I. Policy:

The Virginia WIC Program (State Agency) receives funding from the U.S. Department of Agriculture on a federal fiscal year basis from October 1 through September 30 based on a per participant funding formula. Local agencies (LA) are funded on a federal fiscal year basis.

II. Procedure(s):

A. Local Agency funds are effective October 1 of each fiscal year. Changes in the federal budget allocation (i.e. inflation factor, continuing resolution) for the year may require adjustments to the budget allocation for each local agency. The State Agency reserves the right to adjust funding in accordance with provisions in the funding formula and based on the availability of funds.

B. Local agency allocations

1) Local agency funding is established based on a per-participant funding formula modeled after the federal per participant formula used to fund WIC State Agencies.

   a. An initial LA budget allocation is calculated in May each year using average LA participation for pregnant women and other WIC categories during the months of January through March multiplied by the respective funding rate for pregnant women and other WIC categories.

   b. Upon calculation of the initial stability budget allocation for each LA, an indirect deduction is subtracted for each LA based on that LA’s indirect cost from the previous state fiscal year.

   c. Based on the availability of funds, growth funds may be offered to assist local agencies in serving potentially eligible pregnant women. These growth funds will be factored into the LA’s budget allocation.

   d. The LA funding formula contains a hold harmless provision to ensure that LA funding cannot be reduced by any greater than 5% between any two fiscal years. Funding amounts will be added to any LA’s budget allocation to ensure that current year funding is at least 95% of the previous fiscal year amount.
e. Upon applying the hold harmless provision a final initial allocation is calculated and allocated across the WIC budget categories as outlined in bullet C below.

f. A final budget allocation is calculated in November of each year using the steps outlined in bullets a through e above using average participation for each LA for pregnant women and other WIC categories during the months of July through September.

C. Local agency category allotments

1) Annual local agency allocations will be broken down as to administration, client services, nutrition education and breastfeeding spending requirements.

2) Breastfeeding amounts are allocated based on Virginia’s allocation at the national level. The breastfeeding amounts are minimums, and local agencies are free to spend nutrition education funds for authorized breastfeeding activities.

3) Nutrition education allocations represent one-fifth of total funds allocated to the local agency. These nutrition education funds are also minimums, and while administrative/client services funds may be spent on nutrition education above the minimum, this is not encouraged beyond minimal amounts. This is necessary to ensure that adequate funding is available for all administrative/client services requirements.