

Administration Volume  
Food Instrument Accountability Section

Food Instrument Accountability and Liability (3.04000)

ER# 3.04000

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**POLICY:** The local WIC provider (LWP) shall maintain strict control and accountability of all food instruments from the time the food instruments are created to the time they are issued to participants, authorized representatives, or proxies.

The LWP must account for the disposition of all food instruments.

**PROCEDURES:**

- A. Food instruments (checks) are printed on demand on blank check stock in numerical sequence with the numbering system facilitating detection of lost or stolen checks. Once the food instrument is created, it is issued directly to the participant or authorized representative. Absolutely no changes are to be made to the printed food instrument. Any correction needed shall be done only through the void and add/replace features in MOWINS. The authorized representative or proxy signs the electronic signature pad at the time of issuance acknowledging receipt of the checks. If an electronic signature is not captured in MOWINS, the LWP must complete the WIC Household Food Instrument Register (WIC-31) and have the authorized representative or proxy sign acknowledging receipt of checks. LWP should then scan the form into each individual participant's folder listed on the form. LWP staff must allow authorized representatives and proxies the opportunity to confirm the check numbers they will be receiving by matching the check numbers shown on the electronic signature pad or form.
- B. Through MOWINS, a report is run at the end of the month to determine the disposition of all WIC food instruments either as issued and redeemed, issued and voided, issued and lost/stolen, or issued and expired. All voided food instruments must be accounted for in MOWINS. Voided food instruments must be received and destroyed as soon as they are keyed in MOWINS.
- C. The printed food instrument is a negotiable instrument. The LWP shall be fiscally liable for the face value of each food instrument that does not meet all of the following criteria:
  1. Properly accounted for in the system.
  2. Issued to an eligible participant.
  3. Properly secured and destroyed after being voided.
- D. When food instruments are not properly accounted for as listed above in C, the state agency reserves the right to require the LWP to pay the state agency for the face value of issued food instruments. The LWP may repay the state grant by:
  1. Submitting a check for the amount of over issuance within 45 calendar days of notification or
  2. The contract will be reduced by the identified void redeemed food instrument amount.

This reduction will be withheld from the monthly invoice submitted for payment. This action reduces the amount of the contract for the year in which the infraction is billed.

E. The face value shall be considered:

1. The redeemed amount of the food instrument if redeemed.
2. The food instrument limit as recorded in the system if not redeemed.

F. When food instruments are not properly accounted for:

1. The LWP will be billed and given 45 calendar days to respond with documentation as proof that no over issuance has occurred. If the agency is unable to prove the participant was not over issued benefits, the LWP will provide payment as expressed above.
2. The LWP shall not pay for these by claiming as expenses on the WIC administrative cost report.