

<p style="text-align: center;">Nutrition Services Department of State Health Services</p>

Effective January 1, 2011

Policy No. AC:04.0

Allowable Costs – Personnel Compensation and Benefits

Purpose

To allow local agencies (LAs) to pay salaries and benefits of necessary and reasonable staff to administer all phases of the WIC Program.

Authority

7 CFR Part 3016; OMB Circular A-102; OMB Circular A-87

Policy

- I. LAs may request reimbursement for the cost of personnel compensation that is reasonable for the services rendered and may be directly allocated to the WIC Program.
- II. LAs may request reimbursement for the cost of personnel benefits as follows:
 - A. Personnel benefits in the form of the employer's contribution for FICA, life and health insurance, unemployment, workmen's compensation, retirement, etc., shall be charged to the WIC Program after contributions are paid.
 - B. In general, personnel benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as annual, sick, jury duty, military leave, etc., shall be charged to the WIC Program as the leave is taken.

Procedures

- I. Direct personnel costs and benefits charged shall be supported by documentation including time sheets, attendance records, payroll records, cancelled checks, remittance advises, and insurance policies.

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- A. The time sheets shall clearly identify by date the number of hours worked for WIC as well as any other programs. The time sheets shall account for 100% of the individual's time.
 - B. The dates and number of hours worked in either WIC Administration, Nutrition Education or Breastfeeding shall be clearly indicated.
 - C. Generally, time shall be worked and documented in one-half hour increments.
 - D. In situations where activity reports/dailies are required, the time sheet shall agree and support the activity on such reports.
 - E. The time sheets shall specifically identify non-productive or leave/sick time.
 - F. The employee and the employee's immediate supervisor verifying time worked shall sign the time sheet.
 - G. If personnel costs are allocated to WIC as well as other programs, payment for leave time shall also be allocated to each program according to the percentage of time worked towards each activity. These percentages shall be computed based on the time worked during the month the leave is taken.
- II. If an employee works for more than one program and a portion of the salary may be directly allocated to WIC, a time and attendance record shall be available for review to support the distribution.
- III. Documentation shall support the allocation among Administration, Nutrition Education, and Breastfeeding activities.
- IV. If personnel costs are allocated to WIC and other programs, payment for leave time may also be allocated to each program according to the percentage of time worked for each program during the pay periods being billed.

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- V. Both the employee and the immediate supervisor shall sign the time sheet. The time record shall account for 100% of the employee's time.

- VI. Personnel compensation (i.e. executive director, accounting staff, etc.) not easily allocable to an individual program should be billed under indirect costs unless special approval is granted from state agency. Refer to Policy AC: 19.0 for billing of indirect costs.