

## Equipment Purchasing Guidelines

### Policy

#### Grants and Agreements Federal Regulations:

- (a) *Title.* Subject to the requirements and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further responsibility to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:
- (1) Use of the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.
  - (2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.
  - (3) Use and dispose of the property in accordance with paragraphs (b), (c), and (e) of this section
- (b) *General.* A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

#### Iowa Administrative Code:

a Medical equipment used in conducting WIC clinics shall be subject to approval by the department

c Medical equipment shall be recalibrated in accord with procedures outlined in the Iowa WIC Policy and Procedure Manual.

#### Iowa Department of Public Health (IDPH) General Conditions:

##### 4. Equipment

a. Definition of Equipment. Any item costing \$5,000 or more and having an anticipated life of one year or more.

b. Title and Disposition. Title to equipment purchased in whole or in part with Department funds resides with the Department. Upon contract expiration or termination, the Department reserves the right to transfer title to the equipment to the State, the Contractor, or another contractor. The Contractor must receive written approval from the Department before disposing of any equipment during the contract period.

c. Records. The Contractor shall maintain inventory control records and maintenance procedures for all equipment purchased in whole or in part with Department funds or obtained from state surplus or the Department. Equipment records shall include the following for each item: state tag number (or Contractor inventory number if no state tag has been assigned); description; physical location; name of the contract purchased under; percentage of total cost of item paid for by Department funds; and, if available, vendor name, manufacturer's serial number, purchase price, date of acquisition, date of disposition, disposition price, and type of

disposition.

d. Control System. A control system (including an annual physical inventory) shall be implemented to ensure adequate safeguards to prevent loss, damage, or theft of equipment. Any loss, damage, or theft shall be investigated, fully documented, and reported to the Department. The Contractor shall also report suspected theft to local law enforcement. Where the Contractor is authorized to sell the equipment, sale procedures shall provide for competition to the extent practicable and result in the highest possible disposition price.

## Authority

**Grants and Agreements Federal Regulations:** 2 CFR Subpart D 200.313 (a) – (b)  
**Iowa Administrative Code:** 641-73.6(135), 73.6(4)a and 73.6(4)c  
**IDPH General Conditions.** 4. Equipment

## Procedures

This policy provides guidelines for purchasing agency equipment, documentation and inventory requirements.

Equipment is defined as any item with a cost or value of \$5000 or more, and an anticipated useful life of one year or more. Computer software is excluded from this definition.

The type and quantity of equipment purchased by the agency must be submitted in writing for approval prior to purchase. The agency budget is responsible for funding all equipment purchases. This includes replacing equipment lost or damaged due to neglect, mistreatment, theft, natural disaster, and malfunctions under normal operating conditions.

Agencies are required to carry adequate insurance to cover replacement costs of equipment per the IDPH General Conditions Section 14.

### Determining Equipment Needs

Equipment needs are based on caseload, clinic volume, service delivery models and communication needs between the state WIC office and WIC agencies. Nutrition consultants can aid their agencies in determining these needs.

Additional equipment may be needed under the following conditions:

- Caseload increases (clinic volume leads to increased number of concurrent clinics or increased staffing needs), or
- Service delivery models change (only if cost-effective).

### Documentation Requirements

Permanently label each item of equipment with the agency ID number and enter the item in the agency's equipment inventory list.

Maintain an inventory list for all equipment  $\geq$ \$5000 that includes:

- Description
- Location
- Acquisition cost
- Acquisition date
- Funding source
- Tag number
- Serial number
- Disposition date and method (traded in, junked, sold, etc.)

### **Disposing of Equipment**

The Department maintains the title to any equipment purchased with grant funds. Contractors must submit a written request to the Department to dispose of equipment (e.g., sold, traded in, or disposed).

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