



## **Operating Policy and Procedure**

### **OP 18.007 Technology Loan Program Policy**

**DATE:** September 17, 2025

**PURPOSE:** To make Kellogg Community College (the College) funds available to loan at an affordable interest rate to employees for the purpose of purchasing technology-related items for professional and personal purposes.

**REVIEW:** This policy will be reviewed in June off odd-numbered years by the Finance Department with substantive revisions forwarded to the Board of Trustees through the Office of the President and President's Council.

### **POLICY/PROCEDURE**

#### **1. Policy**

- a. The general conditions governing these purchases include a maximum loan amount of \$4,000, with repayment over a period of 24 months.
- b. The minimum purchase amount shall be set at \$500.
- c. The employee makes the initial purchase of the technology.
- d. The College will repay the employee the purchase price, up to the maximum loan amount, and the employee then repays the College over a two-year period.
- e. Individuals electing to purchase technology shall sign a promissory note promising to repay the purchase price within 24 months or prior to termination of employment with the College.
- f. Eligible employees include all regular, full-time employees. Regular part-time employees are eligible for a pro-rata amount equal to the individual employee's annual employment base compared to a full-time employee.
- g. Support staff and Maintenance employees are eligible to participate in this program following the completion of their probationary period.
- h. It shall not be the responsibility of the College to provide training and/or service on the technology purchased. The setup of the system is the employee's responsibility.
- i. The College assumes no responsibility for the technology after receipt by the employee.
- j. Any employee tax liability resulting from these transactions shall be reflected on the employee's W-2 form at the end of the year.
- k. The Finance Department, in consultation with the College President, shall determine the rate of interest to be charged for loans taken out under the program.

1. An employee may only have one outstanding loan at a time. An employee with an outstanding loan wishing to obtain a new loan may pay off the existing loan and apply for a new loan.

## **2. Scope**

- a. This policy is intended as a benefit to all regular employees of the College.

## **3. Definitions**

- a. Regular employees – employees of the College who have an ongoing employment relationship with a consistent schedule and are eligible for all applicable benefits offered for their employee group (i.e., an employee employed on a full-time basis or a part-time employee with a 0.5 full-time equivalent).

## **4. Procedures for Participation in the Program**

- a. The individual shall purchase the hardware/software.
- b. The individual shall make an appointment with Accounts Payable and bring to the appointment copies of their technology purchase, showing:
  - i. Date purchased
  - ii. Items purchased
  - iii. Complete cost

The College pays the employee the amount of their purchase, up to the maximum allowed. The payment is made to the employee through the Accounts Payable office.

- c. A Promissory Note is signed by the individual to the College for the amount they received from Accounts Payable.
- d. A Payroll Deduction Authorization Form is completed by each employee participating in the program, for each biweekly deduction, in order for the employee to repay the College.
- e. Repayment shall commence on the first payday following the signing of the promissory note.
- f. Repayment shall take place in equal installments over a 24-month period. If an individual wishes to accelerate the repayment schedule, such arrangements can be made with the Finance Department.

## **5. Roles and Responsibilities.**

- a. Finance Department – shall be responsible for the administration of the program for the College.

6. **Forms**

- a. Promissory Note
  - b. Payroll Deduction Authorization Form
7. **Right to Change Policy.** The College reserves the right to interpret, change, modify, amend, or rescind this policy, in whole or in part, at any time, without prior notice or the consent of the employee.

8. **Approval Date:** September 17, 2025

9. **History**

- a. December 20, 1988 – establishment of the plan allowing loans up to \$3,600 with a 36-month repayment period.
- b. April 18, 2006 – revised maximum loan limit to \$2,000 with a 24-month repayment period. Established \$500 minimum purchase/loan amount.