

External Lease Program (formerly Section 503)

Cornell's external lease program with UniversityLease provides departments with the option to return the leased equipment at the end of the lease term or buyout for Fair Market Value or \$1. This program is only available for items which cost over \$100,000.

- Managed by Procurement through UniversityLease
- Operating lease with no asset transferred to Cornell University after end of lease or a \$1 buyout option to own the equipment
- Pre-approved lease program with negotiated rates and terms
- Ability to work with any preferred vendor or other equipment vendor

Procedure:

- End User/Unit obtains a current, written price quote on the purchase price of the required equipment. The normal procurement process will apply in obtaining the price quote (e.g., bids, preferred supplier, single/sole source justification). End User/Unit notifies the supplier that the equipment will be leased through UniversityLease.
- End User/Unit contacts Procurement. Procurement will contact UniversityLease and provide them with a copy of the quote, the length of the lease and whether the payments will be monthly, quarterly or annually.
- UniversityLease prepares the quote for the lease and provides the original to Procurement. Procurement will send the documents to the end user for review and approval to move forward with the lease.
- End User/Unit initiates an IWNT DOC for UniversityLease covering the lease for the selected length and payment schedule.

Procurement approves the requisition and sends the purchase order and signed lease documents to UniversityLease.