



Agenda Item No. 2

To: Rules, Policy and Industrial Relations Committee /Committee of the Whole  
Meeting of October 9, 2009

From: Z. Wayne Johnson, Deputy General Manager Administration and Development  
Celia G. Kupersmith, General Manager

Subject: **APPROVE REVISIONS TO THE EMPLOYEE COMPUTER PURCHASE  
LOAN PROGRAM**

### **Recommendation**

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve revisions to the existing Employee Computer Purchase Loan Program that allow for a repeated participation in the program, while reducing the maximum dollar value of the loan program, in recognition of the reduced cost of computers since the inception of the original employee computer purchase loan program.

### **Background**

The District has a long standing history of providing employee computer purchase loans as a means of encouraging a technologically competitive workforce, while also facilitating communications to and from our participating field and office personnel. Employees are able to practice and enhance their computer skills, telecommute in approved circumstances, and access the District's intranet site for employee information, training, updates and alerts. The current loan program policy allows an employee to participate only once in his/her career with the District. The program is popular with employees but lightly used due to the "only once in your career" requirement.

Over time, the District has received requests from employees asking that the program be revised to allow participation more than once. Most recently, the District received a petition from a group of Bus Division employees requesting that the existing policy be modified so that they could replace outdated personal computers, and to assist them in electronically accessing run books, Human Resource forms and other District website information now, and in preparation for new emerging technologies. It should be noted that the signatures on the recent Bus Division request were collected by Bus Operator Chuck Everett who was tragically killed in the shootings at the San Rafael-Richmond Bridge Toll Plaza.

In response to the many requests and in recognition that the program is outdated in its current form, it is recommended that the program be revised in the following manner:

1. The maximum allowable loan amount would be reduced from \$2, 500 to \$800 in response to the lower computer prices now available;
2. Employees would be eligible to participate once every three (3) years so that equipment can be kept up to date;
3. Loans will have a 12 month (maximum of 24 pay periods) repayment period, as opposed to two years previously;
4. The program will loan funds for the purchase of personal computer equipment primarily, most of which comes equipped with standard business software. Software purchased separately and non-factory installed is not eligible under this program;
5. Computers purchased under this program are for personal use only; and
6. The procedures associated with the computer loan program are streamlined, when compared to the past program, to simplify the administrative processing of loan applications.

The proposed policy is attached for your information.

**Fiscal Impact**

There is no fiscal impact associated with this program based on the expectation that all loans will be fully repaid within a year, and the administrative process associated with the program is relatively minimal.

## **Attachment A**

### **Employee Computer Purchase Assistance Program Policy**

#### **I. Policy – Employee Computer Purchase Assistance Program**

The purpose of this program is to provide employees of the Golden Gate Bridge, Highway and Transportation District the opportunity to acquire, maintain and enhance computer skills and to assist employees in terms of career development, via a District sponsored loan program. Said loans shall not exceed \$800.

#### **II. Procedure**

##### **A. Eligibility**

To participate in the program, an employee must, at a minimum:

- Be categorized as being in Active Regular Full-Time or Part-Time status and in good standing (not pending or serving suspension or termination), for one-year preceding the loan application.
- Have completed their initial six-month introductory/probationary period.
- Not currently in another loan repayment program with the District for any reason.
- Should not be planning retirement or voluntary resignation prior to completion of the agreed upon loan repayment period.

##### **B. Steps To Secure A Loan**

1. The employee will secure a written bid quotation (on vendor letterhead or printed receipt with vendor contact info shown) from the vendor of his/her choice:
  - a. The desired purchase may be a personal computer or bundled package (e.g., a printer/scanner).
  - b. Software purchased separately (i.e. not factory installed) is not an eligible loan program item.
  - c. Other District employees, or their immediate family members, will not be considered approved vendors.
2. The employee will attach the proof of purchase (bid quotation or printed receipt) to the filled out Request For Financing form, Computer Purchase Agreement and Payroll Deduction Authorization. Forms are available on the internet or from the Human Resources Department. The employee will fill out the forms, submit them to their Division Manager/Officer for review/approval. Upon approval, the Division Manager/Officer will forward the application to Human Resources. Human Resources will review and finalize the

- application. The completed application will be copied to Payroll with instruction to add the approved loan amount to the employee's next available paycheck. Once the loan amount has been issued, Payroll will debit subsequent paychecks for a maximum of 26 pay periods (12 months), or until the debt is repaid in full. Payments will be issued by the Payroll Department in the next pay period, once fully processed with appropriate signatures and documentation.
3. Subsequent applications for assistance cannot be submitted prior to 3 years from the date of the first approved application.  
Computer equipment purchased under the program is to remain in the employee's possession and title for 3 years from date of approval, and may not be used for any commercial business activity.
  4. **Maximum Loan:** The maximum reimbursable loan amount allowed to be financed is \$800, per occurrence. Any purchase amount over \$800 must be paid in advance by the employee, and proof of pre-payment attached to the application. Proof shall be written/printed receipt bearing the vendor's letterhead or printed business contact information.
  5. **Repayment Period:** Loans shall be repaid within 12 months or less.
  6. The District reserves the right to disapprove a loan, or to reduce a loan amount to an employee
  7. **Post-Employment Loan Balances:** Payment of remaining loan balance upon termination/separation from employment becomes immediately due and payable, and will be deducted from the employee's final check. The employee will be expected to authorize the deduction from the final paycheck at the time of termination. Should a loan amount remain unpaid, the employee will be required to pay within fifteen (15) days of termination. Failure to repay the District in the prescribed time limits will result in the balance being sent to a collection agency. The employee will be responsible for any collection costs, over and above the loan balance due.

### **III. Non-Eligible Items**

1. Software and peripheral equipment, not included as pre-loaded software or pre-packaged bundles, are not allowed for purchase under this program.
2. Separate karaoke and other music, movie creating, dubbing and live television access programs and equipment are also not included in the program.
3. Computer equipment purchased under the program must not be for resale. Must be used for the employee's and their family's personal use, and must remain in the employee's possession for at least 3 years.

4. No equipment purchased under the program is to be used for commercial purposes, such as disc jockey, home based businesses or commercial blogs.

**IV. General:**

1. The employee assumes responsibility for the selection and maintenance of the computer equipment, and will hold title to the equipment. Lost, stolen or malfunctioning equipment will not be replaced under the program.
2. **Violations:** Violations of the policy shall result in reimbursement to the District for the approved amount paid under the program within the shortest period deemed possible and appropriate by the District. Violations may result in disciplinary action, up to and including termination.
3. The District reserves the right to terminate the Employee Computer Purchase Assistance Program at any time. Employees in the program will continue payroll deductions until their loans are paid in full.