

OFFICE OF STATE PROCUREMENT

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Memorandum

To: Chief Fiscal Officers, Purchasing Agents and Agency Purchasing Officials

From: Joseph A. Giddis, DFA/OSP, Ron Lester, DFA/OIS

Date: November 23, 2005

Subject: Leasing of Vehicles

ACA 22-8-102 covers leasing and renting of state vehicles by state agencies.

It states "Before any state agency shall lease any motor vehicle or renew any existing lease for a motor vehicle, the agency shall submit a written request to the State Procurement Director identifying the motor vehicles sought to be leased by the agency and all facts and circumstances the director may request to enable him or her to determine the economics, need, and feasibility of leasing the motor vehicle" (lease justification letter).

Lease is defined by ACA 22-8-102 (a)(1) as obtaining the use of a motor vehicle from any source for a monetary fee, for a period of thirty-one (31) days or more.

Executive branch agencies will continue to submit State Vehicle Requests to the DFA Office of Information Services (OIS) as outlined in the Arkansas State Vehicle Fleet Management Guide http://www.accessarkansas.org/dfa/ois/ois_vehicle.html.

When the request involves a lease, the "lease justification letter" addressed to the State Procurement Director will also be submitted with the vehicle request to OIS. If the vehicle request is tentatively approved by OIS, a copy of the request and the requesting agency's "lease justification letter" will be forwarded to the Office of State Procurement (OSP). The State Procurement Director will evaluate and process the lease request in accordance with the State Procurement Law and ACA 22-8-102. If the lease is approved by the Legislative Council and the State Procurement Director, OSP will notify OIS and the State Vehicle Request will be given final approval and processed. A State Vehicle Request involving a lease cannot receive final approval until the lease itself has been reviewed and approved.

CC: Richard Weiss Tim Leathers