



United States
Department of Agriculture
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Food and
Nutrition
Service

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Alexandria, VA
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SUBJECT: Draft WIC Policy Memorandum 2015-X
Separation of Duties at WIC Local Agencies

TO: Regional Directors
Special Nutrition Programs
All Regions

WIC State Agency Directors
All Regions

General:

Over the past several months, we have received a number of questions regarding the issue of separation of duties at the local or clinic level. We believe that much of this confusion has been a result of advances in WIC management information systems and electronic benefit transfer technology, and some confusion in the intent of past regulations. Therefore, we are providing additional clarification on this issue. **Comments on this policy memorandum should be submitted directly to this office at: WICHQ-SFPD@fns.usda.gov no later than April 24, 2015.**

Policy Clarification:

Section 246.4(a)(26) of the Federal WIC regulations requires each State agency to define in its annual State Plan the policies and procedures that are in place to prevent conflicts of interest at the local agency or clinic level in a reasonable manner. At a minimum, this plan must prohibit the following WIC certification practices by local agency or clinic employees, or provide effective alternative policies and procedures when such prohibition is not possible:

- (i) Certifying oneself;*
- (ii) Certifying relatives or close friends; or,*
- (iii) One employee determining eligibility for all certification criteria and issuing food instruments, cash-value vouchers or supplemental food for the same participant.*

It is important to examine the impetus for this provision. The Department implemented this regulatory requirement in response to an August 1999 Report by the Government Accounting Office entitled Efforts to Control Fraud and Abuse in the WIC Program Can Be Strengthened. Specifically, the intent was for WIC State agencies to develop policies and procedures that would prevent local agency staff members from certifying themselves, relatives, or friends; it also addressed the issue of one employee being solely responsible for determining the eligibility of an applicant for all the certification requirements, and for issuing food instruments to that same WIC participant, i.e., lack of separation of duties.

As stated in the Preamble to the September 27, 2006 WIC Miscellaneous Provisions Final Rule (71 FR 56708), the intent of this provision is to ensure that one employee cannot both certify and issue food benefits. However, we do recognize that there may be circumstances, e.g., a satellite clinic with only one staff person, which would prevent strict adherence to this policy. In those instances, State agencies are required to establish effective alternative policies and procedures, such as a timely supervisory review (within a maximum of thirty days) of the records of the certification and benefits issued performed by such employees, or scanning/texting or faxing records to the main office during the certification visit for a separate determination.

Therefore, at a minimum, in order to achieve an acceptable separation of duties, WIC State agencies must ensure that in each of its local agencies, one WIC staff member is not solely responsible for all of the following:

- *determining medical/nutritional risk,*
- *determining income eligibility, and*
- *issuing food benefits.*

Summary:

It is critical for State agencies to recognize that in order to maintain the integrity of the WIC Program, adequate safeguards must be in place to limit fraud and abuse. There is nothing that prohibits a State agency from instituting more stringent criteria in order to ensure regulatory compliance and program integrity.

For further questions or assistance on this issue, State agencies should contact their respective FNS Regional Offices.



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Supplemental Food Programs Division