

Council Meeting of
January 15, 2008

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California
Members of the Council:

SUBJECT: Dell purchase order increase for Employee Computer Loan Program

RECOMMENDATION

Recommendation of the City Manager that Council approve:

1. An extension to the Dell purchase order within the City's computer loan program from February 29, 2008 to June 30, 2008; and
2. Increase the purchase order by \$30,000 for a total of \$60,000.

FUNDING

Funding is available in the current year computer loan program allocation.

BACKGROUND/ ANALYSIS

In 1999, the City Council appropriated \$50,000 to establish an Employee Computer Loan Program. In December 2000, Council appropriated an additional \$50,000 to enhance the existing program.

Employees who wish to participate in the City's computer loan program are selected by a semi-annual drawing. Once their name has been drawn they are given the option to purchase a computer independently or through a vendor selected by the City. The current vendor is Dell Computer which has a purchase order of \$30,000 in place for program use. As the program evolved, the demand for using the Dell purchase order increased faster than anticipated, thereby leaving a larger unused funding balance in the rest of the program. Utilizing the Dell purchase order has the benefit of not requiring the employee to expend personal funds. The current Dell purchase order has been depleted; therefore, the option to use that purchase order is no longer available.

To meet the needs of program participants, a transfer of \$30,000 to the Dell purchase order from the remaining funds in the computer loan program is required. This transfer does not increase the City's level of participation in the program. It only redistributes the money to more accurately reflect the usage. It should be noted that this is a revolving fund that is replenished as payments are deducted from the participating employees' paychecks and no additional City funds are required.

Staff is also asking that the length of the purchase order be extended from February 29, 2008, the current ending date, to June 30, 2008 to coincide with the end of the fiscal year.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

CONCUR:

Mary Gordiano
LeRoy J. Jackson
City Manager

By *Jay Scharfman*
Jay Scharfman
Senior Manager Associate

for