

## **Glossary of Terms and Definitions**

<b>A-133 Single Annual Audit</b>	An independent audit performed for a private, nonprofit local agency that receives over \$500,000 in total Federal monies to ensure funds are spent only on allowable costs in accordance with grant objectives, and to ensure internal controls are in place.
<b>Acquisition Cost</b>	The cost of an asset including installation.
<b>Additional Claim Reimbursement</b>	An actual expenditure incurred during a budget period, not previously claimed on any invoice, submitted on a subsequent invoice.
<b>Administrative Services Cost Category</b>	All costs (direct or indirect) generally considered management or overhead costs.
<b>Advance Payment</b>	Early payment of costs incurred to carry out the WIC Program at a private, nonprofit WIC local agency BEFORE the start of a Federal Fiscal Year within the term of a three-year contract.
<b>Agreement (Contract)</b>	An enforceable written document between two or more competent parties with the elements of the agreement being: offer, consideration, acceptance, and compliance with all applicable terms and conditions.
<b>Allocable Costs/charges</b>	Costs that are incurred specifically to benefit the WIC Program, and that are distributed in reasonable proportion to the benefits received.
<b>Allowable Cost Payment System</b>	Eligible costs incurred to carry out the WIC Program, as further defined in the Cooperative Agreement Act, Health and Safety Code Section 38077 and the CMB, Chapter 4.
<b>Allowable Costs</b>	Allowable costs are determined in accordance with Title 2 of the Code of Federal Regulations (2 CFR), Subtitle A, Chapter II, parts 225 and 230 (formerly OMB circulars A-87 and A-122).
<b>Amendment</b>	A formal change to an Agreement (contract).
<b>Annual Financial Audits</b>	Once a year, independent, organization-wide financial review and assessment (A-133 Single Annual Audit or Health and Safety Audit (HAS)) to determine: financial operations are properly conducted; financial reports are fairly presented; the parent agency and local agency have complied with all applicable laws, regulations, and administrative requirements that affect the expenditure of WIC Program funds.

<b>Approval Thresholds</b>	The dollar amount of a procurement at which State and/or USDA approval is required prior to purchase.
<b>Authority to Spend (ATS) Process</b>	State WIC Program process that authorizes objective-based funding to a local agency in response to State WIC Program/local agency need(s).
<b>Authorized Base Grant</b>	The dollar amount based on the WIC funding formula given to a local agency to provide WIC services to participants according to provisions set forth in Title 7 of the Code of Federal Regulations (CFR), Section 246.16 (D) (2) and in the WPM.
<b>Authorized Caseload</b>	The number of participants, per month, a local agency is contracted to serve.
<b>Authorized Funding Amount</b>	The aggregate funding amount for a local agency, per budget year, including authorized base funds and “Authority to Spend” funds to provide other WIC services.
<b>Base Cost</b>	The actual cost of equipment before tax, delivery, and installation charges are added.
<b>Blanket Approval</b>	Pre-authorization provided by the State WIC Program for specific expenses.
<b>Board Resolution</b>	A local government Board of Supervisors official authorization of a pending contract or contract amendment.
<b>Breastfeeding Cost Category</b>	All costs (direct and indirect) spent on breastfeeding promotion and support.
<b>Breastfeeding Promotion and Education</b>	Strategies, initiatives, and services that increase and advance the initiation and continuation of breastfeeding among WIC participants.
<b>Budget Period</b>	The 12-month time period during which a local agency is funded. There are three budget periods covered in the contract and each period coincides with a Federal Fiscal Year (October 1 – September 30).
<b>Budget Worksheet</b>	The local agency’s distribution of Maximum Payable Amount funds during a budget period.
<b>Capital Asset</b>	Property with an acquisition cost at or above \$5000 with a useful life of more than one year.

<b>Capital Expenditure</b>	The acquisition cost of a tangible item of equipment having a base unit cost of \$5,000 or more and a useful life expectancy of one or more years, including installation costs.
<b>Caseload Allocation</b>	See "Authorized Caseload."
<b>Caseload Monitoring Period</b>	A 12-month period from May 1 through April 30 during which the State WIC Program monitors a local agency's caseload performance.
<b>Catalog of Federal Domestic Assistance (CFDA) Number</b>	The official WIC Program number assigned by the Catalog of Federal Domestic Assistance (CFDA).
<b>Certification Regarding Lobbying (Attachment 1-17)</b>	Official documentation in which the Contractor guarantees that no Federal funds will be used for lobbying purposes, as detailed in Attachment 1-17.
<b>Client Services Cost Category</b>	All costs (direct and indirect) spent to issue food instruments and other client services and benefits.
<b>Code of Federal Regulations</b>	The Federal policies and procedures governing uniform grant administration that specifically outlines allowable costs.
<b>Commercial Rates</b>	Standard, non-government, hotel costs.
<b>Component Shift</b>	The movement of contract funds between the components within a line-item that does not change the line item total.
<b>Comptroller General of the United States</b>	Head of the Federal General Accounting Office (GAO), who directs an independent agency that audits Federal government financial records.
<b>Contract</b>	See "Agreement."
<b>Contractor</b>	The local agency that enters into an agreement with the State WIC Program to provide WIC services.
<b>Corrective Action Plan (CAP)</b>	A plan developed by a local agency to address a finding in their program evaluation. A CAP identifies strategies that will be implemented to correct the problem, prevent recurrence, and improve the WIC services provided at the site.
<b>Cost Allocation Plan</b>	A plan developed by a local agency's parent agency or organization that identifies the methodology used to attribute costs to more than one program, and substantiate claims for services provided for the reimbursement of indirect costs.

<b>Depreciation</b>	A charge that distributes the cost of a tangible capital asset, less residual value, over the estimated useful life of the asset in a systematic and logical manner.
<b>Direct Costs</b>	Any cost identified with a specific objective which benefits the WIC Program.
<b>Disclosure of Lobbying Activities</b>	Federal form (Standard Form LLL) that is completed and submitted by the Contractor when any funds other than Federally appropriated funds have been paid (or will be paid) to influence (or attempt to influence) an officer or employee of the government in connection with this contract.
<b>Drug-free Workplace Certification</b>	A form that is signed and submitted by the Contractor certifying compliance with Government Code Section 8355, requiring the Contractor to provide a drug-free workplace.
<b>Duty Statement</b>	A description of the duties to be performed by an employee of a local agency within a specific job classification.
<b>Emergency Situation</b>	An event which disables or interrupts the ability to maintain a business environment for a period of time and that adversely affects the mission of the organization. Examples of emergency situations are: fire, gas leak, power outages, severe weather, internal disturbance, hazardous materials spills, terrorist/hostage situations and transportation accidents.
<b>Equipment</b>	Any unit (including replacement parts) having a <u>unit</u> cost of \$500 or more (excluding tax, delivery, and installation charges).  Any commercially available IT software having a unit cost of \$5,000 or more.  Any noncommercial software regardless of cost.
<b>Expenditures</b>	Expenses and costs to carry out the WIC Program.
<b>Federal Cost Category</b>	The four cost categories necessary to operate the WIC Program. The categories are: Administrative Services, Breastfeeding, Client Services, and Nutrition Education.
<b>Final Invoice</b>	The last claim for reimbursement for actual expenditures allowed under the terms of this Agreement.
<b>Financial Management Reporting</b>	The financial management review portion of a program evaluation that is conducted by the State Controller's Office (SCO) once every two years.

<b>Fixed (permanent) Site</b>	A site that is solely designated for WIC services (e.g., a room or suite of rooms in a health center or business mall).
<b>FMNP Program</b>	The Farmers' Market Nutrition Program (FMNP), a Federally-funded and regulated program that provides resources in the form of fresh, nutritious, unprepared foods (fruits and vegetables) from farmers' markets to eligible women, infants, and children who are nutritionally at risk and who are participating in the WIC Program.
<b>FMNP Program Federal Regulations</b>	Title 7, Code of Federal Regulations (CFR), Part 248, Farmers' Market Nutrition Program (FMNP). The Federal regulations under which USDA implements the FMNP Program.
<b>FMNP Program Federal Statutes</b>	Title 17 (42 U.S.C. section 1786(m)). The Federal authorizing statutes for the program referred to as the Child Nutrition Act (CNA) of 1992.
<b>FMNP Program State Statutes</b>	California Health and Safety Code (H&S) sections 123275 et. Seq. The state authorizing statutes for the Program.
<b>FNS</b>	The Food and Nutrition Service of the U.S. Department of Agriculture is responsible for most of the nation's nutrition assistance programs including food stamps, WIC, the meal programs for school children and other lower income people. FNS establishes rules and regulations for state and local agencies to operate those nutrition assistance programs. Also, FNS oversees the operation of those programs to ensure integrity through quality, accountability and customer service.
<b>Food Instrument (FI)</b>	A negotiable document printed and issued to WIC participants for the purchase of WIC supplemental foods at authorized WIC vendors and retail grocery stores.
<b>Formal Hearing</b>	Legal hearing conducted by an Administrative Law Judge (ALJ) when a local agency appeals the State's decision to deny a funding application, Request for Application, or termination of a local agency contract within the term of the Agreement.
<b>Funding Application</b>	A standard document completed by the local agency to request WIC funding. This document is submitted to the State WIC Program for evaluation and review as a basis for initiation of a new contract or renewal of an existing contract.
<b>Headquarters</b>	The place an employee spends the largest portion of his/her regular working hours, or the place to which an employee returns upon completion of assignments.

<b>Health and Safety (H&amp;S) Audit</b>	An independent, annual financial audit conducted for a private, nonprofit local agency that receives less than \$500,000 in total Federal monies, to determine if the local agency has followed general accounting principals, laws, and regulations.
<b>In-kind Contribution</b>	Non-cash contributions that may consist of grantee contributions, such as property or depreciation of equipment, or third party contributions including services, equipment, or property.
<b>Incidental Allowances</b>	Financial reimbursement for personal telephone calls, laundry and dry cleaning, small miscellaneous expenses, newspapers, magazines, and tips when the travel is greater than 24-hours.
<b>Independent Research</b>	Research, articles, reports, and materials that are not necessary for performance of the Agreement. It is produced by the Contractor and/or an outside source using data provided by the State WIC Program including but not limited to, WIC participants, WIC staff, and WIC vendors either directly or through a variety of means including but not limited to surveys, focus groups, interviews or indirectly using the statewide database (ISIS) regardless of the funding source.
<b>Indirect Costs</b>	Expenses for the general executive and administrative offices of the parent organization and other expenses of a general nature that do not involve direct client services. Indirect costs are incurred for a common or joint purpose that benefit more than one program or project and cannot be readily assigned to one program or project.
<b>Integrated Statewide Information System (ISIS)</b>	State WIC Program's centralized data processing system used to collect and store information concerning participant eligibility, enrollment, food check/instrument issuance and redemption for local agencies.
<b>Invoice</b>	A claim for reimbursement of allowable expenditures.
<b>Last Fractional Day of Travel</b>	Last day of travel (less than 24 hours) on more than 24 hour travel status.
<b>Line Items</b>	The five categories of expenses that make up the local agency's budget, including: 1) personnel, 2) operating expenses, 3) capital expenditures, 4) other costs (subcontracts), and 5) indirect costs.
<b>Line-item Components</b>	The specific cost elements that comprise a line item within a local agency's budget.
<b>Line Item Shift (LIS)</b>	The movement of contract funds from one budget line item to another.
<b>Liquidated Obligations</b>	Allowable WIC Program costs that are paid each budget period.

<b>Liquidation</b>	To settle a debt by payment or other settlement method.
<b>Local Agency Inventory System (LAIS)</b>	The electronic Local Agency Inventory System (LAIS) is an automated asset management tool that records and stores information on items purchased with State WIC funds.
<b>Local Vendor Liaison (LVL)</b>	WIC local agency employee responsible for establishing and maintaining a working relationship with a set number of WIC authorized stores as assigned by the State WIC Program. The role of the LVL includes providing quarterly technical assistance and pre-authorization visits; conducting shelf price and food surveys; reporting suspected fraud and abuse; answering questions about the WIC allowed foods; and promoting a positive shopping experience for WIC families.
<b>Maintenance</b>	The process of keeping capital assets, such as buildings and equipment, in a state of good repair. It includes preventive maintenance and upkeep, routine repairs and alterations, and other activities needed to maintain the property in an efficient operating condition. Maintenance is a current operating expense rather than a capital expenditure or renovation, and does not require prior approval.
<b>Maximum Amount Payable</b>	This amount includes authorized and unauthorized funding. The unauthorized funding is a reserve that may be authorized later during the contract period.
<b>Modular Office Furniture</b>	A workstation comprised of individual components (pieces) that may be taken apart and rearranged. Examples: panels, work surfaces, file pedestal, and shelf.
<b>Necessary Costs</b>	Costs incurred to carry out essential WIC Program functions and required to avoid a situation that will adversely impact Program operations.
<b>Nutrition Education Expenditures</b>	Expenditures that are one hundred percent (100%) attributable to nutrition education. The expenditures consist of personnel services expenses and operating expenses designated to nutrition education activities.
<b>Nutrition Education Services</b>	Individual or group education sessions that provide information and educational materials provided to WIC participants.
<b>Nutrition Services Administration (NSA) Funds</b>	Funding provided to support WIC Program operations as defined in 7 CFR 246.2, exclusive of food costs.

<b>Obligating Funds</b>	Obligated funds are those for which a (previously approved, if necessary) written purchase request has been sent to and approved by a vendor.
<b>One-day Travel</b>	Travel status that is less than 24 hours and beyond 50 miles of employee's headquarters.
<b>Operating Expense</b>	Operating expense includes the following components: equipment costing less than \$5,000 per unit., travel costs, per diem costs, meal expenses, transportation, etc., for required committees, conferences, and staff training, dues for membership or fees for registration in a professional organization, total monthly rent, or lease costs, and all associated space costs for all sites utilized by WIC staff members and participants.
<b>Other WIC Services</b>	Other WIC services include, but are not limited to: customer service activities; nutrition services and activities; breastfeeding promotion and education; Farmers' Market Nutrition Program; participation on State sponsored or approved committees; and targeted, special projects.
<b>Participation</b>	The average monthly number of WIC eligible persons that receive food instruments.
<b>Payee Data Record (Std. 204)</b>	The basic form used to collect a contractor's Federal identification number and information about whether or not contractor payments are subject to taxation.
<b>Per Diem</b>	Daily travel costs that include an incidental allowance for each 24 hour period, as well as meals and lodging expenses incurred while an employee is traveling over 50 miles from headquarters.
<b>Personnel Justification Worksheet</b>	A document that is submitted with the funding application, which serves as a source document and justification for budget line item #1, personnel.
<b>Primary WIC Program Contact (PWPC)</b>	The Contractor's manager who is responsible for day-to-day WIC operations, serves as the principle liaison to the State WIC Program, and is accountable for ensuring the local agency complies with all fiscal, administrative, and operational requirements as outlined in the contract, the CMB and the WPM.
<b>Program Evaluation</b>	A bi-annual evaluation of local agency operations performed by the State WIC Program.
<b>Property Renovations</b>	Rearrangements, alterations and restorations of real property to make it suitable for program use.

<b>Property Survey Report (PSR)</b>	Report completed by the State WIC Property Controller and submitted to the Department of General Services (DGS) for approval, when a local agency requests to dispose of equipment purchased with State WIC funds.
<b>Prospective Payment</b>	Early payment of costs incurred by a local agency to carry out the WIC Program prior to the execution of the contract.
<b>Publication</b>	Peer reviewed journals, articles, and any other method of information sharing that is available to the general public or segment of the public.
<b>Purchase Estimate (bid)</b>	A written statement by a vendor to do work or supply a product for a specified dollar amount.
<b>Purchase Order</b>	An obligation of funds to a single vendor for requested items or services.
<b>Real Property</b>	Land and whatever is erected on or affixed to the land (i.e., buildings). Real property is distinguished from personal property in that it cannot be removed at will.
<b>Reasonable Costs</b>	A cost that does not exceed the amount a prudent person would spend under the circumstances prevailing at the time the decision was made to incur the cost.
<b>Repairs</b>	Activities to restore capital assets to their former, serviceable condition by replacing parts, putting together broken components, etc.
<b>Report of Actual Expenditure</b>	A report completed by the Contractor at the end of each budget period that summarizes all the budget year actual expenditures and distributes those expenditures to the four cost categories. These categories are: 1) Nutrition Education; 2) Breastfeeding; 3) Client Services; and 4) Administrative Services.
<b>Request for Funding Application (RFA)</b>	A solicitation document issued by the State to select a local agency to provide WIC services to a specified area of California and/or a specific target group.
<b>Satellite Site</b>	A site that is not designated solely for WIC services, such as a community center. Staff must set up and take down equipment (e.g., laptops, and printers).
<b>Short-Term Travel</b>	Travel status for more than one 24-hour period and less than 31 consecutive days.
<b>Single Annual Audit</b>	See "A-133 Single Annual Audit"

<b>Software</b>	The set of programs and related documentation that is associated with a computer system.
<b>Sole Source Procurement</b>	When an item or service being considered for procurement is only available from one source. Example: a company has a patent on the desired item and is the only supplier.
<b>State Committee</b>	A work group or task force set up by the State, to address a specific topic pertinent to WIC. The membership may consist of representatives from a local agency, State staff and the community.
<b>State Controller's Office (SCO)</b>	State Department that performs financial management reviews on behalf of the State of California.
<b>Subcontract</b>	A written agreement between the Contractor and another person or organization under which any portion of a local agency's obligation is performed, undertaken, or assumed by that person or organization.
<b>Subcontractor</b>	An entity or person who enters into an agreement with a local agency to provide some WIC services defined in the local agency's Scope of Work.
<b>Supplies</b>	Tangible property with a unit cost of less than \$500 (excludes modular office furniture and items at high risk for theft). Examples: miscellaneous hardware (surge protector, cabling, etc.), calculators, folding chairs, toner, paper, pencils, bibs, sippy cups, and breastfeeding pads.
<b>Time Study Requirement</b>	The study that a local agency's staff must complete that accurately reflects time spent in one of the four Federal cost categories (General Administration, Client Services, Nutrition Education, and Breastfeeding).
<b>Transportation Expense</b>	Transportation-related costs that may include, but are not limited to: private vehicle mileage allowances (with approval), emergency repairs to local agency-owned vehicles, parking costs, bridge and road tolls, and charges for commercial carriers (e.g., airline, bus, rental car, etc.).
<b>Travel Expense</b>	Travel-related costs that may include, but are not limited to: per diem allowance, transportation expenses, and business and miscellaneous expenses.
<b>Unit</b>	All connecting parts, modifications, attachments, or auxiliary apparatus necessary to make an item useable. Example: copier with a sorter.
<b>Unliquidated Obligations</b>	Unpaid WIC Program financial commitments within a budget period.

<b>U.S. Department of Agriculture (USDA)</b>	The Federal agency that funds and implements the WIC Program throughout the United States.
<b>Use Allowance</b>	Use allowance is analogous to depreciation, whereby the State or local agency charges a fixed amount, not to exceed two percent of acquisition cost, for the use of buildings in Federal programs.
<b>Vendor</b>	Any retail store authorized to participate in the WIC program to provide WIC authorized foods to WIC participants, also referred to as a retail grocery outlet.
<b>WIC Base Funding</b>	The authorized amount of funding given to a local agency for caseload each budget period.
<b>WIC Contract Management Binder (CMB)</b>	A comprehensive guide to fiscal, administrative and operational requirements, procedures, and forms provided to WIC local agencies by the State WIC Program and incorporated in the contract.
<b>WIC Local Agency</b>	A local government or private, non-profit organization that provides WIC Program services according to the terms of an agreement with the State WIC Program.
<b>WIC Nutrition Assistant (WNA)</b>	A paraprofessional who provides WIC services to participants.
<b>WIC Participant</b>	An individual who has been certified as eligible to receive food check/instruments, nutrition education, and referral services from the WIC Program in the State of California.
<b>WIC Program</b>	The Women, Infants, and Children (WIC) Program, a Federally-funded and regulated program that provides food instruments, nutrition education, and referral services to eligible pregnant, breastfeeding, and postpartum women, infants, and children under the age of five. The Program is authorized by the Child Nutrition Act (CNA) of 1966 (42 U.S.C. 1786) as amended and Sections 123275 et. Seq. of the California Health and Safety (H&S) Code.
<b>WIC Program Federal Regulations</b>	Title 7, Code of Federal Regulations (CFR), Part 246, Women, Infants, and Children (WIC) Program. The Federal regulations under which USDA implements the WIC Program.
<b>WIC Program Federal Statutes</b>	42 U.S.C. section 1786. The Federal authorizing statutes for the WIC program referred to as the Child Nutrition Act (CNA) of 1966.

<b>WIC Program Manual (WPM)</b>	A comprehensive guide to policies and procedures governing the California WIC Program designed to assist local agency staff in carrying out day-to-day program operations and activities.
<b>WIC Program State Regulations</b>	Title 22, California Code of Regulations (CCR), Sections 40601 et. Seq. The state authorizing regulations for the Program.
<b>WIC Program State Statutes</b>	California Health and Safety Code (H&S) sections 123275 et. Seq. The state authorizing statutes for the Program.
<b>WIC Nutrition Program</b>	The Federal grant program administered by USDA and operated by WIC local agencies to abate the health risks of low income women, infants, and children under the age of five.
<b>Written Notification</b>	Signed hard copy correspondence between the State WIC Program and a WIC local agency.