Renewal Training for Currently Authorized WIC Program Vendors 2022

WIC NORTH CAROLINA

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Training Overview and Goals

- Review how to maintain vendor status
  - ✓ Selection criteria
  - ✓ Competitive pricing and limits
- WIC Approved Foods List
- Minimum Variety and Inventory
- Transactions
- eWIC procedures
- Preventing Fraud and Program Compliance
  - ✓ Monitoring, Inventory Audits, Violations & Sanctions, Claims, Handling Customer Service Issues
- Completing required forms

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What is WIC?

- The Special Supplemental Nutrition Program for **W**omen, **I**nfants and **C**hildren
- Federally funded by the United States Department of Agriculture (USDA)
- State-administered by the NC Department of Health and Human Services
- WIC clinical services provided by contracted public health agencies
- NC WIC-authorized vendors are contracted with the NC Department of Health and Human Services and Local WIC Agencies

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What is eWIC?

- eWIC is the term used for EBT (Electronic Benefit Transfer) by the North Carolina WIC Program
- EBT is a method that permits access to WIC food benefits using a plastic card

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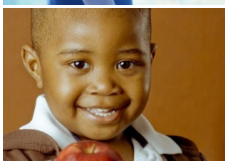

WIC Works!

- In NC, every WIC dollar spent on a pregnant woman saves multiple dollars in newborn health care costs
- Children on WIC have better diets; particularly for vitamin C, thiamin, protein, niacin and vitamin B_6

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WIC Works!

- WIC serves approximately 6.4 million participants nationwide
- WIC also improves other health outcomes
  - ✓Reduced likelihood of adverse birth outcomes
  - ✓Increased breastfeeding initiation and duration

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Maintaining Vendor Status

- Meet all current selection criteria
- Follow all Program policies
- Meet competitive pricing and price limits
- Attend annual vendor training
- Train all staff to properly transact eWIC benefits
- Complete vendor-related forms
  - ✓NC WIC Vendor Information Update
  - ✓eWIC Update for Non-Corporate Vendors
  - ✓Verification of Attendance

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Selection Criteria

- Established by U.S. Department of Agriculture and NC WIC Program
  - ✓20 items
- Listed in the Vendor Manual

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NC Peer Group System

VENDOR PEER GROUPS			
#	STORE TYPE	LOCATION	DESCRIPTION
5	Pharmacy	Statewide	Free-standing pharmacy that sells a limited variety of foods
6	Convenience Store	Statewide	Retailer with a limited assortment of grocery items
7	Mass Merchandiser and Commissary	Statewide	Retailer that sells a wide variety of merchandise but also carries groceries and has store locations in most or all states Grocery store operated by US Defense Commissary on a military base
8	Independent Grocery	Urban	Retailer that primarily sells groceries with fewer than 11 store locations
9	Independent Grocery	Non-urban	Retailer that primarily sells groceries with fewer than 11 store locations
10	Regional Grocery Chain	Urban	Retailer that primarily sells groceries with at least 11 store locations and operates in 2 or more states
11	Regional Grocery Chain	Non-urban	Retailer that primarily sells groceries with at least 11 store locations and operates in 2 or more states

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Competitive Pricing and Price Limitations

- Peer group structure
  - ✓Peer groups have NTEs for WIC supplemental foods and contract formula
  - ✓No longer published by the State WIC Agency

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Minimum Redemption

- Except for Free-standing pharmacies, a vendor must redeem at least $2,000 annually in WIC supplemental food sales
  - ✓If not, the Vendor Agreement will be terminated
  - ✓The store must wait 180 days to reapply

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Purchasing and Providing Infant Formula from a State-approved Source

- Vendors must purchase all infant formula, exempt infant formula and WIC-eligible nutritionals only from the sources on the State WIC Agency's list of approved sources
- Vendors must provide only such infant formula, exempt infant formula and WIC-eligible nutritionals to WIC customers
- Authorized vendors will have their WIC Vendor Agreement terminated for failure to comply with this requirement
- A list of State-approved sources can be obtained from your Local WIC Agency or found at www.nutritionnc.com/wic/vendor.htm

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Contract Infant Formulas

NTEs are set for contract milk-based and soy-based formulas. See contract formulas below:

- **Gerber Good Start Gentle®**
  - ✓ **12.7 oz. Powder****
  - ✓ 8.1 oz. Concentrate (GentlePro)
  - ✓ 33.8 oz. Ready To Feed (4 pack of 8.45 oz containers) (GentlePro)
- **Gerber Good Start Soy®**
  - ✓ **12.9 oz. Powder****
  - ✓ 8.1 oz. Concentrate
  - ✓ 33.8 oz. Ready To Feed (4 pack of 8.45 oz containers)
- **Gerber Good Start SoothePro®**
  - ✓ **12.4 oz Powder**

** **Minimum Inventory item**

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Not-to-Exceed (NTE) Prices

- NTEs are set at 2 standard deviations above the average price for supplemental foods within a vendor peer group.
  - ✓ Calculated for each UPC for each WIC supplemental food
  - ✓ Based on redemption of all vendors in the peer group
  - ✓ Obtained from the eWIC system
  - ✓ Different NTEs for different sizes of the same food even if it is the same brand
- Foods and Contract Formula

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NTEs vs. Current Shelf Price

- Vendors **must** charge current shelf price
- Vendors **DO NOT** have to charge the NTE
- Charges for WIC transactions must be less than or equal to charges to regular customers
- Vendors **cannot** set their prices at the NTE and charge other customers less
  - ✓ This is a federal violation for which a vendor can be disqualified

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WIC Approved Foods With No NTE

- NTEs do not apply to exempt infant formula or WIC-eligible nutritionals
- Open market system (shelf price)
- Exempt infant formula and WIC-eligible nutritionals can be found at www.nutritionnc.com/wic/vendor.htm
- NTEs do not apply to fruits and vegetables purchasable with cash-value benefits (CVBs)

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What about exchanges?

- Identical items only when:
  - Defective
  - spoiled or
  - has exceeded its "best if used by" or "sell by" date on the date of purchase

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Annual Vendor Training

- Vendors, their store manager or other authorized store representative are required to attend vendor training
- Failure to attend annual training by September 30th of each year will result in termination of the WIC Vendor Agreement

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Predominantly WIC Vendor (PWV)

- In North Carolina, the WIC Program classifies vendors that derive more than 50% of their annual food sales revenue from WIC food benefits (excluding CVBs) as Predominately WIC Vendors or PWVs
- PWVs cannot be authorized NC WIC vendors
  - ✓ If a vendor applicant is expected to be a PWV, the application will be denied
  - ✓ If a vendor becomes a PWV anytime during authorization, the Vendor Agreement will be terminated
  - ✓ Must wait 90 days to reapply
- State Rule 10A NCAC 43D.0706-Vendor Peer Groups
- Terms of Vendor Agreement): Section I Number 3(n)

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Predominantly WIC Vendor (PWV) continued

- State WIC Agencies are required to identify vendors that derive more than 50% of their annual food sales revenue from WIC food benefits
- The USDA classifies these vendors as Above 50% Vendors
- In North Carolina, these stores are called Predominantly WIC vendors (PWVs)
- State WIC Agency collects data to determine total SNAP – eligible food sales as part of the PWV identification process

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PWV Identification

- PWV Identification is reviewed after six months of authorization as well as annually

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PWV Identification continued

- Request sales records, financial statements, reports, tax documents or other verifiable documentation
- **State Agency may require vendor to sign a release of information form from the Department of Revenue to verify SNAP eligible food sales- known as the "GEN-93"**
- **Very important** for vendors to be aware that this information may be requested each year for the previous federal fiscal year

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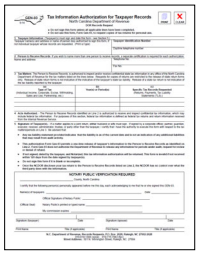
GEN-93 FORM



- Release of Tax Information Form
- Authorizes the Nutrition Services Vendor Unit to acquire the vendor's E-500 forms directly from Department of Revenue (DOR)
- Must be completed accurately matching what DOR has on file for store
- Must be notarized

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SNAP-eligible Food Sales Records

- Vendors must maintain a record of all SNAP-eligible food sales
- SNAP-eligible food sales are sales of those foods that can be purchased with SNAP (Food Stamp) benefits
- Vendors are required to provide the State WIC Agency, upon request, a statement of the total amount of revenue derived from SNAP-eligible food sales and written documentation to support the dollar amount of sales claimed
- Food Sales
  - ✓ The sale of all foods that could be purchased with SNAP benefits
  - ✓ Food Sales Fact Sheet

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Appropriate Documentation

- Each year select vendors are asked to submit SNAP eligible food sales as part of PWV determination
- Request sales records, financial statements, reports, tax documents or other verifiable documentation
- Keep a monthly copy in files

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Verifiable Documentation of SNAP-eligible Food Sales

- Ledger Totals
  - ✓ Daily, Weekly or Monthly Cash Register Receipts totaled in a ledger **(DO NOT send actual cash register receipts)**
  - ✓ Some registers have the ability to separate out different types of items
  - ✓ It is highly recommended that Vendors maintain this type of system. Makes this annual process easier
- Sales and Use Tax returns are not always sufficient for documenting complete SNAP eligible food sales
  - ✓ These returns may be used along with ledger totals to verify a vendor's documentation of SNAP eligible food sales

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SAMPLE LEDGER

Date	Grocery (food only 2% rate)	Non-food items	Food items	Total of Food & Non-Food	WIC	SNAP
1/1/13	$250	$500	$125	$625	$500	$200
1/2/13	$120	$650	$25	$675	$100	$100
1/3/13	$195	$500	$125	$625	$100	$300
1/4/13	$135	$1000	$50	$1050	$500	$250
"	$195	$1000	$25	$1025	$300	$300
"	$210	$1000	$25	$1025	$550	$250
"	$250	$1000	$55	$1005	$750	$100
1/31/13	$105	$1000	$20	$1020	$500	$100
Totals	$1,400	$6,650	$400	$7,050	$3,300	$1,600

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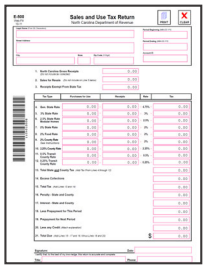
Different Types of Documentation



- Sales and Use Tax Return
- If your store files electronically, it is recommended that you keep a copy for your records as this documentation may be requested as additional documentation
- Additional information may still be requested from the State WIC Agency if these forms are submitted as documentation

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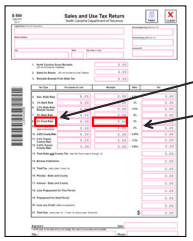
Type of Tax Rates



- Tax Type Column
  - Line 8
    - ✓2% Food Rate
    - ✓Any food sold that only requires a tax of 2%
- Receipts Column
  - Line 8
    - ✓Dollar ($) total of food sold at the 2% food rate

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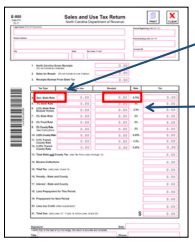
Types of Tax Rates - continued



- **Tax Type Column**
  - Line 4
    - ✓General State Rate
- **Receipts Column**
  - ✓Current % 4.75
  - ✓Food items may also be reported in this column
- **SNAP eligible food sales possibly included**

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Submitting False Information

- Vendors must not submit false, erroneous, or misleading information to the State or Local WIC Agency
- Failure to comply will lead to denial of a vendor applicant's authorization or termination of an authorized vendor's WIC Vendor Agreement
- The store must wait 1 year to become eligible to reapply for WIC vendor authorization

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eWIC Payments Through the Banking System

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Automated Clearing House (ACH)

- Vendors will receive payment for all eWIC transactions processed in their store through an Automated Clearinghouse (ACH) system in which payments are directly deposited into their bank account
- Each approved food has an NTE
- If a vendor submits an item price that is above the NTE, their payment will be decreased to the NTE amount for the item

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Vendor Bank Accounts

- Vendor applicants must submit their most current banking information to the eWIC contractor, Solutran or their third-party processor, to ensure payment for eWIC transactions
  - ✓ Retailer Helpdesk: 1-866-730-7746 (available 24/7)
  - ✓ Email: ebtservices@Solutran.com
- Current vendors must contact the eWIC contractor with any changes in a vendor's bank account

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Vendor Reimbursement Policy

- Vendors may not ask the WIC customer:
  - ✓To make up the difference in price for eWIC transactions
- Vendors are responsible for keeping their prices at or below the NTE for their peer group

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Paying Above the Maximum

- Customer can pay for an amount that exceeds the CVB maximum
  - ✓Example: $10.00 CVB
  - ✓Total cost of WIC fruits and vegetables is $10.25 Customer can pay 25¢ plus tax on the 25¢ or use other acceptable methods to pay for the outstanding balance, e.g SNAP which is not taxable
  - ✓Vendor submits an eWIC transaction for $10.00 in CVBs

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Questions

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WIC Approved Foods

Authorized Product List

Approved Criteria

Unit of Measure

Minimum Inventory Reminders

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WIC Approved Foods

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Milk

Approved Criteria

- Pasteurized cow's milk
  - Skim/1%/2%/Whole
  - Lactose-reduced/free
  - Ultra High Temperature (UHT)
  - Evaporated
  - Organic
- Gallons, half gallons, quarts and cans*

*Evaporated milk only

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Milk

Unit of Measure GAL = 1 Gallon

Gallon 1.0 Gal. | Half Gallon + Quart 0.5 + 0.25 = 0.75 Gal. | Half Gallon 0.5 Gal. | Quart 0.25 Gal. | 12 oz. 0.19 Gal.

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Milk

Minimum Inventory Reminders

- Two (2) types required…
  - Skim/Low fat
  - Whole
- Quantity required…
  - Skim/1% = six (6) gallons
  - Whole = two (2) gallons

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Cheese

Approved Criteria

- 8-ounce and 16-ounce (1 Pound) sizes of all types of approved packaged cheese
- Low-sodium varieties
- Reduced-fat/cholesterol varieties
- Organic or Regular

- Types:
  - Cheddar (Mild, Medium, Sharp, Extra Sharp)
  - Colby
  - Monterey Jack
  - Pasteurized Processed American
  - Mozzarella
  - Muenster
  - Provolone
  - Swiss

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Cheese

Unit of Measure

CTR = 1 (16-ounce) package or 2 (8-ounce) packages

Minimum Inventory Reminders

- Required Package size…
  - one (1) pound (16 ounces)
- Quantity required…
  - two (2) pounds
- Only one (1) approved type required

44

Soy-Based Beverage

Approved Criteria

- Half gallon containers
- Unflavored
- Meets nutrient requirements
- Organic

Unit of Measure

GAL = Equivalent to 1 Gallon

45

Tofu

Approved Criteria

- 14- to 16-ounce prepackaged
- Calcium-set tofu
- Can contain coagulants
- Organic

Unit of Measure

CTR = 14- to 16-Ounce Package

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Yogurt

Approved Criteria

- Equivalent to one 32 oz. container in tota package sizes of 16 oz. or 32 oz.
- Regular or organic
- Pasteurized
- Flavored and unflavored
- < 40 grams sugar per cup
- Fortified with Vitamin A and D
- Non-fat, Low-fat, Whole-fat yogurt

Unit of Measure

CTR = One Quart/Total 32 Ounces

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Juice

Approved Criteria

- Frozen or Shelf-stable Concentrate:
  - 11.5 to 12 ounce containers
- Single Strength
  - 48 and 64 ounce containers
- 100% fruit or vegetable juice or blends
  - Unsweetened and Pasteurized
- Fortified with Calcium, Vitamin D or Vitamin C
- Contains >30mg of Vitamin C per 100 ml
- Plastic, glass, cans or refrigerated paper cartons
- Organic varieties

48

Juice

Food Packages

- Pregnant, Postpartum, and
- Breastfeeding Woman

Unit of Measure

1 CTR Juice (48 oz Fluid) =
1 - 48 oz Single Strength or
1 - 11.5-12 oz Concentrate

- Child

Unit of Measure

1 CTR Juice 64oz Fluid =
1 -64 oz Single Strength

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Juice (Single-Strength)

Minimum Inventory Reminders

- Two (2) sizes required…
  - 48-ounce container
  - 64-ounce container
- Quantity required…
  - 48-ounce container = four (4) containers
  - 64-ounce container = four (4) containers

Concentrated Juice = NOT REQUIRED

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Cereal

Approved Criteria

- 11.8 ounce-12 ounce or larger box or bag, regular or organic
- Ready to eat
- Instant and regular hot cereal
- Organic

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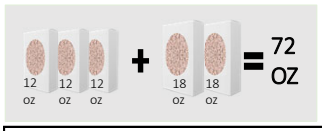
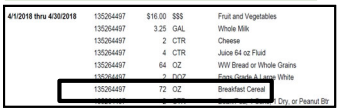
Cereal

Unit of Measure OZ = OUNCE





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Cereal

Minimum Inventory Reminders

Required package size…

12-ounce package (minimum size)

Quantity required…

six (6) packages

Two (2) approved types whole grain cereals required

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Whole Grain Cereal vs. Non-Whole Grain Cereal

Minimum Inventory Reminders

- Only whole grain cereal can count toward minimum inventory
- Some non-whole grain cereal is currently listed in our authorized product list (APL) and allowed for purchase; however, they **cannot** be counted toward minimum inventory. Examples include:

  - **Rice Krispies (various brands)**
  - **Corn Flakes (various brands)**
  - **Special K**
  - **Corn Chex**
  - **Rice Chex**
  - **Cinnamon Chex**
  - **Blueberry Chex**

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Bread/Whole Grains

Approved Criteria

- Whole wheat tortillas
- Soft corn tortillas
- Whole grain/whole wheat bread/Buns/Rolls
- Brown rice
- Whole wheat pasta
- **Whole grain Barley**
- **Bulgur**
- **Oats**

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Breads/Buns/Rolls

- 16-ounce loaf, regular or organic
- 100% whole-grain and/or whole-wheat bread/Buns/Rolls

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Tortillas

- 16-ounce package regular or organic
- Soft corn tortillas (yellow or white)
- Whole wheat tortillas

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Breads and Tortillas

Minimum Inventory Reminders

- Required package size…
  - 16-ounce loaf of bread
  - 16-ounce package of tortillas
- Quantity required….
  - Two (2) loaves or packages **OR**
  - One (1) loaf and One (1) package

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Brown Rice

- 14 to 16-ounce bag or box, regular or organic
- Plain, whole grain brown rice
- Instant, quick or regular cooking

59

Brown Rice

Minimum Inventory Reminders

- Required Package Size…
  - 14 to 16- ounce package
- Quantity Required….
  - Two (2) packages

60

Whole-Wheat Pasta

- 16-ounce packages regular or organic
- 100% whole grain and/or whole wheat
- All shapes

61

Whole Grain Barley/Bulgur/Oats

- 14 to 16-ounce bag or box, *regular* or organic
- Plain, whole grain barley/Bulgur/Oats
- Instant, quick or regular cooking

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Whole Grains

Unit of Measure OZ = Ounce

3/25/2018 thru 4/24/2018	135264538	$27.00	$$$	Fruit and Vegetables
	135264538	3.75	GAL	Whole Milk
	135264538	1	CTR	Cheese
	135264538	3.25	GAL	Lactose Free Skim & 1% HGL
	135264538	4	CTR	Tofu 14-16oz Pkg
	135264538	4	CTR	Juice 64 oz Fluid
	135264538	80	OZ	WW Bread or Whole Grains

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Eggs

Approved Criteria

- One dozen chicken eggs of different sizes and grades
  - Brown eggs
  - Specialty eggs such as low-cholesterol, cage free, stress-free, free-range, vitamin enriched, antibiotic-free, vegetarian-fed-hen, no-growth-hormones, fertile or organic eggs

Unit of Measure DOZ = 1 Dozen

64

Eggs

Minimum Inventory Reminders

- Required package size…
  One (1) dozen
- Quantity required…
  Two (2) packages
- Must be Grade A and large size
- White eggs only

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Beans, Peas, and Lentils

Dry
- (Any type) plain, unseasoned mature, regular or organic
- 16-ounce bag or box

Canned
- (Any type) plain, unseasoned mature, regular or organic
- Low sodium
- 15 to 16-ounce can

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Beans, Peas, and Lentils

Food Benefits	VS	Cash-value Benefits
Mature		**Vegetable**
• Black Beans		• Green Beans
• Butter Beans		• Green Peas
• Lima Beans		• Snap Peas
• Garbanzo Beans		• Snow Peas
• Soybeans		• Snap Beans
• Lentils		• Garden Peas
• Split Peas		• Wax Beans

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Beans, Peas, and Lentils

Minimum Inventory Reminders

- Required package size…
  - one (1) pound
- Quantity required…
  - two (2) packages of dry
- Only one (1) approved type required

Canned beans, peas, lentils = NOT REQUIRED

68

Peanut Butter

- 16 to 18-ounce container
- Less sugar, lower-sodium, salt-free, reduced-fat varieties
- Plain, creamy, crunchy, chunky or whipped
- 'Natural', organic varieties

69

Peanut Butter

Minimum Inventory Reminders

- Required package size…
  - 16- to 18-ounce containers
- Quantity required…
  - two (2) containers

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Beans, Peas, Lentils and Peanut Butter

Unit of Measure

1 CTR Beans/Peas or Peanut Butter =

16 oz dry

OR

4 cans (15-16 oz each)
*Note: 1 can = 0.25 Container

OR

16-18 oz jar

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Fish

Unit of Measure OZ = Ounce

- 5 to 6-ounce cans or foil packs
- Organic
- Plain, unseasoned pink salmon
  - With or without bones
- Chunk-light tuna packed in water

72

Tuna

Minimum Inventory Reminders

- Required Package Size…
  - 5 to 6-ounce can
- Required Quantity…
  - six (6) cans

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Infant Formula

- WIC participants must purchase what is specified on their food benefit account:
  - Brand
  - Size
  - Type
  - Quantity

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NC WIC Program Contract Formula

- **Gerber Good Start Gentle®**
  - 12.7 oz cans Powder
  - 8.1 oz Concentrate Containers (GentlePro)
  - 33.8 oz Ready to Feed (4 pack of 8.45 oz Containers) (GentlePro)
- **Gerber Good Start SoothePro®**
  - 12.4 oz cans Powder
- **Gerber Good Start Soy®**
  - 12.9 oz cans Powder
  - 8.1 oz Concentrate Containers
  - 33.8 oz Ready to Feed (4 pack of 8.45 oz Containers)

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Infant Formula (Powder)

Minimum Inventory Reminders

Two types required…
- Gerber Good Start Gentle®
- Gerber Good Start Soy®

Required package size…
- 11.0-14.0-ounce cans

Quantities required…
- Gerber Good Start Gentle®
  - eight (8) cans
- Gerber Good Start Soy®
  - four (4) cans

No Minimum Inventory for Concentrate or Ready to Feed

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Infant Cereal

- 8-ounce box of plain, dry infant cereal, regular or organic
- Must contain minimum of 45 mgs of iron per 100 grams of dry cereal

Unit of Measure

OZ = Ounce

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Infant Cereal

Minimum Inventory Reminders

- Required package size…
  - eight (8)-ounce package
- Quantity required…
  - six (6) boxes
- Only one (1) approved type required

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Infant Meats

- Plain meat with gravy or with broth regular or organic
- 2.5-ounce containers, single or multi pack

Unit of Measure

OZ = Ounce

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Infant Fruits & Vegetables

Unit of Measure

OZ = Ounce

- Regular or organic varieties
- Single fruit or blends of fruits
- Single vegetable or blends of vegetables
- Combination of Infant fruits and vegetables
  - 2-ounce (2 pack),
  - 3.5-ounce or 4-ounce containers single or multi pack

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Infant Fruits & Vegetables

Minimum Inventory Reminders

- Required package size….
  - 3.5 to 4-ounce containers
  - one (1) type of fruit and one (1) type of vegetable
- Quantity Required….
  - 64 ounces total (or ~16-18 Containers)

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Shopping for Infant Foods

Food	Amount Listed	Is Equal To
Infant Fruits & Vegetables	128 OZ	32 2 oz-2 pack or 4-oz containers of infant fruits and vegetables. 18 3.5 oz-2 pack containers of infant fruits and vegetables. 16 4 oz-2 pack containers of infant fruits and vegetables.
Infant Meats	77.5 OZ	31 2.5-oz containers of infant meats.

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Cash-value Benefits

- Fresh, frozen or canned fruits and vegetables
- Non-organic or organic

Unit of Measure

$$$ = Cash-value Benefit Dollar Amount

83

Fruit

- Fresh, frozen, canned
- Fruit with no added sugar, fats, oils or salt

84

Canned Fruit

Minimum Inventory Reminders

- Required package size…
  - 14 to 16-ounce cans
- Quantity required…
  - 10 cans
- At least two (2) varieties required
- Combinations allowed

85

Vegetables

- Fresh, frozen and canned
- No added sugar, fats or oils
- Vegetables can contain added salt

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Canned Vegetables

Minimum Inventory Reminders

- Required Package size…
  - 14- to 16-ounce cans
- Quantity required…
  - 10 cans
- At least two (2) varieties required
- Combinations allowed
- Canned vegetables vs. beans, peas and lentils
  - NO canned mature legumes
    - Lima beans do NOT count

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Fruits and Vegetables - Not Approved

- Breaded vegetables
- Fruit packed in cans, glass or plastic containers with artificial sweeteners
- Catsup or other condiments
- Dried fruit
- Dried vegetables
- Salsa
- Sauerkraut
- Fruit and/or vegetable juices*
- Fruit baskets
- Fruit leathers and fruit roll ups
- Fruit or vegetable items on party trays
- Fruit or vegetable items on salad bars

* **May obtain when included in food benefits**

88

Fruits and Vegetables - Not Approved

- Fruits or vegetables mixed with sauces or foods other than other fruits or vegetables
- Herbs used for flavoring
- Infant fruits and vegetables*
- Mature legumes (dry or canned beans, peas, lentils)*
- Ornamental or decorative fruits or vegetables
- No added sugars, fats or oils
- Fruits and vegetables with added corn syrup, high-fructose corn syrup, maltose, dextrose, sucrose, honey, and/or maple syrup
- Pickled vegetables, olives
- Soups

* **May obtain when included in food benefits**

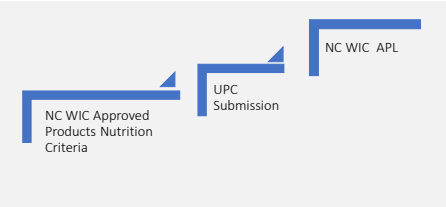
89

Resources

NC eWIC

90

Authorized Product List (APL)



https://www.nutritionnc.com/ewic

91

Summary

- NC WIC Program offers a variety of nutritious foods
- Participants no longer need to purchase the least expensive brand for milk, cheese or eggs
- APL = Authorized Product List: a list of all approved WIC products
- Consider a food category 'unit of measure'
- Required minimum inventory must be available to WIC customers

92

Questions?

93

eWIC Requirements

- Obtain card readers to support eWIC transactions within their store(s). The vendor must ensure that the card readers they obtain meet all eWIC requirements (Integrated systems)
- Cessation of operations, withdrawal from the WIC Program or disqualification from the WIC Program shall result in termination of the WIC Vendor Agreement by the State WIC Agency

94

eWIC Requirements continued

- Process eWIC transactions accurately, in a timely manner, and in accordance with the terms of the North Carolina WIC Vendor Agreement. Maintain compliance with the eWIC Processor Vendor Agreement, the FNS EBT operating rules, standards and technical requirements, WIC Program Rules, and state and federal regulations, and statutes
- Maintain a certified eWIC system that is available for WIC redemption processing during all hours the store is open;
- Request eWIC Processor re-certify the vendor's eWIC system if it is altered or revised in any manner that impacts eWIC redemption

95

eWIC Requirements continued

Integrated Vendors:

- There is no longer a need for WIC customers to separate their items when transacting WIC benefits
- Do not make them separate their WIC items from non-WIC items
  - ✓ All items can be rung up together; however, the WIC customer must swipe their eWIC card first before any other tender type is applied to ensure that the proper items are deducted from the WIC customer's benefit balance before another tender type is used for purchase

96

eWIC Requirements continued

- Should a vendor that uses stand-beside device(s) to transact eWIC decide to upgrade to an integrated system, the vendor must:
  1. Inform the eWIC processor before making **any** change, so that it can be determined if the system needs to be certified and testing can be performed to establish connectivity
  2. Inform the State WIC Agency so that Level III certification testing can be performed prior to use of the system in the store
- Testing performed with the eWIC processor for a new system that a vendor chooses to use does not supersede the Level III certification testing that must be performed by the State WIC Agency
- These procedures also apply to vendors who alter the integrated system that they currently use or decide to use a different integrated system altogether

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eWIC Requirements continued

- The State WIC Agency, not the eWIC processor, must grant final approval before a new system or system that has been altered is used by a vendor
- Vendors must inform the State WIC Agency if their integrated cash register system will be altered or revised in any manner that impacts eWIC redemption. This is a requirement detailed in the Terms of Vendor Agreement. Failure to do so may result in the termination of their WIC Vendor Agreement

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eWIC Requirements continued

- It is important to continue to follow policies and procedures to maintain authorization
- Federal regulations provide processes to support program integrity
- Review your Vendor Manual for more detailed information regarding federally and state mandated WIC Vendor policies and procedures

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Business Integrity Standards

- May not have any owners, officers or managers who have been convicted of or had a civil judgment entered against them in the last six years for any activity indicating a lack of business integrity
- Includes, but is not limited to fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, making false claims, and obstruction of justice

100

Violations and Sanctions

- A violation is an infraction of WIC Program regulations or other requirements
- A sanction is an administrative action taken as a result of a pattern of violations and may include:
  - ✓Disqualification or civil money penalty in lieu of disqualification

101

Violations

- Any intentional or unintentional action of a vendor's owners, officers, managers, agents or employees, **with or without knowledge of management,** that violates the WIC Vendor Agreement or federal or state statutes, regulations, policies or procedures governing the Program

102

Types of Violations

- Federal violations for which vendors are subject to disqualification
  - ✓Federal violations; carry longest disqualification periods
  - ✓Found through compliance buys and inventory audits
- State violations for which vendors are subject to disqualification
  - ✓Usually found during compliance buys and Local WIC Agency monitoring

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Vendor Violations and Sanctions

- 10A NCAC 43D.0710 includes language for eWIC transactions. The rule states a vendor shall be disqualified from the WIC Program for:
  - ✓One year for three occurrences within a 12-month period of failure to properly transact WIC food benefits by manually entering the EBT card number or entering the PIN into the POS instead of the WIC customer, scanning the UPC or PLU codes from UPC codebooks or reference sheets when completing a WIC customer's EBT transaction, not entering the correct quantity and item price, or not providing the WIC customer with a receipt that shows the items purchased and the customer's remaining food benefit balance.

104

Vendor Violations and Sanctions continued

- As a Reminder:
- 10A NCAC 43D.0708 (20)(j) states that the vendor must:
  - ✓Scan or manually enter Universal Product Codes (UPC) only from approved supplemental foods being purchased by the WIC customer in the types, sizes, and quantities available on the WIC customer's EBT account. The vendor shall not scan codes from UPC codebooks or reference sheets;
- This requirement is also listed in the current Terms of Vendor Agreement
- 10A NCAC 43D.0710 has two state violations relating to the eWIC system
- Vendors may be disqualified from the WIC Program if they commit either of these state-established violations

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Vendor Violations and Sanctions continued

- The two violations for which a vendor can be disqualified are failure to make EBT point of sale equipment accessible to WIC customers and failure to comply with minimum lane coverage criteria. The pattern of occurrences and respective disqualification periods are:
- 180 days for three occurrences within a 12-month period of failure to make EBT point of sale equipment accessible to WIC customers to ensure that EBT transactions are completed in accordance with 10A NCAC 43D .0708(20)
- 90 days for three occurrences within a 12-month period of failure to comply with minimum lane coverage criteria required by 7 CFR 246.12(z)(2) and 10A NCAC 43D .0708(20)(c)

106

Pattern of Occurrences

- The nature of the violation and the number of violations determine the sanction imposed
- Sanctions remain on a vendor's record for 12 months or until a vendor is disqualified
- A pattern of occurrences for the same violation may result in disqualification
- The number of occurrences needed to establish a pattern depends on the violation

107

Examples of Patterns of Violations

- Three occurrences within a 12-month period of failure to stock minimum inventory
- Three occurrences within a 12-month period of stocking WIC supplemental foods outside of the manufacturer's expiration date
- Three occurrences within a 12-month period of failure to mark the current shelf prices of all WIC supplemental foods
- Three occurrences within a 12-month period of failure to make EBT point of sale equipment accessible to WIC customers

108

Preventing Fraud and Ensuring Compliance

- State WIC Agency must investigate at least 5% of vendors annually using:
  - ✓compliance (undercover) buys
  - ✓inventory audits
- Must also ensure that vendors are monitored by Local WIC Agency staff

109

Compliance Buys and Audits

- State WIC Programs are required to identify and investigate high-risk vendors
- NC sometimes works with the U.S. Office of Inspector General for investigations

110

Compliance Buys

- Undercover purchases by a compliance investigator
- May make multiple visits over one year
- Vendors may receive a letter from the State WIC Agency if problems are noted

111

Vendor Overcharging

- Intentionally or unintentionally charging more for supplemental food provided to a WIC customer than a non-WIC customer or charging more than the current shelf price for supplemental food provided to a WIC customer
- Overcharging is a serious federal violation that can lead to vendor disqualification
- This violation is uncovered during compliance buys
- Vendor overcharging is **NOT** the same as charging over the NTE

112

Overcharging?

- A vendor looks at the NTE to determine what they could charge the WIC customer for a gallon of whole milk. The current shelf price is $2.79. They charge the WIC customer $3.69 for the gallon of whole milk because that is the current NTE for the month. Is this vendor overcharging?
- A vendor charges a WIC customer $6.50 for WIC approved cheese. The current shelf price is $6.50.The NTE is $6.29. Is this vendor overcharging?

113

Food Substitution

- Per the Vendor Agreement:
  - ✓Vendors must provide to the WIC customer only the approved supplemental foods, fruit, and vegetables contained in the authorized product list (APL) after it has been determined that the WIC customer has an available balance for the item on the date of the transaction
- Vendors must properly transact the WIC supplemental foods that are listed on the participant's food benefit balance
- **Vendors cannot substitute one food subcategory for another**
  - Federal violation that carries 1-year disqualification
    - ✓**Example:** Substituting 1% Milk/Skim Milk for 2% Milk or Whole Milk

114

Questions

115

Use of Scanning Sheets Prohibited

- Vendors cannot use a collection of UPC barcodes on Scanning Sheets, cash registers, computers, tablets, cell phones or any other similar electronic devices to transact eWIC
- Failure to comply with this policy could result in termination of their WIC Vendor Agreement

116

Inventory Audits

- A vendor must make available at any reasonable time and place **ALL**:
  - ✓Program-related records: invoices, purchase orders, various tax and business records
- **MUST** be retained 3 years or until audit pertaining to these records is resolved, whichever is later

117

Purchase Documentation Requirement

- Specific requirements for purchase documentation of WIC supplemental foods
- Invoices, receipts, purchase orders, and any other proofs of purchase for WIC supplemental foods must include the following:
  1. The name of the seller and be prepared entirely by the seller or on the seller's business letterhead;
  2. The date of purchase and the date the authorized vendor received the WIC supplemental food at the store if this date is different;
  3. A description of each WIC supplemental food item purchased, including brand name, unit size, type or form, and quantity

118

Violations Detected During Inventory Audit

- Claiming reimbursement for the sale of an amount of a specific supplemental food item which exceeds the store's documented inventory of that supplemental food item for six or more days within the 60-day period
  - The six or more days do not have to be consecutive
- Inability to provide records or providing false records is also a violation

119

Vendor Claims

- Overpayment to a vendor as determined by an inventory audit or compliance buy investigation requires repayment to the WIC Program
- The State WIC Agency assesses a claim against the vendor in the amount of the overpayment
- Vendors can request a conference to review the claim, but this action cannot be appealed

120

Claims Assessed for Vendor Violations

- If a vendor is assessed a claim, the vendor must reimburse the State WIC Agency in full or agree to a repayment plan within 30 days of written notification of the claim
  - ✓Failure to do so will lead to termination of the Vendor Agreement
- A vendor applicant cannot be authorized if any of the vendor applicant's owners, officers or managers currently have or previously had a financial interest in a WIC Vendor that was assessed a claim by the WIC Program and the claim has not been paid in full

121

Disqualification

- Ranges from 60 days to permanent
- WIC status may impact status with SNAP (formerly the Food Stamp Program)
- Vendor has right to appeal

122

Disqualification continued

- Upon disqualification or termination, vendors are required to return their stand-beside equipment to Solutran within 10 business days
  - ✓Including all cords, cables, scanners and pin pads (if applicable)
  - ✓Solutran will send a shipping label
- Failure to return all stand-beside equipment to Solutran will result in the initiation of an ACH debit from the vendor's account
- If a vendor's bank account has been closed, Local Agency staff will be asked to retrieve all equipment from the vendor location

123

Office of Inspector General

- MISSION:
  - ✓Perform audits and investigations of the Department's programs and operations;
  - ✓Work with the Department's management team in activities that promote economy, efficiency, and effectiveness or that prevent and detect fraud and abuse in programs and operations, both within USDA and in non-Federal entities that receive USDA assistance;
- OIG web site: https://usdaoig.oversight.gov/

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Conflict of Interest

- A vendor shall not have any owner(s), officer(s) or manager(s) who are employed, or who have a spouse, child, or parent employed by the State WIC Agency or the Local WIC Agency serving the county in which the vendor conducts business
- A vendor shall not have an employee who handles or transacts food benefits or cash-value benefits who is employed or has a spouse, child or parent who is employed by the State WIC Agency or the Local WIC Agency serving the county in which the vendor conducts business
- Ask your staff if they have a spouse, child or parent who works for the WIC program
  - ✓If they do, report it to your vendor contact at your Local WIC Agency

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Routine Monitoring

- Includes, but is not limited to:
  - ✓Review of formula invoices and receipts
  - ✓Price checks
  - ✓Treatment of WIC Program participants and customers
  - ✓Inventory of WIC-approved foods subject to minimum inventory requirement
  - ✓Ensure equipment for use in transacting eWIC is accessible
- Visits are documented and if violations found:
  - ✓An occurrence assessed
  - ✓The vendor must take steps to correct them
  - ✓Will be monitored again within 21 days

126

Equitable Treatment

- Section 246.12(h)(3)iii of the Federal WIC Regulations requires WIC-authorized vendors to offer WIC customers the same courtesies that are offered to other (non-WIC) customers
  - ✓WIC customers cannot be excluded from in-store promotions
- Failure to provide the same courtesies to WIC customers is a violation of Federal WIC Regulations, thereby constituting a vendor violation
  - ✓Discrimination on the basis of WIC participation
  - ✓May result in disqualification

127

Definitions

- **Incentive item**-an item or service provided by a vendor to attract customers or encourage customer loyalty
- **Vendor discount**-an in-store promotion that reduces the price or increase the quantity of a given product; a vendor discount could also result from the use of a coupon
- **In-store promotion**-a sales promotion in which a vendor may offer incentive items, vendor discounts or coupons in order to increase sales of certain items or to encourage customer loyalty to the vendor

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Incentive Items

- Incentive items must be approved by the North Carolina WIC Program prior to providing them to WIC customers
- The North Carolina WIC Program may approve incentive items-including food, merchandise or services-that a vendor obtained at no cost or that cost a vendor less than $2.00. Vendors may also provide food sales or specials (vendor discounts) that involve no cost or cost the vendor less than $2.00

129

Approval for Incentive Items

- To obtain approval to provide incentive items to WIC customers, a vendor must submit a written request directly to the North Carolina State WIC Agency
- WIC vendors **cannot** offer incentive items to WIC customers without approval from the State WIC Agency

130

Approval for Incentive Items - continued

- Following is a list of prohibited incentive items:
  - ✓ Assistance applying for WIC benefits
  - ✓ Transportation for WIC customer to and/or from vendor premises
  - ✓ Delivery of WIC supplemental foods
  - ✓ Lottery tickets
  - ✓ Cash gifts
  - ✓ Any other service that results in a conflict of interest, any item that incurs a liability to the WIC Program or violates any Federal, State or Local law or regulation

131

In-Store Promotions and Coupons

- Allowing WIC customers to use vendor discounts in WIC purchases reinforces wise food purchasing practices
- Vendor staff/cashiers should be well-informed about the use of different types of in-store promotions and coupons
  - ✓ Understand the temporary nature of some offers in order to reduce confusion at the point of sale
  - ✓ Know how to properly transact eWIC using in-store promotions and coupons

132

Types of In-Store Promotions and Coupons

- Buy One, Get One Free (BOGO)
- Buy One, Get One at a Reduced Price
- Free Ounces Added to Food Item by Manufacturer (Bonus Size Items)
- Transaction Discounts
- Store Loyalty/Rewards Cards
- Manufacturers' Cents Off Coupons

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In-Store Promotions: BOGOs and eWIC

Per the USDA WIC EBT Operating Rules:

- In a true BOGO, the free item cannot be deducted from the WIC customer's benefit balance or reported to the State Agency.
- If a food item is advertised as "Buy one, get one free" **with the disclosure that each item is sold for half the advertised price**, both food items shall be redeemed using WIC benefits and shall reflect an item price of half the advertised price in the transaction.
  - ✓Quantity discount
  - ✓If using this methodology for BOGOs, vendors must put this disclosure in store advertising

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Sales Tax & Cash Back

- Sales Tax on Manufacturers' Coupons
  - ✓Not permitted to tax WIC items, so cannot charge WIC customers tax on manufacturer's coupons
- Cash Back
  - ✓Not permitted as a result of vendor discount in any WIC transaction

135

Reporting Customer Service Issues (Complaints)

- Vendors should report customer service issues (complaints) to the Local WIC Agency concerning:
  - WIC customer inappropriate behavior
    - ✓Vendors are not required to tolerate behavior from a WIC customer that they would not tolerate from other customers
    - ✓May also report complaints about other vendors
- May use form in the Vendor Manual or on website at https://www.nutritionnc.com/wic/vendor.htm

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Training Employees

- Vendor owners/managers are responsible for training all cashiers on WIC as it pertains to the following:
  - ✓WIC-approved foods
  - ✓WIC Vendor Transaction Guides
  - Allowing same courtesies to WIC customers that are provided to non-WIC customers
  - Completing eWIC transactions
  - All other NC WIC-vendor related policies and procedures

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Questions

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Completing Required Forms

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Completing Required Forms

To comply with renewal requirements, these documents must be completed

- **Corporate Contract Vendors**
  - ✓The corporate office will:
    1. Update the vendor record using the Vendor Portal
  - ✓*Individual corporate contract store* managers must complete annual training and submit the **Verification of Attendance**
- **Non-corporate contract vendors**
  1. Pre-populated NC WIC Information Update
  2. eWIC Update for Non-Corporate Vendors
  3. Verification of Attendance

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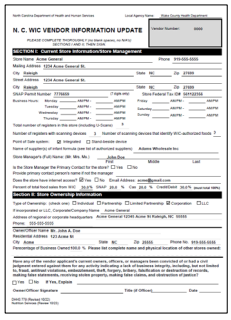

N. C. WIC VENDOR INFORMATION UPDATE

NC WIC Information Update

- Pre-populated
- Non-Corporate Contract vendors only
- Review data and make corrections or update information where necessary

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NC WIC Information Update - REMINDER

Have any of the vendor applicant's current owners, officers, or managers been convicted of or had a civil judgment entered against them for any activity indicating a lack of business integrity, including, but not limited to, fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, and obstruction of justice?

☐ Yes ☐ No **If Yes, Explain** _____

Owner/Officer Signature _____ **Title (if Officer)**_____ **Date** _____

DHHS 779 (Revised 10/22)
Nutrition Services (Review 10/23)

- Business Integrity and Signature
- Question must be read and answered
- Must only be signed and dated by an owner or officer (no managers)

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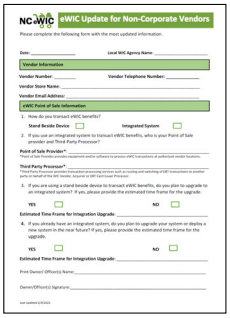
NC WIC eWIC Update for Non-Corporate Vendors

Please complete the following form with the most updated information.

Date: _____ Local WIC Agency Name: _____

Vendor Information

Vendor Number: _____ Vendor Telephone Number: _____

Vendor Store Name: _____

Vendor Email Address: _____

eWIC Point of Sale Information

1. How do you transact eWIC benefits?
   Stand Beside Device ☐ Integrated System ☐
2. If you use an integrated system to transact eWIC benefits, who is your Point of Sale provider and Third Party Processor?
   Point of Sale Provider*: _____
   *Point of Sale Provider provides equipment and/or software to process eWIC transactions of authorized vendor locations.
   Third Party Processor*: _____
   *Third Party Processor provides transaction processing services such as routing and switching of EBT transactions to another party on behalf of the WIC Vendor, Acquirer or EBT Card Issuer Processor.
3. If you are using a stand beside device to transact eWIC benefits, do you plan to upgrade to an integrated system? If yes, please provide the estimated time frame for the upgrade.
   YES ☐ NO ☐
   Estimated Time Frame for Integration Upgrade: _____
4. If you already have an integrated system, do you plan to upgrade your system or deploy a new system in the near future? If yes, please provide the estimated time frame for the upgrade.
   YES ☐ NO ☐
   Estimated Time Frame for Integration Upgrade: _____

Print Owner/ Officer(s) Name: _____

Owner/Officer(s) Signature: _____

Last Updated 2/5/2021

eWIC Update

- Updated information needed on vendor's cash register system
- Stand-beside device or integrated system
- If integrated system:
  - ✓ Point-of-sale provider
  - ✓ Third-party processor
  - ✓ Possible plans for upgrade; time frame
- If stand-beside device:
  - ✓ Possible plans for upgrading to an integrated system

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eWIC Update continued

- **Why Is This Form Needed?**
- Comply with the Electronic Benefit Transfer (EBT) provisions in the Terms of Vendor Agreement
  - Section I, Number 18(e)

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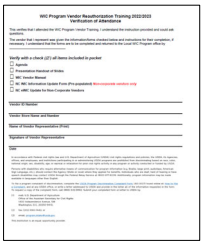
Verification of Attendance Form



- Vendors must check off ALL items they receive in their training packets
- Vendor number must be documented on the form
- Signature of the vendor owner/ representative reviewing training ensures the receipt of forms, manual and training materials

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Required Forms Reminders!

- All required forms must be completed, dated and **returned** to the Vendor Coordinator at your Local WIC Agency, by the date the Vendor Coordinator has provided
- Be complete and accurate
- Vendor number, store name must be the same on each form
- Only an owner or officer can sign the Information Update form
  - ✓*Completed by Non-corporate contract vendors only*
  - ✓If store is Incorporated or an LLC, the store must forward the form to corporate office for signature
- Call your Local WIC Agency, if you have questions

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WIC Shelf Tags

- Identify WIC-approved foods in your store
  - Decreases confusion for WIC customers when selecting food items
- For vendors that do not have shelf tags that include WIC information already
- Sent to vendors by mail last year
  - ✓Can request additional shelf tags, if needed, from your Local WIC Agency
- Highly recommended, but not required

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Questions

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Assurance of Civil Rights Compliance

The vendor hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*); Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 *et seq.*); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); the Age Discrimination Act of 1975 (42 U.S.C. 6101 *et seq.*); Title II and Title III of the Americans with Disabilities Act (ADA) of 1990, as amended by the ADA Amendment Act of 2008 (42 U.S.C. 12131-12189) and as implemented by Department of Justice regulations at 28 CFR Parts 35 and 36; Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency" (August 11, 2000); all provisions required by the implementing regulations of the U.S. Department of Agriculture (7 CFR Part 15 *et seq.*); and FNS directives and guidelines to the effect that no person shall, on the ground of race, color, national origin, age, sex, or disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity for which the agency receives Federal financial assistance from FNS; and hereby gives assurance that it will immediately take measures necessary to effectuate this agreement.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants, and loans of Federal funds, reimbursable expenditures, grant, or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration that is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease, or furnishing of services to the recipient, or any improvements made with Federal financial assistance extended to the Program applicant by USDA. This includes any Federal agreement, arrangement, or other contract that has as one of its purposes the provision of cash assistance for the purchase of food, and cash assistance for purchase or rental of food service equipment or any other financial assistance extended in reliance on the representations and agreements made in this assurance.

This assurance is binding on the vendor, its successors, transferees, and assignees as long as it receives assistance or retains possession of any assistance from the Department. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the vendor.

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USDA Nondiscrimination Statement

In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language), should contact the responsible state or local agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a Complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form which can be obtained online at: https://www.usda.gov/sites/default/files/documents/USDA-OASCR%20P-Complaint-Form-0508-0002-508-11-28-17Fax2Mail.pdf, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

1. **mail:** U.S. Department of Agriculture
   Office of the Assistant Secretary for Civil Rights
   1400 Independence Avenue, SW
   Washington, D.C. 20250-9410;

2. **fax:** (833) 256-1665 or (202) 690-7442; or

3. **email:** program.intake@usda.gov

This institution is an equal opportunity provider.

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