Subject: Vehicle Purchasing

Effective Date: October 1, 2015 Revised from: October 1, 2013

Policy: Vehicle purchases are intended for Local Agencies (LA) that transport multiple WIC staff and equipment to a mobile clinic site to provide WIC services to clients. LA's needing to purchase a vehicle **must obtain prior written approval from the State Agency (SA) before purchasing any type of vehicle.** As required by federal policy, the SA will request approval for the expenditure from the United States Department of Agriculture (USDA) regional office on behalf of the LA.

The minimum mileage requirement for a vehicle replacement is 110,000 miles.

Options available for acquiring or utilizing a new or used vehicle are:

- Purchase a vehicle for WIC only
- Jointly purchase a vehicle between programs
- Lease a vehicle

Vehicle purchasing options:

- Purchase a vehicle through the State of Kansas Contract from the Political Subdivisions of State Acquisition
- Purchase a vehicle from a dealer

The LA should follow all County policies regarding vehicle purchases, insurance, maintenance, title, warranty, use and disposition. All vehicles purchased with WIC funds must include a warranty.

Note: Interest cost is not an allowable WIC cost.

The LA should account for all ongoing costs associated with the vehicle on the annual WIC Budget.

If the LA contract is terminated or not renewed, or the vehicle is no longer needed for the original authorized purpose, the LA should not only follow their County's policy on disposition of the vehicle, but should also request instructions from the SA.

Due to time constraints for the approval process and the requirements to spend current year funds prior to September 30, requests received after July 1 may not be approved until after October 1.

Reference: CFR §246.14, MPSF-1: WC-92-17-P

Procedure for requesting approval to purchase a vehicle: LA should submit a proposal that contains a financial analysis of both possible options listed below. The financial analysis should consider all relevant factors directly impacting the final cost of acquiring a new or used vehicle.

Proposal: The following information must be submitted in writing to the SA for approval:

1. Justification for why a vehicle is needed.

2. A copy of the LA's policy on vehicle purchases.

3. The option that the LA is considering for purchasing a vehicle such as a vehicle for WIC only, jointly with another program or through a lease program.

4. Provide the following information about the current vehicle.
   a. Year
   b. Make
   c. Model
   d. Mileage
   e. Maintenance history/mechanical issues
   f. Provide pictures the inside and outside including odometer
   g. List each location as to where the vehicle travels to and how often
   h. List the number of people that travel or will travel to each clinic site at a time
   i. List the total number of miles traveled by the current vehicle in a month
   j. List any major repairs within the last year or any foreseeable repairs that need to be made on the vehicle
   k. Approximate value of the current vehicle

5. Provide justification as to which purchasing option the LA has chosen along with cost of the new or used vehicle and any other information that might be pertinent.

Vehicle Purchasing Options

A Local Agency shall review each option below and determine which option is more economical and meets the needs of the traveling clinic when purchasing a vehicle. This information should be provided in the submitted proposal.

1. Get an estimate for a vehicle from the State of Kansas, Department of Administrations Procurement Contract web page.

   Click on the following link:
   http://admin.ks.gov/offices/procurement-and-contracts/additional-files-for-procurement-contracts/

   Once you have clicked on the link, scroll down and click on the hyperlink file named "Vehicles," which can be found under the "Additional Files for Procurement Contracts" header.

Contact dealer from the State of Kansas Contract list for the vehicle selected to get a complete price quote.

If this option is chosen or approved by the SA:

a. Discuss trade-in value with dealer (if applicable).
b. Provide dealer with pictures of the Local Agency's vehicle for the following (if applicable):
    i. odometer reading
    ii. VIN #
    iii. Take pictures of the inside and outside of current vehicle
c. Write up synopsis of new vehicle
d. Discuss with dealer and SA about payment
e. Provide Purchase Order to dealer (once USDA approves of purchase)

2. Contact a local car dealership to get an estimate from them with the required specifications needed.

If this option is chosen or approved by the SA:

a. Discuss trade-in value with dealer (if applicable).
b. Provide dealer with pictures of the Local Agency's vehicle for the following (if applicable):
    i. odometer reading
    ii. VIN #
    iii. Take pictures of the inside and outside of current vehicle
c. Write up synopsis of new vehicle
d. Discuss with dealer and SA about payment
e. Provide Purchase Order to dealer (once USDA approves of purchase)

The SA shall review the proposal along with the estimates and if approved, submit the request on behalf of the LA to the USDA Regional office for approval. This process may take up to 60 days for approval. The SA shall forward USDA's decision to the LA in writing.

If the LA does not wait for final approval before acquiring or utilizing a vehicle, the LA will be liable for the cost of such vehicle; WIC will not pay for the expense. No exceptions will be made per Federal policy.

For disposal refer to ADM: 02.03.07 Equipment Disposal. Should County no longer need vehicle, contact State lead for your clinic.