



POLICY AND PROCEDURE MEMO

NO. 2.006
DATE: 11-1-98 Approved
Rev 6/13
8-1-13 Approved

SUBJECT: **EMPLOYEE COMPUTER LEASE/PURCHASE
PROGRAM**

D. W. Fritzel
CITY MANAGER

I. STATEMENT:

To establish a policy for assisting employees in acquiring and sharpening computer literacy skills by providing a lease/purchase program for the acquisition of personal computer equipment and software similar to what employees may be asked to use for City business. This regulation details the terms and conditions of agreements between the City and participating employees whereby employees may lease such equipment from the City and acquire ownership of the equipment at the termination of the lease. The Employee Computer Lease/purchase program affects all City Departments.

II. ORGANIZATIONS AFFECTED

All City Departments

III. PROCEDURE

1. It is the policy of the City of Rochester to encourage employee development of computer literacy skills because of the acknowledged significant contribution of such skills to improving services to the public. The City therefore offers to lease computer equipment and software similar to what employees may use in performing their duties for City business for employees' personal use. At the successful completion of the lease payments, employees shall acquire ownership of the equipment and software.
2. To participate in the program, the employee must be a non-probationary, regular full or part-time employee and must agree to all terms and conditions set forth in this regulation. Should the employee terminate employment with the City of Rochester prior to the completion of the lease period, the employee agrees to pay the balance of the lease payments either through deductions from the final paycheck or through an additional payment if the final paycheck is insufficient to pay the balance.
3. Should the employee return such computer equipment or software to the vendor, sell or dispose of the equipment, or otherwise render the equipment or software unavailable for employee's home use, the balance of the lease



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payments shall become immediately due and payable to the City; and if not paid within 30 days of such return or disposal, shall be deducted from the employee's paycheck. Failure of an employee to inform the City of such conversion of equipment or software may be grounds for discipline.

4. Terms and Conditions

- 1) The sum of the lease payments will equal the cost to the City of reimbursing for acquisition by an employee, inclusive of freight and taxes, if applicable. The employee will be responsible for acquiring any additional installation and training services as needed. The lease will not include the cost of such services.
- 2) Employees will be responsible for an initial payment equal to 10% of the total lease amount and will make subsequent lease payments through payroll deductions each regular pay period beginning with the pay period immediately following delivery of the equipment. The number of payments may not exceed 40 (i.e., 18 months). Employees may arrange to make additional payments to reduce the amount of the payments or the number of payments to complete the lease.
- 3) The term of the lease will normally not exceed eighteen months. Employees may normally terminate the lease by payment of the balance of the lease payments, not by return of the equipment. Exceptions to this policy may only be made for hardship situations and must be approved by the City Manager based upon the best interest of the City.
- 4) An individual employee may lease a single computer system, not to exceed \$1,999.99 in cost. Employees may not assign or transfer their rights to the equipment during the term of the lease without prior written approval by the City Manager or designee.
- 5) The employee agrees to maintain adequate insurance coverage on the computer throughout the term of the lease with either a renter's or home owner's insurance policy.



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- 6) The employee will have all paperwork including warranties placed in his or her name. The City will be first lien holder until such time as the employee fulfills the terms of the lease.
- 7) Because the purpose of the program is to encourage employee investment in developing computer skills which they are likely to use for City business, purchase requests will be reviewed by the City Manager or designee to assure that the type of equipment and software purchased will be useful in developing skills which the employee will use, or might be called on to use, on the job. A liberal construction will be employed in reviewing such requests, recognizing that the City's use of computer technology is evolving, as are the skills, knowledge and abilities of its employees.
- 8) Participating employees must respect the terms of the software licenses which the City has obtained for City business. Usually, the significant terms are:
 - The software may be used by any number of people on any number of computers, but only one computer and one user at a time.
 - Employees may not duplicate the software or documentation for any purpose other than backup and archiving except as permitted under the terms of the license.

IV. RESPONSIBILITIES

1. The Employee will:

- a. Read and agree to the terms and conditions of the lease program as described in this Administrative Policy and any related forms prior to participating in the program
- b. Prepare requests (Form A), specifying brand and type of equipment.



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- c. Be responsible for the payment of any tax or fees that may be applicable in their state of residence.
- d. Be responsible for insuring the computer under his/her home owner's/renter's policy until title of ownership is transferred

2. The City Manager or Designee will:

- a. Review requests and determine if equipment and software requested conforms to the purpose of the program.
- b. Determine if sufficient funds are available for meeting the requests. If not hold the request until funds become available, and process.
- c. Notify employees of acceptance into the program
- d. Forward approved requests to the Business Office for processing.

3. The Business Office will:

- a. Obtain employee signature on payroll deduction agreement prior to receipt of equipment (Form B).
- b. Make calculations and initiate deductions by payroll entries.
- c. Credit deductions to an account established for funding purchases for the employee lease/purchase program.
- d. Once the employee has purchased the equipment and provided appropriate documentation, issue a reimbursement check.

V. PROCEDURES



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1. The City Manager or designee will review the information and notify the employee of approval. The employee must complete the lease purchase agreement and may then purchase the equipment or software and submit detailed receipts for reimbursement. No reimbursement will be made for equipment or software purchased prior to approval by the City Manager. Participating employees are responsible for equipment servicing and maintenance and must maintain the equipment in good condition.

See Attached Forms:

Form A – Request to Participate in Employee Computer Lease/Purchase Program
Form B – Employee Computer Lease/Purchase Agreement

- END OF PROCEDURE -