

LOCAL WIC AGENCIES FUNDING NARRATIVE

FY2025

The funding formula starts with a single base rate per participant. Four factors are applied independently to adjust the rate specifically for each local agency. The four factors are population density, median household income, information technology (IT) support, and local agency's participation level. The funding formula rate may vary from year to year depending on statewide funding and factors related to local agency operation. In FY25, a 7% base rate increase over FY24 base rate was approved.

POPULATION DENSITY

The state agency recognizes that it is inherently more expensive to serve a given size population spread over a wide area than it is to serve the same size population in a small area. This factor adds an amount equal to 15% of the base rate for those local agencies (LAs) in which the highest portion of counties served are defined as very rural (population density of less than 81 people per square mile). It reduces funding by an amount equal to 10% of the base rate for LAs in which the highest portion of counties served are defined as very densely populated (population density of more than 819 people per square mile). LAs in which the highest portion of counties have a population density of 81 through 819 will not receive either adjustment factor. Local agencies will not receive an adjustment factor unless the number of counties within one range (rural, densely populated, or neither) exceeds the number of counties falling within each of the other two ranges.

SOURCE OF DATA

The source for the population was the 2020 U.S. Census. Source: Texas Demographics Center Source: https://demographics.texas.gov/Estimates/2022/2022_txpopest_county Jan 1 2023; Land area based on 2022-2023 Texas Almanac.

MEDIAN HOUSEHOLD INCOME

This factor gives a positive adjustment equal to 2.5% of the base rate to LAs whose host agencies are in counties with median annual household incomes over \$71,288. A negative adjustment equal to 5% of the base rate will be given to LAs whose host agencies are in counties with median annual household incomes under \$45,697. For those LAs whose host agencies are in counties with median annual household incomes between \$45,697 and \$71,288 will not receive an adjustment.

SOURCE OF DATA

The U.S. Census Bureau's American Community Survey (ACS) 2022 5-year estimates. The ACS is a sample based data with margins of error. Data provided through the Texas Demographic Center.

INFORMATION TECHNOLOGY (IT) SUPPORT

The state agency recognizes that all local agencies have a responsibility to maintain the Texas Integrated (TXIN) Management Information System in the highest functioning level possible. To maintain this level of support, it is essential to provide funding to local agencies. Some agencies have their own IT departments that assist with this support, others required contracting outside their parent agency to receive the level of support required. Annualized amounts were based on \$840 (\$70x12mo) times number of staff.

SOURCE OF DATA

IT Support funding was based on mid-range costs for IT service contractors and staff data via survey input.

PARTICIPATION LEVEL/SIZE

This factor considers the cost efficiencies associated with serving many participants, numerous clinics, and the relative cost inefficiency associated with serving an exceedingly small level of participation. Participation breaks and minimum percentages are as follows:

Monthly Participation Level	Adjustment Factor
0 – 2,000	15%
2,001 – 5,000	10%
5,001 – 10,000	5%
10,001 – and above	No adjustment factor

SOURCE OF DATA

Average Participation (Oct23-Mar24)