MURRAY STATE UNIVERSITY
BICYCLE LOAN PROGRAM

GUIDELINES:

1. All full-time faculty and staff employed at the University for 6 months or more are eligible to participate in the program.

2. Bicycle, for the purpose of this program, is a two wheeled, non-motorized conveyance powered by a pedal and gear system.

3. One (1) helmet will be allowed as part of the total loan amount. Items excluded from the program include all other separately purchased pieces of equipment or accessories.

4. Used equipment cannot be included in the program.

5. The Bicycle Loan Program will provide 80 percent of the cost of the bike and helmet up to a maximum outstanding balance of $2,000.00. If the bicycle cost is $2,500.00 the employee will receive 80% X $2,500.00 = $2,000.00

6. As loans are paid off or paid down, employees may apply for additional funding for other bicycles. As long as funds are available in the pool, there is no upper limit to the total amount an employee may borrow to purchase bicycles. However, the current outstanding loan amount cannot exceed $2,000.00.

7. Loans are to be repaid within one calendar year, in equal payments, based on your pay schedule. The payments will be made through automatic payroll deduction.

8. Funds that are repaid stay in the loan pool and are made available to other eligible faculty/staff.

9. Purchases may be made from any vendor for any brand selected by the employee.

10. If it is determined that this program constitutes a taxable fringe benefit, the employee is responsible for the income taxes.
PROCEDURES:

1. Written requests should be submitted to Accounts Payable, 200 Sparks Hall. This request should indicate the approximate amount of the bicycle and helmet and the amount to be borrowed, a written quote of the purchase price or copy of the invoice should be attached. If a quote is initially submitted to obtain the loan, an itemized paid invoice must be submitted no later than two weeks after the loan is issued.

2. If 80% of the invoice does not meet or exceed the amount of the loan, program participants should return all unused loan funds greater than $100, to Accounting & Financial Services. Loan payments, per pay period, will not be reduced; however, the loan payments will end earlier.

3. The faculty/staff members participating in the program will be asked to sign a security document and payroll deduction card agreeing to repay the loan (at no interest) within one year in equal payments. An equal amount will be deducted over 12 months; the loan will be condensed to the time period in which they are paid.

4. The actual loan check or direct deposit will be available to the employee approximately five days after signing the above documents.

5. Payroll deduction will begin on the next payroll following the date of the check.

6. If an employee terminates employment with the University the outstanding balance on all bicycle loans will be deducted from their last payroll check. If their last payroll check is not sufficient to cover the remaining loan balance, the individual will be required to pay the balance prior to final clearance from the University.