

SAM – FINANCED ACQUISITIONS
GS \$Mart©

LEASING CONDITIONS

3440.20

(New 12/06)

Financed leases can be used for:

1. Orders for applicable items placed against Leveraged Procurement Agreements such as the California Multiple Award Schedules (CMAS), unless otherwise stated in user instructions,
2. Competitive acquisitions, or
3. Noncompetitive acquisitions.

Conditions for entering into a financed lease include, but are not limited to, the following:

1. The term duration of the financed lease may not exceed the projected useful life of the asset being financed.
2. Acquisitions conducted under delegated purchasing authority that include leasing must subscribe to the requirements identified in the State Contracting Manual, Volume II (Purchasing Authority Manual). For determination of whether the transaction is within a department's delegated purchasing authority limit, the finance cost associated with the lease is not included.
3. State departments subject to Department of General Services' (DGS) oversight that use the financial marketplace must send a copy of each financed lease agreement to the Lease \$Mart© Administrator. No financed lease may be signed by a department without prior written approval by the DGS.

If a department wishes to consider a lessor that is not participating in the Lease \$Mart© program, then prior to proceeding contact a financial marketplace representative to learn how the lessor can qualify to participate. Requirements to become a lessor are located on the Lease \$Mart© Internet site.