



United States
Department of
Agriculture

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SUBJECT: WIC Policy Memorandum #2003-7
Allowable Costs of Physical Activity Promotion

Food and
Nutrition
Service

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TO: Regional Directors
Supplemental Food Programs
All Regions

This policy memorandum provides clarification regarding the allowable costs of physical activity promotion for participants as a component of WIC Program nutrition education.

The purpose of the WIC Program is to provide healthy supplemental foods and nutrition education, and to serve as an adjunct to good health care to prevent the occurrence of health problems and improve the health status of program participants. WIC nutrition education emphasizes the relationship between nutrition and health and is designed to teach participants and caregivers about the important role nutrition plays in health promotion and disease prevention as well as overcoming specific nutritional risk. The Dietary Guidelines for Americans (DGA), the Food Guide Pyramid, and the Food Guide Pyramid for Young Children are foundation documents used for WIC nutrition education. One of the ten DGA is "Be physically active each day." Thus, physical activity promotion as a *component* of nutrition education is an allowable program cost, provided such costs support WIC nutrition education goals and comply with the cost principles governing the WIC Program.

Cost Principles

Office of Management and Budget Circulars A-87 (Cost Principles for State, Local and Indian Tribal Governments), A-122 (Cost Principles for Non-profit Organizations), and A-21 (Cost Principles for Institutions of Higher Education, Hospitals, etc.) provide State and local agencies with basic guidelines regarding cost allocation and allowable costs. To be allowable, cost items must be both necessary and reasonable for the proper and efficient administration of the WIC Program, and must not be prohibited under applicable circulars, laws, regulations, instructions, and policies. *Necessary costs* are those incurred to carry out essential program functions and cannot be avoided without adversely impacting program operations. *Reasonable costs* are those that: 1) provide the Program a benefit commensurate with the costs incurred; 2) are consistent with the costs of similar items from other vendors; 3) are in proportion to other program costs for the function that the costs serve; 4) are a priority expenditure relative to other demands on available administrative resources; and 5) have a proven or intuitive positive impact.

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Allowable Nutrition Education Costs for Physical Activity Promotion

Program materials and resources that teach, promote, and reinforce the health benefits associated with physical activity are allowable costs. Program materials and resources should be designed for the target audience and include messages that link nutrition and physical activity. Existing materials developed by FNS (e.g., the Eat Smart. Play Hard.™ campaign and Team Nutrition resources) and those developed by other State and local agencies (e.g., those available on the WIC Works Resource System, including the Fit WIC Programs to Prevent Childhood Overweight in Your Community) should be used or adapted whenever possible.

Activities that support the promotion of physical activity to participants are allowable costs. Such activities may include, for example, brief exercise demonstrations (as opposed to exercise classes) to illustrate proper exercise techniques to participants or training for program staff on how to promote the health benefits of physical activity to participants.

Referrals to local organizations (e.g., community, faith-based, health, and youth organizations) that offer free or inexpensive physical activity opportunities are allowable costs.

Examples of Allowable Physical Activity Promotion Costs

- Nutrition education sessions that promote or reinforce physical activity and that contain a joint physical activity and nutrition message, such as “Balance your day with food and play”(Eat Smart. Play Hard.™).
- Informational materials and resources, such as brochures, newsletters, posters, and audio and video presentations.
- Contracting with certified health or fitness professionals to: 1) consult on the development or modification of materials and resources; 2) provide brief exercise demonstrations to participants; or 3) provide staff training on the health benefits of physical activity, how to promote physical activity, and how to facilitate behavior change in participants.
- Inexpensive program incentive items that promote physical activity to participants, such as water bottles, bean bags, and balls.

Examples of Unallowable Physical Activity Promotion Costs

- Fitness center dues or memberships.
- Exercise equipment, such as treadmills, stationary bicycles, hand weights, mats, steppers, resistance bands, etc.

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- Facility rental or modifications for physical activity purposes.
- Exercise classes (one-time or ongoing) and instructors for such classes.
- Program incentive items that do not meet the necessary and reasonable costs requirements specified in the "Cost Principles" paragraph.

This policy memorandum is effective upon issuance. For questions about whether particular cost items for physical activity promotion are allowable, State agencies should contact their FNS Regional Office.

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