

CHECKLIST FOR EQUIPMENT LEASE AGREEMENTS

(Processed by the Educational Services Center, Contracts and Purchasing Unit, ONLY)

___ Complete a Contract Request Form (CRF)

- Note: Prepare Electronic Budget Transfer Authorization (eBTA), if necessary. Funding must be in the appropriate G/L account prior to submission of request.

___ Request for Contract (RFC) – Must be entered in SAP by Initiator with CRF and all relevant backup documents attached.

- Use Account Assignment “A” for Assets for the lease portion and Account Assignment “C” or “S” for the maintenance portion, if any. If the supplier is different from the finance company, the vendor for the RFC must be the finance company to whom payments will be made. *(Example: The postage machine is purchased through the dealership called Priority Mailing System. The finance company is Mail Finance. The end result is that we will have two agreements; one for Priority Mailing System to purchase the equipment and maintenance, the second will be with Mail Finance for the lease component.)*
- The following information must be provided in the RFC text in SAP:
 - ___ Lease Period (estimated delivery date and length of term)
 - ___ Principal Value (the amount financed)
 - ___ Interest Rate
 - ___ Lease Type (Please specify if it is Fair Market Value or buyout for specific bargain price, usually \$1.00)
 - ___ If a piggyback contract is used, provide the complete piggyback contract information. *(E.g. Department of General Services State of California Multiple Award Schedule, CMAS Agreement #3-01-36-0030A)*

___ Equipment Proposal from the Vendor – Attached by Initiator in SAP.

___ Finance Company’s Original Lease Agreement – Attached by Initiator in SAP.

- If lease terms have not been previously negotiated by the District, the Lease Agreement will need to be reviewed and negotiated.
- Note: Equipment delivery cannot be scheduled until a fully-executed contract is signed by the District and the Vendor.

___ Finance Company’s Payment Schedule - Required for bargain price buyout or \$1.00 buyout lease.

___ Three (3) Quotes

- Quotes must show comparable costs for similar equipment and specify if maintenance is included in the lease.

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___ Valid Piggyback Contract

- If a piggyback contract is used, no additional quotes are required.
- Provide a printed hardcopy of the COMPLETE CONTRACT, which must include the following:
 - ___ Effective term of the contract must be current and valid.
 - ___ Specific Equipment Model
 - ___ Provision that states the contract is “piggybackable” and is available for other public entities, including California Community College Districts, to utilize.