

7.401 Acquisition considerations.

(a)

(1) Agencies *shall* acquire equipment using the method of *acquisition* most advantageous to the Government based on a case-by-case analysis of comparative costs and other factors in accordance with this subpart and agency procedures.

(2) The methods of *acquisition* to be compared in the analysis *shall* include, at a minimum—

(i) Purchase;

(ii) Short-term rental or lease;

(iii) Long-term rental or lease;

(iv) *Interagency acquisition* (see [2.101](#)); and

(v) Agency *acquisition* agreements, if applicable, with a State or local government.

(b)

(1) The factors to be compared in the analysis *shall* include, at a minimum:

(i) Estimated length of the period the equipment is to be used and the extent of use within that period;

(ii) Financial and operating advantages of alternative types and makes of equipment;

(iii) Cumulative rent, lease, or other periodic payments, however described, for the estimated period of use;

(iv) Net purchase price;

(v) Transportation, installation, and storage costs;

(vi) Maintenance, repair, and other service costs; and

(vii) Potential obsolescence of the equipment because of imminent technological improvements.

(2) The following additional factors *should* be considered, as appropriate, depending on the type, cost, complexity, and estimated period of use of the equipment:

(i) Availability of purchase *options*.

(ii) Cancellation, extension, and early return conditions and fees.

(iii) Ability to swap out or exchange equipment.

(iv) Available *warranties*.

(v)*Insurance*, environmental, or licensing requirements.

(vi)Potential for use of the equipment by other agencies after its use by the acquiring agency is ended.

(vii)Trade-in or salvage value.

(viii)Imputed interest.

(ix)Availability of a servicing capability, especially for highly complex equipment; *e.g.*, can the equipment be serviced by the Government or other sources if it is purchased?

(c)The analysis in paragraph (a) is not required—

(1)When the President has issued an *emergency* declaration or a *major disaster* declaration pursuant to the Robert T. Stafford Disaster Relief and *Emergency* Assistance Act ([42 U.S.C. 5121 et seq.](#));

(2)In other *emergency* situations if the *agency head* makes a determination that obtaining such equipment is necessary in order to protect human life or property; or

(3)When otherwise authorized by law.

Parent topic: [Subpart 7.4 - Equipment Acquisition](#)