



OFFICE OF THE
UTAH STATE AUDITOR

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**Office of the Utah State Auditor Releases
A Performance Audit of Data Analytics Techniques to Detect SNAP Abuse**

Salt Lake City, UTAH –

The Office of the Utah State Auditor (Office) today released *A Performance Audit of Data Analytics Techniques to Detect Supplemental Nutrition Assistance Program (SNAP) Abuse*. SNAP is often referred to as “Food Stamps.” The audit report identifies four areas in which the Department of Workforce Services (DWS) could further improve oversight of SNAP by using data analytics to proactively identify and investigate potential misuse of SNAP funds. Over the past few years the Office shared opportunities for improvement within DWS which DWS management has been quick to implement. In this current analysis, the Office has identified opportunities to help prevent fraud or abuse of SNAP by focusing on analyzing available data. Specifically, DWS could use data analytics to identify SNAP recipients who:

- Make the majority of their purchases outside of the state.
- Request excessive electronic benefit transfer (EBT) cards.
- Attempt frequent rapid successive transactions.
- Make large or frequent even dollar transactions.

The audit report cites several cases in which a lack of proactive controls allowed potential program misuse to perpetuate. For example, 636 SNAP recipients made transactions exclusively outside of Utah for at least six months, calling into question their Utah SNAP eligibility. Some of these SNAP recipients claimed SNAP benefits from another state simultaneous to receiving SNAP benefits in Utah.

Another area where data analytics could help prevent SNAP abuse is proactively identifying cases in which recipients request excessive replacement cards. The Office identified multiple recipients who received an excessive number of replacement cards. A high number of replacement cards may indicate fraudulent use, such as selling or trading cards. As examples, one recipient received 22 replacement EBT cards and another received 24 replacements, both over an 18-month period.

In addition, analyzing the frequency of successive transactions, as is done in the commercial financial industry, can help flag SNAP recipients who may be selling or trading SNAP benefits, contrary to the program guidelines. The audit report discusses additional ways to use data

analytics to proactively prevent SNAP misuse. The implementation of the recommendations found in this audit report will strengthen the administration of SNAP in the state while increasing recipient accountability. Proactively identifying program misuse will help ensure that SNAP benefits are used only for the intended purpose and by eligible individuals.

The full audit report and audit brief may be found on the Office's website, auditor.utah.gov.

The full audit report is specifically located at

<http://financialreports.utah.gov/saoreports/2015/PA15-04DataAnalyticsforSNAPAbuseWorkforceServices,Departmentof.pdf>.

For more information about Utah SNAP, visit the agency's [website](#).

About the Office of the Utah State Auditor

The Office of the Utah State Auditor provides Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.

Specific activities of the Office include performing financial audits, conducting Federal funds compliance audits, providing local government oversight, conducting agency and program performance audits, performing fraud and compliance audits, and operating the State Auditor Hotline for citizens to report suspected financial issues or improprieties. These capabilities strengthen Utah State Government and help taxpayers have confidence in the integrity of Utah's government agencies.

The Utah State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every four years. The role of the Utah State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see auditor.utah.gov.

Contact:

Nicole Toomey Davis

Public Information Officer

Office of the Utah State Auditor

801-678-4835

ndavis@utah.gov