

WIC

Fiscal Management

Overview

Presented
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Objectives

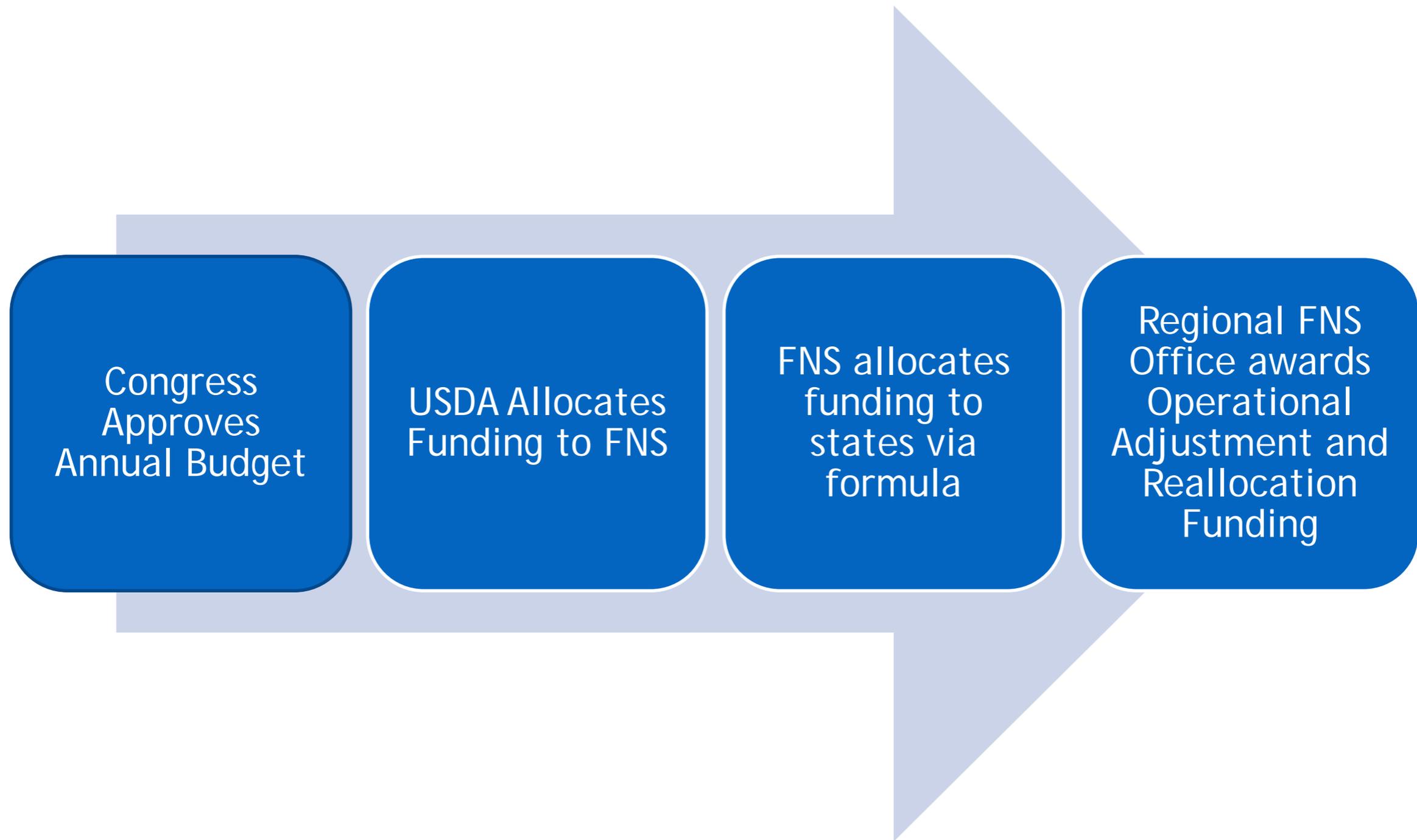
- Federal Funding Structure
- Funding Formula
- Contract
- Fiscal Rules and Regulations for WIC Grant
- Fiscal Monitoring/Audits
- Time Studies
- Invoices
- Questions



Funding Overview



Federal Funding Process



Funding Infrastructure

Food Expenditures	Nutrition Services Administration (NSA) Funds
USDA Allocation	Base Grant
Infant Formula Rebate	Operational Funds
	Reallocation Funds

FY2015:

- Food expenditures in Colorado were approximately \$62.8 million.
- Infant Formula Rebate received \$17.7 million.
- Approximately 80%-85% of NSA funds are given directly to the local health agencies to administer the program on the local level.



Local Agency Funding Formula



Local Agency Funding Formula

- Created in 2001.
- Objective means to distribute funding to local agencies in Colorado on an annual basis.



Components of the Funding Formula

Caseload

High Risk Participants

**Participant Turnover Rate/New
Certifications Per Caseload**

Travel

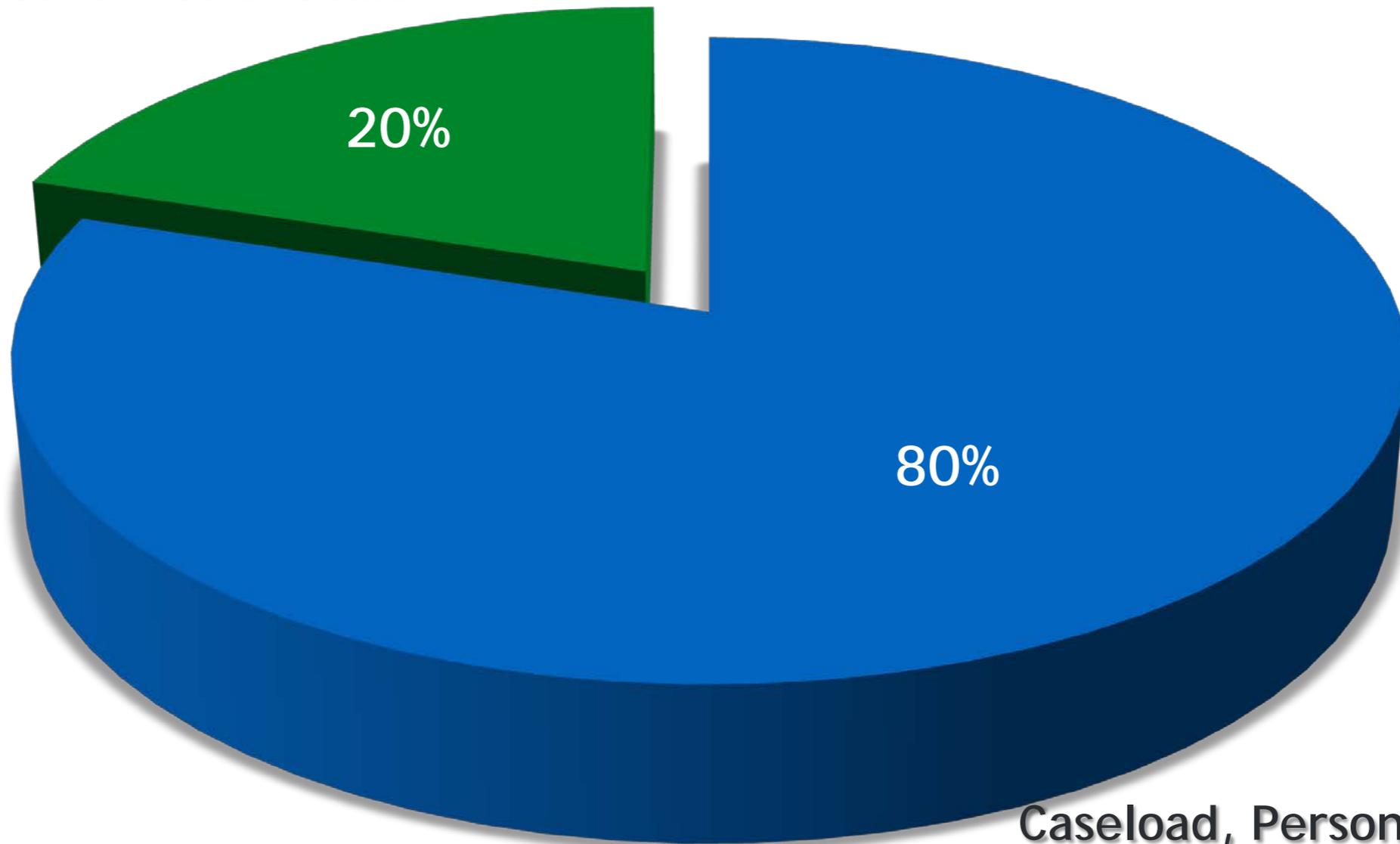
Salary Scales

Economies of Scale



Funding Formula Proportions

Economies of Scale



Caseload, Personnel Costs,
Participant Risk Factors,
Participant Turnover



Funding Formula (cont.)

- Caseload is weighted average.
- Salary information is based on annual salary survey and budget information.

Review FY2016 Funding Formula



State Funding Process

Initial contract for fiscal year is issued based on WIC Funding Formula

Upon receipt of appropriation, additional funding opportunities might be available.

- Budget documents submitted by agency
- Supplemental applications for targeted funding.

Mid Year Contract Amendment issued for:

- Funding adjustments
- Computer expenditures



Allowable WIC Expenditures



Allowable WIC Costs

- Costs of WIC Food Benefits
- Certification of WIC participants
- Nutrition Education
- Breastfeeding Promotion
- Outreach
- General Program Administration



Rules and Regulations

- Federal Regulations
 - 7 CFR Part 246 & 7 CFR 3016 (WIC Program Regulations)
 - Federal “Super Circular”
- State Regulations
 - State WIC Program Manual
 - Contract
- Local Agency Fiscal Rules and Regulations



Rule of Thumb

To Determine Eligibility

Reasonable?

Necessary?



Administrative & Operational Costs

Salaries and Wages:

- Compensation based on actual time and effort devoted specifically to the WIC program, including fringe benefits.
- Budgeted expenditures may only be used if reconciled quarterly.
- Salary and Fringe Costs must be allocated between funding sources.
- Time and Effort (T&E) certification:
 - Must be available at local agency for review
 - Signed and certified by employee and supervisor



Administrative & Operational Costs

Supplies:

- Costs of materials acquired, consumed or expended specifically for WIC
- Food models and samples
- Medical supplies such as band-aids
- Office supplies such as paper, pens
- Nutrition Education Materials
- Printing Costs



Administrative & Operational Costs

Nutrition Education and Breastfeeding Promotion:

- Costs related to individual or group education sessions with participants
- Provision of nutrition education and/or breastfeeding promotion materials such as pamphlets
- Training and evaluation of education
- Mailing education materials.
- **MUST BE CLEARLY IDENTIFIED ON INVOICE**



Administrative & Operational Costs

Equipment - Article of non-expendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more.

- Office equipment such as chairs, desks, filing cabinets, non-expendable medical equipment, measuring boards, scales.
- Expenditures over \$5,000 require state office approval before purchase.
- Property of WIC.



Administrative & Operational Costs

Records must be maintained on all equipment that include:

- The property,
- Serial number,
- Source of property,
- Who holds the title,
- Acquisition date,
- Cost of property,
- Percentage of Federal participation in the cost of the property;
and,
- The location.



Administrative & Operational Costs

Computer Equipment:

- Per new OMB “Super Circular” - Computers are now considered supplies, not equipment.
- WIC State Office provides funding every three years to purchase
- As part of that process, the Colorado WIC state office requests:
 - Copy of the specifications of what is to be purchased to ensure it will work with Compass.
 - For our inventory, we need the serial numbers and location of computers.
 - We will provide guidance for disposal of computers at the end of each computer cycle.



Administrative & Operational Costs

Travel:

- WIC Personnel travel to and from clinic sites and travel necessary to fulfill WIC program functions.
 - Mileage will be reimbursed at the local agency's rate up to the maximum allowed by the IRS
 - Mileage rate must be consistently applied to programs throughout the local health agency.



Administrative & Operational Costs

Lab Fees:

- Lab fees associated with certification

Outreach:

- Costs associated with building caseload, including advertising



Administrative & Operational Costs

Program Incentives:

- Reasonable and necessary costs that promote the specific program purposes of outreach, nutrition education or breastfeeding.
- Nominal cost.
- No giveaways or financial incentives

Questions

Please contact Nutrition Consultant or Fiscal Officer.



Administrative & Operational Costs

Physical Activity:

- Elements of physical activity promotion as a part of nutrition education may be considered an allowable cost for the WIC program.
 - Education materials that reinforce health benefits of physical activities.
 - Nutrition education classes that reinforce and contain physical activity messages.
 - Brief physical activity demonstrations.
 - Training for staff on the health benefits.
 - Promotion of physical activity and promote behavior change in participants.



Administrative & Operational Costs

Rent:

- Must be based on actual costs paid by agency.
- Must be based on WIC's share of total space based on square footage studies.
- When building is owned by county and/or agency, and no rent is paid, a usage fee or depreciation cost may be charged in accordance with OMB Super Circular guidelines.



Administrative & Operational Costs

Purchase, Repair or Renovation of Buildings:

- Capital expenditures - Require prior approval from USDA regional office.
- Upkeep of ground, necessary maintenance, normal repairs and alterations allowable.



Indirect Expense

- Per the new OMB Super Circular, agencies must budget for indirect expenses, and may request reimbursement for indirect expenses for one of the two amounts:
 - CDPHE negotiated indirect rate OR
 - 10% de minimus rate

To set up an indirect rate with the department, if you don't already have one, contact Patricia Theriot at patricia.theriot@state.co.us or call 303-692-2143



Unallowable Costs

- Retirement Payout
- Food - only certain instances where this is allowed
- Bad Debts
- Contingencies
- Contributions and Donations
- Entertainment
- Fines and penalties
- Governor's expenses
- Interest and other financial costs
- Legislative expenses
- Implementation and maintenance of HIPPA and National Smallpox Vaccination Program (NSVP)
- Physical Activity costs such as fitness center dues, exercise equipment, exercise classes, and incentive items



Fiscal Monitoring



Fiscal Monitoring

CDPHE Financial Risk Management System (FRMS)

- Evaluate your agency's accounting practices overall, including personnel costs

WIC Program Fiscal Monitoring Visit

- Conducted every two years
- Evaluate operational costs, excluding personnel costs, to determine what is allowed.

Program Audit - Agencies with more than \$750,000 in federal funding will be required to have an independent program audit and report WIC findings to the State WIC Office.



Fiscal Monitoring

Common Errors:

- Expenses in the incorrect fiscal year.
- Allocation plans do not fairly distribute costs amongst benefitting programs.
- Personnel charged to the grant based on budgeted hours.
- Back up documentation not maintained.
- Travel not authorized by management personnel.
- Timecards must be certified and approved by both personnel and management.



Time Studies



Time Studies

Document through the use of staff time logs, the expenditure of at least 1/6 of Colorado WIC's administrative budget for nutrition education, breastfeeding promotion, client services, and general administration.

- Required for all agency personnel charged to WIC grant must participate.
- Time frame either:
 - One week per month OR
 - One month per quarter.



Sample Time Study

Employee Name	WIC Hours	Nutr. Ed Hrs	Nutr. Ed %	BF Hrs.	BF %	Client Hrs.	Client %	Admin Hrs	Admin %
Mary Smith	160	106	66.2%	14	8.8%	40	25%	0	0.00
Jan Moss	100	25	25%	0	0%	30	30%	45	45%



Invoices



Invoices

- Must submit the CDPHE invoice form.
- Submit within 30 days of closed month.
- Final invoices for fiscal year are due by November 30th.
- Remember to complete:
 - Name
 - Unique invoice number
 - Contract number
- Sign, scan and email or fax to Cyril Padilla.



Program Contacts

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Funding formula, budgets, capital improvements

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Contracts, invoices, time studies, fiscal monitoring

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Breastpump orders, Stanbio[®] hemoglobin orders, computer inventory and disposition



Questions?

