

Check Printing Policy Update

Check Misnumbering - The Ripple Effect

Misnumbered checks that are not reported and corrected create a negative wave of events including:

- Missing and or incorrect issuance information for the bank
- Incorrect information in the WIC computer system. Issuance information does not match up with the correct redemption information
- Incorrect tabulations of "Not-to-exceed" amounts
- Rejected checks for vendors

Misnumbered Checks are a BIG RED FLAG!

*If your checks are misnumbered,
This impacts people and events beyond the point of check issuance:*

- **Procedures:** Misnumbered checks mean that staff are not following appropriate procedures to review check numbers prior to releasing checks to participants.
- **Data Base:** The redemption information from the bank gets matched up with the wrong issuance information making our data base incorrect.
- **Vendors:** Your Vendor Manager will be receiving calls from unhappy vendors. There will be rejected checks returned to vendors due to incorrect issuance information. Incorrect "not-to-exceed" amounts will be applied resulting in checks being returned in error. This also creates extra work for your vendor manager as they have to review the checks before the vendors receive payment.
- **Internal Controls, Banking and Tracking Check Stock:** There can be no unexplained gaps in check numbers. Every check must be accounted for. When a misnumbering occurs, this process is more cumbersome, and can raise questions of accountability. The State Auditors review all misnumbered checks.



When you discover a misnumbered check:



1. **NEVER, NEVER, NEVER** knowingly send a client out the door with misnumbered checks.
2. **NOTIFY THE HELP DESK RIGHT AWAY** about every misnumbered check
3. **BE PREPARED** to answer detailed questions and to identify the range of misnumbering. The Help Desk needs to know exactly where the misnumbering started and where it was caught:
 - Where misnumbering *started*? (red & black numbers of 1st misnumbered check)
 - Where misnumbering *ended*? (red & black numbers of last misnumbered check)
 - Are there any checks missing black numbers?
 - Is the printer operating correctly? Any problems with skipping or jamming?
4. If checks accidentally leave the clinic, you will need to call the participant(s) and ask them to read off what the red and black numbers are on their checks.
5. The **check register is not a reliable source** to determine numbering problems. The information can **only** be obtained one of two ways:
(1) Looking at the actual check OR (2) Calling participant(s).
6. **PROMPT ACTION** and reporting will help to minimize problems. If reported the same day, in most instances we can renumber the checks. This corrects our WIC data base before the check gets to the bank and allows it to be processed correctly.

Prevention is Key

Checkpoints to prevent food instrument misnumbering:

- Checkpoint 1.** If you work at multiple clinics, make sure you log into the clinic number you are working at that day.
- Checkpoint 2.** When loading checkstock into the printer, verify that the red number on the first check matches the check number listed after "STOCK RANGE" on the computer screen.
- Checkpoint 3.** Before printing compare the check number that flashes on the screen with the number on the next piece of check stock loaded in the printer.
- Checkpoint 4.** As you tear the checks apart and separate the months, review the check numbers.
- Checkpoint 5.** As you are filling out the check register and before giving checks to the participant, verify that the red and black numbers match. It is very important that **all 8 digits** be compared, not just the last 3 or 4!

Example of Correctly numbered check:

This correctly numbered check has both red & black numbers matching.

| | |
|----------------------------------|---------------------|
| ID BABY BOBBY | RED 001 |
| 5 CANS ENFAMIL | BLACK 001 |
| MICR line matches RED 001 | Bank routing number |

1. Check is issued to client
2. At the end of the day, info is "sent" to bank that **check 001** was issued
3. Check presents to bank—read as check **001**

Misnumbered examples:



| | |
|----------------------------------|---------------------|
| ID SISTER SUSIE | RED 002 |
| \$6 FRUIT/VEGETABLE CHECK | BLACK 003 |
| MICR line matches RED 002 | Bank routing number |

1. Check is issued to client
2. At the end of the day, info "sent" to bank that **check 003** was issued
3. Check presents to bank—read as **check 002**
– No issuance information

| | |
|----------------------------------|---------------------|
| ID INFANT IVAN | RED 003 |
| 4 CANS ALIMENTUM | BLACK 004 |
| MICR line matches RED 003 | Bank routing number |

1. Check is issued to client
2. At the end of the day, info sent to the bank that **check 004** was issued
3. Check presents to bank—read as **003**—
\$6 fruit/vegetable check—**DENIED**—over the "Not-to-exceed"



Contents included in this WIC Words Policy Update were reviewed during Training Update Call on March 30, 2010.