



## Employee Technology Purchase Loan Program

**Purpose:** To encourage MCC employees to use technology for personal and professional development by providing convenient financing.

**Applicability:** Adhering to these procedures is a requirement for all employees who purchase technology through this loan program extended by MCC to its employees on the staff planning report (SPR) who work at least a .5 FTE.

**Administration of Program:** Finance/Accounting office.

**Eligibility:**

- Employees on the SPR who work at least a .5 FTE.
- The qualifying purchase must be made when the individual is officially working for MCC on the SPR in at least a .5 FTE capacity. Purchases made before or after the employment period will not be allowed for the Technology Purchase Loan Program.
- Employees must have turned in receipts for all previous loans.

**Qualifying Purchases:** Purchases for home use, business and/or personal. The exact amount of the purchase price and all applicable sales tax will either be reimbursed to the employee directly or a cash advance will be issued to the employee based on a written quote. Computer hardware and software, related equipment, furniture, accessories, upgrade parts, peripheral components and other items, at the discretion of the Finance Officer of the College, are qualifying purchases. These items may be purchased as part of the original computer system or subsequently as separate add-ons to enhance the system. The Finance Officer will have final determination as to whether items qualify as technology-related under the intent of the loan program. Purchases that are deemed unrelated will not qualify for the program.

**Limit:** \$3,000 total outstanding per employee.

**Terms:** Maximum of 24 months (52 pay periods), no interest, bi-weekly payments through payroll deduction. There is no penalty for early payoff.

To participate in the loan program, the employee must sign a promissory note and submit a copy of the invoice and proof of payment made for the technology purchase (for reimbursement) or a copy of the vendor quote (for cash advance). See the procedures section for additional requirements if using a quote.

Upon termination, the entire balance outstanding will be deducted out of the employee's final check. If the final check is not sufficient to cover the balance due, the amount is due in full immediately from the employee.

**Refinancing/Additional Loans:** Up to the maximum amount of \$3,000 outstanding per employee at any given time, additional loans may be taken out and combined into existing loans. At the time each new loan is taken out, the new amount will be added to the existing loan, and the total balance will be refinanced for a new loan term not to exceed 24 months. Monthly payroll deduction payments will also be adjusted accordingly.

**Administrative Fee:** A fee equaling a minimum of \$30 or 2% of the amount of the qualifying purchase, whichever is higher, will be charged each time a loan is taken out. The maximum fee for each separate loan is \$60 (2% of \$3,000). The fee will be deducted in entirety from the first paycheck after the loan date.

**Procedures:** The Accounting/Finance office processes the technology loans. Employees may contact the Accounting/Finance office at (810) 762-0235 or go to Curtice-Mott room 1026 for assistance with the program.

1. Reimbursement to Employee (preferred method) – purchase has already occurred
  - a. The employee must provide a copy of the receipt/credit slip indicating that the technology was paid for by cash/check/credit card.
  - b. The employee must read, approve, and sign the Technology Purchase Loan Note (promissory note) & Payroll Deduction Authorization form. This form is available in the Accounting/Finance office or on the Human Resources website.
  - c. An Accounts Payable check will be issued within MCC's normal check processing time frame, made payable to the employee for reimbursement.
  
2. Direct Check to Employee – based on a quote
  - a. The employee must provide a quote or invoice from the vendor.
  - b. The employee must read, approve, and sign the Technology Purchase Loan Note (promissory note) & Payroll Deduction Authorization form. This form is available in the Accounting/Finance office or on the Human Resources website.
  - c. An Accounts Payable check will be issued within MCC's normal check processing time frame, made payable to the employee.
  - d. The employee must provide to the Accounting/Finance office a copy of the receipt/credit slip indicating that the technology was paid for by cash/check/credit card.
    - i. If a receipt is not received within 90 days of the check being issued, the College will immediately begin to deduct the full amount of the loan over the following six (6) payroll cycle sand the **employee will no longer be eligible for future technology loans.**
    - ii. If the employee provides a receipt that is less than the quote, MCC is to be reimbursed the difference between the quote and the amount of actual receipts through the Cashiers office, and a copy of the Cashier receipt must be submitted to the Accounting/Finance office. If this amount is not repaid within 90 days of the check being issued, the College will immediately begin to deduct the amount of the difference between the quote and receipts for the following six (6) payroll cycles and the **employee will no longer be eligible for future technology loans.**

**Payments:** Payments will be automatically deducted beginning with the next pay date following the loan date and will continue with every payroll check to which the employee is entitled until the loan is paid in full.

**Unpaid Leave Status:** If an employee becomes on leave and does not receive a paycheck, the employee is still required to send payments to the College (deposit at the Cashier office) on or before each pay date, which are the due dates for payments agreed to by the employee when s/he signs the Technology Purchase Loan Note & Payroll Deduction Authorization form.

**Separation of Employment:** If employment at the College is terminated for any reason, the total balance of the loan is due on the date of termination. The balance will be deducted from the final paycheck. If after the final paycheck there is still a balance owed by the former employee, the balance will be pursued by the College through its normal accounts receivable and collections procedures.