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| --- | --- | --- |
| 1. | a.) Name of Agency:  |       |
|  | b.) Mailing Address: |       |
|  | c.) Proposed Lease Term – From: |       | To: |       |
|  | d.) Proposed Lease Location: |       |
|  | e.) L1L2: |       | FLAIR Account Code: |   -  - -     -     -  -     -   |
|  | f.) Agency Contact Person:  |       |
|  | g.) Agency Contact Phone: |      -     -      |
|  | h.) Agency Contact Email: |       |
|  | i.) Reviewed by Purchasing Office (signature): |  |
|  | j.) Submitted By (signature): |  |
|  |  |  |
| 2. Equipment Description |       |

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| 3. | Equipment Vendor Name: |       |
|  | Equipment Vendor Address:  |       |
|  | Equipment Vendor FEID No: |       |

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| 4. | What acquisition method was used to procure equipment (Request for Quote (RFQ), Invitation to Bid (ITB), Request for Proposal (RFP), Sole Source, etc.)?       |

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| 5. | Attach procurement documentation (copy of RFQ/ITB /RFP) and the bid tabulation used to select vendor. If method was sole source, attach Sole Source Certificate. |

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| 6.  | Attach an official statement documenting the need and usage of the equipment. |
| 7. | Attach documentation from the budget office substantiating there are recurring funds available to make payments under the proposed lease term. |
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| 8. | Attach a copy of the requisition order and proposed lease agreement, if applicable. |

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| 9. | a.) If purchased instead of leased, proposed purchase price after discounts and trade-in : | $      |
|  | b.) Less equity accruals of rental credits: | (     ) |
|  | c.) Net purchase price | $      |
|  |  |  |
| 10. | a.) Proposed lease term: |       months |
|  | b.) Expected period of need for proposed equipment: |       months |
|  | c.) Remaining useful life of equipment at lease conclusion: |       months |
|  | d.) Total useful life of equipment at Lease inception: |       months |
|  | e.) Remaining percentage of total useful life (c/d): |       % |
|  | f.) Purchase price of the equipment at end of lease term: | $      |
|  | g.) Does the lessee provide a guarantee that the lessor will receive the purchase price of the equipment at the end of the lease term? | [ ]  Yes [ ]  No |
|  | h.) Is a maintenance charge included in the lease payment? | [ ]  Yes [ ]  No |
|  | i.) If no, the separate monthly expense is: | $     / month |
|  | j.) If yes, implied monthly expense – equivalent to maintenance cost if equipment was owned: | $     / month |
|  | k.) Gross lease payment, not including separate maintenance (i) | $      |
|  | l.) Less executory (period) costs- |  |
|  |  Implied maintenance (j) | (     ) |
|  |  Other: | (     ) |
|  | m.) Net lease cost (k) – (l) | $      |
|  | n.) Net lease cost over lease term (m) x (a) | $      |

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| 11. Present Value determination: Use the lesser interest rate of: a) incremental borrowing rate of approximately 6.0% - use Present Value Table provided; or b) the implicit (not expressed directly) rate in the lease of      % |

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| **Present Value Table** |
| 10(a) Lease Term Months | Present Value Annuity Factor (PVAF) 6.0% | Future Value of single Payment Factor (FVPF) 6.0% |
| 12 | 11.219 | 0.943 |
| 18 | 17.173 | 0.917 |
| 24 | 22.553 | 0.890 |
| 30 | 27.794 | 0.895 |
| 36 | 32.871 | 0.839 |
| 42 | 37.798 | 0.815 |
| 48 | 42.580 | 0.792 |
| 60 | 51.725 | 0.747 |
| 72 | 60.340 | 0.705 |

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| 11(a) Present Value of Net Lease Payments – Multiply the net lease cost 10(m) by the present value annuity factor corresponding with the lease term 10(a) |  10(m) $      |
| x PVAF $      |
| = 11(a) $      |

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| **NOTE:** If 10(g) is No, skip sections 11(b), 11(c), and 11(d), go to 11(e). |

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| 11(b) Present Value of Lease End Price – Multiply the purchase price at end of the lease 10(f) by the future value of single payment factor corresponding with the lease term 10(a) |  10(f) $      |
| x FVPF $      |
| = 11(b) $      |

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| 11(c) Cost of Equipment during lease – Subtract the present value of the purchase price at the end of lease 11(b) from the net purchase price 9(c) |  9(c) $      |
| - 11(b) $      |
| = 11(c) $      |

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| 11(d) Divide the present value of net lease payments 11(a) by the cost of equipment during lease 11(c) |  11(a) $      |
| / 11(c) $      |
| = 11(d)      % |

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| --- | --- |
| 11(e) Divide the present value of net lease payments 11(a) by the net purchase price 9(c) |  11(a) $      |
| / 9(c) $      |
| = 11(e)      % |

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| 12. | If the proposed lease term 10(a) is less than expected period of need for the equipment 10(b), is there a lease available with a term that more closely approximates the expected period of need? [ ]  Yes [ ]  No |
|  | If yes, provide documentation explaining why the proposed lease term is less than the period of need and how it is cost-effective. |
|  | Are 10(a) & 10(b) equivalent? [ ]  Yes [ ]  No |

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| 13. | At the end of the lease term, is the ownership (title) of the property transferred to the Lessee? [ ]  Yes [ ]  No |

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| 14. | Does the lease contain a bargain purchase option price? [ ]  Yes [ ]  No |

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| **NOTE:** If 10(e) is 25% or less, skip questions 15 & 16, go to question 17. |

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| 15. | Is the lease term substantially (75 percent or more) equal to the remaining economic useful life of the leased property? (10(a) / 10(d) =       ). [ ]  Yes [ ]  No |

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| 16. | Does the present value of net lease payments 11(a) equal or exceed 90 percent of the fair value (net purchase price 9(c) or the cost to be recovered 11(c) of the lease property)? [ ]  Yes [ ]  No Depending on the answer to 10(g), use 16(a) or 16(b) to determine the response:(a) If answer to 10(g) is yes, use 11(d)     % [ ]  Yes [ ]  No(b) If answer to 10(g) is no, use 11(e)      % [ ]  Yes [ ]  No |
|  |
| 17. | Checking “Yes” indicates that the proposed agreement is in conformance with the following provisions: |
|  |  | **Yes** |
|  | a.)  | Indemnity Clauses (Attorney General Opinion (AGO) 78-20) | [ ]  |
|  | b.)  | Late Payments (Section 215.422, F.S.) | [ ]  |
|  | c.)  | Advanced payment for goods and services (Section 215.422, F.S.) | [ ]  |
|  | d.)  | Annual Appropriations (Section 287.0582, F.S.) | [ ]  |
|  | e.) | No clauses granting security interest. (AGO 79-72 and 80-9) | [ ]  |
|  | f.) | Laws of the State of Florida shall prevail in the agreement | [ ]  |
|  | g.) | The risk of loss or damage to leased equipment, or other lessor duties, has not been transferred to the lessee (State). | [ ]  |
|  | h.) | Lease made under purchasing contracts, i.e., state term contracts, do not contain modifications that are not part of the original purchasing contract. | [ ]  |
|  | i.) | No clauses containing prepayment penalties. | [ ]  |
|  | j.) | No clauses providing for the lessee (State) to separately pay for intangible taxes, property taxes, etc. | [ ]  |
|  | k.) | Present value methodology used for leases, which require payments for more than one year and include provisions for unequal payment streams or unequal time payment streams. (Section 287.0572, F.S.) | [ ]  |

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| Submit to: | Department of Financial ServicesBureau of AccountingFinance and Federal Reporting Section200 East Gaines Street414 Fletcher BuildingTallahassee, Florida 32399-0364Phone: (850) 413-5511E-mail Address: financing@myfloridacfo.com |

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| APPROVEDDEPARTMENT OF FINANCIAL SERVICESDIVISION OF ACCOUNTING AND AUDITINGBY:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_DATE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_APPROVAL NO:­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |