

# **Maine Center for Disease Control and Prevention WIC Nutrition Program**

Effective: October 1, 2011

Policy No. FM-2

Revised: August 1, 2014

## **State Agency WIC Expenditures and Drawdown Procedures**

### **Authority**

7 CFR §246.13(i)

31 CFR §205

The Cash Management Improvement Act of 1990 (CMIA)

State Accounting Manual Chapter 50.40.80

### **Policy**

1. The State Agency shall coordinate its drawdown schedule of NSA funds with the State Treasurer's Office so as to draw the funds as close as is administratively feasible to actual disbursements. Generally, the drawdown of federal funds will occur prior to the corresponding disbursements.
2. The State Agency shall follow the state's "7-day rule," as described in the State Accounting Manual Chapter 50.40.80 which stipulates that federal funds at hand shall be no greater than needed to cover seven (7) business days of related expenses.
3. The Financial Manager shall be responsible for ensuring that funds are available to reimburse vendors/farmers for redeemed food instruments (FI) and cash value vouchers (CVVs).
4. Food funds shall be wired from the State of Maine account to the WIC Food account based upon need and to minimize funds that are held in the account, while ensuring that FI's and CVVs are paid and not returned for insufficient funds.
5. The State Agency shall manage its NSA grant on a cash basis.

### **Procedure**

1. Wires shall be initiated when the Maine CDC WIC Nutrition Program bank account balance falls below seven (7) days of average redemptions. Holidays, state government closings due to weather and temporary layoff days must be taken into consideration when determining the amount to transfer.
2. The State Agency shall ensure that NSA program receipts are auditable by obtaining the State Agency Director's approval on all draw downs, attaching the appropriate documentation for the draw, and maintaining the records for a minimum of seven (7) years.