



Master Vehicle Lease & Assignment Agreement

OVM Document ID Number
FY2021«Agency»

The Executive Office for Administration and Finance Operational Services Division’s Office of Vehicle Management (“OVM” or “Lessor”) offers a Lease Program that secures funding to purchase vehicles and lease them to Commonwealth Agencies and/or Departments (“Agencies” or “Lessee”).

This Master Vehicle Lease & Assignment Agreement (“Agreement”) between OVM and «Agency_Name» (“Agency”) (together, “the Parties”) governs the provision of any vehicle or vehicle-related equipment purchased by OVM and leased to Agency that is received by OVM and/or placed in service with Agency between the first and last business day of the 2021 fiscal year (July 1, 2020 – June 30, 2021). In addition, this Agreement governs the administration and chargeback of any service charges related to said vehicles or vehicle-related equipment, including but not limited to, telematics monitoring.

Table with 2 columns: Lessor and Lessee. Lessor: Executive Office for Administration and Finance, Operational Services Division, Office of Vehicle Management, 1 Ashburton Place, Room 1017, Boston, MA 02108. Lessee: Agency Name/Business Mailing Address: «Agency_Name», «Address», «City», «ST», «Zip». Agreement Manager: Alex Giannantonio, Director of Fleet Policy & Administration. Phone: 617-720-3171. E-mail: alex.giannantonio@mass.gov.

OVM Lease Program Overview:

- Applies only to vehicles and vehicle-related equipment that are available on a departmental or statewide contract where OSD is identified as an authorized purchaser
o Current statewide contract VEH98 includes the following vehicle categories:
Table with 3 columns: 01-Passenger Cars, 02-SUVs, 03A-Light Duty Vans, 03B-Heavy Duty Vans, 04A-Light Duty Trucks, 04B-Heavy Duty Trucks, 05-SSVs (special service vehicles), 06-PPVs (police pursuit vehicles), 07-Other, 08-Buses, 09-Excavators, 10-Loaders, 11-Dump Trucks, 12-Forklifts, 13-Tractors
o Current statewide contract VEH106 offers telematics devices and monitoring services
Agencies wishing to participate must execute a Master Vehicle Lease & Assignment Agreement prior to submitting Vehicle Requests to OVM
Vehicle Requests must be submitted to OVM in a manner that allows time for review, approval, order, production and delivery of each vehicle, including upfit if applicable, prior to the end of that fiscal year
Vehicle Requests must be approved by OVM and the Financial Signatory Authority of the requesting Agency or Department (“Agency CFO”)
The source of funding for monthly lease fee payments must be included with the Vehicle Request
o Agencies certify that sufficient funding for the obligations associated with each leased vehicle is available through the funding sources identified within the Vehicle Request
It is expected that an existing vehicle be surrendered for each new vehicle leased



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- Vehicle Requests must identify the existing vehicle(s) being surrendered
 - Agency may only identify currently active vehicles to be surrendered
 - Any request by an Agency to utilize previously surrendered vehicles will be considered on a case-by-case basis; these requests must include a detailed justification and will be approved or denied at the sole discretion of OVM
- Vehicle requests will be reviewed to ensure compliance with fuel efficiency standards
- All passenger vehicles and light duty trucks¹ acquired through the OVM Lease Program will be considered “OVM-Managed” and be subject to the OVM Policies and Procedures Manual (see Terms, below)
 - This includes the fees for OVM Services, which are included in the monthly lease rate (see Fees, below)
- Any vehicle or vehicle-related equipment acquired through the OVM Lease program that is not defined as a passenger vehicle or light duty truck may have different terms (see Terms, below)

OVM Lease Process:

- Lease availability is announced by OVM
- Agency Fleet Manager (“AFM”) reviews vehicle needs and funding availability with Agency CFO
- AFM submits Vehicle Requests to OVM for review, in required spreadsheet format
- OVM reviews, edits (if necessary) and processes request
- Upon receipt of approval from OVM, AFM obtains detailed quotes from dealers
- Agency & OVM review, edit (if necessary) and approve quotes
- OVM requests approval from Agency CFO via email to order vehicles based on approved quotes
 - Request for approval will include the quantity of vehicles, their descriptions and expected costs
 - *Agency CFO approval via email acts as legal & financial commitment for approved vehicle(s) in accordance with this Agreement*
 - *If Agency CFO does not provide approval via email, OVM will not order the requested vehicle(s)*
- Once a vehicle is ordered, delivered and placed in service, a lease schedule is made available to Agencies upon request

OVM Services:

In addition to financial leasing, OVM provides Administrative and Maintenance/Repair services.

An Administration Fee is charged to cover expenses incurred by OVM to provide services including:

- Vehicle purchasing through departmental or statewide contracts
- The receipt and inspection of all new passenger vehicles and light duty trucks¹
- Registrations, titles and plates (including renewals and duplicates)
- Fuel card management (statewide contracts for Fuel Card and Fuel Management Services)
- Coordination of maintenance, repair (including tires) and accident subrogation services and provision of vehicle packets (statewide contracts for Maintenance Management & Accident Subrogation Services)
- Driver accident reporting, monitoring, and follow-up
- Fleet inventory and data system management
- Telematics device installation, monthly monitoring services, and data reporting
- Vehicle redeployment or disposition management
- Assisting department fleet managers
- Compliance and auditing
- Management of the 1-800-How Am I Driving program and other citizen complaints
- Domicile approval process and IRS reporting services

¹ For the purposes of the OVM Lease Program, “passenger vehicles” include all sedans, crossovers, sport utility vehicles, and vans up to 10,000 lbs GVWR (Gross Vehicle Weight Rating) and “light duty trucks” include all traditionally labeled “Compact, ½-Ton, ¾-Ton and 1-Ton” trucks and vans, regardless of GVWR. Motorcycles are excluded. Law enforcement tier “LE1” vehicles, as defined in GSA FMR Bulletin B-33, are also excluded. This definition may be amended at any time, in accordance with approved policy documents.



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- Management of federal reporting and alternative fuel mandates

A Maintenance/Repair Fee is charged to cover expected maintenance costs for normal wear & tear incurred by each leased vehicle. Coverage and exclusions are outlined below:

Maintenance/Repair Fee Covers:

Preventive Maintenance

- Oil changes
- Tire rotations
- Brake inspections
- Tune-ups
- Transmission flushes
- State inspection stickers

Wear & Tear Repair or Replacement*

- Brakes
- Suspension
- Electrical, sensors
- A/C, coolant
- Exhaust
- Towing, diagnostics and labor
- Tire repair/replacement
- Miscellaneous parts, such as wiper blades

*Wear & Tear Repair or Replacement Does NOT Include:

- Cosmetic or rust repairs, including mirrors and glass
- Damage due to accidents or vandalism, regardless of fault
- Interior damage, such as upholstery, floor mat, door panel, dash, glove box or console damage
- Radio, communications or navigation equipment
- Keys, interior caging or security devices
- Any vehicle cleaning
- Repair or replacement of additional equipment, such as plows, sanders, lights, lifts, telematics devices
- Loss or damage to personal items

The Agency that is leasing the unit is responsible for any of the repairs noted above.

Important Note: If any repairs are required as a result of negligence or intentional or willful conduct, including those due to Agency or Driver action/inaction, those costs are the responsibility of the Agency.

Lease Schedule:

A Lease Schedule will be available for each vehicle placed into service, identifying the following details:

Agency Information:	
Agency Name	3-Digit Agency Code
4-Digit Unit Code	Current Agency Contacts
Funding Source	Account/Fund Codes

Approval Path Information:	
Date Requested	Requestor
Date Approved	Approver
Date Ordered	Ordering Dealer

Vehicle Information:	
VIN	Plate #
Year	Make
Model	Trim/Drive
Contract ID #	Asset #

Lease Information:	
Acquisition Cost	Lease Rate
In-Service Date	Maintenance/Repair Fee
Lease Start Date	Administration Fee
Lease End Date	Total Monthly Lease Fee

Term of the Lease: Each Lease Schedule for vehicles acquired under this Master Vehicle Lease & Assignment Agreement shall have a five (5) year term and shall terminate upon remittance of the sixtieth (60th) Agency payment of the total monthly lease fee as billed by OVM, unless terminated or properly amended in writing by the Parties prior to this date or terminated in accordance with OVM's Policies and Procedures Manual. This Agreement shall terminate upon remittance of all payments associated with all Lease Schedules for vehicles acquired under this Agreement and completion of all terms included therein. Individual vehicles subject to this Agreement are identified in the Lease Schedule(s), made available as noted above, and which may be attached hereto and which may be updated from time to time.

Fees: Agency shall pay to OVM a total of sixty (60) monthly lease fee payments for each leased vehicle, payable by chargeback fee to reflect the costs associated with: (1) acquisition of the vehicle, including finance charges, (2) vehicle maintenance and repairs, (3) administration, and (4) any additional service charges identified at time of purchase. The applicable monthly fees will be outlined in the available Lease Schedule. Bills will be issued



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monthly by OSD/OVM via Interdepartmental Chargeback, governed by [815 CMR 6.0](#), and will start with the billing date that occurs in the month following vehicle delivery. The portion of the monthly lease fee associated with vehicle acquisition costs shall be fixed for the five (5) year period and may only be altered by written amendment between the Parties. OVM Maintenance/Repair Fees, Administration Fees, and Service Charges may be adjusted annually, at the sole discretion of OVM. A new Lease Schedule will be available if an adjustment is made.

Vehicle Status:

Vehicles are considered to be owned by OVM and assigned to Agency during the term of the lease. At the end of the lease term, Agency may: (1) return the vehicle to OVM or (2) request written approval from OVM to update the vehicle's status to owned by Agency and managed by OVM. This vehicle status is subject to additional terms and conditions, along with an Annual OVM Administration Fee, to be outlined in OVM's written approval.

Authorized Vehicle Drivers: All drivers must be provided a copy of and comply with OVM's Policies and Procedures Manual, unless otherwise noted in the Terms of this Agreement. Upon request, Agency must provide a copy of each driver's signed Driver Affirmation Review and Compliance form to OVM.

Additional Vehicle-Related Equipment: Upon request and agreement, OVM may facilitate installation of additional parts or products on vehicles acquired through the OVM Lease Program, prior to delivery to Lessee. Agency attests that the Vendor and Part or Product identified for installation are on a current, valid contract that includes an agreement governing installation, maintenance, and warranty terms for said part or product. OVM's obligation to facilitate installation of parts or products on leased vehicles is inclusive of payment to the Vendor for the part or product, and installation costs, as agreed on the official, approved quote. These costs will be incorporated into the Monthly Lease Rate charged to Lessee. Any service charges incurred for vehicle-related equipment will also be incorporated into the Monthly Lease Rate charged to Lessee.

Lessee Responsibilities: Lessee assumes responsibility for inspection of the vehicles upon completion of the installation. For the duration of leases associated with the vehicles, Lessee assumes responsibility for maintenance and repair related to the additional parts or products.

CERTIFICATIONS:

IN WITNESS WHEREOF, by executing this Master Vehicle Lease & Assignment Agreement below, the Agency and OVM certify, under the pains and penalties of perjury, that Agency and OVM understand and agree that any Agency and OVM officer or employee who knowingly violates, authorizes or directs another officer or employee to violate any provision of state finance law relating to the incurring of liability or expenditure of public funds, including this Agreement, may be considered to be in violation of M.G.L. c. 29, § 66, and therefore the Agency and OVM agree to ensure that this Agreement complies with, and that all staff or contractors involved with performance, including vehicle drivers pursuant to this Agreement, are provided with sufficient training and oversight to ensure compliance with the OVM Policies and Procedures Manual, the Agreement Terms and Conditions, including the Terms of Performance, and that all terms governing performance of this Agreement are attached to this Agreement, and the Agency and OVM agree to maintain the necessary level of communication (including immediate notification of any amendments to accounting information, or performance needs), coordination, access to reports and other Agreement reporting or information, and cooperation to ensure the timely execution and successful completion of the Agreement, amendments, and state finance law compliance; and that the Agency certifies it will ensure that sufficient funds are timely made available in the OVM account(s), with the proper accounting codes, prior to OVM's need to begin initial or amended performance; and that OVM will not allow initial or amended performance to begin until the Agreement is executed AND the Agency account is sufficiently funded to support encumbrances and payments for performance, and OVM will make encumbrances and payments only from the authorized Agency account(s) and shall not be entitled to transfer charges made from any other account not approved in writing by Agency in advance of expenditures by OVM.

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TERMS AND CONDITIONS

OVM Certifications: OVM will make encumbrances and payments only from the authorized Agency account(s). OVM is authorized to use Master Vehicle Lease & Assignment Agreement funding only for the agreed upon costs of Agreement performance and may not use such funds to supplement non-Agreement related personnel or expenditures.

Agency Certifications: Signature by the Agency certifies that it has obtained the necessary approvals to request and receive leased vehicles, that it will ensure sufficient funds are timely made available in the OVM account(s), with the proper accounting codes, prior to OVM's need to begin initial or amended performance; that the Agency will monitor Agreement performance in compliance with the OVM Policies and Procedures Manual, and will communicate all fiscal information necessary for the set-up of the OVM interdepartmental encumbrance(s).

Financial Responsibility: The Chief Fiscal Officer or other authorized designee identified as the financial signatory authority for the Agency ("Agency CFO") and OVM will be responsible for overseeing the fiscal management of Lease Agreements within their Departments/Agencies in accordance with these Terms and Conditions.

Master Vehicle Lease & Assignment Agreement Manager: Both the Agency and OVM are responsible for ensuring that the Agreement Manager listed on the Agreement, or any amendments thereto, is current and that the Agreement Manager is an authorized signatory for the Department supported by the appropriate Security Profile. If the listed Agreement Manager changes, the designated or interim Agency CFO shall be the Agreement Manager until a replacement is identified via Written Notice.

Record-keeping and Retention: Agency and OVM shall maintain all Master Vehicle Lease & Assignment Agreement and Lease Schedule records in such detail as necessary to support claims for payment, including reimbursement, for at least seven (7) years from the last payment under the Agreement, or such longer period as is necessary for the resolution of any litigation, claim, negotiation, audit or other inquiry involving the Agreement, or as required by any amendments to the Commonwealth's record retention laws.

Payments and Compensation: All Master Vehicle Lease & Assignment Agreement payments are subject to appropriation pursuant to M.G.L. C. 29, or the availability of sufficient non-appropriated funds for the purposes of the Agreement. Overpayments or disallowed expenditures shall be reimbursed by OVM or may be offset from future Agreement payments in accordance with state finance law and instructions from the Office of the State Comptroller.

Master Vehicle Lease & Assignment Agreement Termination or Suspension: The Agreement shall terminate on the date specified, unless properly amended prior to this date, or unless terminated or suspended under this Section upon prior written notice. OVM may terminate the Agreement without cause and without penalty with at least thirty (30) days prior written notice, or may terminate or suspend the Agreement with reasonable notice if the Agency breaches any material term or condition or fails to perform or fulfill any material obligation required by the Agreement, or in the event of an elimination of an appropriation or availability of sufficient funds for the purposes of the Agreement, or in the event of an unforeseen public emergency mandating immediate OVM action. Upon immediate notification to the other party, neither party shall be deemed to be in breach for failure or delay in performance due to Acts of God or other causes factually beyond their control and without their fault or negligence.

Written Notice: Any notice shall be deemed delivered and received when submitted in writing in person or when delivered by any other appropriate method evidencing actual receipt by OVM or the Agency. Unless otherwise specified in the Agreement, legal notice sent or received by the Agency's Agreement Manager or the CFO (with confirmation of actual receipt) through the listed E-Mail address for the Agreement Manager



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will satisfy written notice under the Agreement. Any written notice of termination or suspension delivered to OVM shall state the effective date and period of the notice, the reasons for the termination or suspension, if applicable, any alleged breach or failure to perform, a reasonable period to cure any alleged breach or failure to perform, if applicable, and any instructions or restrictions concerning allowable activities, costs or expenditures by OVM during the notice period.

Assignment: The Agency may not assign, delegate or transfer in whole or in part any Agreement, or any liability, responsibility, obligation, duty or interest under the Agreement. Assumption of the Agreement by a successor Department/Agency due to a legislative change in OVM's or Agency's department status shall be accomplished through the execution of a new Agreement.

Waivers: Forbearance, indulgence or acceptance by OVM or Agency of any breach or default in any form shall not be construed as a waiver and shall not limit enforcement remedies or allow a waiver of any subsequent default or breach.

Risk of Loss: OVM shall bear the risk of loss for any vehicle subject to this Agreement that is in the possession of OVM until such vehicle is received by the Agency. After receipt, the Agency shall bear the risk of loss for any vehicle governed by the Agreement. In the event of vehicle loss, Agency cost responsibility shall be determined in accordance with Section 5 of the Terms of Performance of these Terms and Conditions.

Disputes: Agency and OVM agree to take all necessary actions to resolve any dispute arising under the Agreement within thirty (30) calendar days including department head and secretariat involvement, but in no event shall a dispute remain unresolved more than thirty (30) days beyond the end of any fiscal year, nor may the Agency or OVM allow a dispute to create a violation of state finance law or other violation of Agreement terms (such as a delay in funding, failure to timely communicate funding changes, or failure to timely process paperwork).

If any Agreement provision is superseded by state or federal law or regulation, in whole or in part, then both Parties shall be relieved of all obligations under that provision to the extent necessary to comply with the superseding law, provided however, that the remaining provisions of the Agreement, or portions thereof, shall be enforced to the fullest extent permitted by law. The terms of this Agreement shall survive its termination for the purpose of resolving any claim, dispute or other action, or for effectuating any negotiated representations and warranties.

TERMS OF PERFORMANCE:

1. At all times, vehicles subject to an Office of Vehicle Management Master Vehicle Lease & Assignment Agreement shall remain titled to the Executive Office for Administration and Finance.
2. Agency shall be responsible for ensuring that passenger vehicles and light duty trucks¹ subject to the Agreement are operated in a manner fully consistent with OVM's most current Policies and Procedures Manual.
 - a. This provision is modified when applied to Agencies which are generally considered exempt from OVM oversight, such as Law Enforcement entities, specifically in regard to the following areas:
 - i. Safe Driving Program:
 1. Excludes 1-800-How Am I Driving
 - ii. Preventive maintenance and repair procedures:
 1. Any Agency wishing to utilize internal garages for maintenance or repairs to leased vehicles must execute an addendum that outlines the terms and conditions under which this would be allowed



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3. OVM Services (Administration and/or Maintenance/Repair) may be offered as options for vehicles that are not defined as passenger vehicles or light duty trucks¹. Any Agency opting to receive such services under this Agreement shall be subject to the fees related to those services.

a. These services are typically NOT offered for the following vehicle categories, as defined in VEH98:

07-Other	10-Loaders	13-Tractors
09-Excavators	12-Forklifts	

b. Telematics device installation, monthly monitoring services, and data reporting may still apply to these categories and will be reviewed on a case-by-case basis for applicability.

4. Failure to abide by the terms of the Agreement or OVM Policies and Procedures Manual, as applicable, may result in the revocation of Agency’s assigned vehicles and/or termination of the Agreement by OVM.

5. If, for any reason other than a total loss, vehicle is returned to OVM prior to the end date of the Agreement, the Agency shall remain liable for remaining costs, including unrecovered excess repair fees or continuing service charges, for the duration of the Agreement, or until such time as the vehicle is reassigned to another Agency that assumes the remaining costs, or is otherwise disposed of in a manner that recoups all remaining costs. The OVM Lease Administrator shall determine and bill such costs to Agency.

6. In the event vehicle is declared a total loss during the term of the Agreement, the Agency shall be responsible for payment of remaining balance of all vehicle acquisition fees due for the entire five (5) year term. To generate a payment amount for a vehicle subject to total loss, OVM Lease Administrator shall first net out: (1) remaining OVM administration fees and (2) remaining OVM maintenance and repair fees. Any service charges that continue beyond a total loss shall be the responsibility of the Agency, processed via chargeback, until cessation of service charges occurs.

7. In the event Agency seeks to retain use of the vehicle upon expiration of the Agreement, Agency must obtain written approval from OVM. OVM continues to provide administrative services beyond the lease term, but maintenance and repairs become Agency responsibilities. Payment terms for Administration Fees and any continuing service charges shall be outlined in the written approval document from OVM, as applicable.

Agency Authorized Signature:	OVM Authorized Signature:
Date:	Date:
(Date must be handwritten at time of signature or verified with electronic signature technology)	(Date must be handwritten at time of signature or verified with electronic signature technology)
Print Name: «CFO_First» «CFO_Last»	Print Name: Alex Giannantonio
Print Title: «CFO_Title»	Print Title: Director of Fleet Policy & Administration