

<p style="text-align: center;">Texas WIC Health and Human Services Commission</p>

Effective November 1, 2023

Policy No. AC:07.0

Property Management

Purpose

To ensure proper approval requests, property accountability and compliance with state and federal regulations regarding property management.

Authority

2 CFR 200.310 – 200.315; *Texas Grant Management Standards (TxGMS)*, Property Standards; WIC Final Policy Memo 98-3; *FNS Handbook 901*

Policy

The Local Agency must submit approval requests for all renovations and repairs over \$5,000 per project, to purchase equipment, computing devices that have a per unit cost over \$5,000, and to purchase clinic furniture not included in the WIC Catalog regardless of price. Local Agencies must have a property management and disposition system (i.e., inventory system) that meets the standards as required by state and federal regulations and the WIC Local Agency contract. The Local Agency will be held financially responsible for property purchased with WIC funds.

Definitions

Acquisition Cost – the cost of the asset including the cost to ready the asset for its intended use. Includes the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

Computing Devices - Machines used to acquire, store, analyze, process, and publish data and other information electronically with a useful life of three years.

Equipment - Tangible and personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds \$5,000.

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Inventoried Property – Includes computing devices and equipment.

Sanitization - Deliberately, permanently, and irreversibly destroying all data stored on a memory device to make it unrecoverable.

Supply - All tangible property other than those described in the definition of Equipment, including medical supplies, janitorial supplies, office supplies, patient educational supplies, computing devices, etc.; acquisition cost must be less than \$5,000 per unit regardless of the length of its useful life.

Unit Cost – The cost of a single item.

Procedures

I. Approval Requests

- A. The Local Agency must submit an approval request to the State Agency for:
 - 1. All renovations and repairs over \$5,000 per project.
 - 2. To purchase equipment and computing devices that have a per unit cost over \$5,000.
 - 3. Clinic furniture purchases that are not included in the Texas WIC Design Guidelines and Catalog, regardless of the cost. All furniture purchases must align with the Texas WIC Design Guidelines and Catalog and Texas WIC branding.

The State Agency will request USDA approval for the following once received from the Local Agency: (1) purchases over \$25,000 per unit (2) renovation projects (3) repairs that materially increase the property's value or useful life.

- B. The Local Agency must follow the General Procurement Standards found in the current [Texas Grant Management Standards \(TxGMS\)](#). The same standards that apply to "local governments" apply to

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non-governmental organizations for the purposes of this policy/procedure.

- C. Local Agency must submit requests for purchases to the LA Request mailbox, WICLARRequests@hhs.texas.gov.
- D. The State Agency will send a written response indicating approval or disapproval to the Local Agency. The Local Agency must retain documentation for monitoring reviews for at least three (3) years after completion of the purchase.

II. Property Inventory

- A. A physical inventory of the property must be taken, and the results reconciled with the property records annually. By September 30th of each year, the Local Agency must enter documentation supporting that this process was completed into the WIC Asset Management System (WAMS) or other inventory system comparable to WAMS. Inventory documentation must be available to the State Agency upon request.
- B. Local Agency must inventory and maintain all property until disposition is complete (See Procedure V, Disposition of Computing Devices and Equipment). Property that has been disposed of must remain in the inventory system for three (3) years after the date of final disposition. Disposal documentation must be available to the State Agency upon request.
- C. When a new piece of equipment or computing device is received, the Local Agency must record the new item in WAMS or other inventory system comparable to WAMS. If the Local Agency moves or changes the location of the item, the property records must be updated accordingly. This requirement applies to computers but does not apply to peripherals (i.e., computer accessories such as keyboards, printers, monitors, etc.) under \$5,000 per unit cost.

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III. Maintenance of Property

- A. The Local Agency must maintain, repair, and protect property to assure its full availability and usefulness.
 - 1. The Local Agency must have adequate maintenance procedures to keep the property in good condition and have means of repairing or replacing property purchased with WIC grant funds. (See also [2 CFR 200.452](#))
 - 2. The Local Agency must maintain insurance standards per [2 CFR 200.310](#) and the Local Agency contract.
 - 3. The Local Agency must maintain warranty on computer equipment per minimum standards on the pre-approved TXIN Hardware Specifications and Costs Sheet.

IV. Damaged, Lost or Stolen Inventoried Property

- A. The Local Agency must have a policy ensuring adequate safeguards to prevent damage, loss, or theft of inventoried property.
- B. The Local Agency must send a notification to the WIC State Agency at the time of discovery of any damaged, lost, or stolen inventoried property to WICClinics@hhs.texas.gov and, if applicable, attach the WIC IT Security Incident Form, a copy of the police report and/or any documentation for an insurance claim.
- C. If the Local Agency is reimbursed or otherwise compensated for any damaged, lost, or stolen inventoried property covered by this policy (e.g., an insurance claim), the Local Agency must use the proceeds to replace property and/or reimburse the State Agency for the assessed value.

V. Disposition of Inventoried Property and Supplies

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- A. Prior to disposition, the Local Agency must remove all confidential information from WIC computing devices by following the steps outlined on the Certification of Data Sanitization form (13-06-15208). After completing and signing this form, the Local Agency must retain documentation for monitoring reviews for at least three (3) years.
- B. The Local Agency must obtain approval from the State Agency for disposition of property that has a fair market value of \$5,000 or more per unit, was purchased with WIC funds, and is no longer needed for the project or program. The Local Agency must complete the designated Equipment Disposition/Transfer Form and send it to [WIC LA ContractManagement@hhs.texas.gov](mailto:WIC_LA_ContractManagement@hhs.texas.gov).
- C. If a Local Agency stops providing WIC services and there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value, the Local Agency must complete the designated Equipment Disposition/Transfer Form and send it to [WIC LA ContractManagment@hhs.texas.gov](mailto:WIC_LA_ContractManagment@hhs.texas.gov).