

# WX Vehicle and Equipment Purchases Over \$5,000

ODOC Weatherization Program Notice 21-4  
Issued December 13, 2021

**To:** All ODOC Subgrantees/Weatherization Program Service Providers - Executive Directors and Weatherization Program Managers and the Oklahoma Association of Community Action Agencies' Training Center

**From:** Amanda Marcott-Thottunkal, Senior Energy Programs Manager

**Regulations:** [DOE WPN 17-6](#); [2 CFR 200.320](#)

**Purpose:** To update ODOC's previous guidance on procurement of equipment over \$5,000 and to issue new guidance in compliance with DOE's Weatherization Program Notice [17-6](#) regarding acquisition and disposition of vehicles.

**Implementation Date:** Effective January 1, 2022

This Program Notice supersedes any ODOC Guidance in the CAA Manual or Contract Part II.

## Regulatory Background

In 2017, the U.S. Department of Energy (DOE) released [Weatherization Program Notice 17-6](#) which provided updated guidance on vehicle and equipment purchases over \$5,000 to reconcile with the new Uniform Grant Guidance, [2 CFR 200.320](#) and [2 CFR 200.313](#), which was fully implemented in 2014. The previous DOE guidance on vehicles and equipment had been released in [2013](#). The Oklahoma Department of Commerce (ODOC) is providing this program notice to ensure all Subgrantees have the guidance necessary to be in compliance with both Federal and State requirements.

## Program Guidance

### 1. ACQUISITION REQUEST

- a. Before initiating an Acquisition Request, a Subgrantee must ensure they have or will have the funds for a vehicle purchase. There are several ways to verify funds available, depending on the timing of the acquisition request. A Subgrantee may:

- i. Reach out to ODOC to inquire about the following year's estimated or projected award amount.
  - ii. Request a budget modification of a current contract (before the end of the third quarter) and move funds from one or more budget line items to the vehicle and equipment budget line item.
  - iii. Submit a request for additional funds to their Energy Projects Specialist to increase their current or future contract.
  - iv. Submit an annual application with a vehicle and equipment budget included on the appropriate line item.
- b. Once a Subgrantee has verified that the funds are available to procure a vehicle, an Acquisition Request must be submitted. There are two types of ODOC Acquisition Requests – **General Vehicle and State Contract Vehicle**. Each has its own unique process and electronic form.
  - i. [General Vehicle Acquisition Request](#) – this acquisition request is to be completed and submitted by Subgrantees wishing to purchase a vehicle using their own procurement methods. Instructions for completing the request form is included within the form.
  - ii. [State Contract Vehicle Acquisition Request](#) – this acquisition request is to be completed and submitted by Subgrantees wishing to purchase a vehicle using the State of Oklahoma Vehicle Contract(s). Instructions for completing the request form is included within the form.
- c. Ideally, vehicle acquisition requests are submitted by January 31 for inclusion in the next year's annual DOE State Plan and budget. However, ODOC is aware this timing is not always possible. Vehicle acquisition requests can be submitted at anytime during the program year; however, only those requests submitted before the end of the third quarter (before December 31) will be considered for purchase approval in the current program year (provided the vehicle is able to be purchased by March 1.
- d. Acquisition requests made in the fourth quarter will be reviewed and submitted for DOE approval in the following program year.

## **2. APPROVAL OF ACQUISITION REQUEST**

- a. Regardless of whether a Subgrantee plans to use the General Vehicle or State Contract Vehicle process, both requests, once received by ODOC, will be submitted to DOE for review and approval. **No vehicle or equipment may be purchased by the Subgrantee with ODOC grant funds until the Subgrantee has received explicit written approval from ODOC.** Failure to wait for ODOC approval will result in disallowed costs. ODOC will not grant approval until DOE approval has been received. Length of time for this

approval is unknown, but it is likely at least 1 – 2 months. Failure to include all the information requested in the ODOC Acquisition Requests may further delay ODOC and DOE approval.

### 3. **ACQUISITION**

- a. Once a Subgrantee has received written approval from ODOC indicating DOE and ODOC's approval to procure the requested vehicle(s), the Subgrantee may proceed with acquisition, using their preferred procurement method. The Subgrantee must follow any special guidance provided by ODOC in the approval letter.

### 4. **PROCUREMENT DOCUMENTATION SUBMISSION**

- a. **The following documents must be uploaded to the OKGrants Main Applications Uploads before requesting ODOC reimbursement for the vehicle purchase:**
  - Final [Bid Analysis Form](#) for General Vehicle Method (see 4.b.ii) (this was also uploaded in the Acquisition Form)
  - .xls Pricing Sheet from State Contract Method (see 4.b.i) (this was also uploaded in the Acquisition Form)
  - Vehicle Invoice
  - General Ledger reflecting expenditure(s) to grant fund
  - Proof of payment (e.g. cancelled check or transfer support)
  - [Amortization Schedule](#) (if amortizing over useful life) (see 4.b.iii)
  - Updated purchase order (if applicable)
  - Updated Inventory List (see Section 5 for more information)
- b. The [Weatherization Vehicle Purchase Bid Analysis](#) (only necessary if using the General Vehicle Method) will assist any Subgrantee, not purchasing on the Statewide Contract, with ensuring documentation compliance with the following Federal Regulations:
  - The Subgrantee had, used, and complied with internal procurement policies and procedures that followed General Procurement Standards [\[200.318\(a\)\]](#)
  - That procurement was done in a full and open competition [\[200.319\(a\)\]](#)
  - That an appropriate number of bids or quotes were considered [\[200.320\]](#)
  - A domestic preference was provided for [\[200.322\(a\)\]](#).
- i. If purchasing on the State Contract, the bid analysis does NOT need to be completed, only the .xls pricing sheet from the OMES website is necessary as an analysis of cost along with documentation of other Federal Regulations has already been completed by OMES.

- ii. An Amortization Schedule is required if amortizing over the useful life of vehicle to ensure the Average Cost Per Unit (ACPU) is not exceeded in a given program year. ODOC has an [amortization schedule template](#) that may be used or an agency may use their own schedule, as long as it contains the same information as in ODOC's amortization schedule.

## 2. INVENTORY UPDATE

- a. After the vehicle is purchased, Subgrantees must submit an updated inventory list to the assigned Energy Projects Specialist. Weatherization inventory must include the following information (see 2 CFR 200.313) (see Attachment 1 for a template that may be used):
  - i. **Federal Award Identification Number (FAIN) Number** (source of funding)
  - ii. **ODOC Contract Number**
  - iii. **Identification Number** (vehicle identification number, manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number)
  - iv. **Description of Property/Item**
  - v. **Title Holder** (for vehicles)
  - vi. **Acquisition Date** - Enter the date the item was acquired.
  - vii. **Acquisition Cost** - Enter the cost of the property at time of purchase.
  - viii. **Current Fair Market Value** - Enter the current Kelly Blue Book or other Market Value of the vehicle. Keep the documentation and be prepared to provide upon request if needed. *(this only needs to be updated every 5 years OR at time of disposition OR at ODOC request)*
  - ix. **Percent of Federal Fund** - The percent (%) of DOE funds used to purchase the vehicle.
  - x. **Location** – The location of the vehicle at the Subgrantee
  - xi. **Current Condition/Use**
    - Useable - Property which shows some wear, but can be used without significant repair
    - Scrap - Property which has no value except for its basic material content.
    - Repairable - Property which is unusable in its current condition but can be economically repaired
    - Salvage - Property which has value in excess of its basic material content, but repair or rehabilitation is impractical and/or uneconomical
    - Excellent - Property that is in new condition or in unused condition and can be used immediately without modification or repairs

**3. REPORTING**

- a. Subgrantees may request reimbursement of a purchased vehicle by submitting **a separate, stand-alone expenditure report and advance/payment request in OKGrants.**
  - i. For vehicle or equipment purchases over \$5,000 that will be amortized over their useful life, record the purchase in the Vehicle and Equipment over \$5,000 budget line item on the expenditure report and accompanying advance/payment request. Make sure to note in the comments that the purchase is for a vehicle and the date of ODOC approval. In addition, all documentation listed in Section 4 above must be uploaded into OKGrants or the expenditure report and advance will be rejected.

G. Office Expenses		
<b>H. Total Program Support</b>		
I. Materials		
<b>J. Vehicles &amp; Equipment Over \$5000.00</b>		
K. Insurance		
L. Administration		
M. Audit		
N. Training & Technical Assistance		

- ii. Monthly, and for the entire useful life of the vehicle, the amortization cost listed in the uploaded amortization schedule must be recorded on the amortization cost line item on the expenditure report in OKGrants. Annually, with each new DOE WAP application and contract, the amortization schedule must be uploaded along with other application documentation, until the end of the useful life of the vehicle.

	Current Month Amortization Cost	Year-To-Date Amortization Cost
Amortization Cost	\$0	\$0

- iii. For any vehicle or equipment purchases over \$5,000 that will be fully expended to the current grant period (no amortization), a separate expenditure and advance/payment request is still required, along with all Section 4 documentation, but the expense is listed in the Tools and Equipment Line Item, part of Program Support (rather than the Vehicle and Equipment over \$5,000 line item). This expense is immediately calculated by OKGrants into the ACPU. It is rare that any Oklahoma

agency's ACPU would be able to withstand a vehicle purchase.

	A.
	Current Ex
A. Transportation	
B. Tools and Equipment	
C. On-Site Supervision	
D. Labor: Payroll	
E. Labor: Subcontracted	
F. Storage	
G. Office Expenses	
H. Total Program Support	

**4. DISPOSITION**

- a. Subgrantees may request disposition for one or more of the following reasons:
  - ii. When the cost of maintenance or repair of a vehicle exceeds the fair market value of the vehicle.
  - iii. When the fair market value of the vehicle dips below the threshold of \$5,000.
  
- b. Subgrantees MUST request disposition when any of the following reasons apply:
  - i. The Subgrantees no longer operates a weatherization program.
  - ii. The Subgrantees wishes to use the vehicle for another purpose (other than the weatherization program). This includes any other Federal program.
  - iii. The Subgrantees plans to sell, donate, or trade in a vehicle.
  - iv. For any other reason that the Subgrantees might wish to remove a vehicle from their inventory list.
  
- c. A disposition request must be submitted to ODOC according to the following process:
  - i. Submit a written request to the Energy Projects Specialist with the following information on the vehicles that a Subgrantee would like to receive disposition instructions for:
    - Description of Property**
    - Federal Award Identification Number (FAIN) Number** (source of funding)
    - ODOC Contract Number**
    - Identification Number** (vehicle identification number, manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number)
    - Acquisition Date** - Enter the date the item was acquired.
    - Acquisition Cost** - Enter the cost of the property at time of purchase.

- Current Fair Market Value** - Enter the current Kelly Blue Book or other Market Value of the vehicle. **\*\*Submit the backup documentation along with the request to show what method was used to determine Fair Market Value.\*\***
  - Percentage of Federal Fund** - The percent (%) of DOE funds used to originally purchase the vehicle.
  - Current Condition/Use**
    - Useable - Property which shows some wear, but can be used without significant repair
    - Scrap - Property which has no value except for its basic material content.
    - Repairable - Property which is unusable in its current condition but can be economically repaired
    - Salvage - Property which has value in excess of its basic material content, but repair or rehabilitation is impractical and/or uneconomical
    - Excellent - Property that is in new condition or in unused condition and can be used immediately without modification or repairs
  - What the agency is requesting approval to do with the vehicle.** – Provide a brief narrative explaining why the vehicle is being disposed, and what the agency will do without the vehicle (for example, purchase another one), or with the proceeds (for example, use for program income).
- d. Subgrantees may not dispose of a vehicle or use a vehicle for a different purpose other than weatherization until receiving ODOC written approval to do so (even if a vehicle is under \$5,000).
- e. Once ODOC disposition instructions and approval is received (some must be submitted to DOE first, so an exact turnaround time is unknown), the Subgrantee must submit an updated inventory list to the Energy Projects Specialist along with a disposition inventory list (to include date of disposal and sale price of property), which must be kept for a period of at least three (3) years from the date of final disposition, according to Record Retention policy ([2 CFR 200.334](#) & [2 CFR 200.313](#)).

Should there be any questions about this Program Notice, please contact the Senior Energy Program Manager – Amanda Marcott-Thottunkal, [amanda.marcott-thottunkal@okcommerce.gov](mailto:amanda.marcott-thottunkal@okcommerce.gov).