

Chapter 12

Fiscal Management

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This chapter describes policies and procedures for fiscal management of the WIC program. It addresses a variety of areas including budgets, allowable expenditures, the acquisition and disposition of equipment, and procedures around the purchase, rental, or renovation of property.

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Attachment 1. Equipment Disposal Form

Websites for Additional Information

- 7CFR 3016.32 and 7CFR 3016.36 <https://www.gpo.gov/fdsys/pkg/CFR-2012-title7-vol15/pdf/CFR-2012-title7-vol15-part3016.pdf>
- 2 CFR 225: Cost Principles for State, Local and Indian Tribal Governments – (<https://www.gpo.gov/fdsys/granule/CFR-2012-title2-vol1/CFR-2012-title2-vol1-part225>).
- <http://www.doa.state.nc.us/PandC/keyword.htm>
- <http://www.catiweb.org/>
- <http://www.ncdhhs.gov/dsdhh/directories.htm>

WIC Program Budget

Funding for the WIC Program goes from the United States Department of Agriculture (USDA) to the Nutrition Services Branch (NSB) within the NC Department of Health and Human Services. The NSB pays all WIC Program food costs directly and reimburses local agencies monthly for their program operation costs. The NSB uses a per participant funding formula to establish the funding allocations for local agencies. Based on their total allocation, local agencies must submit a projected annual budget for each program activity. Budgets for local agencies are submitted with their WIC Agreement Addendum and budgets for non-local agencies are submitted prior to their contract being developed for the next contract period.

■ WIC Budgets

The four program activities included as part of the WIC grant include:

- **General Administration:** This budget includes direct costs associated with overhead or management costs and shall be less than 10% of the overall budget. Examples of approved costs covered by general administration funds includes:
 - accounting and bookkeeping (i.e., preparation of budget and expenditure reports)
 - payroll and personnel systems maintenance
 - administrative records maintenance (i.e., miscellaneous administrative records related to the WIC program)
 - fraud prevention
 - audit and legal services (refer to Section 8)
 - theft insurance
 - vendor activities, including training and monitoring

- **Client Services:** This budget includes costs involved in delivering food and other client services and benefits. This is typically the largest of the activity budgets. Examples of approved costs covered by client services funds includes:
 - personnel costs (i.e., salary and fringe benefits) for WIC eligibility determination and certification (and all related activities such as pulling records, documentation)
 - conducting/participating in surveys or studies evaluating WIC's impact on participants
 - coordinating with other social, health care services
 - issuing and explaining food benefits
 - outreach
 - referrals to other social, health care services
 - supplies discarded after a single use (*such as laboratory supplies*)
 - translators/interpreters

- medical equipment (*scales, measurement devices, hematological equipment*)
- participant notifications including the client's rights and responsibilities
- **Nutrition Education:** This budget includes costs that relate directly to nutrition education and must represent at least 20% of the total WIC Program budget. Examples of approved costs covered by nutrition education funds includes:
 - personnel costs (i.e., salary and fringe benefits) for the provision of nutrition education
 - planning and conducting nutrition education
 - producing materials for participant education
 - purchasing equipment and supplies for nutrition education
 - staff training
- **Breastfeeding Promotion and Support:** This budget includes costs that relate directly to promoting and supporting breastfeeding. Local agencies are required to budget a minimum amount in this program activity annually. Agencies are notified of the threshold when they receive notification of their grant award. Refer to Chapter 9 for information on breastfeeding program management activities. Examples of approved costs covered by breastfeeding funds includes:
 - personnel costs (i.e., salary and fringe benefits) for breastfeeding education, promotion, and support activities
 - planning, conducting educational & support activities to promote breastfeeding
 - training staff including breastfeeding peer counselors and sponsoring breastfeeding training events in the community
 - purchasing educational materials and resources for clients, lending libraries, and health professionals
 - establishing breastfeeding rooms in the local agency for WIC participants
 - supporting breastfeeding peer counselor program activities
 - purchasing breastfeeding support supplies limited to:
 - multi-user electric breast pumps *
 - single-user electric breast pumps *
 - single-user manual breast pumps*
 - collection kits*
 - supplemental feeding devices
 - breast shells
 - breast shields
 - breast pads

**Breast pumps are medical equipment and require prior approval from the Nutrition Services Branch.*

■ **Breastfeeding Peer Counselor (BFPC) Program Budget**

The Breastfeeding Peer Counselor Program is supported by a separate grant, which has unique requirements. This budget includes costs associated directly with the implementation, expansion and maintenance of a breastfeeding peer counselor program. Refer to Chapter 9

for information on the breastfeeding peer counselor program. Examples of approved costs covered by breastfeeding peer counselor program funds include:

- ▶ personnel costs (i.e., salary and fringe benefits) for peer counselors and designated breastfeeding peer counselor managers
- ▶ participation in breastfeeding peer counselor program related training activities
- ▶ travel specific to breastfeeding peer counselor program activities
- ▶ operational costs necessary to support breastfeeding peer counselors such as cell phones, pagers, answering machines, and office equipment
- ▶ other expenses directly related to developing or expanding activities to sustain a breastfeeding peer counselor program

*NOTE: While WIC Breastfeeding Promotion and Support Activity budget funds can be used to support Breastfeeding Peer Counselor Program activities, BFPC Program funds **cannot** be used to support expenses related to core WIC functions including attendance at training or meetings unrelated to BFPC program; purchase of breastfeeding aids (i.e., manual and electric breast pumps, nipple shields, supplemental feeding devices); development or purchase of participant nutrition and breastfeeding education materials; and any other expenses unrelated to activities of the BFPC program.*

■ **Expenses Applicable To More Than One Budget**

Expenses may apply to one or more budget. Examples of expenses that may apply to multiple budgets are listed below. Refer also to Section 3 for information on cost sharing.

- ▶ communications (phone, internet)
- ▶ personnel time (salaries & benefits)
- ▶ postage/shipping
- ▶ printing/duplicating
- ▶ utilities
- ▶ office supplies
- ▶ space rental/purchase (refer to Section 6)
- ▶ travel expenses
- ▶ subcontracted services (such as temporary personnel, interpreter service, breast pump rental programs, etc). Refer to Chapter 3 for information on sub-contracts and for a

model sub-contract. Subcontracts require prior approval from the Nutrition Services Branch. To obtain approval, a memo requesting approval along with a copy of the proposed contract for services should be sent to the Regional Nutrition Consultant.

- ▶ petty cash. Petty cash is not a cost item per se, but rather a method of disbursing funds. Local agencies must keep standard records for all petty cash expenditures and assign the expenditure to the appropriate activity budget.

■ **Non-Approved Expenses**

The following list provides examples of non-approved WIC Program expenses but is not all inclusive.

- ▶ State and local sales tax.
- ▶ Interest and finance charges.
- ▶ Buildings & facilities depreciation/use allowances that the federal government has paid for or rental of building/facilities space in public buildings.
- ▶ Legal expenses imposed by local government's chief legal officer or for prosecution of claims against the federal government. Refer to Section 8 for more information on legal expenses.
- ▶ Breastfeeding supplies such as topical creams, ointments, hydrogel dressings, vitamin E and other medicinal items, foot stools, infant pillows, nursing clothing. Refer to the previous discussion of allowable breastfeeding support supplies and to Chapter 9: Breastfeeding for additional information.
- ▶ Expenses associated with employee professional organizations such as fees for professional exams or individual membership dues in professional organizations.
- ▶ Food, beverages, flowers, and entertainment for any kind of training event or meeting or for participants unless used in the context of the provision of nutrition education. (Note: alcoholic beverages are never approved expenses.)

■ **Documentation Of Budgeted Expenditures**

Local Agencies must maintain documentation for reported expenditures. Records must be available to state and federal auditors/monitors for three years after the last date of activity (e.g., revised expenditure report) or until all audits for the time period are closed. Records must be clear enough that auditors can easily find and understand them later, even if the original staff is no longer there to answer questions (refer to the 2 CFR 225: Cost Principles for State, Local and Indian Tribal Governments - <https://www.gpo.gov/fdsys/granule/CFR-2012-title2-vol1/CFR-2012-title2-vol1-part225>).

Personnel Costs

There are two kinds of personnel time that can be supported with WIC funds, time spent in providing direct program services and time spent in providing general administration of the program.

■ **Direct Service Time**

Direct service time is time spent performing program activities directly related to budgets. Local agencies must document expenditures for personnel costs and report expenditures to the appropriate budget.

The first step in documenting WIC personnel expenditures for each budget is to calculate the amount of time that agency personnel spend in direct service in each of the budgets. This documentation is usually maintained through employee daily time sheets or logs of how they spend their time.

Sample Daily Time Sheet for an Individual

Name/Title:		Month:		
Day	WIC General Administration	WIC Client Services	WIC Nutrition Education	WIC Breastfeeding
Total Hours				
Employee's Signature:				
Supervisor's Signature:				

The second step in documenting WIC personnel expenditures for each budget is to multiply the percentage of time that each employee spends on each service by his/her salary and fringe. Calculate this dollar figure for all agency employees who spent direct time in WIC and add up the figures. The total is the actual cost of each service to the Program for a set time. In most agencies, these calculations are completed through a spread sheet software package.

■ **Administrative Staff Time**

There are two acceptable methods to distribute the cost of local agency administrative staff (i.e. staff that provide support to the WIC Program but do not provide direct program services). Whichever method the local agency selects, it must retain time documentation for at least three years after the last date of activity or until audit requirements are satisfied.

- **Direct time:** Administrative staff members may distribute direct time spent in WIC activities to the appropriate WIC budget on their time sheets.
- **Allocation of time:** Administrative staff members may distribute their time in proportion to the direct time given by WIC direct service staff if the same method is being applied across all program budgets in the agency and their job function effects/impacts all programs.

Non-Personnel and Shared Program Costs

There are several non-personnel costs associated with running a local WIC Program. Often times, non-personnel costs are shared across multiple programs. When allocating shared non-personnel costs to several different programs or other cost centers, it is important to allocate costs in a manner which will produce equitable and reasonable charges to each program. Methodology for determining the WIC Program's share of expenses follows.

■ **Duplicating**

These costs apply to photocopy services done in-house.

- Per copy based on log or usage meter

■ **Printing**

These costs apply to print jobs that are done by an outside agency or business.

- Per job

■ **Telephone**

These costs include phone and fax services.

- Long Distance - phone log of calls or phone cards assigned to employee
- Local calls – percent of local call bill based on the number of extensions
- Cell phones that are shared across programs- log of calls by user/program

■ **Internet Service Provider**

- Number of extensions

■ **Office Supplies**

These costs include typical supplies used on a daily basis such as paper, pens, pencils, sticky notes, as well as office furniture that is not considered equipment. Refer to Section 5 for additional information about equipment.

- Actual cost to WIC

■ **Janitorial Services, Maintenance, Utilities**

These costs are allocated based on a per square foot basis assigned to each program.

- $$\frac{\text{WIC sq. ft}}{\text{total sq. ft}} \times \text{Total cost of space} = \% \text{ of cost that the WIC Program pays}$$

■ **Equipment**

These costs apply to equipment that is shared across programs. Refer to Section 5 for additional information about equipment.

- Prorated share of cost relative to use

■ **Clinic Costs Associated With Hemoglobin or Hematocrit Test**

These costs apply to the costs associated with a hematocrit or hemoglobin blood test. A local agency may establish a per procedure cost for a hemoglobin or hematocrit test based on the average cost of personnel time and/or the cost of disposable (expendable) supplies used. The established per procedure cost must be updated on an annual basis. To determine total billing costs, this per procedure cost is then multiplied against the number of individuals who receive a hemoglobin or hematocrit for WIC Program services, as documented through a participant log. Local agencies may not charge the WIC Program a clinic cost for a participant if the agency also receives third-party reimbursement for the same service to the participant (*for example, child health, maternal health, or Medicaid*).

■ **Indirect Costs**

Indirect costs are defined as costs which are incurred for a common or joint purpose benefiting more than one cost objective (program).

- Local health departments cannot bill WIC for an Indirect Cost Rate.
- Non-local WIC Programs (i.e., those not administered by a local health department) must provide a copy of their current indirect cost rate approval from the cognizant federal agency if the cost is charged to WIC.

Program Incentive Items

Program incentive items refers to a class of goods, usually of a nominal value, that are given to applicants, participants, potential participants, or persons closely associated with the WIC Program (such as staff) for purposes of outreach, nutrition education, or breastfeeding promotion and support. Program incentive items are allowable only if they are considered to be reasonable and necessary costs that promote the specific program purposes of outreach, nutrition education, or breastfeeding promotion as defined below.

■ Reasonable and Necessary Costs

Program incentives must be obtained at a reasonable cost. Furthermore, agencies should carefully consider the public perception of program funds spent on items even when the connection to outreach, nutrition education, or breastfeeding promotion is clear.

▸ Reasonable costs

- provide the program a benefit generally commensurate with the costs incurred,
- are consistent with the costs of similar items from other vendors,
- are a priority expenditure relative to other demands on available administrative resources.
- have a proven or intuitive positive outreach or nutrition education impact.

▸ Necessary Costs

- are incurred to carry out essential program functions, and
- cannot be avoided without adversely impacting program operations.

▸ Examples of Non-Allowable Items:

- celebratory items, or items designed primarily as staff morale boosters, generally for the personal use of the staff, with minimal public display;
- items of nominal value which have no outreach, breastfeeding, or nutrition education message;
- any program incentive item intended for persons who are not participants, potential participants or their parents/guardians, or for persons with no connection to the WIC Program, such as staff and cooperating agency representatives; and
- items not of nominal value such as diaper bags, infant slings, or ponchos (regardless of any nutrition education, outreach, or breastfeeding promotion messages). These

items would not meet the "reasonable and necessary" test.

■ **Outreach**

Outreach refers to promotional efforts to encourage and increase participation in the WIC Program. Outreach efforts must be consistent with the goals of the WIC Program. Outreach may be a local or a statewide effort, directed at increasing the number of participants at a local agency or reaching a group of potential participants who are unaware of the WIC Program or unsure how to access it.

▸ **Requirements for Outreach Incentive Items.** Program incentive items for outreach should:

- contain a WIC-specific message that targets the potentially eligible population,
- normally be seen in public,
- include an approved nondiscrimination statement on publications or other printed material that also include any program information, (refer to Chapter 4)
- have value as outreach devices that equal or outweigh other uses,
- include WIC contact information such as the local agency name, address and/or telephone number,
- constitute (or show promise of) an innovative or proven way of encouraging WIC participation, and
- be reasonable and necessary costs.

▸ **Examples of allowable outreach incentive items** include t-shirts, buttons, bibs, toothbrushes, pens, cups or other items of nominal value with reasonable opportunity for public display that contain a WIC promotional message.

■ **Nutrition Education**

Nutrition Education means "individual or group education sessions and the provision of information and educational materials designed to improve health status, achieve positive change in dietary and physical activity habits, and emphasize relationships between nutrition, physical activity and health, all in keeping with the individual's personal, cultural, and socioeconomic preferences".

▸ **Requirements for Nutrition Education Incentive Items.** Program incentive items for nutrition education should:

- be targeted to participants,
- include an approved nondiscrimination statement on publications or other printed material that also include any program information, (refer to Chapter 4)

- have a clear and useful connection to particular WIC nutrition education messages,
 - either convey enough information to be considered educational or be utilized by participants to reinforce nutrition education contacts,
 - have value as nutrition education aids that equal or outweigh other uses,
 - be distributed to the audience for which the items were designed, and
 - be reasonable and necessary costs.
- ▶ **Examples of allowable nutrition education incentive items** include calendars that contain important nutrition education and physical activity messages and refrigerator magnets with nutrition education messages.
- **Breastfeeding Promotion and Support**
Breastfeeding promotion and support means strategies, initiatives, and services to encourage and increase the initiation and support the duration of breastfeeding among WIC participants. Note: Breastfeeding aids are a distinct and separate class of allowable costs and should not be considered incentive items. Refer to Chapter 9: Breastfeeding for information on allowable breastfeeding aides.
- ▶ **Requirements for Breastfeeding Promotion and Support Incentive Items.** Program incentive items for breastfeeding promotion and support should:
- include an approved nondiscrimination statement on publications or other printed material that also include any program information, (refer to Chapter 4)
 - have a clear and useful connection to promoting and supporting breastfeeding among current WIC participants,
 - either convey information that encourages and supports breastfeeding in general, informs participants about the benefits of breastfeeding, or offers support and encouragement to women to initiate and continue breastfeeding,
 - have value as breastfeeding promotion and support items that equal or outweigh other uses,
 - be distributed to the audience for which the items were designed, and
 - be reasonable and necessary costs.
- ▶ **Examples of allowable breastfeeding promotion and support incentive items** include t-shirts, buttons or other items of nominal value with a breastfeeding promotion or support message (e.g., "Breast Fed is Best Fed").

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Equipment

Under WIC Program policy, defined procedures must be followed to purchase and manage equipment.

■ Obtaining Approval to Purchase

Local agencies must obtain written approval from the Nutrition Services Branch (NSB) before they buy:

- ▶ items that are tangible in nature, have a life longer than one year, and have an acquisition cost of \$500 or more (*including like items that when put together have a value of \$500*).
- ▶ any medical equipment (i.e., scales, measurement devices, breast pumps, hematological equipment) regardless of cost.
- ▶ any computer equipment (including software) regardless of cost. Computer accessories, such as key boards and monitors, do not require approval.

It takes approximately 10 working days to obtain approval from the NSB for an equipment purchase. Equipment purchases greater than \$25,000 must be approved by USDA once they are initially approved by the NSB. USDA approval will add another 3 weeks to the approval process time period. To request permission from the NSB to purchase equipment, mail or fax (**do not e-mail**) a written request to:

Operations Manager
Nutrition Services Branch
5601 Six Fork Road
1914 Mail Service Center
Raleigh, NC 27699-1914
919-870-4818 (Fax)

Information that must be included in the written request for approval to purchase includes:

- ▶ the name and contact information (direct phone or email preferred) of the person making the request.
- ▶ indication that you have followed the procedures outlined in 7CFR 3016.32 and 3016.36.
- ▶ a description of the equipment.
- ▶ a justification of need.

- ▶ a cost estimate (*first determine if the item is on state contract or not*).
- **Item is on State Contract:** Local Agencies are encouraged to purchase items that are on state contract (<http://www.doa.state.nc.us/PandC/keyword.htm>). When items are purchased through the state contract, include the state contract item number, a description of the item, and the cost.
 - **If the purchase price is less than the state contract price:** When purchasing an item at less than state contract price, include the bid price with shipping/handling fees. The bid must be on an item with the same specifications as the item on state contract.
 - **If the purchase price is more than the state contract price:** If the item being purchased costs more than a comparable product on state contract, submit a justification for why the purchase is needed along with at least two bids, including shipping/handling fees. The bids must be on an item with the same specifications as the item on state contract.
- **Item is Not on State Contract:** If the item being purchased is not on state contract, submit at least two bids, including shipping/handling fees. The bids submitted must be on an item with the same specifications.

■ Reporting Equipment Purchases

For purchases of any equipment with an acquisition cost of \$500 or more, local agencies must submit a written report of the purchase within 60 days of the approval to purchase. This report should include:

- ▶ a description of the item purchased,
- ▶ the manufacturer's or other serial number,
- ▶ fixed asset inventory number assigned by the Local Agency for equipment purchased after January 1, 2018, and
- ▶ a copy of the bill of sale (which includes date, actual cost, and location of purchase).

The report should be sent to: Nutrition Services Branch
Attention: Fixed Assets – WIC
5601 Six Forks Road
1914 Mail Service Center
Raleigh, NC 27699-1914.

■ Fixed Assets Inventory

Annually, the NSB sends an agency specific fixed assets report to each local agency. The report will include equipment purchased with WIC funds with a per unit acquisition cost of

\$500 or more. Each item on the report will include the DHHS Division of Public Health (DPH) fixed asset number or the Local Agency fixed asset number (note: effective January 1, 2018, DHHS DPH no longer issues fixed asset tags. As a result, the local agency is responsible for assigning a fixed asset number and applying a tag to equipment purchased with WIC funds.) Local agency staff must confirm the accuracy of the information on the inventory report by viewing the equipment listed, verifying serial numbers and locations, noting any problems/discrepancies, signing the report, and returning the report to:

Nutrition Services Branch
Attention: Fixed Assets – WIC
5601 Six Forks Road
1914 Mail Service Center
Raleigh, NC 27699-1914

■ **Disposing of Surplus Equipment**

Local agencies wishing to surplus equipment that is listed on their fixed asset inventory must submit a completed Equipment Disposal Form (refer to Attachment 1). If a form is not available within the local agency, staff should contact the NSB. Completed forms should be mailed to:

Nutrition Services Branch
Attention: Fixed Assets – WIC
5601 Six Forks Road
1914 Mail Service Center
Raleigh, NC 27699-1914

The NSB reviews and submits requests to surplus to State Surplus for approval. After a request is approved by State Surplus, the local agency will receive a copy of the disposal form with labels identifying each piece of equipment to be disposed. The labels should be placed on a visible area of equipment. For example, if the equipment is a monitor, the label should be placed in the top right hand corner above the screen. For a computer, the label should be placed on the right corner of the CPU.

There are two options for equipment disposal for Local Agencies

- **Surplus Off-Site.** With the off-site surplus process, the Local Agency must make arrangements to deliver the equipment to the State Surplus Property Agency in Raleigh, NC. An appointment can be set for a confirmed drop-off date.
 - Computers are delivered to 1905 Garner Rd., Raleigh, NC. To make an appointment for delivery of computer equipment, contact State Surplus at 919-733-3885.
 - All other equipment must be delivered to the main warehouse at Highway 54 West, 6501 Chapel Hill Road, Raleigh, NC. To make an appointment for delivery of equipment, contact State Surplus at 919-854-2160.

Once arrangements are made for equipment to be delivered, staff must take the completed Equipment Disposal form received from the NSB along with the equipment to the State Surplus site; assure that the authorized personnel receiving the equipment signs the Equipment Disposal form; keep a copy of the signed form for the local agency records; and send a copy of the signed form to:

Nutrition Services Branch
Attention: Fixed Assets – WIC
5601 Six Forks Road
1914 Mail Service Center
Raleigh, NC 27699-1914

- ▶ **Surplus On-Site.** Equipment can be surplused on site at the local agency. To request information about this process, contact the NSB and ask for the individual responsible for fixed assets. Once arrangements are made by the NSB, State Surplus will contact the local agency directly about the Sale of Equipment and the contact person responsible for coordinating the sale at the Local Agency.

Purchase, Rental, Or Renovation Of Property

A local agency must have prior approval before spending WIC funds on the purchase, rental, or renovation of any property. Written requests for approval should be sent to the Regional Nutrition Consultant with the necessary information as outlined below. Once the Regional Nutrition Consultant approves the concept of the proposed purchase, rental, or renovation, they will forward the request to the Operations Manager of the State Office for approval to expend WIC funds. Written notification will then be sent to the local agency from the State Office. Agencies should allow three weeks for requests to be processed that are under \$25,000 and five weeks to receive notification of requests in excess of \$25,000.

■ **Buildings And Facilities Rental**

If a local agency rents property on a yearly basis, it must obtain approval only when there is a rent increase, or when other terms of the contract change. Written requests for renting a building or space in a building must include:

- ▶ justification of need,
- ▶ name and location of lessor,
- ▶ location of site to be rented,
- ▶ total number of square feet to be rented and the annual cost per square foot,
- ▶ total monthly and annual rent cost and what the rent includes (for example utilities, maintenance),
- ▶ comparison of cost to prevailing local cost for comparable space,
- ▶ date when rental payments will begin,
- ▶ statement of how the agency will use the space,
- ▶ statement of handicap accessibility, and
- ▶ a copy of the proposed lease agreement.

■ **Building Alterations And Renovations**

Alterations and renovations include such things as partitions, walls, windows and doors (but not maintenance or repair). Written requests for alterations/renovations to a publicly owned building must include:

- ▶ a description of rearrangements and/or alterations, including a floor plan and/or diagram;

- ▶ two or more written estimates of the cost of the work (bids) which itemize materials, labor, and other costs;
- ▶ an estimate of beginning and completion dates;
- ▶ a detailed description of how they will fairly prorate the cost, if more than one funding source will share the cost of rearrangements/alterations. (Refer to Section 3 for information on shared program costs.); and
- ▶ a statement that you purchased the item following 7CFR 3016 requirements and other state and/or local procurement procedures.

Once the renovations/alterations are complete, staff must inform the Nutrition Services Branch (NSB) of the final cost. A written explanation must be included if the final price is more than 10% higher than the initial estimate, and/or the agency did not choose the contractor with the lowest cost estimate.

■ **USDA Approval Of Expenses Exceeding \$25,000**

Purchasing and renovating real property are capital expenses. Any purchase or repair of property in excess of \$25,000 must be approved in advance by USDA. In general, USDA recommends renting property rather than purchasing it. Requests received by the Regional Nutrition Consultant in excess of \$25,000 will be forwarded by the NSB to USDA. Criteria used by USDA to decide to approve requests are outlined below. These criteria should be considered when staff is writing requests for approval.

▶ **Rental and/or Renovation of a Building/Facility**

- Is the landlord willing to renovate or repair the building?
- Has the agency gotten at least two cost estimates of the proposed renovation or repair?
- Has the agency considered whether there might be another site that does not require renovation? Also, determine the cost of the alternative site.
- Has a recent Program Review recommended the proposed site as prepared for renovation or repair?
- Will the proposed renovation or repair address unsafe clinic conditions?
- For publicly owned property, has the agency agreed to repay the federal government for the non-depreciated value of the renovation/repair, if WIC vacates the facility?
- For privately owned property, has the landlord agreed to either:
 - extend the lease until the WIC Program receives full benefit from the renovation?

or

- amend the lease to refund the local agency for the portion of the renovation cost from which the local agency has yet received no benefit?

▶ **Purchase of a Building/Facility**

- Is it necessary to locate the site in the proposed area?
- Has the agency tried to locate state or local government-owned or donated space in the proposed area?
- Could the agency rent space in the proposed area?
- Has the agency compared the cost of the proposed site with alternative sites?
- Could the agency expand nearby sites or buy a mobile site?
- Has the agency agreed to be responsible for contacting the Nutrition Services Branch and USDA for disposition instructions if the WIC program moves?

▶ **Additional Information Required When Purchasing or Renting a Building/Facility**

- **Determining Absence of Other Funding**
 - Are there state and/or local funds available to fund the proposed expense? If so, why are WIC funds being requested?
- **Selecting the Site:**
 - Is the proposed site centrally located in the area that it will serve?
 - Is the proposed site near a hospital and/or local health agency? public transportation?
 - Is the proposed site large enough to house enough staff and equipment for the expected number of participants?
 - Will the proposed site provide easy access for pregnant women, children, and handicapped persons?
 - Can the proposed site handle the program's security needs, e.g., locked storage? Will this entail any additional costs?
 - Can the proposed site handle the program's wiring needs, e.g., telephone lines, electrical outlets? Will this entail any additional costs?
 - Would it be less expensive to rent a comparably sized space over a five-year period? The U.S. Department of Housing & Urban Development (HUD) maintains statistics about nationwide rental properties and their costs.
 - Can you easily adapt the proposed site into a clinic setting (i.e., appropriate space for lab services, hand washing capabilities)?
- **Determining WIC's Fair Share of Costs:**

Section 6: PURCHASE, RENTAL, OR RENOVATION OF PROPERTY

- What programs or offices will the space house?
- How are you calculating each party's fair share of the projected cost?

Foreign Language Translators and Interpreters for the Hard of Hearing

Local agencies can use WIC Program funds to pay for foreign language translators and interpreters for the hard of hearing. However, they may **not** use WIC funds to pay an applicant/participant's family member to translate or interpret.

All sub-contracts for interpreter services must be approved in advance by the Regional Nutrition Consultant. Refer to Chapter 3 for additional information on subcontracts.

■ **Foreign Language Translators**

Public health agencies have an obligation to ensure that persons with limited English proficiency (LEP) have meaningful and equal access to benefits and services. Language assistance should provide for effective communication between the service provider and the LEP person so as to facilitate participation in, and meaningful access to WIC Program services.

Agencies and providers have a number of options for providing oral language assistance. Which option to use will depend on a variety of factors including the frequency of need and size of the population(s) being served. Examples of the options available include:

- ▶ hiring bilingual staff for patient and client contact positions;
- ▶ hiring staff interpreters;
- ▶ using translator help lines; and/or
- ▶ contracting for interpreter services

For information about foreign language translators and interpreters, go to website for the Carolina Association of Translators and Interpreters at <http://www.catiweb.org/>

■ **Interpreters For The Hard Of Hearing**

Local agencies should use WIC Program funds for certified or assessed interpreters. Pay interpreters directly, based on their skill level. The Division of Services for the Deaf and Hard of Hearing recommendations for interpreter service are found on their web site:

<http://www.ncdhhs.gov/dsdhh/directories.htm>

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Audits and Legal Expenses

There may be times that a Local Agency will need to cover audit and/or legal expenses.

■ **Allowable Expenses**

The WIC Program is allowed to pay for some expenses associated with audits. These expenses include

- ▶ the WIC Program's prorated portion of expenses for a local agency's overall audit, and
- ▶ audits that the Nutrition Services Branch requires in place of an USDA audit.

■ **Non-Allowable Expenses**

The WIC Program is not allowed to pay for certain audit and legal expenses including:

- ▶ direct charges for audits (other than those that the Nutrition Services Branch requires),
- ▶ legal services furnished by the local government chief legal officer, and
- ▶ legal expenses for prosecuting claims against the federal government.

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**NUTRITION SERVICES BRANCH
 1914 MAIL SERVICE CENTER
 5601 SIX FORKS ROAD
 RALEIGH, NC 27699-1914
 COURIER: 54-42-01
 ATTENTION: SURPLUS REQUESTS**

EQUIPMENT DISPOSAL FORM

SURPLUS DATE:	PAGE: OF
AGENCY:	CHIEF FISCAL OFFICER/WIC DIRECTOR:
CONTACT TELEPHONE:	CONTACT EMAIL ADDRESS:
AUTHORIZED BY:	

QTY	DESCRIPTION	MODEL/SER#	FAS INVENTORY	CONDITION	VALUE OF ITEM (at time of disposal)

FOR STATE OFFICE USE ONLY	
Date Received:	Date Entered into State Surplus:
State Surplus Computer Document Number:	State Surplus Miscellaneous Document Number:
Date Document Labels Sent:	Date Document Labels Sent:
Tracking Information:	Tracking Information:
Date Received at State Surplus:	Date Received at State Surplus:
State Office Follow up:	

NOTE: ALL ITEMS MUST BE PROPERLY TAGGED WHEN TURNED IN TO THE STATE SURPLUS PROPERTY WAREHOUSE WITH THE NAME OF THE AGENCY, DESCRIPTION OF ITEM AND SERIAL NUMBER

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