

FUNDING FOR LOCAL WIC AGENCIES

The funding formula starts with a single base rate per participant. Four adjustment factors are included in the formula. Adjustments to the base rate per person are made for population density, salaries, site equivalents and participation level.

Population Density - This factor adds an amount equal to 15 percent of the base rate for those LA's in which 51 percent or more of the counties served are defined as very rural (population density of less than 58 people per square mile). It reduces funding by an amount equal to 10 percent of the base rate for LA's in which 51 percent or more of the counties served are defined as very densely populated (population density of more than 578 people per square mile). LA's in which 51 percent or more of the counties have a population density of 58 through 578 will not receive this adjustment factor. Local agencies serving two counties will not receive the factor unless both counties met the criteria. Agencies that get a negative adjustment for site equivalents will not receive a positive adjustment for population density if they have only one actual site. Population density, or the number of people per square mile, will be taken from the most recent Texas Almanac available at the time funding is determined for the next contract period.

Salaries - A positive adjustment equal to 2.5 percent of the rate is given for those LA's in which 51 percent or more of their counties have high average weekly salaries. It gives a negative adjustment equal to 5 percent of the base rate for those LA's in which 51 percent or more of the counties have low average weekly salaries. This factor is based on prevailing wages in the areas, not the salary schedule of the LA or the WIC Program. Average weekly salaries are determined from the most recent Texas Almanac available at the time funding is determined for the next contract period. A negative adjustment is applied when average weekly salaries are less than \$383 per week. A positive adjustment is applied when average weekly salaries are greater than \$530 per week.

Site Equivalents - This factor adds funding for LA's that operate many sites, and decreases funding for LA's that have very few sites. LA's that have more than ten site equivalents will receive a positive adjustment equal to 10 percent of the base rate. LA's having only one site equivalent or less will receive a negative adjustment equal to 10 percent of the base rate. Site equivalents are calculated from data submitted for the extended hour's plan. In their plan, all LA's report their actual total hours of operations. To determine site equivalents, a local agency's total hours of operation for all sites except those identified as exempt in the Annual Plan of Operations, minus their lunch time, is determined. This number is divided by 172 hours, which equals a full time site equivalents' hours of operation for one month (40 hours x 4.3 weeks/month). This number is figured to one decimal place and then rounded to the next highest whole number if the decimal is .1 or greater. If the actual number of clinic sites for an LA is one, their site equivalents will equal one, whatever the number of hours they are open. Site equivalents will be recalculated each year at the time contract funding is determined, based on the most recent extended hours plan on file for the LA.

Participation Level/Size - This factor takes into account the cost efficiencies associated with serving many participants, and the relative cost inefficiency associated with serving a very small level of participation. Participation breaks and percentages are as follows:

Monthly Participation Level	Adjustment Factor
0-2,000	15%
2,001-5,000	10%
5,001-10,000	5%
10,001-25,000	No Adjustment Factor
Over 25,000	-10%

Agencies that get a positive adjustment for population density will not receive a negative adjustment for size if they have a participation level over 25,000. If an LA serves more than one county and the average participation per county is less than a thousand, the LA will get an adjustment factor of 15 percent, instead of what they would have received based on total participation for their agency.