

RESOLUTION NO. 2011-67

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON APPROVING AND ADOPTING A REVISED COMPUTER PURCHASE PLAN, A FORM PERSONAL PARTICIPATION LOAN APPLICATION AND AGREEMENT, A FORM PERSONAL COMPUTER SPECIFICATION SHEET, AND A FORM COMPUTER LOAN VERIFICATION FROM DEPARTMENT HEAD AND PAYROLL AND AMENDING THE EMPLOYEE COMPUTER PURCHASE LOAN PROGRAM

WHEREAS, by Minute Order on September 6, 1988, the City Council of the City of Vernon authorized the establishment of an employee computer purchase plan; and

WHEREAS, on October 6, 2008, the City Council of the City of Vernon adopted Resolution No. 9719 establishing the employee computer purchase loan program; and

WHEREAS, the City Council of the City of Vernon believes that encouraging the purchase and use of home computers and software elevates the computer literacy of City employees, thereby enhancing job performance which benefits the City; and

WHEREAS, the City Council desires to update and revise its current computer loan program and forms and amend the Employee Computer Purchase Loan Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon does hereby find and determine that the recitals contained hereinabove are true and correct.

SECTION 2: The City Council of the City of Vernon hereby amends the Employee Computer Purchase Loan Program.

/ / /

SECTION 3: The City Council of the City of Vernon hereby approves and adopts the City of Vernon Computer Purchase Plan (the "Plan"), a copy of which is attached hereto as Exhibit A. Said plan shall become effective upon adoption of this resolution.

SECTION 4: The City Council of the City of Vernon hereby approves and adopts the revised form Personal Participation Loan Application and Agreement (the "Agreement"), form Personal Computer Specification Sheet and form Computer Loan Verifications of Department Head and Payroll (collectively, the "Loan Forms") in accordance with the Plan, copies of which are attached hereto as Exhibit B. It is the intent of the City Council that the form Agreement shall be a binding contract between the City and the employee upon acceptance by the City Administrator, or his designee.

SECTION 5: The City Council of the City of Vernon hereby authorizes and empowers the City Administrator, or his designee, to execute individual copies of the form Personal Participation Loan Application and Agreement, on an as-needed basis and to make whatever nonsubstantive and administrative changes, upon advice of counsel, to the Loan Forms as are necessary to carry out the intent of this Resolution. Such additions, deletions and other changes therein as the City Administrator, or his designee, executing the Agreement may approve, are conclusively evidenced by the execution and delivery of the Agreement.

SECTION 6: The City Council of the City of Vernon hereby allows those employees currently enrolled under any prior program to continue with the prior program under the guidelines and agreement under which the prior program existed.

/ / /

SECTION 7: All resolutions, parts of resolutions, or minute orders in conflict with this Resolution are hereby repealed.

SECTION 8: The City Clerk of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk of the City of Vernon shall cause this resolution and the City Clerk's certification to be entered in the File of Resolutions of the Council of this City.

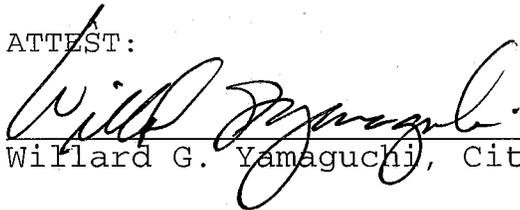
APPROVED AND ADOPTED this 19th day of April, 2011.



Name: Hilario Gonzales

Title: Mayor / ~~Mayor Pro-Tem~~

ATTEST:

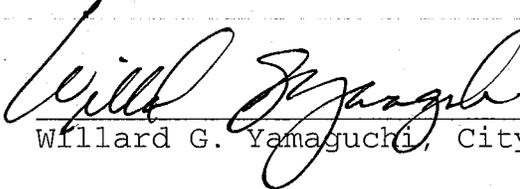


Willard G. Yamaguchi, City Clerk

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

I, Willard G. Yamaguchi, City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. 2011-67, was duly passed, approved and adopted by the City Council of the City of Vernon at a regular meeting of the City Council duly held on Tuesday, April 19, 2011, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this 26 day of April, 2011, at Vernon, California.


Willard G. Yamaguchi, City Clerk

(SEAL)

EXHIBIT A

CITY OF VERNON
COMPUTER PURCHASE PLAN
(Revised April 19, 2011)

OBJECTIVE

The objective of the Computer Purchase Plan is to elevate the computer literacy of the City employees and officers of all Departments through encouraging the purchase and use of home computers and software.

ELIGIBILITY

Any full-time City employee or officer who has completed his/her initial probationary period and a minimum of one year of service period beyond the initial evaluation period is eligible to apply for a loan under the program. Employees must agree to comply with the requirements and provisions of the Plan, and each employee is eligible to finance only one computer. Participants will be eligible to finance upgrades to their system and additional software through this Plan. Any additional purchases would require a new Application and Agreement.

Employees who are temporary, provisional, on leave of absence, probation, or who have returned to probationary status, are not eligible to apply for this loan.

Overall minimum performance evaluation within twelve months of the loan application date must be 3.0 and/or A & B ratings for staff. Employees who receive below satisfaction or below standard in any areas may not be eligible to apply. Supervisor performance evaluation ratings must be an overall minimum of 3.50 and/or A & B ratings and may not be eligible to apply if they receive any below standard or below satisfactory ratings.

LOAN LIMITS

Each employee is eligible to borrow up to a maximum of \$3,000 with repayment over 24 months. Interest free loans will be made up to this limit for systems determined to be compatible with or similar to (in capability and use of business software).

LOAN PAYMENTS

Loan payments will be made through payroll deduction on a bi-weekly basis. Employees are responsible for monthly payments in the same amount as the total of the bi-weekly payroll deduction even if the employee is on a leave of absence or otherwise not receiving a paycheck. Loans are due and payable in full upon separation of employment for any reason. Any payments

made after separation from the City are subject to the payment amount plus interest at a rate of 5% per annum compounded daily or the maximum legal amount allowable, whichever is less.

The failure to make full payment will obligate the employee to pay the City's attorney's fees in any restitution or collections process.

Loans will be made for a period of 24 months, but may be paid earlier at the employee's request.

STANDARD COMPUTER SYSTEM CONFIGURATION REQUIREMENTS

1. Any commercially available personal computer system, such as a desktop or laptop, with preloaded operating system and additional software (i.e., MS Office) that will improve the performance of the employee.
2. One printer is optional
3. One Monitor is optional
4. Keyboard/Mouse is optional

To be eligible for this program, system components must be manufactured by established "brand name" companies, i.e., Lenovo (formally IBM), HP/Compaq, Epson, Dell, Sony, Gateway, Lexmark, ViewSonic, etc. No off-brands, inexpensive foreign look-alikes, or used components will be considered. No games or entertainment software

LIMITATIONS

Loans will be made to employees on a first-come, first-served basis, and as funds are available for such loans.

PROCEDURE

Participants in this plan will:

1. Obtain an application from the Treasurer's Department.
2. Obtain a quote and/or purchase receipt from the vendor(s) for the hardware and software to be covered by the program and fill out the Personal Computer Specification Sheet.
3. Submit the application and quote and/or purchase receipts to the Treasurer's Department for determination on configuration eligibility.
4. The Treasurer's Department will verify employment and will coordinate with the employee's Department Head and Payroll when reviewing the application.

5. The Treasurer's Department will submit the application to the Director of Personnel with a Loan Verification Sheet containing comments from Payroll and the employee's Department Head.
6. Application may be denied, in which case the Director of Personnel will communicate with the employee regarding the denial.
7. If approved by the Director of Personnel, the Treasurer's Department will finalize the Loan Agreement.
8. Warrants will be prepared in the name of the employee.
9. If only a quote is provided at time of submission, employee will provide proof of payment within 14 days of receipt of warrant.

LOAN AGREEMENT

A written agreement between the City and the employee is required. The loan agreement will outline the responsibilities of the employee, terms of the agreement, payroll deduction arrangements, and other conditions of the plan.

RESTRICTION ON TRANSFER OR ASSIGNMENT

Each Participant in the plan agrees that usage of the equipment and software made available under this plan will be restricted to the employee's own use and that of his/her immediate family. Any reassignment or transfer of the equipment violates the agreement and cancels the right to participate in the plan. If the loan is not used by the employee for the intended purpose as outlined in this Agreement, the employee must immediately pay all money loaned under the plan to the City with interest at a rate of 5% per annum compounded daily or the maximum legal amount allowable, whichever is less.

POTENTIAL INCOME TAX CONSEQUENCES

Participants in the plan should be aware that certain legislation has been passed which could potentially cause the interest foregone by the City to be treated as income to the Participant, for tax purposes, in the year the loan is made.

While the City expects that the IRS will treat the loans under the Plan as falling within a de minimis exception applying to small interest sums, employees should refer questions to their tax advisor.

Any tax consequences that arise as a result of this loan shall be the exclusive liability of the employee.

PROTECTION AGAINST DAMAGE AND THEFT

Participants in the plan should ensure that their home insurance policy provides adequate protection of their equipment from theft, fire, flood and lightning. The City does not assume any liability for damage or theft of equipment.

RECEIVED, REVIEWED AND ACCEPTED BY:

Employee

Date

EXHIBIT B

PERSONAL PARTICIPATION LOAN APPLICATION AND AGREEMENT

(COMPUTER LOAN)
(Revised April 19, 2011)

Name _____ Department _____

Address _____

The above-named employee or officer ("Participant") of the City of Vernon ("City") has been provided a copy of the City of Vernon Personal Participant Computer Loan Application and Agreement ("Agreement") and hereby elects to purchase a personal computer and certain related equipment and software ("Equipment") and participate in the financing arrangement offered under City of Vernon's Computer Loan Plan ("Plan"), and further agrees to and accepts the following terms and conditions:

1. The price of the Equipment to be purchased is \$ _____ and is identified on the attached Specification Sheet.
2. The City agrees to make an interest-free loan to the Participant in the amount of \$ _____ for a period not to exceed 24 months or as long as the Participant is employed by the City (whichever is less in length of time) to purchase specified equipment.
3. Participant authorizes the City to deduct \$ _____ from each paycheck of the Participant beginning _____ until the amount identified in Paragraph 2 above has been paid. If Participant does not receive a paycheck from the City because they are on a leave of absence or otherwise, Participant agrees to continue to make monthly payments in the same amount as would have been deducted from their paycheck on a monthly basis. Participant may elect to pay the remaining unpaid balance at any time prior to the last payroll deduction.
4. Participant agrees not to sell trade or otherwise dispose of the Equipment until the loan has been paid in full. Participant also agrees the usage of the Equipment will be limited to the Participant's own use and that of his/her immediate family and any reassignment or transfer of the Equipment will be a violation of this Agreement. Violation of these provisions will require Participant to immediately pay to the City the remaining amount due on the loan plus interest at a rate of 5% per annum compounded daily or the maximum legal amount allowable, whichever is less.
5. Upon separation of Participant from employment with the City for any reason, the remaining amount to be paid to the City under this Agreement shall immediately become due and payable to the fullest extent permitted by law, and Participant hereby authorizes the City to withhold from his/her final pay any sums regularly due to be paid under the

Agreement, and to execute a written Agreement providing for the repayment for all amounts remaining under this Agreement. The failure to make repayment will obligate the employee to pay the City's attorney's fees in any restitution or collections process.

6. Notwithstanding the above, this Agreement will survive the employment period of the Participant and therefore will be enforceable without any further executed written Agreement between the Participant and the City.
7. All warranties and service or maintenance contracts shall be between the vendor and Participant. Participant shall deal directly with the vendor and in no event shall Participant look to the City for any claims relating to warranty, service or maintenance.
8. This Agreement may be changed only by a written document signed by the City and the Participant and supersedes any and all written or oral agreements, proposals and communications concerning the Plan.
9. I have received and reviewed a copy of the Computer Loan Plan.

Please answer the following questions which will be evaluated when assessing your loan application:

- | | | | | |
|-----|--|--------------|-----|----|
| 10. | Have you ever filed for Bankruptcy: | (Circle one) | YES | NO |
| 11. | Have your wages ever been garnished: | (Circle one) | YES | NO |
| 12. | Have you ever defaulted on a loan: | (Circle one) | YES | NO |
| 13. | Has any personal debt of yours ever gone to collections: | (Circle one) | YES | NO |

Accepted by: _____
Participant/Employee Date

City of Vernon Date

ATTEST:

By: _____
Willard G. Yamaguchi, City Clerk

CITY OF VERNON
PERSONAL COMPUTER SPECIFICATION SHEET
 (April 19, 2011)

Name: _____ Dept: _____

Address: _____ Work Phone: _____

Transaction Type: New System
 Add to existing system (see NOTE below)

<u>ITEM (Specific items to be acquired)</u>	<u>PRICE</u>
Subtotal 1	
Discount	
Subtotal 2	
Tax	
Grand Total	

Treasurer Department Approval

Note: If this application is for an addition to an existing system, detail the configuration on the reverse of this application whether purchased under the plan or not. If the system for which the additions are being sought was acquired under the City of Vernon Personal Computer Purchase Plan, indicate the date of the initial acquisition _____ or existing system was not acquired under the City of Vernon Personal Computer Purchase Plan.

Participant Signature _____ Date: _____

COMPUTER LOAN

TO: _____ (Department Head)
FROM: Director of Personnel
RE: _____ (Employee's) Computer Loan Application
DATE: _____

_____ has applied for a computer loan from the City of Vernon.
(Name of Employee)

In an effort to assist the Department of Personnel in performing its due diligence with respect to the viability of the loan, please provide the following information.

Date of Last Performance Review _____

Score or Rating received on the last Performance Review _____

Number of Disciplinary Issues in the last 12 months _____ Please Circle:
Verbal Written

Number of Pending Disciplinary Issues _____

Other Comments:

Department Head Name

Date

COMPUTER LOAN

TO: Payroll
FROM: Director of Personnel
RE: _____(Employee's) Computer Loan Application
DATE: _____

_____ has applied for a computer loan from the City of Vernon.
(Name of Employee)

In an effort to assist the Department of Personnel in performing its due diligence with respect to the viability of the loan, please provide the following information.

Does this employee currently have any other loans with the City: Please Circle One:
YES NO

If YES, please provide the following details:

Type of Loan _____
Loan Amount _____
When Commenced _____
Balance Due _____

Does this employee have any garnishments on their paycheck: Please Circle One: YES
NO

Are there any deductions to employee's payroll other beyond the standard deductions and beyond insurance deductions?

Please Circle One: YES NO

If YES, please provide details:

Other Comments:

Payroll Clerk

Date

CITY CLERK'S OFFICE

INTEROFFICE MEMORANDUM

DATE: April 25, 2011

TO: Rory Burnett, Finance Director/City Treasurer
Daniel Calleros, Interim Police Chief
Kristen Enomoto, Council Department Manager
Carlos Fandino, Director of Light & Power
Masami Higa, Assistant Finance Director
Alex Kung, Senior Accounting Manager
Joaquin Leon, Deputy City Treasurer
Lewis Pozzebon, Director of Health & Environmental Control
Martha Valenzuela, Director of Personnel/Business Services
Mark Whitworth, City Administrator/Fire Chief
Kevin Wilson, Director of Community Services & Water

FROM: Willard Yamaguchi, City Clerk 

RE: Resolution No. 2011-67 – A Resolution of the City Council of the City of Vernon Approving and Adopting a Revised Computer Purchase Plan, a Form Personal Participation Loan Application and Agreement, a Form Personal Computer Specification Sheet, and a Form Computer Loan Verification from Department Head and Payroll and Amending the Employee Computer Purchase Loan Program

Transmitted herewith is a copy of Resolution No. 2011-67 referenced above, which was approved by City Council on April 19, 2011.

Thank you.

WY:dj

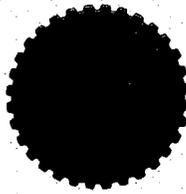
Attachment

c: Resolution No. 2011-67

RECEIVED

APR 12 2011

CITY CLERK'S OFFICE



2011-67

Approved CC 4/19/11

RECEIVED

APR 12 2011

CITY ADMINISTRATION

MW/KE

STAFF REPORT
PERSONNEL DEPARTMENT

DATE: April 6, 2011
TO: Honorable Mayor and City Council
FROM: Martha Valenzuela, Director of Personnel *MW*
RE: Amendment to Computer Loan Reso. No. 9719 & Exhibits

I recommend the amendment to the Computer Loan Resolution No. 9719 and the exhibits based on the following:

- Authorize the City Administrator to execute all necessary documents to implement the loan.
- Remove the fiscal year in section 2 of the resolution; this would alleviate having to renew the resolution every year.
- Replace the title of Director of Human Resources with the title of Director of Personnel with the title of Director of Personnel in the body of the exhibits.
- The IT Manager has recommended the following; exhibit A under section "Standard Computer System Configuration Requirements" remove outdated computer terminology that reads:
 1. 512MB memory
 2. Removable and/or recordable media drive (CD, DVD, Floppy, Zip, etc.)
 3. 60GB Hard Drive
 4. Software Operating System

And replace with more current computer verbiage that reads:

1. Any commercially available personal computer system such as a desktop or laptop, with preloaded operating system and additional software (i.e., MS Office) that will improve the performance of the employee.

Respectfully Submitted.