

# Module 2: Four WIC Cost Categories

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## Module 2: Four WIC Cost Categories

### Introduction

Welcome to Module 2, Four WIC Cost Categories. This module will provide an overview of the cost categories: WIC Program management, client services, nutrition education, and breastfeeding promotion.

### Allowable Costs

An allowable cost must be necessary and reasonable for proper and efficient performance and administration of the WIC Program. Local Agencies (LA) may use WIC funds in support of general administration, nutrition education, breastfeeding, and client services. All costs must be based upon actual costs only. Estimated or approximated costs are not allowed.

### Four WIC Cost Categories

USDA requires direct WIC costs to be divided into the following cost categories based on time study percentages entered on the claim form:

- Program Management
- Client Services
- Nutrition Education
- Breastfeeding Promotion

When line expenses are entered on the claim form, the form is set up to automatically calculate the costs for each category based on time study percentages. The exception is the Other category, for which staff must indicate the line-item amount in appropriate cost categories if applicable. See Module 4 WIC Reimbursement for more information.

### Cost Categories Overview

The following slides provide an overview of the different cost categories. For more details, see MN Operations Manual [Section 2.2: Financial Procedures](#).

### Four WIC Cost Categories – Program Management

Program Management Costs include general oversight and supervision of the program; WIC Card inventory documentation; preparation of administrative records, timecards, etc.; expenses related to fiscal audits, accounting, and program reports, including fiscal reporting; and outreach activities.

## Program Management Costs (continued)

Additional program management costs include:

- Management evaluations, general chart reviews, and financial reviews
  - Please note that chart reviews related to Nutrition Education should be categorized under that category.
- Vacation time, sick leave, break time for all staff, maternity leave
- Management meetings and general staff meetings
  - Please note that meetings dedicated to nutrition and breastfeeding topics can be put in the Nutrition Education or Breastfeeding category.
- Separation of Duties activities
- Everything not included in other categories

## Four WIC Cost Categories – Client Services

Client services costs include salaries and supply costs related to eligibility determination, participant services, and issuing benefits. Examples include participant services, participant communications, clinic preparation and travel time between clinics, eligibility determination through reviewing identity, residency, and income eligibility, and anthropometric and hematological assessment.

## Client Services Costs (continued)

Additional examples of client services costs are:

- All salaries and supplies relating to client services, including salaries of WIC staff providing general translation/interpreter services per MN Operations Manual [Section 2.2: Financial Procedures](#).
- Nutrition assessments and reviewing health histories
- Referrals to, and coordination with, other programs
- Benefit issuance
- Evaluating program effectiveness
- Travel to a satellite clinic from your main site

## Four WIC Cost Categories – Nutrition Education:

At least **17%** of local and state NSA expenditures combined must be used for Nutrition Education (NE). Nutrition Education costs include all salaries and supplies needed to educate participants (individuals or groups) on nutrition, health, and achieving positive changes in dietary habits.

## Nutrition Education Costs (Continued):

Examples of Nutrition Education costs include:

- Planning for Nutrition Education sessions

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- Documenting Nutrition Education and Nutrition Education follow-up
- Interpretation and translation services provided by WIC staff for Nutrition Education activities
- Consultation with health providers on a participant's nutritional status
- Evaluating and monitoring nutrition education activities, such as through completing chart reviews

### Additional Nutrition Education Costs:

Additional Nutrition Education costs include:

- Food costs associated with Nutrition Education, for example a cooking demonstration or featuring a recipe in clinic
- Procuring, developing, printing, and providing educational materials
- Attending Nutrition Education trainings, including related registration fees and travel expenses
- Preparing the agency's Nutrition Education Plan

### Four WIC Cost Categories – Breastfeeding Promotion

At least **2%** of local and state NSA expenditures combined must be used for breastfeeding promotion. Breastfeeding Promotion costs include salaries and related costs of staff to counsel participants on breastfeeding and costs of attending breastfeeding promotion and support trainings, including related registration fees and travel expenses.

### Breastfeeding Promotion Costs (continued):

Additional Breastfeeding Promotion costs include:

- Procuring or producing breastfeeding education/training materials
- Monitoring/evaluating breastfeeding activities
- Interpretation and translation services provided by WIC staff for Breastfeeding Promotion
- Documenting breastfeeding education and follow-up
- Setting up and maintaining a space for breastfeeding, such as a chair or refrigerator

### Additional Breastfeeding Promotion Costs:

Further examples of Breastfeeding Promotion costs are:

- Breast pumps and allowed breastfeeding aids and accessories. For more information on allowable breastfeeding aids and accessories, refer to [Exhibit 2-D WIC Costs Allowable and Unallowable](#) and MN Operations Manual [Section 6.11: Supporting breastfeeding through breast pump access and education on expressing milk](#). The best practice is to note the cost in the "Other" category or indicate this under "Remarks" on the claim form.
- Assessment and counseling related to the issuance of breastfeeding aids and/or accessories.

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- Peer program related costs and services if they are not reimbursed by the Peer program. Peer funds can be used to purchase pumps and breastfeeding aids for demonstration purposes by peer counseling staff only. Peer grant funds **may not** be used for WIC grant expenses or breast pumps.

### Time Reporting

Use Time Reporting to support all staff hours billed to WIC. There are two types of time reporting required. The first is time reporting to support all staff hours, which includes both WIC and non-WIC time.

WIC staff who work in other agency programs **must document** the time spent in each program to assure equitable distribution of personnel costs. (*Staff who only work in WIC do not need to do this.*) Use daily time reporting or quarterly time reporting, if not more frequently, of WIC and non-WIC program staff time, for a minimum of no less than two consecutive weeks. Total hours must equal 100%.

### Time Reporting (continued):

The second type required is time reporting for WIC cost categories. All staff must document the time spent worked in each of the four WIC cost categories, including staff that only work in WIC. Use daily time reporting or quarterly time studies, if not more frequently, for a minimum of no less than two consecutive weeks. Total hours must equal 100%.

### Documenting Time Reporting

Document the total percentage of time in each category on the monthly claim for reimbursement. Local Agencies that do quarterly time studies should update this every quarter on the claim form.

### Thank you

Thank you. Please contact your State WIC Consultant ([State Staff Directory – WIC/CSFP](#)) with any questions.

### Reference – Complete Listing of Hyperlinks

#### Section 2.2: Financial Procedures

([https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch2/sctn2\\_2.pdf](https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch2/sctn2_2.pdf))

#### Section 2.2: Financial Procedures

([https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch2/sctn2\\_2.pdf](https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch2/sctn2_2.pdf))

#### Exhibit 2-D WIC Costs Allowable and Unallowable

(<https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/exhbts/ex2/2d.pdf>)

#### Section 6.11 Supporting breastfeeding through breast pump access and education on expressing milk

([https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch6/sctn6\\_11.pdf](https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch6/sctn6_11.pdf))

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### State Staff Directory - WIC/CSFP

(<https://www.health.state.mn.us/docs/people/wic/localagency/program/ststfflst.pdf>)

Minnesota Department of Health - WIC Program 85 E 7<sup>th</sup> Place, PO BOX 64882, ST PAUL MN 55164-0882;  
1-800-657-3942, [health.wic@state.mn.us](mailto:health.wic@state.mn.us), [www.health.state.mn.us](http://www.health.state.mn.us); To obtain this information in a  
different format, call: 1-800-657-3942