

# VEHICLES, EQUIPMENT, AND SUPPLIES

## VEHICLE REQUEST

### Subgrantee Vehicle Request Process:

1. Advertise with bid specification
  - a. Follow **2 CFR 200.319(d)(1)**
  - b. Bid specification to include non-competitive language that would restrict competition (e.g. specific: manufacturer by name; model by name; type of transmission (10 speed automatic), type of engine (Allison Diesel engine); engine size (5.8 Liter)
  - c. Must follow agency internal procurement policy.
2. Secure quotes according to your agency procurement policy.
  - a. Bids to provide each bidder, bid price, and that it met bid specification.
  - b. Bid prices received within an acceptable range of each other (within 20%).
  - c. Bids received from multiple manufacturers (Ford, Chevy, Toyota, Dodge etc.).
    - i. Note: Used vehicles can be eligible for purchase
3. Memo (Vehicle Purchase Request)
  - a. Memo to include the following:
    - i. Describe reason for purchase or replacement and how it will be used, specify full time or part time use in Weatherization.
    - ii. What will happen to current vehicles (trade-in, transfer to sister agency, disposed).
    - iii. Lease vs purchase alternative consideration and which was met for most economical approach.
    - iv. Brief description on how procurement done was provided (following internal procurement policies)
    - v. Written confirmation that federal procurement guidelines were followed, specifically **2 CFR 200** was followed.
    - vi. Statement provided that lowest bid was selected, or sufficient justification provided otherwise (best value, location, service nearby).
4. Send Following Documents to KHC for vehicle purchase:
  1. Vehicle Request Memo.
  2. Copy of Subgrantee Procurement Policy.
  3. Copy of Bid Specification/Advertisement and proof it was posted (newspaper ad, website, social media, etc.).
  4. Copies of Bids/Quotes.
  5. Copy of Purchase Order if procurement policy specifies.
  6. Disposal Information for any vehicle being disposed. (See Vehicle Disposal process below)
5. KHC submits vehicle submission packet for DOE approval
6. DOE approves and KHC notifies the agency with release to proceed.
7. Subgrantee purchases new or used vehicle. Note: **Add KHC as the lien holder on the title.**
8. Send KHC a copy of the title for records. A KHC asset tag will be sent, and vehicle will be added to subgrantees vehicle inventory.

## Vehicle Disposal

1. Use Kelley Blue Book Private Party Value to determine FMV.
  - a. If less than \$5,000:
    - i. Notify KHC.
    - ii. KHC will request disposal approval from DOE.
    - iii. Once approved, agency can dispose of vehicle at their discretion.
    - iv. Once approved, notify KHC to log date of disposal and remove from inventory.
  - b. If greater than \$5,000
    - i. Notify KHC.
    - ii. Options are: Advertise to network, transfer to another agency federal program, or advertise and auction.
    - iii. Vehicle sale total becomes program income for the agency. (Funds could be used towards purchase of new vehicle)
    - iv. Notify KHC of outcome for records and/or recapture funds.

## EQUIPMENT REQUEST

### Subgrantee Equipment Request Process (Greater than \$5,000):

1. Request permission from KHC on specific equipment for purchase
2. KHC requires a packet of information
  - a. Subgrantee procurement policy
  - b. Bid documentation according to subgrantee procurement requirements
3. Review procurement policies
4. Must be requested by mid-February for current program year purchase
5. KHC approves and notifies agency with release to proceed.
6. Notify KHC of equipment purchased, a KHC asset tag will be sent, and equipment will be added to subgrantees equipment inventory.

### Equipment disposal

1. If value is less than \$5,000
  - a. Notify KHC.
  - b. KHC requests disposal approval from DOE
  - c. Once approved, agency can dispose of equipment at their discretion
  - d. Once disposed, notify KHC to log date of disposal and remove from inventory

## SUPPLIES

### Subgrantee request for supplies

1. Subgrantees can purchase supplies as needed for weatherization jobs
2. Inventory can be purchased in advance if needed, KHC will advance the payment in monthly billing.

### Disposal

1. If value of supplies were sold as a lot and generated more than \$5,000, let KHC know. KHC requests approval from DOE. \*\* Supplies can be sold separately to avoid this.