



Food and
Nutrition
Service

October 18, 2016

Park Office
Center

SUBJECT: WIC Policy Memorandum #2017-1
New MIS Guidelines and Revised Procedures for EBT and MIS Grant
Funding

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Alexandria
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TO: Regional Directors
Special Nutrition Programs
All Regions

WIC State Agency Program Directors
All WIC State Agencies

The U.S. Department of Agriculture's (USDA) Food and Nutrition Service (FNS) is updating WIC Management Information System (MIS) guidelines and Electronic Benefits Transfer (EBT) and MIS funding guidance to facilitate the implementation of statewide EBT systems. The Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296) amended the Child Nutrition Act of 1966 (P.L. 111-296), so as to require all WIC State agencies to implement EBT systems by October 1, 2020, unless granted an exemption by the Secretary.

In order to meet the mandate, WIC MIS must be able to support the transition from paper food instruments to EBT. Recognizing the need for WIC State agencies to have an EBT functional MIS, the Consolidated Appropriations Act, 2016 (P.L. 114-113), at section 751, provided \$220 million for such systems, including WIC EBT systems and activities. Guidance and requirements follow.

New MIS Guidelines

FNS recognizes that WIC State agencies are in different stages of EBT planning and implementation. However, with less than four years to meet the statutory requirement of statewide EBT implementation, FNS has determined there is no longer time for a WIC State agency to select a MIS that is not already EBT functional or make modifications to an EBT functional MIS. Consequently, as of October 21, 2016, FNS will not approve State projects adopting a system that is currently in EBT or MIS *development*, or a system that only issues paper checks. In other words, as of October 21, 2016, FNS will only approve system transfer and implementation plans that include a system which has EBT as the benefit delivery system.

The MIS and EBT functional requirement does not apply to WIC State agencies with a previously approved project plan in which a transfer system has already been identified. This requirement only applies to WIC State agencies that have not implemented statewide EBT, and do not have an approved Implementation Advance Planning Document (IAPD) identifying an EBT functional system for an MIS/EBT combined project. FNS will provide these WIC State agencies with additional correspondence and technical assistance to assist in meeting the requirements.

An EBT functional MIS is defined as a WIC certification MIS with EBT as the benefit delivery method without the need for changes to support EBT. Consequently, all projects approved on or after October 21, 2016, must:

- Be transferred and implemented, and issue EBT benefits with no modifications beyond those necessary for interfacing with an EBT processor, i.e., take it as-is;
- Functionally satisfy the mandatory WIC MIS/EBT system interface functions as identified in Section 1.1 of the WIC Universal MIS – EBT Interface Functional Requirements Specification;
- Be currently implemented and approved for transfer by USDA FNS as a fully compliant MIS meeting the Functional Requirements Document; and,
- Enable a WIC State agency to implement EBT simultaneously with the WIC MIS. All WIC MIS transfer projects must issue benefits via WIC EBT, i.e., no paper food instruments.

Statewide Implementation Date

As of the end of fiscal year (FY) 2016, 22 WIC State agencies had implemented statewide EBT. Through these projects, FNS has learned that unanticipated issues and some delays may be part of the implementation process. **Therefore, FNS will not accept or approve a WIC IAPD with a statewide EBT date that is after April 1, 2020.** FNS believes earlier planning is necessary as it reduces the risk of not meeting the statutory deadline. FNS will continue to work with WIC State agencies through yearly IAPD update submissions, and as planning schedules become actual schedules FNS will work with WIC State agencies to modify timelines as necessary.

EBT and MIS Funding Guidance

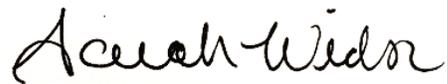
In FY 2016, FNS received \$220 million in funding for technology projects. This funding is available until expended, and provides FNS with the flexibility to fund WIC State agency projects across FYs. WIC State agencies do not need to wait for a funding announcement to submit their MIS and EBT Planning or Implementation APDs. WIC State agencies must continue to submit for FNS approval either an APD or APD Update, and a funding sources table for all MIS or EBT planning or implementation projects. Once approved, WIC States agencies must apply for the requested funds in Grants.gov. FNS will provide WIC State agencies with 100 percent funding of the reasonable, necessary, and allocable line items in the budget for transfers of both State Agency Model (SAM) and non-SAM systems without changes.

Grant packages will be processed throughout the year as projects are approved and funding applications are submitted. For additional information on the Grants.gov process,

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please see the March 2016, guidance from FNS Regional Offices entitled, '*Using Grants.gov for funding requests*'.

If you have questions regarding the EBT functional systems, or the availability of EBT and/or MIS funding, please contact your respective FNS Regional Offices.

A handwritten signature in black ink that reads "Sarah Widor". The signature is written in a cursive, flowing style.

SARAH WIDOR
Director
Supplemental Food Programs Division