

The Purchasing Post

Encumbering Funds – Part II: DA46 & DA47

The DA46, Real Estate Lease Agreement, and DA47, Real Estate Lease Cover Sheet, work together. The University is required to obtain the approval of the Secretary of Administration prior to entering into any lease of real property (land, building, or space in buildings). Departments should contact the Controller's Office / Purchasing for specific approval requirements and instructions prior to entering into any lease of real property or amending an existing lease.

The DA46 is a standard real estate lease agreement form that provides mandatory terms and conditions required in any lease of real property by, or on behalf, of the State of Kansas. If any "Special Provisions" are incorporated into the lease agreement, a copy of the "Special Provisions" must be attached to the DA46 and instructions for its completion may be obtained from Purchasing.

The DA46 is required for any lease of real property except as follows: (1) space assigned by the Secretary of Administration pursuant to K.S.A. 75-3765; (2) space assigned by the Legislative Coordinating Council pursuant to K.S.A. 75-3765a; (3) real estate lease for non-occupied space and total cost of less than five thousand dollars (\$5,000); and 4) as otherwise provided by the Secretary of Administration. When the DA46 is not required, the department must send the vendor's invoice and agency payment voucher (APV) to the Purchasing office for review and approval. The invoice and APV will be forwarded to the Director of the Division of Facilities Management for final approval.

The DA47, aka Real Estate Lease Cover Sheet, is used throughout the year to encumber funds for new leases and to make amendments to existing agreements. DA-47 is also completed by the department at the close of the current fiscal year to encumber new fiscal year funds to renew a *previously approved* real estate lease agreement where the rent, conditions, and terms of the agreement remain unchanged for the new fiscal year.



Purchasing Lingo

~ Continued Abbreviations ~

<u>DOB:</u>	Division of Budget
<u>A&R:</u>	Accounts & Reports
<u>DA 146:</u>	Contract Cover Sheet
<u>DA 146a:</u>	Contractual Provisions Attachment
<u>DFM:</u>	Division of Facilities Management
<u>DA 46:</u>	Real Estate Lease Agreement
<u>DA 47:</u>	Real Estate Lease Cover Sheet
<u>PPM:</u>	Policies & Procedures Manual
<u>KCI:</u>	KS Correctional Industries
<u>MLPP:</u>	Master Lease Purchase Program
<u>CPPB:</u>	Certified Professional Public Buyer
<u>NIGP:</u>	National Institute of Governmental Purchasing
<u>KAPPP:</u>	Kansas Association of Public Purchasing Professionals (Local chapter of NIGP)
<u>NAEP:</u>	National Association of Educational Procurement
<u>MINK:</u>	Missouri, Iowa, Nebraska, & Kansas (Local chapter of NAEP)

