

Contract Requirements	Indirect Costs
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PURPOSE

To ensure the WIC Local Agencies spend the minimum amount of Nutrition Service and Administration (NSA) funds for Nutrition Education and Breastfeeding Promotion and Support services as outlined by the United States Department of Agriculture (USDA).

POLICY

The WIC local agency shall expend the required minimum expenditures on Nutrition Education and Breastfeeding Promotion and Support.

REQUIRED PROCEDURE**I. LOCAL GOVERNMENT AGENCIES**

Local Government Agencies are allowed up to the maximum ICR percentage that was approved by the California Department of Public Health Financial Management Branch. A Local Government Agency may elect to charge less than its approved ICR percentage, however, the ICR application (i.e., Total Personnel Services Costs or the Total Allowable Direct Costs) may not differ from the approved rate.

II. PRIVATE NONPROFIT AGENCIES

For private nonprofit agencies, the CDPH/WIC Division allows a maximum ICR percentage based on Total of Personnel Services. The current maximum ICR is 19.6 percent. Private nonprofit local agencies may charge less than but cannot exceed the current maximum ICR percentage. All private nonprofit agencies must have their Indirect Cost Rate percentage approved by the agency's Federal cognizant agency.

III. CHANGE TO INDIRECT COST RATE PERCENTAGE

Any Local Agency contract's ICR percentage may be changed only when an amendment for other business/programmatic reasons is made. If an amendment for an approved reason is made, the ICR percentage may be adjusted to the current FY ICR at the time of amendment. However the contract's ICR application (i.e., Total Personnel Services Costs or Total Allowable Direct Costs) may not change for the life of the contract.

A request must be submitted to their Contract Manager, in writing, on local agency letterhead and must be signed by the WIC Director.

CROSS-REFERENCE

PPM 1000-04 Contract Amendment