Services Director.

Exhibit A – Checklist for Employee Computer Loan Program

Exhibit B – Employee Computer Loan Application Form

Exhibit C – Employee Computer Loan Agreement



CITY OF LOS ALAMITOS

EMPLOYEE COMPUTER LOAN

Administrative Services Department
3191 Katella Ave., Los Alamitos, CA 90720-5600
Phone: (562) 431-3538 Fax: (562) 493-0678

PURCHASE AND LOAN PROCEDURES

Thoroughly review Administrative Rules and Regulation 7.3 – Employee Computer Loan Program (<http://cityoflosalamitos.org/your-government/administrative-rules-and-regulations/>)

Research the computer and ensure it meets or exceeds all the system requirements of the program

Obtain IT Sign off for Computer specifications

Submit Loan Application with supporting documentation (quote and/or advertisement)
(Both the Loan Application and Supporting documentation must have IT approval)

Date: _____

Receive approved and signed Loan Application from Administrative Services Director

Date: _____

Purchase the approved equipment

Date: _____

Submit Employee Computer Loan Agreement to the Finance Department
(include copies of receipts and approved loan application)

Date: _____



CITY OF LOS ALAMITOS

EMPLOYEE COMPUTER LOAN APPLICATION

Administrative Services Department
3191 Katella Ave., Los Alamitos, CA 90720-5600
Phone: (562) 431-3538 Fax: (562) 493-0678

GENERAL INFORMATION

Employee Name: _____

Department: _____ Extension: _____

Mailing Address: _____

PURPOSE OF LOAN

Computer System Purchase Notebook (Laptop) Computer Computer Upgrade

COMPUTER SYSTEM SPECIFICATIONS

Processor (*minimum of Core i5*): _____

RAM (*minimum of 4 GB*): _____

Hard Drive (*100 GB or more*): _____

Desktop Monitor (*17 in. – 24 in.*): _____

Microsoft Office Application Suite Software: _____

Printer and/or Scanner: _____

Optical Drives (*internal or external*): _____

Attach quotes and/or advertisements. Must show proof of purchase or ownership for software.

I acknowledge and pledge that any funds granted to me from the Employee Computer Loan Program will be used solely for the purchase of computer equipment and related items. Further, I agree to purchase or show proof of ownership of Microsoft Office application suite.

Signed: _____
Employee

Date

Administrative Services Department Approval:

The proposed purchase(s) meet(s) the guidelines of the Employee Computer Loan Program.

Signed: _____
IT Approval (*initial attached quote*)

Date

Approved: _____
Administrative Services Director

Date

City of Los Alamitos Employee Computer Loan Agreement

THIS AGREEMENT is made this _____ day of _____ 20__ by the City of Los Alamitos, a municipal corporation ("CITY"), and _____, a City of Los Alamitos Employee ("EMPLOYEE").

RECITALS

The following recitals are a substantive part of this agreement:

1. This Agreement is entered into pursuant to Los Alamitos City Council approval of Resolutions 1640A and 1670.

2. EMPLOYEE who is full-time or City Council Member who desires to purchase a computer and related equipment and/or software to a maximum of \$2,500 through City approved vendors. Part-time employees must have worked for the City for at least one year, work an average of twenty (20) hours per week, and have the approval of the department head for whom the employee works. The maximum loan amount is \$1,250 with repayment made through payroll deduction of equal amounts to be paid off in not more than one year or 26 payroll periods.

3. EMPLOYEE acknowledges and pledges that these funds will be used solely for the purchase of computer equipment and related items and will not be used for the purpose of avoiding tax liability.

4. EMPLOYEE is qualified by virtue of experience, training, education and expertise to utilize this equipment or will obtain appropriate training in order to utilize the equipment.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement.**

This Agreement shall cover a period of two years from purchase of the equipment or until the payroll deduction has resulted in the payoff of the equipment whichever occurs first for full-time employees.

City Council member agreements shall cover a period of two years or the number of pay periods left in their term which ever is shorter.

Part-time employee's agreement shall cover a period of one year or until the payroll deduction has resulted in payoff of the loan.

2. **Payment.** EMPLOYEE shall reimburse CITY as follows:
 - 2.1 **Total.** Reimbursement under this Agreement shall not exceed \$2,500 for full-time employees and City Council members and \$1,250 for part-time employees.
 - 2.2 **Payment.** To comply with the terms of this Agreement, payment shall be made at each pay period. The total amount advanced shall not exceed \$2,500 for full-time employees and City Council members and \$1,250 for part-time employees. The entire amount shall be paid within two years of the first advance for full-time employees, City Council members shall cover a period of two years or the number of pay periods left in their term which ever is shorter. one year for part-time employees.

EMPLOYEE shall pay a total of \$_____. Payment shall be \$_____ per each two week pay period.

Absence from work, with or without pay, will not excuse or delay payments as stated in this section. Exceptions to this section will be made only upon approval by the City Manager.
 - 2.3 **Records of Expenses.** EMPLOYEE shall keep records in which complete and correct entries will be made of all expenditures subject to this Agreement. These records will be made available at reasonable times to CITY.
3. **Payoff.** If EMPLOYEE should terminate employment with CITY for any reason, CITY may withhold from EMPLOYEE the unpaid balance of the amount advanced. If the remaining balance exceeds EMPLOYEE'S final check, EMPLOYEE shall reimburse CITY the remaining balance by check or major credit card on last day of employment.
4. **Taxes.** CITY is not liable for any federal, state or local taxes due at any time as a result of this transaction..
5. **Warranty.** CITY makes no warranty, whether express or implied concerning the computer equipment and any peripherals. CITY has no responsibility whatsoever concerning the equipment. CITY shall not repair, replace or insure the equipment.
6. **General Provisions.** It is mutually agreed as follows:
 - 6.1 **Compliance with Law.** EMPLOYEE shall comply with all applicable laws, ordinances, codes and regulations of the federal, state, and local government.

6.2 **Conflict of Interest and Reporting.** EMPLOYEE shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

6.3 **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other address as may be designated by written notices.

A. Address of EMPLOYEE is as follows:

B. Address of CITY is as follows:

Administrative Services Department
City of Los Alamitos
3191 Katella Ave
Los Alamitos, CA 90720

6.4 **Employees Proposal.** This Agreement shall include a written quote from the seller, and presented to the City for conformance with the terms and conditions for the purchase of the equipment. The quote shall be incorporated herein by this reference. In the event of any inconsistency between the terms of the proposal and the Agreement, this Agreement shall govern.

6.5 **Licenses, Permits, Fees and Assessments.** At its sole expense, EMPLOYEE shall obtain all licenses, permits, and approvals as may be required by this Agreement.

6.6 **Time of Essence.** Time is of the essence in the performance of this Agreement.

6.7 **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of EMPLOYEE were substantial inducements for CITY to enter into this Agreement. EMPLOYEE shall not contract with any other entity to handle the obligations of this Agreement without the written approval of the CITY. Neither this Agreement nor any interest may be assigned voluntarily or by operation of law, without the prior written approval of the CITY.

6.8 **Indemnification.** EMPLOYEE agrees to protect, defend, and hold harmless CITY and its elective or appointed boards, officers, agents, and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by EMPLOYEE. The only exception to EMPLOYEE'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence of CITY, or any of its elective or appointed boards, officers, agents or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by EMPLOYEE.

6.9 **Modification.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreement, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by CITY and EMPLOYEE.

6.10 **Waiver.** All waivers of the provisions of this Agreement must be in writing by the appropriate authorities of CITY and by EMPLOYEE.

6.11 **California Law.** This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced pursuant to this Agreement shall be initiated in the central or main Branch of the Orange County Superior Court.

6.12 **Interpretation.** This Agreement shall be interpreted as though prepared by both parties.

7. **Preservation of Agreement.** Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

IN WITNESS WHEREOF, these parties have executed this Agreement on the day and year shown below.

DATE: _____

“CITY”

CITY OF LOS ALAMITOS

By: _____

City Manager

DATE: _____

“EMPLOYEE”

By: _____

Employee Signature

Job Title

Employee Number

APPROVED AS TO FORM:

Los Alamitos City Attorney

Date: _____