

WIC and Nutrition Manual
900 Policy Group
Vendor Management

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Vendor Management

900



Kentucky Public Health

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VENDOR APPLICATION PROCESS

Before any food instruments can be accepted, each vendor applicant must complete the forms contained in the application packet. The Kentucky WIC Manual for Applying Retailers provide detailed instructions for the completion of each of the forms. The applying vendor must receive an on-site visit by the State WIC Office. This on-site visit is performed only if the applying owner has taken possession of the store, or in the case of a transfer of ownership after the transfer has been completed.

A. For applying grocery/drug stores, the State WIC Office will:

1. Provide the applicant with the appropriate vendor application packet upon request. The packet is available from the State WIC Office and contains the necessary forms. Inform the vendor applicant that food instruments cannot be redeemed until the authorized vendor stamp has been received, the Point of Sale (POS) stand-beside device or store owned integration has been activated, and training has been received on the procedures for transacting food instruments.
2. Notify the vendor applicant if they do not meet the criteria to be a WIC vendor stating the reason for the denial of the application, the right to appeal and cite the authorization criteria and appeal procedure. The authorization criterion is in Administrative Regulation 902 KAR 18:050 and the appeal procedure is in 902 KAR 18:081.
 - a. An electronic copy of the denial letter and the application will be placed in the vendor file.
 - b. The applicant cannot reapply for the Program for sixty (60) days from the date of denial. After three (3) unsuccessful reviews, the applicant may not apply for one hundred twenty (120) days from the date of denial. Each subsequent denial results in an additional sixty (60) days before an applicant may reapply.
3. Verify the vendor applicant is eligible based upon the State WIC Office review. If they are eligible, have the applying owner, corporate representative or lessee (if applicable) electronically sign the Kentucky WIC Vendor Agreement. Review the Agreement and the consequences of Program abuse with the vendor applicant
4. Deliver the authorized vendor's copy of the Agreement, training checklist, manual, shelf tags, door decals and food lists. (Note: the POS device (if applicable) will be sent to the vendor by the EBT host processor.)
5. Retain electronic copies of the completed forms in the vendor's file for the length of time the vendor is on the Program.

B. For applying grocery stores the State WIC Office will:

1. Provide the applicant with the Vendor application packet which contains:
 - a. The Kentucky WIC Vendor Application (WIC-14)
 - b. The Kentucky WIC Approved Items Price List (WIC-24 or WIC-24b)
 - c. WIC Vendor Sales Information Form (WIC-16)
 - d. Example of the Kentucky WIC Vendor Agreement (WIC-13)
 - e. The Kentucky WIC Manual for Applying Retailers
 - f. Authorized Formula Suppliers
 - g. Vendor Training PowerPoint
 - h. Training Checklist (WIC 39)
 - i. WICShopper Handout
 - j. W-9 Form

- k. Kentucky WIC Approved Food List
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- 2. Perform an on-site visit to the store upon receipt of a properly completed application.
 - 3. Use the State Agency Use Only section of the Vendor Application (WIC-14) to:
 - a. Determine if the vendor stocks the minimum inventory by selecting “yes” if the vendor meets both the “inventory specifications” and the “total quantity required in stock.” Select “no” if the vendor does not meet inventory. The stock must be on the shelves or in the stockroom. Expired foods are not to be counted for meeting inventory.
 - b. Indicate if the prices of the food items in the store are clearly marked either on the shelf, display case or on the food item by selecting “yes” or “no.” Pricing must be displayed in order to comply with the terms of the Vendor Agreement (WIC-13).
 - c. Verify that the prices on the Approved Items Price List (WIC-24), submitted by the vendor, match the shelf, item or display case price of the WIC approved foods. A cost plus 10% vendor must post the final price (WIC price) on the shelf or on signage in the aisle. Complete another price list if corrections are necessary. Sign the WIC-24 to indicate the prices have been reviewed.
 - d. Indicate if the vendor is primarily a retail grocery or convenience store.
 - e. Indicate other items sold at this store (e.g. gasoline, lottery tickets, hardware, etc.).
 - f. Indicate whether or not the vendor is eligible or not based upon the review of the criteria for selection of vendors. See Process to Become a Vendor in the Kentucky WIC Manual for Applying Retailers.
 - g. If the application is to be denied, notify the Vendor Management Supervisor.
 - h. Remind the vendor that drug stores must be able to supply formula within forty-eight (48) hours of verbal request. (See 1.e) of the Kentucky WIC Vendor Agreement (WIC-13).
 - i. Pharmacies are solely authorized for the purpose of providing special formula. This does not include contract brand formula or other Category 21 formulas

VENDOR AGREEMENT

The Agreement provides a written contract between the State WIC Office and the participating WIC vendor regarding applicable Federal and State Regulations, policies and procedures related to the WIC Program. This is to be completed, upon qualification, for a vendor applicant. For a contract renewal with an existing vendor, the Agreements are due at the State WIC Office by September 30th of the expiring year.

The following are the instructions for completion:

1. An electronic Agreement will be generated by the State WIC Office or each vendor who meets the criteria for the selection of vendors.
2. Vendor Number is the number assigned by the State WIC Office.
3. Date is the day; month and year, the vendor signs the contract.
4. First Party is the State WIC Office.
5. Second Party is the name and address of the vendor.
6. Signature Page (Back page of Agreement)
 - a. Second Party
 - 1) Vendor Legal Name is the name of the grocery store.
 - 2) KY WIC Vendor Number is the number assigned by the State WIC Office.
 - 3) Print Name is the name and title of the owner of the store. The only exception will be a chain store whose authorized representative is at the corporate level and may not be the owner.
 - 4) Signature is the signature of the owner of the store or authorized representative of a corporation.
 - 5) Date Signed is the date the Authorized Official signs the Agreement.
 - b. First Party
 - 1) Name is the name of the State WIC Office Authorized Official.
 - 2) Signature of Authorized Official s the signature of the KY WIC Director.
 - 3) Date Signed is the date the State WIC Office signs the Agreement.
7. One (1) electronic copy of the signed Vendor Agreement and a copy of the approval letter will be on file at the State WIC Office.

CHANGE IN VENDOR AGREEMENTS

During the contract period changes such as ownership, name, management and location may occur. The circumstances surrounding the change in the business will determine whether WIC business ceases or if WIC business continues. **However, in all cases the vendor must notify the State WIC Office immediately.** As stated in the Kentucky WIC Vendor Agreement and Federal Regulations, "This Agreement is non-transferable and shall become void upon change of ownership." The authorized WIC vendor should notify the contracting agency, in writing, at least ten (10) days of any change.

A. Change in ownership applies to, but is not limited to, the following circumstances:

1. The owner (individual or corporation) of an authorized WIC vendor sells the business to another person (individual or corporation).
2. The owner (individual or corporation) of an authorized WIC vendor sells the business to a relative living in the same household.
3. The owner (individual or corporation) of an authorized WIC vendor leases the store to another person. The lessee becomes the obligating authority.
4. The sole owner of an authorized WIC vendor dies.

B. The following procedures shall be followed for changes in ownership:

1. The vendor must immediately notify the State WIC Office, in writing, of any change in ownership.

The WIC stand-beside device, if applicable, must be surrendered to the State WIC Office. WIC business will cease at the time of the sale of the store or death of the owner the State WIC Office must inform the retailer to not redeem food instruments. If the new owner continues to do business using the stand-beside device, if applicable, the State WIC Office will assess a monetary claim.

C. If the store is being closed:

1. The vendor must immediately notify the State WIC Office, in writing, of the sale of the business.
2. The WIC stand-beside device, if applicable, must be surrendered to the State WIC Office. All systems transacting Kentucky eWIC benefits are disconnected by the State WIC Office.
3. If the new owner continues to do business using the stand-beside device or integrated point of sale system, the State WIC Office will assess a monetary claim.

D. If the co-owner of an authorized WIC vendor sells the business to the other co-owner(s) that is listed on the Application or Agreement:

1. The vendor must immediately notify the State WIC Office, in writing, of the sale of the business.
2. The vendor may continue to do business as usual.
3. The State WIC Office will have the owner(s) sign a new Vendor Agreement if the signature is not already on the current Agreement. An Application Update is required.

E. If the name of the store has changed, but the owner(s) has not sold the business:

1. The vendor must immediately notify the State WIC Office, in writing, of the name change.
2. The vendor may continue to do WIC business as usual.

3. The State WIC Office will have the owner(s) sign a new Vendor Agreement, which indicates the name change. (See WIC Program Vendor Agreement)
 4. The State WIC Office will request an Application Update.
- F. If the owner (individual or corporation) of an authorized WIC vendor relocates the store to another site, the following procedures shall be followed:
1. The vendor must immediately notify the State WIC office, in writing, of the relocation of the business.

Circumstances surrounding the relocation will determine whether the WIC stand-beside device, if applicable, should be returned and WIC business ceases; i.e., time the store will be closed, location of new store, continue to meet authorization criteria.
 2. The State WIC Office will have the owner(s) sign a new Vendor Agreement reflecting the change in address.
 3. The State WIC Office will request an Application Update.

NONRENEWAL OR TERMINATION OF VENDOR AGREEMENTS

The State WIC Office will notify the local agency of vendors whose Agreements are not renewed or terminated. Non-renewals or terminations will be for vendors who have failed to meet the criteria to be a WIC vendor or fail to meet the terms and conditions of the Agreement, such as:

- Not attending training
- Lack of minimum inventory
- Failure to send in all required forms requested by the SA
- Not maintaining authorization criteria

See the Manual for Contracted WIC Vendors, Vendor Agreement (WIC-13) and Administrative Regulation 902 KAR 18:050.

A. The State WIC Office will, in its notification to the vendor:

1. Identify the reason for the action and the specific clause in the Agreement or Administrative Regulation that applies to the situation.
2. Indicate the date the action becomes effective as well as the date for the final transactions.
3. Advise the vendor that they cannot reapply for authorization for sixty (60) days from the date the POS device(s), if applicable, are received by the EBT contractor. All systems transacting Kentucky eWIC benefits are disconnected by the State WIC Office.
 - a. A second occurrence of the same violation will result in a termination of the Agreement for a period of one-hundred twenty (120) days.
 - b. Each subsequent denial shall result in an additional sixty (60) day denial.

B. If the vendor is terminated, not renewed or sanctioned during the contract period, the State WIC Office will provide the vendor with a written notice of the specific action.

If a vendor notifies the agency that he wishes to terminate the Vendor Agreement, the store is going out of business or the store has burned or suffered some disaster, the local agency will notify the State WIC Office, in writing, of the situation.

C. During the month of contract renewal, the State WIC Office cannot accept applications from vendors who are applying for October 1 WIC eligibility.

VENDOR TRAINING AND GUIDANCE

A. Initial

The State WIC Office will provide initial training of newly authorized vendors. Training is provided to ensure that a vendor is aware of proper redemption procedures for WIC food instruments, the terms of the Vendor Agreement and the consequences of Program abuse. The signed Vendor Training Checklist (WIC 39) will be maintained in each vendor's file.

B. Annual and Additional

Training of vendors is provided to prevent Program errors, Program abuse and to improve Program service. The State WIC Office will provide the annual training for authorized vendors. The State WIC Office will schedule training sessions and determine training dates. A vendor who misses their scheduled training in a particular county **must** be referred to another county for a makeup session.

1. For annual training the State WIC Office must:

- a. Make the arrangements for the training sessions.
- b. Notify each vendor of the time, date and place of the scheduled session and required attendance. Each vendor must be informed of the date of the training, in writing, at least thirty (30) days prior to the expiration of the Agreement, which is September 30th.
- c. Inform each vendor that:
 - (1) Attendance is required, no exceptions.
 - (2) A representative of each vendor's location must attend training.
 - The person attending training must be employed by and work in the store location they are representing.
 - If the owner or corporate representative is attending the training session and more than one store is contracted, then an appropriate representative from each store must attend the session.If the owner or appropriate person (manager, head cashier, cashier, etc.) does not attend a scheduled training session, the contract will end on September 30th and will not be renewed. (4) Vendor personnel who attend training are responsible for ensuring other employees are properly trained.

- d. Ensure that the Vendor Training Checklist (WIC 39) is checked and signed by each store's representative. If any item is not checked as being understood, then the person conducting the training will review the subject or procedure until it is understood.

2. The State WIC Office will provide additional training if requested by the vendor or if deemed necessary by the State Agency.

- a. Documentation must be maintained in the individual vendor file for technical assistance or any additional training.
- b. Documentation must include date of the training session, person(s) and their position(s) receiving training for that vendor, content of the training session and/or a signed Vendor Training Checklist.

C. Guidance

1. The State WIC Office must transmit pertinent information and provide guidance to vendors concerning:

- a. Authorized supplemental foods and a current list of approved products listed in the Kentucky WIC Approved Food List (WIC-40).

- b. Maintaining qualifications to be an authorized vendor, including minimum inventory and the submission of appropriate forms.
 - c. Correct redemption of WIC benefits.
 - d. Contents of the Vendor Agreement, the consequences of Program abuse and Attachment D.
 - e. Other applicable Federal and State guidelines and instructions.
 - f. Procedures for making complaints regarding other vendors or WIC participants.
- D. During contract renewal, a vendor applying to be a WIC Vendor on October 1st or beyond cannot attend Annual Training.

VENDOR TRAINING OUTLINE

- A. Content of initial training should include:
1. Explanation of the WIC Program
 - a. Eligibility requirements for vendors.
 - b. Purpose of the WIC Program.
 2. Pharmacy Training
 - a. Pharmacies are authorized solely for the purpose of providing special formula and medical foods.
 - b. Allow only the formulas specified – size, type, and quantity.
 - c. Purchase formula from sources included on the list provided by the State Agency.
 - d. Supply special formulas and medical foods within 48 hours of verbal request of local agency, participant or State WIC Office staff.
 - e. Formulas must be within manufacturer's expiration date.
 3. Approved Foods (not applicable for pharmacies)
 - a. Post current Approved Foods List (WIC-40) at each checkout.
 - b. Post WIC shelf tags.
 - c. Review all approved foods from the WIC-40 or Attachment A-2 of the Agreement.
 - (1) Formula
 - Contract brand formulas
 - Allow only the type of formula specified.
 - Do not substitute or exchange formulas
 - No whole, low fat, skim, evaporated, or goat's milk
 - No organic Formula
 - No oral rehydration fluids or electrolyte solutions, such as Pedialyte
 - Purchase formula only from sources included on the list provided by the State Agency
 - (2) Infant cereals
 - No additives such as fruit, formula, sugar, yogurt, or DHA & ARA
 - 8 ounce container only
 - No jars or pouches
 - (3) Infant Fruits and Vegetables – 4 ounce containers only
 - Yes plain combinations such as peas and carrots, apples and banana or sweet potato and apple
 - Yes organic
 - No additives such as sugars, starches, salt/sodium, yogurt, or DHA & ARA
 - No dinners, desserts, "delights" or puddings
 - No pouches
 - (4) Infant Meats – 2.5 ounce containers only
 - Yes plain meats with gravy
 - Yes organic
 - No additives such as fruit, vegetable, or DHA & ARA
 - No chicken sticks, turkey sticks or meat sticks.

- No Gerber Graduates Lil' Meals, Lil' Sides or Lil' Entrees
 - No oil, sugar, onion, or garlic
 - No "dinners"
 - No pouches
- (5) Milk
- Fat free/skim, low fat (1%), reduced-fat, and whole
 - Yes added calcium
 - No flavored milk, goat's milk, buttermilk, Vitamite 100, rice, almond, or evaporated milk
 - No organic
 - No added plant sterols, sterols, DHA, ARA &/or Omega 3
- (6) Cheese
- 8 or 16 ounce packages only
 - block, crumbled, cubed, sliced, shredded or string
 - Yes variety packs/blends, low cholesterol, low or reduced-fat, nonfat, fat free, added calcium and low sodium
 - No deli cheese of any type
 - No American cheese
 - No cheese food, cheese product, cheese spread, pasteurized processed cheese, imitation cheese
 - No organic cheese
 - No added probiotics (e.g., Live Active, etc.)
 - No added pepper, pimento, added herbs, spices, seasonings or flavorings (wine or smoked)
- (7) Tofu
- Nasoya, House Foods, Azumaya, Simple Truth brands only
 - 8 or 14 to 16 ounce container
 - Yes prepared with calcium/magnesium salts
 - Yes organic
 - No added fats, sugars, oils, or sodium
 - No marinated or seasoned tofu
- (8) Soy Milk
- Half gallon or quart size container
 - Yes 8th Continent Original
 - Yes Silk Soy Original
- (9) Eggs
- Grade A - white - dozen only
 - Size small, medium, or large
 - Yes cage free
 - No organic, free range, low cholesterol, antibiotic free, vegetarian fed hen, multigrain diet fed, and growth hormone
 - No added Omega 3 or other fatty acids
 - No brown eggs
- (10) Cereal
- Explain Approved Food List regarding company, product, and type
 - 10 ounces or larger
 - No organic
- (11) Juice
- 12, 48, and 64 ounce containers
 - Yes added calcium
 - No 46 ounce juice
 - No 11.5 ounce juice

- No other juices or fruit drinks
- No organic juice
- No V8 Lite, Splash, or Fusion
- No DHA, prebiotics, or artificial sweeteners
- No cocktails
- No juice made with coconut water

(12) Dried beans or dried peas

- Dried – 16 ounce bag
- Canned – 15 to 16 ounce
- Any brand
- Yes mixed beans (pinto and great northern, etc.)
- Yes regular or low sodium
- No added meats, flavorings, sauces, spices/seasoning, fats, sugars, or oils
- No organic or baked
- No canned green beans, green peas, or waxed beans

(13) Peanut Butter

- 16 to 18 ounce containers
- Any brand
- Yes chunky, creamy, crunchy, or extra crunchy
- Yes low sodium and low sugar
- Yes natural
- No low carb
- No chocolate, marshmallow, artificial sweeteners, jelly, honey or added flavors
- No tubes, slices, or “To Go” containers
- No organic
- No reduced fat
- No whips
- No Omega 3, flax seed or plus

(14) Fresh Fruits & Vegetables

- Yes whole or cut
- Yes organic
- No ornamental fruits such as painted pumpkins or peppers on a string
- No party trays or fruit baskets
- No muffins or baked goods
- No items from the salad bar, i.e., potato salad
- No herbs or spices
- No sprouts
- No fruit/nut mixtures
- No dried fruits or vegetables
- No canned or pouches
- No added dressings, croutons, herbs, spices, marinades, etc.
- No added sugars, fats, or oils
- No items from the deli

(15) Frozen Fruit and Vegetables

- Yes any brand, variety, or size
- Yes whole, cut, or mixed
- Yes organic
- Yes with or without salt
- No added sugar, syrup, artificial sweeteners, fats, oils

- No added meat, pasta, rice, nuts, cheese, butter, herbs, spices, seasonings, marinades, dressings, condiments or sauces
- No French fries or tater tots
- No breaded or battered vegetables

(16) Canned Fish – as specified

- Pink Salmon – 6 and 7.5 ounce cans only
- Sardines – 3.75 cans only
- Tuna – 5 and 6 ounce cans only
- Any brand packed in oil or water
- Yes regular or low sodium
- No white or albacore tuna
- No organic
- No foil containers
- No added seasonings, flavors, or dressings

(17) Whole Grains

- Breads
- 16 ounce only
- No white bread
- No organic
- No additives such as herbs, spices, peppers, cheese, tomatoes, or raisins

- Brown Rice
- 14 or 16 ounce package
- Any brand
- Yes instant, quick, or regular
- No organic
- No additives such as herbs, spices, peppers, cheese, or tomatoes

- Tortillas
- 16 ounces package
- Whole wheat and corn
- No organic
- No additives such as herbs, spices, peppers, cheese, spinach, or tomatoes

- 100% Whole Wheat Pasta (16 ounce size only-any brand)
- Any shape (for example whole wheat rotini, penne, spaghetti, elbows, or linguine)
- No organic
- No egg noodles
- No added cheese, vegetables, sugars, fats, oils, salt (sodium), or other flavorings
- No pasta meals or canned pasta
- No gluten free or brown rice pasta
- No corn flour, chia seed flour, or flax seed

(18) Yogurt

Children 12-24 Months: whole milk yogurt

- Dannon-Whole Milk Plain, Vanilla, Strawberry
- Meijer- Whole Milk Plain
- Kroger- Whole Milk Plain, vanilla

Women and Children 2 years and older: low fat or fat free yogurt:

- Best Choice – Nonfat Plain, low fat Vanilla, low fat Strawberry
- Coburn Farms – low fat Plain, low fat Vanilla

- Dannon – Nonfat Plain, low fat Plain, low fat Vanilla, low fat Strawberry, low fat Strawberry Banana
- Essential Everyday – Fat Free Plain, low fat Plain, low fat Peach, low fat Strawberry, low fat Vanilla
- Food Club – Fat Free Plain, low fat Vanilla, low fat Strawberry
- Food Lion – Plain Nonfat, low fat Vanilla
- Great Value – Nonfat Plain, low fat Vanilla, low fat Strawberry Banana, low fat Strawberry, low fat Peach
- Kroger – Fat Free Plain, blended low fat Plain, Blended low fat Vanilla
- Meijer – Nonfat Plain, low fat Plain, low fat Strawberry Banana, low fat Vanilla, Whole Milk Plain
- Our Family – Nonfat Plain, Nonfat Vanilla, Nonfat Strawberry, low fat Vanilla, low fat Peach, low fat Strawberry, low fat Blueberry
- Yoplait – Nonfat Plain, Original low fat Vanilla, Original low fat Strawberry Banana, Original low fat Strawberry, Original low fat Harvest Peach
- Morning Fresh- Nonfat Plain, low fat Vanilla

NO organic

NO Greek or strained yogurt

NO artificial sweeteners (no Light & Fit, Carb Master)

NO drinkable yogurt bottles or frozen yogurt

NO mix-in ingredients such as granola, candy pieces, honey, or nuts

4. Inventory

- a. Must stock, at all times, in the store.
- b. Food must be within manufacturer's expiration date, sell by, best if used by or other date limiting the sale or use of the food item
- c. Two monitor visits to store – if not in compliance contract will be terminated or non-renewed.
- d. Termination periods – 60 days-1st offense, 90 days-2nd offense, 120 days for each subsequent offense.

5. Pricing

- a. Display the prices (shelf prices) of WIC foods on each item or on the display case or shelf where those items are located. Cost Plus 10% stores must post final price as WIC price on the shelf or use signage in the aisle.
 - 1) Two monitor visits to store – if not in compliance contract will be terminated or non-renewed.
 - 2) Termination periods – 60 days-1st offense, 90 days-2nd offense, 120 days for each subsequent offense.
- b. Charge the WIC Program the current shelf price or less. In no event shall food costs charged exceed the shelf price of the food provided. In the event more than one price is posted for an individual item, the lower price is to be charged.

6. Kentucky WIC Approved Shelf Tags

Correctly identify Kentucky WIC approved foods using only shelf tags approved or provided by the Kentucky WIC Agency.

7. Procedures for Redemption including a review of all the Vendor's Responsibilities (See Manual for Contracted WIC Vendors)

- (1) Comply with all policies and procedures contained in the Manual for Contracted Vendors and Kentucky WIC Vendor Agreement.
- (2) Accept only those food instruments issued by a Kentucky WIC Agency.

- (3) Accept only those food instruments within the issuance dates.
- (4) Allow a WIC participant to use other forms of payment for purchases in excess of the benefits.
- (5) Accept food instruments without any alterations.
- (6) Allow only approved foods as specified on the food instrument. Do not substitute foods or allow more than the amount of food specified – only cheese may be issued in 2 (8 oz.) quantities to equal 1 lb. and adult cereal may be issued in ounces to be equal to or less than the amounts specified.
- (7) Do not require participant, parent, caretaker, or proxy to purchase all foods listed on the food instrument. Do not provide rain checks, IOU's, due bills, cash, or any type of credit, or provide incentive items such as diapers, strollers, lottery tickets, etc., to encourage participants to redeem benefits in your store.
- (8) Repay to the State Agency any documented overcharges and to refund to the State Agency any payment previously made on improper or invalid food instruments.
- (9) Dispense WIC food items to participants, parents, or caretakers of infant or child participants or proxies within the confines of the store, more specifically, within the four (4) walls of the establishment. Drive-up windows and home deliveries are prohibited.
- (10) Understand the scanner system identifying WIC approved foods is not fail proof; the current WIC Approved Food List is the final authority and should be utilized to avoid confusion.
- (11) Allow WIC participants, parents, or caretakers of infant or child participants or proxies to use store loyalty cards, cents off coupons, "buy one, get one", promotions, and to afford WIC participants the same discounts and benefits as offered other customers.
 - 1) Buy one, get one free:
 - If the cardholder has one or more units and/or a sufficient benefits balance that can be applied to the advertised food item, only the value of the purchased food item shall be deducted from the benefit balance or charged to the WIC Program.
 - 2) Buy one, get one at a reduced price:
 - If the cardholder has at least two of the food items in a benefits balance, then both units shall be deducted from the balance. State WIC Agency reimbursement shall be for the full price for the first food item and the reduced price for the second food item.
 - If the cardholder has only one unit of the food item in the benefit balance, the unit shall be deducted from the balance and cash, or other payment shall be used to purchase the second food item at the reduced price. State WIC Agency reimbursement shall be for the full price of the first food item. The second food item is not reported to the State WIC Agency.
- (12) A vendor must not:
 - Solicit a WIC participant's business or that of a parent, caretaker, or a proxy on the premises of any Health Department or other authorized WIC Agency.
 - Make any physical changes or alterations to the food instrument.
 - Honor food instruments that appear to have been altered.
 - Substitute any foods or allow more than the amount of food specified on the food instrument.
 - Allow a WIC participant, parent, caretaker, or proxy to exchange WIC foods for cash or other non-approved items. In the event that a WIC food item is defective, spoiled, or have exceeded its sell-by/use date, etc., an exchange may be made only for the exact brand and size of the original food item returned by the participant.
 - Request the participant's confidential PIN (personal identification number) or confiscate the eWIC card at any time.
 - Charge sales tax on WIC foods.

- Seek restitution from a participant, parent, caretaker, or proxy for food instruments not paid or fully paid by the WIC Program.
- Require a participant, parent, caretaker, or proxy to purchase other foods at the store in order to redeem WIC food instruments.
- Charge the Program for foods not obtained by the participant, parent, caretaker, or proxy.
- Make home deliveries.
- Improperly utilize the WIC acronym and the WIC logo as they are service marks owned by the Department of Agriculture (U.S.D.A.) and all rights belong exclusively to U.S.D.A.

8. Responsibilities of an eWIC Vendor:

- a. Implement and maintain a Food and Nutrition Services certified and automated system.
- b. To update software as required by changes to the WIC EBT Operating Rules and Technical Implementation Guide.
- c. Accept liability for any redemption of WIC benefits.
- d. Accept as payment in full the not-to-exceed (NTE) amount for each WIC approved food item.
- e. Ensure that the most current Approved Product List (APL) is installed in the store system.
- f. Provide capability for the WIC participant to retrieve benefit balance while in the store.
- g. Provide a receipt to WIC participants, parents, or caretakers of infant or child participants or proxies at the time of transaction. See Forms in this Section.
- h. Ensure a process that allows the WIC participant entry of their PIN in a manner that protects the security of the PIN.
- i. Maintain the certified automated system in a manner necessary to ensure system availability for the WIC Program redemption processing during store operational hours.
- j. Shall not charge the WIC Program participant any fee, either directly or indirectly, arising out of or associated with operating, maintaining, or processing electronic transactions.
- k. Provide timely transaction documentation as requested and fully cooperate in resolution of any dispute arising in relation to a WIC redemption.
- l. Contact Local Health Department:
 - (1) If eWIC card is found in store
 - (2) To report a customer for behavior/abuse (See Forms in this Section)

9. Not To Exceed (NTE)

- 1) NTE is the maximum amount the WIC Program will pay for a specific food item redeemed at a vendor in a specific peer group. Kentucky classifies its vendors into twelve (12) peer groups based on sales volume and region.
- 2) The NTE is calculated from the prices by Universal Product Code (UPC) that are submitted through eWIC transactions by each authorized retailer.
- 3) An average redemption price is calculated on a weekly basis.
- 4) NTEs are applied to each food item when a transaction is presented for approval. If the price exceeds the NTE, it is reduced to the NTE value in the settlement file. The approved transaction returned to the store indicates if a price was reduced and the amount the vendor will receive as reimbursement for that transaction.

10. Submission of Vendor Sales Information and Sales & Use Tax forms within time frames required. First offense – sixty (60) days termination; second offense – ninety (90) days termination; and one hundred twenty (120) days for each subsequent offense. Refer to Manual for Contracted WIC Vendors.
11. Training
 - a. Vendor may request additional training
 - b. Vendor responsible for training employees
 - c. Vendor responsible for actions of employees
12. Sanctions – See Attachment D of the Kentucky WIC Vendor Agreement and State Regulation 902 KAR 18:061.
13. Agreement
 - a. Does not constitute a license of property interest
 - b. Request that signers read the Agreement in its entirety
 - c. Void at the time of sale, lease, or death of owner
 - d. Reporting of complaints regarding participants or other vendors
15. Training Tools
 - a. Training information from the State WIC Office
 - b. Manual for Contracted WIC Vendors
 - c. WIC Approved Food List (WIC-40)
 - d. Kentucky WIC Vendor Agreement (WIC-13)
 - e. Administrative Regulation 902 KAR Chapter 18
 - f. WIC Approved Food Shelf Tags
 - g. WIC Direct Training Videos at www.youtube.com (type “WIC Direct System” in the search window)
 - h. WIC Direct Stand-Beside Cashier Manual
 - i. WIC Direct Stand-Beside Administrator Manual

VENDOR MONITORING AND VENDOR SANCTIONS

- A. Monitoring of vendors is performed in order to ensure vendors continue to meet the criteria for selection of vendors, detect training needs, prevent Program abuse and target high risk vendors.

The State WIC Office will:

1. Monitor every authorized grocery store. (Does not apply to pharmacies.)
 2. Identify high risk vendors by using criteria established by the State WIC Office and federal regulation.
 3. Review a vendor's adherence to competitive pricing.
 4. Perform overcharge reviews, desk audits for overcharging, inventory audits and apply the appropriate corrective action, claim, or sanction.
 5. Request repayment for items which are overcharged, invalidly or improperly redeemed, in addition to applying the appropriate sanction.
 6. Recommend vendors for compliance buys to the Office of the Inspector General and apply the appropriate sanction, if applicable.
- B. When a vendor sanction is issued, the State WIC Office will notify the vendor, in writing, of sanctions to be imposed for the documented abuse. Sanctions will be imposed for the type of abuse as stated in the Administrative Regulation 902 KAR 18:061, which notes the type of abuse and the sanction for that abuse. A vendor has fifteen (15) days from receipt of notice to appeal an applied sanction.
1. If sanctions are brought against a WIC vendor, the local agency will:
 - a. Receive a copy of the sanction.
 - b. If requested by the State WIC Office, consider whether an imposed sanction period would create inadequate participant access in accordance with 902 KAR 18:071.

FORMS

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Kentucky WIC Manual for Applying Retailers

Purpose	This form is to be utilized by retailers desiring to be a WIC vendor.
When To Use	This form is sent a vendor upon request.
Where To Obtain	This manual is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

KENTUCKY WIC MANUAL FOR APPLYING RETAILERS



October 2016



Kentucky Public Health
Prevent. Promote. Protect.



Manual for Contracted WIC Vendors

Purpose	This form is to be utilized by WIC vendors.
When To Use	This form is sent to a vendor upon authorization to be a WIC Vendor.
Where To Obtain	This manual is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

MANUAL FOR CONTRACTED WIC VENDORS



October 2016



Kentucky Public Health
Prevent. Promote. Protect.



Kentucky WIC Program Retailer/Pharmacy Application

Purpose	This form is to be utilized by retailers desiring to be a WIC vendor.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	This application is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

Kentucky WIC Program Vendor Application Update

Purpose	This form is to be utilized by retailers desiring to be a WIC vendor.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	This application update is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

Kentucky WIC Vendor Agreement

Purpose	This form is to be utilized by authorized retailers applying to be a WIC Vendor and at contract renewal.
When To Use	This form is sent to a vendor upon authorization from the State Agency.
Where To Obtain	This application update is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

VENDOR / DRUG STORE TRAINING CHECKLIST

Purpose	This form indicates items addressed in the training.
When To Use	This form is given to a vendor at the time of initial authorization and at subsequent training sessions.
Instructions	<ul style="list-style-type: none"> • Store Name is the name of the store given by the vendor • KY WIC Vendor Number is the unique number that has been or will be assigned by the State WIC Office. • Store representative(s) at training is a list of vendor personnel present at the training session and their respective positions within that establishment. • There is a list of seventeen (17) items that the vendor acknowledges as having been explained in a training session. • Store or Corporate Representative is the signature and title of the authorized representative of the vendor who was present at the training session. • Kentucky WIC Program Representative is the signature of the State WIC Office person who provided the vendor training.



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KY WIC VENDOR TRAINING CHECKLIST

STORE NAME (Please Print Legibly) KY WIC VENDOR NUMBER

STORE REPRESENTATIVE(S) AT TRAINING (Please Print Legibly)

STORE REPRESENTATIVE IS TO CHECK ITEMS AS THEY ARE EXPLAINED AND UNDERSTOOD.

KENTUCKY WIC APPROVED ITEMS PRICE LIST

Purpose	This form is to record applying vendors' shelf prices of WIC food items.
When To Use	This form is sent to a vendor upon request.
Where To Obtain	This price list is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

WIC VENDOR SALES INFORMATION

Purpose	This form is to record applying vendors' shelf prices of WIC food items.
When To Use	This form is sent to a vendor at the time of initial authorization and annual renewal.
Where To Obtain	This vendor sales form is distributed directly from the State Agency. Contact KYWICVendor@ky.gov

KENTUCKY WIC APPROVED FOOD LIST

Purpose	This form is official list of approved foods.
When To Use	This form is given to a vendor at the time of initial authorization, on an annual basis and as requested.
Where to Obtain	These tools are ordered directly from the State Agency by the vendor. Contact KYWICVendor@ky.gov



KENTUCKY WIC WINDOW DECAL AND SHELF TAGS

Purpose	These tools are used on the windows of the store and on the shelves.
When To Use	This form is given to a vendor at the time of initial authorization and upon request.
Where to Obtain	These tools are ordered directly from the State Agency by the vendor. Contact KYWICVendor@ky.gov

WINDOW DECAL



Shelf Tag



SAMPLE WIC PURCHASE RECEIPT

Purpose	This receipt shows the WIC approved food items the WIC participant has purchased and the remaining benefit.
When To Use	This receipt is given to the WIC participant following each food purchase.
Instructions	<ul style="list-style-type: none"> • #1 Merchant ID is the eWIC electronic number identifying the vendor. • #2 is a list of the WIC approved foods purchased. • #3 is the remaining benefit balance. • #4 is the expiration date of the benefit balance.

```

Sample WIC Purchase Receipt
1234567890123456789012345678901234567890123456789012
=====
                CDP Grocery
                951 Industrial Rd.
                Frankfort, KY 40601
=====
WIC Merchant ID: 4120 1      Term #: 234
                Trace #: 233432
                11/12/2007 12:31 PM

                Card #: *****1271

1 Gal. CDP Whole Milk (w)           $3.89
1 CDP Cinnamon Rolls                2  $4.56
1 Can Good Stuff Formula (w)        $14.23
2 CDP Good Cereal (w)
    2 @ $3.25                        $6.25

                Total Balance Due:    $28.93
                WIC Benefit Paid:     $24.37
                Cash Tendered:        $4.56
                Balance:               $0.00

                WIC Balance Remaining
1.00 Gal. Whole fluid milk
24.00 Oz. Cereal - hot and cold      3
2.00 Can Good Stuff Formula
4.73 $$$ Fruit and Vegetables

                Benefits Expire at 12:00:00 am on
                11/21/2007
                4

                Approval Code: 452334
1234567890123456789012345678901234567890123456789012
    
```

KENTUCKY WIC PROGRAM VENDOR COMPLAINT FORM

Purpose	<p>The completed form serves as documentation of a complaint against a WIC participant by an Authorized WIC Vendor. This form is for a Program Related Complaint.</p> <p>In the case of a Civil Rights complaint of discrimination, the complaint must be referred to:</p> <p style="text-align: center;">USDA Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, DC 20250-9410 fax: (833) 256-1665 or email: program.intake@usda.gov</p>
When To Use	The Form is to be completed by vendor personnel and mailed/emailed to the State WIC Agency when an incident that warrants a complaint regarding a WIC participant has occurred in the store.
Where to Obtain	This form is sent to a vendor or Local Agency upon request. Contact KYWICVendor@ky.gov
Instructions	<ol style="list-style-type: none"> 1. Store name is the name of the vendor's establishment. 2. Vendor Number is the unique number that has been assigned by the State WIC Office. 3. Address is the physical location of the store. 4. Store personnel's name, title, and phone number – self-explanatory. 5. eWIC Card # - self-explanatory. 6. Name of Participant – self-explanatory. 7. Date and time event occurred – self-explanatory. 8. Attach Receipt 9. Details of event – self-explanatory. 10. Email form to KYWICVendor@ky.gov
Local Agency Findings	The State Agency will follow up with the local WIC agency to address complaint and request from the local WIC agency documentation of actions taken by local agency as a result of a complaint.
State Agency Findings	The State Agency document all actions taken and will forward the finalized form to the local WIC agency for their files.
Retention	Forms must be maintained for three (3) federal fiscal years. Destroy by shredding.

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Kentucky WIC Program Vendor Complain Form

Store Name: [Click or tap here to enter text.](#)

WIC Vendor #: [Click or tap here to enter text.](#)

Address: [Click or tap here to enter text.](#)

Phone #: [Click or tap here to enter text.](#)

Store Personnel's Name and Title: [Click or tap here to enter text.](#)

Complete the information below, if available: