

Capital Expenditures

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What is a capital expenditure?

- WIC program use of NSA funds to acquire, increase, or extend the life of agency assets. Examples include remodeling a clinic, purchasing a WIC van, medical equipment, updating computer equipment.
- The purchased item must yield a benefit of two or more years.

When do you need to submit a capital expenditure approval request form?

- Agencies must submit the Approval Request Form for Capital Expenditure prior to expending funds for all capital expenditures that exceed \$2,500.
- Approval requests of less than or equal to \$5,000 will be reviewed and approved by the State WIC Program.
- Approval requests greater than \$5,000 may be reviewed by the state WIC office or Food and Nutrition Service (FNS) depending on what the agency is requesting approval to purchase.

Additional requirements for capital expenditure for the purchase of buildings and land or improvements to buildings or land

- When requesting approval to make a capital expenditure exceeding \$5,000 for the purchase of buildings and land or improvements to buildings or land you must also complete the FNS Instruction 813-1 **Exhibit A Worksheet for Requests to Purchase Real Property or Renovate or Repair Real Property.**

Additional requirements for capital expenditures for equipment greater than \$25,000

- Approval requests for noncomputer equipment greater than \$25,000 must be reviewed and approved by FNS. You may also be asked to submit documents detailing your agency's procurement process.

Steps for requesting approval for capital expenditures:

Step 1 – Submit the Capital Expenditure Approval Request Form

Submit the Capital Expenditure Approval Request Form to your agency's assigned Nutrition Consultant.

- If you are requesting approval to make a capital expenditure exceeding \$5,000 for the purchase of buildings and land or improvements to buildings or land you must also submit the FNS Instruction 813-1 **Exhibit A Worksheet for Requests to Purchase Real Property or Renovate or Repair Real Property**.
- If you are requesting approval to make a capital expenditure of \$25,000 or greater for noncomputer equipment, you must also submit documentation detailing your agency's procurement process.

Step 2 – WIC State Agency and/or FNS Review of Capital Expenditure Request

Review and approval of capital expenditure requests may be completed by the State WIC Office and/or FNS. The length of time it takes for review, approval or denial is dependent on the nature of the request and the capacity of the reviewing agency.

- Additional information or documentation may be requested.
- The average time it takes for State WIC Office and/or FNS to review a capital expenditure request is as follows:
 - Approvals of \$5,000 or less will be reviewed and approved by the State WIC Office and may take up to 2 weeks to process.
 - Approvals greater than \$5,000 may need to be reviewed and approved by FNS and may take up to 8 weeks to process.
 - Approvals greater than \$5,000 for the purchase of buildings and land or improvements to buildings or land must be reviewed and approved by FNS and may take up to 8 weeks to process.
 - Approvals greater than \$25,000 must be submitted to FNS and may take up to 8 weeks to process.

Step 3 – Notification of Approval or Denial

Your agency will be notified by the State WIC office when your request is either approved or denied.