

Date:

Memorandum for: The File

From: Contracting Officer

Subject: Lease GS-xxx-xxxxx  
Determination of Operating Lease Classification for  
Simplified Lease

The Government intends to procure the above lease through the use of the Simplified Lease Acquisition Model for the period \_\_\_\_\_ through \_\_\_\_\_. This memo verifies that the lease has met the following conditions and can be classified as an operating lease as further defined in Appendix B of OMB Circular No. A-11, Appendix B. Having satisfied the criteria listed below, the "90 percent" scoring calculation is not required to make that determination.

1. Ownership of the asset remains with the lessor during the term of the lease and is not transferred to the Government at, or shortly after, the end of the lease period.
2. The lease does not contain a bargain-price purchase option.
3. The lease term does not exceed 75 percent of the estimated economic life of the asset.
4. The asset is a general-purpose asset rather than being for a special purpose of the Government and is not built to the unique specification of the Government as lessee.
5. There is a private sector market for the asset.
6. The project should not be constructed on Government land.<sup>3</sup>
7. There should be no provision of Government financing and no explicit Government guarantee of third party financing.
8. Risks of ownership of the asset should remain with the lessor unless the Government was at fault for such losses.

If any follow on action takes the subject lease beyond the Simplified Lease Threshold, the scoring requirements as defined in RSL 2008-03 must be applied before the action is undertaken.

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GSA Contracting Officer / Date