



- POLICY:** The state WIC program shall allocate federal WIC funds to reach the population most in need of WIC benefits.
- PURPOSE:** To ensure distribution of federal WIC funds to areas most in need of WIC services.
- RELEVANT REGULATIONS:** 7 CFR §246.16—Distribution of Funds  
7 CFR §246.4 ¶(a)(5)—Affirmative Action Plan  
7 CFR §246.5 ¶(c)(1)—Program Initiation and Expansion
- DEFINITIONS:**
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| <i>Federal food funding formula</i>                                  | The formula established by the USDA national office to distribute WIC food money within federal guidelines.   |
| <i>Nutrition Services &amp; Administration (NSA) funding formula</i> | (Formerly known as “program service” or “administrative” funding) A formula that determines allocation of WIC funds to county or Native American programs for WIC operation and nutrition education services. |
- APPENDICES:** 305.4 Affirmative Action Plan and Food Budget Allocation  
305.5 Average Caseload Timeline  
305.6 Formula Funding Steps
- BACKGROUND:** 1.0 The WIC program depends primarily on funding appropriated annually by Congress. WIC is a discretionary program and has a budget cap on the amount of federal money allocated each year. It must operate within the annual funding levels appropriated by Congress. The WIC program in Oregon receives no state funding. (The Farmers Market Nutrition Program currently does receive some state funding).

Each fiscal year, USDA allocates the federal WIC funds to state WIC programs to cover the costs of food and of state and local program services, including nutrition education. In addition, Oregon WIC has been successful in raising additional funding through infant formula rebate contracts, which provide a rebate on each can of bid infant formula bought through the WIC program. Oregon allocates funds to counties and to Native American programs within the state based on a funding formula developed by the Oregon Health Division (OHD) with advice from the Conference of Local Health Officials (CLHO). The funding formula currently in use was approved by CLHO in May 1996.

**PROCEDURE:**

- Federal food funding formula* 2.0 Federal food funds are allocated to each state by USDA based on the state’s food grant for the previous year, the state’s success in reaching people at greatest nutritional risk, and the potential number of people to be served. NSA funding is allocated based on this food grant.
- State food funding formula* 3.0 The state WIC program allocates to local programs a food budget that includes federal food funds and a projection of rebate. The major points of the formula used for this allocation are:
- 3.1 Baseline Age Income Eligible Population is developed using census population figures and by tracking changes in public pay births. This baseline data is used by local and state program staff to assess the adequacy of the level of service and evaluate the need for outreach of technical assistance.
- 3.2 Food budget funding is based on the actual spending history of each program. The intent of the CLHO Funding Formula committee is:
- To maintain existing caseload in each program in order to maximize federal funding and to avoid federal penalty for underspending on a statewide level.
  - To move budgeted dollars to the programs that have demonstrated need and utilization capacity, and to resolve problems of over/underspending food budgets by allocating realistically attainable food budgets and caseloads.
  - To fund growth, if any funds are left after maintaining existing caseload, on an equal basis for all programs.
  - To use an average food package cost specific to each program in developing caseloads.
- 3.3 Each program’s new food budget is divided by the program-specific average food package cost to find a new target caseload.
- NSA funding formula* 4.0 NSA (Nutrition Services & Administration) budgets are based on a “per capita rate” multiple by the average actual caseload from a designated sample for each program.
- 4.1 Each local program’s actual average caseload represents its share of the statewide total caseload. The average actual caseload will always be developed from a sample period in the prior year (i.e. a grant beginning October 1, 1996 will use a sample period from 1995; see appendix on 305.4).

**FUNDING FORMULA, cont.**

- 4.2 The per capita rate is developed by dividing the new NSA funds available by the statewide average actual caseload.

The per capita is *not* intended to indicate an actual cost per client, since this varies widely depending on factors such as county funding, local salary levels, efficiency and cost containment efforts. Nor is the per capita intended to limit the number of clients in local programs since each program will have different strategies for managing caseloads and funding. **The per capita is merely a tool to determine each local program's fair share of the available federal administrative funding. ★**

**FUNDING FORMULA, *cont.***

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**OREGON WIC PROGRAM  
AFFIRMATIVE ACTION PLAN AND FOOD BUDGET ALLOCATION**

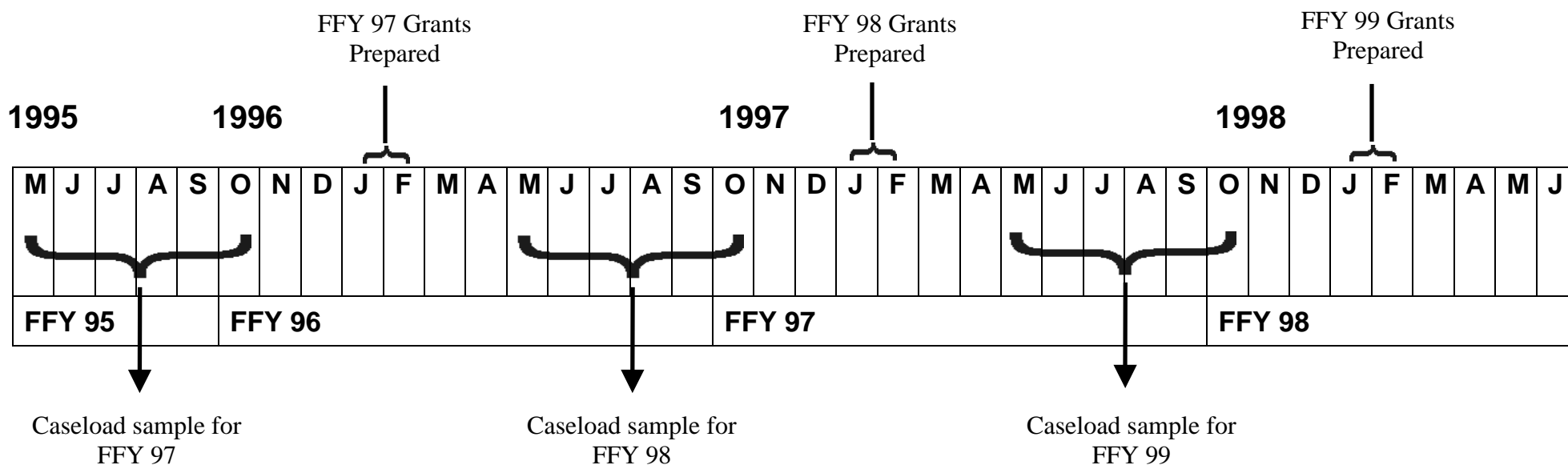
(Used to Distribute FFY97 Funding)

COUNTIES IN OREGON	1990 AGE/INCOME ELIGIBLE POPULATION	PERCENT OF STATE AGE/INCOME ELIGIBLE IN CO	1997 FUNDED CLIENT'S	PERCENT OF STATE RISK CRITERIA IN COUNTY
Baker		0.59%	487	0.46%
Benton		1.41%	1,416	1.82%
Clackamas		5.47%	5,691	7.74%
Clatsop		1.24%	1,090	1.08%
Columbia		1.22%	873	1.18%
Coos		2.85%	1,584	1.91%
Crook		0.42%	383	0.43%
Curry		0.67%	593	0.55%
Deschutes		2.46%	2,454	2.18%
Douglas		4.24%	3,413	3.16%
Gilliam		0.02%	475	0.03%
Grant		0.30%	233	0.21%
Harney		0.25%	940	0.27%
Hood River		1.05%		0.80%
Jackson		6.27%		4.95%
Jefferson		1.03%		1.21%
Josephine		3.09%		2.27%
Klamath		2.97%		2.36%
Lake		0.41%		0.25%
Lane		9.81%		9.27%
Lincoln		1.47%		1.08%
Linn		3.84%		3.08%
Malheur		1.85%		1.23%
Marion		9.45%		9.06%
Morrow		0.38%		0.33%
Multnomah		20.25%		24.48%
Polk		1.55%		1.65%
Sherman		0.06%		0.03%
Tillamook		0.96%		0.62%
Umatilla		3.22%		2.51%
Union		1.04%		0.74%
Wallowa		0.22%		0.15%
Wasco		0.97%		0.75%
Washington		6.48%		9.73%
Wheeler		0.06%		0.03%
Yamhill		2.39%		2.43%
<b>Total</b>		<b>100.00%</b>		<b>100.00%</b>

All priority levels are currently being served. In the event of funding reductions, caseload will be reduced on a priority basis.

## AVERAGE CASELOAD TIMELINE

The average actual caseload is obtained from a sample period in the preceding year. For example, the FFY 97 (the grant beginning October 1, 1996) admin grant uses a sample period of May to October, 1996. The CLHO Funding Formula Committee May-Oct. period to be most advantageous and most representative to the most local programs. The sample period is from the preceding year since the state prepares grant estimates approximately 6 months before the beginning of the federal fiscal year.



## FUNDING FORMULA STEPS

