

V. NUTRITION SERVICES AND ADMINISTRATION (NSA) EXPENDITURES

(Please indicate) State Agency: South Dakota

for FY 2023

NSA expenditures involve the process of allocating, documenting and monitoring the distribution of administrative funds to local agencies, including the monitoring of nutrition education costs, and State and local agency direct/indirect costs.

During a disaster or public health emergency, the State agency may request to implement existing WIC regulatory and programmatic flexibilities to support the continuation of Program benefits and services. State agencies should consider the overarching authority, i.e., Stafford Act or provision(s) authorized by Congress, before developing a policy and procedure. The State agency must provide a detailed description of how it plans to operationalize the flexibility through their procedure manual where applicable. Please note the State Plan Guidance is not intended to [include/capture] a description of waivers authorized by Congress with separate [reporting requirements and timeframes/terms and conditions], i.e. the Families First Coronavirus Response Act (PL 116-127).

A. Funds Allocation-246.4(a)(13); (14)(ix): describe the policies and procedures used to allocate administrative funds to local agencies, including start-up funds, and conversion of food funds to NSA funds.

B. Local Agency Budgets/Expenditure Plans-246.4(a)(2): describe the policies and procedures for preparing and submitting local agency budgets and expenditure plans and the services that are entirely supported by WIC Program funds.

C. State and Local Agency Access to Funds-246.4(a)(13): describe the procedures and method(s) of distribution/ reimbursement of NSA funds to local agencies.

D. Reporting and Reviewing of State and Local Agency Expenditures-246.4(a)(11)(iv); (12); and (13): describe the policies and procedures used to report, monitor, and review State and local agencies' expenditures, including the documentation of staff time, local agency report forms, on-site reviews of local agencies' NSA expenditures, and in-kind contributions.

E. Nutrition Education Costs-246.4(a)(9)and 246.14(c)(1): describe the plans and procedures used to meet the nutrition education expenditure requirements, including monitoring activities, local agency reports, and assurances that the special nutrition education needs of migrant farmworkers and their families, Indians, and homeless persons are met.

F. Indirect Costs-246.4(a)(12): describe the policies and procedures used to document and monitor indirect cost rates and services at the State and local level.

A. Funds Allocation

1. Allocation Process

a. The State agency has established and provided written procedures to local agencies describing the process for allocation of NSA funds among local agencies.

- Yes No Not applicable, State agency does not have separate local agencies. (Proceed to A. 2. *Conversion of Food Funds to NSA Funds*)

b. Local agencies were involved in developing these procedures via:

- Task force/committee of selected local agencies
 Comment on proposals made available to all local agencies
 Other (describe):

c. The State agency allocates NSA funds to local agencies through the use of:

- A negotiated budget Flat cost per participant Statewide
 Formula (variable) Other method (describe): The State reimburses for expenditures based on 100% time study of staff and through participation determined by State. All operational costs are processed using the time study information and WIC pays the percent of total expenses.

d. The allocation procedure takes the following factors into account (check all that apply):

- Staffing needs
 Number of participants
 Population density
 Cost-containment initiatives
 Availability of administrative support from other sources
 Other (specify): Expenditures based on a per participant rate.

e. The State agency methodology for funds allocations to local agencies includes a mechanism for reallocation.

- Yes Monthly Quarterly Semiannually
 No
 Other (specify):

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation): South Dakota does not allocate any funds to Local Agencies. The system is based on services provided and contractual agreements are paid based on a per participant rate. Personnel are contracted for payment through Public Health Alliance sites (hospitals) and counties. All supplies and purchases are made by the State office.

2. Conversion of Food Funds to NSA Funds

a. The State agency converts food funds to NSA funds:

- Based on a plan submitted to FNS to reduce average food costs per participant and to increase participation above the FNS-projected level for the State agency.
 The State agency achieves, through acceptable measures, increases in participation in excess of the FNS-projected level for the State agency.

Describe measures used to increase participation:

Not applicable

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation): SD does not allocate funds to Local Agencies. The system is based on services provided 100% time study and charged to the WIC grant based on hours worked and salary of individual. Contracts for personnel are expenditure based and paid on a per participant rate and salary of individuals providing services. Purchases and supplies are processed through the State Office.

3. The State's Fiscal Year runs from 7/1/2022 to 6/30/2023

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

B. Local Agency Budgets/Expenditures Plans

1. Local Agency Budgets/Expenditure Plans

Not applicable, State agency does not have separate local agencies.
(Proceed to C. State and Local Agency Access to Funds.)

a. The State agency requires its local agencies to prepare and submit administrative budgets.

Yes No

If yes, the State agency requires that local agency budgets include the same cost categories as those used for State-level budget preparation.

Yes No

b. Local agencies' budgets are broken out by (check all that apply):

Not applicable

Line items

- | | |
|--|---|
| <input type="checkbox"/> Accounting | <input type="checkbox"/> Maintenance and repair |
| <input type="checkbox"/> ADP services | <input type="checkbox"/> Materials and supplies |
| <input type="checkbox"/> Breastfeeding aids | <input type="checkbox"/> Memberships, subscriptions, and professional activities |
| <input type="checkbox"/> Capital expenditures | <input type="checkbox"/> Printing and reproduction |
| <input type="checkbox"/> Clinic/lab services | <input type="checkbox"/> Training and education |
| <input type="checkbox"/> Communications | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Employee salaries | <input type="checkbox"/> Travel |
| <input type="checkbox"/> Employee fringe benefits | <input type="checkbox"/> Other (specify): |
| <input type="checkbox"/> Lease or rental of space | <input type="checkbox"/> Breastfeeding promotion/support (e.g., breastfeeding aids) |
| <input type="checkbox"/> Functions | <input type="checkbox"/> Client services |
| <input type="checkbox"/> General administration/
Program management | <input type="checkbox"/> Other (specify): |
| <input type="checkbox"/> Food Delivery | |
| <input type="checkbox"/> Certification | |
| <input type="checkbox"/> Nutrition education | |
| <input type="checkbox"/> Other (specify): | |

c. The State agency has an established formal process for local agencies to follow when requesting amendments or modifications to their budgets.

Yes No

d. In order to prepare the federally required WIC administrative budget, the State agency:

- Uses local agency budgets or prior year expenditures
- Reports under an ongoing system to collect this data
- Extracts or consolidates data reported under other State or local agency systems to group costs under the federal line items and functions
- Other (describe):

(State WIC administrative budgets are not submitted to FNS but are used by State agencies as a management tool and may be reviewed by FNS.)

ADDITIONAL DETAIL: SA/LA Spending Plan Appendix and/or Procedure Manual (citation):

C. State and Local Agency Access to Funds

1. The State Agency manages its NSA Grant on a/an:

- Cash basis Accrual basis
- Other (specify): Expenditure Based

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

2. Reimbursement/Provision of Funds to Local Agencies

a. The State agency provides local agencies with funds in advance.

- Yes (state conditions):
- No
- Not Applicable (Proceed to next section.)

If yes, advances must be reconciled to incoming claims. Local agency claims are submitted:

- Monthly Quarterly

b. In order to qualify for payment, an expenditure must be (check all that apply):

- At or below the level of its approved budget line item
- Supported by appropriate documentation (e.g., check or receipt)
- A reasonable and necessary expense for WIC
- Other (specify):

c. If an expenditure exceeds the budget provided for that particular line item, the State agency requires the local agency to (check all that apply):

- Submit a supplemental request
- Provide a justification for exceeding the budget line item
- Make an offsetting adjustment to another line item in its budget
- Request approval of a budget modification
- Other (explain): This only pertains to personnel costs associated with the contract agreement for county

clerical time and per diem.

d. Local agencies receive payment via:

- Electronic funds transfer State treasury check/warrant
- Other (specify):

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation): Expenditures are only for personnel costs, staff travel to provide services or take required training, and for training time as indicated in contractual agreements with counties. Participation may exceed original estimates, which would increase per participant rate payments, or there may be staff turnover which requires additional training. If these instances result in expenses higher than original budget, we would amend the contract to make additional payments. Local Agency staff must submit a justification for the additional expenditures.

D. Reporting and Reviewing of State and Local Agency Expenditures

1. Documentation of Staff Time

- a. How does the State agency determine the percentage of staff time devoted to WIC tasks to document allowable staff costs under the WIC Program (check all that apply):**

At SA At LA

- | | | |
|-------------------------------------|-------------------------------------|------------------------|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | 100 percent reporting |
| <input type="checkbox"/> | <input type="checkbox"/> | Random moment sampling |
| <input type="checkbox"/> | <input type="checkbox"/> | Periodic time studies: |
| <input type="checkbox"/> | <input type="checkbox"/> | 1 week/month |
| <input type="checkbox"/> | <input type="checkbox"/> | 1 month/quarter |
| <input type="checkbox"/> | <input type="checkbox"/> | Other (specify): |

- b. The State agency last evaluated its time documentation protocol on (specify date). 7/20/2019. If available, please attach a copy of the protocol to this section or cite Procedure Manual reference.**

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

2. Please indicate below the services that are entirely supported by WIC funds:

- Anthropometric measurements
- Nutrition counseling/education
- Breastfeeding promotion/support
- Immunization status assessments
- Referrals to health and/or social services
- Hematological assessments
- Other (specify):

ADDITIONAL DETAIL: SA/LA Spending Plan Appendix and/or Procedure Manual (citation):

3. Local Agency Report Forms

- a. The State agency specifies standard forms and/or procedures for local agencies to use in reporting monthly local-level expenditures.**

Yes No Not Applicable (Proceed to next section)

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation): Contractual Agreements for County Clerical and PHA's report hours of services provided, travel, training and per diem

4. On-Site Review of Local Agencies' Administrative Expenditures

a. The State agency conducts on-site reviews of local agency administrative expenditures:

- Annually Every two years Every three years
- Other (specify): Time study is reviewed monthly by fiscal department staff for 798 reporting. Time study is reviewed every two years for ME's and quarterly by the Public Health Managers.

The review is conducted by:

- WIC State agency staff
 State Department of Health fiscal or audit staff
 CPA or audit firm
 Other (specify):

b. The State agency utilizes a standard format/guide to review local agencies' NSA expenditures.

Yes No

If yes, the standard review guide includes the following procedures (check all that apply):

- Verification of at least one monthly billing/claim/expenditure report against source
 Documents
 Tracking written approval of procurements
 Requesting records of ordering, receipt, billing, and payment
 Determination that costs were necessary, reasonable and appropriate
 Determination that costs were properly allocated among WIC and other programs
 Determination that personnel costs charged to WIC were appropriate
 Determination that local agencies' indirect costs were appropriately charged
 Other (specify):

c. If available, please attach a copy of the State agency's NSA expenditure review guide.

d. The State agency notifies local agencies of findings and establishes claims for unallowable costs, as appropriate.

Yes No

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation): Please see Subrecipient Monitoring Form. Expenditures for travel (time and per diem), training and education time are reimbursed following expenditures taking place. Purchases are completed on contract or bids are received and awarded to lowest bid.

5. The State agency requires local agencies to document the sources and values of in-kind contributions.

Yes No

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

E. Nutrition Education Costs

1. The State agency documents that it meets its nutrition education and breastfeeding promotion expenditure requirements per [7 CFR 246.14\(c\)\(1\)](#) via:

- Activity reports Time studies Itemizing expenditures
 Other (specify):

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

2. The State agency monitors expenditures for the following activities related to breastfeeding promotion and support at the State and/or local level (check all that apply):

	At SA	At LA
Breastfeeding promotion coordinator's salary	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Written educational materials	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Participant education/counseling	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Staff training	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Breastfeeding promotion activities	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Direct support costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Breastfeeding aids and equipment (e.g., breast pumps purchased with NSA funds)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

(If other, specify):

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

3. In the event that the State agency uses funds from other sources in meeting minimum expenditure requirements for nutrition education (NE) and breastfeeding promotion and support (BFPS), please provide below the source of these funds, the amount, and the method the State agency will use to document the use of these NE and BFPS funds. (Federal WIC food funds used to purchase/rent breast pumps, and expenditures from breastfeeding peer counseling funds, cannot be counted toward the nutrition education and breastfeeding expenditure requirement.)

- Does not apply. (Proceed to E. 4. Local agencies report nutrition education and breastfeeding promotion and support costs.)

Source

Amount

Method(s):

- Activity reports Time studies Itemizing expenditures
 Other (specify):

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

4. Local agencies report nutrition education and breastfeeding promotion and support costs:

- Does not apply
- When they report routine NSA costs
- Through a different system (specify): 100% Time Study

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

F. Indirect Costs

1. Indirect Cost Rate and Services

a. Please list below indirect cost/cost allocation agreements in which the State agency is included:

Attachment A – Indirect Cost Rate Agreement

b. The State agency's indirect cost rate(s) is 7.3(%) and is based on:

- Salaries Direct costs for administration Both
- Other (specify): The Indirect Cost rate is configured each year based on the information explained in **Attachment A- Indirect Cost Rate.**

c. Please cite the effective date of the State agency's current negotiated agreement and/or cost allocation plan for indirect costs: **7/1/2022.**

d. The State agency receives the following types of services under the indirect cost rate agreement(s):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Budgeting/accounting | <input type="checkbox"/> Personnel/payroll |
| <input type="checkbox"/> ADP | <input type="checkbox"/> Space usage/maintenance |
| <input type="checkbox"/> Communication/phone/mail | <input type="checkbox"/> Central supply |
| <input checked="" type="checkbox"/> Legal services | <input type="checkbox"/> Procurement/contracting |
| <input type="checkbox"/> Printing/publication | <input type="checkbox"/> Audit services |
| <input type="checkbox"/> Equipment usage/maintenance | <input checked="" type="checkbox"/> Other (specify): Department Administrative Support Services |

e. The State agency allows local agencies to report indirect costs.

- Yes No Not Applicable

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):

2. Review of Indirect Cost Documentation

a. The State agency and local agencies ensure that services received and paid for through indirect costs benefit WIC, and are not also charged directly to WIC by comparing direct charges by line item to a listing of services paid by funds collected through the application of the indirect cost rate:

- Done for State agency level indirect costs (frequency): Monthly
- Done for local agency level indirect costs (frequency):
- Not done at either level.

b. State and local agency WIC management have access to and review the following documents as

applicable to ensure that indirect cost services are not also charged directly to WIC (check all that apply):

	At SA	At LA
Indirect cost agreements/plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The accounting mechanism used to ensure the propriety of indirect cost charges	<input checked="" type="checkbox"/>	<input type="checkbox"/>
A copy of the cost allocation plan	<input checked="" type="checkbox"/>	<input type="checkbox"/>
A list of all services paid from indirect costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other documentation related to the establishment and charging of indirect costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Not applicable	<input type="checkbox"/>	<input type="checkbox"/>

c. When the State agency reviews the local agencies' indirect cost rate agreements, the review includes (check all that apply):

- Required submission of indirect cost agreement by the local agency to the State agency
- Assessment of how the rate or method is applied (correct time period, percentage, and base)
- Verification that the State agency had previously approved the local agency to negotiate such an agreement
- Post-review or audit to ensure the rate was applied correctly
- Other documentation related to the establishment and charging of indirect costs (list):
- Not applicable

ADDITIONAL DETAIL: NSA Expenditures Appendix and/or Procedure Manual (citation):