

<p style="text-align: center;"><b>Nutrition Services</b> <b>Department of State Health Services</b></p>
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Effective January 1, 2011

Policy No. AC:08.0

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**Allowable Costs-Equipment and  
Designated Reportable Assets**

**Purpose**

To allow local agencies (LAs) to purchase equipment and designated reportable assets necessary to administer all phases of the WIC Program

**Authority**

7 CFR Part 3016; DSHS Performance Contract Core/Subrecipient General Provisions

**Policy**

The LA may request reimbursement for the cost of equipment purchased with prior written approval from the state agency (SA).

**Definitions**

Controlled Assets – firearms, regardless of acquisition cost

Designated Reportable Assets – desktop and laptop computers, non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, media equipment, and any nonexpendable tangible personal property purchased through the state agency with an acquisition cost of \$500 or more but less than \$5000.

Equipment – an article of nonexpendable, tangible personal property having a useful lifetime of more than one year and an acquisition cost of \$5000 or more.

**Procedures**

I. Purchase of designated reportable assets:

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- A. For all computers, printers, and computer accessories costing more than \$250 per item, the LA shall follow the provisions of Policy AC:39.0.
  - B. For all other designated reportable assets, the LA shall follow its own agency's purchasing policy and procedures in accordance with 7 CFR Part 3016 and the DSHS Performance Contract Core/Subrecipient General Provisions.
- II. Purchase of controlled assets is not an allowable cost.
- III. The LA shall obtain three bids for the purchase of equipment (i.e., nonexpendable tangible personal property costing \$5000 or more per item). The LA shall then submit a written request for approval to the SA with the following required information:
- A. the item(s) to be purchased including brand name and model;
  - B. the quantity;
  - C. the acquisition cost of the item(s);
  - D. an acknowledgement that the low bid is acceptable;
  - E. justification of best value if the low bid is not acceptable;
  - F. justification of the need to purchase the equipment;
  - G. documentation of the written or telephone bids; and
  - H. an assurance that the procurement process is in compliance with Uniform Grants Management Standards (UGMS) and WIC policies.
- IV. The SA will review the request for purchase of equipment for approval or submit the request to the United States Department of Agriculture (USDA) Southwest Regional Office (SWRO) for their approval/disapproval, if required.
- V. A written response from the SA indicating approval or disapproval for the purchase of equipment will be transmitted to the LA.