



Master Vehicle Lease & Assignment Agreement

The Executive Office for Administration and Finance's Operational Services Division's Office of Vehicle Management ("OVM") offers a Vehicle Lease Program (the "Program") that secures funding to purchase vehicles and assign them to Commonwealth Agencies and/or Departments ("Agencies") with an agreement of repayment from such Agencies.

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 1) requested by Agency, 2) reviewed and approved by OVM, 3) purchased by OVM, and 4) assigned to Agency, where any of these activities occurs during the 2024, 2025, and 2026 fiscal years (July 1, 2023 through June 30, 2026). In addition, this Agreement governs the administration and chargeback of any service charges related to said vehicles or vehicle-related equipment.

Table with 2 columns: Administrator of Program and Participant in Program. Rows include contact information for the Executive Office for Administration and Finance, Agreement Manager Vincent Micozzi, and phone/e-mail details.

OVM Vehicle Lease Program Overview:

- Available only for vehicles and vehicle-related equipment on a departmental or statewide contract where OSD is identified as an authorized purchaser
Agencies must complete and submit Vehicle Requests to OVM, which will undergo the standard review and approval process, including application of the current acquisition hierarchy path
Request submission must allow enough time for review, approval, order, production, and delivery of each vehicle, including upfit if applicable, prior to the end of the same fiscal year
Alternatively, OVM may exercise its authority to direct Agency acquisitions to ensure the efficient and economical management of the Commonwealth fleet
This Agreement shall apply to the lease of all vehicles requested by the Agency, or acquisitions directed by OVM, during the term of this agreement, no matter when delivered by the manufacturer
The source of funding for costs associated with the Program must be included with the Vehicle Request and Agencies certify sufficient funding for the monthly repayment obligations for each leased vehicle is available through this source
Vehicle Requests must be approved by OVM and the Financial Signatory Authority of the requesting Agency or Department ("Agency CFO")
When acquisitions are directed by OVM, Agency CFO will be advised of expected costs and will ensure funding is made available to cover the monthly repayment obligations
Agency CFO notification acts as legal & financial commitment for vehicle acquisition(s) in accordance with this Agreement
If Agency CFO does not provide approval of an Agency request, OVM will not order the requested vehicle(s)
Agencies must accept leased vehicles into their fleet within thirty (30) days of delivery to OVM by the vendor
It is expected that an existing vehicle be surrendered for each new leased vehicle received



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- Vehicle Requests must identify the existing vehicle(s) being surrendered
  - Agency may only identify currently active vehicles to be surrendered
  - Alternatively, OVM may direct replacement according to fleet data
- All vehicles acquired through the Program that do not require a special driver's license or skill set certification to operate will be subject to the OVM Policies and Procedures Manual (OVM Policy) and considered "OVM-Managed" (see Terms of Performance, below)
  - This includes the Annual Administration Fee for OVM Services and the Annual Telematics Fee (see Fees, and Fees Not Included in Program, below)
- Any vehicle or vehicle-related equipment acquired through the Program that requires a special driver's license or skill set certification to operate may have different terms (see Terms of Performance, below)

Maintenance/Repair:

In addition to financing, OVM provides Maintenance and Repair services during the lease term.

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 as follows:

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 assigned 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.

Repayment Schedule:

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

<b>Agency Information:</b>					
Agency Name		3-Digit Agency Code		4-Digit Unit Code	
Agency Contact		Funding Source		Account/Fund Codes	
<b>Vehicle Information:</b>					
VIN		Plate #	Asset #	Contract ID #	
Year		Make	Model	Trim/Drive	
<b>Approval Path Information:</b>					
Date Requested	Requestor	Date Approved	Approver	Date Ordered	Ordering Dealer
<b>Repayment Information:</b>					
Acquisition Cost		In-Service Date		First Repayment Date	Final Repayment Date
Monthly Acquisition Repayment Amount		Monthly Maintenance/Repair Fee		Total Monthly Repayment Amount	



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### Term:

Each Repayment 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 (60<sup>th</sup>) Agency payment of the total monthly repayment amount as billed by OSD/OVM, unless terminated or properly amended in writing by the Parties prior to this date or terminated in accordance with OVM Policy. This Agreement shall terminate upon remittance of all payments associated with all Repayment Schedules for vehicles acquired under this Agreement and completion of all terms included therein. Individual vehicles subject to this Agreement are identified in the Repayment 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 repayments 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, and (3) any additional service or equipment charges identified at time of purchase. The applicable monthly amount will be outlined in the available Repayment Schedule. Bills will be issued 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 repayment amount 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 and Service Charges may be adjusted annually, at the sole discretion of OVM. A new Repayment Schedule will be available if an adjustment is made.

### Fees Not Included in Program:

All leased vehicles and vehicle-related equipment are subject to the Annual Administration Fee for OVM Services and the Annual Telematics Fee, which are charged separately from the monthly leased vehicle repayments. The Annual Administration Fee is charged to cover expenses incurred by OVM to provide services. The Annual Telematics Fee is charged to cover invoices issued by the contracted telematics provider for monthly monitoring services and data reporting. Additional telematics charges may apply for telematics device installation, technician visits outside of warranty, or other services as needed.

### Vehicle Designation within OVM Inventory:

All vehicles are registered and owned by the Executive Office for Administration and Finance (A&F) throughout their life cycle. The designation of vehicles acquired through the Program is "Leased" within OVM's online inventory database. This designation represents vehicles owned by A&F and assigned to an Agency during a designated lease term. At the end of this term, it is expected Agency will retain the vehicle and OVM will update the vehicle's designation to "Owned." This designation represents vehicles owned by A&F and assigned to an Agency outside of a lease term. No transfer of title will occur.

### Authorized Vehicle Drivers:

All drivers must be provided a copy of, and comply with, OVM Policy, 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 Program, prior to delivery. 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 Repayment Amount charged to Agency. Any service charges incurred for vehicle-related equipment will also be incorporated into the Monthly Repayment Amount charged to Agency.



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Agency assumes responsibility for inspection of the vehicles upon completion of the installation. For the duration of repayments associated with the vehicles, Agency 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 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 this Agreement complies with, and 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 Policy, 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 the Agency certifies 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; and 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 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; the Agency will monitor Agreement performance in compliance with the OVM Policy, 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 the Agreement Manager listed on the Agreement, or any amendments thereto, is current and 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 (for either Agency or OVM) 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 Repayment 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



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receipt) through the listed E-Mail address for the Agreement Manager 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. Assumption of a vehicle's Repayment Schedule by a successor Department/Agency may be requested in writing to OVM and may be allowed at the sole discretion of OVM.

### 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 all vehicles and vehicle-related equipment subject to the Agreement are operated in a manner fully consistent with OVM Policy.
  - 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 which outlines the terms and conditions under which this would be allowed



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- 3. OVM Services (Administration, Telematics, and/or Maintenance/Repair) may be offered as options for vehicles requiring a special driver's license or skill set certification to operate. Any Agency opting to receive such services under this Agreement shall be subject to the fees related to those services.
- 4. Failure to abide by the terms of the Agreement or OVM Policy, 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 outlined in that vehicle's Repayment Schedule, 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 costs 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 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. Any funds received via subrogation will be distributed at OVM's sole discretion.
- 7. When an Agency retains use of a vehicle upon expiration of its lease term, all future costs, including maintenance and repairs, become Agency responsibilities.
- 8. Any vehicle retained by an Agency after lease expiration will continue to be subject to the OVM Policy, if said vehicle is considered "OVM-Managed."

Agency Authorized Signatures:	
Date:	Date:
Financial Signatory Name: «CFO_First» «CFO_Last»	Fleet Manager Name: <<AFM>>
Financial Signatory Title: «CFO_Title»	Fleet Manager Title: <<AFM Title>>
OVM Authorized Signature:	
Date:	
OVM Name: Vincent Micozzi	
OVM Title: Director of Fleet Policy & Administration	