



Memorandum

#11-078

TO: WIC Regional Directors
WIC Local Agency Directors

FROM: Linda Brumble, Unit Manager
Nutrition Education/Clinic Services Unit
Nutrition Services Section

DATE: June 3, 2011

SUBJECT: Year End Cost Estimates

The Department of State Health Services (DSHS) will no longer allow amendments to contracts after September 2011. This means that the State WIC Agency must anticipate how much funding our contracted agencies will need to be reimbursed for all their expenditures so that we may finalize financial records for the year. Because of this, we must obtain cost estimates/plans from all agencies that have determined they will exceed the maximum allowable reimbursement amount they will earn for FY 2011.

Local Agencies should review their expenditures and projected earnings (based on anticipated participation times per participant rate) for the remainder of the fiscal year. If extra funding will be required, a request for this funding must be submitted to the State Agency by **Friday, June 17, 2011**. The request must include a justification as to why additional funds will be required and a balance sheet with the agency's projected earnings minus the projected expenditures, taking into account the agency's current financial status. *The agency should also exclude any Peer Counselor expenditures from the calculation as final FY 2011 Peer Counselor (PC) funding is currently being processed. Final PC funding should be received this month.* The agency's current financial status must reflect the surplus/deficit balance on their surplus page, and all expenditures must be itemized.

In addition, agencies that anticipate underspending the maximum allowable reimbursement amounts they will earn by more than \$50,000 should report potentially unspent funds to this office. This will allow us to reallocate total funding to assure that WIC funds are allocated appropriately in the DSHS accounting records. Failure to spend or return all available earned funding by an agency may result in future reduction of all funding including extra and Operation Adjustments (OA) funds.

All requests for extra funding and/or reports of underspending must be submitted in writing or by email to benny.jasso@dshs.state.tx.us no later than **Friday, June 17, 2011**. Any agency who does not submit their request/report by this date will not be considered for this funding reallocation. There will be no future reallocations this fiscal year.

If you have questions or require additional information, please contact Benny Jasso, Local Agency Operations Coordinator, at (512) 341-4573, or benny.jasso@dshs.state.tx.us.