

**APPENDIX 7  
LEASE PURCHASE PROGRAM FOR EQUIPMENT**

Agencies may use the Treasurer’s lease financing program for significant equipment purchases, found at: <http://www.treasurer.state.md.us/debtmanagement/equipment-lease-purchase-financing.aspx>.

For further information, go to:

<http://www.treasurer.state.md.us/debtmanagement/capital-lease-financing.aspx>.

The following Schedule of Charges for Equipment Financed through the Master Equipment Lease-Purchase Program lists the charges to agencies by fiscal year for equipment financed as of June 2023. The schedule should be used to derive the amount to be budgeted in Comptroller Subobjects 1021, 1041, 1121, and 1141 (Capital Lease Payments to Treasurer).

If an agency’s total budget request for these charges is different from the amount in the Schedule, please provide an explanation to the agency’s OBA analyst, clearly identifying how the request is derived and why it differs from the Schedule.

Adjustments should be made to reflect the following, as needed:

- If an agency plans to finance the purchase of additional equipment, the amounts on the Schedule should be increased. Agencies may request a payment schedule for expected future equipment leases from their budget analyst. Payments can also be estimated as follows:

If equipment is financed (vendor paid)	First semi-annual payment is on:	Amount of debt service during fiscal year is the administrative fee plus:	
		FY 2024	FY 2025
October 2023	January 1, 2024	One interest-only payment	Two full payments
December 2023 and/or March 2024	July 1, 2024	none	One interest-only payment plus one full payment
June 2024 and/or October 2024	January 1, 2025	none	One interest-only payment
After October 2024	July 1, 2025	none	none

Please note the estimated total equipment cost and expected time of leasing for any additional equipment leases using a brief explanation in the comment field in BARS.

- If there are (or will be) prepayments, deduct amounts for the FY 2024 and/or FY 2025 lease payments that will have been satisfied as a result of the prepayments. Use the amortization schedule you received at the time of financing to calculate the deductions (for assistance in determining the effect of prepayments, contact Tanya Mekeal, State Treasurer’s Office, [Tmekeal@treasurer.state.md.us](mailto:Tmekeal@treasurer.state.md.us)).

State agencies should discuss potential equipment leases with the Treasurer’s Office prior to purchasing equipment from a vendor. State agencies requesting funds in the FY 2025 budget for equipment lease

purchases must wait until the General Assembly approves the funding before purchasing the item from the vendor. Questions should be directed to the DBM budget analyst.

**Schedule of Charges to Agencies for Equipment Financed Through the Master Equipment Lease-Purchase Program (includes administrative fee)**

Financial Agency		June 2023	
		Fiscal Year 2024	Fiscal Year 2025
C80	Office of the Public Defender	\$493,297	\$484,496
D38	State Board of Elections	\$624,692	\$1,223,774
D55	Department of Veterans Affairs	\$360,151	\$104,371
E20	State Treasurer's Office	\$25,357	\$25,329
H00	Department of General Services	\$22,146	\$82,076
M00	Maryland Department of Health	\$643,348	\$444,642
Q00	Department of Public Safety and Correctional Services	\$1,836,133	\$1,560,222
R14	St. Mary's College of Maryland	\$22,928	\$22,903
R15	Maryland Public Television	\$127,024	\$176,665
S00	Department of Housing and Community Development	\$92,223	\$46,073
U00	Maryland Department of the Environment	\$168,680	\$140,457
<b>Total</b>		<b>\$4,415,979</b>	<b>\$4,311,008</b>