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

Policy No. AC:14.0

Allowable Costs – Supplies, Postage and Shipping

Purpose

To allow local agencies (LAs) to charge for expendable medical supplies, office supplies, postage and shipping expenses necessary to administer all phases of the WIC Program.

Authority

7 CFR Part 3016; OMB Circular A-87

Policy

LAs may request reimbursement for postage and shipping expenses, and the cost of supplies purchased from an outside vendor or from an agency-owned "central supply store."

Procedures

- I. For supplies costing more than \$1000, the LA shall obtain three bids. The LA shall then submit a written request for approval to the state agency 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.

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- II. The purchase of expendable medical supplies shall be supported by documentation such as statements from vendors and cancelled checks.
- III. Expendable medical supplies shall be charged only as an administrative expense.
- IV. Office supplies purchased from an outside vendor shall be supported by a statement or invoice from the vendor and canceled checks.
- V. Office supplies purchased from an agency owned central store shall include copies of requisitions, supply order requests, statements or invoices from the central store, and accounting records detailing the transfer of funds.
- VI. Documentation such as postage logs, statements from the Post Office for meter usage, etc., shall support postage and shipping.
- VII. Documentation shall support the allocation between Administration, Nutrition Education, and Breastfeeding.