

# CHANGE REQUEST COVER SHEET

**Change Request Number:** 09-47

**Date Received:** 3/11/2009

**Title:** Terms of Leases

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**Name:** Brenda Carignan

**Phone:** 202-267-8392

**Policy OR Guidance:** Policy

**Section/Text Location Affected:** Policy 4.2.3.8.1

**Summary of Change:** changed citation

**Reason for Change:** incorrect citation

**Development, Review, and/or Concurrence:** AGC-520

**Target Audience:** RECOs

**Potential Links within FAST for the Change:** None

**Briefing Planned:** Yes

**ASAG Responsibilities:** Approve

**Potential Links within FAST for the Change:** None

**Links for New/Modified Forms (or) Documents (LINK 1)**

**Links for New/Modified Forms (or) Documents (LINK 2)**

**Links for New/Modified Forms (or) Documents (LINK 3)**

## SECTIONS EDITED:

Acquisition Management Policy:

**Section 4.2.3.8.1 : Terms of Leases** [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

## SECTIONS EDITED:

### **Section 4.2.3.8.1 : Terms of Leases**

**Old Content:** Acquisition Management Policy:

#### **Section 4.2.3.8.1 : Terms of Leases**

The RECO is authorized to enter into firm-term leases within established restrictions ([2.4.4 Lease Terms](#)). The RECO may award firm term leases not to exceed 20 years under the authority of 49 U.S.C. 40110 (c) (2)(A) without violating the Antideficiency Act. If a lease requires the payment of rent above a nominal amount—e.g., \$1.00 per year--a new lease must be procured when the existing lease contract has been in effect for 20 years.

The RECO must complete the *Lease Evaluation Form* as early as possible in order to determine whether the lease will be a Capital Lease in accordance with OMB Circular A-11, Appendix B. If determined to be a capital lease ([3.1.5 capitalization guidance](#)), the RECO will notify the Logistics Service Area Manager and must ensure with the program office that FAA has the adequate funding for the requirement.

**New Content:** Acquisition Management Policy:

#### **Section 4.2.3.8.1 : Terms of Leases**

The RECO is authorized to enter into firm-term leases within established restrictions ([2.4.4 Lease Terms](#)). The RECO may award firm term leases not to exceed 20 years under the authority of 49 U.S.C. 40110(c)(1) without violating the Antideficiency Act. If a lease requires the payment of rent above a nominal amount—e.g., \$1.00 per year--a new lease must be procured when the existing lease contract has been in effect for 20 years.

The RECO must complete the Lease Evaluation Form as early as possible in order to determine whether the lease will be a Capital Lease in accordance with OMB Circular A-11, Appendix B. If determined to be a capital lease ([3.1.5 Capitalization Guidance](#)), the RECO will notify the Logistics Service Area Manager and must ensure with the program office that FAA has the adequate funding for the requirement.

**Red Line Content:** Acquisition Management Policy:

#### **Section 4.2.3.8.1 : Terms of Leases**

#### **4.2.3.8.1 : Terms of Leases (Updated 4/2009)**

The RECO is authorized to enter into firm-term leases within established restrictions (2.4.4 Lease Terms). The RECO may award firm term leases not to exceed 20 years under the authority of 49 U.S.C. 40110-(c)-(2)(A1) without violating the Antideficiency Act. If a lease requires the payment of rent above a nominal amount—e.g., \$1.00 per year--a new lease must be procured when the existing lease contract has been in effect for 20 years. ~~The~~

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