

## Prevention and Management of WIC Program Abuse at the Local Level

Federal regulation 7 CFR 246.4(a) (26) requires that local agency policies and procedures are in place to prevent conflicts of interest in a reasonable manner. At a minimum policies and procedures must prohibit the following WIC certification practices or provide effective alternative policies and procedures when such prohibition is not possible:

- Certifying oneself;
- Certifying relatives or close friends; or
- One employee determining eligibility for all certification criteria and issuing food benefits, cash-value benefits or supplemental food for the same participant

## Prevention of Program Misuse by Staff - Separation of Duties

Federal regulations [7CFR 246.4(a)(26)] stipulate that policies and procedures must be in place for preventing conflicts of interest and potential fraud or abuse at the WIC local agency or clinic level and must include a separation of duties so that more than one employee is involved in determining eligibility for all certification criteria and issuing food benefits.

Clarification provided by WIC Policy Memorandum #2016-5 states that, at a minimum, the staff person who determines income eligibility and the staff person who determines medical or nutritional risk cannot be the same person. Either person may issue food benefits. Further, having one staff member check identification or residency and another staff person conduct the remainder of the certification does not meet the regulatory intent of separation of duties.

If a clinic is unable to achieve acceptable separation of duties, an individual other than the certifier (e.g. the WIC Director) must conduct a record review of all non-breastfeeding infant certification record and at least 20 percent of a random sample of the remaining certification records within two (2) weeks of the certification, and conduct an additional record review of 10 percent of each clinic's certification files every six months. Documentation of both reviews must be maintained on file at the local agency for review during monitoring visits.

If a WIC clinic is unable to achieve acceptable separation of duties and conducting record reviews constitutes a hardship, the local agency director may submit a request to the state office to conduct the record reviews. For those agencies the state office will conduct a record review of all certification and recertification visits. Records meeting the state office's risk criteria will be flagged and reported to the local agency WIC Director for further review. The local agency WIC Director or designee must conduct a thorough investigation within one week of notification. Documentation of the local agency investigation and response must be maintained on file at the local agency for review during monitoring visits.

A *WIC Local Agency Separation of Duties Plan* must be submitted to the state office for approval. A copy of the state-approved plan is maintained at the State office for each local WIC clinic.

Verification of compliance with this policy is a component of the local agency monitoring visit conducted every other year by State staff. Evaluators observe clinic operations to ensure that the agency's approved *Separation of Duties Plan* is followed as stated. In those clinics using the *local agency* record review approach, their *Separation of Duties Exception Record Review* Logs will be reviewed.

## WIC Local Agency Separation of Duties Plan

Local Agency: \_\_\_\_\_ Clinic: \_\_\_\_\_

Submitted by: \_\_\_\_\_ Title: \_\_\_\_\_

Printed Name

\_\_\_\_\_ Date: \_\_\_\_\_

Signature

Following is how the potential for conflict of interest will be reduced and separation of duties accomplished at this clinic:

- ☐ For all certifications and recertifications, one WIC employee will determine income eligibility and a different WIC employee will determine medical or nutritional risk eligibility.
- ☐ The WIC Director or designee will conduct a record review of all non-breastfeeding infant certification records and at least 20 percent of a random sample of the remaining certification records within two (2) weeks of the certification, and conduct an additional record review of 10 percent of each clinic's certification files every six months. Documentation of both reviews will be maintained on file at the local agency.
- ☐ The record review will be conducted by the state office and the WIC Director will conduct a thorough investigation of any records sent from state office that are flagged for potential fraud. The above clinic is unable to achieve acceptable separation of duties and conducting record reviews at the local agency is a hardship due to the following reason(s) :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_. (The hardship reason must be documented by the local agency and approved by the state office.)

Approved by: \_\_\_\_\_

State agency staff person name and title

\_\_\_\_\_  
Signature Date

## Separation of Duties Exception **Record Review** Log

Clinics who have chosen to implement separation of duties by use of the **local agency record review** must review all non-breastfeeding infant certification records and at least 20 percent of a random sample of the remaining certification records within two (2) weeks of the certification. Local agencies must also conduct an additional record review of 10 percent of each clinic's certification files every six months. This review must be conducted by someone other than the Educator(s), preferably the local agency WIC Director or Clinic Manager. The participant names and Compass participant ID are recorded below. The log must then be signed by the reviewer and stored in a central location accessible during local agency WIC monitoring.

(See Colorado WIC Program Manual for the complete Separation of Duties policy.)

Local WIC Agency: \_\_\_\_\_

Clinic: \_\_\_\_\_ Date of Record Review: \_\_\_\_\_

### Participant Records Reviewed:

Participant Name	Compass Participant ID #

I have reviewed the Compass participant records listed above and certify that (check one):

- ☐ I have not detected any indication of fraud or abuse.
- ☐ I have detected fraud and/or abuse. For all detected incidences, I have initiated an investigation and have submitted a written summary of findings and actions taken to the State WIC office.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date