

315.52 Vehicle Costs

Overview

Introduction

Allowable vehicle costs include transportation of staff and equipment to clinics, and travel for vendor monitoring, outreach, training and other program management purposes. These costs may be met by:

- Reimbursing employees for use of their own vehicles.
- Leasing a vehicle,
- Purchasing a vehicle, or
- A combination of the three.

IDPH Policy

The Department allows contract agencies to purchase vehicles with grant funds if the following conditions are met:

1. The purchasing agent must submit a written proposal to the Department for approval.
2. The proposal should contain a financial analysis of each option being considered by the Agency.
3. The proposal's estimated annual mileage should be consistent with the agency's WIC Service Delivery Table and Calendar.
4. The proposal must show at least 3 quotes from different dealers on the price of selected vehicle/s. The proposal must contain; a description of the vehicle, purpose and frequency of use, and an explanation of how the purchase benefits WIC.
5. The proposal should also address other costs involved with the vehicle like insurance, maintenance, and repairs.
6. The proposal must provide assurance that the vehicle purchased is for WIC use only.

Note: Vehicles purchased with WIC funding must have a minimum odometer reading of 120,000 before a replacement vehicle will be approved.

Once the proposal is completed, the proposal will then be forwarded through the following steps for approval.

1. The Local Agency will send the proposal to the State agency for approval.
2. Once the State agency approves the proposal it would then be forwarded to the Regional Office for final approval.
3. Once the proposal is approved by the Regional Office the State Agency will be notified and in turn notify the Local Agency.

Overview, continued

Administrative Review

All contracts, leases and cost allocation plan for transportation is reviewed as part of the administrative on-site review process..

Mileage Reimbursement

Mileage reimbursement for use of privately owned vehicles may not exceed the current state government rate (see current contract for state rates).

Lease Agreements

Lease agreements may extend past the end of a fiscal year; however, they must have an escape provision allowing cancellation in the event of a loss of federal funds.

Special Conditions of the General WIC Contract

Section 4 of the General Conditions is not applicable to the purchase of vehicles with contract funds. With respect to the Contractor's purchase of vehicles with Department funds, the following shall apply:

1. The contractors may purchase ___vehicles(s) with Department funds for the purpose of WIC business.
2. The Contractor shall obtain and retain title to any vehicle(s) purchased with Department funds during the contract period and after termination of the contract, for the life of the vehicle.
3. The contractor agrees to purchase all insurance, fees, title, and registration, as required by the state of Iowa for the life of the vehicle.
4. The Contractor agrees that its indemnification obligations pursuant to section 21 of the General Conditions include the duty to indemnify and hold harmless the state of Iowa, the Department, and its officers, employees, agents, and volunteers from any liabilities, damages, settlements, judgments, costs, and expenses related to or arising out of any claims for damages to person or property or life arising out of the use of any vehicle purchased pursuant to this section.

If the WIC contract is terminated, the contractor will transfer title of the vehicle to the agency that assumes WIC service in that particular area.