

## Section III: State Agency Procedure Manual

### VI. State Food Funds

#### A. Benefit Management and Reconciliation

##### Purpose

The Montana WIC Program is required to reconcile all benefits issued and redeemed in order to identify their disposition.

##### Policy

The Montana WIC Program contracts with a financial institution independent of Montana government to process benefits and follows an established plan for the financial management of benefit redemption.

---

#### 1. Reconciliation of WIC Benefits

- At the time of transaction, validations will occur to ensure that only WIC authorized foods currently in the participants benefit package are redeemed.
- Requested prices for WIC foods are sent to the bank at the time of the transaction. Those prices are compared against the item's Maximum Allowable Reimbursement (MAR) to establish a settled price, which is the price paid to the retailer. When the bank completes a payment, rejection, or an adjustment transaction, a record is written to an output file and is sent to the WIC system.
- A monthly closeout is reported on the FNS-798 (Monthly Financial and Program Status Report). The information for any closeout month includes a disposition for every issued WIC benefit as redeemed, expired, voided, or payment has been stopped.
- Records in support of the FNS-798 are maintained in the State WIC Office.